



Charter School Application
for
Experienced Operators

Revised January 2022

Exhibit B

Charter Application Overview - Experienced Operator

The applicant group’s **designated representative** will serve as the contact for all communications, interviews, and notices from ICSB regarding the submitted application.

Name of proposed Charter School: _____

Proposed Charter School location:* _____

**Indicate the city/ town and, if known, potential address or neighborhood of the school location. Virtual operators should indicate the relevant geographies the operator intends to serve.*

School district of proposed location: _____

Legal name of group applying for Charter: _____

Designated representative: _____

Contact Information (Phone & Email): _____

Planned opening year for the school: _____

Model or focus of proposed school:
(e.g., arts, college prep, dual-language, etc.) _____

Proposed Grade Levels and Student Enrollment

Complete Tab 1 of either the [Enrollment Plan for K-12 Schools](#) or the [Enrollment Plan for Adult High Schools](#), as applicable. Please ensure that you are completing the correct Enrollment Plan.

Target student population (if any): _____

Has or will an application for the same charter school be submitted to another authorizer either concurrently or in the near future?

Yes No

If yes, identify the authorizer(s): _____

Planned submission date(s): _____

List the number of previous submissions (including withdrawn submissions) for request to authorize any charter school(s) over the past five years, as required under IC § 20-24-3-4. Include the following information:

Authorizer(s): _____

Submission date(s): _____

Additional Information Required for Experienced Operators

Does the school expect to contract or partner with an ESP or other organization for Charter School management/operation?

Yes No

If yes, identify the ESP or partner organization.


Is Charter School proposing to replicate a proven school model?

Yes No

If yes, provide the name and location of at least one school where the model is in use.

Signature of Designated Representative

Name



Signature

Date

Proposed Amendment to Enrollment Plan

1. Please submit as part of your original Enrollment Plan worksheet. Existing information will be autofilled.
 2. Approved amendments will be reflected on your official Enrollment Plan on Sheet 1.

Name of Charter School:	Paramount School of Excellence - Lafayette
Current Grade Span:	K-8
Proposed Grade Span:	K-8
Proposed Maximum Enrollment:	450
Year 1 of Change (Format: "YYYY"):	2023

Current Yearly Enrollment By Grade Level

Grade Level	Year 1 2023-24	Year 2 2024-25	Year 3 2025-26	Year 4 2026-27	Year 5 2027-28	Maximum Enrollment
K	15	20	20	25	30	
1	15	20	25	30	35	
2	15	20	25	30	35	
3	15	20	25	30	35	
4	15	20	25	30	35	
5	15	20	25	30	35	
6	15	15	20	25	30	
7	10	15	20	25	25	
8	10	15	20	20	25	
9						
10						
11						
12						
Yearly Enrollment:	125	165	205	245	285	450

Proposed Yearly Enrollment By Grade Level

Grade Level	Year 1 2023-24	Year 2 2024-25	Year 3 2025-26	Year 4 2026-27	Year 5 2027-28	Maximum Enrollment
K						
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
Yearly Enrollment:						450

ICSB Charter School Application Narrative Paramount School of Excellence: Lafayette (PS 5)

EXECUTIVE SUMMARY

Targeted Size and Community

Paramount Schools of Excellence intends to open a K-8 Charter School in the former New Community site at 1904 Elmwood Ave in Lafayette, IN (47904). This is an existing property under PSOE control, with a 10-year lease (with purchase option) through a PSOE partner, Keystone Construction. With the expansion and new contracts acquired by GE and Subaru, the Lafayette community and greater Tippecanoe County community is one of the fastest growing population centers in the state of Indiana.

On March 5, 2021, IFF provided PSOE with a full breakdown of site and neighborhood viability for a charter school at the 1904 Elmwood Avenue location. Highlights from their summary are included as bullets below:

- The Property appears to be “turn-key” requiring only modest upgrades or modifications for a network school like PSOE. The building design is traditional in arrangement with hallways flanked by classrooms. This layout is consistent with PSOE’s other schools and the design supports the general principles of PSOE’s model.
- The Property has minimal outdoor space to support PSOE’s ecology and farming model. Vacant land nearby the school may be available for such purposes.
- The playground equipment appears to have been removed by the owner or prior tenant.
- School buildings are often sold or leased below rates typically found in the market and in other use categories. The cost to develop the property was most likely more than the current asking price as is the case with the sale of most school buildings. IFF did not find evidence that debt on the building exceeds the market value.
- The Property is located near the North End Community Center which is an anchor and potential community partner.
- Right Steps Dennis Burton is an Early Childhood Education center located one block north of the Property. Proximity to Right Steps could provide a feeder for children into PSOE or increase convenience for parents with multiple children spanning ECE and elementary school.
- The socioeconomics of the neighborhood surrounding the Property is principally lower income families which comports with PSOE’s service model and, with the exception of race, is consistent with demographics surrounding PSOE’s Indianapolis network schools.

Mission

The mission of Paramount Schools of Excellence (PSOE) is to empower all students to persevere and achieve academic success in a culture of excitement, inclusion, and community collaboration. This mission comes to life through a vision that places an emphasis on staff support, developing a school model that embraces the fundamental, overt practice of cultivating the “depth of

knowledge” of each student for each state academic standard, and by focusing on the community as an anchor institution for the surrounding neighborhoods.

Educational Plan

PSOE incorporates a hybrid instructional model that blends an effective teacher-modeled launch, efficient independent student work time, higher-order thinking, and real-world problem-solving extensions.

For curriculum, PSOE utilizes Savvas Learning as its primary resource for both Language Arts and Math in all grade levels. This curriculum has been vetted by network leaders and teachers and has shown consistent alignment to Indiana College and Career Ready standards. To supplement the core curriculum, PSOE utilizes aligned and rigorous digital platforms such as IXL for reading and math, Edulastic, Newsela, and Reading A-Z.

Paramount Schools of Excellence has designed its approach to education by reimagining what it means to support and retain high-quality teachers while protecting the purity and process within the academic environment. When combined with cultural responsiveness, normed behavioral standards, and a framework-based process of communication, a positive school culture with multiple pathways for student success emerges. At the primary level, emphasis is placed on readying students developmentally and creating proficient readers by the end of grade one. In all grade levels, instruction also includes technology as a global resource for enriching the curriculum and exploring content, allowing students to select paths for demonstrating and presenting their understanding of standards. Beyond the regular classroom, extended hours for after-school tutoring allow struggling students additional opportunities for remediation. The school model also includes art, music, Spanish, and physical education. These K-8 extended core classes focus on cross-content instruction, weaving mathematics, science, history, and language arts into their instruction.

PSOE uses data-driven instruction throughout the curriculum. Progress monitoring assessments specific to the curriculum are used to keep an ongoing representation of specific student achievement. This comprehensive use of student data allows staff to monitor, benchmark, and set goals for all individual students, as well as identify overall patterns of student achievement across and within grade levels. In addition to academic data, the school’s groundbreaking use of behavioral and categorical health data as a statistically significant indicator for academic intervention keeps the culture of growth both proactive and effective. The school’s Family Allies Community Team (FACT) further supports the school through innovative community outreach, involving the parent community in the student academic process through home visits and family training.

A rigorous system of formal and informal classroom observations, curriculum reviews, and meetings supports PSOE staff and provides feedback from the administration. Administration performs mandatory formal classroom observation with feedback at least once a year. In addition to the formal evaluations, all classroom teams have a weekly meeting with the administration, have

received weekly informal observations, receive timely feedback, and are provided ongoing support and professional development.

The School's unique environmental program (with Farm and Garden) plays an integral part in the learning process as well as creating strong ties to core thematic units. Each grade level has the opportunity to focus on primary aspects of the farm and garden. PSOE leverages environmental programming through the operation of a large school garden, a community greenhouse, peace park, goats, bees, chickens, and cheese-making (when applicable via local regulations). This environmental program is a signature to the school model and is designed to scaffold both excitement and real-world applications around standards-driven classroom content. The environmental staff ensures academic and community connectivity while progressing towards student ownership of sustainable practices. They also lead the school's student green team and middle school STEAM (Success Through Education Agriculture and Mentoring) summer student work program.

Community Engagement & Partnerships

Because of the school's strong community-based mission, the board and school leaders share in the responsibility to engage the greater community. For example, the school's CEO serves on the Brookside Neighborhood Association board (the flagship school's direct neighborhood) and serves as the board chair of Purdue Extension Marion County and the Felege Hiywot Center. The school takes a leadership role in community development, leading a festival for the neighborhood, engaging in neighborhood cleanups and celebrations, and hosting the annual TURN Festival, which supports urban sustainability. The school also fronts the annual NESCO Games, with 18 events over eight days for all 20 NESCO Neighborhoods and nearby organizations. PSOE will engage in a duplicative fashion in Lafayette, Indiana.

In November of 2021, PSOE opened "My Learning Nook", a storefront in Lafayette's Tippecanoe Mall. This store is funded partially through the state's 1008 grant. My Learning Nook is a DBA under the Paramount Schools of Excellence 501c3. This store engages the community's K-8 students by providing initial assessments, tutoring, and homework help for free (without concern for the school they attend). It also serves as a Learning Hub for families wishing to switch to virtual education (under the Paramount Online Academy Charter). Parents who utilize the My Learning Nook store become familiar with the Paramount Schools of Excellence model and are informed about the coming school in 2023 in Lafayette, Indiana. The Learning Hub is under contract to remain open until the school opens in the fall of 2023. Due to the volume of traffic in the Tippecanoe Mall, this effort dramatically expands the impact of PSOE's entrance into this new market.

Results and Capacity

Since 2013, Paramount School of Excellence has met or exceeded standard on nearly all authorizer (Mayor's Office) Indicators. Specifically, PSOE has shown the ability to consistently (year after year) achieve at a high academic level, while maintaining strong school leadership (no top leadership change since the organization opened its initial school in 2010).

On OEI Core Question 1 (Academics), PSOE has met or exceeded nearly all standards, including AYP, academic growth, and school specific goals. For the past seven years, PSOE (when ratings have been supplied) has received an “A” state accountability grade, with its flagship school achieving both Blue Ribbon and Green Ribbon status. In its initial year, PSOE’s 2nd school outperformed all school corporations in the State of Indiana. Since that time, COVID-19 has limited state testing comparisons, but PSOE’s second and third schools (both replications) have consistently outperformed their local competition.

Paramount has maintained a strong and consistent leadership team in a “grow from within” model, consisting of a 20-FTE central office team, five school leaders, and School Board.. The Paramount staff and board have maintained strong fiscal responsibility, allowing the organization to grow over time. Paramount’s strong results on long term financial health metrics have helped to ensure financial resources and capacity to replicate the current K-8 model with fidelity.

Paramount has worked hard to comply with all compliance obligations from its authorizers, the Department of Education, and the federal government. PSOE has consistently met or exceeded all mayor’s office accountability standards in terms of facilities and operations.

Paramount School of Excellence in Lafayette will be PSOE’s 5th school, and 3rd replication of the flagship model. Because this latest school will be an exact replication of PSOE’s K-8 model, the existing systems and structures for support will help to ensure that this charter school will follow the same pathway of success.

As part of the PSOE Network, Paramount School of Excellence in Lafayette will adhere to all ICSB performance indicators.

SECTION I: Evidence of Capacity

- 1) PSOE has provided, as **Attachment 1**, current resumes for each member of the governing board, the organizational leader, key staff members, and any third parties who are or will be involved in the school’s development, governance and/or operation.
- 2) For each individual identified in this section, we have highlighted the qualifications for or experience with establishing a high-quality charter public school in Indiana and assuming stewardship of public funds, including capacity in the following areas:
 - a) School leadership, administration, and governance.

All school board members listed in Attachment 1 participated in an organizational strategic planning process in the fall and spring of 2020-21. This process included a plan for scaling to this additional charter school. And, all but one board member (due to recently joining) has been through a charter school application, pre-opening, and opening process, with a majority of the board (6 members) having been present in a board capacity for the opening

of every PSOE replication to date. For this reason, the PSOE board is well positioned to provide strong governance and wisdom through the process of additional school replications.

The CEO and CAO of PSOE have also been with the organization during every replication. And, the CAO (Kyle Beauchamp) was the first school leader of PSOE's first replication, so his knowledge from the school leader's point of view adds clarity and wisdom for the incoming new leader of Paramount School of Excellence in Lafayette.

b) Curriculum, instruction, and assessment.

PSOE utilizes a codified academic system that allows for an exact duplication of the curriculum, and instructional and assessment processes. This enables all campuses to operate in sync and allows for cross-campus resources for school leaders and instructional leaders. The CAO of Paramount Schools of Excellence manages these codified processes with a central office team consisting of two academic coordinators, a special education director, and ELL director. This central office team provides observation, feedback, and support systems for school leaders, increasing the capacity of school leadership through replication. All academic processes are overseen by the CEO.

c) Financial, business, and human resources.

PSOE central office financial processes are led by the CFO with budget and procedural oversight provided by the CEO. All financial transactions adhere to codified PSOE financial policies, which align well with SBOA best practices. PSOE also utilizes Bookkeeping Plus Incorporated (BPI) for back-end bookkeeping support and an unbiased 3rd party opinion on AP/AR, vouchers, and coding. Along with board oversight for financial policy and financial approvals, the PSOE financial process has yielded clean audits for the past five years, while protecting a strong cash balance for supporting the new school scale. The current central office accounting team consists of five FTE (CFO, Bookkeeper, Bookkeeper, Grants Manager, Grants Manager).

PSOE HR is led by the central office Director of HR and is supported by an HR Assistant. Prior to working at PSOE, the HR Director was on the HR team for IPS managing a share of principals and schools in the IPS portfolio. To provide additional capacity for school scale, and additional HR assistant will be added to the PSOE central office team in the fall of 2022. This team works closely with the operations manager in each school to ensure that all onboarding, benefits, and employee support needs are met. This team will act in the same manner with the new school in Lafayette, providing support for new hires as the school grows.

d) Performance management.

Similar to academic, financial, and HR management, performance management is overseen by the PSOE central office team and led by the CAO. As a data-driven organization, academic performance is managed similarly to employee performance with codified systems in place to track student performance and codified evaluations in place to measure employee performance in real time. PSOE also leverages the central office team alongside the school principal and assistant principal to maintain a consistent system of staff observations, feedback, and support. This system relies on a regular schedule of observations (tied to performance expectations) with immediate personalized feedback and support for growth. In addition to performance management of staff, all teaching staff at PSOE are required to select a master teacher track or an admin track. This process helps to focus performance management in the direction the best suits the teachers aspirations for growth within the PSOE system.

These systems of management are currently in place and functioning at a high capacity in existing PSOE schools, so there is a strong sense of vetted capacity for replication into the new Lafayette school.

e) Parent and community engagement.

PSOE operates My Learning Nook in the Tippecanoe Mall in Lafayette. This store offers free testing, tutoring, and homework help to all interested families. Due to it's unique model of free service, parent and community engagement efforts are already underway. In addition to the My Learning Nook store, all PSOE schools utilize a Family Allies Community Team (FACT); a group of school parents or community members hired as school liaisons with the goal of connecting meaningfully with each school family within the school year. (*A meaningful connection is defined as a meeting virtually, in the community, home, or school that addresses supporting student academic success in school/family partnership.*) Each school's FACT program is managed by the site principal. Prior to the principal being selected for a new site, these efforts are managed by the central office team with direct support from the CEO.

PSOE schools strive to become an anchor in the community through their initiatives in health, behavior, academic rigor, and sustainability. In doing this, they make use of exciting components like community fairs, neighborhood cleanups, robotics, recycling, composting, cheese-making, beekeeping, and farming.

Paramount Schools of Excellence in Lafayette will replicate this community philosophy, working cooperatively with local businesses, organizations, and families to create an optimal educational experience for all students, no matter where they reside. Paramount accomplishes this through an "all in" approach, ensuring that the FACT Team (Family Allies Community Team), School Community Organization team, staff, parents, and community work within the Paramount mission of transforming communities through changing lives.

3) Description of the governance structure of the proposed school.

The PSOE board is composed of a president, vice president, secretary, treasurer, and members at large. Currently Paramount has a total of nine members, with an intent to not grow above 11 or below 7. All board members serve on specialized committees that dig deeper into areas of attention; these are Academic & Governance, Finance, Opportunity, Long-Term Benefits, and Strategic Planning. Members serving on these committees were chosen based on their skill set. The board meets the third Tuesday of each month, and committees meet multiple times per year. All board and committee work is based on annual board and school goals, with checkpoints throughout the year. A driving factor in these goals is the accountability frameworks outlined by the school's authorizer. The board uses annual authorizer accountability reports to measure the success of the schools and overall organization.

CEO evaluations are conducted by the board and consist of metrics related to authorizer accountability reports (meets or exceeds in all categories), fiscal health and responsibility of the organization, state academic performance, and organizational stability. These metrics are addressed at monthly board meetings and during committee meetings.

The board has open door public meetings each month where stakeholders (parents, teachers/staff, students, and community members) are invited to share ideas and discuss areas of improvement for the schools. These meetings are advertised on the school's website and in the front office of each school.

PSOE has provided, in **Attachment 2**, a completed and signed Statement of Economic Interest & Conflict of Interest Form for each governing board member.

4) Advisory bodies or councils, including the planned composition, roles and duties, and the reporting structure with respect to the governing board and school leadership:

To allow for local support and guidance, Paramount School of Excellence in Lafayette will incubate a local Board of Advisors beginning fall 2022. This board shall be called the "Paramount School of Excellence Lafayette Board of Advisors". It is authorized by the Paramount Schools of Excellence Board of Directors and will serve at the pleasure of the Board of Directors. The Board of Advisors is created for the purpose of working with the PSOE Board of Directors with respect to all matters relating to the establishment and operation of new school.

The Board of Advisors shall have no legal responsibilities and is formed to give advice and recommendations to the PSOE Board and PSOE executive management team. The Board of Advisors cannot compel the PSOE Board or staff to act on its recommendations or feedback. The Board of Advisors shall provide the PSOE Board and executive management team with objective opinions and recommendations about the establishment and operation of the school, including without limitation, the following: Financial sustainability and fiduciary responsibility, application of and adherence to board policies, fundraising, enrollment, and community connectivity.

The Board of Advisors shall appoint a Chairperson who shall serve as an ex officio member of the PSOE Board of Directors. The PSOE Board Chair (or designee) shall serve as an ex officio member of the Board of Advisors.

The Board of Advisors will meet at least four times per year. Minutes of each meeting will be kept. An electronic copy will be emailed to the PSOE Board and executive management team within two weeks after a meeting.

Recommendations and Reports: All Board of Advisors' recommendations and reports will be submitted in writing to the PSOE Board, including both suggested actions and justification for suggestions. The PSOE Board will respond/react to such recommendations/reports in writing.

5) School leader identification.

While PSOE has not yet ratified a school leader position, a leader has been identified. Mrs. Heather Brooks was brought on board by PSOE in October of 2021. She is currently the site coordinator for PSOE's My Learning Nook store in the Tippecanoe Mall in Lafayette, Indiana. She is a former Middle School Assistant principal from Roosevelt Middle School in the nearby Twin Lakes School Corporation. She is also a former teacher in the Tippecanoe School Corporation. Her experience in the classroom and with local administration demonstrates knowledge and understanding of leadership in the Lafayette area. Furthermore, her ongoing experience with site visits in PSOE schools, collaboration with PSOE leadership, and leveraging the PSOE academic system in the My Learning Nook store continues to build her capacity in the PSOE system.

6) School leader as founder: N/A

7) Key members of the school's administrative/management team.

The central office team for PSOE is called the Navigation Team (or NAV). This team provides supports for all schools in the network. Key to this effort from the Navigation Team is the leadership from its executive team (CEO, CAO, CFO, and VP of Operations). The individual roles for replication for these executive members are described in section 2 above with resumes included in section 1 above.

8) Describe the decision-making authority of the governing board and school leader.

The PSOE board focuses its governance on policy, finance, compliance, and academic oversight. The board has direct, evaluative oversight of the CEO and has voting approval over system-wide performance goals, policies, budget, finances, and accounting. Now that the PSOE system has developed into a network, the Navigation Team (Central Office Team) serves as an extension of the board via the CEO and executive team. The Navigation Team has ownership of the day to day operations, implementation of the school model, and management of the schools system. The chart below provides an explanation of the delineation of duties and responsibilities with the PSOE system.

Key

A	Approval
O	Ownership
I	Implementation
R	Review

	Board	Central Office	School leader
Curriculum	A/R	O	I
Culture	R	O/A	I
Performance Goals	A	O	I
Policies	A	O	I
Recruitment & Hiring	R	O	O
Community Relations	R	O/I	I
Facilities Management	R	O	I
Contracting & Procurement	R	O/I	R
Budget	A/O	O/I	I
Finance	A	O/I	I
Accounting	A	O/I	R

9) Education Service Provider:Network Capacity (if applicable)

PSOE currently operates one or more schools, and has provided a list of network schools as **Attachment 3:**

- 1) PSOE has provided the last two (2) years of consolidated audited financial statements for the network and for all schools operated by the network that are located in the Indiana;
- 2) The following is a description of PSOE's capacity to support and ensure the quality and long-term success of the proposed school as a new school within the network, including evidence of organizational capacity (human capital, financial, information systems, etc.) to open and operate the school:

PSOE has replicated its initial K-8 model into a new K-4 (Paramount Cottage Home), 5-8 (Paramount Englewood) and a virtual school (Paramount Online Academy) in the past four years. In its initial year of replication, Paramount Cottage home scored higher (academically) than any other corporation in the state of Indiana. All new schools have outperformed local competition since their opening. And, while new schools were scaling, the flagship school (Paramount Brookside) was awarded both a Blue Ribbon and Green Ribbon from the Federal Government. Additionally, the PSOE network of schools has managed a higher days cash on hand balance than required by its authorizers through all scaling efforts. While developing a permanent site for Paramount Cottage Home, PSOE was awarded a building loan through Schola, which was a first in the state of Indiana due to its rigorous due diligence requirements and high standards for qualification.

Recently (2020-21), PSOE partnered with the Charter School Growth Fund to complete strategic planning so that the future goals of the organization included the addition of capacity and intentionality to the current plans for scale. Most notably, this plan calls for a steady expansion of central office support that will assist in new school launches, especially in the areas of academics, operations, finance, and HR. During the upcoming three years of scale, the Charter School Growth Fund is providing financial support to assist in scaling central office expansion.

3) Anticipated risks and challenges to expanding the existing network.

Outside of legal scandal, academic and fiscal failure are the top two key catalysts for charter school failure. Because the PSOE academic system is codified and proven through replication, the organization feels strongly that the risk of academic failure is very low. In terms of fiscal responsibilities, the PSOE network has always budgeted conservatively in a model of catastrophic budget expectations. By “catastrophic”, the organization intentionally leverages “worst-case-scenario” finances related to enrollment and grant income. PSOE plans each upcoming year from these low income expectations to make sure that the organization is financially solvent even within the worst financial outcomes. The annual expectation then, is that the organization will meet and exceed budgeted income and budgeted enrollment. In this way, a surplus can be generated, offering the organization financial flexibility and strong capital reserves for supporting refinement and expansion.

But, enrollment-based income, even with catastrophic budgeting, remains a subjective variable when opening new schools. This variable cannot be accounted for beyond setting conservative expectations. The PSOE network understands this variable as the most critical challenge for scale and plans to mitigate the challenge in the following ways:

- **Visibility:** PSOE has created a mall store in the Tippecanoe Mall (10-minutes from the proposed school’s location) called “My Learning Nook”. This store provides free benchmark assessments, tutoring, and homework help to all K-8 students (regardless of school) free of charge. This store is generating a large following of families who utilize

PSOE services. These families represent potentially interested prospects for the new school. While this is indirect marketing, the effort builds trust, builds up the PSOE brand in the new market, and exposes families to components of the PSOE model 21-months (it opened Nov 2021) prior to the anticipated school opening.

- Direct Marketing Campaign: Through the central office, PSOE will lead direct marketing campaigns in Lafayette and the surrounding area. These campaigns will consist of targeted and geo-fenced social media campaigns, and post card, banner, billboard, and yard sign campaigns. Locally, the My Learning Nook staff will lead door to door campaigns, and represent the new school in city events and neighborhood meetings.
- Prior Charter Enrollment Recruitment: PSOE will occupy the same building as a former charter school called New Community School. This school was in operation (authorized by Ball State) for just over a decade and closed in 2016. It had a very passionate and loyal following and, after talking with some of the former board members, PSOE anticipates that some of those families may opt to return to the site under new leadership and organizational structure.

SECTION II: School Design

Innovation

- 1) An explanation of how the proposed model is different from traditional school models.

Paramount Schools understand that the success of students is a bi-product of a strong and supportive academic environment, engaged students and families, a commitment to the community, and high expectations for all students. Paramount has a strong reputation for blending these characteristics together to create a high performing school environment.

Family and community engagement is a core part of the PSOE mission. Like all PSOE schools, PS 5 will have a Family Allies Community Team (FACT). This team of two works to engage families through home visits, conduct needs assessments, leading the school community organization meetings, and planning family functions at the school.

The PSOE model emphasizes a data driven and standards-based approach to learning. Throughout the year, teachers and network leaders work collaboratively to analyze and disaggregate data to ensure students are on pace to master Indiana College and Career Ready Standards.

All PSOE schools, including PS 5, collaborate by grade level and department weekly through strategic planning sessions. This allows for aligned, rigorous, and high quality academic programming. Additionally, the weekly planning sessions will allow PS 5 teachers to norm data and codify academic programming to ensure full model fidelity.

To ensure the continued growth and development of teachers, Paramount provides a focused and codified approach to coaching teachers. The PSOE drive thru rubric focuses on 10 key components

to effective teaching including classroom management and environment, focus on standards, student mastery of content, differentiated practices, and data-driven instruction. Additionally, PSOE focuses on teacher retention through authentic investment in teachers. The Paramount Career Pathways Program allows teachers to participate in one of four supportive professional learning cohorts: The Master Teacher Track, The Administrative Track, the New Teacher Academy, and the internal Teacher Residency program for aspiring teachers.

- 2) Available evidentiary basis for the efficacy of the model or for the ideas underlying the model.

The model for PS 5 will be in full alignment with the high performing PSOE model which focuses on standards-based instruction, a data-driven approach, and unprecedented support for teachers and students. Over the last 11 years, PSOE has been one of the highest performing school networks in the state of Indiana. Paramount Brookside has been an A-rated school for the last 8 years. In 2017, the US Department of Education awarded them with the Blue Ribbon Schools of Excellence award for their ability to achieve at a high level on the state assessment, close key demographic subgroups, and maintain attendance rates at 95% or higher. In 2018, PSOE's first replication school, Paramount Cottage Home, was the highest performing school in the state on the ILEARN assessment with 77% of students passing.

- 3) How the model will still permit ICSB to hold the operator to the same high accountability standards to which it holds all authorized schools.

Paramount Schools of Excellence three on-campus schools in Indianapolis are authorized by Indianapolis Mayor's Office of Education Innovation (OEI). As a school network, we understand and embrace the high standards of excellence that our schools are held to. The PSOE Network team and school leaders work hard to create internal goals that are rigorous and allow us to maintain competitive in all metrics compared to schools all over the state of Indiana. With strong academic systems, a conservative and innovative fiscal approach, and consistent governance oversight from the board of directors, PS 5 will be in a strong position to meet or exceed ICBS standards and we welcome the opportunity to collaborate with the ICSB team and other schools in the ICSB portfolio.

Curriculum and Instructional Design

Paramount understands the urgency in providing students with continuous and real-time instruction in a changing landscape of family educational needs. PS 5 utilizes standards-based, data-driven work, an intentional daily schedule, frequent communication, and school-provided 1-1 technology (grades K-8) allowing students to continue to grow in a manner consistent with Indiana's rigorous college and career ready standards. Digital learning platforms are integrated into each classroom to add supplemental rigor and further prepare students for standard mastery and the complexity of the Indiana state assessment.

PS 5 academic programming aligns with the high performing Paramount network system. Paramount's academic success is based on intentional, focused instruction of grade-level standards in a safe, controlled learning environment. Key concepts within the instructional frameworks are student understanding of the learning target, prioritized independent practice over lecture or group work. The PS 5 model mirrors this approach that has been used at our high performing school network environments. Students receive daily standards-based lessons with key learning targets. After each mini-lesson, students grapple with academic concepts using PSOE approved digital curriculum (Savvas, Edulastic, IXL) for independent practice. Each lesson culminates with a standards-based assessment that aligns to the learning target so that teachers can measure academic mastery of the concept.

The primary ELA, Math, and Science curriculum that PS 5 will utilize is Savvas (formerly Pearson). This was chosen by a panel of PSOE leaders and teachers primarily for its strong alignment to Indiana standards, high rigor, and digital platform features. To supplement the core curriculum, PS 5 will use digital platforms such as IXL, Edulastic, Lumos Learning, and Newsela. In addition, PS 5 will train all elementary instructors in the Orton Gillingham multisensory phonics program.

Class sizes at PS 5 will average 25 students to allow for a manageable support structure for instructional staff. Each classroom has a licensed teacher and an instructional assistant in order to maintain a responsible staff to student ratio and ensure all learning needs are met. The PSOE network has a Talent Acquisition Coordinator to be able to recruit licensed teachers to all PSOE schools. To build strong internal teaching depth, PSOE launched an internal teacher licensure program through Marian University.

- 2) Instructional strategies that the school will implement to support the education plan. Methods and systems that teachers will use to differentiate instruction, remediation, and intervention to meet the needs of all students.

The educational philosophy of Paramount Schools of Excellence is to offer an unparalleled academic approach to education for every child. This is accomplished by developing a school model that embraces the fundamental, overt practice of cultivating the “depth of knowledge” of each student for each state academic standard and learning target. PSOE incorporates a hybrid instructional model that blends an effective teacher-modeled launch, efficient independent student work time, and higher-order thinking, real-world problem-solving extensions. The instructional approach for PS 5 is highlighted below:

Cyclical Instructional Model

Research shows that both adults and children are incapable of effectively multitasking. Therefore, each mini-lesson focuses on one concept, and students always have only one task to focus on at a time (e.g. taking notes, solving a problem, responding to a prompt).

The cyclical framework for typical instruction at Paramount moves through these steps:

- A Mini-lesson focused on one key academic concept

- Targeted guided practice with a gradual release to independent work
- Independent practice with teacher facilitation and live data tracking of mastery
- A rigorous standards-based assessment that tracks class mastery of the standard

Each content-based lesson starts with a live mini-lesson. This mini-lesson begins with the teacher explaining one focused concept/standard and then modeling the thought process of what "excellence" from the students looks like. Teachers don't assume the students have mastered the standard (even when the lesson is reviewed), and start with the assumption that this is an introduction, not a review. Teachers gradually release with the approach of:

- I (the teacher) do, you (the students) watch.
- I do, you help.
- You do, I help.
- You do, I watch.

As students gain mastery of the concept, they are released to independent work time. Students who are still not mastering the concept during this period are provided another small-group re-teach until they can comfortably work independently. This is a form of differentiation that allows students to work at their own pace while ensuring all students are working towards mastery of the learning target.

Real-Time Academic Feedback and Use of Exemplars

Ensuring that students are receiving live and meaningful academic feedback and are provided with ample resources while working independently are key levers in student success. PS 5 teachers utilize real-time academic feedback and exemplar finished products to ensure that students are working towards mastery and not operating on an "island". Real-time academic feedback is provided to students through the following mediums:

- Live 1 on 1 check in's during independent practice time
- Savvas Quick Checks
- Digital feedback through IXL and Kahoot
- Computer-Based writing scoring through Smarter Balanced, ClearSight, Lumos
- Standards-based assessment live results on Google Forms

Whole Brain Learning and Student Response Systems for Engagement

During lessons, teachers are expected to continue emphasizing the learning target and academic concept while ensuring full engagement through whole-brain learning and student response systems. Whole-brain learning ensures that students use all parts of the brain to retain key information. The strategy focuses on engaging the brain by having students repeat key words about the lesson.

Student response systems are used during the gradual release process to measure for student mastery of the learning target. These systems provide interaction and engagement throughout the lesson. An example of a student response system that works well would be student white board

use. The teacher provides a question and the students have to write their answers on a white board in 2 minutes or less. When time is up the student puts their whiteboard up in the air and the teacher tracks mastery before moving on to independent work.

- 3) Key educational features that would *differ* from the education model used by the current school(s) operated by the PSOE network.

Paramount Schools has a fully codified approach to all organizational systems including academic programming. This approach will not change for PS 5. The PSOE network has undergone professional codification of its systems by a third party consultancy firm to ensure fidelity in replication. No changes will be made to the PS 5 educational programming.

- 4) PSOE has provided, as **Attachment 4**, a core curriculum scope and sequence by subject, for each grade level proposed, that demonstrates clear alignment with Indiana's Academic Standards.

The PS 5 grade level curriculum maps are designed to maintain a standards-based learning environment with a specific focus on the following:

- Standard breakdowns that align yearly scope and sequence to IDOE power-standards and state assessment blueprints.
- “Whole Brain” statements that ensure students understand what they need to learn in each learning target.
- 3 points of entry for each learning target, ensuring all students have a starting point with each academic standard and students are being challenged with higher DOK iterations of the same standard
- Data-driven checks to ensure at least 80% of students have mastered a learning target. Those targets that have not been marked as at least 80% mastery are flagged for a re-teach.
- Aligned resources and digital curricular materials that allow students to be independent while getting important repetition with the academic skill and learning target.

- 5) PSOE has provided, as **Attachment 5**, the school's proposed calendar for the first year of operation, as well as the weekly schedule of classes.

PS 5 will follow the PSOE district schedule and a school year calendar aligned with that of the other PSOE schools (see Attachment 6 for sample). The school year meets and exceeds the number of days and time required by the IDOE. The school year is broken up into four 9-week quarters. Parents receive academic performance reports 8 times per year (midway through each quarter and at the end of the quarter). The current calendar for 2022-2023 allows PSOE teachers to navigate successfully through their yearly curriculum maps, and no significant adjustments will be made to the 2023-2024 calendar. Additionally, breaks throughout the year align with all IDOE assessment schedules, ensuring that students are in session for all required state assessment windows.

The PS 5 daily and weekly schedule is designed to maximize instructional time, student independent work, assessments, and teacher office hours. The PS 5 daily schedule allows students to spend the majority of their time throughout the day on reading, writing, and math while also exposing students to science, social studies, and extended core classes.

Middle school students at PS 5 have a rotating schedule with 60-minute blocks built in for E/LA, math, science, and social studies. Each day, students receive a mini-lesson immediately followed by a gradual release process that allows the teacher to identify student mastery of the day's learning target. Once all students have fully grasped the target, they are released to independent practice using one of the approved supplementary curricular platforms. Each middle school class period culminates with a standards-based exit ticket which assesses for student

Pupil Performance Standards

Provide the proposed school model's pupil performance standards, consistent with Indiana's Academic Standards. In particular:

- 1) PSOE has provided, in **Attachment 6**, the school's Academic and, if applicable, Exit, Standards for students *for each division of the school* as applicable (elementary, middle and/or high school).

Student performance standards for PS 5 focus on standards-based mastery and assessment tracking data. As a data-driven organization, PSOE strives to monitor standard mastery and performance level to ensure students are on-track each year for grade level advancement and college & career readiness. PS 5 curriculum maps are designed to ensure that all IDOE College and Career Readiness standards are covered throughout the year, with intentionality to the duration of time spent on each standard. All standards are broken into 3 categories:

- High priority standard
- Medium priority standard
- Low priority standard

The standard priority is based on the IDOE ILEARN blueprints, which articulate the % of each standard that is covered on the state assessment in E/LA and math. Each standard is broken down to assess for mastery and potential re-teach. This standard monitoring system allows teachers and school leadership to accurately assess if student learning targets are being met for individual students and for the school as a whole.

The primary assessment tool used for the pupil performance standards is the Cambium ClearSight assessment in E/LA and math. The IDOE performance level indicators are used to assess student performance within the standards. These indicators are:

- Above Proficiency

- At Proficiency
- Approaching Proficiency
- Below Proficiency

Data is collected 4 times per year in E/LA and math. There are 3 formative assessment windows (September, December, and March) followed by the state assessment, ILEARN (April-May).

For students in grades K-2, in addition to utilizing Cambium ClearSight performance data, students are assessed 3 times a year in mClass/DIBELS reading fluency and comprehension. Students data is broken down as follows:

- Above Grade-level
- At Grade-level
- Approaching Grade-level
- Below Grade-level

Explain the school’s policies and standards for promoting students from one grade to the next. How and when will promotion and graduation criteria be communicated to parents and students

PS 5 uses the above data points to assess end of year performance levels and readiness for the next grade level. Through corroboration of the above data points, PSOE makes end of year determinations on readiness for the next grade level. In April of each year, students are broken down into the following categories and families are contacted regarding grade level promotion:

- Meets or exceed grade level expectations
- Approaches grade level expectations
- Does not meet grade level expectations

Students who are deemed “approaching” or “does not meet” are required to attend PS 5 summer school where they receive standards-based and targeted support in their identified areas. At the culmination of summer school, PSOE staff work with families on final steps with grade level promotion.

Special Populations and At-Risk Students

- 1) This section of the narrative summarizes PS5’s plan to serve students with special needs, including but not limited to those with IEPs, students with Section 504 plans, English Learners (“EL”), students identified as intellectually gifted, and students at risk of academic failure or dropping out.

The populations of students who choose to attend PSOE each school year mandates many of the decisions surrounding staffing the school. The school's principal hires licensed, highly-qualified staff members to provide services for students with exceptionalities, including students with disabilities, Section 504 Plans, and students who are Limited English Proficient (LEP). PSOE partners with a licensed professional to provide oversight and meet the evaluation needs of the special education population.

The organization's special education coordinator works with the school principal to ensure the school meets specifications of (special education laws) IAC 511, Article 7, and Federal Law IDEA, ADA 1990 and Part 504 of the Rehabilitation Act of 1973, for identification of children with potential special needs. PSOE works diligently within the constructs of child find. PSOE treats all children on an individual, professional basis. To this effect, all Indiana Administrative Code is followed. It includes but is not limited to:

- A Non-Discriminatory Policy Regarding Identification, Location, Evaluation and Selection
- IDEA eligible students
- IEPs developed in meetings with parents/guardians and the IEP Committee
- Maintaining least restrictive environment
- Parent/Student participation in decisions
- Procedural due process

The current population percentages served at all three PSOE schools average 17% special education, 11% LEP, and 1% Section 504. PSOE anticipates serving a similar population, as these percentages are consistent with local averages in Lafayette.

Student needs are supported through the interventions determined by a Multidisciplinary Education Team (MET). Students are identified and evaluated in accordance with state and federal regulations. The following is a list of services that are provided to serve the needs of the exceptional student population:

- Those students who require extra services or instructional assistance receive additional support beyond the regular classroom for tutoring by a certified ESE teacher
- Consultation and collaboration; Students who do not require additional services but require some assistance per the IEP receive extensive monitoring during classroom instruction
- Speech therapy, physical therapy & occupational therapy-contracted through PSOE
- Enriched curriculum for gifted students

PSOE assures that parents of students with disabilities are fully included in all appropriate school activities and functions. With respect to parental involvement in special education matters, parents are an integral part of the evaluation and program planning of their individual child. Every student that moves into the school with an IEP from a previous school has a move-in conference within 10 days and parents participate in the conference to ensure that their child receives appropriate support to meet their needs. In addition, an annual case review is held at least once yearly to update the student's progress and goals. Parents are encouraged to request a meeting with teachers

any time during the year to discuss their concerns.

- 2) PSOE will identify and meet the learning needs of students with mild, moderate, and severe disabilities in the least restrictive environment. We have outlined the programs, strategies and supports for students with mild, moderate, and severe disabilities, including:
- How the school will identify students with special education needs.
 - The specific, evidence-based instructional programs, practices, and strategies the school will employ to provide a continuum of services, ensure students' access to the general education curriculum, and ensure academic success for students with special education needs.
 - How the school will regularly evaluate and monitor the progress and success of special education students with mild, moderate, and severe needs to ensure the attainment of each student's goals set forth in the IEP.
 - How the school will provide qualified staffing for students with special education needs.

PSOE follows child find as a process for ensuring that students in need of extra support and extra services have every opportunity to succeed. When a PSOE staff member recognizes a student that may be in need of additional support or even an evaluation for special education, Section 504 plan, or language assistance, they immediately notify the school principal, and departmental (special education or ELL) director. Students in need of additional support or extra help receive a comprehensive review to determine the best path forward for student success, which can include a referral to RTI/MTSS, evaluation and case conference, consideration for a Section 504 Plan, or testing for language assistance. This process helps to avoid misidentification while still prioritizing individualized attention. Additionally, any parent appropriately requesting their student be evaluated for a disability is accommodated via all local and federal timelines.

Once identified, the ESE and LEP staff members are responsible for assisting the classroom teacher in designing a classroom environment/culture that meets the needs of students with mild, moderate, and severe disabilities as well as the other students in the class. Therefore, it is the intent of the school to continue the use of an inclusion model to its fullest possible extent. It is understood that this may not always meet the needs of the students in each class. When the students require extended services, it is the intent of the school, whenever possible, to use flexible time within the day to provide students the added instruction or support services needed to ensure the school meets guidelines set forth by FAPE.

Progress monitoring towards academic proficiency will be completed through general education beginning of the year, middle of the year, and end of the year benchmark assessments. Additionally, special education teachers will monitor students quarterly to identify progress towards IEP goals.

PSOE believes appropriate staffing and support for special education is a primary component in student success. PSOE actively recruits and hires special education staff to meet the enrollment demand of each school. PSOE does not discriminate or discourage students with disabilities from

enrolling or participating in school. PSOE employs appropriately certified personnel to deliver special education and related services to all identified students with disabilities in accordance with their Individualized Education Plans. This shall include the direct employment of personnel, as well as the use of contracted services.

The school works under the oversight of a special education coordinator to work directly with students who have special needs. This happens in addition to providing the services of a speech/language pathologist, occupational therapist, and school psychologist. If a student whose disability requires a teacher or therapist with specialized certification or licensure, the school will hire or contract with appropriate staff to meet the students' needs.

3) This portion of the narrative explains how the school will meet the needs of EL students.

At PSOE, LEP students are identified using the home language survey at the time of enrollment if there is not already a record on file from the previous year or previous school. The WIDA screener is then used with all students identifying as eligible via the survey. Within 10 days of enrollment, this assessment (WIDA Screener) is administered to determine the level of language support needed upon entering the school, and parents are notified accordingly about students' placement. PSOE classroom teachers receive training from the PSOE ELL coordinator to develop daily teaching strategies and implement the ILPs to better serve this population. WIDA ACCESS 2.0 is administered annually to all students enrolled in the ESOL program to determine their academic English language skills.

A DOE-sourced timeline is used to accommodate LEP students in a timely manner:

- Home Language Survey: Date of registration or within the first week of school
- WIDA Screener: Upon identification of another language in the original HLS
- Classification of ESOL Levels: fourteen days after registration or return of the survey
- Student Placement in ESOL, Parents' notification: Within fourteen days of registration
- ILP : Within fourteen days
- Teacher Certification/Personnel: Establish schedule upon opening of school
- WIDA ACCESS 2.0: Administered Annually
- Post Program Review: One month after the student enters PSOE
- Reclassification or Exiting of ESOL Students: Any point in the year

PSOE LEP students are monitored annually for tracking growth and refining student support.

4) This section explains how the school will identify and meet the learning needs of students who are performing below grade level and monitor their progress.

As a data-driven school, student progress is constantly measured at PSOE to assure learning is taking place and that all students are reaching stated goals. This data-heavy culture helps identify students that are not progressing on par with their peers. These students receive the benefit of tutoring and/or staff-led RTI-based intervention strategies. Tutoring is also part of the duties of

staff members and volunteer mentors for students performing below grade level. Parents are notified when their child has fallen below the projected achievement level and given the options available for assistance. Specifically, struggling learners and special populations are tracked through the PSOE MTSS process and are progress monitored at intensified intervals (typically weekly via mClass or equivalent).

PSOE shares the same yearly assessment calendar with all Paramount schools. As part of the school replication, PSOE also leverages its Title Improvement Committee (TIC) to process data and create intervention plans for students. These plans, along with ongoing student performance data serve as vital guides for virtual students.

- 5) The following narrative explains how the school will identify and meet the needs of intellectually gifted students.

PSOE recognizes that there are high ability students in all racial, economic, and cultural groups who when compared to their peers, perform at an advanced level, or demonstrate the potential to be challenged beyond the standard curriculum in one or more academic domains of math and language arts. PSOE provides educational opportunities to encourage high ability students to reach their maximum achievement level at every stage of development. The program for high ability students is differentiated in depth and breadth with specific enrichment opportunities designed to meet the cognitive and affective needs of the high ability students. PSOE is committed to providing enhanced instruction in a virtual setting in addition to the regular curriculum standards to challenge high ability learners to reach their greatest potential.

PSOE recognizes that a high ability student performs at, or shows the potential for performing at, an outstanding level of accomplishment when compared to other students of the same age, experience, or environment and whose educational needs and individual growth capabilities are above grade level curriculum in the general intellectual and specific academic domains of math and language arts high ability students are characterized by exceptional gifts, talents, motivation, or interests.

Goals

1. PSOE ensures that all students regardless of race, cultural background, and economic status have the opportunity to be identified for high ability services in every grade level.
2. PSOE ensures that the curriculum for grades K-8 is aligned both horizontally and vertically to ensure maximum growth opportunities for high ability students at every level of achievement.
3. PSOE provides services to meet the social and emotional needs of high ability students.
4. PSOE continually challenges high ability students to strive toward their utmost degree of achievement and ensure that educational growth and success is being met at each level.

Personnel Roles

There are many members of the PS 5 staff who are involved in the high ability identification process. In addition, the following personnel are key to the identification process and high ability program implementation:

- Principal
- Curriculum director
- High ability coordinator
- Classroom teacher
- Counselor

Broad Based Planning Committee

The Indiana Department of Education requires the establishment of a broad-based planning committee that meets annually to review the local education plan for high ability students. The purpose of this committee is to plan and review the continuous development and implementation of the services and programs for high ability students. The committee has representatives from diverse groups representing the school and community. The committee must include at least one educator, student, parent, and other community member/stakeholder. The committee is an advisory group that works closely with the PS 5 Administrative team in making recommendations about curriculum, professional development, and enrichment resources. This is separate from the Identification Committee.

Identification Process

Grade level testing for all students takes place in kindergarten, second, fifth, and eighth grades. In addition, a student could be assessed at any time throughout their academic career at PS 5 if warranted by data or other recommendation. An Identification Committee composed of the PSOE Principal, PSOE High Ability Coordinator, PS 5 Curriculum Director, the Classroom Teacher for the corresponding grade level, and the PSOE Counselor meets to review and evaluate data to determine high ability eligibility.

Timeline of Identification Procedures

All kindergarten, second, fifth, and eighth grade students are assessed either virtually or on site for possible High Ability Program placement during the second semester of the current school year using norm-referenced aptitude, achievement, and qualitative assessments.

Appeals Process

The formal appeal of a High Ability Program placement decision regarding a student may be made in writing by a parent, teacher, or other stakeholder. The person requesting the appeal must submit an appeal form, (obtained from the school office), to initiate the process.

Exit Policy

It is the goal of the High Ability Program that each student achieves his/her maximum potential through enriched learning and advanced academic opportunities. Students must continue to demonstrate academic excellence in classroom performance to remain in the program. However, there may be cases when the program is not the best placement for the identified student.

Exit Procedure

1. If a student, parent, teacher, or other stakeholder believes high ability services are no longer appropriate, the following guidelines shall be followed:
 2. Arrange a conference (in person or virtually) with the parties involved, including the parent and the teacher providing services.
 3. If an intervention is implemented, all participants must agree on a probationary period (no shorter than 9 weeks) to implement interventions.
 4. If the probationary period is not successful, the student can be exited at the end period with a formal review of the student's progress.
 5. The principal must sign the documentation giving permission to remove the student from high ability services.
 6. All formal documentation must be sent to the high ability coordinator.
 7. The PS 5 high ability program may communicate this withdrawal with appropriate stakeholders.
 8. A student is not readmitted to the high ability program during that same school year. A student could still be eligible to qualify for the high ability program during the following school year if the High Ability Identification Committee determines that this would be a beneficial placement. Parents, appropriate school personnel, or other stakeholders may make that formal request for high ability placement during the school year that follows the official exit from the high ability program.
- 6) *PS5 does not plan to provide virtual instruction.*
- 7) Performance Management

As part of the PSOE strategic growth plan, the board of directors and the PSOE executive leadership team to develop long-term success metrics for the school. The goals focus on academic performance compared to the state average and local districts. Academically, the goal for PS 5 is to increase student proficiency in ELA and Math each year. In the first year, the goal is to outperform the local district school by 20% and come within 80% of the state average. In year two, the goal is to meet or exceed the state average for proficiency, and by year 3 and beyond, the goal is to be at least 20% above the state proficiency level.

In addition to the overall academic goals, PS 5 will maintain a high bar for subgroup data as well. The goal is to ensure a special education and ELL pass rate commensurate to the overall statewide average for all students. Additionally, PS 5 is committed to consistently closing proficiency gaps between black and white students and black and hispanic students. The goal in year 1 is to

maintain a proficiency gap that does not exceed 15%. By year 2, the proficiency gap will not exceed 10% and by year 3 and beyond, the proficiency gap will not exceed 5%.

- 1) In addition to mandatory state assessment and testing requirements (e.g., ILEARN, IREAD-3, IAM, GQE, etc.), PSOE has identified the primary interim assessments the school will use to assess student learning needs and progress throughout the year.

As a data-driven school, PS 5 will follow the PSOE network assessment calendar to allow for data comparisons across schools. Paramount schools offer a wide range of complex and research-based assessments that accurately measure student growth and proficiency within Indiana's College and Career Ready Standards.

Students in grades 3-8 are assessed 3 times per year on Cambium ClearSight in both ELA and math. ClearSight offers a platform that mirrors the structure and depth of knowledge of the state's ILEARN assessment. In addition to ClearSight, PSOE always utilizes a writing and math performance task 3 times per year to ensure exposure to high rigor, multi-step problems.

In grades K-2, students are assessed 3 times per year on the Dibels/mClass reading assessment and on the Cambium ClearSight math assessment. These assessments are combined with weekly sight word assessments to ensure students are growing in phonetic awareness. Small group interventions are implemented immediately with our K-2 students in need of remediation.

- 2) This portion of the narrative explains how the school will collect and analyze student academic achievement data, use the data to refine and improve instruction, and report the data to the school community.

At PSOE, data analysis and disaggregation is a shared responsibility between the network academic team and the school leadership teams. The network team breaks down network wide trends, sub category performance data, grade level and department comparisons, and tracks year to year trends. The school level teams break down teacher level data, schoolwide proficiency and growth data, and subgroup performance.

Once the data has been ran, analyzed, and disaggregated, the CAO meets with the school leadership teams to review, discuss trends, and plan academic interventions for the next cycle of instruction. After the meeting with the CAO, the principals meet with their instructional staff (teachers and leadership teams) to analyze the data and set goals for the next cycle of instruction. To ensure an organization-wide understanding of academic data, the CAO and network academic team present district-wide data to the executive leadership team.

- 3) This section describes the information system the school will use to manage student performance data and identifies the staff member(s) who will be responsible for warehousing the data, interpreting the data for classroom teachers, and leading or coordinating professional development to improve student achievement:

PS 5 uses the same data sheets as our other network schools to measure proficiency, growth, and sub-group performance throughout the year. Proficiency and growth on Cambium ClearSight is measured through aligned grade level cut-scores that are determined by Cambium and are based on national performance norms. The performance level indicators provided by Clearight mirror that of ILEARN:

- Blue: Above Proficiency
- Green: At Proficiency
- Yellow: Approaching Proficiency
- Red: Below Proficiency

After each assessment, building level administrators meet with teachers to review all student data, student performance on each ILEARN power-standard, and the performance of sub-groups (special education, ELL, 504 Students, and racial demographic breakdowns). The cycle of instruction is amended based on the data reviewed.

District data is managed by the CAO and the Academic Coordinators. Current year and archived records are kept digitally in the PSOE Google Suite database. The school principal manages the data at the site level and teacher leaders assist in planning instructional cycles based on the data.

The vision, scope, and sequence for professional development focused on data starts with the CAO and is distributed to the network academic team, the principals and school leadership teams, and the teachers.

- 4) This section explains the training and support that school leadership and teachers will receive in analyzing, interpreting, and using performance data to improve student learning.

The identified PS 5 leader will be immersed in 20 months of leadership training rooted in PSOE pedagogy. As part of the new leader orientation program, the PS 5 school leader will observe interim data meetings to better acclimate to the PSOE data culture.

Once PS 5 is launched, training and support for the principal and the school leadership teams will come from the CAO and network academic team. The school leader will have an opportunity to be further trained in site level test administration, platform navigation, and data analysis. Additionally, the school leader will receive training in academic interventions per the PSOE system.

As the learning coordinator of My Learning Nook in Lafayette, the PS 5 principal was trained on the implementation of both ClearSight and Dibels assessments. These assessments are used at the nook to baseline tutoring students. The data is then analyzed to create a customized tutoring program for each student. For fidelity, the CAO and members of the network academic team review the data with the PS 5 principal to further clarify any misconceptions and ensure full understanding of how to interpret the data and plan appropriate interventions.

- 5) The PSOE governing board and Navigation Team will take measures if the school falls short of student academic achievement expectations or goals as established by ICSB.

Academic data is tracked throughout each school year and analyzed at the end of each year with contextual comparisons to previous years, to current state averages, and local school district averages. If PSOE falls short in student academic performance, the PSOE board of directors and executive leadership team will work with the PS 5 to analyze the efficacy of the academic programming, evaluate staffing, and create an improvement plan with clear goals. Additionally, PSOE would allocate additional network academic team members to support PS 5 staff in improvement efforts. Chronic failure (more than 1 year of failing academic performance) could lead to change in leadership.

Staffing

- 1) PSOE has provided, as **Attachment 7**, an organizational chart for the proposed school at Year 1 and at full capacity.
- 2) Strategy and timeline for recruiting and hiring teachers in accordance with [IC § 20-24-6-5](#) (charter school teacher qualifications).

In addition to the onboarding of the PS 5 school leader in November of 2021, two additional staff members were hired to help manage the Learning Nook with the end goal of becoming founding members of the instructional team at PS 5 when it launches in the fall of 2023. Beginning in the spring of 2023, PSOE will hire and onboard the remainder of the PS 5 staff. The PSOE Talent Acquisition Coordinator, under the supervision of the CAO, will leverage trusted recruiting partners including local universities, Teach for America, HBCU connections, and the internal PSOE Teacher Residency Program pipeline to create a robust and diverse talent pool of teaching candidates. The initial strategy will involve securing key positions in traditionally hard to find areas-Math and Special Education. The goal of PS 5 will be to make early offers for these positions as soon as February or March of 2023. By June of 2023, PS 5 will be fully staffed, allowing ample time for staff training and pre-service professional development.

- 3) Description of staffing plan.

The staffing structure of PS 5 will include a robust administrative team including a school principal, assistant principal, guidance counselor, dean of students, operations manager, and 2 Family Allies Community team members. This approach to top heavy school leadership helps set the tone of support for the staff and is part of the innovation of PSOE's model. Grade level teaching teams in K-5 will include 1 teacher per every 25 students as well as a full time instructional assistant designated to that grade level. The Middle School staff will include and ELA teacher, a Math teacher, a Science teacher, and a Social Studies teacher. Extended Core classes will be offered including music, art, spanish, and physical education. Licensed teachers will be hired for those positions as well. Finally, a recovery teacher will be hired to provide high level academic

support for students having behavioral challenges in the classroom.

- 4) How the school will evaluate the performance of the school leader and teachers.

The PSOE formal evaluation process is systemized across the network. Each position in the PSOE system has an evaluation that is tied to key performance indicators. Staff members at PS 5 receive 2 formal evaluations per year. The evaluation is immediately followed by a formal meeting with the staff members supervisor. The CAO conducts the formal evaluation for the principal of PS 5 and the Principal conducts the remainder of the staff evaluations. Each staff evaluation has 5 pillars with 5 weighted indicators for each of the pillars. The weights of each indicator are determined using the job description for the given position and is aligned to key indicators within the position. Each category is scored 1-5 and a cumulative total is formulated to determine the overall score. Based on the score, the staff member is given a designation of exceeds, meets, approaches, or does not meet expectations.

- 5) How the school will handle unsatisfactory leadership or teacher performance, as well as leadership/teacher changes and turnover.

The PSOE leadership team understands the power and impact of building a consistent staff. Paramount schools have maintained an average staff retention rate of above 80% each year since 2014. Building a strong staff culture through a systems based approach communication has allowed staff members to remain happy and feel supported.

Leaders at PSOE are held accountable for success metrics in academics, enrollment, student discipline and culture, attendance, budget, and staff performance. These metrics are strategically infused into leadership training that is done throughout the year to ensure the continued development of school leaders. If one or more of these areas become a concern, the PSOE network support team would begin by intervening early to allocate support and guidance to the leader. If concerns in one or more of these areas become chronic, a performance improvement plan would be developed to hold the leader accountable. At the end of the PIP, the CAO and PSOE executives would make a final decision as to whether or not the school leader can be effective in their role moving forward. For teachers or other staff members who are not meeting expectations, the process would be the same but would be led by the school leader in consultation with the CAO and the PSOE executive leadership team.

- 6) Provide an overview of the school's compensation system (including benefits) and how this aligns with the performance evaluation process. For legislative requirements regarding employee benefits, see, for example: [IC § 20-24-6-7](#).

PSOE strives to offer a dynamic total compensation package that is both fiscally responsible and competitive within the markets in which we operate. With an annual cost of living salary increase, salaries are also adjusted based on semiannual performance evaluations. Merit salary increases and bonuses are awarded to high-performing employees. The network's benefits package is also evaluated annually to ensure that employees are offered benefits that meet their needs.

In addition to annual salary increases, PSOE conducts a thorough review of salaries to ensure that compensation is fair and equitable both within and outside the network. PSOE recently adopted a new salary scale for existing schools in the network-based upon a comprehensive analysis of market trends in Central Indiana. As a result, PSOE increased the district-wide minimum salary to better compete with neighboring school districts. Annual starting salaries for licensed classroom teachers will be increased to \$48,000 in the 2022-2023 school year. Similarly, PSOE plans to perform a market analysis within the Lafayette area to create a competitive salary structure that is on par with neighboring school districts.

Any sound compensation package includes essential benefits such as health insurance, paid vacation, and paid sick time. PSOE's benefits package comprises those benefits and fringe benefits such as a subsidized cell phone service plan. Care is taken to ensure that our benefits package provides adequate coverage at an affordable cost to employees.

Professional Development

- 1) This section describes the professional development that will be offered to school leadership and teaching staff.

The Paramount network professional development design is centered around differentiation. The "one size fits all" approach is not utilized, rather a system that allows teachers and support staff to engage in network-wide cohorts based their career pathway aspirations. The below pathways are available within the PSOE Career Pathways Program:

- The PSOE New Teacher Academy-Most PS 5 teachers will enter into this cohort in year 1. The cohort allows the teachers to receive differentiated support within the PSOE pedagogical system and collaborate with 1st and 2nd year colleagues across the PSOE network.
- The PSOE Teacher Residency Program-High performing non-certified staff receive authentic instructional practice in the PSOE system, take part in teaching specific PD, and take courses through Marian University toward teacher licensure.
- The PSOE Administrative Track-Aspiring PSOE administrators receive leadership training at the network level and participate in authentic leadership opportunities within their schools.
- The PSOE Master Teacher Track-Designed for teacher leaders to receive high level PD on differentiated practices, data-driven instruction, and culturally responsive instructional practices. Cohort members also lead key professional learning communities around the organization focused on instruction, school culture, standard-alignment, and lesson planning.

At the core, PSOE is a model that emphasizes coaching and feedback. The coaching model at PS 5 focuses on the PSOE classroom drive-thru rubric. This tool focuses on 3 key areas:

- Environmental Indicators (classroom management, tone, academic environment)
- Standards-based instruction (standard alignment, student engagement, high complexity and rigor)
- Data-driven/Differentiated instruction (creating multiple student entry points, tracking student mastery during lesson, creating assessments that align to mastery of standard)

This coaching model at PSOE is designed to improve teacher performance and student outcomes through consistent feedback and deliberate practice of skill gaps. Teachers are tiered into 3 categories to determine frequency of observations:

- Green Designation-High performing teachers who need 1 observation session per week
- Yellow Designation-Teachers who show consistent gaps in 1-2 areas who need at least two observations per week.
- Red Designation-Teachers who have multiple gaps and need to be observed daily

Classroom “drive-thru” observations last between 20-30 minutes. The observer looks for areas of strength within the coaching tool and the highest leverage feedback. The observer fills out the rubric and schedules a follow-up meeting with the teacher. The feedback meeting is designed to provide the teacher with specific areas of strength and 1 bite-sized, actionable feedback area within the rubric. The observer schedule a follow up meeting to ensure that the teacher is practicing and isolating the skill gap. Over 12 years at PSOE, the observation/feedback cycle has proven to be the most effective professional development offered.

Finally, teachers participate in weekly strategic planning sessions with their departmental colleagues across the PSOE network and site level interim data meetings. These weekly meetings allow for sharing of best practices, data comparisons, and lesson plan codification.

The interim school level data meetings are directed by the school leadership teams and allow for a deep analysis of student data and the development of data-driven student intervention strategies. Each grade level and department level team leaves the interim data meetings with a clear understanding of what the data means and the plan to grow students during the next data cycle.

2) How school leaders will be supported and developed throughout the year.

Leaders in the PSOE system are supported and developed primarily through internal development programming. The key components of leadership development training include:

- Weekly Meetings with all network principals
- Leadership retreats in January and June of each year focused on short and long term planning
- Weekly 1 on 1 meetings with supervisor

- Workshops focused on academic leadership, student enrollment, school culture, and staff management.
- Semi-annual performance evaluations

Weekly principal meetings are aligned to the network's current goals and initiatives. The agenda is set to allow the CAO and COO to share important updates, the network academic team to share academic updates, the and principals to share building updates and best practices.

Paramount holds two leadership retreats per year. The intent of the retreats is to identify short and long term goals for our schools and for the network and discuss current challenges facing our school leaders. These meetings are held in a city outside of where our schools are located in order to allow our school leaders to maximize their participation in the retreat.

Weekly 1-on-1 meetings between the principals and supervisors allows for the focus to remain on the individual needs of the principal and their school. The supervisor and the principal craft a specific agenda for the meeting that allows for a reflection of current strengths and potential barriers. At the beginning of the year, the supervisor asks the principal to identify one targeted area of improvement. Once identified, the principal and supervisor work together to develop a strategic plan.

Each summer, principals participate in designed workshops focused on academics leadership, school culture, and staff management. These 1-day workshops are designed and led by the PSOE executive leadership team.

Performance evaluations are conducted on all PSOE principals 2 times per year. The evaluation tool used to evaluate principals was designed by the principals themselves in coordination with the PSOE executive leadership team. The evaluations focus on 5 key pillars of the PSOE leadership model:

- Academic oversight
 - Communication
 - Culture
 - Enrollment/attendance
 - Operational management
- 3) How professional development for the faculty will support the education program and build capacity to improve student achievement.

Paramount schools aligns professional development programming to student academic outcomes. The primary professional development method is the teacher coaching cycle. Providing consistent observation of classrooms with actionable feedback for teachers directly correlates to greater student achievement and social-emotional development.

Key features of the teacher coaching tool include environmental factors, key instructional

components, and the data-driven tracking of student conceptual mastery. Each teacher observation feedback meeting strategically places an emphasis on identifying the percentage of students mastering the given academic skill and reflecting on the strengths and areas of improvement for the lesson. This deep dive into student mastery data allows school leaders and teachers to track progress toward mastery of each standard as well as ensure students are on pace to meet and exceed grade level standard expectations.

Providing robust and differentiated professional development through the Career Pathways Program, teacher coaching, data meetings, and strategic planning sessions has been a key driver in long term staff retention. Research shows that a student who has a highly effective teacher for any 3-year span in their K-12 career has a 40% greater chance of graduating from college. Providing support, development, and investment in our teachers and staff has a direct and positive impact on student achievement and family satisfaction with the school.

- 4) Schedule and explanation of professional development that will take place prior to school opening.

Pre-service training for PS 5 begins in June with a 1-day intensive training for each staff member. The staff members are placed in smaller cohorts with each cohort getting its own day. The 1-day training allows the staff member to receive more personalized training in the areas of organizational mission and vision, job related expectations, and acclimation to the school and work space. Additionally, each staff member is paired with a mentor in the same department at another PSOE network school. For teachers, this means an opportunity to review curriculum, assessments, resources, and ask questions of a veteran colleague. Additionally, staff are able to do their HR onboarding on this day so that they can focus on job-related preparation during all staff training later in the summer.

All new PSOE schools, including PS 5, will have two weeks of all staff training prior to the first day of school. This comprehensive training involves all facets of the PSOE model including a tour of the neighborhood that the school serves, an understanding of the PSOE student information system, academic expectations, school culture overviews, goal-setting and data overviews, and opportunities for authentic practice within a position.

The primary design of pre-service PD for PS 5 will come from the CAO and the delivery will be done by the school principal and leadership team. Some of the pre-service programming is designed to integrate all PSOE network staff members. This allows new PS 5 staff members with the opportunity to collaborate with veteran colleagues who will share experiences and best practices with PS 5 staff.

- 5) Expected number of days/hours for professional development throughout the school year and how the school's calendar, weekly schedule, and staffing plan will be structured to accommodate this plan.

As a network of schools, PSOE understands the importance of a deep and meaningful professional

development calendar. It is also essential that the right balance is found between the quantity of PD offered and the professional responsibilities already placed on teachers and other staff members. The philosophy at PSOE is to maintain 90% of PD opportunities in-house as opposed to partnering with outside agencies. This allows PD to stay rooted in the PSOE pedagogy and aligned to the mission and vision of the organization.

The PSOE assessment calendar aligns to the network PD calendar to allow for school-level data meetings to occur two weeks after each assessment cycle has ended. Students take a baseline assessment in September, a middle of year assessment in December, and an end of year assessment in late February. Data meetings at PS 5 (and all PSOE schools) occur in October, January, and March each year to align to the assessment calendar.

The school calendar is designed to allow for a balance of school level PD and network-wide PD. Current professional development frequency and timing is listed below:

- Career Pathways Cohort Meetings-All Network cohort trainings quarterly and monthly site level trainings. Total: 13 Hours
 - Pre-service PD-1 week training for 2nd year and older schools. 2 week training for new schools. Total: 40-80 Hours
 - Weekly network strategic planning sessions: Total: 30 Hours
 - Coaching/Feedback Sessions: Total: Up to 50 Hours
 - Site-level interim data meetings: 3 times per year Total: 4.5 Hours
 - February 1-Day all Network In-service and DEI training: Total: 6-Hours
- *Note: All school leaders have the autonomy to add an additional 10 hours of site-based PD to the calendar each year*

6) How the professional development program will be evaluated to assess its effectiveness and success.

Each year, the PSOE network gains insight from school leaders and staff to gauge the effectiveness of its PD offerings. The feedback is gathered through multiple data points. First, end of year exit meetings are held to provide key insights into the efficacy of PD programming. Second, staff surveys are delivered to all employees with questions related to quality of programming and potential key areas of future focus. Third, we examine student achievement data and staff retention rates to determine where to adjust and allocate future PD offerings.

Based on the data points above, the PD schedule for the schools and for the network are adjusted each summer with specific attention being given to feedback from across the network.

SCHOOL CULTURE

Student Discipline

1) The philosophy of student discipline that supports the PS 5 school model.

Using the PSOE model, PS 5 is a school focused on a holistic, wrap-around model, providing a triangulation of support in three critical areas – education, social, emotional health, and the security of the educational environment. As a K-8 school PS 5 believes that when a child’s fundamental needs are addressed, and a culture is established that fosters safety, well-being, and consistency, the child is able to focus on learning and maximizing potential. Similar in concept, the Harlem Children’s Zone, created by Geoffrey Canada, is founded on the premise that to truly change the lives and level the playing field for high needs’ urban children, and you want them to be able to compete with their middle class peers, you need to change everything in their lives – their schools, their neighborhoods (social behavioral health) and even the child-rearing practices of their parents.

PS 5 believes in a structured classroom environment and works to ensure students can maintain academic and social success while in session. The PS 5 model offers alternatives to suspensions through the PSOE “Recovery” program, family outreach, and health interventions in order to provide the maximum amount of support for growing learners.

PS 5 will create a school culture that provides a safe environment for students and staff while also providing students with the opportunity to develop self-control and understand the ramifications of their behavior. PS 5 implements the use of a structured recovery process. Within the on-campus schools, the “recovery” program at Paramount succeeds in providing clearly stated rules and encouraging positive behavior through intervention, and this is accomplished in a student-centered way. When a student is unable to complete a lesson due to behavioral or social emotional stress, the recovery team (the counselor and a licensed teacher) works with the student in a different setting to help unpack the emotional stress, quickly get back to grade level work, and return the student productively to the classroom. This process can last 30-minutes or take the remainder of the day. But the focus is always on efficiently unpacking stress and returning to the structure of standards-based instruction.

The discipline approach at Paramount Schools of Excellence possesses high expectations for student behavior, while providing mechanisms for students to value their learning experience, and to understand their collaborative role within it. The PSOE Recovery program provides a well-understood structure for students, teachers, and family. Similar to a Response to Intervention format, the discipline plan begins in the classroom (Tier I), with the teaching staff using 4-1 (positive to redirect) support and authentic real-time interventions to maintain the learning environment. The focus on building community and mentoring has been embraced by the entire organization, thus creating an atmosphere of respect and acceptance.

While PSOE will utilize student suspensions or even expulsion to protect the safety of students and staff, the Recovery program has consistently demonstrated positive results that have long-term academic, social, and emotional impact on students.

2) PSOE has provided, as **Attachment 8**, the school’s Discipline Policy.

Supplemental Programming

Summer school at PS 5 will run for four weeks in June each summer. It will be held Monday-Friday from 8:00-12:00. Students will be selected based on multiple data points. Students are placed into 3 tiers: Tier 1-High Academic Need (Tutoring Mandatory). Tier 2-Moderate Academic Need (Tutoring highly recommended). Tier III-Performing at/near grade level and tutoring is available but not recommended. The program is funded through the IDOE's non-competitive summer school grant program.

1) Extra- or co-curricular activities or programming the school will offer.

PS 5 will offer boys and girls athletic teams in basketball, flag football, volleyball, and track and field. These sports will be seasonal. In addition to athletic teams, PS 5 will offer a competitive robotics team for students in grades 3 and up. The robotics team will compete November through March yearly and do a summer camp to work on skill development. These programs will be funded through the PSOE general fund each year with additional funding for summer robotics coming from potential grants (21st Century CCLC grant).

As is the case in Indianapolis, PS 5 will seek local partnerships for renting athletic facilities for school sports programs.

2) The school's programs or strategies to address student mental, emotional, and social development and health.

Paramount schools understands the importance of supporting students social and emotional well-being in addition to addressing academic needs. The staffing and system infrastructure for supporting these needs is integrated into the PSOE frameworks.

PS 5 will have a licensed guidance counselor and will partner with Community Hospital to provide behavioral health services to those students who qualify. The counselor and behavioral therapist will work in tandem with the school leadership team and teachers to identify students in need of support and crafting the necessary interventions

All teachers at PS 5 receive yearly and ongoing training in tier 1 trauma-informed strategies. These strategies are designed to ensure teachers are maintaining a safe environment, building positive relationships, and creating a culturally responsive classroom that meets the needs of our diverse student population.

The PSOE Recovery program was instituted in 2015 as a system for addressing support for chronic classroom behavioral issues and students who demonstrate social and emotional skill gaps. The system will be fully implemented at PS 5. When a student is transitioned to the recovery room, the licensed counselor works with the student to unpack the behaviors and identify the root cause of the behavior. Once the child is deescalated, they are transitioned to a licensed teacher in the recovery room where they grapple with standards-based, grade level work. Ultimately, the goal is the transition the student back to the tier 1 environment. That decision is made collectively by the

Dean of Students, Counselor, and Recovery teacher.

SECTION III: Need, Demand, and the Community

- 1) Explain the plan for student recruitment and marketing that will provide equal access to any family interested in the new school. Explain how this strategy will garner the targeted enrollment.

To recruit new students for enrollment, PS5 will take part in several promotional and marketing efforts in the community. To start, Paramount opened a storefront at the local mall called My Learning Nook in November of 2021. At this facility, Paramount staff members are promoting the Paramount academic model by offering free tutoring sessions to local students while marketing PS5 to local families and community members. Additionally, Paramount staff will be promoting PS5 at local community events, preschools, and churches via information tables and flier distribution. Neighborhood canvassing efforts will be utilized beginning fall of 2022 to invite families to the school for tours, information sessions, and staff “meet and greets”. A social media campaign will be launched simultaneously to advertise the school locally with promotional videos, infographics, and testimonials. These strategies will all be utilized to demonstrate the high level of academic achievement and success that PS5 can bring to local students to garner the targeted enrollment.

PSOE has hired Larry Dickerson from Destination Marketing Group (DMG) to raise awareness and increase PSOE’s presence in the Lafayette market. DMG will increase PSOE’s access to influential contacts, local appointments, and earned media opportunities related to the opening of PS5.

- 2) Determining that there will be sufficient demand from students and families for the school to meet enrollment projections. PSOE has provided, as **Attachment 9**, evidence of community engagement and support from community partners.

As an initial strategy, “My Learning Nook” by Paramount Schools of Excellence launched in the Tippecanoe Mall in Lafayette on November 15th, 2021. In four months, the staff at MLN has documented over 200 families of school aged children interested in PSOE, over 100 students participating in the free tutoring program, and over 300 total tutoring sessions conducted. The high interest in the Paramount model, and the need for a high performing and a supportive academic environment, are evident from these participation numbers.

Outside of the Learning Nook strategy, The total scope and sequence for student recruitment at PS 5 will involve community and neighborhood engagement, canvassing, hosting community events, direct local marketing, and information sessions to engage and support new families. This process began more than 20 months before the launch of the PS 5 to ensure that PSOE personnel can authentically forge relationships with leaders and community members in Lafayette. The outlined

community engagement and student recruitment strategy for PS 5 is as follows:

My Learning Nook-November 2021-Launch

My Learning Nook Launched in November of 2021, 20 months before the launch of PS 5. The goal is to engage over 1,000 prospective K-8 students in the Paramount model through targeted tutoring, curricular demonstrations, sharing key components of the high-performing PSOE model. The Nook plans to stay in operation beyond the launch of PS 5.

Neighborhood Meetings-January 2022-Launch

Beginning in early 2022, the identified PS 5 school leader began attending monthly neighborhood meetings in the Elmwood neighborhood. The neighborhood engagement is a staple of the PSOE community strategy and one that allows for a greater connectivity between the school, the neighborhood, and the community. Paramount has a strong track record in partnering with the neighborhood's served through community event collaboration, school leaders and staff members serving on neighborhood boards and committees, and active participation in monthly meetings.

Model Classroom Tours-June of 2022-Launch

To better tell the Paramount story, PS 5 will begin offering classroom tours at the school building in Lafayette beginning in the summer of 2022. These tours allow prospective families to get a feel for the PSOE learning environment including the physical space, the strong academic supports, technology integration, commitment to diversity and inclusion, and emphasis on student data.

Local Marketing-November 2021-Launch

The identified school leader for PS 5 and the PSOE Navigation team began marketing efforts in the Lafayette area in November of 2021 with the launch of My Learning Nook. In addition to those efforts, PSOE will utilize social media geofencing, establish strong connections with local businesses and childcare facilities, attend local community events, and utilize branded marketing materials.

Community Canvassing-Summer 2022-Launch

The PSOE model has successfully replicated the model twice over the past 4 years, each time meeting or exceeding initial student enrollment goals. Neighborhood canvassing is an essential part of the recruitment process. Each year, the PSOE Director of Advancement and the marketing team create branded marketing materials that are used to inform local businesses and families about the PSOE model. The PS 5 staff, along with the PSOE enrollment team will strategically map the Lafayette Community to identify businesses, local leaders, and neighborhoods dense with school aged children. Once identified, the PSOE teams will begin on the ground neighborhood

canvassing to create maximum exposure to the PSOE model for the Lafayette community.

Family Information Sessions-March 2023-Launch

As student enrollment begins to build in the spring prior to the launch of PS 5, the PS 5 leadership team will begin monthly family informational sessions for newly enrolled families as well as prospective families. These information sessions allow for families and students to acclimate to the PSOE Family Handbook, meet key staff, understand the instructional model, and take tours of the school. These meetings happen monthly from March thru May of 2023 and then occur bi-weekly beginning in January of '23.

- 3) Other school options existing in the targeted location for your proposed school.

PSOE has provided, as [Attachment 10](#), all other public schools, traditional and charter, in the immediate vicinity (within three (3) miles) with the same or a similar grade level configuration.

Parents and Community

- 1) How PS 5 will engage parents in the school, starting from the time that the school is approved.

PS5 will incorporate PSOE's FACT model to engage parents and strengthen family partnerships with the school. FACT stands for, "Family Allies Community Team". The FACT mission is to create a family-school partnership with parents by building authentic support and bridging learning from school to home through meaningful engagement. FACT accomplishes this mission through:

- Home Visits
- Family Engagement Events
- SCO: School Community Organization
- Family Resource Area

Each of these activities achieve a different family engagement goal, but are united by several shared goals and guiding principles:

- Interactions with FACT are always positive and rewarding.
- FACT is respectful of the value of a family members time, and so FACT activities are always rewarding and of high value.
- The focus of FACT is improving student success by supporting the student's family and community—FACT works *outside* the walls of PSOE. The role of FACT members is to be an ally to families as they engage with their community, not as an advocate for the student or family *within* the walls of PSOE.

In addition to performing home visits, the FACT team is responsible for offering a series of family-oriented school events. Traditionally, the events are for the school wide community and take place outside of school hours. Examples of events that will be utilized at PS5 include:

SCO: With the help of FACT and school administration, monthly SCO (School Community Organization) meetings will be held for increasing parent voice and academic awareness. The school SCO structure loosely mirrors a PTO structure.

Back to School BBQ: Every fall, the FACT team helps plan and implement a back to school barbeque event for all PS5 families and staff.

Family Jam: Twice a year, once in the fall semester and once in the spring semester, FACT and the SCO plan “Family Jams.” The fall Family Jam traditionally focuses on literacy while the spring Family Jam traditionally focuses on Science, Technology, Engineering and Math (STEM). Both Family Jams leverage internal talent and outside community organizations for families and students of PS5. There are usually 8-10 different presentations occurring concurrently in different classrooms across the building. FACT also provides dinner in the cafeteria of the school for families. Teachers are asked to be support for these events and help to set up dinner, assist the presenters, and engage with families and students.

2) Community resources available to students and parents.

PSOE values partnerships with community organizations and makes strong efforts to develop rich relationships in the local community. While PSOE does not currently have existing partnerships in Lafayette, we anticipate developing these relationships as we establish ourselves in the community. PSOE currently partners with YMCA in the Indianapolis community and we anticipate creating a relationship with the YMCA organization in the Lafayette area. The school also anticipates a strong partnership with the Northend Community Center due to its close proximity to the school campus.

3) PSOE has provided, as [Attachment 11](#), a copy of the school’s Grievance or Complaint policy.

SECTION IV: School Startup Plan

The Organizer

PSOE recognizes that a charter may only be granted to a nonprofit corporation either formed in, or registered to do business in, Indiana, and who has received, or has applied for, federal tax-exempt status from the Internal Revenue Service (“IRS”). PSOE has provided, as [Attachment 12](#), copies of the following governance documents:

- a) Either a 501(c)(3) Determination Letter ([Letter 947](#)) from the IRS or evidence that the applicant has applied for federal tax-exempt status, such as an IRS letter acknowledging receipt of the exemption application ([IRS Notice 3367](#));
- b) Articles of Incorporation (filed with the Indiana Secretary of State);
- c) Bylaws (formally approved by the governing board and signed by a board officer);
- d) Code of Ethics policy; and
- e) Conflict of Interest policy.

- 2) Pursuant to [IC § 20-24-3-3](#), the organizer’s Articles or Bylaws must contain a clause providing the following:

“Upon dissolution: (1) the remaining assets of the charter school shall be distributed first to satisfy outstanding payroll obligations for employees of the charter school, then to creditors of the charter school, then to any outstanding debt to the common school fund; and (2) remaining funds received from the department shall be returned to the department not more than thirty (30) days after dissolution. If the assets of the charter school are insufficient to pay all parties to whom the charter school owes compensation under subdivision (1), the priority of the distribution of assets may be determined by a court.”

PSOE has made the request to approve the revision in Article VII of our Articles of Incorporation to include this specific language. The school will be seeking board approval to make this change at our upcoming board meeting in April.

- 3) PSOE has provided, as [Attachment 13](#), a single complete Statement of Assurances form, signed by an authorized representative of the organization..

Start-Up Plan

- 1) PSOE has provided, as [Attachment 14](#), a detailed start-up plan for the period leading up to the first day of student attendance for the proposed school.
- 2) Transportation: PSOE does not currently provide transportation for students, but is exploring options for student transportation at the PS5 campus with hopes of providing families with transportation options. Charter bus rentals will be utilized in the event of field trips or athletic events. PSOE contracts with ALC Transportation to comply with federal regulations with the McKinney-Vento Homeless Assistance Act and the Individuals with Disabilities Education Act as student transportation needs arise.
- 3) School plan for safety and security for students, the facility, and property.

As a replication of existing Paramount campuses, PS 5 will also establish a crisis response team that will meet periodically throughout the year to review guidelines and assess procedural changes that may need to be made. Each member of the team will be assigned specific roles and responsibilities to coordinate sound delivery in crisis situations. The school will have a comprehensive security system installed and will have visitor policies in place for all guests entering the school building. All school staff will be equipped with a walkie talkie, which will allow for 2-way communication in crisis situations. Life saving equipment like Stop the Bleed Kits, an AED, and first aid kits will be supplied for potential emergencies. Policies regarding school procedures for lockdown, fire, and inclement weather will be in place and practice drills will take place per the state required guidelines. Additional policies outlining procedures in the event of bomb threats, flooding, suicidal attempts, student abduction, and hazardous waste

contamination will be in place in the event of an emergency. A school resource officer will be hired to oversee school security and safety at the school site.

- 4) PSOE recognizes that charter schools authorized by ICSB are required to indemnify ICSB, any related entities, and their respective members, officers, employees, officials, and agents, and must obtain liability insurance coverage naming ICSB as Additional Insured on a primary basis. PSOE has provided, as [Attachment 15](#), an estimate from an insurance agent/broker for insurance coverage.

Student Admissions and Enrollment

- 1) PSOE has provided, as [Attachment 16](#), the school's Enrollment Policy.

SECTION V: School Finance

Budget

- 1) The systems and processes by which the school will manage accounting, purchasing, payroll, and the required annual audit.

Paramount Schools of Excellence supports PS 5 with a central office bookkeeping team that works in tandem with an unbiased 3rd party accounting firm to maintain accurate accounting, billing, and cash control policies, procedures, and records which are consistent with Generally Accepted Accounting Principles (GAAP), and which meet the requirements of State and Federal statutes and regulations.

PSOE accounting, audit, and financial management policies are designed to:

- protect and secure the assets of PSOE,
- ensure the maintenance of accurate records of PSOE's financial activities, and
- ensure compliance with governmental and private funder reporting requirements.

The PSOE Board of Directors must approve expenditures over twenty-five thousand dollars (\$25,000) that are not covered under Board Approved Vendor Payment. Approval must be attached to the voucher for documentation purposes.

The CEO establishes and maintains effective administrative guidelines to implement internal control standards and procedures consistent with State Board of Accounts guidance for all funds received by PSOE, including financial grants and awards from Federal and State sources. The standards and procedures so established shall provide reasonable assurance that the program and funds are managed in compliance with applicable Federal and State statutes, Federal and State regulations, and the terms and conditions of any award made to PSOE.

PSOE shall have a process that provides reasonable assurance regarding the achievement of the following objectives:

1. effectiveness and efficiency of operations;
2. reliability of reporting for internal and external use; and
3. compliance with applicable laws and regulations.

The internal control standards and procedures shall provide reasonable assurance that transactions are properly recorded and accounted for in order to permit the preparation of reliable financial statements that are consistent with Federal and State reporting requirements; maintain accountability over assets; and demonstrate compliance with Federal and State statutes, Federal and State regulations, and the terms and conditions of the any awards as applicable.

The internal control standards and procedures also shall provide reasonable assurance that these transactions are executed in compliance with Federal and State statutes, Federal and State regulations, and the terms and conditions of the award that could have a direct and material effect on any grant or award, as well as any other Federal and State statutes and regulations that are identified in the compliance supplements issued by the U.S. Office of Management and Budget (OMB) and/or directives of the State Board of Accounts (SBOA).

Finally, PSOE's internal control standards and procedures must provide reasonable assurance that all Federal and State funds, property, and other assets are safeguarded against loss from theft, fraud, or unauthorized use or disposition.

Further, all material erroneous or irregular variances, losses, shortages, or thefts of any amount of PSOE funds or property regardless of source, shall be immediately reported to the State Board of Accounts. A loss, shortage, variance, or theft is "material" if it amounts to more than \$500.00. These materiality thresholds apply to cash or to the fair market value of other PSOE assets. If there is doubt about whether a loss, shortage, variance, or theft meets the "material" threshold, it shall be reported to the State Board of Accounts.

Additionally, State law requires that any individual who holds, receives, disburses, or is required to keep account of funds on behalf of a public school corporation and who has actual knowledge of or reasonable cause to believe that there has been a misappropriation of public funds or assets of the school corporation to immediately send written notice of the misappropriation to the State Board of Accounts and the local prosecuting attorney. This requirement is not subject to any materiality threshold.

In summary, PSOE shall:

1. Comply with Federal statutes, regulations, and the terms and conditions of the Federal awards, whether the funds are received directly from the Federal government or are distributed through the State Department of Education or another State agency or department;
2. Comply with State statutes and regulations related to the management and control of all funds received by PSOE from any source;
3. Evaluate and monitor its compliance with statutes, regulations, and the terms and conditions of Federal grants and awards, as well as all other funds received by PSOE; 4.

investigate all variances, losses, shortages, or thefts of PSOE funds or property, document the investigation and its results, and maintain a record of the investigation and its results;

4. Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; 6. report all misappropriations of PSOE funds or property to the SBOA and the county prosecuting attorney whenever a PSOE employee has actual knowledge of or reasonable cause to believe that a misappropriate has occurred; 7. provide, upon employment and periodically thereafter, training concerning the internal control standards and procedures established for the Corporation for any personnel whose official duties include receiving, processing, depositing, disbursing, or otherwise having access to funds that belong to the Federal government, State government, the Corporation, or other governmental entities; and
 5. Take reasonable measures to safeguard protected "personally identifiable" information (PII) and other information the awarding agency or pass-through entity designates as sensitive or the Corporation considers sensitive consistent with applicable Federal, state, or local laws, and Corporation policies regarding privacy and obligations of confidentiality.
- 2) PSOE has provided, as **Attachment 17**, a detailed five-year pro-forma budget for the school, including the start-up year, by completing ICSB's [Budget Projections Workbook](#).
 - 3) PSOE recognizes that charter schools must adopt and implement a single, unified accounting system as prescribed by the Indiana State Board of Accounts ("SBOA"), and that annual financial statements must be prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

Because PSOE is a network with more than one school, ICSB requires both network-level and individual school financial budgeting, reporting and annual audits. These documents have also been provided in **Attachment 17**.

- 4) PSOE has provided, as **Attachment 18**, a detailed budget narrative that provides a high-level summary of the budget and how the budget aligns with the five-year business plan.
- 5) PSOE is a pre-existing non-profit organization and will be the charter holder, so PSOE will also provide, as **Attachment 19**: (a) the last three years of audited financial statements; and (b) the most recent internal financial statements including balance sheets and income statements.

Facility

- 1) PSOE is not in the process of identifying a facility. N/A
- 2) Indicate the street address and the school district in which the building is located. Describe the facility.

The school building is located within the bounds of the Lafayette School Corporation at 1904 Elmwood Ave Lafayette, IN 47904. The school building was originally constructed as a grocery store and was converted into the New Community School, which is now being renovated by Paramount Schools of Excellence for the cost of roughly \$1.1 million. The building will consist of 19 classrooms (30x30), offices, a conference room, school cafeteria, and two outdoor areas for student recreation. Facility layout will be designed with ADA compliance standards in mind to allow for easy accessibility for physically challenged students, staff, and visitors. The attached [contract \(Attachment 22a\)](#) details the renovations.

- 3) Indianapolis-based Schools: N/A

SECTION VI: Portfolio Review and Performance Record

- 1) PSOE has provided, as **Attachment 20**, a completed ICSB Academic Performance Workbook. [ICSB Academic Performance Workbook Applicants.xlsx](#)
- 2) PSOE has not had any charter revocations, non-renewals, shortened or conditional renewals, or withdrawals/non-openings of schools operated by the organization.
- 3) PSOE has not had any performance deficiencies or compliance violations that have led to formal authorizer intervention with any school operated by the network in the last three (3) years.
- 4) PSOE has not had any current or past litigation, including arbitration proceedings that has involved the organization or any charter schools it operates. As such, PSOE will not be providing **Attachment 21**: summary of the following information: (a) the demand, (b) any response to the demand, and (c) the results of the arbitration or litigation. NA

Submission of Full Application

PSOE has provided, as **Attachment 22**, one (1) PDF file that contains all application components, including the Application Overview, the Executive Summary, the Application Narrative, and all required Attachments.

Aster Bekele
3734 N. Chester Ave
Indianapolis IN 46218
C: 317-847-8976
aster.bekele@fhcenter.org

EXECUTIVE SUMMARY

Multi-faceted experience with executive management of Felege Hiywot Center; particular strengths include:

- Developing and implementing innovative STEM based gardening programs.
- Working with constituent groups including boards, committees, volunteers, and partner organizations.
- Building and retaining exceptional staffs, volunteers, students and creating excellent work environments.
- Overseeing and coordinating all aspects of budgeting and financial management.
- Leading Felege Hiywot Center from ground zero through periods of substantial growth and transition.

Professional Experience

2012-present

Established Youth Led Leadership initiatives through farming

- Researched and studied other Youth Led Farm initiatives
- Pursued professional development for youth and staff
- Developed program to bring urban suburban youth
- Built partnership with other youth organization to assist and partner with FHC youth
- Successfully established youth leaders to lead and mentor other youth

2004 – 2012

- Established STEM through gardening program for grades K-8th
- Solicited volunteers, organized, maintained and retained these volunteers through the years
- Created a win win partnership plan for professional volunteers in STEM to bring state of the art programs to the youth FHC serves

1979 – 2007

- 1979 graduated with a chemistry degree from IUPUI
- Worked at Eli Lilly and Co in the areas of Diabetic and bone biology research
- 2007-Took an early retirement from Eli Lilly and Co to run Felege Hiywot center full time

BRITTANY ELDRIDGE, CPA

eldridgebre@gmail.com

1023 Red Oak Dr. Avon, Indiana
765-309-2623

PROFESSIONAL HIGHLIGHTS

Licensed CPA with 5 years of full-time experience and 3 years of part-time experience working as a dedicated accountant. Have worked with not-for-profit (501(c)(3)) (including Yellow Book engagements) and for-profit entities. Well-versed in financial accounting and financial controls to help maintain an organized and accurate general ledger for complete financial statement accuracy. Knowledgeable in the flow of the different accounting departments and managing each department. Familiar with accounts receivable aging and contractual allowance models. Experience with working independently as a self-employed contractor and leading a group in a team setting. Dedicated to helping companies maintain and ensure proper compliance with governing bodies.

PROFESSIONAL EXPERIENCE

Independent Accounting Contractor

August 2014-Present

- Manage staff for monthly bookkeeping and monthly preparation of financial statements for clients
- Teach, manage and delegate responsibilities to staff
- Review monthly bookkeeping and monthly financial statements
- Assist with the workflow of tax returns
- Manage 1099 preparation and filing for 40 clients
- Contract audit work and financial statement preparation for Homeowner Associations
- Financial Statement review and analysis

Controller

November 2013-May 2015

Grandview Pharmacy, Brownsburg, IN

- Manage financial operations for independent pharmacy of \$35 million in revenue
- Prepare financial statements and all supporting documentation for annual review
- Maintain daily financial operations including Accounts Payable and Accounts Receivable Oversight
- Work directly with the CFO daily

Audit Senior

2012-November 2013

Audit Staff

2010-2012

Blue & Co., LLC, Indianapolis, IN

- Manage financial statement audits for entities of revenues in excess of \$279 million
- Prepare annual financial statements for clients
- Responsible for delegating, reviewing and completing engagements
- Liaison between directors, clients, and staff on engagements
- Work closely with CFOs and Controllers of clients to complete engagements efficiently and timely
- Review and critique submitted work by staff

-
- Review Account Receivable models and contractual/ bad debt allowance methodologies
 - Analyze and test internal control documentation
 - Audit of pension plans, 401(k), profit sharing, 403(b)
 - Establish audit budgets and manage audit team
 - Engagements with Circular OMB A-133 grant fund requirements (includes Yellow Book)
 - Train staff on audit procedures
 - Run special requested engagements

EDUCATION

Certified Public Accountant- CP11200382, since 2012

Bachelor of Science Accounting and Business Management— Purdue University, 2010
Minors- Spanish and International Business

PROFESSIONAL INVOLVEMENT

Treasurer and Board Member- *Paramount School of Excellence*- Charter School
Indianapolis, IN 2015-Present

TECHNICAL SKILLS

-
- | | | |
|----------------------|----------------------------|------------------------|
| • QuickBooks Desktop | • Microsoft Excel | • Framework |
| • QuickBooks Online | • Microsoft Access | • Acc Pac |
| • Sage MAS 90 | • ADP (Payroll Processing) | • ProSystem Engagement |

HOBBIES AND INTERESTS

I am dedicated to a healthy lifestyle which involves spending time with family, friends and enjoying time running. I've run 1 marathon and several half marathons. I spend time with my boys playing outside, hiking and reading. Our family is very involved with our church and we are always looking for ways to serve others.

Elsa Mendez

Greenwood, IN 46143 | 630.803.8012 | mendeze4@gmail.com

Professional Experience

IVY TECH COMMUNITY COLLEGE

Internal Auditor, January 2020 – Present

- Audit organizational units for accounting and custodial activities
- Evaluate operations and control activities to advise on improved processes
- Conduct review requests on development or revision of financial or operational systems

INDIANAPOLIS AIRPORT AUTHORITY

Internal Auditor, September 2017 – January 2020

- Plan and implement financial, operational and compliance audits
- Participate in evaluating implementation of Concur T&E system
- Review internal controls and processes
- Aide in review and selection of data analytics program
- Oversee annual warehouse inventory
- Prepare audit memo and workpapers
- Assist external auditors

INDIAN PRAIRIE SCHOOL DISTRICT 204 Aurora, IL

Business Office Asst Manager, January 2011-July 2013

- Assist in systems evaluation for data collection and processing for Transportation and Food Service Depts
- Train admin staff at school buildings on use of new student system
- Facilitate process improvements in areas such as benefits, travel and entertainment, cash handling
- Participate on ad hoc projects

Internal Auditor, October 2008-January 2011

- Conduct fraud, compliance and financial audits to determine internal controls and accounting data reliability
- Facilitate process improvements in areas such as benefits, travel & entertainment, cash handling
- Recommendations implemented in standard guidelines for student funds
- Train staff district wide on best practices

WAYNE COUNTY AIRPORT AUTHORITY Detroit, MI

Staff Internal Auditor, September 2007 - July 2008

- Assess and evaluate expenditure and revenue processes
- Conduct operational and contract compliance audits
- Partake in report writing

DUCHOSSOIS INDUSTRIES Chicago, IL

Senior Accountant, June 1999 - December 2000

- Prepare consolidated financial statements
- Perform monthly variance analysis for headquarters and foreign subsidiaries
- Assist in year-end audit
- Participate in Hyperion accounting software upgrade and implementation

MLC INDUSTRIES Schaumburg, IL

Staff Accountant, September 1998 - June 1999

- Prepare consolidated financial statements for foreign and US companies on a quarterly basis
- Maintain the General Ledger for US books
- Review foreign affiliates' monthly financial statements
- Conduct a revenue audit at Argentinian affiliate
- Provide training to staff at Venezuelan affiliate

(Experience cont.)

PRADO & RENTERIA CPA's PROF CORP. Chicago, IL

Staff Accountant/Auditor, January 1996 - September 1998

- Carry out internal audits for Chicago Public Schools
- Perform audits utilizing Yellow Book audit standards
- Perform Single Audits
- Complete compilation reports for small business owners
- Prepare tax returns for self-employed clients

Education & Other

DEVRY UNIVERSITY

Addison, Illinois

Bachelor of Science in Accounting

CIA Candidate

Spanish Language Fluency

Professional Affiliations

Institute of Internal Auditors (IIA)

Indianapolis Chapter IIA, Programs Committee Member

Association of College & University Auditors (ACUA)

Community Involvement

Indy Reads

Schools on Wheels, Diversity Committee Member

Indiana Latino Institute

Indiana Latino Expo

St. John Garden Door Food Pantry

James D. "Hap" Hazzard, Jr., M.Ed., Ed.S.

Co-Founder
Hazzard Institute
PO Box 142
Centerville, IN 47330
Cell: 765-760-2391
E-mail: hhazzard@hazzardinstitute.com

EDUCATION

Ball State University 2004 to 2014 – Doctoral studies in Special Education, ABD
Ball State University 2006– Licensed as Director of Special Education
Ed. S. The Citadel 1992 – School Psychology
M. Ed. The Citadel 1990 – Counselor Education
B.A. University of South Carolina 1971 – Philosophy
A. A. Southeastern Community College 1970 – English

RELATED EXPERIENCE

Hazzard Institute, Inc. 2006 to Present

- Independent contractor as Director of Special Education and School Psychologist for schools within Indiana and Ohio

Director of Special Education and School Psychologist, July 2010 to 2012

KIPP: Indianapolis College Preparatory, Indianapolis, Indiana

Director of Special Education and School Psychologist, August 2006 to June 2010

New Lebanon Local Schools, New Lebanon, Ohio

Consulting School Psychologist

National Institutes of Health – Maternal Phenylketonuria Collaborative Study, 1996-2000

South Carolina Department of Corrections, 1994 - 1996

Counselor

ALPHA Center Drug and Alcohol Abuse Facility, 1992 – 1993

Intern School Psychologist

Beaufort County School District, August 1991 – 1992

Teacher for ED/SC K-5

Charleston County School District, August 1989-1990

Psy Chi National Honor Society in Psychology member

Chi Sigma Iota National Honor Society in Counseling member

Liam N. Smith

6009 Washington Blvd • Indianapolis, IN 46220 • (317) 965-4477 • smithliam4921@gmail.com

CAREER HISTORY

Morgan Stanley

Financial Advisor – Wealth Management and Retirement Services January 2014 – Present
Provide wealth management solutions to corporations, individuals and families
Assist with the development of employee education programs
Conduct employee enrollment and education meetings
Help plan participants positively impact their retirement outcomes

Compensation Systems Inc.

Financial Advisor – Pension and Retirement Services January 2013 – December 2013
Conduct employee enrollment and educational meetings
Review employer sponsored plans with clients at least annually
Utilize RPAG system to evaluate plan investment performance and fee benchmarking
Establish retirement plan design that meets objectives of Plan Sponsor
Help plan participants achieve ‘retirement readiness’

WestPoint Financial Group

Financial Services Professional December 2011 – December 2013
Provide financial solutions to meet clients concerns
Educate prospective clients
Manage and organize personal business expenses
Create marketing strategies

Bloomsburg University

Assistant Track/Cross Country Coach August 2009 – August 2011
Develop, manage and direct athletes through individualized training plan
Serve as Recruiting Coordinator
Identify prospective student-athletes (PSAs) based on athletic/academic performance
Schedule and organize PSA visits to campus
Develop interdepartmental relationships
Manage budgets
Organize and schedule meet travel arrangements
Contribute to day-to-day academic and athletic development of student athletes

Lehigh University

Assistant Track/Cross Country Coach August 2005 – July 2009
Developed workout schedules for multiple event groups
Served as Recruiting Coordinator
Developed interdepartmental relationships with Admissions and Financial Aid
Contributed to day-to-day academic and athletic development of student athletes
Created and coordinated University sponsored camps and clinics
Planned and prepared meet travel arrangements

EDUCATION

M.A. in Secondary Education, Lehigh University – Bethlehem, PA (2009)

B.A. in History, Saint Francis University – Loretto, PA (2005)

REFERENCES

References available upon request

Mandy Bishop

(317) 332-9396

mbishop9396@hotmail.com

Indianapolis, IN

Highly motivated, dependable, and efficient professional with enthusiasm devoted to personal progress as well as team advancement. Goal-oriented team leader successful in time management, task prioritization, project organization, and high-stress situations.

Employment History

WFYI Public Broadcasting

2014- 2019

Indiana Reading & Information Services Radio Producer/ Operations Manager

Responsible for the overall management and administration of IRIS, including but not limited to fundraising, program development, budget preparation, outcome management, volunteer development, marketing, advertising, networking, event planning and community engagement.

- Increased volunteer hours from an average of 1,700 to over 6,900 a year
- Brought volunteer base from 18% to 86% recorded content
- Tripled broadcast content by adding new programs including interview sessions with other beneficial organizations
- Increased engagement by promoting at more than 24 community events a year and making professional connections with other organizations for mutual advertising
- Doubled listener base by connecting with new broadcast technology and expanding listener reach through new avenues
- Doubled annual contributions by developing sponsorships and donations from local businesses and organizations

Indiana Real Estate Broker, currently inactive

2012-2016

Olan Mills Portrait Studio

2010-2012

Studio Manager and Lead Photographer

- Honored with National "Studio of the Year" Award 2011

Dreyer Motorsports

2004-2008

Assistant Service Manager

- Gold Level Management Certification through Yamaha

A.J. Wright

2001-2005

Cash Office Administrator and Customer Service Manager

Education & Training

Southport High School, Indianapolis, IN

2000-2004

Courses studied: College Preparation, French, Spanish, and Photo- Journalism

Central Nine Career Center, Greenwood, IN

2002-2004

Courses studied: Marketing, Advertising, Economics, and Business Math

Member of D.E.C.A. (An Association of Marketing Students)

- Won First Place in Hospitality & Management at District Competition
- Nominated for Indiana President

Indiana University-Purdue University Indianapolis (IUPUI)

2005-2010

International Studies with a focus on Spanish and French language

Work Study:

- America Reads & Counts Tutor in Elementary Education (6mo)
- Boy Scouts of America Life Skills Courses in Elementary Education (6mo)
- High School English & Math Paraprofessional (2yr)

Audio Description Certification, Audio Description Associates

2019

Ohi Jude Amu

CONTACT

- ◆ 414.324.8176
- ◆ jude.amu@cummins.com
- ◆ Greenwood, IN
- ◆ www.linkedin.com/in/jude-amu

EDUCATION

MS: ELECTRICAL AND COMPUTER ENGINEERING

Marquette University

BS: ELECTRICAL ENGINEERING

Marquette University

Minor: Computer Science

EXPERTISE

PRODUCT LIFE CYCLE

PRODUCT DEVELOPMENT

PROCESS OPTIMIZATION

PROJECT MANAGEMENT

QUALITY ASSURANCE

SOFTWARE CONTROLS

STAFF DEVELOPMENT

GLOBAL CLIENT INTERACTION

COMPLEX PROBLEM SOLVING

ORGANIZATIONAL IMPROVEMENT

STRATEGIC PLANNING

INNOVATION

LEADERSHIP

ANALYTICAL THINKING

THERMAL FLUID SCIENCE

PROFESSIONAL PROFILE

Engineering professional with proven team leadership, project management, and global teams experience. Knowledgeable in application of product development, and implementation processes. Self-driven with demonstrated ability to learn fast and adapt quickly to new technologies and situations. Prepared to leverage career of over 15 years of leadership, project management, and engineering experience towards the advancement of high-quality Products, and teams.

WORK EXPERIENCE

ASSISTANT CHIEF ENGINEER | Cummins Emission Solutions (CES)

2015 - Present

Appointed to this newly-created role to lead the formation of a centralized engineering department towards advancing product quality and business growth by improving work-flow deficiencies and collaboration across global teams, in all stages of the product life-cycle.

- Directed and grew the department from 2 to more than 15 engineers.
- Increase Talent management impact in the organization by recruiting, placing and mentoring diverse engineering talent from both internal and external.
- Formulated employee and departmental growth-plans each year by building strong teams and achieving Key Performance Metrics.
- Identified technical gaps and implemented best practices and solutions, resulting in more effective Systems Integration of dosing component calibration & Diagnostics, and quality cost reductions across the globe.
- Defined overall strategic vision, function scope and interface points for 4 Technical functional groups and managers, improving engineering workflows to support growth.
- Expanded technical capability and capacity in North America, India, China, United Kingdom and Latin America.
- Managed the departmental operating plan, annual budget, and forecasted staffing and resources to reduce costs and improve technical productivity.

TECHNICAL PROJECT LEADER | Cummins Emission Solutions (CES)

2013 - 2015

Oversaw this strategic role to access the market readiness of new emission control technologies with supplier partners, in pursuit and support of new North American customer business opportunities.

- Completed thorough risk assessments each quarter and deployed management and response strategies to prevent problems.
- Managed and planned financial controls and risks associated with engineering development and testing for global product portfolio ranging between \$2M - \$10M.
- Coached 5 FIRG (Failure Incident Review Group) engineers and Mentored Program Tech team members.
- Facilitated technical workshops each quarter for over 8 technical and business partners on new product development.
- Led the product development team through the definition and validation of concept proposals using a Stage Gate Process.
- Directed the research and development project with an international partner to demonstrate and quantify the level of improvement from adopting the new ASDS (Ammonia Storage and Delivery System) software and hardware technology.

TECHNICAL SKILLS

MATLAB
SIMULINK
LABVIEW
AUTOCAD
MICROSOFT SUITE
MINITAB
C++

CERTIFICATIONS

GREEN BELT
Six-Sigma
GLOBAL LEADERSHIP
DEVELOPMENT PROGRAM
(GLDP) *Cummins Inc.*

ORGANIZATIONS

MEMBER
Institute of Electrical Electronic Engineers (IEEE)
MEMBER
National Society of Black Engineers (NSBE)
BOARD OF DIRECTORS
Paramount Schools of Excellence (PSOE) Network

ADDITIONAL EXPERIENCE

Mechanical Development Engineer
Cummins, Inc | 2005- 2007

Graduate Teaching Assistant
Marquette University | 2003- 2005

WORK EXPERIENCE

VPI SYSTEM PERFORMANCE INTEGRATION MANAGER | Cummins, Inc 2011 – 2013

Oversaw the key integration aspects of the architecture, diagnostic, performance, compliance and customer requirements for the successful launch of the Selective Catalytic Reduction (SCR) technology for Company's highest volume North American On-highway Customer.

- Maintained system interface agreements, quality assurance procedures, and validation plans.
- Coached and managed a team of 5 direct reports in addition to leading a multi-functional technical staff consisting of the system team leads from ATI (Aftertreatment Integration), OBD (On-Board Diagnostics), and CPE (Combustion Performance & Emissions).
- Led delivery and launch of MY2013 and MY2014 engine programs for Chrysler, with additional changes required to meet the OBD and Greenhouse Gas regulatory requirements.
- Interfaced weekly with Chrysler and PEM (Product Environmental Management) groups to ensure accurate schedules and timely deliverables were met along with government regulations.

COMBUSTION, PERFORMANCE & EMISSIONS VPI TEAM LEAD | Cummins, Inc 2010 – 2011

- Developed engine combustion recipes and software controls strategies that complied with EPA, ARB, and OBD government agency regulations.
- Provided leadership and direction for 4 employees, supervising activities to drive productivity and efficiency.
- Coordinated the development, certification, and compliance verification of the chassis- certified vehicle testing.
- Developed and implemented policies, procedures, and process improvement initiatives to increase consistency.
- Directed a product development engineering team assisting with the Chrysler 6.7L engine future products program.
- Led and completed a six-sigma project reducing fuel consumption on the MY2013 pickup engine by 11%, resulting in reducing total cost of ownership.
- Supported and led customer and internal test trips 2-3 times each year to define and discuss product requirements and capability.
- Developed and received a United States Patent for a software algorithm to electronically improve turbocharger surge control.

SENIOR CPE DEVELOPMENT ENGINEER | Cummins, Inc 2007 – 2010

- Coordinated initial development and prototype testing/validation of internal combustion components.
- Optimized measurement analysis methods to interpret emissions test data from CVS (constant volume sampling) and performance test cells.
- Delivered recommendations, updates, and results to multiple engineering customers.
- Developed and optimized the catalyst chemical and thermal regeneration process for the NAC (NOx Absorber Catalyst) and DPF (Diesel Particulate Filter) on 2010 Chrysler Pickup products.
- Managed relationship with 3 software and Electronic Module program teams gaining stakeholder buy-in on specifications for new algorithms required to improve system performance.
- Utilized advanced knowledge of ASSET (Advanced Software System for Engineering Test) to develop 5 specialized test cycles.

PEGGY WULFF BLACKARD

317-501-4089

peggy.blackard@gmail.com

PROFILE

High-capacity senior leadership as a Process Advocate, Change Agent, Strategic Thinker and Creative Communicator in organizational development, fundraising strategies, corporate relations and execution of full-scale marketing initiatives in non-profit environments. Highly proficient in managing capital campaigns, strategic planning, multi-project management, crisis resolution and financial accountability.

- Accomplished at developing and implementing successful business plans, community programs and large-scale funding with a creative, visionary approach; rapid delivery of positive, high-visibility results.
- Solid expertise in negotiating and executing critical initiatives and programs with stakeholders, community organizations, thought leaders, government entities and key decision-makers.
- Highly skilled at maximizing market exposure and meeting aggressive business objectives; adept at large-scale budgeting, volunteer relations, expense controls and resource allocation.
- Extensive background in participating on, motivating and assisting cross-discipline teams in identifying new funding opportunities, expanding market awareness, leveraging new media assets and meeting complex project requirements.
- Well-versed in cross-industry practices, operating procedures and business protocols with many regional organizations; go-to resource person for community relationship building, donor interaction, Board interaction and executive accountability.

CORE COMPETENCIES

Fund Development • Donor Relations • Marketing Strategies • Corporate Communications • Media Relations • Strategic Planning • Performance Metrics • Branding Initiatives • Market Segmentation • Donor Tracking • Cost Controls • Capital Campaign Execution • Training & Development • Annual Giving Forecasting • Donor Satisfaction • Major Gift Administration • Policies & Procedures • CRM Databases • 24/7 Crisis Communications • Grant Writing • Plan of Work • Community Relations • CFRE

EMPLOYMENT & ACCOMPLISHMENTS

American Cancer Society., Indianapolis, IN

2014 – 2020

Director Reginal Corporate Relations

Leads the pursuit of new opportunities, manages and cultivates relationship and drives involvement of accounts to achieve ACS mission and income efforts. Works to further the strategic implementation of local, nationwide, and global initiatives across corporate, social and public sectors. Responsible for collaborating with others to increase market penetration, and engagement. Accountable for significant income targets. Ensures goal achievement through the effective leadership, management and collaboration with a diverse staff. Active member of the state's leadership team.

- Successfully researched, recruited, cultivated, and retained accounts to increase corporate income from \$250,000 to one million dollars in the first three years.
- Identified, secured and executed Indiana's first cause marketing campaign. Resulting in said company conducting two nationwide cause marketing campaigns annually. The partnership surpassed the 1-million-dollar mark during the fourth year.
- Secured one of seven national state presenting sponsorship nationally, for a newly created fund-raising campaign in the first year for Indiana. Retained the presenting sponsor for a second year. Recruited a highly recognized female to chair the state wide campaign for the second year.
- Developed and delivered multi-mode communications that convey a clear understanding of the unique needs of different audiences. Supervisor said, "Peggy is excellent at communicating and not leaving people in the dark."

Gleaners Food Bank of Indiana, Inc., Indianapolis, IN

2005 – 2013

Chief Advancement Officer

In charge of managing all aspects of fundraising, major gift acquisition, events planning, volunteer deployment and media relations for this leading non-profit provider of hunger relief services to 21 Indiana counties. Train and supervise 4 direct report managers, 15 staff and annual \$8.5 million departmental budget. Utilize seasoned abilities in developing and launching critical marketing programs, communications materials and partnership building efforts. Track and monitor a variety of mission-critical performance metrics in media coverage, donor activities and social media presence. Work closely with executives, managers and professionals through the entire project lifecycle. Accountability for internal and external stakeholder communications. Active member of the Senior Management Team. Ensure alignment between departments and fundraising efforts.

- Successfully completed a \$11.2 million capital campaign ahead of schedule with an outside consulting firm, securing a total of \$12.3 million.
- Dramatically expanded the donor base from 8,000 to 100,000 accounts, donors from 3,489 to 58,019 and volunteers from 7,018 to 17,858 during tenure.
- Designed and introduced the first fund development strategic plan and yearly plan of work, including a departmental operating budget, new processes & procedures and the first-ever gift acceptance policy.
- Established a new volunteer oversight structure with all operating policies to support rapid growth.

St. Mary's Child Center, Indianapolis, IN

2002 – 2004

Director of Development

Responsible for overseeing all development functions as the first-ever director at this high-quality early childhood educational entity. Managed 2 direct reports in organizing programs and executing activities to cultivate, solicit and handle a wide range of gifts. Extensive interaction with non-profits, including United Way.

- Launched a new fund development model, "Raising More Money," that raised \$244,000 at first event and over \$68,000 at another 7 months later.
- Succeeded in increasing annual contributions by 37% to over \$254,000 and grant income by 57% to \$148,121 in only 1 year.
- Researched, wrote and delivered the first Case Statement for this organization.

Girl Scouts of Hoosier Capital Council, Inc., Indianapolis, IN

1998 – 2002

Director of Development

Coordinated a 5-person department and \$3.7 million budget in planning and administering all development and financial campaigns for this large non-profit organization. Deployed expertise in grant writing, proposal design, special events planning, donor acquisition, product sales and subscription programs. Formed and launched public relations, target marketing and corporate communications. Worked closely with a PR firm to persistently enhance fundraising capabilities and brand messaging through ongoing community involvement.

- Personally designed and instituted a full marketing plan that increased product sales by 39% over 4 years, earning an all-time high of \$3.325 million.
- Aggressively improved annual campaign income by 575% to over \$143,000, while surpassing a \$2 million capital campaign goal to reach a total of \$2.3 million.
- Rolled out the first annual family appeal in 2001, achieving 14% more participation; exceeded dollar target by 35%.
- Guided a comprehensive grant program to secure over \$2.7 million in first 8 months of 2002.
- Increased allocation and closely interacted with many regional United Way entities.

PREVIOUS EXPERIENCE

- Held management positions in personnel operations, fundraising support, professional training and office administration with growth-oriented Indiana and Florida organizations, including 11 years as **CEO Tulip Trace Council of Girl Scouts** and with the **National Benevolent Association – Kennedy Living Center**.
- Gained hands-on knowledge of corporate communications, special events planning, PR strategies, report generation and executive interaction.
- Consistently recognized by top management for excellence in job performance, team participation, process improvements, timely problem solving and complex operations.

PROFESSIONAL TRAINING

- **Certified Fund Raising Executive (CFRE)**; Credentialed by CFRE International - 2003 to 2019
- **Certified Fund Raising Manager (CFRM)**; Certificate in Fund Raising Management from the IU Center on Philanthropy.
- Extensive coursework in resource development, grant writing, online fundraising, social media, leadership principles, non-profit management, media training and related subjects.
- Completed classes in Business Administration and General Education topics at the University of Evansville.

CURRENT ACTIVITIES

- Board member Paramount Schools of Excellence 2014 – current
- Board secretary Paramount Schools of Excellence 2019– current
- Active member of the Rotary Club of Indianapolis 2005 - current
- President, Rotary Club of Indianapolis 2012-2013
- Member of the Rotary Club of Indianapolis Foundation, Planning for the Future Committee – 2020-current
- Board member of St. Johns United Church of Christ 2019 – 2022
- Member finance committee of St. Johns United Church of Christ 2019 - 2022

Thomas E. Rude
3544 Mossy Rock Drive
Zionsville, Indiana 46077
(317) 471-7410

HIGHLIGHTS OF EDUCATION/QUALIFICATIONS

Education/Certification:

- B.S., Computer Engineering, Rose-Hulman Institute of Technology, 1992
- M.A., Education; University of Saint Mary, 2004
- M.S., U.S. Army Command and General Staff College, 2004
- Project Management Professional (PMP) certification, active 2016 to present
- Advanced Microsoft Project certification, 2017
- Active Secret Security Clearance

Specific Skills and Knowledge:

- 20 years military experience in the U.S. Army as a helicopter pilot in the UH-1H, OH-58A/C, and AH-64A/D Apache Longbow aircraft; two combat deployments in support of Operation Iraqi Freedom
- Eight years industry experience as a Program Manager, Project Manager, and Senior Systems Engineer responsible for managing all elements for development of test equipment for the U.S. Army, U.S. Navy, and U.S. Air Force projects
- Project Lead for several test equipment products including: U.S. Navy AN/AWM-102/A & AN/AWM-103/B&C, U.S. Army AN/AWM-101A/B, Army Launcher Test Station and Mobile Automated Verification Unit (MAVU).

EMPLOYMENT REFERENCE AND EXPERIENCE

SAIC

Indianapolis, IN

Program Manager

2020 to Present

- Responsible for the successful delivery of support to PMA-251 (Aviation Launch and Recovery Equipment). Manage and integrate activities to ensure technical, schedule, cost and financial performance. Oversee 23 separate tasks, 35 direct reports that are executing at three different locations.
- Responsible for the successful delivery of various Air Force, Navy, and Army programs to customers. Manage performance of test equipment (AWM-101B, LTS, CEU, MAVU) in support of the Army / PM-JAMS.
- Manage all activities related to the AWM-103 Technical Refresh and the Joint Miniature Munition Interface AWM-103 adapter programs; both SAIC – Government Integrated Product Teams (IPTs). Integrated contract, technical, cost, and financial performance requirements. Managed multiple subcontractors on both FAR-based contracts and OTAs.
- Serve in a BD role for the National Security Customer Group to protect current programs and expand account offerings with the goal of leveraging Navy offerings to increase Air Force business. Currently manage a pipeline of over \$100M in qualified opportunities. Coordinate with contract, subcontracts, capture personnel, prepare / present BD gate reviews, and update the AOP. Review and screen SAIC GWAC, Beta SAM and GOVWIN sources to identify new opportunities.

Project/Product Manager***2012 to 2020***

- Serves as the Product Manager for AN/AWM-101A/B, AN/AWM-103 SMSTS, AN/AWM-102/A; directly interface with various military customers to meet their production, repair, and engineering service requirements.
- Project Manager for the developmental project that designed, prototyped, and tested the Automated Verification Unit in support of the AN/AWM-101B.
- Support the development and maintenance of system requirements and verification & validation of DoD projects from conception to fielded systems for our clients. The key responsibility is working with multiple Government agencies to comprehensively develop and manage requirements and requirements traceability. The individual will work with multiple requirements database. This position will analyze legacy system documentation to derive requirements followed by allocating to hardware and software specifications. This includes the development of test methods and procedures as part of a requirement traceability matrix and must be able to deliver requirements products. Must be able to execute, control, and adhere to at least 8 processes.

United States Army**Various*****Lieutenant Colonel******1992 to 2012***

- Served in a variety of officer command and staff positions
 - Brigade Executive Officer, Combat Aviation Brigade, 1st Infantry Division
 - Battalion Operations Officer, 2-101st Aviation Regiment, 101st Airborne Division
 - Battalion Executive Officer, 2-101st Aviation Regiment, 101st Airborne Division
 - Company Commander, 3-229th Aviation Regiment, 18th Airborne Corps
 - Platoon Leader, 3-101st Aviation Regiment, 101st Airborne Division
- Served as the Executive Officer for an Aviation Battalion and an Aviation Brigade, with two tours of combat service in support of Operation Iraqi Freedom.
- Certified as a Master Army Aviator and qualified as a Pilot-In-Command in five rotary-wing aircraft.

Additional Professional Activities:

- School Board, Paramount School of Excellence – 2012 to present
- Scout Committee, Pack 358 – 2013 to present
- Trustee, Zionsville United Methodist Church – 2015 to present
- Coach, FIRST Lego League and Project Lead the Way – 2014 to 2015

Awards Received:

- U.S. Army Bronze Star w/Oak Leaf Cluster, Air Medal, Master Army Aviator Badge, Combat Action Badge, Air Assault Badge, and various other service and achievement awards.
- Honorable Order of St. Michael (Bronze)
- Rose-Hulman Institute of Technology Alumni Leadership Award (2001) – first recipient.

KYLE BEAUCHAMP

Fishers, IN 46038 • (989) 285-2013 • kbeauchamp@paramountindy.org

Professional Summary

Educational Leader with 19 years of experience as a teacher, administrator, and academic expert focused on curriculum and instruction, assessments, data, and staff growth and development.

Skills

- Supervision
- Team management
- Project organization
- Academic Codification
- Relationship development

Work History

Chief Academic Officer, 03/2020 to Current

Paramount Schools Of Excellence – Indianapolis, IN

- Planned and implemented staff development and in-service training programs to enhance knowledge and skills.
- Facilitated development of program structure within classrooms to formulate and implement academic goals.
- Developed partnerships with parents, businesses and organizations to build awareness, increase support and share resources.
- Evaluated programs and monitored implementation and compliance with regulations to achieve objectives.
- Directed day-to-day operations of education program and supported school leadership teams to delegate assignments and evaluate performance.
- Created comprehensive virtual learning frameworks that helped maintain teacher and student growth during pandemic school closure
- Codified all aspects of the academic model, including instruction, teacher observation and feedback cycle, professional development, and assessments.

Principal, 06/2017 to 03/2020

Paramount Schools Of Excellence-Community Heights – Indianapolis, IN

- Monitored and evaluated educational programs to maintain high-quality performance objectives and standards.
- Coordinated yearly operations and staff budget, tracked expenses and documented actions.
- Supervised afterschool program to promote student growth and maintain safety for all attendees.
- Performed classroom evaluations to assess teacher strategies and effectiveness.
- Introduced modifications to assessment curriculum and introduced new, effective instructional techniques.

- Oversaw administrative functions such as schedule management and protocols for orientation, registration and related activities.
- Researched and incorporated new educational trends and instructional strategies to optimize education effectiveness.
- Managed all aspects of PSOE special programs, ensuring full compliance with article 7.
- Became the highest performing academic school in the state of Indiana in 2019, with a 76% pass rate on the first year of the ILEARN assessment
- Managed all details regarding student discipline.
- Facilitated continued education for teaching staff through implementation of quality curriculum training and appropriation of necessary resources.

Assistant Principal, 07/2012 to 05/2017

Paramount Schools Of Excellence-Brookside – Indianapolis, IN

- Built and maintained positive relationships with diverse stakeholders, such as parents, school volunteers and outside agencies.
- Performed classroom evaluations to assess teacher strategies and effectiveness.
- Created teacher recruitment and retention plan, helping maintain a 90% or higher annual teacher retention rate yearly
- Created the "New Teacher Academy" program, helping accelerate new teacher growth and retention
- State Assessment Coordinator
- Supervised and evaluated teaching and support staff through instructional leadership and professional development.
- Oversaw administrative functions such as schedule management and protocols for orientation, registration and related activities.
- Monitored student behavior and enforced discipline policies.

Education

Master of Arts: Principal Licensure Program, 03/2015

Indiana Wesleyan University - Marion, IN

Master of Arts: Educational Leadership-Curriculum And Instruction, 04/2011

Indiana Wesleyan University - Marion, IN

Bachelor of Science: Secondary Education, 12/2002

Central Michigan University - Mount Pleasant, MI

MARCUS MILLER, CPA

2933 Broadway Street, Indianapolis, IN 46205

Phone: (317) 667 - 3073

Email: mmiller@paramountindy.org

OBJECTIVE:

Experienced, detail-oriented financial leader with extensive background in financial reporting, financial controls and processes, and operating in complex business environments.

Competencies: Accounting. Auditing. Problem Solving. Tax Preparation. Research and Financial Analysis. Financial Reporting. Budgeting and Forecasting. Regulatory Compliance. Interpersonal Skills. Flexibility. Team Development. Case Management. Negotiation. Team Management.

WORK EXPERIENCE:

Chief Financial Officer

November 2021 – Present

Paramount Schools of Excellence
1203 E. St. Clair Street, Indianapolis, IN 46202
Supervisor: Tommy Reddicks, CEO

Major Responsibilities:

- Collaborate extensively with other members of the executive team to define and improve company mission.
- Direct and oversee all aspects of the finance & accounting functions of the organization including treasury management, accounts payable, and accounts receivable.
- Manage processes for financial forecasting, budgets, and reporting for the organization.
- Ensure that effective internal controls are in place and ensure compliance with GAAP and applicable federal, state, and local regulatory laws.
- Manage company cash flow to ensure that obligations such as payables and payroll are met.
- Oversee the annual financial audit process.
- Lead monthly and yearly accounting closing processes.

Assistant Controller

Jan. 2021 – November 2021

Goodwill of Central and Southern Indiana
1635 W. Michigan Street, Indianapolis, IN 46222
Supervisor: Josh Cooper, Corporate Controller

Major Responsibilities:

- Assisted the CFO and Controller in the preparation of the balance sheet, income statement, and cash flow financial reports.
- Posted necessary journal entries and adjusting journal entries to record transactions.
- Performed monthly reconciliations of integral general ledger accounts including overseeing reconciliation of banking activity, credit card processing, sales tax returns, and investment accounts.
- Managed company cash flow to ensure that obligations such as payables and payroll are met.
- Participated in the monthly and yearly closing processes.
- Served as the intermediary between external auditors and company management.
- Performed budget management tasks such as monitoring company performance against estimates and preparing annual budgets.
- Managed a team of two accounting staff members.

Non-Profit Finance Committee Member

Jul. 2020 – Jun. 2021

Him By Her Collegiate School for the Arts
4501 E. 32nd Street, Indianapolis, IN 46218

Senior Accountant

Nov. 2019 – Jan. 2021

Denison Parking, Inc.
320 N. Meridian Street, Suite 700, Indianapolis, IN 46204
Supervisor: Mike Davis, VP of Finance

Major Responsibilities:

- Assisted the VP of Finance and Controller in the preparation of the balance sheet, income statement, and cash flow financial reports.
- Performed monthly bank account reconciliations for over 100 different accounts.
- Posted necessary journal entries and adjusting journal entries to record transactions.
- Performed monthly reconciliations of integral general ledger accounts.
- Managed company cash flow to ensure that obligations such as payables and payroll are met.
- Participated in the monthly and yearly closing process.
- Served as the intermediary between external auditors and company management.
- Prepared annual personal property tax returns.

Staff Accountant

Nov. 2016 – November 2019

Yount & Company, LLC
5665 N. Post Road, Suite 110, Indianapolis, IN 46229
Supervisor: Dan Holt (317) 546-1020

Major Responsibilities:

- Conducted comprehensive financial audits, federal and state compliance audits, and agreed-upon procedures.
- Performed analytical procedures/analyses to detect unusual financial statement relationships.
- Identified and communicated accounting and auditing matters to seniors and managers.
- Proposed adjusting journal entries and discuss audit findings with clients.
- Prepared state and federal tax returns for individuals, partnerships, corporations, trusts, and not-for-profit organizations.
- Prepared necessary returns for state and federal payroll and unemployment taxes.

Staff Accountant

Sep. 2015 – Nov. 2016

Comer Nowling & Associates
8606 Allisonville Road, Suite 120, Indianapolis, IN 46250
Supervisor: Gregory Nowling (317) 841-3393

Major Responsibilities:

- Conducted comprehensive financial audits, federal and state compliance audits, and agreed-upon procedures.
- Performed analytical procedures/analyses to detect unusual financial statement relationships.
- Performed internal control and substantive testing.
- Identified and communicated accounting and auditing matters to seniors and managers.
- Proposed adjusting journal entries and discussed audit findings with clients.

EDUCATION:

- Indiana Wesleyan University, Marion, IN; 12/2015
Degree: Master's of Science
Major: Accounting
- Indiana University, Indianapolis, IN; 05/2012
Degree: Bachelor's of Science
Majors: Finance and International Studies
Minor: Economics

TRAINING & CERTIFICATION:

- Certified Public Accountant, State of Indiana, License #CP1800343

6136 Crittenden Ave
Indianapolis, IN 46220

(317) 525-6720

maryelaflin@gmail.com

MARY LAFLIN

EDUCATION

Ball State University

Bachelor of Science

Summa Cum Laude 3.93/4.0

EXPERIENCE

Vice President of Operations - Paramount Schools of Excellence

Indianapolis, IN (Jan 2022 - Present)

- Encourage growth and effectiveness of the Operations Team to ensure all schools receive appropriate and timely oversight and support to ensure model codification
- Support schools with procurement and retention of resources
- Build support systems to ensure timelines are met and there is accountability and fidelity across schools

Operations Coordinator - Paramount Schools of Excellence

Indianapolis, IN (Aug 2021 – Jan 2022)

- Manage warranties, capital planning schedules, and vendor accounts for the organization
- Ensure effective systems to track progress and regularly evaluate program components to measure successes that can be communicated to constituents
- Oversee school-wide programming oversight
- Communicate with external vendors, school operations staff, and district-level team members for coordination and planning across the network

Operations Manager - Paramount Brookside

Indianapolis, IN (2017 - 2021)

- Oversaw building maintenance, operational compliance, and school security
- Managed daily purchases and site-level budget
- Consulted with school administrators on strategic planning
- Managed and trained direct reports overseeing school registration, technology, and student services

Teacher - Paramount Brookside

Indianapolis, IN (2014 - 2017)

- Planned daily lessons integrating technology and differentiation
- Administered state testing and completed data analysis to track student progress towards mastering grade level standards

Tommy Reddicks

1202 Sturm Avenue
Indianapolis, IN 46202
720-341-8592
reddix@gmail.com
www.tommyreddicks.com

Objective

Seeking professional opportunities that can impact the developing field of education

Work Experience

CEO

4/2010 – Present: Paramount Schools of Excellence
Chief Executive Officer
Oversight of all organizational operations

Assistant Principal

8/2009 – 4/2010: Knowledge Quest Academy
Served as reserve administrator
Facilitated school food service
Handled school discipline
Responsible for staff evaluation

Core Knowledge Coordinator and Director of Music

8/2005 – 8/2009: Flagstaff Academy Charter School, Longmont, CO
Coordinate the implementation of the Core Knowledge curriculum
Assist in school scheduling
Act as reserve administrator
Teach general music K-8
Direct bands, orchestras, and choirs

Director of Music, AV, and Department Head

8/2001 – 7/2005 Pinnacle Charter School, Federal Heights, CO
Direct, edit, and produce all program video
Teach general music K-12
Direct bands and orchestras
Direct school theatrical productions
Responsible for integrating all specials classes into school schedule

Project Manager

7/2000 - 8/2001 AEI/DMX Music, Seattle, WA
Manage and oversee equipment installations in corporate sites around the country
Manage contracts, hire subcontractors and manage on-site contractors

Director of Music

8/1997 - 7/2000 Holy Rosary School, Seattle, WA
Teach general music K-8
Teach music technology to K-8
Compose/Direct music for parish liturgies

Music Teacher (K-6)

8/1995 - 6/1997 Bullhead School District #15, Bullhead City, AZ

Keynotes, National Presentations & Workshops

Washington, D.C. 2019: How School Nurse Encounter Data Can Improve Academic Success.

Keynote: 2018 Indiana School Nurses Association Conference

Indianapolis: 2018: School Health is a School Readiness Issue.

Keynote: 2013 Marion County Farm Bureau Annual Meeting

Core Knowledge National Conference Presentations

Anaheim 2008: Making horizontal connections in the Core Knowledge Sequence

Anaheim 2008: Connections in the deep: The last unexplored territory

Colorado Springs 2007: Middle-Ages workshop

Washington DC 2007: Connections: Gargoyles, Black Death, and scary music

San Antonio 2006: Connections: Alligators and ice

Philadelphia 2005: Connections: Astronomy, mythology, and music

Atlanta 2004: Africa: Small sounds from a big country

Phoenix 2003: Hidden music of Southeast Asia

Publications

2019 – Book Release: Lead from the Start

2015 – CD Release: A New Dimension

2014 – Book Release: The Amazing Book of Riddles, Codes, and Secret Math

2013 – CD Release: Time & Space

Education

9/2008- Present: University of Phoenix, Westminster, CO

Type-D Principal Licensure

5/2007 University of Wyoming, Laramie, Wyoming

Master of Arts in Music Education

8/1995 University of Wyoming, Laramie, Wyoming

Bachelor of Arts in Music Education

Skills

Organizational Leadership, Educational Leadership, Curriculum Implementation, Budgeting, Procurement, Project Management, Classroom Management, Scheduling, Public Speaking, Web Design, Cross-platform technology usage, Music Technology, Audio Engineering, Music Composition, Improvisational and Sketch Comedy, Video production, Cheese Making.

References available upon request

Exhibit C

Statement of Economic Interest & Conflict of Interest Form

(Must be completed individually by each Board member)

Background Information

1. Name of charter school on whose governing board you serve:

Paramount Schools of Excellence, LLC

2. Your full name:

Brittany Rachelle Eldridge

3. Your spouse's full name:

Jeremy Paul Eldridge

Employment History

4. Brief educational and employment history (no narrative response is required if your resume is attached to the charter application).

My resume is attached.

My resume is not attached. Please provide a narrative response:

5. List the name(s) of your current employer(s) and the nature of the business (an "employer" is defined as "any person from whom the board member or the board member's spouse receives more than thirty-three (33%) of their income"):

Bottom Line Advisors and The Eldridge Group

6. List the name(s) of your spouse's employer(s) and the nature of the business:

The Eldridge Group

7. Do you and/or your spouse currently operate a sole proprietorship or professional practice?

No.

Yes. Please provide the name and describe the nature of the business:

The Eldridge Group, Accounting Practice

8. Are you and/or your spouse a member of a partnership and/or limited liability company?

No.

Yes. Please provide the name and describe the nature of the business:

9. Are you and/or your spouse an officer or director of a corporation?

No.

Yes. Please provide the name and describe the nature of the business:

The Eldridge Group, Accounting Practice

Conflict of Interest Disclosures

1. Do you or your spouse have a personal or business relationship with any other board member for the proposed school?

No.

Yes. Please identify the board member and indicate the nature of the relationship:

2. Do you or your spouse have a personal or business relationship with anyone who is conducting, or who plans to conduct, business with the charter school (whether as an individual or as a director, officer, employee or agent of another entity)?

No.

Yes. Please identify the business and indicate the nature of the relationship:

3. Do you, your spouse, or any immediate family members conduct, or anticipate conducting, any business with the school?

No.

Yes. Please describe the nature of the business that is being, or will be, conducted:

4. (If the school intends to contract with an Education Service Provider). Do you, your spouse, or any immediate family members have a personal or business relationship with any employees, officers, owners, directors or agents of the service provider?

Not applicable.

No.

Yes. Please describe the relationship:

5. (If the school intends to contract with an Education Service Provider). Do you, your spouse, or any immediate family members have a direct or indirect ownership, employment, contractual or management interest in the service provider?

Not applicable.

- No.
- Yes. Please provide a description of the interest:

6. (If the school intends to contract with an Education Service Provider). Do you, your spouse, or any immediate family members conduct, or anticipate conducting, any business with the provider?

- Not applicable.
- No.
- Yes. Please describe the nature of the business:

7. Are you, your spouse, or any other immediate family members, a director, officer, employee, partner or member of, or are otherwise associated with, any other organization that is partnering, or plans to partner, with the charter school?

- No.
- Yes. Please describe the relationship and the nature of the partnership:

8. Are there any other potential ethical or legal conflicts of interests that would, or are likely to, exist should you serve on the school's board?

- No.
- Yes. Please describe the nature of the potential conflict(s):

9. Do you understand the obligations of a charter school's board of directors to comply with Indiana's Public Access laws, including the Open Door Law and the Access to Public Record Act?

Yes.

Don't Know/ Unsure.

I, certify to the best of my knowledge and ability that the information I am providing to the Indiana Charter School Board as a prospective board member for the above charter school is true and correct in every respect.

Brittany Eldridge

Name



Signature

2/28/22

Date

Exhibit C

Statement of Economic Interest & Conflict of Interest Form

(Must be completed individually by each Board member)

Background Information

1. Name of charter school on whose governing board you serve:

Paramount Schools of Excellence, LLC

2. Your full name:

James Daughtridge Hazzard, Jr.

3. Your spouse's full name:

Delores Brown Hazzard

Employment History

4. Brief educational and employment history (no narrative response is required if your resume is attached to the charter application).

My resume is attached.

My resume is not attached. Please provide a narrative response:

5. List the name(s) of your current employer(s) and the nature of the business (an "employer" is defined as "any person from whom the board member or the board member's spouse receives more than thirty-three (33%) of their income"):

Paramount Schools of Excellence
Charter Schools

6. List the name(s) of your spouse's employer(s) and the nature of the business:

Retired

7. Do you and/or your spouse currently operate a sole proprietorship or professional practice?

No.

Yes. Please provide the name and describe the nature of the business:

James D. Hazzard, Jr. Ed.S.
School Psychologist
Conducting psychoeducational evaluations of students under IDEA and Article 7.

8. Are you and/or your spouse a member of a partnership and/or limited liability company?

No.

Yes. Please provide the name and describe the nature of the business:

9. Are you and/or your spouse an officer or director of a corporation?

No.

Yes. Please provide the name and describe the nature of the business:

Paramount Schools of Excellence

Conflict of Interest Disclosures

1. Do you or your spouse have a personal or business relationship with any other board member for the proposed school?

No.

Yes. Please identify the board member and indicate the nature of the relationship:

2. Do you or your spouse have a personal or business relationship with anyone who is conducting, or who plans to conduct, business with the charter school (whether as an individual or as a director, officer, employee or agent of another entity)?

No.

Yes. Please identify the business and indicate the nature of the relationship:

3. Do you, your spouse, or any immediate family members conduct, or anticipate conducting, any business with the school?

No.

Yes. Please describe the nature of the business that is being, or will be, conducted:

4. (If the school intends to contract with an Education Service Provider). Do you, your spouse, or any immediate family members have a personal or business relationship with any employees, officers, owners, directors or agents of the service provider?

Not applicable.

No.

Yes. Please describe the relationship:

5. (If the school intends to contract with an Education Service Provider). Do you, your spouse, or any immediate family members have a direct or indirect ownership, employment, contractual or management interest in the service provider?

Not applicable.

No.

Yes. Please provide a description of the interest:

6. (If the school intends to contract with an Education Service Provider). Do you, your spouse, or any immediate family members conduct, or anticipate conducting, any business with the provider?

Not applicable.

No.

Yes. Please describe the nature of the business:

7. Are you, your spouse, or any other immediate family members, a director, officer, employee, partner or member of, or are otherwise associated with, any other organization that is partnering, or plans to partner, with the charter school?

No.

Yes. Please describe the relationship and the nature of the partnership:

8. Are there any other potential ethical or legal conflicts of interests that would, or are likely to, exist should you serve on the school's board?

No.

Yes. Please describe the nature of the potential conflict(s):

9. Do you understand the obligations of a charter school's board of directors to comply with Indiana's Public Access laws, including the Open Door Law and the Access to Public Record Act?

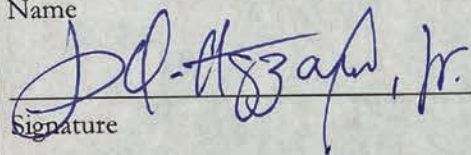
Yes.

Don't Know/ Unsure.

I, certify to the best of my knowledge and ability that the information I am providing to the Indiana Charter School Board as a prospective board member for the above charter school is true and correct in every respect.

James D. Hazzard, Jr.

Name



Signature

2/26/2022

Date

Exhibit C

Statement of Economic Interest & Conflict of Interest Form

(Must be completed individually by each Board member)

Background Information

1. Name of charter school on whose governing board you serve:

Paramount Schools of Excellence, LLC

2. Your full name:

Elsa Mendez

3. Your spouse's full name:

Ernesto Ruiz

Employment History

4. Brief educational and employment history (no narrative response is required if your resume is attached to the charter application).

My resume is attached.

My resume is not attached. Please provide a narrative response:

5. List the name(s) of your current employer(s) and the nature of the business (an "employer" is defined as "any person from whom the board member or the board member's spouse receives more than thirty-three (33%) of their income"):

Ivy Tech Community College - Higher Education

6. List the name(s) of your spouse's employer(s) and the nature of the business:

Aptiv - automotive technology

7. Do you and/or your spouse currently operate a sole proprietorship or professional practice?

No.

Yes. Please provide the name and describe the nature of the business:

8. Are you and/or your spouse a member of a partnership and/or limited liability company?

No.

Yes. Please provide the name and describe the nature of the business:

9. Are you and/or your spouse an officer or director of a corporation?

No.

Yes. Please provide the name and describe the nature of the business:

Conflict of Interest Disclosures

1. Do you or your spouse have a personal or business relationship with any other board member for the proposed school?

No.

Yes. Please identify the board member and indicate the nature of the relationship:

2. Do you or your spouse have a personal or business relationship with anyone who is conducting, or who plans to conduct, business with the charter school (whether as an individual or as a director, officer, employee or agent of another entity)?

No.

Yes. Please identify the business and indicate the nature of the relationship:

3. Do you, your spouse, or any immediate family members conduct, or anticipate conducting, any business with the school?

No.

Yes. Please describe the nature of the business that is being, or will be, conducted:

4. (If the school intends to contract with an Education Service Provider). Do you, your spouse, or any immediate family members have a personal or business relationship with any employees, officers, owners, directors or agents of the service provider?

Not applicable.

No.

Yes. Please describe the relationship:

5. (If the school intends to contract with an Education Service Provider). Do you, your spouse, or any immediate family members have a direct or indirect ownership, employment, contractual or management interest in the service provider?

Not applicable.

- No.
 Yes. Please provide a description of the interest:

6. (If the school intends to contract with an Education Service Provider). Do you, your spouse, or any immediate family members conduct, or anticipate conducting, any business with the provider?

- Not applicable.
 No.
 Yes. Please describe the nature of the business:

7. Are you, your spouse, or any other immediate family members, a director, officer, employee, partner or member of, or are otherwise associated with, any other organization that is partnering, or plans to partner, with the charter school?

- No.
 Yes. Please describe the relationship and the nature of the partnership:

8. Are there any other potential ethical or legal conflicts of interests that would, or are likely to, exist should you serve on the school's board?

- No.
 Yes. Please describe the nature of the potential conflict(s):

9. Do you understand the obligations of a charter school's board of directors to comply with Indiana's Public Access laws, including the Open Door Law and the Access to Public Record Act?

Yes.

Don't Know/ Unsure.

I, certify to the best of my knowledge and ability that the information I am providing to the Indiana Charter School Board as a prospective board member for the above charter school is true and correct in every respect.

Elsa Mendez

Name

Elsa Mendez

Signature

2/28/2022

Date

Exhibit C

Statement of Economic Interest & Conflict of Interest Form

(Must be completed individually by each Board member)

Background Information

1. Name of charter school on whose governing board you serve:

Paramount Schools of Excellence, LLC

2. Your full name:

Tom Rude

3. Your spouse's full name:

Tina Rude

Employment History

4. Brief educational and employment history (no narrative response is required if your resume is attached to the charter application).

My resume is attached.

My resume is not attached. Please provide a narrative response:

Resume attached

5. List the name(s) of your current employer(s) and the nature of the business (an "employer" is defined as "any person from whom the board member or the board member's spouse receives more than thirty-three (33%) of their income"):

Science Applications International Corporation (SAIC) - defense contractor.

6. List the name(s) of your spouse's employer(s) and the nature of the business:

Max Impact Fitness - Gym

7. Do you and/or your spouse currently operate a sole proprietorship or professional practice?

No.

Yes. Please provide the name and describe the nature of the business:

8. Are you and/or your spouse a member of a partnership and/or limited liability company?

No.

Yes. Please provide the name and describe the nature of the business:

9. Are you and/or your spouse an officer or director of a corporation?

No.

Yes. Please provide the name and describe the nature of the business:

Conflict of Interest Disclosures

1. Do you or your spouse have a personal or business relationship with any other board member for the proposed school?

No.

Yes. Please identify the board member and indicate the nature of the relationship:

2. Do you or your spouse have a personal or business relationship with anyone who is conducting, or who plans to conduct, business with the charter school (whether as an individual or as a director, officer, employee or agent of another entity)?

No.

Yes. Please identify the business and indicate the nature of the relationship:

3. Do you, your spouse, or any immediate family members conduct, or anticipate conducting, any business with the school?

No.

Yes. Please describe the nature of the business that is being, or will be, conducted:

4. (If the school intends to contract with an Education Service Provider). Do you, your spouse, or any immediate family members have a personal or business relationship with any employees, officers, owners, directors or agents of the service provider?

Not applicable.

No.

Yes. Please describe the relationship:

5. (If the school intends to contract with an Education Service Provider). Do you, your spouse, or any immediate family members have a direct or indirect ownership, employment, contractual or management interest in the service provider?

Not applicable.

- No.
 Yes. Please provide a description of the interest:

6. (If the school intends to contract with an Education Service Provider). Do you, your spouse, or any immediate family members conduct, or anticipate conducting, any business with the provider?

- Not applicable.
 No.
 Yes. Please describe the nature of the business:

7. Are you, your spouse, or any other immediate family members, a director, officer, employee, partner or member of, or are otherwise associated with, any other organization that is partnering, or plans to partner, with the charter school?

- No.
 Yes. Please describe the relationship and the nature of the partnership:

8. Are there any other potential ethical or legal conflicts of interests that would, or are likely to, exist should you serve on the school's board?

- No.
 Yes. Please describe the nature of the potential conflict(s):

9. Do you understand the obligations of a charter school's board of directors to comply with Indiana's Public Access laws, including the Open Door Law and the Access to Public Record Act?

Yes.

Don't Know/ Unsure.

I, certify to the best of my knowledge and ability that the information I am providing to the Indiana Charter School Board as a prospective board member for the above charter school is true and correct in every respect.

Tom Rude

Name **Thomas E Rude**
DN: cn=Thomas E Rude, c=US,
o=SAIC, ou=Subscribers,
email=THOMAS.E.RUDE@saic.com
Date: 2022.02.28 18:37:02 -0500

28 Feb 2022

Signature

Date

Exhibit C

Statement of Economic Interest & Conflict of Interest Form

(Must be completed individually by each Board member)

Background Information

1. Name of charter school on whose governing board you serve:

Paramount Schools of Excellence, LLC

2. Your full name:

Liam Nicholas Smith

3. Your spouse's full name:

Katie Michelle Matis

Employment History

4. Brief educational and employment history (no narrative response is required if your resume is attached to the charter application).

My resume is attached.

My resume is not attached. Please provide a narrative response:

5. List the name(s) of your current employer(s) and the nature of the business (an "employer" is defined as "any person from whom the board member or the board member's spouse receives more than thirty-three (33%) of their income"):

Morgan Stanley
Financial Services

6. List the name(s) of your spouse's employer(s) and the nature of the business:

Eli Lilly
Pharmaceuticals

7. Do you and/or your spouse currently operate a sole proprietorship or professional practice?

No.

Yes. Please provide the name and describe the nature of the business:

8. Are you and/or your spouse a member of a partnership and/or limited liability company?

No.

Yes. Please provide the name and describe the nature of the business:

9. Are you and/or your spouse an officer or director of a corporation?

No.

Yes. Please provide the name and describe the nature of the business:

Conflict of Interest Disclosures

1. Do you or your spouse have a personal or business relationship with any other board member for the proposed school?

No.

Yes. Please identify the board member and indicate the nature of the relationship:

2. Do you or your spouse have a personal or business relationship with anyone who is conducting, or who plans to conduct, business with the charter school (whether as an individual or as a director, officer, employee or agent of another entity)?

No.

Yes. Please identify the business and indicate the nature of the relationship:

3. Do you, your spouse, or any immediate family members conduct, or anticipate conducting, any business with the school?

No.

Yes. Please describe the nature of the business that is being, or will be, conducted:

4. (If the school intends to contract with an Education Service Provider). Do you, your spouse, or any immediate family members have a personal or business relationship with any employees, officers, owners, directors or agents of the service provider?

Not applicable.

No.

Yes. Please describe the relationship:

5. (If the school intends to contract with an Education Service Provider). Do you, your spouse, or any immediate family members have a direct or indirect ownership, employment, contractual or management interest in the service provider?

Not applicable.

- No.
- Yes. Please provide a description of the interest:

6. (If the school intends to contract with an Education Service Provider). Do you, your spouse, or any immediate family members conduct, or anticipate conducting, any business with the provider?

- Not applicable.
- No.
- Yes. Please describe the nature of the business:

7. Are you, your spouse, or any other immediate family members, a director, officer, employee, partner or member of, or are otherwise associated with, any other organization that is partnering, or plans to partner, with the charter school?

- No.
- Yes. Please describe the relationship and the nature of the partnership:

8. Are there any other potential ethical or legal conflicts of interests that would, or are likely to, exist should you serve on the school's board?

- No.
- Yes. Please describe the nature of the potential conflict(s):

9. Do you understand the obligations of a charter school's board of directors to comply with Indiana's Public Access laws, including the Open Door Law and the Access to Public Record Act?

Yes.

Don't Know/ Unsure.

I, certify to the best of my knowledge and ability that the information I am providing to the Indiana Charter School Board as a prospective board member for the above charter school is true and correct in every respect.

Liam Smith

Name

Liam Smith

Signature

2/28/2022

Date

Exhibit C

Statement of Economic Interest & Conflict of Interest Form

(Must be completed individually by each Board member)

Background Information

1. Name of charter school on whose governing board you serve:

Paramount Schools of Excellence, LLC

2. Your full name:

Peggy Wulff Blackard

3. Your spouse's full name:

Mark J Blackard

Employment History

4. Brief educational and employment history (no narrative response is required if your resume is attached to the charter application).

My resume is attached.

My resume is not attached. Please provide a narrative response:

5. List the name(s) of your current employer(s) and the nature of the business (an "employer" is defined as "any person from whom the board member or the board member's spouse receives more than thirty-three (33%) of their income"):

retired

6. List the name(s) of your spouse's employer(s) and the nature of the business:

General Fabricator - manufacturing

7. Do you and/or your spouse currently operate a sole proprietorship or professional practice?

No.

Yes. Please provide the name and describe the nature of the business:

8. Are you and/or your spouse a member of a partnership and/or limited liability company?

No.

Yes. Please provide the name and describe the nature of the business:

9. Are you and/or your spouse an officer or director of a corporation?

No.

Yes. Please provide the name and describe the nature of the business:

Mark - President of General Fabricators
Peggy - Vice President General Fabricators

Conflict of Interest Disclosures

1. Do you or your spouse have a personal or business relationship with any other board member for the proposed school?

No.

Yes. Please identify the board member and indicate the nature of the relationship:

2. Do you or your spouse have a personal or business relationship with anyone who is conducting, or who plans to conduct, business with the charter school (whether as an individual or as a director, officer, employee or agent of another entity)?

No.

Yes. Please identify the business and indicate the nature of the relationship:

3. Do you, your spouse, or any immediate family members conduct, or anticipate conducting, any business with the school?

No.

Yes. Please describe the nature of the business that is being, or will be, conducted:

4. (If the school intends to contract with an Education Service Provider). Do you, your spouse, or any immediate family members have a personal or business relationship with any employees, officers, owners, directors or agents of the service provider?

Not applicable.

No.

Yes. Please describe the relationship:

5. (If the school intends to contract with an Education Service Provider). Do you, your spouse, or any immediate family members have a direct or indirect ownership, employment, contractual or management interest in the service provider?

Not applicable.

- No.
- Yes. Please provide a description of the interest:

6. (If the school intends to contract with an Education Service Provider). Do you, your spouse, or any immediate family members conduct, or anticipate conducting, any business with the provider?

- Not applicable.
- No.
- Yes. Please describe the nature of the business:

7. Are you, your spouse, or any other immediate family members, a director, officer, employee, partner or member of, or are otherwise associated with, any other organization that is partnering, or plans to partner, with the charter school?

- No.
- Yes. Please describe the relationship and the nature of the partnership:

8. Are there any other potential ethical or legal conflicts of interests that would, or are likely to, exist should you serve on the school's board?

- No.
- Yes. Please describe the nature of the potential conflict(s):

9. Do you understand the obligations of a charter school's board of directors to comply with Indiana's Public Access laws, including the Open Door Law and the Access to Public Record Act?

Yes.

Don't Know/ Unsure.

I, certify to the best of my knowledge and ability that the information I am providing to the Indiana Charter School Board as a prospective board member for the above charter school is true and correct in every respect.

Peggy W Blackard

Name

Peggy Blackard

Signature

2.28.2022

Date

Exhibit C

Statement of Economic Interest & Conflict of Interest Form

(Must be completed individually by each Board member)

Background Information

1. Name of charter school on whose governing board you serve:

Paramount Schools of Excellence, LLC

2. Your full name:

Ohi. Jude Amu

3. Your spouse's full name:

Employment History

4. Brief educational and employment history (no narrative response is required if your resume is attached to the charter application).

My resume is attached.

My resume is not attached. Please provide a narrative response:

5. List the name(s) of your current employer(s) and the nature of the business (an "employer" is defined as "any person from whom the board member or the board member's spouse receives more than thirty-three (33%) of their income"):

Cummins, Inc

Cummins Inc. designs, manufactures, distributes and services diesel, Natural gas, Electric & Hybrid powertrain Technologies & related components.

6. List the name(s) of your spouse's employer(s) and the nature of the business:

N/A

7. Do you and/or your spouse currently operate a sole proprietorship or professional practice?

No.

Yes. Please provide the name and describe the nature of the business:

8. Are you and/or your spouse a member of a partnership and/or limited liability company?

No.

Yes. Please provide the name and describe the nature of the business:

Amu-Plus, LLC
A Residential & Commercial Property Rental business

9. Are you and/or your spouse an officer or director of a corporation?

No.

Yes. Please provide the name and describe the nature of the business:

Cummins Inc - Europe Engine Business segment

Conflict of Interest Disclosures

1. Do you or your spouse have a personal or business relationship with any other board member for the proposed school?

No.

Yes. Please identify the board member and indicate the nature of the relationship:

2. Do you or your spouse have a personal or business relationship with anyone who is conducting, or who plans to conduct, business with the charter school (whether as an individual or as a director, officer, employee or agent of another entity)?

No.

Yes. Please identify the business and indicate the nature of the relationship:

3. Do you, your spouse, or any immediate family members conduct, or anticipate conducting, any business with the school?

No.

Yes. Please describe the nature of the business that is being, or will be, conducted:

4. (If the school intends to contract with an Education Service Provider). Do you, your spouse, or any immediate family members have a personal or business relationship with any employees, officers, owners, directors or agents of the service provider?

Not applicable.

No.

Yes. Please describe the relationship:

5. (If the school intends to contract with an Education Service Provider). Do you, your spouse, or any immediate family members have a direct or indirect ownership, employment, contractual or management interest in the service provider?

Not applicable.

- No.
- Yes. Please provide a description of the interest:

6. (If the school intends to contract with an Education Service Provider). Do you, your spouse, or any immediate family members conduct, or anticipate conducting, any business with the provider?

- Not applicable.
- No.
- Yes. Please describe the nature of the business:

7. Are you, your spouse, or any other immediate family members, a director, officer, employee, partner or member of, or are otherwise associated with, any other organization that is partnering, or plans to partner, with the charter school?

- No.
- Yes. Please describe the relationship and the nature of the partnership:

8. Are there any other potential ethical or legal conflicts of interests that would, or are likely to, exist should you serve on the school's board?

- No.
- Yes. Please describe the nature of the potential conflict(s):

9. Do you understand the obligations of a charter school's board of directors to comply with Indiana's Public Access laws, including the Open Door Law and the Access to Public Record Act?

Yes.

Don't Know/ Unsure.

I, certify to the best of my knowledge and ability that the information I am providing to the Indiana Charter School Board as a prospective board member for the above charter school is true and correct in every respect.

O. Jude Amu

Name

O. Jude Amu

Signature

2/28/2022

Date

Exhibit C

Statement of Economic Interest & Conflict of Interest Form

(Must be completed individually by each Board member)

Background Information

1. Name of charter school on whose governing board you serve:

Paramount Schools of Excellence, LLC

2. Your full name:

Aster Bekele

3. Your spouse's full name:

N/A

Employment History

4. Brief educational and employment history (no narrative response is required if your resume is attached to the charter application).

My resume is attached.

My resume is not attached. Please provide a narrative response:

5. List the name(s) of your current employer(s) and the nature of the business (an "employer" is defined as "any person from whom the board member or the board member's spouse receives more than thirty-three (33%) of their income"):

Felege Hiywot Center Inc. Not for Profit after school STEAM education

6. List the name(s) of your spouse's employer(s) and the nature of the business:

N/A

7. Do you and/or your spouse currently operate a sole proprietorship or professional practice?

No.

Yes. Please provide the name and describe the nature of the business:

8. Are you and/or your spouse a member of a partnership and/or limited liability company?

No.

Yes. Please provide the name and describe the nature of the business:

9. Are you and/or your spouse an officer or director of a corporation?

No.

Yes. Please provide the name and describe the nature of the business:

Conflict of Interest Disclosures

1. Do you or your spouse have a personal or business relationship with any other board member for the proposed school?

No.

Yes. Please identify the board member and indicate the nature of the relationship:

2. Do you or your spouse have a personal or business relationship with anyone who is conducting, or who plans to conduct, business with the charter school (whether as an individual or as a director, officer, employee or agent of another entity)?

No.

Yes. Please identify the business and indicate the nature of the relationship:

3. Do you, your spouse, or any immediate family members conduct, or anticipate conducting, any business with the school?

No.

Yes. Please describe the nature of the business that is being, or will be, conducted:

4. (If the school intends to contract with an Education Service Provider). Do you, your spouse, or any immediate family members have a personal or business relationship with any employees, officers, owners, directors or agents of the service provider?

Not applicable.

No.

Yes. Please describe the relationship:

5. (If the school intends to contract with an Education Service Provider). Do you, your spouse, or any immediate family members have a direct or indirect ownership, employment, contractual or management interest in the service provider?

Not applicable.

- No.
- Yes. Please provide a description of the interest:

6. (If the school intends to contract with an Education Service Provider). Do you, your spouse, or any immediate family members conduct, or anticipate conducting, any business with the provider?

- Not applicable.
- No.
- Yes. Please describe the nature of the business:

7. Are you, your spouse, or any other immediate family members, a director, officer, employee, partner or member of, or are otherwise associated with, any other organization that is partnering, or plans to partner, with the charter school?

- No.
- Yes. Please describe the relationship and the nature of the partnership:

8. Are there any other potential ethical or legal conflicts of interests that would, or are likely to, exist should you serve on the school's board?

- No.
- Yes. Please describe the nature of the potential conflict(s):

9. Do you understand the obligations of a charter school's board of directors to comply with Indiana's Public Access laws, including the Open Door Law and the Access to Public Record Act?

Yes.

Don't Know/ Unsure.

I, certify to the best of my knowledge and ability that the information I am providing to the Indiana Charter School Board as a prospective board member for the above charter school is true and correct in every respect.

Aster Bekele

Name

Aster Bekele

Signature

2/27/22

Date

Exhibit C

Statement of Economic Interest & Conflict of Interest Form

(Must be completed individually by each Board member)

Background Information

1. Name of charter school on whose governing board you serve:

Paramount Schools of Excellence, LLC

2. Your full name:

Mandy Bishop

3. Your spouse's full name:

Pario Pun

Employment History

4. Brief educational and employment history (no narrative response is required if your resume is attached to the charter application).

My resume is attached.

My resume is not attached. Please provide a narrative response:

5. List the name(s) of your current employer(s) and the nature of the business (an "employer" is defined as "any person from whom the board member or the board member's spouse receives more than thirty-three (33%) of their income"):

6. List the name(s) of your spouse's employer(s) and the nature of the business:

Monster Worldwide, job recruitment

7. Do you and/or your spouse currently operate a sole proprietorship or professional practice?

No.

Yes. Please provide the name and describe the nature of the business:

8. Are you and/or your spouse a member of a partnership and/or limited liability company?

No.

Yes. Please provide the name and describe the nature of the business:

9. Are you and/or your spouse an officer or director of a corporation?

No.

Yes. Please provide the name and describe the nature of the business:

Conflict of Interest Disclosures

1. Do you or your spouse have a personal or business relationship with any other board member for the proposed school?

No.

Yes. Please identify the board member and indicate the nature of the relationship:

2. Do you or your spouse have a personal or business relationship with anyone who is conducting, or who plans to conduct, business with the charter school (whether as an individual or as a director, officer, employee or agent of another entity)?

No.

Yes. Please identify the business and indicate the nature of the relationship:

3. Do you, your spouse, or any immediate family members conduct, or anticipate conducting, any business with the school?

No.

Yes. Please describe the nature of the business that is being, or will be, conducted:

4. (If the school intends to contract with an Education Service Provider). Do you, your spouse, or any immediate family members have a personal or business relationship with any employees, officers, owners, directors or agents of the service provider?

Not applicable.

No.

Yes. Please describe the relationship:

5. (If the school intends to contract with an Education Service Provider). Do you, your spouse, or any immediate family members have a direct or indirect ownership, employment, contractual or management interest in the service provider?

Not applicable.

- No.
- Yes. Please provide a description of the interest:

6. (If the school intends to contract with an Education Service Provider). Do you, your spouse, or any immediate family members conduct, or anticipate conducting, any business with the provider?

- Not applicable.
- No.
- Yes. Please describe the nature of the business:

7. Are you, your spouse, or any other immediate family members, a director, officer, employee, partner or member of, or are otherwise associated with, any other organization that is partnering, or plans to partner, with the charter school?

- No.
- Yes. Please describe the relationship and the nature of the partnership:

8. Are there any other potential ethical or legal conflicts of interests that would, or are likely to, exist should you serve on the school's board?

- No.
- Yes. Please describe the nature of the potential conflict(s):

9. Do you understand the obligations of a charter school's board of directors to comply with Indiana's Public Access laws, including the Open Door Law and the Access to Public Record Act?

Act?

Yes.

Don't Know/ Unsure.

I, certify to the best of my knowledge and ability that the information I am providing to the Indiana Charter School Board as a prospective board member for the above charter school is true and correct in every respect.

Mandy Bishop
Name


Signature

03/04/22
Date

Attachment 3

Paramount Schools of Excellence currently operates a network of four schools. The names, locations, and grade levels served for each school are listed below:

1. Paramount Brookside
Serves K-8
3020 Nowland Avenue
Indianapolis, IN 46202
2. Paramount Cottage Home
Serves K-4
1203 East Saint Clair Avenue
Indianapolis, IN 46202
3. Paramount Englewood
Serves 5-8
3029 Washington St,
Indianapolis, IN 46201
4. Paramount Online Academy
Serves K-8 Online
1203 East Saint Clair Avenue
Indianapolis, IN 46202

Dates	Week of school	Envision 2.0 Unit/Lesson (V1: Topics 1-7/V2: Topics 8-17)	Resources or Pages	Standard	Whole Brain Statements	IXL Sets
August 8/2-8/6	*wk1	Topic 1 V1 Multiplication	Mon: 1-1 multiplication as repeated addition Tues: 1-2 Multiplication on Number Line Wed: Arrays and Multiplication Thur: Commutitive Property Fri: Test over all topics	3.AT.4: interpret a multiplication equation as equal groups (e.g., interpret 5×7 as the objects in 5 groups of 7 objects each) 3.C.2: represent the concept of multiplication of whole numbers with the following models: equal-sized groups, arrays, area models, and equal "jumps" on a number line. Understand the properties of 0 and 1 in multiplication	Multiplication is when you find the product by joining equal groups.	https://www.ixl.com/standards/indiana/math/grade-3
August 8/13	*wk2	Topic 2 V1 Multiplication Facts	Mon: 2-1 2 and 5 as Factors Tues: 2-2 Multiply by 9 Wed: 2-3 Multiply by 0 and 1 Thur: Multiply by 10 Fri: Multiplication Facts Review ALL	3.C.2: represent the concept of multiplication of whole numbers with the following models: equal-sized groups, arrays, area models, and equal "jumps" on a number line. Understand the properties of 0 and 1 in multiplication 3.AT.2: solve real world problems involving whole number multiplication and division within 100 in situations involving equal groups, arrays, and measurement quantities (e.g., by using drawings tions with a symbol for the unknown number to represent the problem) 3.AT.6: create, extend, and give an appropriate rule for number patterns using multiplication within 100	Multiplication is when you find the product by joining equal groups.	https://www.ixl.com/community/IXL-Math-enVisionMATH-20-Common-Core-Edition-Grade-3.pdf
August 8/16-8/20	*wk3	Topic 3 V1 Multiplication Facts Continued	(IXL parenthesis, tables, and create arrays) Mon: 3-2 Multiply by 3 Tues: 3-3 Multiply by 4 Wed: Multiply by 6 and 7 Thur: Multiply by 8 Fri: Test Over ALL multiplication facts	3.C.3: represent the concept of division of whole numbers with the following models: partitioning, sharing, and an inverse of multiplication 3.C.4: interpret whole-number quotients of whole numbers (e.g., interpret $56/8$ as the number of objects in each share when 56 objects are partitioned equally into 8 shares, or as a number of 56 objects are partitioned into equal shares of 8 objects each) 3.AT.5 determine the unknown whole number in a multiplication or division equation relating three whole numbers	Multiplication is when you find the product by joining equal groups.	
August 8/23-8/27	*wk4	Topic 4 V1 Division	Mon: 1-5 and 1-6 Division as sharing Tues: 4-1 Relate Division to Multiplication Wed: 4-2 and 4-3 Use Multiplication to divide Thur: 4-4 Use multiplication to divide Fri: 4-7 group practice Before Division Test	3.C.3: represent the concept of division of whole numbers with the following models: partitioning, sharing, and an inverse of multiplication 3.C.4: interpret whole-number quotients of whole numbers (e.g., interpret $56/8$ as the number of objects in each share when 56 objects are partitioned equally into 8 shares, or as a number of 56 objects are partitioned into equal shares of 8 objects each) 3.AT.5 determine the unknown whole number in a multiplication or division equation relating three whole numbers	*Multiplication is when you find the joining equal groups. *Division is when you seperate the total into equal groups.	
August 8/30-9/3	*wk5	Topic 5 V1 Multiply and Divide Word Problems	Mon: 5-2 and 5-3 use a multiplication table Tues: 5-5 + Solve word problems Wed: - 5-5 Solve word problems Thur: x 5-5 Solve word problems Fri: / 5-5 Solve word problems	3.C.5: multiply and divide within 100 using strategies, such as the relationship between multiplication and division (e.g., knowing that $8 \times 5 = 40$, one knows $40/5 = 8$), or properties of operations 3.C.6: demonstrate fluency with multiplication facts and corresponding division facts of 0 to 10	*Multiplication is when you find the joining equal groups. *Division is when you seperate the total into equal groups.	
September 9/7-9/10 *no school Monday	*wk6	Topic 5 V1 Multiply and Divide Word Problems	Mon: NO SCHOOL Tue: 5-5 + - x / Solve word problems Wed: 5-5 + - x / Solve word problems thur: 5-5 + - x / Solve word problems Fri: 5-5 + - x / TEST word problems	3.C.5: multiply and divide within 100 using strategies, such as the relationship between multiplication and division (e.g., knowing that $8 \times 5 = 40$, one knows $40/5 = 8$), or properties of operations 3.C.6: demonstrate fluency with multiplication facts and corresponding division facts of 0 to 10	*Multiplication is when you find the joining equal groups. *Division is when you seperate the total into equal groups.	
September 9/13-9/17	*wk7	Topic 6 V1 Area	Mon: (6-3) area w/squares Tues: (6-4) area w/o squares Wed: (6-6) irregular shapes graph paper Thurs: (6-6) irregular shapes w/area extention Fri: Test over Area	3.DA.1 create scaled picture graphs, scaled bar graphs, and frequency tables to represent a data set - including data collected through observations, surveys, and experiments - with several categories. Solve one- and two-step "how many more" and "how many less" problems regarding the data and make predictions based on the data	Area is the total aquare units inside of a shape. Multiply L x W	
September 9/20-9/24	*wk8	Topic 16 V2 Perimeter	Mon (16-1) perimeter Tues (16-2) perimeter w/o squares Wed (16-3) missing side length Thurs (16-3) missing side length Fri: test over perimeter	3.M.7: find perimeters of polygons given the side lengths or by finding an unknown side length	Perimeter is the total distance around the outside of a shape. (add all the sides/edges/border together)	
September 9/27-10/1	*wk9	Topic 7 V1 Represent and Interpret Data (use IXL as MAIN SOURCE)	IXL Main Source-EnVisions pages listed (7-1) V1: p. 359-364 (7-2) V1: p. 365-370 (7-3) V1: p. 371-376 Fri: test over data/graphs using Clearlight	3.G.4: partition shapes into parts with equal areas. Express the area of each part as a unit fraction of the whole ($1/2$, $1/3$, $1/4$, $1/6$, $1/8$) 3.NS.3: understand a fraction $1/b$, as the quantity formed by 1 part when a whole is partitioned into b equal parts; understand a fraction, a/b , as the quantity formed by a parts of size $1/b$ (in grade 3, limit denominators of fractions to 2, 3, 4, 6, 8)	I can collect data and answer questions	
October 10/4-10/8	wk10*	Topic 9 V2 (Fluently Add and Subtract within 1,000)	Mon (9-2) V2: p. 481-486 Tues (9-3) V2: p. 487-492 Wed (9-4) V2: p. 493-498 Thurs (9-6) V2: p. 505-510 Fri (9-7) V2: p. 511-516	3.C.1: add and subtract whole numbers fluently within 1000	addition is when you find the total. *Subtraction is when you find the difference.	
10/11-10/15 Fall Break						

Dates	Week of school	Envision 2.0 Unit/Lesson (V1: Topics 1-7/V2: Topics 8-17)	Resources or Pages	Standard	Whole Brain Statements	IXL Sets
October 10/18-10/22	wk11*	Topic 10 V2 Multiply by Multiples of 10	Mon (10-1) V2: p. 539-544 Tues(10-2) V2: p. 545-550 Wed (10-3) V2: p. 551-556 Thurs (10-4) V2: p. 557-562 Fri-test over multiples of ten	3.C.5: multiply and divide within 100 using strategies, such as the relationship between multiplication and division (e.g., knowing that $8 \times 5 = 40$, one knows $40 \div 5 = 8$), or properties of operations 3.C.6: demonstrate fluency with multiplication facts and corresponding division facts of 0 to 10	Multiplication is when you find the product by joining equal groups.	
October 10/25-10/29	wk12*	Topic 8 V2 (Use strategies to Add and Subtract)	Mon (8-1) V2: p. 405-410 Tues (8-2) V2: p. 411-416 Wed (8-4) V2: p. 423-428 Thurs(8-5) V2: p. 429-434 Fri: test over add/subtract or teach through 8-8	3.C.1: add and subtract whole numbers fluently within 1000	Addition is when you find the total. *Subtraction is when you find the difference.	
November 11/1-11/5	wk13*	Topic 8 V2 8-6 and 8-7 ROUNDING	Mon (8-3) V2: p. 417-422 Tues (nearest ten) Wed (nearest hundred) (8-6) V2: p. 435-440 Thurs (nearest ten) Fri (nearest hundred) (8-7) V2: p. 441-446	3.C.1: add and subtract whole numbers fluently within 1000	I can round to the nearest 10 and 100	
November 11/8-11/12	wk14*	Topic 11 V2 Use operations to solve word problems	Mon (11-1) V2: p. 573-578 Tues (11-2) V2: p. 579-584 Wed (11-3) V2: p. 585-590 Thurs (11-4) V2: p. 591-596 Fri: test over word problems	3.AT.1: solve real-world problems involving addition and subtraction of whole numbers within 1000 (e.g. by using drawings and equations with a symbol for the unknown number to represent the problem) 3.AT.2: solve real world problems involving whole number multiplication and division within 100 in situations involving equal groups, arrays, and measurement quantities (e.g., by using drawings and equations with a symbol for the unknown number to represent the problem)	Addition is when you find the total. *Subtraction is when you find the difference. *Multiplication is when you find the product by joining equal groups. *Division is when you separate the total into equal groups.	
November 11/22-11/23 *Thanksgiving Break	wk15	Topic 12 Understand Fractions	Mon (12-1) V2: p. 609-614 Tues (12-2) V2: p. 615-620	3.NS.4: represent a fraction, $1/b$, on a number line by defining the interval from 0 to 1 as the whole, and partitioning it into b equal parts. Recognize that each part has size $1/b$ and that the endpoint of the part based at 0 locates the number $1/b$ on the number line 3.NS.5: represent a fraction, a/b , on a number line by marking off lengths $1/b$ from 0. recognize that the resulting interval has size a/b , and that its endpoint locates the number a/b on the number line	Fractions show equal parts of a whole. (Fractions are ALWAYS equal sizes)	
November 11/29-12/3	wk16	Topic 12 Understand Fractions	Mon (12-3) V2: p. 621-626 Tues (12-4) V2: p. 627-632 Wed (12-5) V2: p. 633-638 Thurs (12-6) V2: p. 639-644 Fri: test over fractions	3.NS.4: represent a fraction, $1/b$, on a number line by defining the interval from 0 to 1 as the whole, and partitioning it into b equal parts. Recognize that each part has size $1/b$ and that the endpoint of the part based at 0 locates the number $1/b$ on the number line 3.NS.5: represent a fraction, a/b , on a number line by marking off lengths $1/b$ from 0. recognize that the resulting interval has size a/b , and that its endpoint locates the number a/b on the number line	Fractions show equal parts of a whole. (Fractions are ALWAYS equal sizes)	
December 12/6-12/10	wk17	Topic 13 Equivalent Fractions	Mon (13-1) V2: p. 673-678 Tues (13-2) V2: p. 679-684 Wed (13-3) V2: p. 685-690 Thurs (13-4) V2: p. 691-696 Fri (13-5) V2: p. 697-702	3.NS.8: compare two fractions with the same numerator or the same denominator by reasoning about their size based on the same whole. Record the results of comparisons with the symbols $>$, $=$, or $<$, and justify the conclusions (e.g., by using a visual fraction model)	Fractions show equal parts of a whole. (Fractions are ALWAYS equal sizes)	
December 12/13-12/17	wk18	Topic 15 2 Dimensional Shapes	(15-1) V2: p. 811-816 (15-3) V2: p.823-828 Optional: Lumos-2-Dimensional Shapes	3.G.2 understand that shapes (e.g., rhombuses, rectangles, and others) may share attributes (e.g., having four sides), and that the shared attributes can define a larger category (e.g., quadrilaterals). Recognize and draw rhombuses, rectangles, and squares as examples of quadrilaterals. recognize and draw examples of quadrilaterals that do not belong to any of these subcategories	I can identify attributes of two-dimensional shapes	
Dec- Jan 12/20-1/3 Winter Break						
January 1/4-1/7 *no school Monday	wk19	Topic 14 Measurement	Mon: NO SCHOOL Tues: (14-4) V2: p. 757-762 Wed: (14-6) V2: p. 769-772 Thur: (14-8) V2: p. 781-786 Fri: test over measurement using ClearSight questions	3.M.1 estimate and measure the mass of objects in grams (g) and kilograms (kg) and the volume of objects in quarts (qt), gallons (gal), and liters (l). Add, subtract, multiply, or divide to solve one-step real-world problems involving masses or volumes that are given in the same units (e.g., by using drawings, such as a beaker with a measurement scale, to represent the problem)	I can add and subtract to find mass and volume.	
January 1/10-1/14	wk20	Topic 14 Solve Time problems	(14-1) V2: p. 739-744 Lumos-Telling Time	3.M.3 tell and write time to the nearest minute from analog clocks, using a.m. and p.m., and measure time intervals in minutes. Solve real-world problems involving addition and subtraction of time intervals in minutes	I can tell time to the nearest minute.	
January 18-1/21 *no school Monday	wk21	Topic 14 Solve elapsed Time problems	(14-2) V2: p. 745-750 Lumos-Elapsed Time (14-3) V2: p. 751-756	3.M.3 tell and write time to the nearest minute from analog clocks, using a.m. and p.m., and measure time intervals in minutes. Solve real-world problems involving addition and subtraction of time intervals in minutes	Elapsed time is the total time from start to finish.	
January 1/24-1/28	wk22	Topic 14 Solve elapsed Time problems	ClearSight formatted questions	3.M.3 tell and write time to the nearest minute from analog clocks, using a.m. and p.m., and measure time intervals in minutes. Solve real-world problems involving addition and subtraction of time intervals in minutes	Elapsed time is the total time from start to finish.	

Dates	Week of school	myView Unit Theme	Unit	MyviewUnit / week		Pearson Unit / week	Story	Reading Skill	Resource	Standard	Whole Brain Statements	Technology Based Learning			
August 8/2-8/6	*wk1	environments	Unit 1	u1w1	<input checked="" type="checkbox"/>	u3w2	When Charlie McButton Lost Power	u3w2	<input type="checkbox"/>	Grandma and the Great Gourd Traditional Tale	Literary Elements	IXL: i1	3.RL.2.3: describe characters in a story (e.g. their traits, motivations, or feelings) and explain how their actions contribute to the plot)	Literary elements are the characters, setting, plot and theme of a story.	MyView, Edulastic, and IXL(https://www.ixl.com/community/IXL-ELA-myView-Literacy-Grade-3.pdf)
August 8/9-8/13	*wk2			u1w2	<input type="checkbox"/>	u2w4	<input type="checkbox"/>	Why the Sky Is Far Away Folktale	Literary Elements with a focus on theme	IXL: B.1 and M New! Read historical fiction	3.RL.2.2: Retell folktales, fables, and tall tales from diverse cultures; identify the ^h these works. 3.RV.2.1: Apply context clues (e.g., word, phrase, and sentence clues) and text features (e.g., maps, illustrations, charts) to determine the meanings of unknown words.	Theme is the lesson learned in the story. (The BIG idea or moral of a story)	MyView, Edulastic, and IXL		
August 8/16-8/20	*wk3			u1w3	<input type="checkbox"/>	u1w1	<input type="checkbox"/>	Cocoliso Realistic Fiction	characters	IXL: H.2 and T.2	3.RL.2.3: describe characters in a story (e.g. their traits, motivations, or feelings) and explain how their actions contribute	3.RL.2.1: Ask and answer questions to demonstrate understanding of a text, referring explicitly to the text as the basis for the answers.	Literary elements are the characters, setting, plot and theme of a story.	MyView, Edulastic, and IXL	
August 8/23-8/27	*wk4			u1w4	<input type="checkbox"/>	u3w3	<input type="checkbox"/>	Living in Deserts Informational Text	text features	K.1 and informational= N.2	3.RV.2.1: Apply context clues (e.g., word, phrase, and sentence clues) and text features (e.g., maps, illustrations, charts) to determine the meanings of	3.RL.2.1: Ask and answer questions to demonstrate understanding of a text, referring explicitly to the text as the basis for the answers.	text features/graphic sources help reader understand information from the text.	MyView, Edulastic, and IXL	
August 8/30-9/3	*wk5			u1w5	<input type="checkbox"/>		<input type="checkbox"/>	The Golden Flower Myth	descriptive language (can be removed if more review time for literary elements is needed) Move to drawing conclusions	IXL: T.1, T.3, and EE.1	*3.RV.3.1: Determine how the author uses words and phrases to provide meaning to works of literature, distinguishing literal from nonliteral language, including figurative language (e.g., similes).		Discriptive LAGuage helps the reading imaging the characters, setting, and events in a story	MyView, Edulastic, and IXL	
September 9/7-9/10 *no school Monday	*wk6	Interactions	Unit 2	u2w1	<input type="checkbox"/>	u2w5	<input type="checkbox"/>	Patterns in Nature Informational Text	main idea and details	IXL: A.1 and A.2 Informational= N.1. and N. New! Read passages about science and nature	3.RN.2.2: Determine the main idea of a text; recount the key details and explain how they support the main idea.	Main idea is what the text is mostly about.	MyView, Edulastic, and IXL		
September 9/13-9/17	*wk7			u2w2	<input type="checkbox"/>	u3w5	<input type="checkbox"/>	Weird Friends Informational Text	Cause and Effect with Problem and Solution	IXL: D.5 and Informational= N.New! Read passages about sports and hobbies, N. New! Read passages about famous people	3.RN.2.3: Describe the relationship between a series of historical events, scientific ideas or concepts, or steps in processes or procedures in a text, using words such as first, next, finally, because, problem, solution , same, and different.	Cause is why something happened. Effect is what happened.	MyView, Edulastic, and IXL		
September 9/20-9/24	*wk8			u2w3	<input type="checkbox"/>	u6w4	<input type="checkbox"/>	Wolf Island Realistic Fiction	Literary Elements with Illustrations	IXL: J.1, and M.4 (N.1, N.2)	3.RL.4.1: Explain how specific aspects of a text's illustrations contribute to what is conveyed by the words in a story (e.g., create mood, emphasize aspects of a ^h).	3.RN.3.1: Apply knowledge of text features to locate information and gain meaning from a text (e.g., maps, illustrations, charts, font/format).	Literary elements are the characters, setting, plot and theme of a story. (analyze the literary elements using the illustrations)	MyView, Edulastic, and IXL	

Dates	Week of school	myView Unit Theme	Unit	MyviewUnit / week		Pearson Unit / week		Story	Reading Skill	Resource	Standard	Whole Brain Statements	Technology Based Learning
September 9/27-10/1	*wk9			u2w4	<input type="checkbox"/>	u4w3	<input type="checkbox"/>	Welcome Back, Wolves! and Wolves Don't Belong Persuasive Texts	text structure	IXL: S.1, S.3, S.4, S.5, and S.6	3.RN.4.1: Distinguish between fact and opinion; explain how an author uses reasons and facts to support specific points in a text.	Fact is something that can be proven true or false. Opinion is the way someone thinks or feels.	MyView, Edulastic, and IXL
October 10/4-10/8	wk10*			u2w5	<input type="checkbox"/>	u1w5	<input type="checkbox"/>	Nature's Patchwork Quilt Informational Text	author's purpose	IXL: C.2, Q.1 informational=N. New! Read passages about business and technology	*3.ML.2.1 distinguish among the purposes of various media messages, including for information, entertainment, persuasion, interpretation of events, or transmission of culture	Author's purpose is why they author is writing to persuade, inform, and entertain.	MyView, Edulastic, and IXL
10/11-10/15 Fall Break		Spring Break Week (no school)											
October 10/18-10/22	wk11*	Heroes	Unit 3	u3w1	<input type="checkbox"/>		<input type="checkbox"/>	Below Deck Historical Fiction	literary elements	IXL: i1	3.RL.4.2: Compare and contrast the themes, settings, and plots of stories written by the same author about the same or similar characters (e.g., in s from a series). *3.RN.2.1: Ask and answer questions to demonstrate understanding of a text, referring explicitly to the text as the basis for the answers.	Literary elements are the characters, setting, plot and theme of a story.	MyView, Edulastic, and IXL
October 10/25-10/29	wk12*			u3w2	<input type="checkbox"/>		<input type="checkbox"/>	Granddaddy's Turn Historical Fiction	characters	IXL: H2	3.RL.2.3: describe characters in a story (e.g. their traits, motivations, or feelings) and explain how their actions contribute 3.RL.2.1: Ask and answer questions to demonstrate understanding of a text, referring explicitly to the text as the basis for the answers.	Literary elements are the characters, setting, plot and theme of a story.	MyView, Edulastic, and IXL
November 11/1-11/5	wk13*			u3w3	<input type="checkbox"/>		<input type="checkbox"/>	from Little House on the Prairie and By the Shores of Silver Lake Historical Fiction	Literary elements with a focus on theme	IXL: B.1 and M s from a series). New! Read historical fiction k	*3.RN.2.1: Ask and answer questions to demonstrate understanding of a text, referring explicitly to the text as the basis for the answers.	Literary elements are the characters, setting, plot and theme of a story.	MyView, Edulastic, and IXL
November 11/8-11/12	wk14*			u3w4	<input type="checkbox"/>	u5w5	<input type="checkbox"/>	Mama Miti Biography	Author's Purpose	IXL: U.1, U.3, U.4, U.5, and U.6	3.RN.4.1: Distinguish between fact and opinion; explain how an author uses reasons and facts to support specific & text. 3.RN.2.3: Describe the relationship between a series of historical events, scientific ideas or concepts, or steps in processes or procedures in a text, using words such as first, next, finally, because, problem, solution, same, and different.	Authors purpose is why the author is writing (persuade, inform, or entertain)	MyView, Edulastic, and IXL
November 11/22-11/23 *Thanksgiving Break	wk15						<input type="checkbox"/>	u1w4 u2w2 u5w1	<input type="checkbox"/>	Readworks Needed	Compare and Contrast		*.RN.4.2: Compare and contrast the most important points and key details presented in two texts on the same topic.
November 11/29-12/3	wk16			u4w1	<input type="checkbox"/>	u4w5	<input type="checkbox"/>	The House That Jane Built Biography	text structure	IXL: D.1, D.3, D.5, and D.6, time order= R.1 and R.2	3.RN.2.3: Describe the relationship between a series of historical events, scientific ideas or concepts, or steps in processes or procedures in a text, using words such as first, next, finally, because, problem, solution, same, and rent. & 3.RN.3.2:	depending on biggest students needs the standards might be... Sequencing is when you retell the main events of the story. OR Cause is why something happened. Effect is what happened.	MyView, Edulastic, and IXL

Dates	Week of school	myView Unit Theme	Unit	MyviewUnit / week		Pearson Unit / week	Story	Reading Skill	Resource	Standard	Whole Brain Statements	Technology Based Learning		
December 12/6-12/10	wk17	Events	Unit 4	u4w2	<input type="checkbox"/>	u2w1	from Frederick Douglass Biography	main idea	IXL: A.1 and A.2	3.RN.2.2: Determine the main idea of a text; recount the key details and explain how they support the main idea.	Main idea is what the text is mostly about.	MyView, Edulastic, and IXL		
December 12/13-12/17	wk18			u4w3	<input type="checkbox"/>	u5w5	Milton Hershey Chocolate King, Town Builder Biography	author's purpose	IXL: C.1, C.2, and Q1	*3.ML.2.1 distinguish among the purposes of various media messages, including for information, entertainment, persuasion, interpretation of events, or transmission of culture	Author's purpose is why they author is writing to persuade, inform, and entertain.	MyView, Edulastic, and IXL		
Dec- Jan 12/20-1/3 Winter Break														
January 1/4-1/7 *no school Monday	wk19	Solutions	Unit 4	u4w4	<input type="checkbox"/>	u5w3	Green City Narrative Nonfiction	distinguish view point & Sequence	IXL: D.1 and D. New! Distinguish characters' points of view Sequence= O.1	3.RL.3.2: Distinguish personal point of view from that of the characters. & *3.RN.4.1: Distinguish between fact and opinion; explain how an author uses reasons and facts to support points in a text. *3.RN.2.3: Describe the relationship between a series of historical events, scientific ideas or concepts, or steps in processes or procedures in a text, using words such as first, next, finally, because, problem, solution, same, and different.	Sequence is the order of events in a text	MyView, Edulastic, and IXL		
January 1/10-1/14	wk20					<input type="checkbox"/>	u1w4 u2w2 u5w1	Readworks Needed	Compare and Contrast	Readworks and NewsELA	*RN.4.2: Compare and contrast the most important points and key details presented in two texts on the same topic.	Compare is when you tell how things are alike. Contrast is when you tell how things are different.	MyView, Edulastic, and IXL	
January 1/18-1/21 *no school Monday	wk21					u5w1	<input type="checkbox"/>	u4w2	Deep Down and Other Extreme Places to Live Informational Text	text features	IXL: K.1 and N. Analyzing Informational Texts	3.RL.4.1: Explain how specific aspects of a text's illustrations contribute to what is conveyed by the words in a story (e.g., create mood, emphasize aspects of a story).	text features/graphic sources help reader understand information from the text.	MyView, Edulastic, and IXL
January 1/24-1/28	wk22	Solutions	Unit 5	u5w2	<input type="checkbox"/>	u6w2	Earthquakes, Eruptions, and Other Events that Change Earth Informational Text	Cause and Effect	IXL: D.3 and D.4	3.RN.2.3: Describe the relationship between a series of historical events, scientific ideas or concepts, or steps in processes or procedures in a text, using words such as first, next, finally, because, problem, solution, same, and different. 3.RN.3.1: Apply knowledge of text features to locate information and gain meaning from a text (e.g., maps, illustrations, charts, font/format)..	Cause is why something happens. Effect is what happens	MyView, Edulastic, and IXL		
January 1/31-2/4	wk23					u5w3	<input type="checkbox"/>	u5w2	A Safety Plan: In Case of Emergency Procedural Text	Main Idea	IXL: D.3 and D.4	3.RN.2.3: Describe the relationship between a series of historical events, scientific ideas or concepts, or steps in processes or procedures in a text, using words such as first, next, finally, because, problem, solution, same, and different. 3.RN.3.1: Apply knowledge of text features to locate information and gain meaning from a text (e.g., maps, illustrations, charts, font/format)..	Main idea is what the text is mostly about.	MyView, Edulastic, and IXL
February 2/8-2/11 *no school Monday	wk24					u5w4	<input type="checkbox"/>		Nora's Ark Historical Fiction	Literary Elements & point of view	IXL: C.1, C.2, and M. New! Read historical fiction	3.RL.2.3: describe characters in a story (e.g. their traits, motivations, or feelings) and explain how their actions contribute & 3.RN.3.3: Distinguish one's own perspective from that of the author of the text.	Literary elements are the characters, setting, plot and theme of a story.	MyView, Edulastic, and IXL

	ILEARN BLUEPRINT STANDARDS	BOY REVIEW	80% --^	Review Needed
<i>High Priority Standards</i>	8.RL.2.1 Cite the textual evidence that most strongly supports an analysis of what a text says explicitly as well as inferences drawn from the text.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	8.RL.2.2 Analyze the development of a theme or central idea over the course of a work of literature, including its relationship to the characters, setting, and plot; provide a detailed summary that supports the analysis.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	8.RN.2.1 Cite the textual evidence that most strongly supports an analysis of what a text says explicitly as well as inferences drawn from the text.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	8.RN.2.2 Analyze the development of a central idea over the course of a text, including its relationship to supporting ideas; provide a detailed, objective summary of the text.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

<p>8.RL.2.3 Analyze how particular lines of dialogue or incidents in a work of literature propel the action, reveal aspects of a character, or provoke a decision.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p>8.RL.3.1 Compare and contrast the structure of two or more related works of literature (e.g., similar topic or theme), and analyze and evaluate how the differing structure of each text contributes to its meaning and style.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p>8.RL.3.2 Analyze a particular point of view or cultural experience in a work of world literature considering how it reflects heritage, traditions, attitudes, and beliefs.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p>8.RN.2.3 Analyze how a text makes connections and distinctions among individuals, events, and ideas.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p>8.RN.3.2 Analyze in detail the structure of a specific paragraph in a text, including the role of particular sentences in developing and refining a key concept.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

<p>8.RN.3.3 Determine an author's perspective or purpose in a text, and analyze how the author acknowledges and responds to conflicting evidence or viewpoints.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p>8.RN.4.1 Delineate and evaluate the argument and specific claims in a text, assessing whether the reasoning is sound and the evidence is relevant and sufficient; recognize when irrelevant evidence is introduced.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p>8.RN.4.3 Analyze a case in which two or more texts provide conflicting information on the same topic and identify where the texts disagree on matters of fact or interpretation.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p>8.RV.2.1 Use context to determine or clarify the meaning of words and phrases.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

<p>8.RV.3.1 Analyze the meaning of words and phrases as they are used in works of literature, including figurative and connotative meanings; analyze the impact of specific word choices on meaning and tone, including analogies or allusions to other texts.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p>8.RV.3.2 Determine the meaning of words and phrases as they are used in a nonfiction text, including figurative, connotative, and technical meanings; analyze the impact of specific word choices on meaning and tone, including analogies or allusions to other texts.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

<p>8.W.3.1 Write arguments in a variety of forms that –</p> <ul style="list-style-type: none">● Introduce claim(s), acknowledge and distinguish the claim(s) from alternate or opposing claims, and organize the reasons and evidence logically.● Support claim(s) with logical reasoning and relevant evidence, using accurate, credible sources and demonstrating an understanding of the topic or text.● Use effective transitions to create cohesion and clarify the relationships among claim(s), counterclaims, reasons, and evidence.● Establish and maintain a consistent style and tone appropriate to purpose and audience.● Provide a concluding statement or section that follows from and supports the argument presented.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
---	--------------------------	--------------------------	--------------------------

8.W.3.2

Write informative compositions in a variety of forms that –

- Introduce a topic clearly, previewing what is to follow; organize ideas, concepts, and information into broader categories; include formatting (e.g., headings), graphics (e.g., charts, tables), and multimedia when useful to aiding comprehension.
- Develop the topic with relevant, well-chosen facts, definitions, concrete details, quotations, or other information and examples from various sources and texts.
- Use appropriate and varied transitions to create cohesion and clarify the relationships among ideas and concepts.
- Choose language and content-specific vocabulary that express ideas precisely and concisely, recognizing and eliminating wordiness and redundancy.
- Establish and maintain a style appropriate to the purpose and audience.
- Provide a concluding statement or section that follows from and supports the information or explanation presented.



8.W.3.3

Write narrative compositions in a variety of forms that –

- Engage and orient the reader by establishing a context and point of view and introducing a narrator and/or characters.
- Organize an event sequence (e. g., conflict, climax, resolution) that unfolds naturally and logically, using a variety of transition words, phrases, and clauses to convey sequence and signal shifts from one time frame or setting to another.
- Use narrative techniques, such as dialogue, pacing, description, and reflection, to develop experiences, events, and/or characters.
- Use precise words and phrases, relevant descriptive details, and sensory language to capture the action and convey experiences and events.
- Provide an ending that follows from and reflects on the narrated experiences or events.



<p>8.W.4 Apply the writing process to –</p> <ul style="list-style-type: none">● Plan and develop; draft; revise using appropriate reference materials; rewrite; try a new approach; and edit to produce and strengthen writing that is clear and coherent, with some guidance and support from peers and adults.● Use technology to interact and collaborate with others to generate, produce, and publish writing and present information and ideas efficiently.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
--	--------------------------	--------------------------	--------------------------

<p>8.W.5 Conduct short research assignments and tasks to build knowledge about the research process and the topic under study.</p> <ul style="list-style-type: none"> ● Formulate a research question. ● Gather relevant information from multiple sources, using search terms effectively, and annotate sources. ● Assess the credibility and accuracy of each source. ● Quote or paraphrase the information and conclusions of others. ● Avoid plagiarism and follow a standard format for citation. ● Present information, choosing from a variety of formats. 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p>8.W.6.1b Verbs – Explaining the function of verbals (gerunds, participles, infinitives) in general and their function in particular sentences; forming and using active and passive voice; recognizing and correcting inappropriate shifts in verb voice.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Medium
Priority
Standards**

8.W.6.2b Punctuation – Using punctuation (comma, ellipsis, dash) to indicate a pause, break, or omission.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8.SL.3.1 Analyze the purpose of information presented in diverse media and formats (e.g., visually, quantitatively, orally) and evaluate the motives (e.g., social, commercial, political) behind its presentation.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8.SL.3.2 Delineate a speaker’s argument and specific claims, evaluating the soundness of the reasoning and relevance and sufficiency of the evidence and identifying when irrelevant evidence is introduced.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8.RL.4.1 Analyze the extent to which a filmed or live production of a story or play stays faithful to or departs from the text or script, evaluating the choices made by the director or actors.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8.RL.4.2 Analyze how works of literature draw on and transform earlier texts.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

8.RN.4.2 Evaluate the advantages and disadvantages of using different mediums (e.g., print or digital text, video, multimedia) to present a particular topic or idea.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8.RV.2.3 Distinguish among the connotations of words with similar denotations.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8.RV.2.4 Use common, grade-appropriate Greek or Latin affixes and roots as clues to the meaning of a word (e.g., precede, recede, secede).	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8.RV.2.5 Select appropriate general and specialized reference materials, both print and digital, to find the pronunciation of a word or determine or clarify its precise meaning, part of speech, or origin.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8.RV.3.3 Interpret figures of speech (e.g., verbal irony, puns) in context.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

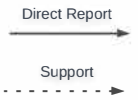
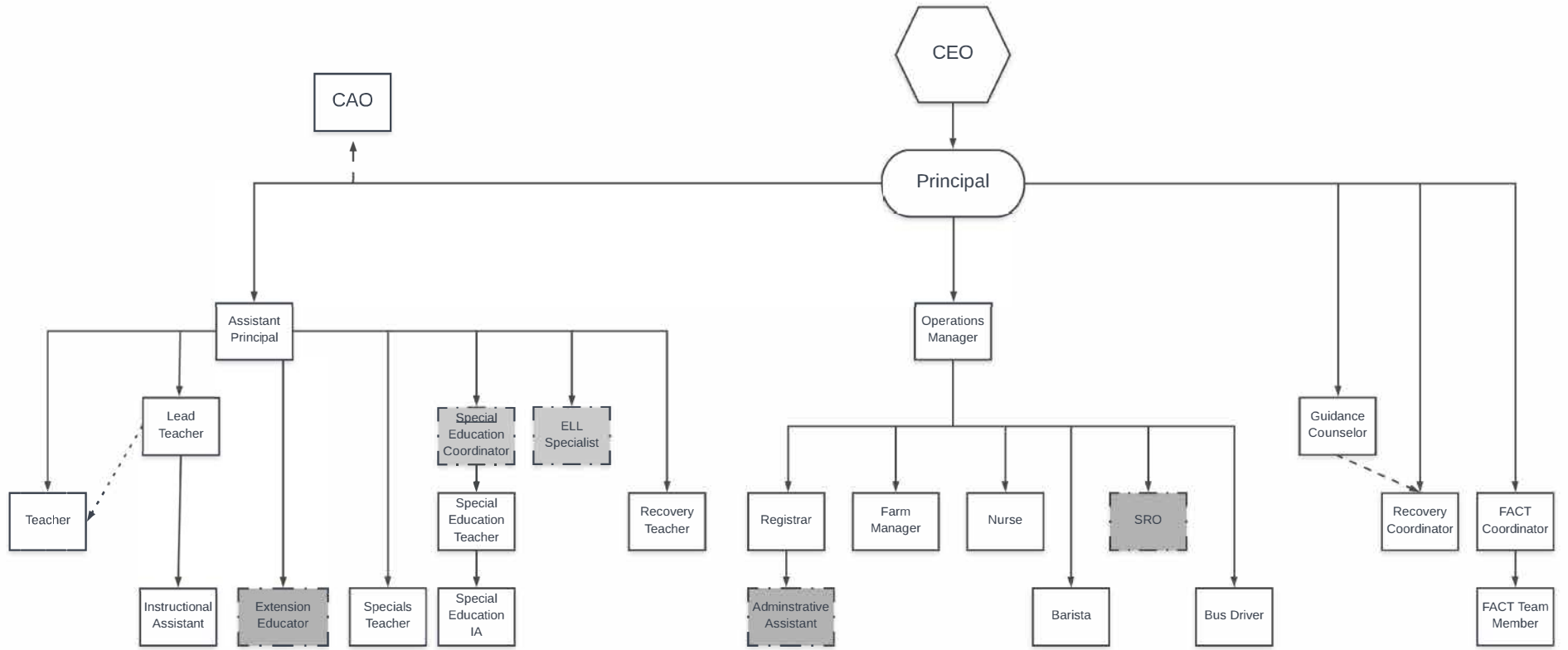
<p>8.SL.2.1 Engage effectively in a range of collaborative discussions (one-on-one, in groups, and teacher-led) on grade-appropriate topics, texts, and issues, building on others' ideas and expressing personal ideas clearly.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p>8.SL.2.2 Examine, analyze, and reflect on ideas under discussion by identifying specific evidence from materials under study and other resources.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p>8.SL.2.3 Follow rules for considerate discussions and decision-making, track progress toward specific goals and deadlines, and define individual roles as needed.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p>8.SL.2.4 Pose questions that connect the ideas of several speakers and respond to others' questions and comments with relevant evidence, observations, and ideas.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p>8.SL.2.5 Acknowledge new information expressed by others, and, when warranted, qualify or justify personal views in reference to the evidence presented.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

***Low
Priority
Standards***

8.SL.4.1 Present claims and findings, emphasizing salient points in a focused, coherent manner with relevant evidence, sound valid reasoning, and well-chosen details; use appropriate eye contact, adequate volume, and clear pronunciation.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8.SL.4.2 Create engaging presentations that integrate multimedia components and visual displays to clarify information, strengthen claims and evidence, and add interest.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8.ML.2.1 Identify and analyze persuasive and propaganda techniques used in visual and verbal messages by electronic, print and mass media, and identify false or misleading information.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8.ML.2.2 Analyze and interpret how people experience media messages differently, depending on point of view, culture, etc.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

	ILEARN BLUEPRINT STANDARDS	BOY REVIEW	80% --^	Review Needed
Algebraic and Functions	8.AF.1: Solve linear equations with rational number coefficients fluently, includ	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	8.AF.2: Give examples of linear equations in one variable with one solution, inf	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	8.AF.3: Understand that a function assigns to each x-value (independent variab	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	8.AF.4: Describe qualitatively the functional relationship between two quanti	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	8.AF.5: Interpret the equation $y = mx + b$ as defining a linear function, whose g	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	8.AF.6: Construct a function to model a linear relationship between two quanti	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	8.AF.7: Compare properties of two linear functions given in different forms, su	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	8.AF.8: Understand that solutions to a system of two linear equations correspo	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Computation	8.C.1: Solve real-world problems with rational numbers by using multiple oper	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	8.C.2: Solve real-world and other mathematical problems involving numbers ex	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Geometry and Measurement	8.GM.1: Identify, define and describe attributes of three-dimensional geometr	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	8.GM.2: Solve real-world and other mathematical problems involving volume d	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	8.GM.3: Verify experimentally the properties of rotations, reflections, and tran	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	8.GM.4: Understand that a two-dimensional figure is congruent to another if t	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	8.GM.5: Understand that a two-dimensional figure is similar to another if the s	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	8.GM.6: Describe the effect of dilations, translations, rotations, and reflections	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	8.GM.7: Use inductive reasoning to explain the Pythagorean relationship.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	8.GM.8: Apply the Pythagorean Theorem to determine unknown side lengths i	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	8.GM.9: Apply the Pythagorean Theorem to find the distance between two po	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Number Sense	8.NS.1: Give examples of rational and irrational numbers and explain the differ	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	8.NS.2: Use rational approximations of irrational numbers to compare the size	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	8.NS.3: Given a numeric expression with common rational number bases and i	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

	8.NS.4: Use square root symbols to represent solutions to equations of the form $x^2 = p$ or $(x - h)^2 = k$, where p, k are nonnegative real numbers and h, k are real numbers.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Data Analysis, Statistics, and Probability	8.DSP.1: Construct and interpret scatter plots for bivariate measurement data to investigate linear relationships and assess the strength of the relationship.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	8.DSP.2: Know that straight lines are widely used to model relationships between two quantitative variables. For example, a line describing a linear trend in data can be used to estimate unknown values.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	8.DSP.3: Write and use equations that model linear relationships.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	8.DSP.4: Understand that, just as with simple events, the probability of a compound event is the sum of the probabilities of the simple events if the simple events are mutually exclusive.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	8.DSP.5: Represent sample spaces and find probabilities of compound events (e.g., using organized lists, tree diagrams, area models, or tables).	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	8.DSP.6: For events with a large number of outcomes, understand the use of the normal distribution curve as an approximation of the binomial distribution.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



Paramount
 SCHOOLS OF EXCELLENCE



Paramount

SCHOOLS OF EXCELLENCE



STUDENT DISCIPLINE

PSOE student discipline policies and guidelines are executed in accordance with Indiana Code chapter 20-338 et seq. Copies of the Code can be made available in the school office.

Paramount has zero-tolerance for hazing, harassment, intimidation, and bullying. Corporal punishment is prohibited at all PSOE schools.

Search and Seizure Policy

1. The PSOE Board recognizes that the privacy of students and their belongings may not be violated by unreasonable search and seizure. School personnel may conduct a search or seizure as consistent with the law including in circumstances when there is reasonable suspicion to conduct the search.
2. All lockers and other storage areas provided for student use on school premises remain the property of PSOE and are provided for the use of the students are subject to inspection, access for maintenance, and search pursuant to this policy. A student who uses a locker that is the property of a school is presumed to have no expectation of privacy in that locker or the locker's contents. No student shall lock or otherwise impede access to any locker or storage area except with a lock provided by or approved by the principal of the school in which the locker or storage area is located. Unapproved locks shall be removed and destroyed.
3. School personnel will not search a student involving the removal of clothing other than a coat or jacket.
4. Anything found during a search conducted in accordance with this policy, which is evidence of a violation of the student conduct standards contained in the student handbook, may as deemed appropriate by school authorities, be:
 - Seized and admitted as evidence in any suspension or expulsion proceeding if it is tagged for identification at the time it is seized and kept in a secure place by the principal or the principal's designee until it is presented at the hearing,
 - Returned to the parent or guardian of the student from whom it was seized,
 - Destroyed if it has no significant value, or
 - Turned over to any law enforcement officer in accordance with this policy.
5. Anything found during a search conducted in accordance with this policy which by its presence presents an immediate danger of physical harm or illness to any person may be seized and as considered appropriate by school authorities may be:
 - Returned to the parent or guardian of the student from whom it was seized,
 - Destroyed, or

- Turned over to any law enforcement officer in accordance with this policy.
6. The principal, or a member of the administrative staff designated in writing by the principal, may request the assistance of a law enforcement officer to:
- Search any area of school premises, any student, or any motor vehicle on school premises, or
 - Identify or dispose of anything found during a search conducted in accordance with this policy.

Core Expectations

The following directives, known as the “**Core Expectations**,” represent basic beliefs of PSOE, which all students are expected to follow. These rules always apply **when** PSOEI is responsible for the students, including any off-site, school-sponsored functions such as field trips, sporting events, and overnight retreats.

1. Listen to and follow the directions of the teachers and staff.
2. Do your best, work hard, and strive to achieve.
3. Cooperate and help others.
4. Treat yourself and others with respect.
5. Respect the property and rights of others.
6. Do not disrupt the educational process.
7. Be honest in word and deed.
8. Be responsible for your actions and for what you need to do Each of the Core Expectations promotes the PSOE values –
 - **Contribute More:** through a commitment to outstanding moral character
 - **Desire More:** through a commitment to academic growth
 - **Do More:** through a commitment to creating a sense of community
 - **Learn More:** through a commitment to core curriculum
 - **Expect More:** through a commitment to measurable results

Recovery

Recovery is a system of behavior and academic support. The Recovery Process supports teachers in protecting the learning environment from distractions and off-task behaviors while also providing a setting where students continue to work and be academically challenged. Additionally, students receive the support of a counselor to unpack with and provide for their emotional and social needs. Students may receive support in this classroom at any time throughout the school day depending on when they meet the criteria for entry, which includes habitual behaviors that negatively influence the learning environment. After students enter the Recovery Room, the staff strives to prepare the students to reenter the home classroom as quickly as possible, however, students must meet readiness benchmarks before returning to class. If the student does not comply with the Recovery procedures, the student could be escalated through the PSOE discipline process.

Expulsion

The following behaviors may result in a student being expelled for a period of time as allowed by Indiana law:

- Causing serious injury to another person;
- Habitual misbehavior;

- Possession, use of, sale of, or furnishing any firearm, knife, explosive, or other dangerous objects;
 - In order to maintain a safe environment, PSOE does not recognize a discernible difference between the possession of a real firearm, knife, or explosive device and an imitation or replica of a firearm, knife, or explosive device.
- Unlawful possession of, use, or sale of any controlled substance;
- Robbery or extortion;
- Offering, furnishing, or sale of any drug paraphernalia;
- Criminal behavior;
- Threats of a terrorist nature, hate violence, or hate crimes;
- Sexual assault; and
- Battery.

This is not an exclusive list. Forms and processes for appealing expulsion are available in the school office.

PSOE expects all students to conduct themselves in a civil and socially responsible manner. Disciplinary measures, carried out in accordance with state law, are used to maintain a safe and stable school environment.

Notification of an expulsion hearing before the administration will be sent in accordance with the law. Formal findings from such a hearing will be explained in writing to the parents/guardians and the principal of PSOE with stipulations outlining the length of the expulsion.

Any student who has been expelled pursuant to these provisions shall have the right to appeal to the Board of Trustees. When a student is expelled under the provisions of this section and applies for admission to another school for acceptance, the Head of School of PSOE shall notify the head of the receiving school of the reasons for the pupil's expulsion.

Procedural Due Process

Procedural Due Process is afforded to all students, subject to discipline, and includes the following:

1. Opportunity to respond to charges in front of a qualified teacher or administrator of the school;
2. Opportunity to present witnesses;
3. Notification of all evidence;
4. Notification of formal outcome within a certain number of days of hearing; and
5. Right to appeal.

Procedures for all Expulsion Meetings

1. A presentation of the evidence against the student is stated by the Hearing Officer (Head of School or Administrative designee) at the school.
2. A presentation by the student and parent/guardian or parent/guardian's designee (individual) of any defense or mitigating circumstances.
3. Submission of written statements from any person in defense of the student accepted by the Hearing Officer. The student may present witnesses and evidence in rebuttal of the school's allegation to the Hearing Officer.
4. The Hearing Officer records a summary of the facts and disputed evidence.

5. Failure of the student and/or parent/guardian to appear at the hearing without good cause constitutes a waiver of the hearing and the case is reviewed by the Hearing Officer (Head of School or designee). A decision is rendered on the evidence available.
6. On the day of the hearing, a presentation detailing the reasons for the decision is given to the student and parent or guardian. Formal findings from the hearing officer will be mailed within ten (10) days of the hearing. The decision may authorize a return to school at an earlier date and may include an alternative educational plan or an evaluation request under Chapter 76 (Article 7).

GENERAL SCHOOL RULES AND POLICY

PSOE facilitates the development of disciplined individuals toward fostering a “community of learners” attitude and environment. PSOE celebrates the development of our students and recognizes positive growth in all areas, while at the same time correcting negative choices and teaching the proper way.

Policies and consequences consistent with our mission are necessary to ensure a safe learning environment for every child.

Inappropriate Behavior

Examples of inappropriate behavior include, but are not limited to:

- Disrespectful or inappropriate talk and actions;
- Disobedience;
- Misusing school equipment, or that of others;
- Running in class, or in the hallways;
- Littering;
- Teasing;
- Horseplay;
- Harassing or bullying students, staff members, or others on the basis of race, color, religion, national origin, sex, sexual orientation, gender identity or expression, age, disability, genetic information, citizenship status, or military or veteran status; and
- Sexual harassment of students, staff members, or others.

Teachers will discuss the above behaviors with children and will contact parents/guardians in working together to find a resolution. If the child’s behavior problems continue, a referral to the office administration may occur.

Referrals

It is at the discretion of the teacher to refer a child to the administration for the intervention of behaviors. The administration will talk with the child, as well as others involved, to understand the circumstances surrounding the incident.

PSOE uses a two-level referral system. Level 1 referrals are referrals where students have mildly disrupted the school or educational environment. These referrals result in a written message, face-to-face discussion with the parent/guardian, or a parent/guardian phone call, along with an intervention/redirection of the student. Level 2 referrals are referrals where students have severely impacted the safety or academic environment of the school. In these cases, the student will face a

suspension and/or expulsion, and the parent/guardian will be notified. Habitual Level 1 offenses will escalate to Level 2 suspensions.

Depending on the circumstances that caused the referral, a student may receive a brief “time out” period or may receive another form of consequence. These may include removal from the classroom, temporary time in Recovery, all-day time in Recovery, out-of-school suspension, or expulsion. Conflict resolution, individual, and/or group counseling may be involved as a component of PSOE’s intervention strategies.

Upon each referral to the administration, an attempt to contact the parent or guardian will be made to inform the parent/guardian of the incident as well as the consequences. ***It is a shared responsibility of the parents/guardians to teach and model PSOE’s Core Expectations.***

Suspension

The following behaviors may result in immediate Level 2 suspension:

- Fighting;
- Biting/spitting;
- Forgery;
- Harassment/bullying others (including all forms of cyber-bullying);
- Disrupting the educational environment or otherwise willfully defying the valid authority of staff, teachers, or other school officials;
- Causing, attempting to cause, or threatening to cause physical harm to another;
- Causing or attempting to cause damage or school property or private property;
- Stealing or attempting to steal school property or private property;
- Possessing or using tobacco, alcohol, or controlled substance;
- Committing an obscene act or engaging in habitual profanity or vulgarity;
- Sexual advances, request of sexual favors, or other verbal, visual, or physical conduct of a sexual nature;
- Causing or attempting to bring harm to another through hate language or threats of violence;
- Habitual Level 1 misbehavior; and
- Excessive tardiness or absenteeism.

Suspensions may be in-school or out-of-school as specified in the notice of referral letter that accompanies each suspension. Parents/guardians may be required to return to school with their child to meet with members of the school staff and administrative team as specified in the notice of referral letter.

Threats, Attempts, and Acts of Violence Against Staff Members

PSOE is committed to maintaining a safe learning and working environment. Given the increasing violence in society in general, PSOE has adopted the following guidelines to address intimidation, harassment, or other threats of (or actual) violence against staff members by students and students’ family members:

- All staff members shall be treated with courtesy and respect at all times.
- Firearms, weapons, and other dangerous or hazardous devices or substances are prohibited on the premises of PSOE without prior express authorization.
- Conduct that threatens, intimidates, or attempts to coerce a staff member at any time, including off-duty periods, will not be tolerated and may result in immediate referral to law enforcement. This prohibition includes all acts of harassment, including harassment on the

basis of race, color, religion, national origin, sex, sexual orientation, gender identity or expression, age, disability, genetic information, citizenship status, or military or veteran status.

- Any direct or indirect threat, attempt to inflict or act of unwanted physical contact or violence upon a staff member will not be tolerated and may result in immediate referral to law enforcement.

Examples of “unwanted physical contact or violence” include, but are not limited to, hitting, kicking, shoving, slapping, grabbing, striking, battering, using a weapon or other object to commit battery, striking with bodily fluids or waste, or any other form of unlawful or non-consensual physical contact made in a rude, angry, or insulting way, regardless of whether the conduct resulted in injury or the severity of any injury caused.

Any student determined to be responsible for a threat, attempt, or act of violence or other conduct in violation of this policy may also be subject to prompt disciplinary action, up to and including immediate suspension and/or expulsion.

PSOE strongly encourages students and their families to bring any disputes or differences with staff members to the attention of the principal before the situation escalates, per its Conflict Resolution and Parent/Guardian Complaints Policy below. PSOE is eager to assist in the resolution of any such disputes.

ATTACHMENT 9

C. Barry Rubin
Commercial Brokers Inc
1058 Sagamore Parkway West
West Lafayette IN 47906

March 23, 2022

Indiana Charter School Board
143 West Market Street
Suite 400
Indianapolis IN 46204

To whom it may concern,

As a member of this community for over 30 years, a parent of children who attended a private charter school, and a former board member of New Community Public Charter School, I have witnessed the benefits of the charter system and developed a strong conviction that charter schools are an important part of choice within a public school system.

Over this time, I have witnessed the significant growth of our community fueled in part by the strength of a world class university, Purdue. It's presence, along with forward thinking leadership from our two cities and county has created a powerful engine likely to continue making our community a solid place of choice. In addition to this growth trend, we have experienced greater diversity of population and essential needs across all aspects of living to ensure quality of life and healthy communities.

Through the years of my involvement, I saw many examples of children who struggled in traditional school settings, thrive in alternative learning environments. From the startup of a small group of families in a residential home in the early 90s to the growth that led to the development of the Elmwood site facility, it was clear that there was a great demand and need in the community to provide opportunities for all children. Personally, I believe that "No Child Left Behind" meant every child be given the opportunity and environment to grow, thrive and develop their given talents, and personality in a healthy setting. Charter Schools allow a choice for families to decide what is in their best interest. I strongly support bringing Paramount School of Excellence to serve this area.

Sincerely,



C Barry Rubin, President

The benchmark testing and targeted tutoring program at My Learning Nook in Lafayette has been an amazing thing for my son. He has been struggling in school and this program has given him the confidence he needs. My son hasn't needed the help with homework, but he does need help with the extra learning he has missed. This program has been a blessing for him.

The Paramount School of Excellence as a school choice option is an excellent program for my son and other children in the area. I truly wish that it was something that would have been around when I was younger. I am so happy it's here for my son.

Heather Huey
Mother of Mason, Kindergartener

To Whom it May Concern:

As a concerned parent of a kindergartener whose teacher was constantly underestimating and minimizing my child's ability and not giving us the tools to remedy the situation, I was never more relieved than the first day I walked into My Learning Nook at Tippecanoe Mall. During this encounter I was immediately greeted with kind, warm faces that offered not only comfort, but an opportunity and a place to start. The process began with a benchmark test to give adequate guidance in the skill areas most in need of growth and development. The results were as expected, below benchmark; however, this was not something I was just told, but I was given options, choices, and guidance. Mrs. Brooks knew exactly where our shortcomings were and put a plan in place to facilitate the learning process for my five year old. This benchmark test was a great benefit, because at a later date after regular and consistent tutoring, another evaluation was taken, and gave the validation on paper of what we knew could be, SIGNIFICANT improvement was made. Additionally, we were given tools to help at home, and we found IXL to be significantly beneficial in monitoring my daughter's progress. Never in this process did a tutor belittle or count out my child, but rather embraced and highlighted her strengths while nonchalantly addressing areas of need.

My child does not yet require homework help, however, knowing in the future that there will be things that I don't have the patience or the understanding to teach, I am pleased to know that this resource is available.

I am excited about the news of Paramount becoming a brick and mortar location with facilities to further facilitate growth and development of our community's youth. The Lafayette area will greatly benefit from a school with the capacity and tools to better educate our children. Giving our community the opportunity for a school with a strong educational spine and proven success is just the thing we need to improve our children's chances of becoming successful students, and giving them the ability to thrive as adults.

While Lafayette is not necessarily the bottom of the barrel as far as options for a public education, omitting the religious aspect, it is the top of the list for needing a better public option. The only other comparable choice for excellence in education is a private education which, let's face it, is not an option for all because of financial constraints, religious opposition, and a lack of the typical family background needed to attend such schools. My child currently attends a local private school, and with the cost of tuition I had little options to pay for additional assistance, so Paramount is the perfect answer; and the best part is, it is available for everyone! With so many people dealing with financial constraints already, this little miracle option really came in to save the day and year.

Please consider this letter as a strong endorsement of Paramount Schools of Excellence, my faith in the process of instruction at My Learning Nook, and my hope for additional Paramount Schools in Lafayette in the future. Not only do I recommend them for my family, I frequently refer others to Paramount to ensure the success of all our children's futures.

Sincerest Regards,

Candice Arnold, mother of Charlotte- Kindergartener

Attachment 10

School Name	Distance from School	K	1	2	3	4	5	6	7	8	Total
Lafayette Tecumseh Junior High School	0.2 mi								538	563	1101
Murdock Elementary School	0.7 mi	72	49	48	40	38					247
Sunnyside Intermediate School	0.8 mi						531	532			1063
Oakland Elementary	0.8 mi	45	49	41	58	49					242
Vinton Elementary	0.8 mi	89	83	92	88	81					433
Glen Acres Elementary	2.0 mi	115	96	102	99	104					516
Thomas Miller Elementary	2.3 mi	76	64	76	79	59					354
Edgelea Elementary School	2.8 mi	97	84	88	100	73					442

ATTACHMENT 11

PSOE Complaint Policy
Version 1.0



Table of Contents

Purpose	2
Submission of a Complaint	2
Investigation of a Complaint	3
Resolution of the Complaint	4
Appeal Process	4

Purpose

Any person or group having a legitimate interest in the operations of Paramount Schools of Excellence (PSOE) shall have the right to present a request, suggestion, complaint, or concern relating to school personnel, the program, or the operations of PSOE. At the same time, the School Board has a duty to protect its staff from unnecessary harassment. It is the intent of this policy to provide the means for judging each public complaint and concern in a fair and impartial manner and to seek a remedy where appropriate.

This procedure sets forth the process for resolving a complaint presented by any individual or organization that: (1) a school representative, school, or other agency authorized by PSOE did not properly follow school rules, school policy, or has violated the law.

Prior to any formal complaint, matters concerning an individual student or school representative should first be addressed to the student's teacher or a school representative. Should the matter remain unsettled, the issue should be directed to the Chief Executive Officer (CEO) or the employee's immediate supervisor. If the school director CEO cannot settle the matter satisfactorily it may be submitted as a complaint.

Submission of a Complaint

What is a complaint?

A complaint is a written allegation that a school representative, school, or other agency authorized by a school has either not properly followed school rules, school policy, or has violated the law. An allegation may be submitted in writing or electronically. If a complaint is submitted electronically, a hard copy must also be sent to the school via regular mail.

Should a complaint or appeal not follow the policies and procedures set forth in this document, it will not be considered valid, and will not be subject to any official response or resolution.

What information should a complaint include?

A complaint must identify:

1. The alleged violation/offense;
2. The facts supporting the alleged violation/offense; and
3. Any supporting documentation

How and where should a complaint alleging a violation by a school representative, school, or other agency authorized by a school be sent?

To initiate a complaint, a complainant must submit a written complaint to the CEO

Investigation of a Complaint

What happens after a written complaint alleging a violation of rules, policy, or law by a school representative, school, or other agency authorized by the school is submitted to the CEO?

When a written complaint is received, the school issues a Letter of Acknowledgement to the complainant within ten (10) business days of receipt of the complaint. This letter contains the following information:

1. The date that the complaint was received;
2. A brief statement of the manner in which the school will investigate the complaint;
3. If necessary, a request for additional information regarding the complaint;
4. A tentative resolution date that is sixty (60) days from the date that the written complaint was received; and
5. The name and phone number of a contact person for status updates

Based on the facts of the alleged issue, an extension of time may be required to resolve the complaint. If an extension is required, the school issues a follow-up letter prior to the initial resolution date informing the complainant of the revised timeframe.

What happens after a written complaint alleging a violation of rules, policy, or law by the CEO?

When a written complaint is received, the School Board initiates the response and follow-up. The School Board issues a Letter of Acknowledgement to the complainant within ten (10) business days of receipt of the complaint. This letter contains the following information:

1. The date that the complaint was received;
2. A brief statement of the manner in which the school will investigate the complaint;
3. If necessary, a request for additional information regarding the complaint;
4. A tentative resolution date that is sixty (60) days from the date that the written complaint was received; and
5. The name and phone number of a contact person for status updates.

Based on the facts of the alleged issue, an extension of time may be required to resolve the complaint. If an extension is required, the school issues a follow-up letter prior to the initial resolution date informing the complainant of the revised timeframe.

What information is sent about the investigation regarding a complaint about a school representative, school, or other agency authorized by a school?

The CEO coordinates the investigation of the complaint. When the investigation is complete, the CEO notifies the complainant in writing regarding the outcome of the investigation.

Resolution of the Complaint

How are violations by a school representative, school, or other agency authorized by a school resolved?

If a violation has occurred, the CEO assigned to oversee the matter identifies and imposes the appropriate consequences or corrective action as required by regulation to resolve the complaint.

How are violations by the CEO resolved?

If a violation has occurred, the school board identifies and imposes the appropriate consequences or corrective actions as required by regulation to resolve the complaint.

Appeal Process

Can a complainant appeal the CEO's decision?

If the complainant does not agree with the CEO's decision, the complainant may appeal to the School Board by submitting the appeal in writing at the school office to the attention of the PSOE School Board President.

The complainant must appeal no later than 30 days after the CEO resolves the complaint or fails to resolve the complaint within a reasonable period of time. The appeal must be accompanied by a copy of the CEO's resolution of the complaint and a complete statement of reasons supporting the appeal. All appeals are overseen by the School Board and managed in the identical manner previously outlined for investigating and responding to complaints.

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date:

AUG 01 2009

PARAMOUNT SCHOOL OF EXCELLENCE INC
212 W 10TH ST STE A375
INDIANAPOLIS, IN 46202

Employer Identification Number:
26-3890401

DLN:

17053191345009

Contact Person:

APRIL D GARRETT

ID# 31493

Contact Telephone Number:

(877) 829-5500

Accounting Period Ending:

June 30

Public Charity Status:

170(b)(1)(A)(ii)

Form 990 Required:

Yes

Effective Date of Exemption:

December 29, 2008

Contribution Deductibility:

Yes

Addendum Applies:

No

Dear Applicant:

We are pleased to inform you that upon review of your application for tax exempt status we have determined that you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code. Contributions to you are deductible under section 170 of the Code. You are also qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

Organizations exempt under section 501(c)(3) of the Code are further classified as either public charities or private foundations. We determined that you are a public charity under the Code section(s) listed in the heading of this letter.

Please see enclosed Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, for some helpful information about your responsibilities as an exempt organization.

Letter 947 (DO/CG)

**AMENDED AND RESTATED ARTICLES OF INCORPORATION
OF
PARAMOUNT SCHOOL OF EXCELLENCE, INC.**

Paramount School of Excellence, Inc. ("Corporation") was incorporated on December 29, 2008 with the filing of Articles of Incorporation with the Indiana Secretary of State on that date. Pursuant to the provisions of the Indiana Nonprofit Corporation Act of 1991 as amended (the "Act"), specifically IC 23-17-17-8, the Board of Directors of the Corporation now amend the Articles of Incorporation by restating them in their entirety as follows:

**ARTICLE I
NAME**

The name of the Corporation is the PARAMOUNT SCHOOL OF EXCELLENCE, INC.

**ARTICLE II
TYPE OF CORPORATION**

The Corporation is a public benefit corporation.

**ARTICLE III
PURPOSES AND POWERS**

Section 3.1. Purposes of the Corporation. The Corporation is organized and shall be operated exclusively for educational or charitable purposes as may qualify it for exemption from Federal income tax under Section 501 (c)(3) of the Internal Revenue Code of 1986, as amended, or the corresponding provisions of any future United States internal revenue law (the "Code"), and the regulations promulgated thereunder. Such purposes shall include, but not be limited to the following:

- (a) Provide services as a local educational agency and public charter school serving Indianapolis urban students.

Section 3.2. Powers. Subject to any limitation or restriction imposed by the Act, any other law, or any other provision of these Articles of Incorporation, the Corporation shall have the power:

- (a) To accept, hold, administer, invest and disburse tax charitable, educational, religious, scientific, or literary purposes such funds as may from time to time be given to it by any person, corporation or entity, to receive gifts and make financial and other types of contributions and assistance to charitable organizations described in Section 501 (c)(3) and exempt from income tax under Section 501 (a) of the Code and in general, to do all things that may appear necessary and useful in accomplishing the purposes hereinabove set forth in accordance with the rules

and regulations under Section 501 (c)(3) of the Code.

- (b) To do everything necessary, advisable or convenient for the accomplishment of the purposes set forth in Section 3. 1. hereof, or which shall at any time appear conducive to or expedient for the protection or benefit of the Corporation and to do all things incidental thereto or in connection therewith which are not forbidden by applicable law.
- (c) To have, exercise and enjoy, in furtherance of the purposes set forth in Section 3.1, hereof, all the rights, privileges, and powers granted to corporations under Indiana Code § 23-17-4-2, as now existing or hereafter amended.

Section 3.3. Prohibited Activities.

- (a) Notwithstanding any other provision of these Articles of Incorporation, the Corporation shall not engage in or carry on any activities prohibited from being conducted or carried on by an organization exempt from Federal taxation under Section 501(c)(3) of the Code, and the regulations promulgated thereunder, or by a corporation, contributions to which are deductible under Section 170(c)(1) or (2), Section 2055(a)(1) or (2), and Section 2522 (a)(1) or (2) of the Code and the regulations promulgated thereunder.
- (b) No part of the net earnings of the Corporation shall inure to the private benefit of, or be distributable to, any director or officer of the Corporation or any private individual, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and expenses incurred by such persons.
- (c) Notwithstanding any other provisions of these Articles of Incorporation, the Act or any other law, no substantial part of the activities of the Corporation shall consist of carrying on propaganda, or otherwise attempting, to influence legislation or participating or intervening in (including the publishing or distributing of statements) any political campaign on behalf of (or in opposition to) any candidate for public office, and no donation, gift, contribution or loan shall be made to any organization a substantial part of the activities of which is to carry on propaganda. or otherwise attempt, to influence legislation or participate or intervene in (including the publishing of statements) any political campaign on behalf of (or in opposition to) any candidate for public office.
- (d) No solicitation of contributions to the Corporation shall be made and no gifts, bequests or devises to the Corporation shall be accepted upon any condition or limitation which, in the opinion of the Corporation, may cause the Corporation to lose any exempt status which it may obtain excusing the Corporation from the payment of federal income taxes.

- (e) Notwithstanding any other provision of these Articles of Incorporation, if at any time or times the Corporation shall be a "private foundation" as defined in Section 509 of the Code, then, during such time or times, the Corporation shall distribute its income for each taxable year at such time and in such manner as not to become subject to tax on undistributed income imposed by Section 4942 of the Code; shall not engage in any act of self-dealing as defined in Section 4949(d) of the Code; shall not retain any excess business holdings as defined in Section 4943(c) of the Code; shall not make any investments in such manner as to incur tax liability under Section 4944 of the Code; and shall not make any taxable expenditures as defined in Section 4945(d) of the Code.
- (f) The Corporation shall not be controlled directly or indirectly by one or more disqualified persons (as defined in Section 4946) other than foundation managers and other than one or more organizations described in Section 509(a)(1) and 509(a)(2).

ARTICLE IV DURATION

The duration of the Corporation's existence shall be perpetual.

ARTICLE V MEMBERSHIP

The Corporation will have no members.

ARTICLE VI DIRECTORS

Section 8.1. Management. The management of the affairs of the Corporation shall be vested in a Board of Directors as defined in the Corporation's Bylaws. No director shall have any right, title, or interest in or to any property of the Corporation.

Section 8.2. Qualification and Removal of Directors. The manner in which the directors shall be chosen and removed from office, their qualifications, powers, duties, Compensation, if any, tenure of office, the manner of calling and holding meetings shall be set forth in the Corporation's Bylaws.

Section 8.3. Number and Term. The number of members and terms of office of directors of the Corporation shall be set forth in the Corporation's Bylaws. The Corporation's initial Board of Directors shall consist of no more than eleven (11) and no fewer than seven (7) directors, their names and addresses being as follow

**ARTICLE VII
DISTRIBUTION OF ASSETS ON DISSOLUTION OR FINAL LIQUIDATION**

Upon the dissolution of the Corporation and after payment, or provision is made for payment of all of its debts and liabilities, the assets of the Corporation shall be distributed first to a nonprofit fund, foundation, or corporation selected by the Corporation's Board of Directors, which is organized and operated, exclusively for charitable or educational purposes, and which has established its tax exempt status under Section 501(c)(3) of the Code; and second to a nonprofit fund, foundation, or corporation selected by a Judge of the Circuit Court of Marion County, Indiana, which is organized and operated under Section 501(c)(3) of the Code.

**ARTICLE VIII
AMENDMENT OF ARTICLES OF INCORPORATION**


The Corporation reserves the right to amend, alter, change, or repeal any provisions contained in these Articles of Incorporation or in any amendment hereto, in any manner now or hereafter prescribed or permitted by the Act or any amendment thereto; provided, however, that such power of amendment shall not authorize any amendment which would have the effect of disqualifying the Corporation as a tax-exempt organization under Section 501(c)(3) of the Code or would have the effect of disqualifying contributions to the Corporation for deductions under Section 170(c)(1) or (2), Section 2055(a)(1) or (2), or Section 2522(a)(1) or (2) of the Code.

**ARTICLE IX
INTENTION THAT CORPORATION QUALIFY FOR EXEMPTION FROM
FEDERAL INCOME, GIFT AND ESTATE TAXES**

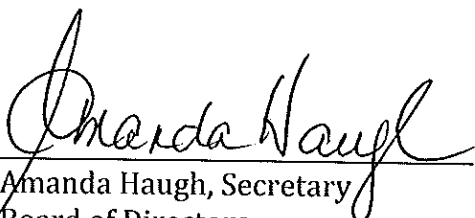
The Corporation intends to qualify as a tax-exempt organization under Section 501(c)(3) of the Code and that contributions to the Corporation shall qualify for deductions from Federal income, estate and gift taxes under Section 170(c)(1) or (2), Section 2055(a)(1) or (2), and Section 2522(a)(1) or (2), respectively, and all questions applicable to the Corporation shall be resolved accordingly, notwithstanding any provision in these Articles of Incorporation that might be construed as comprising this objective. The powers and discretions of the Board of Directors or the officers of the Corporation with respect to administration of the Corporation shall not be exercised or exercisable except in a manner consistent with the Corporation's intent as expressed in this Article. To the extent that any other provision of these Articles of Incorporation conflicts with the Corporation's primary intent as expressed in this Article, giving rise to ambiguity, the ambiguity shall be resolved as directed in this Article. Should there be an ambiguity as to whether any provision necessary for qualification of the Corporation as a tax exempt organization or for qualification of contributions to the Corporation for deductions from Federal income, estate and gift tax is included in these Articles of Incorporation, the ambiguity shall be resolved as directed in this Article.

IN WITNESS WHEREOF, the undersigned being the president and secretary of the Board of Directors execute these Amended and Restated Articles of Incorporation and verified subject to the penalties of perjury that the Board of Directors did duly adopt these Amended and Restated Articles in accordance with the law governing the Corporation.

Dated this 8 day of May, 2012.



Cathleen Nevil, President
Board of Directors



Amanda Haugh, Secretary
Board of Directors

AMENDED AND RESTATED BYLAWS
OF
PARAMOUNT SCHOOL OF EXCELLENCE, INC.
(Adopted March 13, 2012)

ARTICLE I

General

Section 1.1. The name of the corporation is the PARAMOUNT SCHOOL OF EXCELLENCE, INC. (the Corporation).

Section 1.2. Purpose and Power. Pursuant to the Corporation's Articles of Incorporation, filed with the Indiana Secretary of State on December 29, 2008 which were amended and restated and filed with the Indiana Secretary of State on _____, 2012 (the "Articles"), the Corporation is organized and shall be operated exclusively for educational or charitable purposes as may qualify it for exemption from Federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or the corresponding provisions of any future United States internal revenue law (the "Code"), and the regulations promulgated thereunder. Such purposes shall include, but not be limited to the following:

- (a) Provide services as a local educational agency and public charter school serving Indianapolis urban students.

Section 1.3. Resident Agent and Registered Office. The name of the resident agent of the Corporation at the time these bylaws were amended and restated is David Day and the address of the registered office of the Corporation is Two North Ninth Street, Noblesville, Indiana 46060. The registered agent and registered office may be changed by filing appropriate notice with the Indiana Secretary of State and will not require further amendment of these bylaws.

Section 1.4. Place of Keeping Corporate Books and Records. The records, documents, and papers of the Corporation shall be kept at any place as directed by the board of directors of the Corporation (the "Board"). In the absence of a direction, the records, documents and papers shall be kept at the principal office of the Corporation.

Section 1.5. Seal. Unless otherwise required by law, the Corporation shall not be required to use a seal. If the Board determines that the Corporation shall use a seal, the seal shall be circular in form and mounted upon a metal die, suitable for impressing the same upon paper.

Section 1.6. Certain References. All references in these Bylaws to the Indiana Nonprofit Corporation Act of 1991 (the "Act") and the Articles shall include the Act and the Articles, respectively, as now in effect or as may be amended hereafter from time to time.

ARTICLE II

Fiscal Year

The fiscal year of the Corporation shall begin each year on July 1 and end on the last day of June of the following year.

ARTICLE III

Membership

The Corporation shall have no members.

ARTICLE IV

Board of Directors

Section 4.1. Powers. The Board shall manage the property and affairs of the Corporation and shall exercise all powers of the Corporation as are not prohibited by the Act, its Articles, or these Bylaws. The corporate powers, property, and affairs of the Corporation, except as otherwise provided by law or these Bylaws shall be vested in, exercised, conducted, and controlled by the Board. The powers of the Board shall include, but not be limited to the following:

- (a) The Board shall have the power to enter into legally binding agreements with any federal, state, county, or local government; or with any private company, funding organization, or individual for the purpose of implementing programs or providing services.
- (b) The Board shall guide major personnel, organizational, fiscal, and program policies.
- (c) The Board shall render final approval of all program proposals and budgets.
- (d) The Board shall determine program priorities and plans, including provisions for evaluating progress versus performance.
- (e) The Board shall establish policies relating to proposed impact, extent and quality of programs.
- (f) The Board shall elect all officers of the Corporation.
- (g) The Board shall have all powers granted to it by any and all applicable Federal and state laws.

Section 4.2. Number of Directors and Term of Office. The board shall consist of the number of Directors as determined by the Board as may be changed from time to time by the Board, but the Board shall be comprised of at least seven (7) Directors and no more than eleven (11) Directors. Directors shall serve staggered three-year terms and may serve any number of consecutive terms.

Section 4.3. Election and Term of Office. Directors shall be elected by the Board at the Annual Meeting of the Corporation held once each calendar year. The term of office shall be three (3) years, with approximately one-third (1/3) of the Directors elected each year.

Section 4.4. Vacancies and Resignations. Should a vacancy occur in the Board during a term of appointment or election, the replacement Director shall be elected by vote of a majority of the remaining Board. Any Director may resign effective upon giving written notice to the President, Secretary, or Board. Unless the notice specifies a later time for the effectiveness of the resignation, the resignation shall be effective when given.

Section 4.5. Suspension or Removal. Any Director may be suspended or removed at any time, with or without cause, by the affirmative vote of two-thirds (2/3) of the actual number of Directors then in office, provided such Director shall be given reasonable notice and an opportunity to be heard before such action is taken.

Section 4.6. Compensation. No Director of the Board shall be compensated for their services, nor may any part of the Corporation's earnings (profits) benefit any Directors or individuals. The Board may establish guidelines to compensate Directors for expenses incurred on behalf of the Corporation or for attending Board functions.

Section 4.7. Regular Meetings. Regular meetings of the Board shall be held at such times and places (within the State of Indiana), as may be fixed by the Board. Such regular meetings of the Board may be held upon such reasonable notice as may be fixed by the Directors and in compliance with the Indiana Open Door Law.

Section 4.8. Annual Meeting of Board. One regular meeting each year shall be designated by the Board as the Annual Meeting, at which time a year end summary financial report shall be given and the Board and officers of the Corporation shall be elected.

Section 4.9. Special Meetings. The President, Vice-President, or any three (3) Directors may call a special meeting of the Board. Notice of the time place and purpose of the special meeting of the Board shall be given to all Directors in compliance with the Indiana Open Door Law, IC 5-14-1.5 as amended.

Section 4.10. Conduct of Meetings. At any meeting of the Directors, a majority of the elected Directors then in office shall constitute a quorum. Each Director shall have one (1) vote. If a quorum exists, action on a matter shall be approved if the votes cast favoring the action exceed the votes cast opposing the action, unless the Act or Articles provide otherwise.

Section 4.11. Meeting Participation. As required by Indiana law, any Director must be

physically present at a meeting of the Board in order to be considered present at the meeting, counted towards the existence of a quorum or take final action on any matter that comes before the Board.

Section 4.12. Interest of Directors in Contracts. A contract or other transaction between the Corporation and a Director of the Corporation or any other corporation, firm, association, or entity in which the Director is a director, officer or is financially interested, may be either void or voidable because of this relationship or interest. However, if the Director is present at the meeting of the Board (or a committee of the Board) that authorizes, approves, or ratifies the contract or transaction and if: (a) the fact of the relationship or interest is disclosed or known to the Board (or committee) that authorizes, approves, or ratifies the contract or transaction by a vote without counting the vote of the interested Director; and (b) the contract or transaction is fair and reasonable to the Corporation, then the contract or transaction shall be valid. The interested Directors may be counted in determining the presence of a quorum at a meeting of the Board or a committee of the Board that authorizes, approves, or ratifies the contract or transaction. The Board may adopt a conflict of interest policy for the Corporation.

ARTICLE V

Officers and Duties

Section 5.1. Principal Officers. The principal officers of the Corporation shall be a President, Vice President, Secretary, and Treasurer.

Section 5.2. Election and Term of Office. The principal officers of the Corporation shall be chosen annually by the Board at its annual meeting. Each such officer shall hold office for a minimum of one (1) year and until his or her successor shall have been duly chosen and qualified, or until death, resignation, or removal.

Section 5.3. Removal. Any principal officer may be removed with or without cause, at any time, by resolution adopted at a regular or special meeting of the Board by a majority of the Directors then entitled to vote.

Section 5.4. Subordinate Officers. In addition to the principal officers set forth in this Article, the Corporation may have one or more Assistant Vice Presidents, Assistant Secretaries, Assistant Treasurers, and such other officers, agents and employees as the Board may deem necessary or appropriate, each of whom shall hold office for such period, may be removed with or without cause, have such authority and perform such duties as the Board may from time to time determine. The Board may delegate to any principal officer the power to appoint and to remove any such subordinate officers, agents, or employees.

Section 5.5. Resignations. Any officer may resign at any time by giving written notice to the Board, President, or Secretary. Any such resignation shall take effect upon receipt of such notice or at any later time specified therein, and, unless otherwise specified therein. No acceptance of such resignation shall be necessary to make it effective.

Section 5.6. Vacancies. Any vacancy in any office may be filled by the Board at any regular or special meeting Board.

Section 5.7. President. The President shall be the chairman of the Board and shall preside at all meetings of the Board and shall perform such other duties and have such other powers as, from time to time, may be assigned by the Board. Subject to the control and direction of the Board, the President may enter into any contract or execute and deliver any instrument or document in the name and on behalf of the Corporation. In general, the President shall perform all duties and have all the powers incident to the office of the President, as herein defined, and all such other duties and powers as, from time to time, may be assigned to the President by the Board. The President shall also serve as an advisor to the Board for one (1) year after leaving office.

Section 5.8. Vice President. The Vice President shall perform such duties and have such powers as the Board or President may from time to time assign. In the absence of the President, the Vice President shall perform duties and exercise the powers of the President. The Vice President shall be given first consideration to be President when that office becomes vacant.

Section 5.9. Treasurer. The Treasurer shall have charge and custody of, and be responsible for, all funds and securities of the Corporation and shall deposit all such funds in the name of the Corporation in such banks or other depositories as shall be selected by the Board. The Treasurer shall upon request exhibit at reasonable times the financial records to any of the Directors of the Corporation; shall upon request by the Board provide a statement of the financial condition of the Corporation at any meeting of the Board; shall receive, and give receipt for, moneys due and payable to the Corporation from all sources; and in general, shall perform all duties incident to the office of Treasurer and such other duties as may be assigned by the President or the Board. The Treasurer shall provide or cause to be provided the year-end summary financial report given at the annual meeting of the Board. The Treasurer may be bonded for the faithful discharge of his or her duties if the Board requires.

Section 5.10. Secretary. The Secretary shall prepare and keep or cause to be kept in the books provided for that purpose the minutes of the meeting of the Board; shall provide all notices required to be given in accordance with the provisions of these Bylaws and the Act; shall be custodian of the records of the Corporation and attest to or authenticate all documents and records of the Corporation, the execution of which on behalf of the Corporation under the Secretary's attestation is duly authorized in accordance with the provisions of these Bylaws; and, in general, shall perform all duties incident to the office of Secretary and such other duties as may be assigned by the President or Board.

ARTICLE VI

Indemnification of Directors and Officers.

Section 6.1. Definitions. For purposes of this Article, the following terms shall have the following meanings:

(a) **"Liabilities" and "Expenses"** shall mean monetary obligations incurred by or on behalf of a person in connection with the investigation, defense or appeal of a Proceeding or in satisfying a claim thereunder and shall include, but shall not be limited to, attorneys' fees and disbursements, amounts of judgments, fines or penalties, excise taxes assessed with respect to an employee benefit plan, and amounts paid in settlement by or on behalf of a Director or officer.

(b) **"Other Enterprise"** shall mean any corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, whether for profit or not, for which a person is or was serving, at the request of the Corporation, as a director, officer, partner, trustee, employee or agent of said entity.

(c) **"Proceeding"** shall mean any claim, action, suit or proceeding (whether brought by or in the right of the Corporation or Other Enterprise or otherwise), civil, criminal, administrative or investigative, whether formal or informal, and whether actual or threatened or in connection with an appeal relating thereto, in which a Director or officer may become involved, as a party or otherwise, (i) by reason of his being or having been a Director or Officer of the Corporation (and, if applicable, an officer, employee or agent of the Corporation) or a director, officer, partner, trustee, employee or agent of an Other Enterprise or arising out his status as such, or (ii) by reason of any past or future action taken or not taken by a Director or officer in any such capacity, whether or not he continues to be such at the time he incurs Liabilities and Expenses under the Proceeding.

(d) **"Standard of Conduct"** shall mean that a person, based on facts then known to the person, discharged the duties as a director or officer, including duties as a member of a committee, in good faith in what he reasonably believed to be in or not opposed to the best interests of the Corporation or Other Enterprise, as the case may be, and, in addition, in any criminal Proceeding had no reasonable cause to believe that his conduct was unlawful. The termination of any Proceeding, by judgment, order, settlement (whether with or without court approval) or conviction or upon a plea of guilty, shall not create a presumption that the party did not meet the Standard of Conduct. The termination of any Proceeding by a consent decree or upon a plea of nolo contendere, or its equivalent, shall create the presumption that the party met the Standard of Conduct.

Section 6.2. Indemnification. If a Director or officer is made a party to or threatened to be made a party to any Proceeding, the Corporation shall indemnify the Director or officer against Liabilities and Expenses incurred by him in connection with such Proceeding in the following circumstances:

(a) If a Director or officer has been wholly successful on the merits or otherwise with respect to any such Proceeding, he shall be entitled to indemnification for Liabilities and Expenses as a matter of right. If a Proceeding is terminated against the Director or officer by consent decree or upon a plea of nolo contendere, or its equivalent, the Director or officer shall not be deemed to have been "wholly successful" with respect to such Proceeding.

(b) In all other situations, a Director or officer shall be entitled to indemnification for Liabilities and Expenses as a matter of right unless (i) the Director or officer has breached or failed to perform his duties as a Director or officer in compliance with the Standard of Conduct and (ii) with respect to any action or failure to act by the Director or officer which is at issue in such Proceeding, such action or failure to act constituted willful misconduct or recklessness. To be entitled to indemnification pursuant to this Section 2(b), the Director or officer must notify the Corporation of the commencement of the Proceeding in accordance with Section 5 and request indemnification. A review of the request for indemnification and the facts and circumstances underlying the Proceeding shall be made in accordance with one of the procedures described below; and the Director or officer shall be entitled to indemnification as a matter of right unless, in accordance with such procedure, it is determined beyond a reasonable doubt that (i) the Director or officer breached or failed to perform the duties of the office in compliance with the Standard of Conduct, and (ii) the breach or failure to perform constituted willful misconduct or recklessness. Anyone of the following procedures may be used to make the review and determination of a Director's or officer's request for indemnification under this Section 2(b):

- i. by the Board by a majority vote of a quorum consisting of Directors who are not parties to, or who have been wholly successful with respect to, such Proceeding;
- ii. if a quorum cannot be obtained under (A) above, by a majority vote of a committee duly designated by the Board (in the designation of which, Directors who are parties to such Proceeding may participate,) consisting solely of two or more Directors who are not parties to, or who have been wholly successful with respect to, such Proceeding;
- iii. by independent legal counsel selected by a majority vote of the full Board (in which selection, Directors who are parties to such Proceeding may participate); or
- iv. by a committee consisting of three (3) or more disinterested persons selected by a majority vote of the full Board (in which selection, Directors who are parties to such Proceeding may participate.)

Any determination made in accordance with the above procedures shall be binding on the Corporation and the Director or officer.

(c) If several claims, issues or matters of action are involved, a Director or officer may be entitled to indemnification as to some matters even though he is not entitled to

indemnification as to other matters.

(d) The indemnification herein provided shall be applicable to Proceedings made or commenced after the adoption of this Article, whether arising from acts or omissions to act which occurred before or after the adoption of this Article.

Section 6.3. Prepaid Liabilities and Expenses. The Liabilities and Expenses which are incurred or are payable by a Director or officer in connection with any Proceeding shall be paid by the Corporation in advance, with the understanding and agreement between such Director or officer and the Corporation, that in the event it shall ultimately be determined as provided herein that the Director or officer was not entitled to be indemnified, or was not entitled to be fully indemnified, the Director or officer shall repay to the Corporation such amount, or the appropriate portion thereof, so paid or advanced.

Section 6.4. Exceptions to Indemnification. Notwithstanding any other provisions of this Article to the contrary, the Corporation shall not indemnify a Director or officer:

(a) For any Liabilities and Expenses for which payment is actually made to or on behalf of a Director or officer under a valid and collectible insurance policy, except in respect of any excess beyond the amount of payment under such insurance; or

(b) The Corporation shall not be liable to indemnify a Director or officer under this Article for any amounts paid in settlement of any Proceeding without the Corporation's prior written consent. The Corporation shall not settle any action or claim in any manner which would impose any penalty or limitation on a Director or officer without the Director or officer's prior written consent. Neither the Corporation nor a Director or officer will unreasonably withhold its or his consent to any proposed settlement.

Section 6.5. Other Rights and Remedies. The rights of indemnification provided under this Article are not exhaustive and shall be in addition to any rights to which a Director or officer may otherwise be entitled by contract or as a matter of law. Irrespective of the provisions of this Article, the Corporation may, at any time and from time to time, indemnify Directors, officers, employees and other persons to the full extent permitted by the provisions of the Act, or any successor law, as then in effect, whether with regard to part or future matters.

Section 6.6. Continuation of Indemnity. All obligations of the Corporation under this Article shall survive the termination of a Director's or officer's service in any capacity covered by this Article.

Section 6.7. Insurance. The Corporation shall purchase and maintain insurance on behalf of any Director, officer, or other person or any person who is or was serving at the request of the Corporation as a Director, officer, partner, trustee, or agent of an Other Enterprise against any liability asserted against such person and incurred by such person in any capacity or arising out of this status as such, whether or not the Corporation would have

the power to indemnify such person against such liability under the provisions of applicable statutes, this Article or otherwise.

Section 6.8. Benefit. The provisions of this Article shall inure to the benefit of each Director or officer and his respective heirs, personal representatives and assigns and the Corporation, its successors and assigns.

Section 6.9. Severability. In case anyone or more of the provisions contained in this Article shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Article, but this Article shall be construed as if such invalid, illegal or unenforceable provision or provisions had never been contained herein.

ARTICLE VII

Prohibited Activities

Section 7.1. The board and organization may not:

- a) Discriminate against any organization and/or individual based on race, gender, sex, age, sexual orientation, nationality and/or country of origin.
- b) Engage in political propaganda, or otherwise attempt to influence legislation.
- c) Participate in any political campaign on behalf of any candidate for public office.
- d) Engage in any of the activities proscribed as prohibited transactions by Section 503(b) of the Internal Revenue Code.

ARTICLE VIII

Amendments

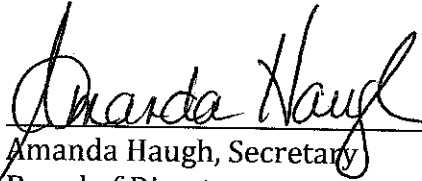
The power to make, alter, amend or repeal these Bylaws is vested in the Board by the approval of at least two-thirds (2/3) of the entire number of Directors then serving. Directors must be given at least five (5) days prior notice of any special or regular meeting of the Board at which an alteration, amendment or repeal of the Bylaws will be considered. Such notice shall be accompanied by a draft of the proposed alteration, amendment or repeal; provided, however, that the Board shall have full power and authority to adopt different language from that contained in such draft in altering, amending or repealing these Bylaws.

IN WITNESS WHEREOF, the undersigned begin the president and secretary of the Board of Directors execute these Amended and Restated Bylaws and verified subject to the penalties of perjury that the Board of Directors did duly adopt these Amended and Restated Articles in accordance with the law governing the Corporation.

Dated this 8 day of May, 2012.



Cathleen Nevin, President
Board of Directors



Amanda Haugh, Secretary
Board of Directors

Code of Ethics
(Outlined in school bylaws Article VII)

ARTICLE VII

Prohibited Activities

Section 7.1. The board and organization may not:

- a) Discriminate against any organization and/or individual based on race, gender, sex, age, sexual orientation, nationality and/or country of origin.
- b) Engage in political propaganda, or otherwise attempt to influence legislation.
- c) Participate in any political campaign on behalf of any candidate for public office.
- d) Engage in any of the activities proscribed as prohibited transactions by Section 503(b) of the Internal Revenue Code.

CONFLICT OF INTEREST POLICY

Article I Purpose

This Conflict of Interest Policy is designated to help Paramount Schools of Excellence, Inc. (PSOE) identify transactions or arrangements that might present a potential conflict of interest. This policy is further designated to provide PSOE with a procedure that will allow such a transaction or arrangement to proceed if the Director determine the transaction or arrangement is in the best interests of PSOE, is fair and reasonable, and is consistent with PSOE's socially responsible purpose and operating principles.

Article II Definitions

1. Covered Person

A covered person is any director, officer, member of a Committee (including advisory) that has director-delegated powers, employee or other person designated by the Director as subject to this Policy.

2. Financial Interest

A covered person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- a. An actual or potential compensation arrangement with PSOE, or with an entity with which PSOE has a transaction or arrangement or is negotiating a transaction or arrangement, or
- b. An actual or potential ownership or investment interest in any entity with which PSOE has a transaction or arrangement or is negotiating a transaction or arrangement. (A covered person's accounts at a financial institution that participates in the PSOE Guarantee Program or which may be added to the Program would not be covered by the foregoing language).

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

3. Conflict of Interest

A financial interest is not necessarily a conflict of interest. Under Article III, Section 5, a person who has a financial interest has a conflict of interest only if a majority of Directors decides that a conflict of interest exists.

**Article III
Procedures**

4. Duty to Disclose

In connection with any actual or possible conflict of interest, a covered person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the Directors.

5. Determining Whether a Conflict of Interest Exists; Procedures for Addressing the Conflict of Interest

- a. A covered person with a direct or indirect financial interest may make a presentation to the Director disclosing the financial interest and all material facts at the meeting of Directors considering the conflict of interest. A person who has a conflict of interest shall not participate in or be permitted to hear the Directors' discussion of or voting upon the matter except to disclose material facts and to respond to questions. Such person shall not attempt to exert his or her personal influence with respect to the matter, either at or outside the meeting.
- b. If no presentation is made by the covered person that has a direct or indirect financial interest at a meeting or Directors considering the conflict of interest, the covered person shall disclose to the chair of the meeting all facts material to the conflict of interest, and the chair shall report on the disclosure at the meeting.
- c. The Directors shall decide by majority vote (excluding the person which conflict of interest) whether a conflict of interest exists.
- d. If the Directors determine a conflict of interest exists, the chair of the meeting shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- e. After exercising due diligence, the Directors shall determine whether PSOE can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
- f. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Directors shall determine by majority vote of the disinterested Directors whether the transaction or arrangement is in the PSOE's best interests, is fair and reasonable, and is consistent with PSOE's socially responsible purpose and operating principles. In conformity with the above determination is shall make its decision as to whether to enter into the transaction or arrangement.

6. Violations of the Conflict of Interest Policy

- a. If the Directors have reasonable cause to believe the covered person has failed to disclose actual or possible conflicts of interest, they shall inform such person of the basis for such

belief and afford the covered person an opportunity to explain the alleged failure to disclose.

- b. If, after hearing the covered person's response and after making further investigation as warranted by the circumstances, the Directors determine the covered person with failed to disclose an actual or possible conflict of interest, PSOE shall take appropriate disciplinary and corrective action.

Article IV Records of Proceedings

7. Violations of the Conflict of Interest Policy

The minutes of the Directors considering an actual or possible conflict of interest shall contain:

- a. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the decision of the Directors as to whether a conflict of interest in fact existed.
- b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Article V Compensation

8. No Compensation

The Directors and Officers of PSOE shall serve without compensation.

Article VI Annual Certification

9. Annual Certification; Duty to Update

Each covered person shall annually sign a certification in the form attached hereto as Exhibit A. In addition, each covered person shall promptly furnish PSOE with an updated certification in the event that the certification previously furnished to PSOE is no longer true and complete.

CONFLICT OF INTEREST CERTIFICATION

Name: _____

Please describe below any relationship, position, or circumstance in which you are directly or indirectly involved, through business, investment or family, that is or could contribute to a conflict of interest under Paramount School of Excellence, Inc. (PSOE) Conflict of Interest Policy. If none, so state. (If more space is needed, please attach related pages).

Please identify below all organizations that you are affiliated with as a Board member, committee member, employee, consultant, agent or in any other capacity. (If more space needed, please attach related pages).

I hereby certify that the information set forth above is true and complete to the best of my knowledge. I agree to promptly furnish PSOE with an updated certification in the event that the certification I previously furnished to PSOE is no longer true and complete. I have reviewed, understand and agree to abide by, the Conflict of Interest Policy of PSOE that is currently in effect.

Signature: _____

School Year Term: _____

Date: _____

Exhibit C

Statement of Assurances

The charter school agrees to comply with the following provisions: *(Read and check)*

- 1. A resolution or motion has been adopted by the charter school applicant's governing body that authorizes the submission of this application, including all understanding and assurances contained herein, directing and authorizing the applicant's designated representative to act in connection with the application and to provide such additional information as required.
- 2. Recipients operate (or will operate if not yet open) a charter school in compliance with all federal and state laws, including Indiana Charter Schools Law as described in all relevant sections of Indiana Code ("IC") § 20-24.
- 3. Recipients will, for the life of the charter, participate in all data reporting and evaluation activities as required by the Indiana Charter School Board ("ICSB") and the Indiana Department of Education. See in particular IC § 20-20-8-3 and relevant sections of IC § 20-24.
- 4. Recipients will comply with all relevant federal laws including, but not limited to, the *Age Discrimination in Employment Act* of 1975, Title VI of the *Civil Rights Act* of 1964, Title IX of the *Education Amendments of 1972*, section 504 of the *Rehabilitation Act* of 1973, Part B of the *Individuals with Disabilities Education Act*, and section 427 of the *General Education Provision Act*.
- 5. Recipients receiving federal Charter School Program Grant funds will comply with all provisions of the Non regulatory Guidance—Public Charter Schools Program of the U.S. Department of Education, which includes the use of a lottery for enrollment if the charter school is oversubscribed, as well as with applicable Indiana law. See also relevant sections of IC § 20-24.
- 6. Recipients shall ensure that a student's records, and, if applicable, a student's individualized education program as defined at 20 U.S.C. § 1401(14) of the *Individuals with Disabilities Education Act*, will follow the student, in accordance with applicable federal and state law.
- 7. Recipients will comply with all provisions of the *Elementary and Secondary Education Act of 1965, as amended by the Every Student Succeeds Act of 2015*, including but not limited to, provisions on school prayer, the Boy Scouts of America Equal Access Act, the Armed Forces Recruiter Access to Students and Student Recruiting Information, the Unsafe School Choice Option, the Family Educational Rights and Privacy Act and assessments.
- 8. Recipients will operate with the organizer serving in the capacity of fiscal agent for the charter school and in compliance with generally accepted accounting principles.

- 9. Recipients will at all times maintain all necessary and appropriate insurance coverage.
- 10. Recipients will indemnify and hold harmless the ICSB, the State of Indiana, all school corporations providing funds to the charter school (if applicable), and their officers, directors, agents and employees, and any successors and assigns from any and all liability, cause of action, or other injury or damage in any way relating to the charter school or its operation.
- 11. Recipients understand that the ICSB may revoke the charter if the ICSB deems that the recipient is not fulfilling the academic goals, fiscal management, or legal and operational responsibilities outlined in the charter.

Signature from Authorized Representative of the Charter School Applicant

I, the undersigned, am an authorized representative of the charter school applicant and do hereby certify that the information submitted in this application is accurate and true to the best of my knowledge and belief. In addition, I do hereby certify to the assurances contained above.

Name

Steve M. Reed

Signature

Title

Date



Our Mission

Paramount Schools empowers all students to persevere and achieve academic success in a culture of excitement, inclusion, and community collaboration.

Overview

The Paramount School of Excellence (PSOE) PSOE 5 replication plan timeline is designed to demonstrate the high level of preparation PSOE leadership has put into the launch of successful site replication within the network. PSOE 5 intends to open for the first day of school on August 7, 2023. This plan serves as the foundation for effective school replication, and will focus on the 9 key measures below:

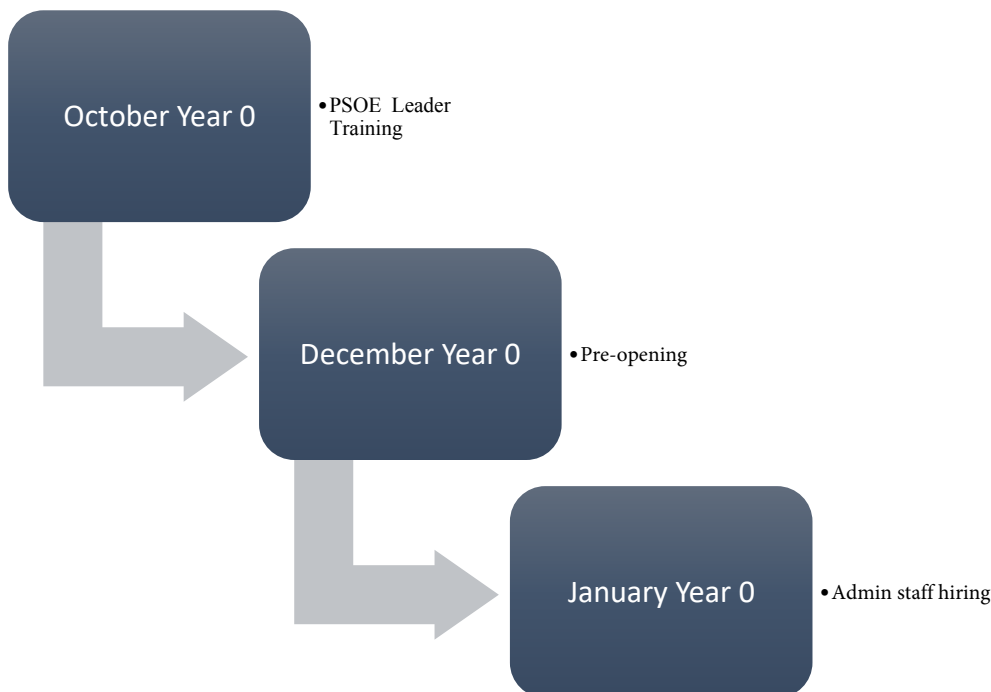
1. Leadership Preparation
2. Site Selection (when applicable)
3. Community Engagement
4. Teacher Recruitment
5. Budget
6. Network Staffing and Organization
7. Risk Management
8. Authorizer Pre-Opening Checklist
9. Staff Orientation and Professional Development

Timeline for Opening

When launching a new school, Paramount Schools of Excellence (PSOE) will provide multiple supports to the prospective new school leader along a predetermined timeline. The new leader will immediately enter into a PSOE Leader Internship. This will include opportunities to learn school frameworks at PSOE school sites, and opportunities for executive coaching working alongside the PSOE Navigation Team on big picture items including budget management, student recruitment, community engagement, grant writing, and authorizer paperwork.

The charts below detail the timeline of responsibilities from pre-opening to opening day.

Phase 0: Pre-opening: Leader Training, Application & Recruitment, Selection: October - January



Phase I: New staff onboarding and training: January - March

PSOE Navigation Team

3 months
 50% of time
 Executive coaching/mentoring
 Board Meetings/Ops Reports
 Attendance at local educational events
 Intro to site level budget
 Intro to staff recruitment
 Hiring of new/potential staff

PSOE Schools

- 3 months
- 50% of time
- Intro to instructional frameworks
- Teacher observation/feedback
- Intro to Recovery
- Intro to Assessment
- Intro to Communication
- Data Meetings
- Parent/Teacher Conferences
- Intro to Staff PD

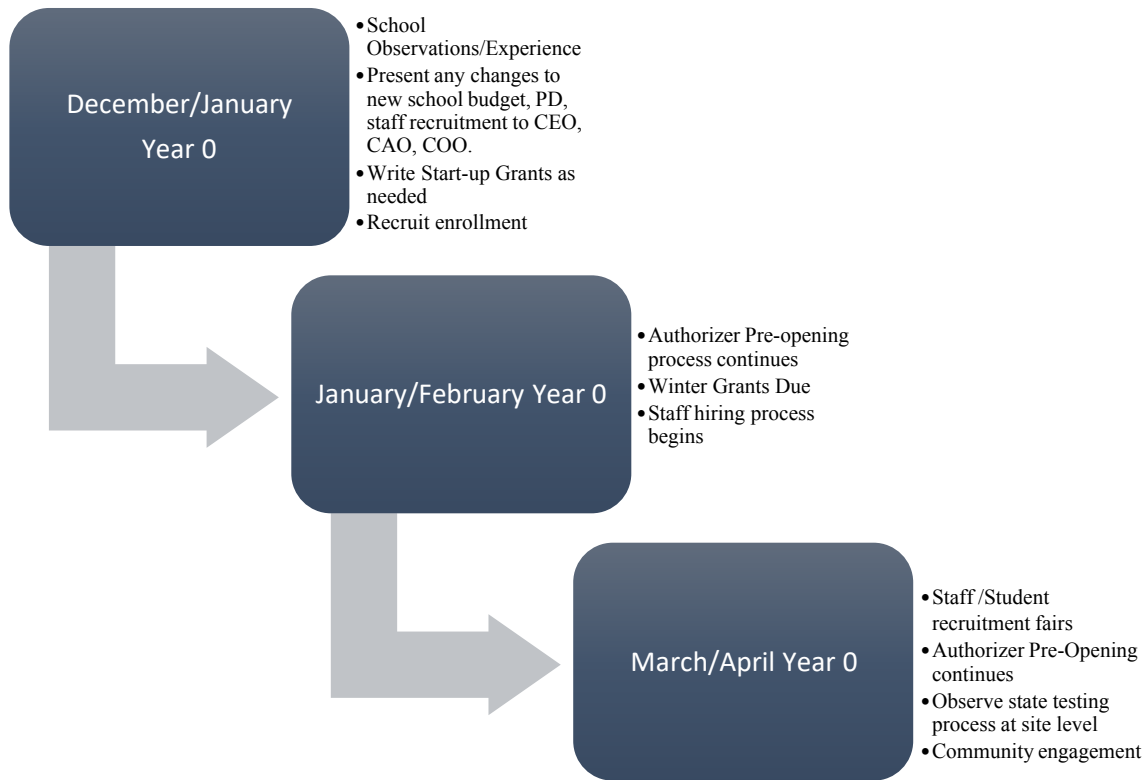
Phase II-Preparation for school opening: April – May/June

PSOE Navigation Team

3 Months
 50% of time
 Replication school PD Plan
 Replication school initial budget review
 Replication school staff selection plan
 Authorizer Pre-Opening meeting documentation
 Community Engagement in new neighborhood if applicable
 Enroll Indy Info for new school
 Staff recruitment fairs/hiring
 Curriculum orders and licenses
 Technology needs
 Reporting requirements

PSOE Schools

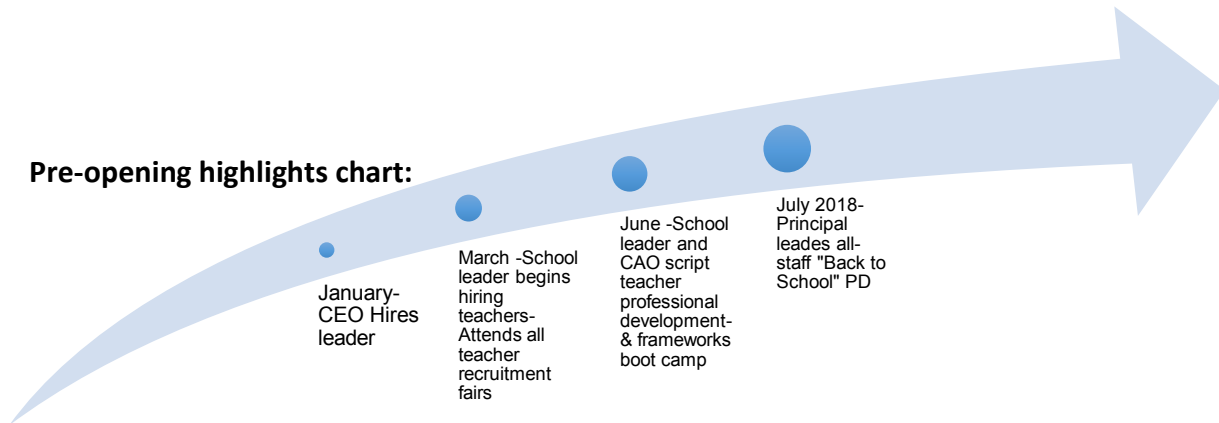
2 months
 50% of time
 Observation/Feedback Practice
 Observation of formal staff evaluation process
 TIC (Title 1 Committee) Meeting Observation
 Observation of FACT/Environmental Programs



Phase III-Student Recruitment, Staffing, Site Move-In: May/June - July

PSOE Navigation Team	PSOE Schools	New School Site
10% of time Community Engagement Purchase curriculum Work with Enroll Indy to track enrollment Attend staff recruitment fairs Provide finalized contracts Authorizer Pre-Opening documentation and meetings Student Enrollment Blitz Fully staffed by July 1. New Family-Student Orientation nights (weekly on Thursdays)	10% of time Observe Summer School process Observe retention list process Observe Staff Checkout process	• 80% of time • Weekly Check-in with PSOE principals and Nav Team • Daily staff meetings • Curriculum planning • Pre-service Professional development planning

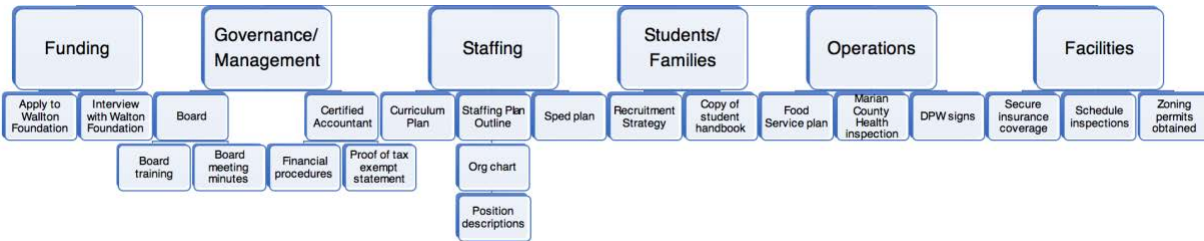
Pre-opening highlights chart:



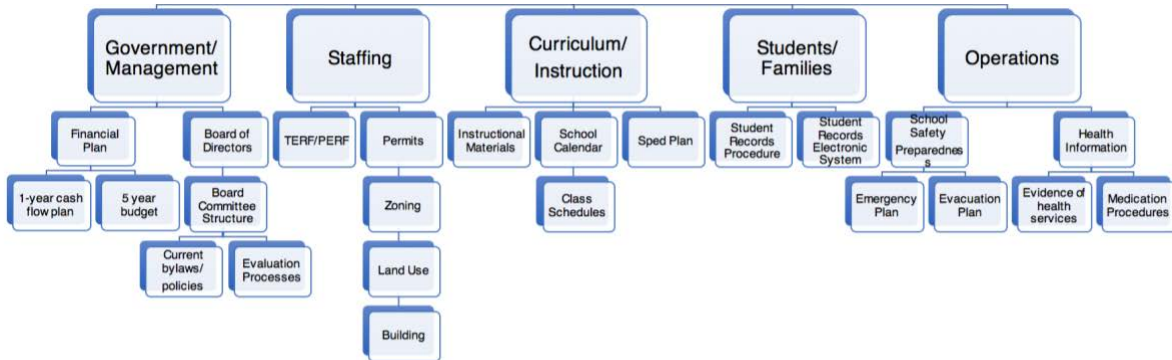
Timing of Authorizer Pre-Opening Checklist

In order to ensure we are hitting all benchmarks for pre-opening due dates, PSOE replication schools are prepared to schedule bi-weekly meetings with the authorizer beginning in January and ending in August. Below is a description of expected activities for each phase of the pre-opening checklist.

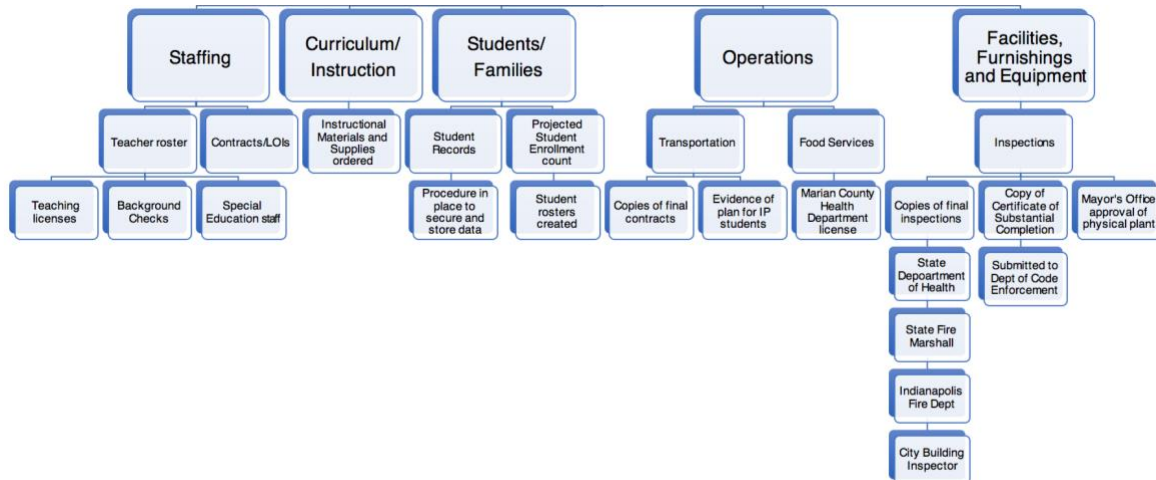
Phase 1: October – March



Phase 2: April – May



Phase 3: June – July



Community Engagement Efforts for Pre-opening and Opening

Paramount Schools of Excellence exemplifies the community school model by blending a consistent and dedicated focus on the community with a desire to protect and grow the academic environment. We make use of exciting components like sports, community fairs, neighborhood cleanups, robotics, wind turbines, recycling, composting, cheese-making, bee-keeping, and farming. These focuses scaffold excitement alongside academics and keep our system moving forward with incredible momentum and serve to support the rigorous instruction within our classrooms.

A. Community Relationships

- I. **Foster Relationships:** PSOE NAV and School Leadership will foster relationships with entities including, but not limited to:
 - Local School District personnel
 - Charter Authorizing Body
 - Local political and community representatives
 - Local and state-wide educational and philanthropic organizations
- II. **Teacher Recruitment:** PSOE will foster strategic relationships to support teacher recruitment. For example, in Indiana this could include: Teach for America (TFA), Teach Plus, and Teachers of Tomorrow while expanding our efforts to engage state-wide with additional universities and transition to teaching programs.
- III. **Community Organizations:** PSOE will cultivate relationships with community organizations. In Indiana, this could include, but is not limited to:
 - Northend Community Center
 - Local neighborhood associations
 - YMCA
- IV. **Community Festivals and Events:** PSOE is committed to attending and participating in neighborhood events and festivals.

B. Student Recruitment Efforts

PSOE will engage in a comprehensive student recruitment plan targeting potential parents within each school's targeted enrollment zone, the community at-large and community associations and partners. PSOE will create visibility in targeted neighborhoods through neighborhood yard signs, door-to-door canvassing and promotion of PSOE-hosted events. Additionally, PSOE will share information related to recruitment needs with all agencies to support communication efforts. The CEO and Director of Advancement will coordinate press communication, social media messaging, and online publications.

C. School-level Community Engagement Initiatives

I. Paramount Family Allies Community Team (FACT)

Even in a virtual setting, PSOE is re-imagining family-school partnership by building authentic peer support for PSOE families and bridging learning from home to school in meaningful and engaged ways. Prior to the start of each school year, the Principal alongside the CEO will leverage the PSOE Family Allies Community Team (FACT). This team will engage with families through activities such as neighborhood door knocking, attending neighborhood and community events, conducting home visits, creating in-person and virtual school-community events, facilitating School Community Organization (SCO) sessions and managing the school-family training centers. The school-family training centers serves as a welcoming space for families to receive computer access, training, and interact with other members of their school community.

II. Paramount School Community Organization (SCO)

The PSOE School Community Organization (SCO) exists to enhance the educational experience of students through the interaction and mutual support of parents/guardians, teachers, administrators, and community partners; strengthen the link between school and home by encouraging parent involvement; and improve PSOE's place in the community through volunteering, fundraising, and community projects. When held in-person and not virtually, dinner and childcare are provided during meetings, in order to remove the barriers toward participation that families might feel on a school night. Meetings are held monthly.

D. Greater Community Engagement Timeline and Action Plan

Upon announcement of each new school site, the following action steps will be taken:

I. Global Communication

PSOE Navigation team and School Leadership will engage in robust internal communication efforts via Twitter, Facebook, unveiling new school web site, and letters sent home to current and prospective PSOE families. These efforts will be

supplemented by collaborating with local agencies and news media including television, newspaper and online media to communicate information about the new opportunity.

II. Community Action Steps

School leadership will create multiple opportunities to engage with members of the greater school community.

Attachment 16

PSOE Lafayette School Admissions and Enrollment

a) Admission Requirements

PSOE Lafayette is an Indiana Charter School, and any child who is qualified for admission to an Indiana public school is qualified for tuition-free admission. The school will not discriminate or restrict admissions based upon ability, race, ethnicity, national origin, disability, gender, income level, or English language proficiency.

b) Tentative Application Dates

Open enrollment for the 2023-2024 school year will begin on Monday, October 3rd, 2022, and will close on Monday, January 30th, 2023.

Enrollment Deadlines and Procedures/Intent to Enroll Forms

Families can complete an enrollment application for a student by calling the school's front office or by visiting the school website and completing the online form. After submitting the enrollment application, a member of the PSOE Lafayette staff will reach out to the family to confirm the child's enrollment application has been received. All enrollment applications for students participating in the lottery must be submitted by Monday, January 30th, 2023. Applications received after this date will follow the school's waitlist procedure guidelines for admission.

c) Lottery Dates and Procedure

If applications exceed the charter limit or the capacity has been met in a specific grade level, the school will hold a lottery to determine which students will secure a seat. This lottery system will be overseen by a public official to ensure equal access for all students. This public lottery will take place at 1904 Elmoood Ave Lafayette IN, 47904 at 4:00 PM on Friday, February 3rd, 2023. Students who do not secure a seat during the lottery will be added to the school's internal waitlist. If the enrollment applications do not exceed the charter limitations and a lottery is not required, applications will be accepted in the order in which they are received until grade levels have met capacity.

d) Student Waitlists

The waitlisted students will be contacted if a seat becomes available within the requested grade level. Students with siblings who attend PSOE Lafayette will be placed at the top of the school's waitlist, followed by students who are children of staff or board members. All other applicants will be waitlisted in the order in which their application was received.

Attachment 16

Withdrawals

Parents/guardians wishing to withdraw their student will be required to submit this request in writing by completing a student withdrawal form. This form will be kept on file with the student's permanent records and registration documents. PSOE Lafayette will adhere to all FERPA laws with student records and records requests.

Re-enrollment

Students may only re-enroll if there are open seats in the requested grade level and the child is not pending expulsion. Students choosing to re-enroll will need to submit an enrollment application and PSOE Lafayette staff will contact the family requesting registration documentation that may be required if there are open seats available in the requested grade level.

Transfers

PSOE Lafayette will request records from a student's previous school during the student's registration process. All student records will be transferred in a confidential format that adheres to FERPA requirements. Students who are transferring to PSOE Lafayette and are pending expulsion from their current school may have their application reviewed prior to enrollment.

School Enrollment Projections

(must align with Charter Application Enrollment Plan)

School Name: **Paramount School of Excellence: Lafayette**
 Planned Opening Year: **2023** REQUIRED
 Planned Location: **Lafayette School Corporation** REQUIRED

Is the proposal for an Adult High School (please see requirements below): No
 Complete Enrollment Lines 15-27 only.

Enrollment	Year 1	Year 2	Year 3	Year 4	Year 5	Notes & Definitions
Kindergarten	15	20	20	25	30	<p>1) An "adult high school" is a charter school that has a majority of enrolled students that: (1) belong to a graduation cohort that has already graduated; or (2) are over the age of eighteen (18) years of age; at the time the student was first enrolled at the school. ICSB is prohibited from authorizing an adult high school unless the general assembly has made a specific appropriation for the high school pursuant to Indiana Code 20-24-7-13.5. <u>If you are proposing an adult high school, complete Row 31 only.</u></p> <p>2) A "virtual student" is defined as a student for whom at least fifty percent (50%) of the instructional services received from the school is virtual instruction. Virtual instruction means instruction that is provided in an interactive learning environment created through technology in which students are separated from their teacher by time or space, or both. Students receiving more than 50% of their instruction virtually generate eighty-five percent (85%) of the foundation formula amount rather than 100%. The analysis is applicable on a per student basis.</p> <p>3) The "basic" tuition support grant for K-12 schools is equal to the following formula: (Foundation Amount X ADM) + ((Complexity Multiplier X Complexity Index) X ADM)</p> <p>The Distribution calculations are an estimate based on projected enrollment multiplied by basic tuition support in the amounts as set forth in the most recently passed (2020-21 FY) budget. The school's actual distribution will be based on the school's ADM count of eligible pupils enrolled in the school on two count dates (in September and February) multiplied by the basic tuition support calculation in the amounts as set forth in the 2022-23 FY Budget. In the absence of an approved FY 2022-23 FY budget, the above Distribution calculations use the FY 2021 amounts for all five (5) years: Foundation = \$5,703; Complexity Multiplier = \$3,675. The Special Education Grant (for mild to moderate disabilities) is equal to \$2,300.</p> <p>Complexity provides additional funding to school corporations serving proportionally more students from low-income families. It is based on the percentage of a school corporation's students receiving SNAP, TANF, or foster care services. The calculation uses the Complexity Index for the school corporation in which the proposed charter school will be located- the school's actual Complexity Index amount will likely differ.</p> <p>4) The Adult Learner Grant amount for adult high schools is \$6,750. The Adult Distribution is calculated by multiplying Total Enrollment by the Adult Grant. However, ICSB cannot authorize a new adult high school unless a specific appropriation for such school has been made by the General Assembly.</p>
Grade 1	15	20	25	30	35	
Grade 2	15	20	25	30	35	
Grade 3	15	20	25	30	35	
Grade 4	15	20	25	30	35	
Grade 5	15	20	25	30	35	
Grade 6	15	15	20	25	30	
Grade 7	10	15	20	25	25	
Grade 8	10	15	20	20	25	
Grade 9						
Grade 10						
Grade 11						
Grade 12						
Total K-12 Enrollment:	125	165	205	245	285	
Adult Learners (1)						
Total Adult Enrollment:	0	0	0	0	0	
Estimated % of Students:						
Special Education	12%	13%	14%	15%	16%	
English Learners	10%	11%	12%	13%	14%	
Qualify for Free/Reduced Priced Lunch	65%	65%	65%	65%	65%	
Virtual Students (2)						
K-12 Distribution (3)	\$ 838,422.19	\$ 1,106,717.29	\$ 1,375,012.39	\$ 1,643,307.49	\$ 1,911,602.59	
Adult Distribution (4)	\$ -	\$ -	\$ -	\$ -	\$ -	

Marketing Expenses	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 12,000.00
Other Services (please describe on Tab 5)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Professional Purchased or Other Services:	\$ 1,200.00	\$ 1,200.00	\$ 1,200.00	\$ 1,200.00	\$ 1,200.00	\$ 1,200.00	\$ 1,200.00	\$ 1,200.00	\$ 1,200.00	\$ 1,200.00	\$ 1,200.00	\$ 1,200.00	\$ 14,400.00
Facilities Expenses (do not include staff expenses, e.g. custodian)													
Facility Lease/Mortgage Payments (please describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Principal Payments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Leases	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Payments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Depreciation Expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Insurance (Facility)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchase of Furniture, Fixtures, & Equipment	\$ 14,500.00	\$ 14,500.00	\$ 14,500.00	\$ 14,500.00	\$ 14,500.00	\$ 14,500.00	\$ 14,500.00	\$ 14,500.00	\$ 14,500.00	\$ 14,500.00	\$ 14,500.00	\$ 14,500.00	\$ 174,000.00
Electric & Gas	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Water & Sewage	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Repair and Maintenance Services (including cost of supplies)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Custodial Services (including cost of supplies)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Waste Disposal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Security Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Facility Expenses (please describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Facilities Expenses:	\$ 14,500.00	\$ 14,500.00	\$ 14,500.00	\$ 14,500.00	\$ 14,500.00	\$ 14,500.00	\$ 14,500.00	\$ 14,500.00	\$ 14,500.00	\$ 14,500.00	\$ 14,500.00	\$ 14,500.00	\$ 174,000.00
Other Expenses - See Footnotes													
Management Fee (2)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Bank Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Expenses (please describe)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Other Expenses:	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENSES:	\$ 55,753.04	\$ 28,253.04	\$ 28,253.04	\$ 28,253.04	\$ 28,253.04	\$ 28,253.04	\$ 28,253.04	\$ 28,253.04	\$ 28,253.04	\$ 28,253.04	\$ 28,253.04	\$ 28,253.04	\$ 366,536.52
CHANGE IN NET ASSETS:	\$ 319,246.96	\$ (28,253.04)	\$ (28,253.04)	\$ (28,253.04)	\$ (28,253.04)	\$ (28,253.04)	\$ (28,253.04)	\$ (28,253.04)	\$ (28,253.04)	\$ (28,253.04)	\$ (28,253.04)	\$ (28,253.04)	\$ 8,463.48

Footnotes:

(1) This is a competitive grant. Funding is not guaranteed. The funding for the PCSP grant is distributed through a reimbursement process. Contact IDOE's Office of Title Grants and Support for more information.

(2) Include only those fees (per-pupil, contingent, or fixed) paid to a management company for educational or management services and describe how the fee is calculated in the budget narrative. All amounts separate from a specific "management fee" paid to a management company or an affiliate of the management company must be included elsewhere in the worksheet (e.g., lease payments, instructional supplies, software, technology, etc.) and described in the "Additional Information" Column.

Projected New School Annual Operating Budget -- YEARS 1 - 5 (Fiscal Year July 1-June 30)

School Name: **Paramount School of Excellence: Lafayette**
 Planned Opening Year: **2023**

Special Instructions for Schools Contracting with a Management Company:

Please include a note in the assumptions column and budget narrative if any of the listed amounts include additional service, consulting, facility, or licensing fees paid to a management company or affiliate of a management company that are not included in Line 97 (CMO/EMO fee). For example, you should note any additional fees for instructional or support supplies and resources; license fees for materials, software, or educational programming; or fees related to the management, sale, or lease of real estate. Please also state whether your facility is leased or purchased from a management company or affiliate of a management company.

If a line item is completed that includes the words "(please describe)" a specific description of the item must be provided in the appropriate box in Column L.
 Failure to provide a description as requested will result in rejection of the submission.

REVENUES	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Additional Information
State Revenue - See Footnotes							
Basic Tuition Support / Adult Grant - From Tab 2	\$ 838,422.19	\$ 1,106,717.29	\$ 1,375,012.39	\$ 1,643,307.49	\$ 1,911,602.59		Other State Grants (Row 29) TAG, Early Intervention Grant, Summer School, NESP
Special Education Grant - From Tab 2	\$ 34,500.00	\$ 49,335.00	\$ 66,010.00	\$ 84,525.00	\$ 104,880.00		
Honors Diploma Grant	\$ -	\$ -	\$ -	\$ -	\$ -		
Special Education Grant	\$ 13,562.50	\$ 35,805.00	\$ 44,485.00	\$ 53,165.00	\$ 61,845.00		
CTE Grant	\$ -	\$ -	\$ -	\$ -	\$ -		
Charter and Innovation Network School Grant	\$ -	\$ -	\$ -	\$ -	\$ -		
Formative Assessment Grant	\$ -	\$ 1,000.00	\$ 1,200.00	\$ 1,200.00	\$ 1,200.00		
State Matching Funds for School Lunch Program	\$ -	\$ -	\$ -	\$ -	\$ -		
High Ability (Gifted and Talented) Program	\$ -	\$ 10,000.00	\$ 16,000.00	\$ 18,000.00	\$ 18,000.00		
Textbook Reimbursement	\$ -	\$ 4,000.00	\$ 8,000.00	\$ 8,250.00	\$ 8,250.00		
Remediation Program Grant	\$ -	\$ -	\$ -	\$ -	\$ -		
Teacher Appreciation Grant	\$ -	\$ 5,000.00	\$ 7,000.00	\$ 9,000.00	\$ 9,000.00		
Other State Grants (please describe) (1)	\$ 8,900.00	\$ 23,582.00	\$ 29,300.00	\$ 35,017.00	\$ 40,736.00		
Total State Revenue:	\$ 895,384.69	\$ 1,235,439.29	\$ 1,547,007.39	\$ 1,852,464.49	\$ 2,155,513.59		
Federal Revenue - See Footnotes							
Public Charter School Program Grant (2)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	Other Federal Revenue (Row 41) Title IV
Charter Facilities Assistance Program Grant (2011)	\$ 156,250.00	\$ 206,250.00	\$ 256,250.00	\$ 306,250.00	\$ 356,250.00		
IDEA- Part B Grant (Special Education)	\$ 15,000.00	\$ 40,950.00	\$ 50,875.00	\$ 60,805.00	\$ 70,732.00		
Title I	\$ 46,500.00	\$ 124,023.00	\$ 154,090.00	\$ 184,156.00	\$ 214,223.00		
Title II	\$ 5,500.00	\$ 15,261.00	\$ 19,961.00	\$ 22,661.00	\$ 26,360.00		
Federal Lunch Program	\$ 100,000.00	\$ 141,400.00	\$ 170,000.00	\$ 190,000.00	\$ 200,000.00		
Federal Breakfast Reimbursement	\$ 45,000.00	\$ 50,000.00	\$ 67,800.00	\$ 94,200.00	\$ 130,600.00		
Other Federal Revenue (please describe)	\$ -	\$ 3,500.00	\$ 9,229.00	\$ 11,466.00	\$ 13,704.00	\$ 15,941.00	
Total Federal Revenue:	\$ -	\$ 371,750.00	\$ 587,113.00	\$ 729,445.00	\$ 871,776.00	\$ 1,014,106.00	
Other Revenue							
Contributions and Donations from Private Sources	\$ -	\$ 1,428.00	\$ 1,442.00	\$ 1,803.00	\$ 2,254.00	\$ 2,817.00	Other Revenue (Row 50) <small>The Central Office (NAV) will support all costs (including holding costs for the facility) for the School in Year 0 using cash reserves. Other revenue is 30K (Y1) in annual local fund-raising increasing to \$23,594 by Y5. Additionally, NAV supports school income loss through scale each year, beginning with 1 million in Y1, declining to 8.8K in Y5. This boost's beginning cash (Y2-Y5) to maintain a beginning year balance of 550K annually until enrollment scale becomes profitable (ending no additional support) after Y5.</small>
Student Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Other Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Interest Income	\$ -	\$ 180.00	\$ 182.00	\$ 184.00	\$ 185.00	\$ 187.00	
Other Revenue (please describe)	\$ 375,000.00	\$ 1,010,000.00	\$ 142,880.10	\$ 155,205.18	\$ 160,333.01	\$ 32,475.43	
Total Other Revenue:	\$ 375,000.00	\$ 1,011,608.00	\$ 144,504.10	\$ 157,192.18	\$ 162,772.01	\$ 35,479.43	
TOTAL REVENUE:	\$ 375,000.00	\$ 2,278,742.69	\$ 1,967,056.39	\$ 2,433,644.57	\$ 2,887,012.50	\$ 3,205,099.02	
EXPENSES							
Administrative Staff - See Footnote (3)							
Executive Administration: Office of Superintendent	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	Total Administrative Staff:
School Administration: Office of the Principal	\$ 165,000.00	\$ 168,300.00	\$ 171,666.00	\$ 175,099.32	\$ 178,601.31		
Other School Administration	\$ 41,000.00	\$ 41,800.00	\$ 171,616.00	\$ 175,028.32	\$ 177,933.29		
Business Manager/Director of Finance	\$ 40,000.00	\$ 40,800.00	\$ 41,616.00	\$ 42,448.32	\$ 43,297.29		
Total Administrative Staff:	\$ 246,000.00	\$ 250,900.00	\$ 384,898.00	\$ 392,575.96	\$ 399,831.89		
Instructional Staff							
Teachers - Regular	\$ 270,000.00	\$ 365,944.00	\$ 465,290.00	\$ 518,210.00	\$ 574,572.00		Total Instructional Staff:
Teachers - Special Education	\$ 50,000.00	\$ 51,000.00	\$ 52,020.00	\$ 53,060.00	\$ 54,121.00		
Substitutes, Assistants, Paraprofessionals, Aides	\$ 42,500.00	\$ 43,050.00	\$ 44,111.00	\$ 45,172.00	\$ 46,233.00		
Summer School Staff	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00		
Total Instructional Staff:	\$ 366,500.00	\$ 463,994.00	\$ 565,421.00	\$ 630,352.00	\$ 709,257.58		
Non-Instructional/Support Staff - See Footnotes							
Social Workers, Guidance Counselors, Therapists	\$ 44,000.00	\$ 44,880.00	\$ 45,777.60	\$ 46,693.15	\$ 47,627.02		Other Support Staff (Row 78) Line 78: no explanation given since it has no data
Instructional Support Staff (4)	\$ -	\$ -	\$ -	\$ -	\$ -		
Other Support Staff (please describe) (5)	\$ -	\$ -	\$ -	\$ -	\$ -		
Nurse	\$ 50,000.00	\$ 51,000.00	\$ 52,020.00	\$ 53,060.40	\$ 54,121.60		
Librarian	\$ -	\$ -	\$ -	\$ -	\$ -		
Information Technology	\$ -	\$ -	\$ -	\$ -	\$ -		
Maintenance of Buildings, Grounds, Equipment (including Custodial Staff)	\$ -	\$ -	\$ -	\$ -	\$ -		
Security Personnel	\$ -	\$ -	\$ -	\$ -	\$ -		
Athletic Coaches	\$ -	\$ -	\$ -	\$ -	\$ -		
Total Non-Instructional/Support Staff:	\$ 94,000.00	\$ 95,880.00	\$ 97,797.60	\$ 99,753.55	\$ 101,748.62		

Subtotal Wages and Salaries:	\$ 706,500.00	\$ 810,774.00	\$ 1,048,116.60	\$ 1,143,282.73	\$ 1,210,838.09
Payroll Taxes and Benefits - From Tab 3					
Social Security/Medicare/Unemployment	\$ 57,579.75	\$ 82,293.56	\$ 106,383.83	\$ 116,043.20	\$ 122,900.07
Health Insurance	\$ 129,693.24	\$ 148,455.53	\$ 202,860.12	\$ 222,705.13	\$ 233,929.47
Retirement Contributions	\$ 10,014.75	\$ 11,690.55	\$ 16,291.13	\$ 18,238.98	\$ 19,537.59
Other Compensation (please describe)	\$ 30,000.00	\$ 30,600.00	\$ 31,212.00	\$ 31,836.24	\$ 32,472.96
Total Payroll Taxes and Benefits:	\$ 150,636.52	\$ 227,287.74	\$ 273,039.64	\$ 356,747.08	\$ 408,840.09
Total Personnel Expenses:	\$ 150,636.52	\$ 933,787.74	\$ 1,083,813.64	\$ 1,404,863.68	\$ 1,619,678.18
Instructional Supplies and Resources - See Footnotes					
Textbooks	\$ -	\$ 5,500.00	\$ 5,500.00	\$ 5,500.00	\$ 5,500.00
Library/Media Services (Other than Staff)	\$ -	\$ -	\$ -	\$ -	\$ -
Technology Supporting Instruction (computers, tablets, etc.)	\$ -	\$ 65,000.00	\$ 24,000.00	\$ 24,480.00	\$ 24,969.60
Student Assessment	\$ -	\$ -	\$ -	\$ -	\$ -
Instructional Software	\$ -	\$ 5,750.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00
Professional Development	\$ 7,500.00	\$ -	\$ -	\$ -	\$ -
Enrichment Programs (athletics or extra-curricular activities)	\$ -	\$ 18,000.00	\$ 23,760.00	\$ 29,520.00	\$ 35,280.00
Other Instruction Supplies (not including technology)	\$ -	\$ 4,000.00	\$ 4,080.00	\$ 4,161.60	\$ 4,244.83
Total Instructional Supplies and Resources:	\$ 7,500.00	\$ 98,250.00	\$ 59,840.00	\$ 66,161.60	\$ 78,838.72
Administrative Resources					
Administrative Technology - Computers & Software (not SIS)	\$ 20,000.00	\$ 6,800.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
Other Administrative Expenses (please describe)	\$ -	\$ -	\$ -	\$ -	\$ -
Total Administrative Resources:	\$ 20,000.00	\$ 6,800.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
Governing Board Expenses					
Legal Services	\$ -	\$ -	\$ -	\$ -	\$ -
Other Governing Board Expenses (please describe)	\$ -	\$ -	\$ -	\$ -	\$ -
Total Governing Board Expenses:	\$ -	\$ -	\$ -	\$ -	\$ -
Purchased or Other Services (do not include staff expenses)					
Audit Services	\$ -	\$ -	\$ -	\$ -	\$ -
Payroll Services	\$ -	\$ -	\$ -	\$ -	\$ -
Financial Accounting	\$ -	\$ -	\$ -	\$ -	\$ -
Printing, Publishing, Duplicating Services	\$ -	\$ 22,350.00	\$ 22,797.00	\$ 23,253.00	\$ 23,718.00
Telecommunication & IT Services	\$ 2,400.00	\$ 35,000.00	\$ 35,700.00	\$ 36,414.00	\$ 37,142.00
Insurance (non-facility)	\$ -	\$ -	\$ -	\$ -	\$ -
Travel	\$ -	\$ -	\$ -	\$ -	\$ -
Mail Services	\$ -	\$ -	\$ -	\$ -	\$ -
Special Education Administration	\$ -	\$ -	\$ -	\$ -	\$ -
Student Information Services or Systems	\$ -	\$ -	\$ -	\$ -	\$ -
Food Services	\$ -	\$ 142,525.00	\$ 188,133.00	\$ 233,741.00	\$ 279,349.00
Transportation Services	\$ -	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00
Marketing Expenses	\$ 12,000.00	\$ 1,500.00	\$ 1,530.00	\$ 1,561.00	\$ 1,592.00
Other Services (please describe)	\$ -	\$ 59,500.00	\$ 60,690.00	\$ 61,903.80	\$ 63,141.88
Total Professional Purchased or Other Services:	\$ 14,400.00	\$ 262,375.00	\$ 310,350.00	\$ 358,372.80	\$ 406,442.88
Facilities Expenses (do not include staff expenses, e.g. custodian)					
Facility Lease/Mortgage Payments (please describe)	\$ -	\$ 103,591.00	\$ 144,472.00	\$ 182,912.00	\$ 221,745.00
Capital Improvements	\$ -	\$ -	\$ -	\$ -	\$ -
Other Principal Payments	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Leases	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Payments	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Expense	\$ -	\$ -	\$ -	\$ -	\$ -
Depreciation Expense	\$ -	\$ -	\$ -	\$ -	\$ -
Insurance (Facility)	\$ -	\$ 10,000.00	\$ 10,200.00	\$ 10,404.00	\$ 10,612.00
Purchase of Furniture, Fixtures, & Equipment	\$ 174,000.00	\$ -	\$ -	\$ -	\$ -
Electric & Gas	\$ -	\$ 67,000.00	\$ 68,340.00	\$ 69,706.80	\$ 71,100.94
Water & Sewage	\$ -	\$ 8,000.00	\$ 8,160.00	\$ 8,323.00	\$ 8,489.00
Repair and Maintenance Services (including cost of supplies)	\$ -	\$ 102,000.00	\$ 104,040.00	\$ 106,120.80	\$ 108,243.22
Custodial Services (including cost of supplies)	\$ -	\$ 51,000.00	\$ 52,020.00	\$ 53,060.40	\$ 54,121.61
Waste Disposal	\$ -	\$ 500.00	\$ 510.00	\$ 520.00	\$ 530.00
Security Services	\$ -	\$ 24,000.00	\$ 24,480.00	\$ 24,970.00	\$ 25,469.00
Other Facility Expenses (please describe)	\$ -	\$ 22,000.00	\$ 22,440.00	\$ 22,889.00	\$ 23,347.00
Total Facilities Expenses:	\$ 174,000.00	\$ 388,091.00	\$ 434,662.00	\$ 478,906.00	\$ 523,657.76
Other Expenses - See Footnotes					
Indiana Charter School Board Administrative Fee (6)	\$ -	\$ 2,096.06	\$ 5,533.59	\$ 6,875.06	\$ 8,216.54
Management Fee (7)	\$ -	\$ 129,322.99	\$ 170,706.34	\$ 212,089.70	\$ 253,473.05
Bank Fees	\$ -	\$ -	\$ -	\$ -	\$ -
Reserve (8)	\$ -	\$ -	\$ 10,000.00	\$ 15,000.00	\$ 15,000.00
Other Expenses (please describe)	\$ -	\$ 28,000.00	\$ 19,227.00	\$ 19,611.00	\$ 20,403.00
Total Other Expenses:	\$ -	\$ 159,419.05	\$ 205,466.93	\$ 253,575.76	\$ 296,692.59
TOTAL EXPENSES:	\$ 366,536.52	\$ 1,848,727.79	\$ 2,099,132.57	\$ 2,566,879.84	\$ 2,895,893.93
EACH YEAR'S BEGINNING BALANCE	\$ 450,000.00	\$ 1,008,463.48	\$ 550,000.00	\$ 550,000.00	\$ 550,000.00
CHANGE IN NET ASSETS:	\$ 8,463.48	\$ 430,019.90	\$ (132,076.18)	\$ (133,235.27)	\$ (8,881.43)

Other Compensation (Row 94)

Line 94: Administrative stipends from TAG & Title lia.

Other Administrative Expenses (Row 114)

Line 114: The are no other budgeted administrative expenses

Other Governing Board Expenses (Row 120)

Line 120: These expenses are covered by the PSOE Central Office (NAV)

Other Services (Row 138)

Line 138: Easter Seals, Psych evals., TFA/ITF placement fees

Lease, Mortgage, & Other Facilities (Rows 143, 158)

Facility lease rate is determined by the central office as 8% of enrolled income. The central office pays the actual lease to the owner. Other facility expenses (line 158) are internet and phone.

Other Expenses (Row 167)

The management fee is invoiced to the school from central office (10% fee) for bookkeeping support, HR, marketing, enrollment, advancement, audits, tech support, ops support, and academic support. Line 167: Staff food - training, incentives, school events & farm

Because the PSOE system of supporting schools is unique, line 172 was added to demonstrate how the Central Office provides beginning of the year balance support through scale from line 50 (other revenue) to make sure starting cash is adequate until the school hits scaled enrollment.

Footnotes:

- (1) Including, but not limited to: alternative education program grants (IC 20-30-8); educational technology plan grants (IC 20-20-13); school safety plan grants (IC 5-2-10.1-6); secured school fund grants (IC 10-21-1-2); dual language pilot program grants (IC 20-20-41-2); teacher and student achievement fund grants (IC 20-20-43-3); student and parent support services grants (IC 20-34-9); etc.
- (2) This is a competitive grant. Funding is not guaranteed. The funding for the PCSP grant is distributed through a reimbursement process. Contact IDOE's Office of Title Grants and Support for more information.
- (3) Office of Superintendent includes the Head of School, School Leader, Executive Director, Chief Executive Officer, as well as associate or assistant executive positions; Office of the Principal includes Vice- and Assistant Principals; Other School Administration includes Chief Academic Officers; Directors, Deans, and Coordinators of: Curriculum, Instruction, Faculty, Students, Assessment, Student Affairs, Student Achievement, and similar positions.
- (4) Includes Staffing for Instruction and Curriculum Development, Instructional Staff Training, etc.
- (5) Secretary; Receptionist; Attendance Clerk; Office Manager, Cafeteria Worker, and other full or part-time employees not specifically described.
- (6) One half percent (0.5%) of basic tuition support or adult learner grant amount received by the school.
- (7) Include only those fees (per-pupil, contingent, or fixed) paid to a management company for educational or management services and describe how the fee is calculated in the budget narrative. All amounts separate from a specific "management fee" paid to a management company or an affiliate of the management company must be included elsewhere in the worksheet (e.g., lease payments, instructional supplies, software, technology, etc.) and described in the "Additional Information" Column.
- (8) Schools are required to maintain an account in reserve to cover expenses for school closing. \$10,000 should be placed in reserve starting in year 2 with a balance of \$30,000 by year 4.

PSOE BUDGET OVERVIEW

This document contains three separate budgets

- 1) 10-Yr School Budget (with corresponding tabs for each school verifying the budget expenditures)
- 2) Navigation Team (Central Office) Budget
- 3) Capital Budget

#1: 10-Yr School Budget (with corresponding tabs for each school verifying the budget expenditures)

- a) The initial five schools in the 10-school budget contain tabs that show departmental expenses and an overall site budget for our active school leaders.
- b) The second group of five schools remain hypothetical, so they are copies of School 5, with adjustments for inflation, scale, and expense timing.
- c) New schools receive a July 1 redistribution of support income from a portion of the prior year's combined school income to maintain appropriate days cash on hand as they scale up.
- d) Any combined school income remaining after supporting scaling schools with starting cash is swept to the NAV team for expenses.
- e) Schools pay 10% in the Professional Services line to the network for org-wide expenses and network costs.
- f) Schools pay an annual 8% flat fee (8% of budgeted income) to the network in the building debt line.
- g) Individual school 10-yr budgets pulls from their school department tabs.
- h) The overall 10-yr School Budget pulls from each school's 10-yr budget.
- i) Retention benefits (teacher stipends & principal benefits) have been built into each school's budget.
- j) Current ESSER II and III grant income and expenses are represented in this budget.
- k) This 10-school budget includes annual 2% raises for all staff over 10 years, with no teachers or staff leaving the organization. This keeps costs high, making the projections conservative.
- l) This budget allows for an additional 2% raise for teachers in 2022-23 (when applicable above new salary base).

#2: Navigation Team (Central Office) Budget

- a) For ease of use, the 10-yr Navigation budget is copied as the third tab of this workbook. The entire NAV budget is included in the final tabs at the end of the workbook.
- b) NAV Income is all internal: 10% network fee, 8% Debt fee, and surplus school income after startup costs are paid for scaling schools.
- c) NAV receives 8% from all schools for helping with building debt and then pays all actual building debt and lease payments.
- d) NAV sweeps surplus income to the capital budget to support new school acquisition, holding costs, renovation, and debt reduction.
- e) Executive benefits are included in the Navigation Team's budget.
- f) Because PSOE owns the POA facility, POA's proportionate share payments of utilities and building costs are paid back to PSOE and show up as "other income" for NAV.

#3: Capital Budget

- a) NAV sweeps surplus income from remaining school income and NAV income into the capital budget to support new school acquisition, holding costs, renovation, and debt reduction.
- b) The capital budget is shown seeded with starting cash from the network from fiscal yr 2022-23. This seed amount is dependent on Q3 and Q4 cash, and enables additional support for the launch of new schools.
- c) The capital budget models a buyout of school five and six within the initial five years, along with new school purchases/debt reduction in the second 5 years.
- d) The capital budget shows a model of expected income against the need for future capital expenses, and can be adjusted as the cash position adjusts.

Paramount Schools of Excellence
Budget Forecast 2022-2031

	2022-2023	2023-2024	2024-2025	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
BUDGETED ADM	1701	2056	2366	2551	2776	3115	3430	3655	3985
Paramount Brookside	775	775	775	775	775	775	775	775	775
Paramount Cottage Home	261	301	341	381	421	450	450	450	450
Paramount Englewood	245	285	325	365	405	445	450	450	450
Paramount Online Academy	420	445	470	495	520	545	570	595	600
P5	0	125	165	205	245	285	325	365	405
P6	0	125	165	205	245	285	325	365	405
P7	0	0	125	125	165	205	245	285	325
P8	0	0	0	0	0	125	165	205	245
P9	0	0	0	0	0	0	125	165	205
P10	0	0	0	0	0	0	0	0	125
% Increase	0%	21%	15%	8%	9%	12%	10%	7%	9%
% Increase converted	0.00	1.21	1.15	1.08	1.09	1.12	1.10	1.07	1.09

INCOME									
Basic Support	12,443,634	14,681,523	16,980,216	18,734,559	20,528,106	23,115,691	25,516,974	27,341,393	29,889,477
Student Lunch Revenue	1,148,000	1,510,716	1,821,231	2,033,147	2,245,062	2,588,491	2,922,051	3,154,051	3,531,051
Contribution Income	13,328	16,317	19,033	21,322	24,505	29,889	36,256	42,764	52,648
Facility/Innovation Grant	1,534,531	1,929,844	2,271,250	2,510,833	2,750,417	3,126,563	3,473,958	3,713,542	4,102,865
Federal Grants	5,128,253	5,541,358	3,527,632	4,050,039	4,143,809	4,384,802	4,822,592	5,205,550	5,523,888
Interest Income	1,680	2,057	2,257	2,280	2,303	2,506	2,711	2,738	2,945
Other Income	310,642	295,393	333,947	350,086	353,587	367,123	393,594	410,330	424,433
TOTAL INCOME	20,580,068	23,977,207	24,955,566	27,702,268	30,047,789	33,615,065	37,168,136	39,870,368	43,527,307

EXPENSES									
Instructional Expenses	0%	29%	28%	28%	28%	29%	29%	29%	29%
Salaries, Wages, Stipends	4,754,227	5,656,054	6,312,015	6,827,883	7,303,238	8,236,825	9,164,866	9,622,570	10,482,476
Payroll Taxes & Benefits	1,369,900	1,591,366	1,787,974	1,940,430	2,126,628	2,390,643	2,642,959	2,768,010	2,985,764
Supplies/Materials/Equipment	222,326	205,020	245,813	304,759	485,575	380,386	376,154	385,570	438,837
Professional Services	425,680	576,937	656,206	662,768	669,396	749,590	830,586	838,892	920,781
Training Expenses	74,450	111,909	134,149	138,726	143,313	164,789	183,889	185,330	204,635
Other Expenses	96,200	140,324	164,230	167,515	170,865	195,383	220,390	224,798	250,394
<i>Total Instructional Expense</i>	6,942,783	8,281,610	9,300,387	10,042,081	10,899,016	12,117,615	13,418,844	14,025,170	15,614,764

General & Administrative	0%	26%	27%	25%	26%	27%	26%	26%	26%
Salaries, Wages, Stipends	2,559,932	3,109,050	3,584,351	3,925,716	4,214,968	4,700,287	5,133,537	5,413,943	5,996,802
Payroll Taxes & Benefits	665,000	841,195	912,385	1,029,431	1,122,720	1,227,076	1,318,294	1,386,710	1,548,798
Supplies/Materials/Equipment	40,080	61,625	74,911	83,016	93,780	115,202	135,668	148,389	173,937
Professional Serv, NAV/Auth	1,685,688	2,150,305	2,544,653	2,812,206	3,084,094	3,583,725	4,050,727	4,359,598	4,722,390
Other Expense	2,063,822	720,997	647,105	128,200	130,764	147,817	165,212	168,516	186,325
<i>Total Instr. & Admin. Expense</i>	7,014,522	6,883,172	7,763,406	7,978,568	8,646,326	9,774,107	10,803,439	11,477,155	12,628,251

Facilities Expense									
Supplies/Materials/Equipment	122,350	463,642	336,760	189,815	192,113	363,434	322,841	175,358	346,911
Equip Rent/Leasehold Improvements	140,450	211,855	248,973	251,463	253,977	291,517	329,432	332,727	371,054
Professional Services	997,200	765,937	892,096	901,017	910,028	1,037,628	1,166,504	1,178,169	1,308,451
Utilities/Property Tax	355,393	555,617	663,879	678,341	693,128	804,246	917,625	937,311	1,053,430
Insurance Expense	86,000	114,920	136,029	142,753	144,803	156,886	174,003	181,454	194,246
<i>Total Facilities Expense</i>	1,701,393	2,111,970	2,277,738	2,163,389	2,194,048	2,653,712	2,910,406	2,805,018	3,274,091

Technology Expense									
Supplies/Materials/Equipment	269,850	373,846	424,013	430,135	437,792	493,348	549,547	559,124	616,161
Professional Services	211,800	326,283	424,574	491,703	559,709	673,991	794,638	883,730	1,021,094
<i>Total Technology Expense</i>	481,650	700,129	848,587	921,838	997,501	1,167,339	1,344,185	1,442,854	1,637,255

Building Rent & Debt Service

Bldg Rents & Mortgage Payable	1,646,405	1,802,371	2,090,713	2,246,276	2,450,337	2,690,193	2,970,691	3,176,345	3,465,962
<i>Total Building Expense</i>	1,646,405	1,802,371	2,090,713	2,246,276	2,450,337	2,690,193	2,970,691	3,176,345	3,465,962

Other Expense

School Lunch	863,350	1,204,409	1,494,212	1,687,154	1,880,151	2,208,310	2,541,922	2,775,724	3,152,108
Other Expenses	164,300	458,986	348,666	223,039	227,500	377,750	398,405	273,773	424,948
<i>Total Other Expenses</i>	1,027,650	1,663,395	1,842,878	1,910,193	2,107,651	2,586,060	2,940,327	3,049,497	3,577,056

Beginning Days Cash on Hand (BDCOH) (60) (80) (74) (68) (57) (67) (65) (56) (62)

Beginning Cash Balance	3,075,000	4,700,000	4,900,000	4,738,675	4,250,000	5,650,000	6,120,337	5,470,337	6,856,613
Organizational Income	20,580,068	23,977,207	24,955,566	27,702,268	30,047,789	33,615,065	37,168,136	39,870,368	43,527,307
Organizational Expense	18,814,404	21,442,646	24,123,709	25,262,346	27,294,879	30,989,026	34,387,892	35,976,039	40,197,379
Initial Balance	4,840,665	7,234,560	5,731,857	7,178,596	7,002,910	8,276,039	8,900,580	9,364,665	10,186,541
Surplus/Support Redistribution	140,665	2,334,560	993,182	2,928,596	1,352,910	2,155,702	3,430,243	2,508,052	3,329,928
Final Balance	4,700,000	4,900,000	4,738,675	4,250,000	5,650,000	6,120,337	5,470,337	6,856,613	6,856,613
End Days Cash on Hand (EDCOH)	93.91	123.15	86.72	103.72	93.65	97.48	94.47	95.01	92.50

Cost per day of operation (\$51,546) (\$58,747) (\$66,092) (\$69,212) (\$74,780) (\$84,901) (\$94,213) (\$98,564) (\$110,130)

Increase in cost per day % 0.0% 12.3% 11.1% 4.5% 7.4% 11.9% 9.9% 4.4% 10.5%

Increase in enrollment % 0.0% 20.9% 15.1% 7.8% 8.8% 12.2% 10.1% 6.6% 9.0%

Org DCOH expense incremental impact amount \$0 -\$704,964 -\$793,108 -\$830,543 -\$897,366 -\$1,018,817 -\$1,130,561 -\$1,182,774 -\$1,321,558

School 10-yr Profit/Loss

	Y0	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8
PBR 10-yr	1,127,855	2,345,930	655,177	1,018,940	828,165	810,445	813,596	752,644	690,781
PCH 10-yr	(81,507)	495,906	407,562	628,724	636,963	804,358	688,867	667,143	645,079
PEN 10-yr	125,906	668,257	488,675	767,728	810,135	1,054,787	1,044,189	1,029,448	1,019,553
POA 10-yr	593,411	661,169	806,152	864,492	974,542	1,045,620	1,153,487	1,261,098	1,252,148
P5 10-yr	-	(877,309)	(305,409)	(295,992)	(95,717)	(12,001)	152,083	277,604	397,540
P6 10-yr	-	(875,197)	(216,271)	(212,555)	(101,584)	20,337	126,345	353,568	603,224
P7 10-yr	-	-	(909,761)	(301,321)	(253,080)	(141,945)	(19,870)	86,276	358,435
P8 10-yr	-	-	-	-	-	(954,573)	(311,592)	(320,056)	(221,156)
P9 10-yr	-	-	-	-	-	-	(869,623)	(226,682)	(226,240)
P10 10-yr	-	-	-	-	-	-	-	-	(873,783)
TOTALS	1,765,665	2,418,755	926,124	2,470,016	2,799,423	2,627,027	2,777,483	3,881,044	3,645,582

School 10-yr Actual Debt/Rent Paid by NAV

	Y0	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8
PBR 10-yr	519,236	519,236	519,236	519,236	519,236	519,236	519,236	519,236	519,236
PCH 10-yr	290,710	290,710	290,710	290,710	290,710	290,710	290,710	290,710	290,710
PEN 10-yr	475,000	475,000	475,000	475,000	475,000	475,000	515,000	515,000	515,000
POA 10-yr	-	-	-	-	-	-	-	-	-
P5 10-yr	20,000	280,000	280,000	280,000	200,000	-	-	-	-
P6 10-yr	-	-	-	-	-	-	-	-	-
P7 10-yr	-	-	250,000	250,000	600,000	600,000	600,000	600,000	600,000
P8 10-yr	-	-	-	-	-	250,000	250,000	600,000	600,000
P9 10-yr	-	-	-	-	-	-	250,000	250,000	600,000
P10 10-yr	-	-	-	-	-	-	-	-	250,000
TOTALS	1,304,946	1,564,946	1,814,946	1,814,946	2,084,946	2,134,946	2,424,946	2,774,946	3,374,946

10 School Summary (Excludes NAV & CAP)

	Y0	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8
Annual Starting Cash	\$ 2,444,398.78	\$ 2,500,000.00	\$ 3,436,168.26	\$ 3,078,320.07	\$ 3,481,692.37	\$ 3,847,094.58	\$ 4,462,683.03	\$ 4,897,177.13	\$ 4,903,727.95
Annual New School Support from Surplus/NAV	\$ 2,255,601.22	\$ 1,952,506.28	\$ 781,440.76	\$ 809,867.99	\$ 1,754,664.65	\$ 1,546,518.30	\$ 551,085.36	\$ 573,159.80	\$ 1,866,608.99
Annual Year-End Cash	\$ 4,840,664.57	\$ 7,234,560.29	\$ 5,731,856.84	\$ 7,178,596.01	\$ 7,002,909.65	\$ 8,276,039.40	\$ 8,900,580.23	\$ 9,364,665.35	\$ 10,186,541.36
*Total Annual Schools Income	\$ 1,765,664.57	\$ 2,418,754.98	\$ 926,124.32	\$ 2,470,016.42	\$ 2,799,423.24	\$ 2,627,027.30	\$ 2,777,483.01	\$ 3,881,044.01	\$ 3,645,581.81

10 Yr NAV Budget	Y0	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8
Beginning Cash Balance	\$ 1,200,000.00	\$ 600,000.00	\$ 1,400,000.00	\$ 701,051.30	\$ 1,200,000.00	\$ 600,000.00	\$ 850,000.00	\$ 700,000.00	\$ 700,000.00
NAV Income	\$ 3,925,467.78	\$ 4,479,616.45	\$ 4,664,868.28	\$ 5,271,713.74	\$ 5,418,589.44	\$ 6,091,115.03	\$ 6,745,722.08	\$ 7,239,188.81	\$ 7,890,887.88
NAV Expense	\$ (4,255,436.78)	\$ (5,056,846.07)	\$ (5,280,201.25)	\$ (5,420,779.30)	\$ (5,855,219.64)	\$ (6,274,574.10)	\$ (6,766,567.78)	\$ (7,491,788.12)	\$ (7,567,217.19)
NAV Total	\$ 870,031.00	\$ 22,770.38	\$ 784,667.04	\$ 551,985.75	\$ 763,369.80	\$ 416,540.93	\$ 829,154.31	\$ 447,400.69	\$ 1,023,670.69
NAV Profit or Loss	\$ (329,969.00)	\$ (577,229.62)	\$ (615,332.96)	\$ (149,065.55)	\$ (436,630.20)	\$ (183,459.07)	\$ (20,845.69)	\$ (252,599.31)	\$ 323,670.69

Future 10 Yr Capital Budget

Beginning Cash Balance	\$ 4,200,000.00	\$ 231,180.42	\$ 606,115.84	\$ 536,772.64	\$ 2,832,152.75	\$ 3,280,414.15	\$ 4,602,876.42	\$ 6,763,454.47	\$ 10,172,912.51
Income	\$ 538,430.42	\$ 538,430.42	\$ -	\$ 2,339,103.93	\$ 2,507,589.71	\$ 1,515,084.94	\$ 2,355,196.40	\$ 3,508,158.72	\$ 3,464,029.95
Capital Expense	\$ (4,507,250.00)	\$ (163,495.00)	\$ (69,343.20)	\$ (43,723.82)	\$ (2,059,328.30)	\$ (192,622.68)	\$ (194,618.35)	\$ (98,700.67)	\$ (198,224.83)
Total	\$ 231,180.42	\$ 606,115.84	\$ 536,772.64	\$ 2,832,152.75	\$ 3,280,414.15	\$ 4,602,876.42	\$ 6,763,454.47	\$ 10,172,912.51	\$ 13,438,717.63
Profit or Loss	\$ (3,968,819.58)	\$ 374,935.42	\$ (69,343.20)	\$ 2,295,380.11	\$ 448,261.41	\$ 1,322,462.27	\$ 2,160,578.04	\$ 3,409,458.04	\$ 3,265,805.12

Paramount Capital Budget
10-Year Forecast

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	
INCOME											
Network Income	\$ 538,430.42	\$ 538,430.42	FALSE	\$ 2,339,103.93	\$ 2,507,589.71	\$ 1,515,084.94	\$ 2,355,196.40	\$ 3,508,158.72	\$ 3,464,029.95	\$ 2,963,878.67	
TOTAL INCOME	\$ 538,430.42	\$ 538,430.42	\$ -	\$ 2,339,103.93	\$ 2,507,589.71	\$ 1,515,084.94	\$ 2,355,196.40	\$ 3,508,158.72	\$ 3,464,029.95	\$ 2,963,878.67	
General Expenses											
Supplies/Materials/Equipment	\$ 750.00	\$ 765.00	\$ 500.00	\$ 510.00	\$ 520.20	\$ 530.60	\$ 541.22	\$ 552.04	\$ 563.08	\$ 574.34	Postage/Paperwork
Prof Expenses	\$ 12,500.00	\$ 12,750.00	\$ 13,005.00	\$ 13,265.10	\$ 13,530.40	\$ 13,801.01	\$ 14,077.03	\$ 14,358.57	\$ 14,645.74	\$ 14,938.66	Legal Fees
Other Expense	\$ 1,000.00	\$ 1,020.00	\$ 1,040.40	\$ 1,061.21	\$ 1,082.43	\$ 1,104.08	\$ 1,126.16	\$ 1,148.69	\$ 1,171.66	\$ 1,195.09	Permits & Applications
<i>Total Instr. & Admin. Expense</i>	\$ 14,250.00	\$ 14,535.00	\$ 14,545.40	\$ 14,836.31	\$ 15,133.03	\$ 15,435.69	\$ 15,744.41	\$ 16,059.30	\$ 16,380.48	\$ 16,708.09	
Facilities Expenses											
Supplies/Materials/Equipment	\$ 14,500.00	\$ 14,790.00	\$ 15,085.80	\$ 15,387.52	\$ 15,695.27	\$ 16,009.17	\$ 16,329.36	\$ 16,655.94	\$ 16,989.06	\$ 17,328.84	Keys, locks, temp security
Rent/Leasehold Improvements	\$ -	\$ 35,000.00	\$ -	\$ -	\$ -	\$ 35,000.00	\$ 35,350.00	\$ 35,703.50	\$ 36,060.54	\$ 36,421.14	Abatement, emergency alteration
Professional Services	\$ 30,000.00	\$ 30,600.00	\$ 31,212.00	\$ 10,000.00	\$ 25,000.00	\$ 25,500.00	\$ 26,010.00	\$ 26,530.20	\$ 27,060.80	\$ 27,602.02	Temp. Infrastructure improvements
Utilities/Property Tax	\$ 45,000.00	\$ 15,000.00	\$ 5,000.00	\$ -	\$ -	\$ 47,000.00	\$ 47,470.00	\$ -	\$ 47,944.70	\$ -	Pre-opening utility & tax
Insurance Expense	\$ 3,500.00	\$ 3,570.00	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00	\$ 3,677.81	\$ 3,714.59	\$ 3,751.73	\$ 3,789.25	\$ 3,827.14	Site-holding insurance
<i>Total Facilities Expense</i>	\$ 93,000.00	\$ 98,960.00	\$ 54,797.80	\$ 28,887.52	\$ 44,195.27	\$ 127,186.98	\$ 128,873.94	\$ 82,641.38	\$ 131,844.35	\$ 85,179.15	
Building Holding & Purchases (BHP)											
	South Bend Paid Off				Lafayette Paid Off						
Holding Costs, Reno, & Purchase	\$ 4,400,000.00	\$ 50,000.00	\$ -	\$ -	\$ 2,000,000.00	\$ 50,000.00	\$ 50,000.00	\$ -	\$ 50,000.00	\$ -	
<i>Total BHP Expense</i>	\$ 4,400,000.00	\$ 50,000.00	\$ -	\$ -	\$ 2,000,000.00	\$ 50,000.00	\$ 50,000.00	\$ -	\$ 50,000.00	\$ -	
Totals											
Beginning Cash Balance	\$ 4,200,000.00	\$ 231,180.42	\$ 606,115.84	\$ 536,772.64	\$ 2,832,152.75	\$ 3,280,414.15	\$ 4,602,876.42	\$ 6,763,454.47	\$ 10,172,912.51	\$ 13,438,717.63	
Network Income	\$ 538,430.42	\$ 538,430.42	\$ -	\$ 2,339,103.93	\$ 2,507,589.71	\$ 1,515,084.94	\$ 2,355,196.40	\$ 3,508,158.72	\$ 3,464,029.95	\$ 2,963,878.67	
Capital Expense	\$ (4,507,250.00)	\$ (163,495.00)	\$ (69,343.20)	\$ (43,723.82)	\$ (2,059,328.30)	\$ (192,622.68)	\$ (194,618.35)	\$ (98,700.67)	\$ (198,224.83)	\$ (101,887.24)	
Total Balance Forward	\$ 231,180.42	\$ 606,115.84	\$ 536,772.64	\$ 2,832,152.75	\$ 3,280,414.15	\$ 4,602,876.42	\$ 6,763,454.47	\$ 10,172,912.51	\$ 13,438,717.63	\$ 16,300,709.07	
Profit or Loss	\$ (3,968,819.58)	\$ 374,935.42	\$ (69,343.20)	\$ 2,295,380.11	\$ 448,261.41	\$ 1,322,462.27	\$ 2,160,578.04	\$ 3,409,458.04	\$ 3,265,805.12	\$ 2,861,991.43	
Each positive total above in the Network Income row is in addition to the reservation of school seed costs and NAV starting cash below.											
Annual Org Seed Costs	\$ 2,999,093.79	\$ 3,575,906.21	\$ 3,374,802.63	\$ 4,262,642.52	\$ 3,736,123.53	\$ 3,895,335.35	\$ 4,573,818.64	\$ 4,919,251.58	\$ 5,009,874.50	\$ 4,415,097.05	
Annual NAV Starting Cash	\$ 1,200,000.00	\$ 600,000.00	\$ 1,400,000.00	\$ 701,051.30	\$ 1,200,000.00	\$ 600,000.00	\$ 850,000.00	\$ 700,000.00	\$ 700,000.00	\$ 700,000.00	
Total	\$ 4,199,093.79	\$ 4,175,906.21	\$ 4,774,802.63	\$ 4,963,693.83	\$ 4,936,123.53	\$ 4,495,335.35	\$ 5,423,818.64	\$ 5,619,251.58	\$ 5,709,874.50	\$ 5,115,097.05	

Paramount Navigation (NAV) Central Office Team
10-Year Forecast

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
BUDGETED FTE	28	30	32	32	36	37	38	38	38	38
FTE	28	30	32	32	36	37	38	38	38	38
% Increase	0%	107%	107%	100%	113%	103%	103%	100%	100%	100%
% Increase converted	0	1.08	1.21	1.06	1.06	1.11	1.11	1.11	1.11	1.11
INCOME	CMO 10%									
CMO Fee	1,712,237	2,093,430	2,299,204	2,685,281	2,943,465	3,329,540	3,698,815	3,974,998	4,333,018	4,333,018
School Debt Payments	1,646,405	1,918,177	1,996,445	2,216,181	2,403,823	2,689,205	2,973,451	3,189,629	3,482,185	2,939,149
Contribution Income	66,825	68,010	69,219	70,251	71,301	72,370	73,456	74,561	75,685	76,829
Facility Grant	0	0	0	0	0	0	0	0	0	0
Federal Grants	0	0	0	0	0	0	0	0	0	0
Local Grants	500,000	400,000	300,000	300,000	0	0	0	0	0	0
Other Income	0	0	0	0	0	0	0	0	0	0
TOTAL INCOME	3,925,468	4,479,616	4,664,868	5,271,714	5,418,589	6,091,115	6,745,722	7,239,189	7,890,888	7,348,995
EXPENSES										
Instructional Expenses										
Salaries, Wages, Stipends	0	0	0	0	0	0	0	0	0	0
Payroll Taxes & Benefits	0	0	0	0	0	0	0	0	0	0
Supplies/Materials/Equipment	129,000	130,290	131,593	132,909	134,238	135,580	136,936	138,305	139,689	145,276
Professional Services	0	0	0	0	0	0	0	0	0	0
Training Expenses	0	0	0	0	0	0	0	0	0	0
Other Expenses	0	0	0	0	0	0	0	0	0	0
Total Instructional Expense	129,000	130,290	131,593	132,909	134,238	135,580	136,936	138,305	139,689	145,276
General & Administrative										
Salaries, Wages, Stipends	1,681,319	2,190,464	2,370,086	2,415,911	2,722,638	2,822,482	2,934,862	3,038,919	3,098,040	3,160,001
Payroll Taxes & Benefits	319,200	402,990	429,856	429,856	488,376	501,942	515,508	520,562	520,562	520,562
Supplies/Materials/Equipment	27,800	28,356	28,923	29,502	30,092	30,693	31,307	31,933	32,572	33,224
Prof Expenses (BPI, Apps, Org Fringe)	227,200	231,744	236,379	36,146	36,869	37,606	38,358	39,125	39,908	40,706
Other Expense	182,472	157,587	165,939	186,981	201,443	212,573	223,724	234,852	246,092	251,014
Total Instr. & Admin. Expense	2,437,991	3,011,140	3,231,183	3,098,396	3,479,417	3,605,296	3,743,759	3,865,392	3,937,175	4,005,507
Facilities Expense										
Supplies/Materials/Equipment	750	765	780	796	812	828	845	862	879	896
Rent/Leasehold Improvements	500	510	520	531	541	552	563	574	586	598
Professional Services	15,900	16,218	16,542	16,873	17,211	17,555	17,906	18,264	18,629	19,002
Utilities/Property Tax	4,100	4,182	4,266	4,351	4,438	4,527	4,617	4,710	4,804	4,900
Insurance Expense	0	0	0	0	0	0	0	0	0	0
Total Facilities Expense	21,250	21,675	22,109	22,551	23,002	23,462	23,931	24,410	24,898	25,396
Technology Expense										
Supplies/Materials/Equipment	39,000	39,780	40,576	41,387	42,215	43,059	43,920	44,799	45,695	46,609
Professional Services	8,750	8,925	9,104	9,286	9,471	9,661	9,854	10,051	10,252	10,457
Total Technology Expense	47,750	48,705	49,679	50,673	51,686	52,720	53,774	54,850	55,947	57,066
Building Rent & Debt Service										
Bldg Rents & Mortgage Payable	1,589,946	1,814,946	1,814,946	2,084,946	2,134,946	2,424,946	2,774,946	3,374,946	3,374,946	3,427,546
Total Building Expense	1,589,946	1,814,946	1,814,946	2,084,946	2,134,946	2,424,946	2,774,946	3,374,946	3,374,946	3,427,546
Other Expense										
NAV Food	29,500	30,090	30,692	31,306	31,932	32,570	33,222	33,886	34,564	35,255
Other Expenses	0	0	0	0	0	0	0	0	0	0
Total Other Expenses	29,500	30,090	30,692	31,306	31,932	32,570	33,222	33,886	34,564	35,255
NAV Beginning DCOH	103	43	97	47	75	35	46	34	34	33
Beginning Cash Balance	\$ 1,200,000.00	\$ 600,000.00	\$ 1,400,000.00	\$ 701,051.30	\$ 1,200,000.00	\$ 600,000.00	\$ 850,000.00	\$ 700,000.00	\$ 700,000.00	\$ 700,000.00
NAV Income	\$ 3,925,467.78	\$ 4,479,616.45	\$ 4,664,868.28	\$ 5,271,713.74	\$ 5,418,589.44	\$ 6,091,115.03	\$ 6,745,722.08	\$ 7,239,188.81	\$ 7,890,887.88	\$ 7,348,995.30
NAV Expense	\$ (4,255,436.78)	\$ (5,056,846.07)	\$ (5,280,201.25)	\$ (5,420,779.30)	\$ (5,855,219.64)	\$ (6,274,574.10)	\$ (6,766,567.78)	\$ (7,491,788.12)	\$ (7,567,217.19)	\$ (7,696,045.15)
NAV Total	\$ 870,031.00	\$ 22,770.38	\$ 784,667.04	\$ 551,985.75	\$ 763,369.80	\$ 416,540.93	\$ 829,154.31	\$ 447,400.69	\$ 1,023,670.69	\$ 352,950.15
NAV Profit or Loss	\$ (329,969.00)	\$ (577,229.62)	\$ (615,332.96)	\$ (149,065.55)	\$ (436,630.20)	\$ (183,459.07)	\$ (20,845.69)	\$ (252,599.31)	\$ 323,670.69	\$ (347,049.85)
School Capital Deposits	\$ 2,021,265.79	\$ 4,171,261.26	\$ 1,868,890.55	\$ 3,768,558.95	\$ 3,154,087.89	\$ 3,703,208.66	\$ 3,772,560.38	\$ 4,311,843.38	\$ 4,987,097.90	\$ 3,982,107.67
New School Seed Support	\$ (375,000.00)	\$ (2,255,601.22)	\$ (1,952,506.28)	\$ (781,440.76)	\$ (809,867.99)	\$ (1,754,664.65)	\$ (1,546,518.30)	\$ (551,085.36)	\$ (1,846,738.63)	\$ (671,179.15)
NAV+Schools Total	\$ 2,516,296.79	\$ 1,938,430.42	\$ 701,051.30	\$ 3,539,103.93	\$ 3,107,589.71	\$ 2,365,084.94	\$ 3,055,196.40	\$ 4,208,158.72	\$ 4,164,029.95	\$ 3,663,878.67

POA Prop Share Income

CSGF 22-25

includes stipends

Onboards Finances in Y4

LTB,EB,CB,Travel

Remaining for Capital Budget	\$ 1,916,296.79	\$ 538,430.42	FALSE	\$ 2,339,103.93	\$ 2,507,589.71	\$ 1,515,084.94	\$ 2,355,196.40	\$ 3,508,158.72	\$ 3,464,029.95	\$ 2,963,878.67
NAV Ending DCOH	\$ 215.83	\$ 139.91	\$ 48.46	\$ 238.30	\$ 193.72	\$ 137.58	\$ 164.80	\$ 205.02	\$ 200.85	\$ 173.77
Daily Cost of Operation	\$ 11,658.73	\$ 13,854.37	\$ 14,466.30	\$ 14,851.45	\$ 16,041.70	\$ 17,190.61	\$ 18,538.54	\$ 20,525.45	\$ 20,732.10	\$ 21,085.06
*New School Seed Support	\$ 375,000.00	\$ 2,255,601.22	\$ 1,952,506.28	\$ 781,440.76	\$ 809,867.99	\$ 1,754,664.65	\$ 1,546,518.30	\$ 551,085.36	\$ 573,159.80	\$ 1,866,608.99
Annual Seed Totals	\$ 2,999,093.79	\$ 3,575,906.21	\$ 3,374,802.63	\$ 4,262,642.52	\$ 3,736,123.53	\$ 3,895,335.35	\$ 4,573,818.64	\$ 4,919,251.58	\$ 5,009,874.50	\$ 4,415,097.05

*These costs are already factored into each school budget, but represent reserve cash underneath each school.

OVERALL NAVIGATION TEAM BUDGET FROM 2021-2031

Description	True Cost	Budgeted	Profit/Loss	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31
Salaries	\$0.00	\$1,894,519.33	\$0.00	\$ 2,026,479.33	\$ 2,190,463.62	\$ 2,370,086.14	\$ 2,415,911.50	\$ 2,722,637.61	\$ 2,822,482.31	\$ 2,934,861.90	\$ 3,038,918.77	\$ 3,098,040.38
Subcontractors	\$0.00	\$36,500.00	\$0.00	\$37,230.00	\$37,974.60	\$38,734.09	\$39,508.77	\$40,298.95	\$41,104.93	\$41,927.03	\$42,765.57	\$43,620.88
Operations	\$0.00	\$1,831,445.57	\$0.00	\$1,868,074.48	\$1,905,435.97	\$1,943,544.69	\$1,777,454.02	\$1,813,003.10	\$1,849,263.16	\$1,886,248.43	\$1,923,973.39	\$1,962,452.86
Technology	\$0.00	\$46,000.00	\$0.00	\$46,920.00	\$47,858.40	\$48,815.57	\$49,791.88	\$50,787.72	\$51,803.47	\$52,839.54	\$53,896.33	\$54,974.26
Food-Incentives	\$0.00	\$29,500.00	\$0.00	\$30,090.00	\$30,691.80	\$31,305.64	\$31,931.75	\$32,570.38	\$33,221.79	\$33,886.23	\$34,563.95	\$35,252.23
Stipends	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
PD, Conf, Recruiting travel	\$0.00	\$56,126.00	\$0.00	\$66,126.00	\$76,126.00	\$86,126.00	\$96,126.00	\$106,126.00	\$116,126.00	\$126,126.00	\$136,126.00	\$146,126.00
Supplies & Marketing	\$0.00	\$129,000.00	\$0.00	\$130,290.00	\$131,592.90	\$132,908.83	\$134,237.92	\$135,580.30	\$136,936.10	\$138,305.46	\$139,688.52	\$141,085.40
LTB,EB, CB	\$0.00	\$126,345.88	\$0.00	\$73,273.67	\$81,460.88	\$89,813.24	\$90,855.21	\$95,316.83	\$96,446.61	\$97,597.87	\$98,726.14	\$99,966.46
Benefits	\$0.00	\$319,200.00	\$0.00	\$372,400.00	\$402,990.00	\$429,856.00	\$429,856.00	\$488,376.00	\$501,942.00	\$515,508.00	\$520,562.00	\$520,562.00
Building Debt/PCH-PBR, etc.	\$0.00	\$1,304,945.57	\$0.00	\$1,564,945.57	\$1,814,945.57	\$1,814,945.57	\$2,084,945.57	\$2,134,945.57	\$2,424,945.57	\$2,774,945.57	\$3,374,945.57	\$3,374,945.57
	0.00	\$5,773,582.35	-\$5,773,582.35	\$6,215,829.05	\$6,719,539.74	\$6,986,135.76	\$7,150,618.62	\$7,619,642.46	\$8,074,271.95	\$8,602,246.03	\$9,364,166.24	\$9,477,029.04

Network 10-Yr Model: 10% of budgeted school income

Y1: 2021												
PBR ADM	PCH 2 ADM	PEN 3 ADM	POA ADM									
775	261	245	420									
\$	724,723.89	\$ 244,068.30	\$ 229,106.26	\$ 367,689.56								
\$	724,723.89	\$ 244,068.30	\$ 229,106.26	\$ 367,689.56								
\$1,565,588.02												
Y2: 2022												
PBR ADM	PCH 2 ADM	PEN 3 ADM	POA ADM									
775	301	285	445									
\$	835,925.96	\$ 273,547.57	\$ 231,397.32	\$ 371,366.46	\$ -							
\$	835,925.96	\$ 273,547.57	\$ 231,397.32	\$ 371,366.46	\$ -							
\$1,712,237.31												
Y3: 2023												
PBR ADM	PCH 2 ADM	PEN 3 ADM	POA ADM	P5	P6							
775	341	325	470	125	125							
\$	844,285.22	\$ 318,625.27	\$ 271,868.24	\$ 397,406.32	\$ 129,322.99	\$ 131,922.38						
\$	844,285.22	\$ 318,625.27	\$ 271,868.24	\$ 397,406.32	\$ 129,322.99	\$ 131,922.38						
\$2,093,430.42												
Y4: 2024												
PBR ADM	PCH 2 ADM	PEN 3 ADM	POA ADM	P5	P6							
775	381	365	495	165	165							
\$	852,728.08	\$ 364,577.18	\$ 313,125.44	\$ 423,929.84	\$ 170,706.34	\$ 174,137.54						
\$	852,728.08	\$ 364,577.18	\$ 313,125.44	\$ 423,929.84	\$ 170,706.34	\$ 174,137.54						
\$2,299,204.42												
Y5: 2025												
PBR ADM	PCH 2 ADM	PEN 3 ADM	POA ADM	P5	P6	P7						
775	421	405	520	205	205	125						
\$	861,255.36	\$ 411,416.26	\$ 355,180.60	\$ 450,944.09	\$ 212,089.70	\$ 218,516.23	\$ 175,878.91					
\$	861,255.36	\$ 411,416.26	\$ 355,180.60	\$ 450,944.09	\$ 212,089.70	\$ 218,516.23	\$ 175,878.91					
\$2,685,281.14												
Y6: 2026												
PBR ADM	PCH 2 ADM	PEN 3 ADM	POA ADM	P5	P6	P7						
775	450	445	545	245	245	165						
\$	869,867.91	\$ 459,155.66	\$ 398,045.54	\$ 478,456.24	\$ 253,473.05	\$ 263,765.07	\$ 220,701.39					
\$	869,867.91	\$ 459,155.66	\$ 398,045.54	\$ 478,456.24	\$ 253,473.05	\$ 263,765.07	\$ 220,701.39					
\$2,943,464.87												
Y7 - 2027												
PBR ADM	PCH 2 ADM	PEN 3 ADM	POA ADM	P5	P6	P7	P8					
775	450	425	570	285	285	205	125					
\$	878,566.59	\$ 495,691.80	\$ 441,732.27	\$ 506,473.53	\$ 294,856.41	\$ 309,897.05	\$ 266,402.72	\$ 135,919.76				
\$	878,566.59	\$ 495,691.80	\$ 441,732.27	\$ 506,473.53	\$ 294,856.41	\$ 309,897.05	\$ 266,402.72	\$ 135,919.76				
\$3,329,540.13												
Y8: 2028												
PBR ADM	PCH 2 ADM	PEN 3 ADM	POA ADM	P5	P6	P7	P8	P9				
775	450	450	595	325	325	245	165	125				
\$	887,352.26	\$ 500,648.72	\$ 451,162.51	\$ 535,003.32	\$ 336,239.76	\$ 356,925.28	\$ 312,996.02	\$ 181,208.22	\$ 137,278.96			
\$	887,352.26	\$ 500,648.72	\$ 451,162.51	\$ 535,003.32	\$ 336,239.76	\$ 356,925.28	\$ 312,996.02	\$ 181,208.22	\$ 137,278.96			
\$3,698,815.05												
Y9: 2029												
PBR ADM	PCH 2 ADM	PEN 3 ADM	POA ADM	P5	P6	P7	P8	P9				
775	450	450	600	365	365	285	205	165				
\$	896,225.78	\$ 505,655.21	\$ 455,674.14	\$ 564,053.07	\$ 377,623.12	\$ 404,863.09	\$ 360,494.54	\$ 227,388.86	\$ 183,020.30			
\$	896,225.78	\$ 505,655.21	\$ 455,674.14	\$ 564,053.07	\$ 377,623.12	\$ 404,863.09	\$ 360,494.54	\$ 227,388.86	\$ 183,020.30			
\$3,974,998.10												
Y10: 2030												
PBR ADM	PCH 2 ADM	PEN 3 ADM	POA ADM	P5	P6	P7	P8	P9	P10			
775	450	450	600	405	410	325	245	205	125			
\$	905,188.04	\$ 510,711.76	\$ 460,230.88	\$ 574,480.94	\$ 419,006.47	\$ 408,911.73	\$ 408,911.73	\$ 274,474.99	\$ 229,662.75	\$ 141,438.64		
\$	905,188.04	\$ 510,711.76	\$ 460,230.88	\$ 574,480.94	\$ 419,006.47	\$ 408,911.73	\$ 408,911.73	\$ 274,474.99	\$ 229,662.75	\$ 141,438.64		
\$4,333,017.92												
\$4,333,017.92												

Attachment 18

Budget Narrative

Paramount Schools of Excellence provides more support for startups than traditional networks to install consistent, tight systems and move quickly towards high performance. Because of this, the ICSB budget shows that this new school in our network will operate at a deficit for the initial four years (this is a mirror to all new budgeted schools in our system). In addition to “Year 0” funding, the Navigation Team (Central Office) will cover all startup costs and annual deficit gaps until the new school reaches stable financial scale.

The goal of the PSOE system is to become profitable at 300 students. And, as noted in the budget, while the PSOE system projects reaching 300 students in year 6, this slow growth to financial scale is intentionally conservative to illustrate the organization’s ability to manage new school deficits without additional sources of income. This slow enrollment scale amounts to a 125-student start in year one and grows by only 40 students annually. It is PSOE’s belief that the organization can scale enrollment faster than 40-students annually, but it still budgets lower enrollment as a conservative practice.

Internally, Paramount Schools of Excellence operates on three separate budgets: school budgets, central office budget (Navigation Team), and capital budget. The organization maps out ten years in the future in each of these three budgets. The budget provided for this application is centered on the ICSB Budget Projections Workbook, but PSOE has a 10-year tool that outlines expenses and expected income. The PSOE budget template is not an exact duplicate of the ICSB template (mainly in the income formula) but is an accurate mirror for income and expenses in the PSOE system. A synopsis of the PSOE budget has been provided following the ICSB Workbook in Attachment 17.

THE PSOE 10-YR BUDGET OVERVIEW

- a) All new schools receive a July 1 redistribution of support income from a portion of the prior year's combined school income to maintain appropriate days cash on hand as they scale up.
- b) Any combined school income remaining after supporting scaling schools with starting cash is swept to the NAV team for expenses.
- c) Schools pay 10% in the Professional Services line to the central office for org-wide expenses and central office costs.
- d) Schools pay an annual 8% flat fee (8% of budgeted income) to the central office in the building debt line.
- e) Retention benefits (teacher stipends & principal benefits) have been built into each school's budget.
- f) This 10-school budget includes annual 2% raises for all staff over 10 years, with no teachers or staff leaving the organization. This keeps costs high, making the projections conservative.
- g) This budget allows for an additional 2% raise for teachers in 2022-23 (when applicable above the new salary base).

#2: Navigation Team (Central Office) Budget

- a) NAV Income is all internal: 10% Central Office fee, 8% Debt fee, and surplus school income after startup costs are paid for scaling schools.
- b) NAV receives 8% from all schools for helping with building debt and then pays all actual building debt and lease payments.
- c) NAV sweeps surplus income to the capital budget to support new school acquisition, holding costs, renovation, and debt reduction.
- d) Executive benefits are included in the Navigation Team's budget.

#3: Capital Budget

- a) NAV sweeps surplus income from remaining school income and NAV income into the capital budget to support new school acquisition, holding costs, renovation, and debt reduction.
- b) The capital budget is seeded with starting cash from the central office from fiscal year 2022-23. This seed amount is dependent on Q3 and Q4 cash and enables additional support for the launch of new schools.
- c) The capital budget models a buyout of school five and six within the initial five years, along with new school purchases/debt reduction in the second 5 years.
- d) The capital budget shows a model of expected income against the need for future capital expenses and can be adjusted as the cash position adjusts.



FINANCIAL STATEMENTS

AND

SUPPLEMENTARY INFORMATION

JUNE 30, 2018 AND 2017

CPAs / ADVISORS



PARAMOUNT SCHOOL OF EXCELLENCE, INC.

TABLE OF CONTENTS
JUNE 30, 2018 AND 2017

	Page
Report of Independent Auditors	1
Financial Statements	
Statements of Financial Position	3
Statements of Activities and Changes in Net Assets	4
Statements of Cash Flows	5
Notes to Financial Statements	6
Supplementary Information	
Schedule of Expenditures of Federal Awards – Year Ended June 30, 2018	17
Report of Independent Auditors on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	18
Report of Independent Auditors on Compliance for Each Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance.....	20
Schedule of Findings and Questioned Costs – Year Ended June 30, 2018	23



Blue & Co., LLC / 500 N. Meridian Street, Suite 200 / Indianapolis, IN 46204
main 317.633.4705 fax 317.633.4889 email blue@blueandco.com

REPORT OF INDEPENDENT AUDITORS

Board of Directors
Paramount School of Excellence, Inc.
Indianapolis, Indiana

We have audited the accompanying financial statements of Paramount School of Excellence, Inc. (Paramount), a nonprofit organization, which comprise the statements of financial position as of June 30, 2018 and 2017, and the related statements of activities and changes in net assets, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *Guidelines for the Audits of Charter Schools Performed by Private Examiners*, issued by the Indiana State Board of Accounts. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Board of Directors
Paramount School of Excellence, Inc.
Indianapolis, Indiana

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Paramount as of June 30, 2018 and 2017, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 20, 2018, on our consideration of Paramount's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Paramount's internal control over financial reporting and compliance.

Blue & Co., LLC

Indianapolis, Indiana
November 20, 2018

PARAMOUNT SCHOOL OF EXCELLENCE, INC.

STATEMENTS OF FINANCIAL POSITION JUNE 30, 2018 AND 2017

	2018	2017
ASSETS		
Current assets		
Cash	\$ 2,027,165	\$ 1,049,311
Accounts receivable, net	111,226	67,269
Prepaid expenses	33,532	16,597
Total current assets	2,171,923	1,133,177
Investments - restricted by debt instrument	518,591	512,574
Property and equipment		
Land and improvements	999,001	999,001
Building and improvements	8,977,027	8,921,387
Equipment	1,690,291	1,491,108
Software and educational materials	445,437	372,707
	12,111,756	11,784,203
Less accumulated depreciation	2,715,464	2,374,422
Property and equipment, net	9,396,292	9,409,781
Other assets	-0-	1,000
Total assets	<u>\$ 12,086,806</u>	<u>\$ 11,056,532</u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued expenses	\$ 122,805	\$ 60,237
Accrued salaries, wages and related liabilities	346,418	455,899
Current portion of long-term debt	178,899	186,051
Current portion of capital leases	46,510	32,727
Total current liabilities	694,632	734,914
Long-term liabilities		
Long-term debt, less current portion	5,139,588	5,302,320
Capital leases, less current portion	93,025	-0-
Total liabilities	5,927,245	6,037,234
Net assets		
Unrestricted	6,159,561	4,981,800
Temporarily restricted	-0-	37,498
Total net assets	6,159,561	5,019,298
Total liabilities and net assets	<u>\$ 12,086,806</u>	<u>\$ 11,056,532</u>

See accompanying notes to the financial statements.

PARAMOUNT SCHOOL OF EXCELLENCE, INC.

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
YEARS ENDED JUNE 30, 2018 AND 2017

	2018	2017
Revenues and support		
State support	\$ 6,264,291	\$ 5,667,076
Federal support	1,746,297	1,577,835
Contributions and donations	80,707	127,399
Other revenues and support	156,397	106,487
Interest income	7,717	6,827
Net assets released from restriction	37,498	32,340
Total revenues and support	<u>8,292,907</u>	<u>7,517,964</u>
Program and supporting service expenses		
Salaries and wages	3,604,105	3,448,959
Employee benefits	1,064,132	1,022,157
Professional services	643,497	540,896
Advertising	17,829	69,187
Depreciation	343,280	274,981
Occupancy	298,864	209,246
Supplies	640,774	565,322
Insurance	36,750	70,903
Interest	205,797	216,673
Other	260,118	267,022
Total program and supporting service expenses	<u>7,115,146</u>	<u>6,685,346</u>
Change in unrestricted net assets	1,177,761	832,618
Temporarily restricted net assets		
Contributions and donations	-0-	69,838
Net assets released from restriction	(37,498)	(32,340)
Change in temporarily restricted net assets	<u>(37,498)</u>	<u>37,498</u>
Change in net assets	1,140,263	870,116
Net assets		
Beginning of year	5,019,298	4,149,182
End of year	<u>\$ 6,159,561</u>	<u>\$ 5,019,298</u>

See accompanying notes to the financial statements.

PARAMOUNT SCHOOL OF EXCELLENCE, INC.

STATEMENTS OF CASH FLOWS YEARS ENDED JUNE 30, 2018 AND 2017

	2018	2017
Operating activities		
Change in net assets	\$ 1,140,263	\$ 870,116
Adjustments to reconcile change in net assets to net cash flows from operating activities		
Depreciation	343,280	274,981
Amortization of debt issuance costs	11,060	11,060
Loss on disposal of property and equipment	3,949	-0-
Changes in operating assets and liabilities		
Accounts receivable	(43,957)	31,054
Prepaid expenses	(16,935)	24,500
Other assets	1,000	2,715
Accounts payable and accrued expenses	33,271	(451,509)
Accrued salaries, wages and other liabilities	(109,481)	135,394
Net cash flows from operating activities	1,362,450	898,311
Investing activities		
Property and equipment additions	(177,908)	(1,957,904)
Proceeds received on disposal of property and equipment	13,000	-0-
Purchase of investments	(6,017)	(4,826)
Net cash flows from investing activities	(170,925)	(1,962,730)
Financing activities		
Cash paid for debt issuance costs	-0-	(21,601)
Proceeds of issuance of long-term debt	-0-	1,620,120
Payments on long-term debt	(180,944)	(1,501,854)
Payments on capital lease obligations	(32,727)	(36,831)
Net cash flows from financing activities	(213,671)	59,834
Change in cash	977,854	(1,004,585)
Cash		
Beginning of year	1,049,311	2,053,896
End of year	\$ 2,027,165	\$ 1,049,311
Supplemental cash flows information		
Cash paid for interest	\$ 194,737	\$ 205,613
Property and equipment included in accounts payable	\$ 29,297	\$ 7,153
Equipment purchased through capital lease	\$ 139,535	\$ -0-

See accompanying notes to the financial statements.

PARAMOUNT SCHOOL OF EXCELLENCE, INC.

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2018 AND 2017

1. SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

Paramount School of Excellence, Inc. (Paramount) is a public benefit not-for-profit organization incorporated under the laws of the State of Indiana. Paramount operates a public charter school established under Indiana Code 20-24 and is sponsored by the Mayor's Office of the City of Indianapolis. Paramount provides educational instruction to students in grades kindergarten through eighth grade.

Basis of Accounting

Paramount prepares its financial statements using the accrual basis of accounting. Accrual accounting requires the recognition of revenues when they are earned and measurable in the accounting period when services are provided, and the recognition of expenses in the period in which they occur.

Use of Estimates

The preparation of financial statements in conformity with the accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash

Paramount maintains its cash in accounts, which at times, may exceed federally insured limits. Paramount has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash.

Accounts Receivable

Accounts receivable represent the uncollected portion of funds from amounts awarded to Paramount. Accounts receivable are reported net of an allowance for doubtful accounts. There were no allowances, as of June 30, 2018 and 2017, respectively, based on management's estimate of the amount of receivables that will be collected.

Prepaid Expenses

Prepaid expenses relate to advance payments on products or services that will be used for future programs or activities.

PARAMOUNT SCHOOL OF EXCELLENCE, INC.

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2018 AND 2017

Investments – Restricted by Debt Instrument

Investments consist of certificates of deposit recorded at contract value. The investments serve as collateral for debt instrument and are restricted to use. See the Long-Term Debt note for further information.

Property, Equipment and Depreciation

Property and equipment are recorded at cost, or if donated, at fair market value at date of donation, and include expenditures for new additions and repairs which substantially increase the useful lives of existing property and equipment. Maintenance repairs and minor renewals are expenses as incurred. When property and equipment are retired or otherwise disposed of, the related cost and accumulated depreciation are removed from the accounts and any resulting gain or loss for the period is recognized. Depreciation is provided over the estimated useful life of each class of depreciable asset, ranging from 3-40 years, and is computed on using the straight-line method. Depreciation expense was approximately \$343,000 and \$275,000 for 2018 and 2017, respectively.

Debt Issuance Costs

Debt issuance costs represent costs incurred in connection with the issuance of long-term debt. Such costs are amortized over the term of the respective debt. The costs incurred in issuing the debt are classified with long-term debt, as a deduction, and are amortized over the respective term of the debt.

Contributions

Unconditional promises to give cash and other assets to Paramount are reported at fair value at the date the promise is received. Conditional promises to give and indications of intentions to give are reported at fair value at the date the gift is received. Paramount reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. Temporarily restricted net assets are those that are restricted as to time or purpose. When the restriction expires, the net assets are reclassified to unrestricted net assets and are reported in the statement of activities and changes in net assets as net assets released from restriction. Absent any donor-imposed restrictions, gifts of cash and other assets are recorded as unrestricted net assets.

Donated Services

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by Paramount. Volunteers also provide program services throughout the year that are not recognized as contributions in the financial statements unless the recognition criteria are met. These services include volunteering at events and clerical work.

PARAMOUNT SCHOOL OF EXCELLENCE, INC.

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2018 AND 2017

Net Assets Classifications

Net assets are classified into one of three classes of net assets based on the absence or existence of donor-imposed restrictions. A description of each class follows:

Unrestricted net assets - The unrestricted net asset class includes general assets and liabilities of Paramount. The unrestricted net assets of Paramount may be used at the discretion of management to support Paramount's purpose and operations.

Temporarily restricted net assets - The temporarily restricted net asset class relate to gifts with explicit donor-imposed restrictions that have not been met as to a specified purpose, or to later periods of time or after specified dates. The temporarily restricted net assets balance was approximately \$-0- and \$37,000 as of June 30, 2018 and 2017, respectively.

Permanently restricted net assets - The permanently restricted net asset class includes assets for which the donor has stipulated that the contribution be maintained in perpetuity. There were no permanently restricted net assets as of June 30, 2018 and 2017.

State and Federal Support

Paramount receives state funds that have been designated for charter schools from the Indiana Department of Education. The State of Indiana uses a formula based on the number of students enrolled in the school during the year to determine the amount of funds Paramount receives. Paramount also receives federal support through a variety of programs administered by the Department of Education and United States Department of Agriculture.

Paramount derives a significant portion of its revenue from state and federal funding programs (approximately 96% and 98% in 2018 and 2017, respectively). The receipt of future revenues by Paramount is subject to among other factors, state and federal policies affecting education, economic conditions, and other conditions which are impossible to predict.

Advertising

Paramount uses advertising to promote its programs among the audiences it serves. The production costs of advertising are expensed as incurred. Advertising expense totaled approximately \$18,000 and \$69,000 during 2018 and 2017, respectively, and is included within operating expenses within the statements of activities and changes in net assets.

PARAMOUNT SCHOOL OF EXCELLENCE, INC.

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2018 AND 2017

Income Taxes

Paramount is a not-for-profit corporation as defined by Section 501(c)(3) of the Internal Revenue Code and, accordingly, is exempt from federal and state income taxes. As such, Paramount is generally exempt from income taxes. However, Paramount is required to file Federal Form 990 – Return of Organization Exempt from Income Tax which is an informational return only.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by Paramount and recognize a tax liability if Paramount has taken an uncertain position that more likely than not would not be sustained upon examination by various federal and state taxing authorities. Management has analyzed the tax positions taken by Paramount, and has concluded that as of June 30, 2018 and 2017, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the accompanying financial statements. Paramount is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Paramount filed its federal and state income tax returns for periods through June 30, 2017. The income tax returns are generally open to examination by the relevant taxing authorities for a period of three years from the later of the date the return was filed or its due date (including approved extensions).

Reclassification

Certain 2017 amounts in the financial statements have been reclassified to conform to the 2018 presentation. Any reclassifications had no impact on previously reported net assets or change in net assets.

Going Concern Evaluation

Management evaluates whether there are conditions or events that raise substantial doubt about Paramount's ability to continue as a going concern for a period of one year from the date the financial statements are available to be issued.

Subsequent Events

Paramount has evaluated events or transactions occurring subsequent to the statement of financial position date for recognition and disclosure in the accompanying financial statements through the date the financial statements are available to be issued which is November 20, 2018.

PARAMOUNT SCHOOL OF EXCELLENCE, INC.

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2018 AND 2017

Recently Issued Accounting Standards

On May 28, 2014, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*. The core principle of this new guidance is that “an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services”. On August 12, 2015, FASB further amended this guidance and issued ASU 2015-14, *Revenue from Contracts with Customers (Topic 606)*, which deferred the effective date for all entities by one year. These new standards, which Paramount is not required to adopt until its year ending June 30, 2020, deal with the timing of reporting revenues from contracts with customers, and disclosures related thereto.

On February 25, 2016, FASB issued ASU No. 2016-02, *Leases (Topic 842)*. This new standard, which Paramount is not required to adopt until its year ending June 30, 2021, is intended to improve financial reporting about leasing transactions by requiring entities that lease assets to recognize on their statement of financial position the assets and liabilities for the rights and obligations created by those leases, and to provide additional disclosures regarding the leases. Leases with terms (as defined in the ASU) of twelve months or less are not required to be reflected on an entity’s statement of financial position.

On August 18, 2016, FASB issued ASU No. 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities (Topic 958)* that amends how a not-for-profit organization classifies its net assets, as well as the information it presents in financial statements and notes about its liquidity, financial performance, and cash flows. This new standard, which Paramount is not required to adopt until its year ending June 30, 2019, requires improved presentation and disclosures to help not-for-profits provide more relevant information about their resources (and the changes in those resources) to donors, grantors, creditors, and other users. This ASU completes the first phase of a two phase project to amend not-for-profit financial reporting requirements.

On November 17, 2016, FASB issued ASU No. 2016-18, *Statement of Cash (Topic 230) – Restricted Cash*. This new standard intends to eliminate diversity in practice by requiring the statement of cash flows to present the change in the total cash and cash equivalents, which will include restricted cash and cash equivalents. Paramount will be required to adopt this new standard in the year ending June 30, 2020.

On June 21, 2018, FASB issued ASU 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The amendments in this ASU clarify and improve current guidance about whether a transfer of assets (or the reduction, settlement, or cancellation of liabilities) is a contribution or an exchange transaction. The amendments clarify how an entity determines whether a resource provider is participating in an exchange transaction by evaluating whether the resource provider is receiving commensurate value in return for the resources transferred. Additionally, the amendments in this ASU require that an entity determine whether a contribution is conditional on the basis of whether an agreement includes a barrier that must be overcome and either a right of return of assets transferred or a right of release of a promisor’s obligation to transfer assets. Finally, ASU 2018-08 amends the “simultaneous release accounting

PARAMOUNT SCHOOL OF EXCELLENCE, INC.

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2018 AND 2017

policy” to allow a not-for-profit entity to recognize a restricted contribution directly in unrestricted net assets/net assets without donor restrictions if the restriction is met in the same period that revenue is recognized. Paramount will be required to adopt this new standard in the year ending June 30, 2020.

Paramount is presently evaluating the effects that these ASUs will have on its future financial statements, including related disclosures.

2. LONG-TERM DEBT

Long-term debt as of June 30, 2018 and 2017 is summarized as follows:

	2018	2017
Indiana Finance Authority Educational Facilities Revenue Bonds Payable, Series 2015, maturing in December 2041, fixed interest rate of 4.06% as of June 30, 2018, principal payments due in monthly installments ranging from \$10,600 to \$27,500 plus interest, secured by property and a certificate of deposit with a total net book value of approximately \$8,579,000 and \$9,434,000 as of June 30, 2018 and 2017, respectively.	\$ 4,977,518	\$ 5,108,462
Loan payable to Indiana Common School Fund and the State Board of Education, maturing in July 2026, fixed interest rate of 1.0%, semi-annual principal and interest payments ranging from \$25,000 to \$30,000 plus interest, secured by property with a net book value of approximately \$425,000 and \$475,000 as of June 30, 2017 and 2016, respectively.	425,000	475,000
	5,402,518	5,583,462
Less unamortized debt issuance costs	(84,031)	(95,091)
Less current portion	(178,899)	(186,051)
	<u>\$ 5,139,588</u>	<u>\$ 5,302,320</u>

In December 2015, the Indiana Finance Authority (IFA) issued the IFA Educational Facilities Revenue Bonds Series 2015 (Series 2015 Bonds) in the amount of \$5,175,000. Also in December 2015, Paramount, IFA and National Bank of Indianapolis (NBI) entered into a Bond Purchase Agreement whereby NBI purchased from IFA all the Series 2015 Bonds in a private placement. The interest rate on the Series 2015 Bonds was variable at the prime rate less .78% through the completion of the renovation and expansion phase which was December 2016. Once the renovation and expansion phase was complete, the interest rate, based on the tax-exempt rate, became fixed at 3.39% through December 2021. Effective on January 1, 2018, as a result of the Tax Cuts and Jobs Act of 2017 and the reduction of the corporate tax rate from 35% to 21%, the fixed interest rate on the tax-exempt Series 2015 Bonds was adjusted to 4.06%. This adjusted fixed rate will be in effect through December 2021. The fixed interest rate will be adjusted after 2021 for another 5-year period based on the tax-exempt borrowing rate at that time. The fixed interest rate will be adjusted every 5 years through the Series 2015 Bonds maturity date of 2041. Additionally, NBI has agreed to hold the Series 2015 Bonds through the maturity date in 2041.

PARAMOUNT SCHOOL OF EXCELLENCE, INC.

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2018 AND 2017

In March 2016, Paramount entered into a mortgage agreement in the amount of \$1,500,000 with IFF (an Illinois not for profit corporation) to finance a portion of the cost of construction, equipping, renovation and improvement of certain facilities. The interest rate was fixed at 6.375% for the first 5 years of the mortgage agreement. For each 5-year period after the initial 5-year period, the rate was to be adjusted to a fixed rate as defined in the mortgage agreement. The mortgage payable was to mature in November 2031 and was subordinated to the Series 2015 Bonds. The mortgage was paid in full during 2017.

In December 2015, the Indiana Common School Fund and the State Board of Education issued a \$500,000 loan to Paramount. This agreement requires semi-annual principal payments to be made as reductions of Paramount's distributive share of the State Tuition Support. The interest rate is fixed at 1% for duration of the agreement. The loan payable matures in July 2026.

Paramount has agreed to certain covenants, which, among other things, limit additional indebtedness and guarantees and require Paramount to maintain specific financial ratios. Management believes they are in compliance with the covenants as of June 30, 2018 and 2017.

Aggregate future maturities for long-term debt obligations for the years succeeding June 30, 2018 are as follows:

Year Ending June 30,	
2019	\$ 178,899
2020	183,762
2021	189,917
2022	195,787
2023	201,902
Thereafter	4,452,251
	<u>\$ 5,402,518</u>

In 2016, Paramount entered into a capital lease for equipment. The capital lease ran through November 2017 with an interest rate of 3.50% with annual payments of principal and interest of approximately \$36,800. As of June 30, 2017, the cost of the equipment was approximately \$106,000 with accumulated depreciation of approximately \$73,000.

In June 2018, Paramount entered into a capital lease for equipment. The capital lease runs through July 2021 with an interest rate of 4.00% with annual payments of principal and interest of approximately \$49,300. As of June 30, 2018, the cost of the equipment was approximately \$140,000 and will be placed in service in July 2018.

PARAMOUNT SCHOOL OF EXCELLENCE, INC.

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2018 AND 2017

Future payments on the capital lease for the years succeeding June 30, 2018 are as follows:

Year Ending June 30,	
2019	\$ 49,321
2020	49,321
2021	49,321
	<hr/>
	147,963
Less interest element	(8,428)
Obligations under capital leases	<hr/> <hr/>
	\$ 139,535

3. PENSION PLANS

403(b) Plan

Paramount's eligible faculty and administrative staff are participants in a 403(b) tax deferred annuity retirement plan (the Plan). Paramount may make a discretionary matching contribution on participant deferrals and may make a discretionary profit sharing contribution to the Plan. Paramount's contribution to the Plan, net of forfeitures, was approximately \$245,000 and \$211,000 during 2018 and 2017, respectively.

Indiana Public Retirement System

Paramount elected to become a participating employer in the Indiana Public Retirement System (INPRS). INPRS resulted from legislation passed in 2010 that merged the Public Employees' Retirement Fund (PERF) and the Indiana Teachers' Retirement Fund (TRF), with the merger of the funds being effective as of July 1, 2011.

TRF is a defined benefit pension plan. TRF is also a cost-sharing multiple employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. The plan is recorded as a multiemployer plan, which was established by the State of Indiana. All employees engaged in teaching or in the supervision of teaching in the public schools of the State of Indiana are eligible to participate. Indiana Code (IC 5-10.2) governs, through the INPRS Board, most requirements of the system, and give Paramount authority to contribute to the plan. The retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3% of compensation, plus interest credited to the member's account. Paramount's required contribution rate is 7.5%. Paramount may elect to make additional contributions on behalf of the member. Retirement plan contributions for TRF were approximately \$27,000 and \$28,000 for 2018 and 2017, respectively. The plan is not governed by the Employee Retirement Income Security Act of 1974 and is not required to file a Federal Form 5500, Annual

PARAMOUNT SCHOOL OF EXCELLENCE, INC.

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2018 AND 2017

Return/Report of Employee Benefit Plan. There were no surcharges imposed and there is no expiration date of the plan included in state statutes. Upon withdrawing from TRF, Paramount, would be obligated for its proportionate share of the plan's unfunded vested benefits. Paramount has no intention of withdrawing from the plan. A complete copy of the annual report for the year ended June 30, 2017 can be obtained at www.in.gov/inprs.

4. NET ASSETS

Temporarily restricted net assets are available for the following purposes as of June 30, 2018 and 2017 as follows:

	2018	2017
Comprehensive Counseling Initiative	\$ -0-	\$ 29,998
Success Through Education, Agriculture and Mentoring	-0-	7,500
	<u>\$ -0-</u>	<u>\$ 37,498</u>

5. RISKS AND UNCERTAINTIES

Paramount provides education instruction services to families residing in Marion and surrounding counties in Indiana, and is subject to the risks of economic and competitive forces at work within this geographic area.

The majority of revenues relate to legislation enacted by the State of Indiana. Changes in state legislation could significantly affect Paramount. Additionally, Paramount is subject to monitoring and audit by state agencies. Those examinations may result in additional liabilities to be imposed on Paramount.

6. COMMITMENTS AND CONTINGENCIES

Operating Leases

Paramount leases certain equipment and modular classrooms under operating leases expiring at various times through June 2021. Total lease expense for 2018 and 2017 was approximately \$70,000 and \$61,000, respectively, and has been included in occupancy expense in the statements of activities and changes in net assets.

PARAMOUNT SCHOOL OF EXCELLENCE, INC.

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2018 AND 2017

Future minimum lease payments for operating leases are as follows:

Year Ending June 30,	
2019	\$ 170,153
2020	19,956
2021	19,956
	<u>\$ 210,065</u>

Litigation

Paramount may be involved in litigation and regulatory investigations arising in the course of business. After consultation with legal counsel, management estimates that these matters will be resolved without material adverse effect on the future financial position, results of operations or cash flows of Paramount.

7. FUNCTIONAL EXPENSES

Paramount incurred the following program services as well as management and general expenses for 2018 and 2017:

	2018		
	Program Services	Management and General	Total Expenses
Salaries and wages	\$ 2,883,284	\$ 720,821	\$ 3,604,105
Employee benefits	851,306	212,826	1,064,132
Professional services	514,798	128,699	643,497
Advertising	14,263	3,566	17,829
Depreciation	274,624	68,656	343,280
Occupancy	239,091	59,773	298,864
Supplies	512,619	128,155	640,774
Insurance	29,400	7,350	36,750
Interest	164,638	41,159	205,797
Other	208,094	52,024	260,118
	<u>\$ 5,692,117</u>	<u>\$ 1,423,029</u>	<u>\$ 7,115,146</u>

PARAMOUNT SCHOOL OF EXCELLENCE, INC.

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2018 AND 2017

	2017		
	Program Services	Management and General	Total Expenses
Salaries and wages	\$ 2,759,167	\$ 689,792	\$ 3,448,959
Employee benefits	817,726	204,431	1,022,157
Professional services	432,717	108,179	540,896
Advertising	55,350	13,837	69,187
Depreciation	219,985	54,996	274,981
Occupancy	167,397	41,849	209,246
Supplies	452,258	113,064	565,322
Insurance	56,722	14,181	70,903
Interest	173,338	43,335	216,673
Other	213,618	53,404	267,022
	<u>\$ 5,348,278</u>	<u>\$ 1,337,068</u>	<u>\$ 6,685,346</u>

Certain costs have been allocated among the program and management and general categories based on the actual direct expenditures and cost allocations based upon time spent by Paramount's personnel. Although the methods used were appropriate, alternative methods may provide different results.

8. SUBSEQUENT EVENT

During August 2018, Paramount opened a second charter school location named Community Heights in addition to its original school location, Brookside. Community Heights serves students in grades K-4. Paramount entered into a lease agreement for the school space at approximately \$11,500 per month. The lease expires June 2019 and renewable in one year increments.

SUPPLEMENTARY INFORMATION

PARAMOUNT SCHOOL OF EXCELLENCE, INC.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2018

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant ID Number	Expenditures
Major programs			
U.S. Department of Education (DOE) through Indiana Department of Education (IDOE) Title I, Part A Cluster - Grants to Local Educational Agencies	84.010	S010A170014	\$ 685,558
DOE - through IDOE - Improving Teacher Quality to State Grants	84.367	S367A160013	74,701
Total major programs			760,259
Non-major programs			
U.S. Department of Agriculture through IDOE Child Nutrition Cluster			
School Breakfast Program	10.553	Not Available	193,786
National School Lunch Program	10.555	Not Available	357,175
Summer School Lunch Program	10.559	Not Available	44,475
Total for cluster			595,436
DOE - through IDOE - Special Education Cluster - Grants to States	84.027	14217-542-PN01	158,177
DOE - through IDOE - Twenty-First Century Community Learning Centers	84.287	A58-7-17DL-0059	232,425
Total non-major programs			986,038
Total federal expenditures			\$ 1,746,297

Basis of Presentation

The accompanying schedule of expenditures of federal awards (SEFA) includes the federal grant activity of Paramount for the year ended June 30, 2018, and is presented on the accrual basis of accounting. The information in this SEFA is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some of the amounts presented in this SEFA may differ from amounts presented in or used in the preparation of the basic financial statements. The basic financial statement classifications may include other financial activity for reporting purposes.

Summary of Significant Accounting Policies

Expenditures report on this SEFA are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Paramount has elected not to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

Amounts Passed through to Subrecipients

Paramount did not pass through any federal awards to subrecipients during 2018. In addition, there were no federal awards expended in the form of non-cash assistance and there were no loan guarantees outstanding or extended during 2018.



Blue & Co., LLC / 500 N. Meridian Street, Suite 200 / Indianapolis, IN 46204
main 317.633.4705 fax 317.633.4889 email blue@blueandco.com

REPORT OF INDEPENDENT AUDITORS ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors
Paramount School of Excellence, Inc.
Indianapolis, Indiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Paramount School of Excellence, Inc. (Paramount) which comprise the statement of financial position as of June 30, 2018, and the related statements of activities and changes in net assets, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated November 20, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Paramount's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Paramount's internal control. Accordingly, we do not express an opinion on the effectiveness of Paramount's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of Paramount's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Board of Directors
Paramount School of Excellence, Inc.
Indianapolis, Indiana

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Paramount's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Paramount's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Blue & Co., LLC

Indianapolis, Indiana
November 20, 2018



Blue & Co., LLC / 500 N. Meridian Street, Suite 200 / Indianapolis, IN 46204
main 317.633.4705 fax 317.633.4889 email blue@blueandco.com

REPORT OF INDEPENDENT AUDITORS ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Board of Directors
Paramount School of Excellence, Inc.
Indianapolis, Indiana

Report on Compliance for Each Major Federal Program

We have audited Paramount School of Excellence, Inc.'s, (Paramount) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Paramount's major federal programs for the year ended June 30, 2018. Paramount's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Paramount's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Paramount's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Paramount's compliance.

Board of Directors
Paramount School of Excellence, Inc.
Indianapolis, Indiana

Opinion on Each Major Federal Program

In our opinion, Paramount complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2018.

Report on Internal Control over Compliance

Management of Paramount is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Paramount's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Paramount's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over their compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that were not identified.

Board of Directors
Paramount School of Excellence, Inc.
Indianapolis, Indiana

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Blue & Co., LLC

Indianapolis, Indiana
November 20, 2018

PARAMOUNT SCHOOL OF EXCELLENCE, INC.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS YEAR ENDED JUNE 30, 2018

Section I – Summary of Audit Results:

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? yes none reported

Significant deficiency(ies) identified that are not considered to be material weakness(es) noted? yes none reported

Noncompliance material to financial statements noted? yes no

Federal Awards

Internal controls over major programs:

Material weakness(es) identified? yes none reported

Significant deficiency(ies) identified that are not considered to be material weakness(es) noted? yes none reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)? yes no

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
84.010	Title I, Part A Cluster - Grants to Local Educational Agencies
84.367	Improving Teacher Quality To State Grants

Dollar threshold used to distinguish between type A and B programs: \$750,000

Auditee qualified as low-risk auditee? yes no

Section II - Findings Related to Financial Statements Reported in Accordance With Government Auditing Standards:

No matters reported

Section III - Findings and Questioned Costs Relating to Federal Awards:

No matters reported

Section IV - Summary Schedule of Prior Audit Findings:

No matters reported



FINANCIAL STATEMENTS

AND

SUPPLEMENTARY INFORMATION

JUNE 30, 2020 AND 2019

CPAs / ADVISORS



PARAMOUNT SCHOOLS OF EXCELLENCE, INC.

TABLE OF CONTENTS
JUNE 30, 2020 AND 2019

	Page
Report of Independent Auditors	1
Financial Statements	
Statements of Financial Position.....	3
Statements of Activities and Changes in Net Assets	4
Statements of Cash Flows.....	5
Notes to Financial Statements.....	6
Supplementary Information	
Schedule of Financial Position – by Location - June 30, 2020.....	17
Schedule of Activities and Changes in Net Assets – by Location – Year Ended June 30, 2020	18
Schedule of Financial Position – by Location - June 30, 2019.....	19
Schedule of Activities and Changes in Net Assets – by Location – Year Ended June 30, 2019	20
Schedule of Expenditures of Federal Awards – Year Ended June 30, 2020.....	21
Reporting under <i>Government Auditing Standards</i> and the <i>Uniform Guidance</i>	
Report of Independent Auditors on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	22
Report of Independent Auditors on Compliance for Each Major Federal Program and on Internal Control Over Compliance Required by the <i>Uniform Guidance</i>	24
Schedule of Findings and Questioned Costs – Year Ended June 30, 2020	26
Other Report	27



Blue & Co., LLC / 500 N. Meridian Street, Suite 200 / Indianapolis, IN 46204
main 317.633.4705 fax 317.633.4889 email blue@blueandco.com

REPORT OF INDEPENDENT AUDITORS

Board of Directors
Paramount Schools of Excellence, Inc.
Indianapolis, Indiana

We have audited the accompanying financial statements of Paramount Schools of Excellence, Inc. (Paramount), a nonprofit organization, which comprise the statements of financial position as of June 30, 2020 and 2019, and the related statements of activities and changes in net assets, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *Guidelines for the Audits of Charter Schools Performed by Private Examiners*, issued by the Indiana State Board of Accounts. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Board of Directors
Paramount Schools of Excellence, Inc.
Indianapolis, Indiana

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Paramount as of June 30, 2020 and 2019, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As discussed in Note 2 to the financial statements, effective July 1, 2019, Paramount adopted the Financial Accounting Standards Board Accounting Standards Update No. 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (Topic 958)*. Our opinion is not modified with respect to this matter.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information on pages 17 through 20 is presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying schedule of expenditures of federal awards on page 21, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is also presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 28, 2021, on our consideration of Paramount's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Paramount's internal control over financial reporting and compliance.

Blue & Co., LLC

Indianapolis, Indiana
January 28, 2021

PARAMOUNT SCHOOLS OF EXCELLENCE, INC.

STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2020 AND 2019

	2020	2019
ASSETS		
Current assets		
Cash	\$ 2,478,644	\$ 2,384,055
Grant receivables, net	306,999	168,083
Prepaid expenses	31,550	74,716
Total current assets	2,817,193	2,626,854
Investments - restricted by debt instrument	535,596	528,184
Property and equipment		
Land and improvements	999,001	999,001
Building and improvements	9,692,508	9,451,049
Equipment	2,029,507	1,814,141
Software and educational materials	608,131	531,560
Construction in process	4,161,892	-0-
	17,491,039	12,795,751
Accumulated depreciation	(3,497,745)	(2,990,254)
Property and equipment, net	13,993,294	9,805,497
Total assets	\$ 17,346,083	\$ 12,960,535
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued expenses	\$ 469,305	\$ 91,000
Accrued salaries, wages and related liabilities	937,147	503,646
Refundable advances	584,628	25,162
Current portion of long-term debt	736,104	183,762
Current portion of capital leases	43,702	46,510
Total current liabilities	2,770,886	850,080
Long-term liabilities		
Long-term debt, less current portion	8,292,979	4,967,321
Capital leases, less current portion	-0-	46,514
Total liabilities	11,063,865	5,863,915
Net assets without donor restrictions	6,282,218	7,096,620
Total liabilities and net assets	\$ 17,346,083	\$ 12,960,535

See accompanying notes to the financial statements.

PARAMOUNT SCHOOLS OF EXCELLENCE, INC.

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
YEARS ENDED JUNE 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
Revenues and support		
State support	\$ 8,635,661	\$ 7,620,030
Federal support	2,947,520	2,120,299
Contributions and donations	437,720	572,560
Other revenues and support	85,615	29,886
Investment return, net	<u>9,720</u>	<u>15,925</u>
Total revenues and support	12,116,236	10,358,700
Program and supporting service expenses		
Salaries and wages	6,541,145	4,853,629
Employee benefits	1,619,729	1,334,385
Professional services	1,194,385	1,044,363
Advertising	63,132	46,786
Depreciation	507,491	381,179
Occupancy	706,979	459,755
Supplies and miscellaneous equipment	1,696,732	818,802
Insurance	80,220	46,199
Interest	214,352	221,533
Other	<u>306,473</u>	<u>215,010</u>
Total program and supporting service expenses	<u>12,930,638</u>	<u>9,421,641</u>
Change in net assets without donor restrictions	(814,402)	937,059
Net assets		
Beginning of year	<u>7,096,620</u>	<u>6,159,561</u>
End of year	<u>\$ 6,282,218</u>	<u>\$ 7,096,620</u>

See accompanying notes to the financial statements.

PARAMOUNT SCHOOLS OF EXCELLENCE, INC.

STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2020 AND 2019

	<u>2020</u>	<u>2019</u>
Operating activities		
Change in net assets	\$ (814,402)	\$ 937,059
Adjustments to reconcile change in net assets to net cash flows from operating activities		
Depreciation	507,491	381,179
Amortization of debt issuance costs	11,060	11,060
Changes in operating assets and liabilities		
Grant receivables	(138,916)	(56,857)
Prepaid expenses	43,166	(41,184)
Accounts payable and accrued expenses	378,305	(31,805)
Accrued salaries, wages and other liabilities	433,501	157,228
Refundable advances	559,466	25,162
Net cash flows from operating activities	<u>979,671</u>	<u>1,381,842</u>
Investing activities		
Property and equipment additions	(4,695,288)	(790,384)
Purchase of investments	(7,412)	(9,593)
Net cash flows from investing activities	<u>(4,702,700)</u>	<u>(799,977)</u>
Financing activities		
Payments on long-term debt	(183,310)	(178,464)
Proceeds from issuance of long-term debt	4,050,250	-0-
Payments on capital lease obligations	(49,322)	(46,511)
Net cash flows from financing activities	<u>3,817,618</u>	<u>(224,975)</u>
Change in cash	94,589	356,890
Cash		
Beginning of year	<u>2,384,055</u>	<u>2,027,165</u>
End of year	<u>\$ 2,478,644</u>	<u>\$ 2,384,055</u>
Supplemental cash flows information		
Cash paid for interest	\$ 203,292	\$ 210,473

See accompanying notes to the financial statements.

PARAMOUNT SCHOOLS OF EXCELLENCE, INC.

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2020 AND 2019

1. SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

Paramount Schools of Excellence, Inc. (Paramount) is a public benefit not-for-profit organization incorporated under the laws of the State of Indiana. Paramount operates public charter schools established under Indiana Code 20-24 and is sponsored by the Mayor's Office of the City of Indianapolis. Paramount provides educational instruction to students in grades kindergarten through eighth grade. Paramount operated in three locations throughout central Indiana during 2020.

Basis of Accounting

Paramount prepares its financial statements using the accrual basis of accounting. Accrual accounting requires the recognition of revenues when they are earned and measurable in the accounting period when services are provided, and the recognition of expenses in the period in which they occur.

Use of Estimates

The preparation of financial statements in conformity with the accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash

Paramount maintains its cash in accounts, which at times, may exceed federally insured limits. Paramount has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash.

Grant Receivables

Grant receivables are amounts due from federal, state or local government agencies or other organizations. Amounts are recognized as receivable when Paramount has incurred expenditures in compliance with specific contract or grant provisions or amounts billed for incurred expenditures or services and not yet paid. The government agencies or other organizations are billed in the period in which expenditures are incurred. Grant receivables are reported at the net realizable amount due from the government agencies or other organizations.

Grant receivables are recognized at the net amount Paramount expects to collect based on established collection history. Paramount recognizes a separate allowance only when it determines there has been an unforeseeable change in the agencies' ability to pay subsequent to the delivery of goods and services resulting in an impairment loss. Such account balances are charged off against the allowance after all means of collection have been exhausted and the potential recovery is considered remote. Paramount did not record an allowance for doubtful accounts as of June 30, 2020 and 2019.

PARAMOUNT SCHOOLS OF EXCELLENCE, INC.

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2020 AND 2019

Prepaid Expenses

Prepaid expenses relate to advance payments on products or services that will be used for future programs or activities.

Investments – Restricted by Debt Instrument

Investments consist of certificates of deposit recorded at contract value. The investments serve as collateral for debt instrument and are restricted to use. See the Long-Term Debt note for further information.

Property, Equipment and Depreciation

Property and equipment are recorded at cost, or if donated, at fair market value at date of donation, and include expenditures for new additions and repairs which substantially increase the useful lives of existing property and equipment. Maintenance repairs and minor renewals are expensed as incurred. When property and equipment are retired or otherwise disposed of, the related cost and accumulated depreciation are removed from the accounts and any resulting gain or loss for the period is recognized. Depreciation is provided over the estimated useful life of each class of depreciable asset, ranging from 3-40 years, and is computed on using the straight-line method. Depreciation expense was approximately \$507,000 and \$381,000 for 2020 and 2019, respectively. Property and equipment commitments as of June 30, 2020 were approximately \$6,000,000.

Debt Issuance Costs

Debt issuance costs represent costs incurred in connection with the issuance of long-term debt. Such costs are amortized over the term of the respective debt. The costs incurred in issuing the debt are classified with long-term debt, as a deduction, and are amortized over the respective term of the debt.

Net Assets

Net assets, support, revenues, gains, and losses are classified based on the absence or existence of donor restrictions. Accordingly, the net assets of Paramount are classified and reported as follows:

- Net assets without donor restrictions: Net assets that are currently available for operating purposes under the direction of the board or designated by the board for specific use.
- Net assets with donor restrictions: Net assets subject to donor stipulations for specific operating purposes or time restrictions. These include donor restrictions requiring the net assets be held in perpetuity or for a specified term with investment return available for operations or specific purposes. There were no net assets with donor restrictions as of June 30, 2020 and 2019.

PARAMOUNT SCHOOLS OF EXCELLENCE, INC.

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2020 AND 2019

Public Support

Paramount's revenue is primarily derived from cost-reimbursable grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Receipt of these funds is subject to the fulfillment of certain obligations by Paramount as prescribed by these programs and funds may be subject to repayment upon a determination of noncompliance made by a funding agency. Amounts received are recognized as revenue when Paramount has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statements of financial position. Refundable advances were approximately \$585,000 and \$25,000 as of June 30, 2020 and 2019, respectively. Amounts received after incurring qualifying expenditures are reported as grant receivables in the statements of financial position. Grant receivables were \$307,000 and \$168,000 as of June 30, 2020 and 2019, respectively.

Paramount receives state funds that have been designated for charter schools from the Indiana Department of Education (IDOE). The State of Indiana uses a formula based on the number of students enrolled in the school during the year to determine the amount of funds Paramount receives. Paramount also receives federal support through a variety of programs administered by the IDOE and United States Department of Agriculture.

Paramount derives a significant portion of its revenue from state and federal funding programs (approximately 96% and 94% in 2020 and 2019, respectively). The receipt of future revenues by Paramount is subject to among other factors, state and federal policies affecting education, economic conditions, and other conditions which are impossible to predict.

Contributions received, including unconditional promises to give, are recognized when received. Contributions are reported as increases in net assets without donor restrictions unless use of the contributed assets is specifically restricted by the donor. Amounts received that are restricted by the donor to use in future periods or for specific purposes are reported as increases in net assets with donor restrictions. If a restriction is fulfilled in the same reporting period in which the contribution is received, the contribution is reported as net assets without donor restrictions. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, applicable net assets with restriction are reclassified to net assets without donor restrictions and reported in the statement of activities and changes in net assets as net assets released from donor restrictions.

Unconditional promises with payments due in future years have an implied restriction to be used in the year the payment is due unless the contribution is clearly intended to support activities of the current year or is received with restrictions. Conditional promises, such as matching grants, are not recognized until they become unconditional, that is, until all conditions on which they depend are substantially met. Paramount also evaluates whether a contribution is unconditional or conditional based on the absence or presence of barriers and any right of return provisions.

PARAMOUNT SCHOOLS OF EXCELLENCE, INC.

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2020 AND 2019

Donated Services

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by Paramount. Volunteers also provide program services throughout the year that are not recognized as contributions in the financial statements unless the recognition criteria are met. These services include volunteering at events and clerical work.

Advertising

Paramount uses advertising to promote its programs among the audiences it serves. The cost of advertising is expensed as incurred. Advertising expense totaled approximately \$63,000 and \$47,000 during 2020 and 2019, respectively, and is included within operating expenses within the statements of activities and changes in net assets.

Income Taxes

Paramount is a not-for-profit corporation as defined by Section 501(c)(3) of the Internal Revenue Code and, accordingly, is exempt from federal and state income taxes. As such, Paramount is generally exempt from income taxes. However, Paramount is required to file Federal Form 990 – Return of Organization Exempt from Income Tax which is an informational return only.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by Paramount and recognize a tax liability if Paramount has taken an uncertain position that more likely than not would not be sustained upon examination by various federal and state taxing authorities. Management has analyzed the tax positions taken by Paramount, and has concluded that as of June 30, 2020 and 2019, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the accompanying financial statements. Paramount is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Paramount filed its federal and state income tax returns for periods through June 30, 2019. The income tax returns are generally open to examination by the relevant taxing authorities for a period of three years from the later of the date the return was filed or its due date (including approved extensions).

Reclassification

Certain 2019 amounts in the financial statements have been reclassified to conform to the 2020 presentation. Any reclassifications had no impact on previously reported net assets or change in net assets.

Going Concern Evaluation

Management evaluated whether there were conditions or events that raised substantial doubt about Paramount's ability to continue as a going concern for a period of one year from the date the financial statements were available to be issued.

PARAMOUNT SCHOOLS OF EXCELLENCE, INC.

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2020 AND 2019

Subsequent Events

Paramount evaluated events or transactions occurring subsequent to the statement of financial position date for recognition and disclosure in the accompanying financial statements through the date the financial statements were available to be issued which is January 28, 2021.

Recently Issued Accounting Standards

In February 2016, the Financial Accounting Standards Board (the FASB) issued Accounting Standards Update (ASU) No. 2016-02, *Leases (Topic 842)*. This standard, which Paramount is not required to adopt until its year ending June 30, 2023, is intended to improve financial reporting about leasing transactions by requiring entities that lease assets to recognize on their statement of financial position the assets and liabilities for the rights and obligations created by those leases, and to provide additional disclosures regarding the leases. Leases with terms (as defined in the ASU) of twelve months or less are not required to be reflected on an entity's statement of financial position.

Paramount is presently evaluating the effects that this ASU will have on its future financial statements, including related disclosures.

2. CHANGE IN ACCOUNTING PRINCIPLE

Effective July 1, 2019, Paramount adopted the FASB ASU No. 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made (Topic 958)* (ASU 2018-08). ASU 2018-08 clarifies and improves current guidance about whether a transfer of assets (or the reduction, settlement, or cancellation of liabilities) is a contribution or an exchange transaction. The amendments clarify how an entity determines whether a resource provider is participating in an exchange transaction by evaluating whether the resource provider is receiving commensurate value in return for the resources transferred. Additionally, the amendments in this ASU require that an entity determine whether a contribution is conditional on the basis of whether an agreement includes a barrier that must be overcome and either a right of return on assets transferred or a right of release of a promisor's obligation to transfer assets. Finally, ASU 2018-08 amends the "simultaneous release accounting policy" to allow a not-for-profit entity to recognize a restricted contribution directly in net assets without donor restrictions if the restriction is met in the same period that revenue is recognized. The adoption of ASU 2018-08 did not have a material impact on the 2020 financial statements.

PARAMOUNT SCHOOLS OF EXCELLENCE, INC.

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

3. LONG-TERM DEBT

Long-term debt as of June 30, 2020 and 2019 is summarized as follows:

	2020	2019
Indiana Finance Authority Educational Facilities Revenue Bonds Payable, Series 2015, maturing in December 2041, fixed interest rate of 4.06%, principal payments due in monthly installments ranging from \$10,600 to \$27,500 plus interest, secured by property and a certificate of deposit with a total net book value of approximately \$7,903,000 and \$7,947,000 as of June 30, 2020 and 2019, respectively.	\$ 4,715,744	\$ 4,849,054
Construction loan payable to Schola Building Fund, LLC, maturing in November 2026, variable interest rate of 1.0% for first year and increased by 1.0% increments in subsequent years up to 7.0%, monthly principal and interest payments ranging from \$5,000 to \$65,000 plus interest, with a balloon payment due in November 2026, secured by property with a net book value of approximately \$4,162,000 as of June 30, 2020.	3,048,235	-0-
Loan payable to Indiana Common School Fund and the State Board of Education, maturing in July 2026, fixed interest rate of 1.0%, semi-annual principal and interest payments ranging from \$25,000 to \$30,000 plus interest, secured by property with a net book value of approximately \$325,000 and \$375,000 as of June 30, 2020 and 2019, respectively.	325,000	375,000
Loan payable to Small Business Administration, maturing in April 2022, fixed interest rate of 1.0%, monthly principal and interest payments ranging from \$48,000 to \$53,000 plus interest.	1,002,015	-0-
	9,090,994	5,224,054
Unamortized debt issuance costs	(61,911)	(72,971)
Current portion	(736,104)	(183,762)
	\$ 8,292,979	\$ 4,967,321

In December 2015, the Indiana Finance Authority (IFA) issued the IFA Educational Facilities Revenue Bonds Series 2015 (Series 2015 Bonds) in the amount of \$5,175,000. Also in December 2015, Paramount, IFA and National Bank of Indianapolis (NBI) entered into a Bond Purchase Agreement whereby NBI purchased from IFA all the Series 2015 Bonds in a private placement. The interest rate on the Series 2015 Bonds was variable at the prime rate less .78% through the completion of the renovation and expansion phase which was December 2016. Once the renovation and expansion phase was complete, the interest rate, based on the tax-exempt rate, became fixed at 3.39% through December 2021. On January 1, 2018, as a result of the Tax Cuts and Jobs Act of 2017 and the reduction of the corporate tax rate from 35% to 21%, the fixed interest rate on the tax-exempt Series 2015 Bonds was adjusted to 4.06%. This adjusted fixed rate will be in effect through December 2021. The fixed interest rate will be adjusted after 2021 for another 5-year period based on the tax-exempt borrowing rate at that time. The fixed interest rate will be adjusted every 5 years through the Series 2015 Bonds maturity date of 2041. Additionally, NBI has agreed to hold the Series 2015 Bonds through the maturity date in 2041.

PARAMOUNT SCHOOLS OF EXCELLENCE, INC.

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2020 AND 2019

In October 2019, Schola Building Fund, LLC issued an approximate \$9,000,000 construction loan (Schola Loan) to Paramount to be drawn as construction costs are incurred. The interest rate on the Schola Loan was 0% through the completion of the renovation and expansion phase which was August 2020. Once the renovation and expansion phase was complete, the interest rate was adjusted to 1% from September 2020 through August 2021 and will increase at 1% increments in succeeding years, up to a maximum of 7%. The Schola Loan requires monthly principal and interest payments with a balloon payment due in November 2026.

In December 2015, the Indiana Common School Fund and the State Board of Education issued a \$500,000 loan to Paramount. This agreement requires semi-annual principal payments to be made as reductions of Paramount's distributive share of the State Tuition Support. The interest rate is fixed at 1% for duration of the agreement. The loan payable matures in July 2026.

In April 2020, Paramount received a low interest loan in the amount of approximately \$1,002,000 under the Paycheck Protection Program (PPP) administered by the Small Business Administration (SBA). The PPP loan is unsecured, bears interest at 1% and funds advanced under the program are subject to forgiveness, if certain criteria is met, with the remaining balance repayable within two years of disbursement. The PPP loan may be forgivable to the extent that Paramount incurs and spends the funds on qualified expenditures, which include payroll, employee health insurance, rent, utilities, and interest costs during the covered period as defined by the PPP guidance. In addition, Paramount must maintain specific employment and wage levels during the pandemic and submit adequate documentation of such expenditures to qualify for loan forgiveness. If the loan is not forgiven, monthly principal and interest payments of approximately \$53,000 will be due, with a maturity date of April 2022. Paramount has elected to account for the this as debt and will recognize any forgiveness when it has been legally forgiven by the SBA.

Paramount has agreed to certain covenants, which, among other things, limit additional indebtedness and guarantees and require Paramount to maintain specific financial ratios. Paramount was not in compliance with certain covenants as of June 30, 2020. Management obtained waivers from the lenders for the 2020 noncompliance items. Management believed it was in compliance with the covenants as of June 30, 2019. Aggregate future maturities for long-term debt obligations for the years succeeding June 30, 2020 are as follows:

Year Ending	
June 30,	
2021	\$ 736,104
2022	818,839
2023	294,446
2024	300,321
2025	377,185
Thereafter	<u>6,564,099</u>
	<u>\$ 9,090,994</u>

PARAMOUNT SCHOOLS OF EXCELLENCE, INC.

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2020 AND 2019

In 2019, Paramount placed into service equipment entered into under a capital lease agreement. The capital lease runs through June 2021 with a fixed interest rate of 4.00% with annual payments of principal and interest of approximately \$49,300. As of June 30, 2020 and 2019, the cost of the equipment was \$140,000 with accumulated depreciation of \$88,000 and \$44,000, respectively. Future payments on the capital lease for the year ending June 30, 2021 are \$49,000 which includes interest of \$5,000.

4. PENSION PLANS

403(b) Plan

Paramount's eligible faculty and administrative staff are participants in a 403(b) tax deferred annuity retirement plan (the Plan). Paramount may make a discretionary matching contribution on participant deferrals and may make a discretionary profit sharing contribution to the Plan. Paramount's contribution to the Plan, net of forfeitures, was approximately \$317,000 and \$323,000 during 2020 and 2019, respectively.

Indiana Public Retirement System

Paramount elected to become a participating employer in the Indiana Public Retirement System (INPRS). INPRS resulted from legislation passed in 2010 that merged the Public Employees' Retirement Fund (PERF) and the Indiana Teachers' Retirement Fund (TRF), with the merger of the funds being effective as of July 1, 2011.

TRF is a defined benefit pension plan. TRF is also a cost-sharing multiple employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. The plan is recorded as a multiple employer plan, which was established by the State of Indiana. All employees engaged in teaching or in the supervision of teaching in the public schools of the State of Indiana are eligible to participate. Indiana Code (IC 5-10.2) governs, through the INPRS Board, most requirements of the system, and give Paramount authority to contribute to the plan. The retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3% of compensation, plus interest credited to the member's account. Paramount's required contribution rate is 7.5%. Paramount may elect to make additional contributions on behalf of the member. Retirement plan contributions for TRF were approximately \$238,000 and \$288,000 for 2020 and 2019, respectively. The plan is not governed by the Employee Retirement Income Security Act of 1974 and is not required to file a Federal Form 5500, Annual Return/Report of Employee Benefit Plan. There were no surcharges imposed and there is no expiration date of the plan included in state statutes. Upon withdrawing from TRF, Paramount, would be obligated for its proportionate share of the plan's unfunded vested benefits. Paramount has no intention of withdrawing from the plan. A complete copy of the annual report for the year ended June 30, 2019 can be obtained at www.in.gov/inprs.

PARAMOUNT SCHOOLS OF EXCELLENCE, INC.

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2020 AND 2019

5. RISKS AND UNCERTAINTIES

Paramount provides education instruction services to families residing in Marion and surrounding counties in Indiana and is subject to the risks of economic and competitive forces at work within this geographic area.

The majority of revenues relate to legislation enacted by the State of Indiana. Changes in state legislation could significantly affect Paramount. Additionally, Paramount is subject to monitoring and audit by state agencies. Those examinations may result in additional liabilities to be imposed on Paramount.

6. COMMITMENTS AND CONTINGENCIES

Operating Leases

Paramount leases certain equipment and space for classrooms and administrative purposes under operating leases expiring at various times through June 2028. During August 2019, Paramount entered into a lease agreement for its Englewood location at approximately \$21,000 per month. The lease expired June 2020 and was not renewed. During July 2020, Paramount entered into a new lease agreement for its Englewood location at approximately \$40,000 per month. The lease expires June 2028 and is renewable for two five-year terms. Total lease expense for 2020 and 2019 was approximately \$455,000 and \$253,000, respectively, and has been included in occupancy expense in the statements of activities and changes in net assets.

Future minimum lease payments for operating leases are as follows:

Year Ending June 30,		
2021	\$	539,998
2022		520,042
2023		517,477
2024		509,782
2025		497,478
Thereafter		1,424,981
	\$	<u>4,009,758</u>

Litigation

Paramount may be involved in litigation and regulatory investigations arising in the course of business. After consultation with legal counsel, management estimates that these matters will be resolved without material adverse effect on the future financial position, results of operations or cash flows of Paramount.

PARAMOUNT SCHOOLS OF EXCELLENCE, INC.

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2020 AND 2019

Pandemic

In March 2020, the World Health Organization declared Coronavirus (COVID-19) a pandemic. The continued spread of COVID-19, or any similar outbreaks in the future, may continue to adversely impact the local, regional, national and global economies. The extent to which COVID-19 continues to impact Paramount's operating results is dependent on the breadth and duration of the pandemic and could be affected by other factors management is not currently able to predict. Impacts include, but are not limited to, additional costs for responding to COVID-19, potential shortages of personnel, potential shortages of supplies, loss of, or reduction to, revenue, and investment portfolio declines. Management believes Paramount is taking appropriate actions to respond to the pandemic. However, the full impact is unknown and cannot be reasonably estimated at the date the financial statements were available to be issued.

7. LIQUIDITY AND AVAILABILITY OF RESOURCES

Paramount's financial assets available within one year of the June 30, 2020 and 2019 statements of financial position for general expenditure are as follows:

	<u>2020</u>	<u>2019</u>
Financial assets		
Cash	\$ 2,478,644	\$ 2,384,055
Grant receivables, net	<u>306,999</u>	<u>168,083</u>
Total financial assets	<u>\$ 2,785,643</u>	<u>\$ 2,552,138</u>

None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the statement of financial position date. Grant receivables are subject to implied time restrictions but are expected to be collected within one year. Paramount has a policy to structure its financial assets to be available as is general expenditures, liabilities, and other obligations come due.

8. FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing program and supporting services have been summarized on a natural basis in the statements of activities and changes in net assets and have been summarized on a functional basis below. Certain costs have been allocated among education services and management and general categories based on an estimate of time spent by Paramount's personnel. These expenses include salaries and wages and employee benefits. Other expenses require allocation on a reasonable basis that is consistently applied based on the ratio of salaries and wages and employee benefits charged to the category to total salaries and wages and employee benefits. The other expenses that are allocated include professional services, advertising, depreciation, occupancy, supplies, insurance, interest, and other. Although the methods used were appropriate, alternative methods may provide different results. Fundraising costs were not significant in 2020 and 2019.

PARAMOUNT SCHOOLS OF EXCELLENCE, INC.

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2020 AND 2019

Paramount incurred the following education services as well as management and general expenses for 2020 and 2019:

	2020		
	Education Services	Management and General	Total Expenses
Salaries and wages	\$ 5,232,916	\$ 1,308,229	\$ 6,541,145
Employee benefits	1,295,783	323,946	1,619,729
Professional services	955,508	238,877	1,194,385
Advertising	50,506	12,626	63,132
Depreciation	405,993	101,498	507,491
Occupancy	565,583	141,396	706,979
Supplies	1,357,386	339,346	1,696,732
Insurance	64,176	16,044	80,220
Interest	171,482	42,870	214,352
Other	245,178	61,295	306,473
	<u>\$ 10,344,511</u>	<u>\$ 2,586,127</u>	<u>\$ 12,930,638</u>

	2019		
	Education Services	Management and General	Total Expenses
Salaries and wages	\$ 3,882,903	\$ 970,726	\$ 4,853,629
Employee benefits	1,067,508	266,877	1,334,385
Professional services	835,490	208,873	1,044,363
Advertising	37,429	9,357	46,786
Depreciation	304,943	76,236	381,179
Occupancy	367,804	91,951	459,755
Supplies	655,042	163,760	818,802
Insurance	36,959	9,240	46,199
Interest	177,226	44,307	221,533
Other	172,008	43,002	215,010
	<u>\$ 7,537,312</u>	<u>\$ 1,884,329</u>	<u>\$ 9,421,641</u>

SUPPLEMENTARY INFORMATION

PARAMOUNT SCHOOL OF EXCELLENCE, INC.

SCHEDULE OF FINANCIAL POSITION – LOCATION
JUNE 30, 2020

	Brookside	Cottage Home	Englewood	Eliminations	Total
ASSETS					
Current assets					
Cash	\$ 2,376,458	\$ 52,185	\$ 50,001	\$ -0-	\$ 2,478,644
Grant receivables, net	3,129,644	158,091	51,513	(3,032,249)	306,999
Prepaid expenses	31,550	-0-	-0-	-0-	31,550
Total current assets	5,537,652	210,276	101,514	(3,032,249)	2,817,193
Investments - restricted by debt instrument	535,596	-0-	-0-	-0-	535,596
Property and equipment					
Land and improvements	999,001	-0-	-0-	-0-	999,001
Building and improvements	9,215,904	349,971	126,633	-0-	9,692,508
Equipment	1,786,783	151,673	91,051	-0-	2,029,507
Software and educational materials	522,010	47,568	38,553	-0-	608,131
Construction in process	-0-	4,161,892	-0-	-0-	4,161,892
	12,523,698	4,711,104	256,237	-0-	17,491,039
Accumulated depreciation	(3,384,290)	(82,742)	(30,713)	-0-	(3,497,745)
Property and equipment, net	9,139,408	4,628,362	225,524	-0-	13,993,294
Total assets	\$ 15,212,656	\$ 4,838,638	\$ 327,038	\$ (3,032,249)	\$ 17,346,083
LIABILITIES AND NET ASSETS					
Current liabilities					
Accounts payable and accrued expenses	\$ 203,880	\$ 2,473,681	\$ 823,993	\$ (3,032,249)	\$ 469,305
Accrued salaries, wages and related liabilities	669,899	138,135	129,113	-0-	937,147
Refundable advances	461,088	95,682	27,858	-0-	584,628
Current portion of long-term debt	660,972	75,132	-0-	-0-	736,104
Current portion of capital leases	43,702	-0-	-0-	-0-	43,702
Total current liabilities	2,039,541	2,782,630	980,964	(3,032,249)	2,770,886
Long-term liabilities					
Long-term debt, less current portion	5,319,876	2,973,103	-0-	-0-	8,292,979
Total liabilities	7,359,417	5,755,733	980,964	(3,032,249)	11,063,865
Net assets without donor restrictions	7,853,239	(917,095)	(653,926)	-0-	6,282,218
Total liabilities and net assets	\$ 15,212,656	\$ 4,838,638	\$ 327,038	\$ (3,032,249)	\$ 17,346,083

See report of independent auditors on pages 1 and 2.

PARAMOUNT SCHOOL OF EXCELLENCE, INC.

SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS – LOCATION
YEAR ENDED JUNE 30, 2020

	Cottage				Total
	Brookside	Home	Englewood	Eliminations	
Revenues and support					
State support	\$ 6,607,407	\$ 1,165,445	\$ 862,809	\$ -0-	\$ 8,635,661
Federal support	1,617,413	763,034	567,073	-0-	2,947,520
Contributions and donations	392,610	45,110	-0-	-0-	437,720
Other revenues and support	59,912	24,626	1,077	-0-	85,615
Investment return, net	9,409	239	72	-0-	9,720
Total revenues and support	<u>8,686,751</u>	<u>1,998,454</u>	<u>1,431,031</u>	-0-	<u>12,116,236</u>
Program and supporting service expenses					
Salaries and wages	4,181,869	1,353,318	1,005,958	-0-	6,541,145
Employee benefits	1,160,216	257,122	202,391	-0-	1,619,729
Professional services	677,312	363,121	153,952	-0-	1,194,385
Advertising	59,581	908	2,643	-0-	63,132
Depreciation	424,662	52,315	30,514	-0-	507,491
Occupancy	296,153	143,352	267,474	-0-	706,979
Supplies and miscellaneous equipment	1,033,463	371,811	291,458	-0-	1,696,732
Insurance	53,640	24,115	2,465	-0-	80,220
Interest	214,352	-0-	-0-	-0-	214,352
Other	204,673	49,487	52,313	-0-	306,473
Total program and supporting service expenses	<u>8,305,921</u>	<u>2,615,549</u>	<u>2,009,168</u>	-0-	<u>12,930,638</u>
Change in net assets without donor restrictions	380,830	(617,095)	(578,137)	-0-	(814,402)
Net assets (deficit)					
Beginning of year	<u>7,472,409</u>	<u>(300,000)</u>	<u>(75,789)</u>	-0-	<u>7,096,620</u>
End of year	<u>\$ 7,853,239</u>	<u>\$ (917,095)</u>	<u>\$ (653,926)</u>	\$ -0-	<u>\$ 6,282,218</u>

See report of independent auditors on pages 1 and 2.

PARAMOUNT SCHOOL OF EXCELLENCE, INC.

SCHEDULE OF FINANCIAL POSITION – LOCATION
JUNE 30, 2019

	Brookside	Cottage Home	Englewood	Eliminations	Total
ASSETS					
Current assets					
Cash	\$ 1,929,310	\$ 454,745	\$ -0-	\$ -0-	\$ 2,384,055
Grant receivables, net	1,462,595	59,297	14,953	(1,368,762)	168,083
Prepaid expenses	74,716	-0-	-0-	-0-	74,716
Total current assets	3,466,621	514,042	14,953	(1,368,762)	2,626,854
Investments - restricted by debt instrument	528,184	-0-	-0-	-0-	528,184
Property and equipment					
Land and improvements	999,001	-0-	-0-	-0-	999,001
Building and improvements	9,083,568	349,971	17,510	-0-	9,451,049
Equipment	1,719,425	94,716	-0-	-0-	1,814,141
Software and educational materials	496,728	29,874	4,958	-0-	531,560
	12,298,722	474,561	22,468	-0-	12,795,751
Accumulated depreciation	(2,959,628)	(30,427)	(199)	-0-	(2,990,254)
Property and equipment, net	9,339,094	444,134	22,269	-0-	9,805,497
Total assets	\$ 13,333,899	\$ 958,176	\$ 37,222	\$ (1,368,762)	\$ 12,960,535
LIABILITIES AND NET ASSETS					
Current liabilities					
Accounts payable and accrued expenses	\$ 88,873	\$ 1,258,176	\$ 112,713	\$ (1,368,762)	\$ 91,000
Accrued salaries, wages and related liabilities	503,348	-0-	298	-0-	503,646
Refundable advances	25,162	-0-	-0-	-0-	25,162
Current portion of long-term debt	183,762	-0-	-0-	-0-	183,762
Current portion of capital leases	46,510	-0-	-0-	-0-	46,510
Total current liabilities	847,655	1,258,176	113,011	(1,368,762)	850,080
Long-term liabilities					
Long-term debt, less current portion	4,967,321	-0-	-0-	-0-	4,967,321
Capital leases, less current portion	46,514	-0-	-0-	-0-	46,514
Total liabilities	5,861,490	1,258,176	113,011	(1,368,762)	5,863,915
Net assets without donor restrictions	7,472,409	(300,000)	(75,789)	-0-	7,096,620
Total liabilities and net assets	\$ 13,333,899	\$ 958,176	\$ 37,222	\$ (1,368,762)	\$ 12,960,535

See report of independent auditors on pages 1 and 2.

PARAMOUNT SCHOOL OF EXCELLENCE, INC.

SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS – LOCATION
YEAR ENDED JUNE 30, 2019

	Brookside	Cottage Home	Englewood	Eliminations	Total
Revenues and support					
State support	\$ 6,739,928	\$ 880,102	\$ -0-	\$ -0-	\$ 7,620,030
Federal support	1,527,311	518,528	74,460	-0-	2,120,299
Contributions and donations	342,226	227,708	2,626	-0-	572,560
Other revenues and support	23,181	6,705	-0-	-0-	29,886
Investment return, net	14,478	1,447	-0-	-0-	15,925
Total revenues and support	8,647,124	1,634,490	77,086	-0-	10,358,700
Program and supporting service expenses					
Salaries and wages	3,812,796	968,939	71,894	-0-	4,853,629
Employee benefits	1,060,066	251,755	22,564	-0-	1,334,385
Professional services	713,619	282,581	48,163	-0-	1,044,363
Advertising	43,888	1,389	1,509	-0-	46,786
Depreciation	350,553	30,427	199	-0-	381,179
Occupancy	270,689	189,066	-0-	-0-	459,755
Supplies and miscellaneous equipment	652,938	159,252	6,612	-0-	818,802
Insurance	38,757	7,442	-0-	-0-	46,199
Interest	220,595	938	-0-	-0-	221,533
Other	170,375	42,701	1,934	-0-	215,010
Total program and supporting service expenses	7,334,276	1,934,490	152,875	-0-	9,421,641
Change in net assets without donor restrictions	1,312,848	(300,000)	(75,789)	-0-	937,059
Net assets (deficit)					
Beginning of year	6,159,561	-0-	-0-	-0-	6,159,561
End of year	\$ 7,472,409	\$ (300,000)	\$ (75,789)	\$ -0-	\$ 7,096,620

PARAMOUNT SCHOOL OF EXCELLENCE, INC.

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2020**

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant ID Number(s)	Expenditures
Major program			
U.S. Department of Education (DOE) through Indiana Department of Education (IDOE)			
Expanding Opportunity through Quality Charter Schools Program	84.282	S282D190002 and U282A170017	\$ 1,107,970
Non-major programs			
U.S. Department of Agriculture (USDA) through IDOE			
Child Nutrition Cluster			
School Breakfast Program	10.553	Not Available	198,460
COVID-19 - School Breakfast Program	10.553	Not Available	<u>12,055</u>
Total for 10.553			210,515
National School Lunch Program			
COVID-19 - National School Lunch Program	10.555	Not Available	395,983
	10.555	Not Available	<u>25,645</u>
Total for 10.555			421,628
Summer Food Service Program for Children			
COVID-19 - Summer Food Service Program for Children	10.559	Not Available	11,896
	10.559	Not Available	<u>1,702</u>
Total for 10.559			13,598
Total for cluster			<u>645,741</u>
DOE - through IDOE			
Special Education Cluster			
Special Education - Grants to States	84.027	H027A190084	209,301
Special Education - Preschool Grants	84.173	H173A190104	<u>2,948</u>
Total for cluster			212,249
DOE - through IDOE - Title I Grants to Local Educational Agencies	84.010	S010A190014	690,453
DOE - through IDOE - Twenty-First Century Community Learning Centers	84.287	S287C180014	154,612
DOE - through IDOE - Improving Teacher Quality to State Grants	84.367	S367A190013	68,221
DOE - through IDOE - Student Support and Academic Enrichment Program	84.424	S424A190015	<u>68,274</u>
Total non-major programs			<u>1,839,550</u>
Total federal expenditures			<u>\$ 2,947,520</u>
Total DOE through IDOE			\$ 2,301,779
Total USDA through IDOE			645,741
Total federal expenditures			<u>\$ 2,947,520</u>

Basis of Presentation

The accompanying schedule of expenditures of federal awards (SEFA) includes the federal grant activity of Paramount for the year ended June 30, 2020, and is presented on the accrual basis of accounting. The information in this SEFA is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the *Uniform Guidance*). Therefore, some of the amounts presented in this SEFA may differ from amounts presented in or used in the preparation of the basic financial statements. The basic financial statement classifications may include other financial activity for reporting purposes.

Summary of Significant Accounting Policies

Expenditures on the SEFA are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the *Uniform Guidance*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Paramount has elected not to use the 10% de minimis indirect cost rate as allowed under the *Uniform Guidance*.

Amounts Passed through to Subrecipients

Paramount did not pass through any federal awards to subrecipients during 2020. In addition, there were no federal awards expended in the form of non-cash assistance and there were no loan guarantees outstanding or extended during 2020.

See report of independent auditors on pages 1 and 2.



Blue & Co., LLC / 500 N. Meridian Street, Suite 200 / Indianapolis, IN 46204
main 317.633.4705 fax 317.633.4889 email blue@blueandco.com

REPORT OF INDEPENDENT AUDITORS ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors
Paramount Schools of Excellence, Inc.
Indianapolis, Indiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Paramount Schools of Excellence, Inc. (Paramount) which comprise the statement of financial position as of June 30, 2020, and the related statements of activities and changes in net assets, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated January 28, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Paramount's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Paramount's internal control. Accordingly, we do not express an opinion on the effectiveness of Paramount's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of Paramount's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Board of Directors
Paramount Schools of Excellence, Inc.
Indianapolis, Indiana

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Paramount's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Paramount's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Blue & Co., LLC

Indianapolis, Indiana
January 28, 2021



Blue & Co., LLC / 500 N. Meridian Street, Suite 200 / Indianapolis, IN 46204
main 317.633.4705 fax 317.633.4889 email blue@blueandco.com

REPORT OF INDEPENDENT AUDITORS ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE *UNIFORM GUIDANCE*

Board of Directors
Paramount Schools of Excellence, Inc.
Indianapolis, Indiana

Report on Compliance for Each Major Federal Program

We have audited Paramount Schools of Excellence, Inc.'s, (Paramount) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Paramount's major federal programs for the year ended June 30, 2020. Paramount's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Paramount's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the *Uniform Guidance*). Those standards and the *Uniform Guidance* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Paramount's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Paramount's compliance.

Board of Directors
Paramount Schools of Excellence, Inc.
Indianapolis, Indiana

Opinion on Each Major Federal Program

In our opinion, Paramount complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

Report on Internal Control over Compliance

Management of Paramount is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Paramount's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the *Uniform Guidance*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Paramount's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over their compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that were not identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the *Uniform Guidance*. Accordingly, this report is not suitable for any other purpose.

Blue & Co., LLC

Indianapolis, Indiana
January 28, 2021

PARAMOUNT SCHOOL OF EXCELLENCE, INC.

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2020**

Section I – Summary of Audit Results:

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? yes none reported

Significant deficiency(ies) identified that are not considered to be material weakness(es) noted? yes none reported

Noncompliance material to financial statements noted? yes no

Federal Awards

Internal controls over major programs:

Material weakness(es) identified? yes none reported

Significant deficiency(ies) identified that are not considered to be material weakness(es) noted? yes none reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)? yes no

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
84.282	Expanding Opportunity through Quality Charter Schools Program

Dollar threshold used to distinguish between type A and B programs: \$750,000

Auditee qualified as low-risk auditee? yes no

Section II - Findings Related to Financial Statements Reported in Accordance With Government Auditing Standards:

No matters reported

Section III - Findings and Questioned Costs Relating to Federal Awards:

No matters reported

Section IV - Summary Schedule of Prior Audit Findings:

No matters reported

PARAMOUNT SCHOOL OF EXCELLENCE, INC.

OTHER REPORT
YEAR ENDED JUNE 30, 2020

The report presented herein was prepared in addition to another official report prepared for Paramount as listed below:

Supplemental Audit Report of Paramount School of Excellence, Inc.

The Supplemental Audit Report contains the results of compliance testing required by the Indiana State Board of Accounts under its *Guidelines for the Audits of Charter Schools Performed by Private Examiners* pertaining to matters addressed in its *Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools*.



FINANCIAL STATEMENTS

AND

SUPPLEMENTARY INFORMATION

JUNE 30, 2021 AND 2020

CPAs / ADVISORS



PARAMOUNT SCHOOLS OF EXCELLENCE, INC.

TABLE OF CONTENTS
JUNE 30, 2021 AND 2020

	Page
Report of Independent Auditors	1
Financial Statements	
Statements of Financial Position.....	3
Statements of Activities and Changes in Net Assets	4
Statements of Cash Flows.....	5
Notes to Financial Statements.....	6
Supplementary Information	
Schedule of Financial Position – by Location - June 30, 2021.....	17
Schedule of Activities and Changes in Net Assets – by Location – Year Ended June 30, 2021	18
Schedule of Financial Position – by Location - June 30, 2020.....	19
Schedule of Activities and Changes in Net Assets – by Location – Year Ended June 30, 2020	20
Schedule of Expenditures of Federal Awards – Year Ended June 30, 2021.....	21
Reporting under <i>Government Auditing Standards</i> and the <i>Uniform Guidance</i>	
Report of Independent Auditors on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	22
Report of Independent Auditors on Compliance for Each Major Federal Program and on Internal Control Over Compliance Required by the <i>Uniform Guidance</i>	24
Schedule of Findings and Questioned Costs - June 30, 2021	26
Other Report	27



Blue & Co., LLC / 500 N. Meridian Street, Suite 200 / Indianapolis, IN 46204
main 317.633.4705 fax 317.633.4889 email blue@blueandco.com

REPORT OF INDEPENDENT AUDITORS

Board of Directors
Paramount Schools of Excellence, Inc.
Indianapolis, Indiana

We have audited the accompanying financial statements of Paramount Schools of Excellence, Inc. (Paramount), a nonprofit organization, which comprise the statements of financial position as of June 30, 2021 and 2020, and the related statements of activities and changes in net assets, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *Guidelines for the Audits of Charter Schools Performed by Private Examiners*, issued by the Indiana State Board of Accounts. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Board of Directors
Paramount Schools of Excellence, Inc.
Indianapolis, Indiana

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Paramount as of June 30, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information on pages 17 through 20 is presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying schedule of expenditures of federal awards on page 21, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is also presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 7, 2022, on our consideration of Paramount's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Paramount's internal control over financial reporting and compliance.

Blue & Co., LLC

Indianapolis, Indiana
January 7, 2022

PARAMOUNT SCHOOLS OF EXCELLENCE, INC.STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2021 AND 2020

	2021	2020
ASSETS		
Current assets		
Cash	\$ 4,117,677	\$ 2,478,644
Grant receivables, net	851,898	306,999
Prepaid expenses	16,225	31,550
Total current assets	4,985,800	2,817,193
Investments		
Undesignated	535,837	-0-
Designated	450,000	-0-
Restricted by debt instrument	-0-	535,596
Total investments	985,837	535,596
Property and equipment		
Land and improvements	999,001	999,001
Building and improvements	20,264,124	9,692,508
Equipment	2,430,026	2,029,507
Software and educational materials	608,131	608,131
Construction in process	-0-	4,161,892
	24,301,282	17,491,039
Accumulated depreciation	(4,090,118)	(3,497,745)
Property and equipment, net	20,211,164	13,993,294
Total assets	\$ 26,182,801	\$ 17,346,083
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued expenses	\$ 328,681	\$ 469,305
Accrued salaries, wages and related liabilities	1,218,187	937,147
Refundable advances	1,042,837	584,628
Current portion of long-term debt	194,483	736,104
Current portion of capital leases	-0-	43,702
Total current liabilities	2,784,188	2,770,886
Long-term debt, less current portion	13,674,637	8,292,979
Total liabilities	16,458,825	11,063,865
Net assets		
Undesignated	9,273,976	6,282,218
Designated	450,000	-0-
Total net assets without donor restrictions	9,723,976	6,282,218
Total liabilities and net assets	\$ 26,182,801	\$ 17,346,083

See accompanying notes to the financial statements.

PARAMOUNT SCHOOLS OF EXCELLENCE, INC.

STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
YEARS ENDED JUNE 30, 2021 AND 2020

	2021	2020
Revenues and support		
State support	\$ 10,673,327	\$ 8,635,661
Federal support	4,815,554	2,947,520
Contributions and donations	1,042,610	437,720
Other revenues and support	133,414	85,615
Forgiveness of PPP note payable	1,002,015	-0-
Investment return, net	1,137	9,720
Total revenues and support	<u>17,668,057</u>	<u>12,116,236</u>
Program and supporting service expenses		
Salaries and wages	6,976,040	6,541,145
Employee benefits	1,809,498	1,619,729
Professional services	1,161,981	1,194,385
Advertising	80,023	63,132
Depreciation	592,373	507,491
Occupancy	894,067	706,979
Supplies and miscellaneous equipment	2,017,104	1,696,732
Insurance	81,119	80,220
Interest	267,362	214,352
Other	346,732	306,473
Total program and supporting service expenses	<u>14,226,299</u>	<u>12,930,638</u>
Change in net assets without donor restrictions	3,441,758	(814,402)
Net assets		
Beginning of year	<u>6,282,218</u>	<u>7,096,620</u>
End of year	<u>\$ 9,723,976</u>	<u>\$ 6,282,218</u>

See accompanying notes to the financial statements.

PARAMOUNT SCHOOLS OF EXCELLENCE, INC.

STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2021 AND 2020

	2021	2020
Operating activities		
Change in net assets	\$ 3,441,758	\$ (814,402)
Adjustments to reconcile change in net assets to net cash flows from operating activities		
Depreciation	592,373	507,491
Amortization of debt issuance costs	11,060	11,060
Loss on defeasance of debt	50,851	-0-
Forgiveness of PPP note payable	(1,002,015)	-0-
Changes in operating assets and liabilities		
Grant receivables	(544,899)	(138,916)
Prepaid expenses	15,325	43,166
Accounts payable and accrued expenses	(250,624)	378,305
Accrued salaries, wages and other liabilities	281,040	433,501
Refundable advances	458,209	559,466
Net cash flows from operating activities	3,053,078	979,671
Investing activities		
Property and equipment additions	(6,700,243)	(4,695,288)
Purchase of investments	(450,241)	(7,412)
Net cash flows from investing activities	(7,150,484)	(4,702,700)
Financing activities		
Payments on long-term debt	(13,783,639)	(183,310)
Proceeds from issuance of debt	17,490,771	4,050,250
Proceeds from debt premium	2,275,189	-0-
Payments for debt issuance costs	(202,180)	-0-
Payments on capital lease obligations	(43,702)	(49,322)
Net cash flows from financing activities	5,736,439	3,817,618
Change in cash	1,639,033	94,589
Cash		
Beginning of year	2,478,644	2,384,055
End of year	\$ 4,117,677	\$ 2,478,644
Supplemental cash flows information		
Cash paid for interest, net of capitalized interest of \$61,924 in 2021 and \$-0- in 2020	\$ 205,451	\$ 203,292
Property and equipment included in accounts payable	\$ 110,000	\$ -0-
Noncash financing - forgiveness of PPP note payable	\$ 1,002,015	\$ -0-

See accompanying notes to the financial statements.

PARAMOUNT SCHOOLS OF EXCELLENCE, INC.

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2021 AND 2020

1. SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

Paramount Schools of Excellence, Inc. (Paramount) is a public benefit not-for-profit organization incorporated under the laws of the State of Indiana. Paramount operates public charter schools established under Indiana Code 20-24 and is sponsored by the Mayor's Office of the City of Indianapolis. Paramount provides educational instruction to students in grades kindergarten through eighth grade. Paramount operated in three locations throughout central Indiana and one virtual environment during 2021.

Basis of Accounting

Paramount prepares its financial statements using the accrual basis of accounting. Accrual accounting requires the recognition of revenues when they are earned and measurable in the accounting period when services are provided, and the recognition of expenses in the period in which they occur.

Use of Estimates

The preparation of financial statements in conformity with the accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash

Paramount maintains its cash in accounts, which at times, may exceed federally insured limits. Paramount has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash.

Grant Receivables

Grant receivables are amounts due from federal, state or local government agencies or other organizations. Amounts are recognized as receivable when Paramount has incurred expenditures in compliance with specific contract or grant provisions or amounts billed for incurred expenditures or services and not yet paid. The government agencies or other organizations are billed in the period in which expenditures are incurred. Grant receivables are reported at the net realizable amount due from the government agencies or other organizations.

Grant receivables are recognized at the net amount Paramount expects to collect based on established collection history. Paramount recognizes a separate allowance only when it determines there has been an unforeseeable change in the agencies' ability to pay subsequent to the delivery of goods and services resulting in an impairment loss. Such account balances are charged off against the allowance after all means of collection have been exhausted and the potential recovery is considered remote. Paramount did not record an allowance for doubtful accounts as of June 30, 2021 and 2020.

PARAMOUNT SCHOOLS OF EXCELLENCE, INC.

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2021 AND 2020

Prepaid Expenses

Prepaid expenses relate to advance payments on products or services that will be used for future programs or activities.

Investments

Investments consist of cash and certificates of deposit recorded at contract value. During a portion of 2021 and all of 2020, the certificates of deposit of approximately \$536,000 served as collateral for a long-term debt agreement and were restricted to use. In conjunction with the long-term refinancing during 2021, the restriction was removed and the certificates of deposit are undesignated as of June 30, 2021. Paramount designated \$450,000 of cash for employee benefit plans as of June 30, 2021. There were no designated investments as of June 30, 2020.

Property, Equipment and Depreciation

Property and equipment are recorded at cost, or if donated, at fair market value at date of donation, and include expenditures for new additions and repairs which substantially increase the useful lives of existing property and equipment. Maintenance repairs and minor renewals are expensed as incurred. When property and equipment are retired or otherwise disposed of, the related cost and accumulated depreciation are removed from the accounts and any resulting gain or loss for the period is recognized. Depreciation is provided over the estimated useful life of each class of depreciable asset, ranging from 3-40 years, and is computed on using the straight-line method. Depreciation expense was approximately \$592,000 and \$507,000 for 2021 and 2020, respectively. Paramount did not have any property and equipment commitments as of June 30, 2021.

Debt Issuance Costs and Premiums

Debt issuance costs represent costs incurred in connection with the issuance of long-term debt. The costs incurred in issuing the debt are classified with long-term debt, as a deduction, and are amortized over the term of the respective debt. Debt issuance premiums represent the difference between the original face value amount and the premium price paid for a long-term debt instrument. The premium incurred in issuing the debt are classified with long-term debt, as an addition, and are amortized as a reduction of interest expense over the term of the respective debt.

Net Assets

Net assets, support, revenues, gains, and losses are classified based on the absence or existence of donor restrictions. Accordingly, the net assets of Paramount are classified and reported as follows:

- Net assets without donor restrictions: Net assets that are currently available for operating purposes under the direction of the board or designated by the board for specific use. As of June 30, 2021, \$450,000 of net assets were designated for employee benefit plans. There were no net assets designated as of June 30, 2020.

PARAMOUNT SCHOOLS OF EXCELLENCE, INC.

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2021 AND 2020

- Net assets with donor restrictions: Net assets subject to donor stipulations for specific operating purposes or time restrictions. These include donor restrictions requiring the net assets be held in perpetuity or for a specified term with investment return available for operations or specific purposes. There were no net assets with donor restrictions as of June 30, 2021 and 2020.

Public Support

Paramount's revenue is primarily derived from cost-reimbursable grants, which are conditioned upon certain performance requirements and/or the incurrence of allowable qualifying expenses. Receipt of these funds is subject to the fulfillment of certain obligations by Paramount as prescribed by these programs and funds may be subject to repayment upon a determination of noncompliance made by a funding agency. Amounts received are recognized as revenue when Paramount has incurred expenditures in compliance with specific contract or grant provisions. Amounts received prior to incurring qualifying expenditures are reported as refundable advances in the statements of financial position. Refundable advances were approximately \$1,043,000 and \$585,000 as of June 30, 2021 and 2020, respectively. Amounts received after incurring qualifying expenditures are reported as grant receivables in the statements of financial position. Grant receivables were \$852,000 and \$307,000 as of June 30, 2021 and 2020, respectively.

Paramount receives state funds that have been designated for charter schools from the Indiana Department of Education (IDOE). The State of Indiana uses a formula based on the number of students enrolled in the school during the year to determine the amount of funds Paramount receives. Paramount also receives federal support through a variety of programs administered by the IDOE and United States Department of Agriculture.

Paramount derives a significant portion of its revenue from state and federal funding programs (approximately 88% and 96% in 2021 and 2020, respectively). The receipt of future revenues by Paramount is subject to among other factors, state and federal policies affecting education, economic conditions, and other conditions which are impossible to predict.

Contributions received, including unconditional promises to give, are recognized when received. Contributions are reported as increases in net assets without donor restrictions unless use of the contributed assets is specifically restricted by the donor. Amounts received that are restricted by the donor to use in future periods or for specific purposes are reported as increases in net assets with donor restrictions. If a restriction is fulfilled in the same reporting period in which the contribution is received, the contribution is reported as net assets without donor restrictions. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, applicable net assets with restriction are reclassified to net assets without donor restrictions and reported in the statement of activities and changes in net assets as net assets released from donor restrictions.

Unconditional promises with payments due in future years have an implied restriction to be used in the year the payment is due unless the contribution is clearly intended to support activities of the current year or is received with restrictions. Conditional promises, such as matching grants, are not recognized until they become unconditional, that is, until all conditions on which they depend are substantially met. Paramount also evaluates whether a contribution is unconditional or conditional based on the absence or presence of barriers and any right of return provisions.

PARAMOUNT SCHOOLS OF EXCELLENCE, INC.

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2021 AND 2020

Donated Services

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by Paramount. Volunteers also provide program services throughout the year that are not recognized as contributions in the financial statements unless the recognition criteria are met. These services include volunteering at events and clerical work.

Advertising

Paramount uses advertising to promote its programs among the audiences it serves. The cost of advertising is expensed as incurred. Advertising expense totaled approximately \$80,000 and \$63,000 during 2021 and 2020, respectively, and is included within operating expenses within the statements of activities and changes in net assets.

Income Taxes

Paramount is a not-for-profit corporation as defined by Section 501(c)(3) of the Internal Revenue Code and, accordingly, is exempt from federal and state income taxes. As such, Paramount is generally exempt from income taxes. However, Paramount is required to file Federal Form 990 – Return of Organization Exempt from Income Tax which is an informational return only.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by Paramount and recognize a tax liability if Paramount has taken an uncertain position that more likely than not would not be sustained upon examination by various federal and state taxing authorities. Management has analyzed the tax positions taken by Paramount, and has concluded that as of June 30, 2021 and 2020, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the accompanying financial statements. Paramount is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Paramount filed its federal and state income tax returns for periods through June 30, 2020. The income tax returns are generally open to examination by the relevant taxing authorities for a period of three years from the later of the date the return was filed or its due date (including approved extensions).

Reclassification

Certain 2020 amounts in the financial statements have been reclassified to conform to the 2021 presentation. Any reclassifications had no impact on previously reported net assets or change in net assets.

Going Concern Evaluation

Management evaluated whether there were conditions or events that raised substantial doubt about Paramount's ability to continue as a going concern for a period of one year from the date the financial statements were available to be issued.

PARAMOUNT SCHOOLS OF EXCELLENCE, INC.

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2021 AND 2020

Subsequent Events

Paramount evaluated events or transactions occurring subsequent to the statement of financial position date for recognition and disclosure in the accompanying financial statements through the date the financial statements were available to be issued which is January 7, 2022.

Upcoming Accounting Standards Updates

In February 2016, the Financial Accounting Standards Board (the FASB) issued Accounting Standards Update (ASU) No. 2016-02, *Leases (Topic 842)*. This standard, which Paramount is not required to adopt until its year ending June 30, 2023, is intended to improve financial reporting about leasing transactions by requiring entities that lease assets to recognize on their statement of financial position the assets and liabilities for the rights and obligations created by those leases, and to provide additional disclosures regarding the leases. Leases with terms (as defined in the ASU) of twelve months or less are not required to be reflected on an entity's statement of financial position.

In September 2020, the FASB issued ASU No. 2020-07 *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. This standard is intended to increase transparency around contributed nonfinancial assets (also known as "gifts-in-kind") received by not-for-profit (NFP) organizations, including information on how those assets are used and how they are valued. This standard requires that an NFP present contributed nonfinancial assets as a separate line item in the statement of activities and changes in net assets, apart from contributions of cash or other financial assets. In addition, there are expanded disclosure requirements. Paramount will be required to adopt this new standard in its year ending June 30, 2022.

Paramount is presently evaluating the effects that these ASUs will have on its future financial statements, including related disclosures.

2. LONG-TERM DEBT AND CAPITAL LEASES

Long-Term Debt

In June 2021, Paramount entered into a loan agreement with Equitable Facilities Fund, Inc. (EFF) for approximately \$11,521,000 with fixed interest at 5.00%. The loan was issued at a premium of approximately \$2,275,000 to be amortized over the term loan agreement. The loan matures in August 2051 and requires monthly principal and interest payments. The loan is secured by a pledge of Paramount's revenues and property with a net book value of approximately \$18,344,000 as of June 30, 2021. The loan cannot be paid in advance without penalty prior to June 2031.

The proceeds from the EFF loan were used to retire Indiana Finance Authority (IFA) Educational Facilities Revenue Bonds, Series 2015 (Series 2015 Bonds) and the Schola Building Fund, LLC construction loan (Schola Loan) in June 2021. The retirement of the Series 2015 Bonds and Schola Loan resulted in a loss of approximately \$51,000.

PARAMOUNT SCHOOLS OF EXCELLENCE, INC.

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2021 AND 2020

The Series 2015 Bonds in the amount of \$5,175,000 were issued in December 2015. Paramount, IFA and National Bank of Indianapolis (NBI) entered into a Bond Purchase Agreement whereby NBI purchased from IFA all the Series 2015 Bonds in a private placement. The interest rate on the Series 2015 Bonds was fixed at 4.06% as of June 30, 2020 and through December 2021. NBI had agreed to hold the Series 2015 Bonds through the original maturity date in 2041. The Series 2015 Bonds were secured by a certificate of deposit and property and equipment with a net book value of approximately \$7,903,000 as of June 30, 2020.

The Schola Loan was a \$9,000,000 construction loan to be drawn as construction costs were incurred by Paramount. The interest rate on the Schola Loan was 0% through the completion of the renovation and expansion phase which was August 2020 and adjusted in 1% increments once the renovation and expansion phase was complete to a maximum of 7%. The Schola Loan required monthly principal and interest payments with a balloon payment due in November 2026. The Schola Loan was secured by property and equipment with a net book value of approximately \$4,162,000 as of June 30, 2020.

In December 2015, the Indiana Common School Fund and the State Board of Education issued a \$500,000 loan to Paramount. This agreement requires semi-annual principal payments to be made as reductions of Paramount's distributive share of the State Tuition Support. The interest rate is fixed at 1% for duration of the agreement. The loan payable matures in July 2026.

Paramount has agreed to certain covenants, which, among other things, limit additional indebtedness and guarantees and require Paramount to maintain specific financial ratios. Management believed Paramount was in compliance with the covenants as of June 30, 2021. Paramount was not in compliance with certain covenants as of June 30, 2020. Management obtained waivers from the lenders for the 2020 noncompliance items.

In April 2020, Paramount received a low interest loan of approximately \$1,002,000 under the Paycheck Protection Program (PPP) administered by the Small Business Administration (SBA). The PPP loan was unsecured, bore interest at 1% and funds advanced were subject to forgiveness, if certain criteria were met, with the remaining balance repayable within two years of disbursement. The PPP loan was forgivable to the extent that Paramount incurred and spent the funds on qualified expenditures, which included payroll, employee health insurance, rent, utilities, and interest costs during the covered period as defined by the PPP guidance. In addition, Paramount was required to maintain specific employment and wage levels during the pandemic and submit adequate documentation of such expenditures to qualify for loan forgiveness. Paramount accounted for the PPP loan as debt and recognized any forgiveness when it was legally forgiven by the SBA which occurred in April 2021. Paramount recognized approximately \$1,002,000 as forgiveness of PPP note payable in revenues and support in the 2021 statement of activities and changes in net assets.

PARAMOUNT SCHOOLS OF EXCELLENCE, INC.

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020

Long-term debt as of June 30, 2021 and 2020 is summarized as follows:

	2021	2020
Loan payable to Equitable Facilities Fund, Inc., maturing in August 2051, fixed interest rate of 5.00%, principal payments due in monthly installments ranging from \$3,000 to \$62,000 plus interest, secured by pledge of revenues and property with net book value of approximately \$18,344,000 as of June 30, 2021.	\$ 11,521,111	\$ -0-
Loan payable to Indiana Common School Fund and the State Board of Education, maturing in July 2026, fixed interest rate of 1.0%, semi-annual principal and interest payments ranging from \$25,000 to \$30,000 plus interest, secured by property with a net book value of approximately \$275,000 and \$325,000 as of June 30, 2021 and 2020, respectively.	275,000	325,000
Indiana Finance Authority Educational Facilities Revenue Bonds Payable, Series 2015	-0-	4,715,744
Construction loan payable to Schola Building Fund, LLC	-0-	3,048,235
Paycheck Protection Program note payable to Small Business Administration.	-0-	1,002,015
	11,796,111	9,090,994
Unamortized debt issuance costs	(202,180)	(61,911)
Unamortized debt premium	2,275,189	-0-
Current portion	(194,483)	(736,104)
	\$ 13,674,637	\$ 8,292,979

Aggregate future maturities for long-term debt obligations for the years succeeding June 30, 2021 are as follows:

Year Ending June 30,	
2021	\$ 194,483
2022	228,106
2023	237,218
2024	246,796
2025	256,865
Thereafter	10,632,643
	\$ 11,796,111

Capital Leases

In 2019, Paramount placed into service equipment entered into under a capital lease agreement. The capital lease ran through June 2021 with a fixed interest rate of 4.00% with annual payments of principal and interest of approximately \$49,300. As of June 30, 2020, the cost of the equipment was \$140,000 with accumulated depreciation of \$88,000. During 2021, the capital lease agreement was paid off in entirety.

PARAMOUNT SCHOOLS OF EXCELLENCE, INC.

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2021 AND 2020

3. RETIREMENT PLANS

403(b) Plan

Paramount's eligible faculty and administrative staff are participants in a 403(b) tax deferred annuity retirement plan (the Plan). Paramount may make a discretionary matching contribution on participant deferrals and may make a discretionary profit sharing contribution to the Plan. Paramount's contribution to the Plan, net of forfeitures, was approximately \$136,000 and \$176,000 during 2021 and 2020, respectively.

Indiana Public Retirement System

Paramount elected to become a participating employer in the Indiana Public Retirement System (INPRS). INPRS resulted from legislation passed in 2010 that merged the Public Employees' Retirement Fund (PERF) and the Indiana Teachers' Retirement Fund (TRF), with the merger of the funds being effective as of July 1, 2011.

TRF is a defined benefit pension plan. TRF is also a cost-sharing multiple employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. The plan is recorded as a multiple employer plan, which was established by the State of Indiana. All employees engaged in teaching or in the supervision of teaching in the public schools of the State of Indiana are eligible to participate. Indiana Code (IC 5-10.2) governs, through the INPRS Board, most requirements of the system, and give Paramount authority to contribute to the plan. The retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3% of compensation, plus interest credited to the member's account. Paramount's required contribution rate is 7.5%. Paramount may elect to make additional contributions on behalf of the member.

Retirement plan contributions for TRF were approximately \$12,000 and \$20,000 for 2021 and 2020, respectively. The plan is not governed by the Employee Income Retirement Income Security Act of 1974 and is not required to file a Federal Form 5500, Annual Return/Report of Employee Benefit Plan. There were no surcharges imposed and there is no expiration date of the plan included in state statutes. Upon withdrawing from TRF, Paramount, would be obligated for its proportionate share of the plan's unfunded vested benefits. Paramount has no intention of withdrawing from the plan. A complete copy of the annual report for the year ended June 30, 2020 can be obtained at www.in.gov/inprs.

Other Benefit Plans

During 2021, Paramount established additional benefits plans effective July 1, 2021 for certain eligible employees. Under these plans, Paramount will make contributions with eligible employees vesting over periods ranging from 5 to 10 years. As of June 30, 2021, Paramount designated investments of \$450,000 to these plans. There was no expense in 2021 as the effective date of the plans was July 1, 2021.

PARAMOUNT SCHOOLS OF EXCELLENCE, INC.

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2021 AND 2020

4. RISKS AND UNCERTAINTIES

Paramount provides education instruction services to families residing in Marion and surrounding counties in Indiana and is subject to the risks of economic and competitive forces at work within this geographic area. The majority of revenues relate to legislation enacted by the State of Indiana. Changes in state legislation could significantly affect Paramount. Additionally, Paramount is subject to monitoring and audit by state agencies. Those examinations may result in additional liabilities to be imposed on Paramount.

5. COMMITMENTS AND CONTINGENCIES

Operating Leases

Paramount leases certain equipment and space for classrooms and administrative purposes under operating leases expiring at various times through July 2032. Total lease expense for 2021 and 2020 was approximately \$543,000 and \$455,000, respectively, and has been included in occupancy expense in the statements of activities and changes in net assets. Future minimum lease payments for operating leases are as follows:

Year Ending June 30,	
2022	\$ 776,708
2023	797,477
2024	789,782
2025	777,478
2026	754,994
Thereafter	2,653,321
	<u>\$ 6,549,760</u>

Subsequent to June 30, 2021, Paramount entered into a lease agreement for a Lafayette, Indiana school location at approximately \$23,000 per month. The lease expires July 2032 and is renewable for one ten-year term with a 10% increase in rent to approximately \$26,000 per month.

Litigation

Paramount may be involved in litigation and regulatory investigations arising in the course of business. After consultation with legal counsel, management estimates that these matters will be resolved without material adverse effect on the future financial position, results of operations or cash flows of Paramount.

PARAMOUNT SCHOOLS OF EXCELLENCE, INC.

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2021 AND 2020

Pandemic

In March 2020, the World Health Organization declared Coronavirus (COVID-19) a pandemic. The continued spread of COVID-19, or any similar outbreaks in the future, may continue to adversely impact the local, regional, national and global economies. The extent to which COVID-19 continues to impact Paramount's operating results is dependent on the breadth and duration of the pandemic and could be affected by other factors management is not currently able to predict. Impacts include, but are not limited to, additional costs for responding to COVID-19, potential shortages of personnel, potential shortages of supplies, loss of, or reduction to, revenue, and investment portfolio declines. Management believes Paramount is taking appropriate actions to respond to the pandemic. However, the full impact is unknown and cannot be reasonably estimated at the date the financial statements were available to be issued.

6. LIQUIDITY AND AVAILABILITY OF RESOURCES

Paramount's financial assets available within one year of the June 30, 2021 and 2020 statements of financial position for general expenditure are as follows:

	2021	2020
Financial assets		
Cash	\$ 4,117,677	\$ 2,478,644
Undesignated investments	535,837	-0-
Grant receivables, net	851,898	306,999
Total financial assets	<u>\$ 5,505,412</u>	<u>\$ 2,785,643</u>

None of the financial assets are subject to donor or other contractual restrictions that make them unavailable for general expenditure within one year of the statement of financial position date. Grant receivables are subject to implied time restrictions but are expected to be collected within one year. Paramount has a policy to structure its financial assets to be available as is general expenditures, liabilities, and other obligations come due.

7. FUNCTIONAL ALLOCATION OF EXPENSES

The costs of providing program and supporting services have been summarized on a natural basis in the statements of activities and changes in net assets and have been summarized on a functional basis below. Certain costs have been allocated among education services and management and general categories based on an estimate of time spent by Paramount's personnel. These expenses include salaries and wages and employee benefits. Other expenses require allocation on a reasonable basis that is consistently applied based on the ratio of salaries and wages and employee benefits charged to the category to total salaries and wages and employee benefits. The other expenses that are allocated include professional services, advertising, depreciation, occupancy, supplies, insurance, interest, and other. Although the methods used were appropriate, alternative methods may provide different results. Fundraising costs were not significant in 2021 and 2020.

PARAMOUNT SCHOOLS OF EXCELLENCE, INC.

NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020

Paramount incurred the following education services as well as management and general expenses for 2021 and 2020:

	2021		
	Education Services	Management and General	Total Expenses
Salaries and wages	\$ 5,580,832	\$ 1,395,208	\$ 6,976,040
Employee benefits	1,447,598	361,900	1,809,498
Professional services	929,585	232,396	1,161,981
Advertising	64,018	16,005	80,023
Depreciation	473,898	118,475	592,373
Occupancy	715,254	178,813	894,067
Supplies	1,613,683	403,421	2,017,104
Insurance	64,895	16,224	81,119
Interest	213,890	53,472	267,362
Other	277,386	69,346	346,732
	<u>\$ 11,381,039</u>	<u>\$ 2,845,260</u>	<u>\$ 14,226,299</u>

	2020		
	Education Services	Management and General	Total Expenses
Salaries and wages	\$ 5,232,916	\$ 1,308,229	\$ 6,541,145
Employee benefits	1,295,783	323,946	1,619,729
Professional services	955,508	238,877	1,194,385
Advertising	50,506	12,626	63,132
Depreciation	405,993	101,498	507,491
Occupancy	565,583	141,396	706,979
Supplies	1,357,386	339,346	1,696,732
Insurance	64,176	16,044	80,220
Interest	171,482	42,870	214,352
Other	245,178	61,295	306,473
	<u>\$ 10,344,511</u>	<u>\$ 2,586,127</u>	<u>\$ 12,930,638</u>

SUPPLEMENTARY INFORMATION

PARAMOUNT SCHOOL OF EXCELLENCE, INC.

SCHEDULE OF FINANCIAL POSITION – LOCATION JUNE 30, 2021

	Brookside	Cottage Home	Englewood	Online Academy	Eliminations	Total
ASSETS						
Current assets						
Cash	\$ 3,852,865	\$ 128,432	\$ 136,380	\$ -0-	\$ -0-	\$ 4,117,677
Grant receivables, net	459,539	250,205	153,084	439	(11,369)	851,898
Prepaid expenses	16,225	-0-	-0-	-0-	-0-	16,225
Total current assets	4,328,629	378,637	289,464	439	(11,369)	4,985,800
Investments						
Undesignated	535,837	-0-	-0-	-0-	-0-	535,837
Designated	450,000	-0-	-0-	-0-	-0-	450,000
Total investments	985,837	-0-	-0-	-0-	-0-	985,837
Property and equipment						
Land and improvements	999,001	-0-	-0-	-0-	-0-	999,001
Building and improvements	9,695,993	10,427,519	140,612	-0-	-0-	20,264,124
Equipment	1,783,200	555,775	91,051	-0-	-0-	2,430,026
Software and educational materials	522,010	47,568	38,553	-0-	-0-	608,131
	13,000,204	11,030,862	270,216	-0-	-0-	24,301,282
Accumulated depreciation	(3,799,690)	(218,155)	(72,273)	-0-	-0-	(4,090,118)
Property and equipment, net	9,200,514	10,812,707	197,943	-0-	-0-	20,211,164
Total assets	\$ 14,514,980	\$ 11,191,344	\$ 487,407	\$ 439	\$ (11,369)	\$ 26,182,801
LIABILITIES AND NET ASSETS						
Current liabilities						
Accounts payable and accrued expenses	\$ 328,681	\$ -0-	\$ 11,369	\$ -0-	\$ (11,369)	\$ 328,681
Accrued salaries, wages and related liabilities	723,263	234,581	260,343	-0-	-0-	1,218,187
Refundable advances	819,483	220,700	2,654	-0-	-0-	1,042,837
Current portion of long-term debt	113,154	81,329	-0-	-0-	-0-	194,483
Total current liabilities	1,984,581	536,610	274,366	-0-	(11,369)	2,784,188
Long-term debt, less current portion	7,956,141	5,718,496	-0-	-0-	-0-	13,674,637
Total liabilities	9,940,722	6,255,106	274,366	-0-	(11,369)	16,458,825
Net assets						
Undesignated	4,124,258	4,936,238	213,041	439	-0-	9,273,976
Designated	450,000	-0-	-0-	-0-	-0-	450,000
Total net assets without donor restrictions	4,574,258	4,936,238	213,041	439	-0-	9,723,976
Total liabilities and net assets	\$ 14,514,980	\$ 11,191,344	\$ 487,407	\$ 439	\$ (11,369)	\$ 26,182,801

See report of independent auditors on pages 1 and 2.

PARAMOUNT SCHOOL OF EXCELLENCE, INC.

**SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS – LOCATION
YEAR ENDED JUNE 30, 2021**

	Brookside	Cottage Home	Englewood	Online Academy	Eliminations	Total
Revenues and support						
State support	\$ 6,990,489	\$ 2,010,981	\$ 1,671,857	\$ -0-	\$ -0-	\$ 10,673,327
Federal support	2,446,391	1,431,520	937,204	439	-0-	4,815,554
Contributions and donations	292,603	7	-0-	750,000	-0-	1,042,610
Other revenues and support	65,282	57,124	11,008	-0-	-0-	133,414
Forgiveness of PPP note payable	1,002,015	-0-	-0-	-0-	-0-	1,002,015
Investment return, net	1,101	19	17	-0-	-0-	1,137
Total revenues and support	<u>10,797,881</u>	<u>3,499,651</u>	<u>2,620,086</u>	<u>750,439</u>	<u>-0-</u>	<u>17,668,057</u>
Program and supporting service expenses						
Salaries and wages	3,794,009	1,939,243	1,242,788	-0-	-0-	6,976,040
Employee benefits	1,045,322	370,220	357,605	36,351	-0-	1,809,498
Professional services	488,493	415,579	235,995	21,914	-0-	1,161,981
Advertising	76,294	1,533	1,203	993	-0-	80,023
Depreciation	415,400	135,413	41,560	-0-	-0-	592,373
Occupancy	237,500	101,352	555,165	50	-0-	894,067
Supplies and miscellaneous equipment	817,275	518,223	484,208	197,398	-0-	2,017,104
Insurance	45,750	20,163	15,206	-0-	-0-	81,119
Interest	267,362	-0-	-0-	-0-	-0-	267,362
Other	169,263	161,531	15,842	96	-0-	346,732
Total program and supporting service expenses	<u>7,356,668</u>	<u>3,663,257</u>	<u>2,949,572</u>	<u>256,802</u>	<u>-0-</u>	<u>14,226,299</u>
Revenues and support over (under) expenses	3,441,213	(163,606)	(329,486)	493,637	-0-	3,441,758
Transfers	<u>(6,720,194)</u>	<u>6,016,939</u>	<u>1,196,453</u>	<u>(493,198)</u>	<u>-0-</u>	<u>-0-</u>
Change in net assets without donor restrictions	(3,278,981)	5,853,333	866,967	439	-0-	3,441,758
Net assets (deficit)						
Beginning of year	7,853,239	(917,095)	(653,926)	-0-	-0-	6,282,218
End of year	<u>\$ 4,574,258</u>	<u>\$ 4,936,238</u>	<u>\$ 213,041</u>	<u>\$ 439</u>	<u>\$ -0-</u>	<u>\$ 9,723,976</u>

See report of independent auditors on pages 1 and 2.

PARAMOUNT SCHOOL OF EXCELLENCE, INC.

SCHEDULE OF FINANCIAL POSITION – LOCATION
JUNE 30, 2020

	Brookside	Cottage Home	Englewood	Eliminations	Total
ASSETS					
Current assets					
Cash	\$ 2,376,458	\$ 52,185	\$ 50,001	\$ -0-	\$ 2,478,644
Grant receivables, net	3,129,644	158,091	51,513	(3,032,249)	306,999
Prepaid expenses	31,550	-0-	-0-	-0-	31,550
Total current assets	5,537,652	210,276	101,514	(3,032,249)	2,817,193
Investments - restricted by debt instrument	535,596	-0-	-0-	-0-	535,596
Property and equipment					
Land and improvements	999,001	-0-	-0-	-0-	999,001
Building and improvements	9,215,904	349,971	126,633	-0-	9,692,508
Equipment	1,786,783	151,673	91,051	-0-	2,029,507
Software and educational materials	522,010	47,568	38,553	-0-	608,131
Construction in process	-0-	4,161,892	-0-	-0-	4,161,892
	12,523,698	4,711,104	256,237	-0-	17,491,039
Accumulated depreciation	(3,384,290)	(82,742)	(30,713)	-0-	(3,497,745)
Property and equipment, net	9,139,408	4,628,362	225,524	-0-	13,993,294
Total assets	\$ 15,212,656	\$ 4,838,638	\$ 327,038	\$ (3,032,249)	\$ 17,346,083
LIABILITIES AND NET ASSETS					
Current liabilities					
Accounts payable and accrued expenses	\$ 203,880	\$ 2,473,681	\$ 823,993	\$ (3,032,249)	\$ 469,305
Accrued salaries, wages and related liabilities	669,899	138,135	129,113	-0-	937,147
Refundable advances	461,088	95,682	27,858	-0-	584,628
Current portion of long-term debt	660,972	75,132	-0-	-0-	736,104
Current portion of capital leases	43,702	-0-	-0-	-0-	43,702
Total current liabilities	2,039,541	2,782,630	980,964	(3,032,249)	2,770,886
Long-term debt, less current portion	5,319,876	2,973,103	-0-	-0-	8,292,979
Total liabilities	7,359,417	5,755,733	980,964	(3,032,249)	11,063,865
Net assets without donor restrictions	7,853,239	(917,095)	(653,926)	-0-	6,282,218
Total liabilities and net assets	\$ 15,212,656	\$ 4,838,638	\$ 327,038	\$ (3,032,249)	\$ 17,346,083

See report of independent auditors on pages 1 and 2.

PARAMOUNT SCHOOL OF EXCELLENCE, INC.

SCHEDULE OF ACTIVITIES AND CHANGES IN NET ASSETS – LOCATION
YEAR ENDED JUNE 30, 2020

	Brookside	Cottage Home	Englewood	Eliminations	Total
Revenues and support					
State support	\$ 6,607,407	\$ 1,165,445	\$ 862,809	\$ -0-	\$ 8,635,661
Federal support	1,617,413	763,034	567,073	-0-	2,947,520
Contributions and donations	392,610	45,110	-0-	-0-	437,720
Other revenues and support	59,912	24,626	1,077	-0-	85,615
Investment return, net	9,409	239	72	-0-	9,720
Total revenues and support	8,686,751	1,998,454	1,431,031	-0-	12,116,236
Program and supporting service expenses					
Salaries and wages	4,181,869	1,353,318	1,005,958	-0-	6,541,145
Employee benefits	1,160,216	257,122	202,391	-0-	1,619,729
Professional services	677,312	363,121	153,952	-0-	1,194,385
Advertising	59,581	908	2,643	-0-	63,132
Depreciation	424,662	52,315	30,514	-0-	507,491
Occupancy	296,153	143,352	267,474	-0-	706,979
Supplies and miscellaneous equipment	1,033,463	371,811	291,458	-0-	1,696,732
Insurance	53,640	24,115	2,465	-0-	80,220
Interest	214,352	-0-	-0-	-0-	214,352
Other	204,673	49,487	52,313	-0-	306,473
Total program and supporting service expenses	8,305,921	2,615,549	2,009,168	-0-	12,930,638
Change in net assets without donor restrictions	380,830	(617,095)	(578,137)	-0-	(814,402)
Net assets (deficit)					
Beginning of year	7,472,409	(300,000)	(75,789)	-0-	7,096,620
End of year	\$ 7,853,239	\$ (917,095)	\$ (653,926)	\$ -0-	\$ 6,282,218

PARAMOUNT SCHOOL OF EXCELLENCE, INC.

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2021**

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant ID Number(s)	Expenditures
Major programs			
U.S. Department of Education (DOE) through Indiana Department of Education (IDOE) Expanding Opportunity through Quality Charter Schools Program	84.282	S282D190002/ U282A170017	\$ 1,409,196
COVID-19 - Education Stabilization Fund	84.425	S425D200013	933,145
Total major programs			<u>2,342,341</u>
Non-major programs			
U.S. Department of Agriculture (USDA) through IDOE Child Nutrition Cluster			
School Breakfast Program	10.553	Not Available	180,477
National School Lunch Program	10.555	Not Available	342,544
Summer Food Service Program for Children	10.559	Not Available	85,070
Total for cluster			<u>608,091</u>
DOE - through IDOE Special Education Cluster			
Special Education - Grants to States	84.027	H027A190084	243,884
DOE - through IDOE - Title I Grants to Local Educational Agencies	84.010	S010A200014	948,265
DOE - through IDOE - Twenty-First Century Community Learning Centers	84.287	S287C180014	446,350
DOE - through IDOE - Supporting Effective Instruction State Grants	84.367	S367A200013	152,525
DOE - through IDOE - Student Support and Academic Enrichment Program	84.424	S424A200015	74,098
Total non-major programs			<u>2,473,213</u>
Total federal expenditures			<u>\$ 4,815,554</u>
Total DOE through IDOE			\$ 4,207,463
Total USDA through IDOE			608,091
Total federal expenditures			<u>\$ 4,815,554</u>

Basis of Presentation

The accompanying schedule of expenditures of federal awards (SEFA) includes the federal grant activity of Paramount for the year ended June 30, 2021, and is presented on the accrual basis of accounting. The information in this SEFA is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the *Uniform Guidance*). Therefore, some of the amounts presented in this SEFA may differ from amounts presented in or used in the preparation of the basic financial statements. The basic financial statement classifications may include other financial activity for reporting purposes.

Summary of Significant Accounting Policies

Expenditures on the SEFA are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the *Uniform Guidance*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Paramount has elected not to use the 10% de minimis indirect cost rate as allowed under the *Uniform Guidance*.

Amounts Passed through to Subrecipients

Paramount did not pass through any federal awards to subrecipients during 2021. In addition, there were no federal awards expended in the form of non-cash assistance and there were no loan guarantees outstanding or extended during 2021.

Fair Market Value of Donated Personal Protective Equipment (Unaudited)

During 2021, Paramount did not receive donated personal protective equipment from federal sources.

See report of independent auditors on pages 1 and 2.



Blue & Co., LLC / 500 N. Meridian Street, Suite 200 / Indianapolis, IN 46204
main 317.633.4705 fax 317.633.4889 email blue@blueandco.com

REPORT OF INDEPENDENT AUDITORS ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors
Paramount Schools of Excellence, Inc.
Indianapolis, Indiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Paramount Schools of Excellence, Inc. (Paramount) which comprise the statement of financial position as of June 30, 2021, and the related statements of activities and changes in net assets, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated January 7, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Paramount's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Paramount's internal control. Accordingly, we do not express an opinion on the effectiveness of Paramount's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of Paramount's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Board of Directors
Paramount Schools of Excellence, Inc.
Indianapolis, Indiana

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Paramount's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Paramount's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Blue & Co., LLC

Indianapolis, Indiana
January 7, 2022



Blue & Co., LLC / 500 N. Meridian Street, Suite 200 / Indianapolis, IN 46204
main 317.633.4705 fax 317.633.4889 email blue@blueandco.com

REPORT OF INDEPENDENT AUDITORS ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE *UNIFORM GUIDANCE*

Board of Directors
Paramount Schools of Excellence, Inc.
Indianapolis, Indiana

Report on Compliance for Each Major Federal Program

We have audited Paramount Schools of Excellence, Inc.'s, (Paramount) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Paramount's major federal programs for the year ended June 30, 2021. Paramount's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Paramount's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the *Uniform Guidance*). Those standards and the *Uniform Guidance* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Paramount's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Paramount's compliance.

Board of Directors
Paramount Schools of Excellence, Inc.
Indianapolis, Indiana

Opinion on Each Major Federal Program

In our opinion, Paramount complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control over Compliance

Management of Paramount is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Paramount's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the *Uniform Guidance*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Paramount's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over their compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that were not identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the *Uniform Guidance*. Accordingly, this report is not suitable for any other purpose.

Blue & Co., LLC

Indianapolis, Indiana
January 7, 2022

PARAMOUNT SCHOOL OF EXCELLENCE, INC.

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
JUNE 30, 2021**

Section I – Summary of Audit Results:

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? yes none reported

Significant deficiency(ies) identified that are not considered to be material weakness(es) noted? yes none reported

Noncompliance material to financial statements noted? yes no

Federal Awards

Internal controls over major programs:

Material weakness(es) identified? yes none reported

Significant deficiency(ies) identified that are not considered to be material weakness(es) noted? yes none reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)? yes no

Identification of major programs:

CFDA 84.282 - Expanding Opportunity through Quality Charter Schools Program

CFDA 84.425 - COVID-19 - Education Stabilization Fund

Dollar threshold used to distinguish between type A and B programs: \$750,000

Auditee qualified as low-risk auditee? yes no

Section II - Findings Related to Financial Statements Reported in Accordance With Government Auditing Standards:

No matters reported

Section III - Findings and Questioned Costs Relating to Federal Awards:

No matters reported

Section IV - Summary Schedule of Prior Audit Findings:

No matters reported

PARAMOUNT SCHOOL OF EXCELLENCE, INC.

OTHER REPORT
JUNE 30, 2021

The report presented herein was prepared in addition to another official report prepared for Paramount as listed below:

Supplemental Audit Report of Paramount Schools of Excellence, Inc.

The Supplemental Audit Report contains the results of compliance testing required by the Indiana State Board of Accounts under its *Guidelines for the Audits of Charter Schools Performed by Private Examiners* pertaining to matters addressed in its *Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools*.



IMPORTANT! The National Bank of Indianapolis does not contact clients via email, telephone, or text message to request your account number, social security number or online banking password. Take steps to protect your private information: Never open unsolicited emails, attachments or downloads from an unknown source. Should you receive a communication with the Bank's name requesting password or account information do not respond. Please contact the Bank at (317) 261-9000 to report the incident [immediately](#).

!!! IMPORTANT Reminder from Treasury Management !!!
It is imperative that you verbally verify recipients for all ACH or Wire transactions prior to initiating for payment. You should also validate payees for all cleared checks on a daily basis.

Corporate Portrait Quick Start Guides for the system are available by [clicking here](#).

Welcome **PARAMOUNT SCHOOL OF EXCELLENCE INCI**

You have 2 new alerts...

Deposit Accounts

View 5 | 10 | 20 | 50 | 100 | ALL

Account (Click for Details)	Balance	Status	Options
New Central 9138	1,247,852.13		Select Option
New Brookside 6583	850,012.00		Select Option
Cottage Home 5018	506,220.44		Select Option
Englewood 5562	500,098.00		Select Option
Online Academy 6239	400,000.00		Select Option
Lafayette 6542	100,012.00		Select Option
South Bend 6559	100,012.00		Select Option
Capital 5637	4,182,153.51		Select Option
Old Navigation 5593	0.00		Select Option

eLearning
Important steps to protect the security of your online financial transactions!
[Click here to learn more now!](#)

COVID-19 Statement
[Click Here](#)

Password Reset

Attachment 19d: Bank balances/cash statement as of 3/25/22

Bank Balance									
Date	PBR	PCH	PEN	POA	PNE	PSB	NAV	Capital	Total Cash
07/02/21	\$3,842,235.96	\$126,532.71	\$136,382.74						\$4,107,051.41
11/15/21	\$3,490,575.26	\$722,312.33	\$516,813.70	\$377,649.35			\$800,035.06	\$232,768.62	\$6,140,154.32
11/23/21	\$3,691,951.73	\$722,312.33	\$516,813.70	\$377,649.35			\$800,035.06	\$232,768.62	\$6,341,530.79
11/29/21	\$4,090,000.26	\$722,312.33	\$516,813.70	\$377,649.35			\$800,035.06	\$232,768.62	\$6,739,579.32
12/03/21	\$3,995,080.39	\$748,788.41	\$430,495.51	\$537,165.84			\$277,993.96	\$224,726.48	\$6,214,250.59
12/10/21	\$4,038,240.89	\$748,788.41	\$430,495.51	\$537,165.84			\$277,993.96	\$224,726.48	\$6,257,411.09
12/17/21	\$4,362,092.52	\$748,788.41	\$430,495.51	\$537,165.84			\$277,993.96	\$224,726.48	\$6,581,262.72
12/27/21	\$5,773,849.84	\$748,788.41	\$430,495.51	\$537,165.84			\$277,993.96	\$224,726.48	\$7,993,020.04
12/31/21	\$4,739,199.33	\$902,808.88	\$688,248.72	\$749,026.46			\$119,545.36	\$203,024.27	\$7,401,853.02
01/07/22	\$4,538,613.07	\$893,817.33	\$684,449.93	\$740,615.01			\$140,835.04	\$203,033.67	\$7,201,364.05
01/12/22	\$4,229,819.27	\$893,817.33	\$684,449.93	\$740,615.01			\$140,835.04	\$203,033.67	\$6,892,570.25
01/21/22	\$4,779,832.72	\$893,817.33	\$684,449.93	\$740,615.01			\$140,835.04	\$203,033.67	\$7,442,583.70
01/31/22	\$4,238,709.83	\$994,749.74	\$792,087.17	\$989,129.27			\$151,604.48	\$188,843.72	\$7,355,124.21
02/07/22	\$4,188,839.45	\$994,749.74	\$792,087.17	\$989,129.27			\$151,604.48	\$188,843.72	\$7,305,253.83
02/11/22	\$3,985,975.06	\$994,749.74	\$792,470.17	\$989,129.27			\$151,604.48	\$188,843.72	\$7,102,772.44
02/18/22	\$4,562,520.02	\$994,749.74	\$792,470.17	\$989,129.27			\$151,604.48	\$188,843.72	\$7,679,317.40
02/24/22	\$4,281,165.62	\$963,025.69	\$774,413.99	\$1,351,945.00			\$163,071.84	\$175,807.25	\$7,709,429.39
02/25/22	\$4,262,488.33	\$963,025.69	\$774,413.99	\$1,351,945.00			\$163,071.84	\$175,807.25	\$7,690,752.10
02/28/22	\$4,449,174.74	\$963,025.69	\$774,413.99	\$1,351,945.00			\$163,071.84	\$175,807.25	\$7,877,438.51
03/01/22	\$850,000.00	\$500,000.00	\$500,000.00	\$400,000.00	\$100,000.00	\$100,000.00	\$1,200,000.00	\$4,301,439.51	\$7,951,439.51
03/08/22	\$850,012.00	\$503,668.00	\$500,000.00	\$400,000.00	\$100,012.00	\$100,012.00	\$962,873.74	\$4,301,439.51	\$7,718,017.25
03/11/22	\$850,012.00	\$503,668.00	\$500,000.00	\$400,000.00	\$100,012.00	\$100,012.00	\$831,479.42	\$4,301,439.51	\$7,586,622.93
03/18/22	\$850,012.00	\$503,668.00	\$500,098.00	\$400,000.00	\$100,012.00	\$100,012.00	\$1,250,940.29	\$4,182,153.51	\$7,886,895.80
03/25/22	\$850,012.00	\$504,959.29	\$500,098.00	\$400,000.00	\$100,012.00	\$100,012.00	\$1,211,215.34	\$4,182,153.51	\$7,848,462.14

Organizer/Management Company Portfolio Summary

Please complete for each school currently or formerly operated by the organizer or management company. Insert additional rows as needed

School Performance

Please provide the most recent **three years** of academic data, if available, for each school listed on Tab 1, inserting additional Tabs as necessary for additional schools. Insert additional rows as necessary for each grade level.

School Name:	Paramount Brookside
---------------------	---------------------

Year 3:	2020-2021	Grade Level	ELA Proficiency	ELA Growth (VA)	Math Proficiency	Math Growth (VA)	Instrument Used	4-Year Grad Rate	CCRI	Attendance Rate	Post-Secondary Attainment %
		K	77%	81%	82%	75%	Dibels/mClass	NA	NA	96%	NA
		1	79%	82%	80%	71%	Dibels/mClass	NA	NA	95%	NA
		2	81%	80%	77%	73%	Dibels/mClass	NA	NA	95%	NA
		3	75%	65%	61%	69%	Cambium ClearSight	NA	55%	93%	NA
		4	62%	55%	50%	65%	Cambium ClearSight	NA	47%	92%	NA
		5	48%	48%	48%	54%	Cambium ClearSight	NA	36%	93%	NA
		6	51%	52%	45%	52%	Cambium ClearSight	NA	31%	91%	NA
		7	55%	55%	47%	52%	Cambium ClearSight	NA	33%	89%	NA
		8	59%	49%	40%	46%	Cambium ClearSight	NA	28%	90%	NA
Year 2:	2019-2020	Grade Level	ELA Proficiency	ELA Growth (VA)	Math Proficiency	Math Growth (VA)	Instrument Used	4-Year Grad Rate	CCRI	Attendance Rate	Post-Secondary Attainment %
		K	81%	80%	80%	79%	Dibels/mClass	NA	NA	96%	NA
		1	79%	82%	80%	71%	Dibels/mClass	NA	NA	97%	NA
		2	83%	80%	77%	73%	Dibels/mClass	NA	NA	97%	NA
		3	81%	65%	80%	69%	Cambium ClearSight	NA	NA	95%	NA
		4	67%	61%	55%	58%	Cambium ClearSight	NA	NA	92%	NA
		5	53%	47%	54%	51%	Cambium ClearSight	NA	NA	94%	NA
		6	53%	50%	47%	52%	Cambium ClearSight	NA	NA	92%	NA
		7	59%	53%	49%	52%	Cambium ClearSight	NA	NA	90%	NA
		8	51%	47%	48%	48%	Cambium ClearSight	NA	NA	90%	NA
Year 1:	2018-2019	Grade Level	ELA Proficiency	ELA Growth (VA)	Math Proficiency	Math Growth (VA)	Instrument Used	4-Year Grad Rate	CCRI	Attendance Rate	Post-Secondary Attainment %
		K	88%	81%	82%	80%	Dibels/mClass	NA	NA	95%	NA
		1	85%	82%	80%	71%	Dibels/mClass	NA	NA	95%	NA
		2	83%	80%	77%	73%	Dibels/mClass	NA	NA	95%	NA
		3	77%	65%	70%	69%	Cambium ClearSight	NA	67%	92%	NA
		4	64%	61%	57%	58%	Cambium ClearSight	NA	55%	91%	NA
		5	52%	51%	49%	44%	Cambium ClearSight	NA	48%	94%	NA
		6	48%	44%	45%	39%	Cambium ClearSight	NA	42%	92%	NA
		7	50%	53%	48%	48%	Cambium ClearSight	NA	50%	91%	NA
		8	47%	44%	39%	40%	Cambium ClearSight	NA	49%	90%	NA

Organizer/Management Company Portfolio Summary

Please complete for each school currently or formerly operated by the organizer or management company. Insert additional rows as needed

School Performance

Provide the most recent **three years** of academic data, if available, for each school listed on Tab 1, inserting additional Tabs as necessary for additional schools. Insert additional rows as necessary for each grade

School Name:	Paramount Cottage Home
---------------------	------------------------

Year 3:	2020-2021	Grade Level	ELA Proficiency	ELA Growth (VA)	Math Proficiency	Math Growth (VA)	Instrument Used	4-Year Grad Rate	CCRI	Attendance Rate	Post-Secondary Attainment %
			K	71%	72%	82%	79%	mClass/Dibels	NA	NA	95%
		1	75%	70%	68%	66%	mClass/Dibels	NA	NA	94%	NA
		2	78%	81%	74%	70%	mClass/Dibels	NA	NA	91%	NA
		3	68%	62%	65%	72%	Cambium ClearSight	NA	55%	91%	NA
		4	49%	55%	74%	77%	Cambium ClearSight	NA	42%	90%	NA

Year 2:	2019-2020	Grade Level	ELA Proficiency	ELA Growth (VA)	Math Proficiency	Math Growth (VA)	Instrument Used	4-Year Grad Rate	CCRI	Attendance Rate	Post-Secondary
			K	82%	84%	82%	83%	Dibels/mClass	NA	NA	96%
		1	79%	82%	80%	71%	Dibels/mClass	NA	NA	95%	NA
		2	88%	84%	77%	73%	Dibels/mClass	NA	NA	93%	NA
		3	81%	65%	77%	72%	Cambium ClearSight	NA	NA	93%	NA
		4	77%	71%	72%	65%	Cambium ClearSight	NA	NA	93%	NA

Year 1:	2019-2020	Grade Level	ELA Proficiency	ELA Growth (VA)	Math Proficiency	Math Growth (VA)	Instrument Used	4-Year Grad Rate	CCRI	Attendance Rate	Post-Secondary
			K	75%	64%	62%	55%	Dibels/mClass	NA	NA	94%
		1	69%	58%	66%	60%	Dibels/mClass	NA	NA	92%	NA
		2	74%	76%	82%	77%	Dibels/mClass	NA	NA	89%	NA
		3	74%	75%	81%	80%	Cambium ClearSight	NA	81%	88%	NA
		4	82%	78%	77%	75%	Cambium ClearSight	NA	77%	90%	NA

Year 3:	2020-2021	Grade Level	ELA Proficiency	ELA Growth (VA)	Math Proficiency	Math Growth (VA)	Instrument Used	4-Year Grad Rate	CCRI	Attendance Rate	Post-Secondary Attainment %
		5	51%	45%	54%	51%	Dibels/mClass	NA	36%	92%	NA
		6	36%	40%	25%	33%	Dibels/mClass	NA	27%	93%	NA
		7	41%	40%	24%	36%	Dibels/mClass	NA	29%	88%	NA
		8	36%	42%	21%	29%	Cambium ClearSight	NA	24%	86%	NA

Year 2:	2019-2020	Grade Level	ELA Proficiency	ELA Growth (VA)	Math Proficiency	Math Growth (VA)	Instrument Used	4-Year Grad Rate	CCRI	Attendance Rate	Post-Secondary Attainment %
		5	51%	55%	37%	41%	Dibels/mClass	NA	NA	90%	NA
		6	40%	34%	38%	33%	Dibels/mClass	NA	NA	88%	NA
		7	38%	33%	37%	40%	Dibels/mClass	NA	NA	91%	NA
		8	41%	45%	30%	32%	Cambium ClearSight	NA	NA	87%	NA

AIA[®] Document A141[™] – 2014

Standard Form of Agreement Between Owner and Design-Builder

AGREEMENT made as of the 15th day of February in the year Two Thousand Twenty Two
(In words, indicate day, month and year.)

BETWEEN the Owner:
(Name, legal status, address and other information)

Paramount School of Excellence
3020 Nowland Avenue
Indianapolis, IN 46204

and the Design-Builder:
(Name, legal status, address and other information)

Keystone Construction Corp
47 S. Pennsylvania Street, Suite 1000
Indianapolis, IN 46204

for the following Project:
(Name, location and detailed description)

Paramount School -Lafayette
1904 Elmwood Avenue
Lafayette, IN 47904

The Owner and Design-Builder agree as follows.

ADDITIONS AND DELETIONS:

The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

Consultation with an attorney is also encouraged with respect to professional licensing requirements in the jurisdiction where the Project is located.

TABLE OF ARTICLES

- 1 GENERAL PROVISIONS
- 2 COMPENSATION AND PROGRESS PAYMENTS
- 3 GENERAL REQUIREMENTS OF THE WORK OF THE DESIGN-BUILD CONTRACT
- 4 WORK PRIOR TO EXECUTION OF THE DESIGN-BUILD AMENDMENT
- 5 WORK FOLLOWING EXECUTION OF THE DESIGN-BUILD AMENDMENT
- 6 CHANGES IN THE WORK
- 7 OWNER'S RESPONSIBILITIES
- 8 TIME
- 9 PAYMENT APPLICATIONS AND PROJECT COMPLETION
- 10 PROTECTION OF PERSONS AND PROPERTY
- 11 UNCOVERING AND CORRECTION OF WORK
- 12 COPYRIGHTS AND LICENSES
- 13 TERMINATION OR SUSPENSION
- 14 CLAIMS AND DISPUTE RESOLUTION
- 15 MISCELLANEOUS PROVISIONS
- 16 SCOPE OF THE AGREEMENT

TABLE OF EXHIBITS

- A DESIGN-BUILD AMENDMENT
- B INSURANCE AND BONDS
- C SUSTAINABLE PROJECTS

ARTICLE 1 GENERAL PROVISIONS

§ 1.1 Owner's Criteria

This Agreement is based on the Owner's Criteria set forth in this Section 1.1.

(Note the disposition for the following items by inserting the requested information or a statement such as "not applicable" or "unknown at time of execution." If the Owner intends to provide a set of design documents, and the requested information is contained in the design documents, identify the design documents and insert "see Owner's design documents" where appropriate.)

§ 1.1.1 The Owner's program for the Project:

(Set forth the program, identify documentation in which the program is set forth, or state the manner in which the program will be developed.)

§ 1.1.2 The Owner's design requirements for the Project and related documentation:

(Identify below, or in an attached exhibit, the documentation that contains the Owner's design requirements, including any performance specifications for the Project.)

§ 1.1.3 The Project's physical characteristics:

(Identify or describe, if appropriate, size, location, dimensions, or other pertinent information, such as geotechnical reports; site, boundary and topographic surveys; traffic and utility studies; availability of public and private utilities and services; legal description of the site; etc.)

§ 1.1.4 The Owner's anticipated Sustainable Objective for the Project, if any:

(Identify the Owner's Sustainable Objective for the Project such as Sustainability Certification, benefit to the environment, enhancement to the health and well-being of building occupants, or improvement of energy efficiency. If the Owner identifies a Sustainable Objective, incorporate AIA Document A141™-2014, Exhibit C, Sustainable Projects, into this Agreement to define the terms, conditions and Work related to the Owner's Sustainable Objective.)

§ 1.1.5 Incentive programs the Owner intends to pursue for the Project, including those related to the Sustainable Objective, and any deadlines for receiving the incentives that are dependent on, or related to, the Design-Builder's services, are as follows:

(Identify incentive programs the Owner intends to pursue for the Project and deadlines for submitting or applying for the incentive programs.)

§ 1.1.6 The Owner's budget for the Work to be provided by the Design-Builder is set forth below:

(Provide total for Owner's budget, and if known, a line item breakdown of costs.)

§ 1.1.7 The Owner's design and construction milestone dates:

- .1 Design phase milestone dates:

- .2 Submission of Design-Builder Proposal:

- .3 Phased completion dates:

- .4 Substantial Completion date:

- .5 Other milestone dates:

§ 1.1.8 The Owner requires the Design-Builder to retain the following Architect, Consultants and Contractors at the Design-Builder's cost:

(List name, legal status, address and other information.)

.1 Architect

.2 Consultants

.3 Contractors

§ 1.1.9 Additional Owner's Criteria upon which the Agreement is based:

(Identify special characteristics or needs of the Project not identified elsewhere, such as historic preservation requirements.)

§ 1.1.10 The Design-Builder shall confirm that the information included in the Owner's Criteria complies with applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of public authorities.

§ 1.1.10.1 If the Owner's Criteria conflicts with applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of public authorities, the Design-Builder shall notify the Owner of the conflict.

§ 1.1.11 If there is a change in the Owner's Criteria, the Owner and the Design-Builder shall execute a Modification in accordance with Article 6.

§ 1.1.12 If the Owner and Design-Builder intend to transmit Instruments of Service or any other information or documentation in digital form, they shall endeavor to establish necessary protocols governing such transmissions. Unless otherwise agreed, the parties will use AIA Document E203™-2013 to establish the protocols for the development, use, transmission, and exchange of digital data and building information modeling.

§ 1.2 Project Team

§ 1.2.1 The Owner identifies the following representative in accordance with Section 7.1.1:

(List name, address and other information.)

Tommy Reddicks

§ 1.2.2 The persons or entities, in addition to the Owner's representative, who are required to review the Design-Builder's Submittals are as follows:

(List name, address and other information.)

§ 1.2.3 The Owner will retain the following consultants and separate contractors:

(List discipline, scope of work, and, if known, identify by name and address.)

§ 1.2.4 The Design-Builder identifies the following representative in accordance with Section 3.1.2:

(List name, address and other information.)

Bob Crowder
47 S. Pennsylvania Street, Suite 1000
Indianapolis, IN 46204

§ 1.2.5 Neither the Owner's nor the Design-Builder's representative shall be changed without ten days' written notice to the other party.

§ 1.3 Binding Dispute Resolution

For any Claim subject to, but not resolved by, mediation pursuant to Section 14.3, the method of binding dispute resolution shall be the following:

(Check the appropriate box. If the Owner and Design-Builder do not select a method of binding dispute resolution below, or do not subsequently agree in writing to a binding dispute resolution other than litigation, Claims will be resolved by litigation in a court of competent jurisdiction.)

- Arbitration pursuant to Section 14.4
- Litigation in a court of competent jurisdiction
- Other: *(Specify)*

§ 1.4 Definitions

§ 1.4.1 Design-Build Documents. The Design-Build Documents consist of this Agreement between Owner and Design-Builder and its attached Exhibits (hereinafter, the "Agreement"); other documents listed in this Agreement; and Modifications issued after execution of this Agreement. A Modification is (1) a written amendment to the Contract signed by both parties, including the Design-Build Amendment, (2) a Change Order, or (3) a Change Directive.

§ 1.4.2 The Contract. The Design-Build Documents form the Contract. The Contract represents the entire and integrated agreement between the parties and supersedes prior negotiations, representations or agreements, either written or oral. The Contract may be amended or modified only by a Modification. The Design-Build Documents shall not be construed to create a contractual relationship of any kind between any persons or entities other than the Owner and the Design-Builder.

§ 1.4.3 The Work. The term "Work" means the design, construction and related services required to fulfill the Design-Builder's obligations under the Design-Build Documents, whether completed or partially completed, and includes all labor, materials, equipment and services provided or to be provided by the Design-Builder. The Work may constitute the whole or a part of the Project.

§ 1.4.4 The Project. The Project is the total design and construction of which the Work performed under the Design-Build Documents may be the whole or a part, and may include design and construction by the Owner and by separate contractors.

§ 1.4.5 Instruments of Service. Instruments of Service are representations, in any medium of expression now known or later developed, of the tangible and intangible creative work performed by the Design-Builder, Contractor(s), Architect, and Consultant(s) under their respective agreements. Instruments of Service may include, without limitation, studies, surveys, models, sketches, drawings, specifications, digital models and other similar materials.

§ 1.4.6 Submittal. A Submittal is any submission to the Owner for review and approval demonstrating how the Design-Builder proposes to conform to the Design-Build Documents for those portions of the Work for which the Design-Build Documents require Submittals. Submittals include, but are not limited to, shop drawings, product data, and samples. Submittals are not Design-Build Documents unless incorporated into a Modification.

§ 1.4.7 **Owner.** The Owner is the person or entity identified as such in the Agreement and is referred to throughout the Design-Build Documents as if singular in number. The term "Owner" means the Owner or the Owner's authorized representative.

§ 1.4.8 **Design-Builder.** The Design-Builder is the person or entity identified as such in the Agreement and is referred to throughout the Design-Build Documents as if singular in number. The term "Design-Builder" means the Design-Builder or the Design-Builder's authorized representative.

§ 1.4.9 **Consultant.** A Consultant is a person or entity providing professional services for the Design-Builder for all or a portion of the Work, and is referred to throughout the Design-Build Documents as if singular in number. To the extent required by the relevant jurisdiction, the Consultant shall be lawfully licensed to provide the required professional services.

§ 1.4.10 **Architect.** The Architect is a person or entity providing design services for the Design-Builder for all or a portion of the Work, and is lawfully licensed to practice architecture in the applicable jurisdiction. The Architect is referred to throughout the Design-Build Documents as if singular in number.

§ 1.4.11 **Contractor.** A Contractor is a person or entity performing all or a portion of the construction, required in connection with the Work, for the Design-Builder. The Contractor shall be lawfully licensed, if required in the jurisdiction where the Project is located. The Contractor is referred to throughout the Design-Build Documents as if singular in number and means a Contractor or an authorized representative of the Contractor.

§ 1.4.12 **Confidential Information.** Confidential Information is information containing confidential or business proprietary information that is clearly marked as "confidential."

§ 1.4.13 **Contract Time.** Unless otherwise provided, Contract Time is the period of time, including authorized adjustments, as set forth in the Design-Build Amendment for Substantial Completion of the Work.

§ 1.4.14 **Day.** The term "day" as used in the Design-Build Documents shall mean calendar day unless otherwise specifically defined.

§ 1.4.15 **Contract Sum.** The Contract Sum is the amount to be paid to the Design-Builder for performance of the Work after execution of the Design-Build Amendment, as identified in Article A.1 of the Design-Build Amendment.

ARTICLE 2 COMPENSATION AND PROGRESS PAYMENTS

§ 2.1 Compensation for Work Performed Prior To Execution of Design-Build Amendment

§ 2.1.1 Unless otherwise agreed, payments for Work performed prior to Execution of the Design-Build Amendment shall be made monthly. For the Design-Builder's performance of Work prior to the execution of the Design-Build Amendment, the Owner shall compensate the Design-Builder as follows:

(Insert amount of, or basis for, compensation, including compensation for any Sustainability Services, or indicate the exhibit in which the information is provided. If there will be a limit on the total amount of compensation for Work performed prior to the execution of the Design-Build Amendment, state the amount of the limit.)

By the 5th of a month, Design Builder shall submit to the Owner an itemized Application for Payment for Work completed in accordance with the values stated in the Agreement. Owner shall make payment to the Design Builder not later than the 30th of the same month. If an Application for Payment is received by the Owner after the application date fixed above, payment shall be made by the Owner not later than thirty (30) days after the Owner receives the Application for Payment.

§ 2.1.2 The hourly billing rates for services of the Design-Builder and the Design-Builder's Architect, Consultants and Contractors, if any, are set forth below.

(If applicable, attach an exhibit of hourly billing rates or insert them below.)

Individual or Position

Rate

§ 2.1.3 Compensation for Reimbursable Expenses Prior To Execution of Design-Build Amendment

§ 2.1.3.1 Reimbursable Expenses are in addition to compensation set forth in Section 2.1.1 and 2.1.2 and include expenses, directly related to the Project, incurred by the Design-Builder and the Design-Builder's Architect, Consultants, and Contractors, as follows:

- .1 Transportation and authorized out-of-town travel and subsistence;
- .2 Dedicated data and communication services, teleconferences, Project web sites, and extranets;
- .3 Fees paid for securing approval of authorities having jurisdiction over the Project;
- .4 Printing, reproductions, plots, standard form documents;
- .5 Postage, handling and delivery;
- .6 Expense of overtime work requiring higher than regular rates, if authorized in advance by the Owner;
- .7 Renderings, physical models, mock-ups, professional photography, and presentation materials requested by the Owner;
- .8 All taxes levied on professional services and on reimbursable expenses; and
- .9 Other Project-related expenditures, if authorized in advance by the Owner.

§ 2.1.3.2 For Reimbursable Expenses, the compensation shall be the expenses the Design-Builder and the Design-Builder's Architect, Consultants and Contractors incurred, plus an administrative fee of _____ percent (_____ %) of the expenses incurred.

§ 2.1.4 Payments to the Design-Builder Prior To Execution of Design-Build Amendment

§ 2.1.4.1 Payments are due and payable upon presentation of the Design-Builder's invoice. Amounts unpaid (_____) days after the invoice date shall bear interest at the rate entered below, or in the absence thereof at the legal rate prevailing from time to time at the principal place of business of the Design-Builder.
(Insert rate of monthly or annual interest agreed upon.)

One 1% over Prime.

§ 2.1.4.2 Records of Reimbursable Expenses and services performed on the basis of hourly rates shall be available to the Owner at mutually convenient times for a period of two years following execution of the Design-Build Amendment or termination of this Agreement, whichever occurs first.

§ 2.2 Contract Sum and Payment for Work Performed After Execution of Design-Build Amendment

For the Design-Builder's performance of the Work after execution of the Design-Build Amendment, the Owner shall pay to the Design-Builder the Contract Sum in current funds as agreed in the Design-Build Amendment.

ARTICLE 3 GENERAL REQUIREMENTS OF THE WORK OF THE DESIGN-BUILD CONTRACT

§ 3.1 General

§ 3.1.1 The Design-Builder shall comply with any applicable licensing requirements in the jurisdiction where the Project is located.

§ 3.1.2 The Design-Builder shall designate in writing a representative who is authorized to act on the Design-Builder's behalf with respect to the Project.

§ 3.1.3 The Design-Builder shall perform the Work in accordance with the Design-Build Documents. The Design-Builder shall not be relieved of the obligation to perform the Work in accordance with the Design-Build Documents by the activities, tests, inspections or approvals of the Owner.

§ 3.1.3.1 The Design-Builder shall perform the Work in compliance with applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of public authorities. If the Design-Builder performs Work contrary to applicable laws, statutes, ordinances, codes, rules and regulations, and lawful orders of public authorities, the Design-Builder shall assume responsibility for such Work and shall bear the costs attributable to correction.

§ 3.1.3.2 Neither the Design-Builder nor any Contractor, Consultant, or Architect shall be obligated to perform any act which they believe will violate any applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of public authorities. If the Design-Builder determines that implementation of any instruction received from the Owner, including those in the Owner's Criteria, would cause a violation of any applicable laws, statutes, ordinances,

codes, rules and regulations, or lawful orders of public authorities, the Design-Builder shall notify the Owner in writing. Upon verification by the Owner that a change to the Owner's Criteria is required to remedy the violation, the Owner and the Design-Builder shall execute a Modification in accordance with Article 6.

§ 3.1.4 The Design-Builder shall be responsible to the Owner for acts and omissions of the Design-Builder's employees, Architect, Consultants, Contractors, and their agents and employees, and other persons or entities performing portions of the Work.

§ 3.1.5 **General Consultation.** The Design-Builder shall schedule and conduct periodic meetings with the Owner to review matters such as procedures, progress, coordination, and scheduling of the Work.

§ 3.1.6 When applicable law requires that services be performed by licensed professionals, the Design-Builder shall provide those services through qualified, licensed professionals. The Owner understands and agrees that the services of the Design-Builder's Architect and the Design-Builder's other Consultants are performed in the sole interest of, and for the exclusive benefit of, the Design-Builder.

§ 3.1.7 The Design-Builder, with the assistance of the Owner, shall prepare and file documents required to obtain necessary approvals of governmental authorities having jurisdiction over the Project.

§ 3.1.8 Progress Reports

§ 3.1.8.1 The Design-Builder shall keep the Owner informed of the progress and quality of the Work. On a monthly basis, or otherwise as agreed to by the Owner and Design-Builder, the Design-Builder shall submit written progress reports to the Owner, showing estimated percentages of completion and other information identified below:

- .1 Work completed for the period;
- .2 Project schedule status;
- .3 Submittal schedule and status report, including a summary of outstanding Submittals;
- .4 Responses to requests for information to be provided by the Owner;
- .5 Approved Change Orders and Change Directives;
- .6 Pending Change Order and Change Directive status reports;
- .7 Tests and inspection reports;
- .8 Status report of Work rejected by the Owner;
- .9 Status of Claims previously submitted in accordance with Article 14;
- .10 Cumulative total of the Cost of the Work to date including the Design-Builder's compensation and Reimbursable Expenses, if any;
- .11 Current Project cash-flow and forecast reports; and
- .12 Additional information as agreed to by the Owner and Design-Builder.

§ 3.1.8.2 In addition, where the Contract Sum is the Cost of the Work with or without a Guaranteed Maximum Price, the Design-Builder shall include the following additional information in its progress reports:

- .1 Design-Builder's work force report;
- .2 Equipment utilization report; and
- .3 Cost summary, comparing actual costs to updated cost estimates.

§ 3.1.9 Design-Builder's Schedules

§ 3.1.9.1 The Design-Builder, promptly after execution of this Agreement, shall prepare and submit for the Owner's information a schedule for the Work. The schedule, including the time required for design and construction, shall not exceed time limits current under the Design-Build Documents, shall be revised at appropriate intervals as required by the conditions of the Work and Project, shall be related to the entire Project to the extent required by the Design-Build Documents, shall provide for expeditious and practicable execution of the Work, and shall include allowances for periods of time required for the Owner's review and for approval of submissions by authorities having jurisdiction over the Project.

§ 3.1.9.2 The Design-Builder shall perform the Work in general accordance with the most recent schedules submitted to the Owner.

§ 3.1.10 **Certifications.** Upon the Owner's written request, the Design-Builder shall obtain from the Architect, Consultants, and Contractors, and furnish to the Owner, certifications with respect to the documents and services

provided by the Architect, Consultants, and Contractors (a) that, to the best of their knowledge, information and belief, the documents or services to which the certifications relate (i) are consistent with the Design-Build Documents, except to the extent specifically identified in the certificate, and (ii) comply with applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of public authorities governing the design of the Project; and (b) that the Owner and its consultants shall be entitled to rely upon the accuracy of the representations and statements contained in the certifications. The Design-Builder's Architect, Consultants, and Contractors shall not be required to execute certificates or consents that would require knowledge, services or responsibilities beyond the scope of their services.

§ 3.1.11 Design-Builder's Submittals

§ 3.1.11.1 Prior to submission of any Submittals, the Design-Builder shall prepare a Submittal schedule, and shall submit the schedule for the Owner's approval. The Owner's approval shall not unreasonably be delayed or withheld. The Submittal schedule shall (1) be coordinated with the Design-Builder's schedule provided in Section 3.1.9.1, (2) allow the Owner reasonable time to review Submittals, and (3) be periodically updated to reflect the progress of the Work. If the Design-Builder fails to submit a Submittal schedule, the Design-Builder shall not be entitled to any increase in Contract Sum or extension of Contract Time based on the time required for review of Submittals.

§ 3.1.11.2 By providing Submittals the Design-Builder represents to the Owner that it has (1) reviewed and approved them, (2) determined and verified materials, field measurements and field construction criteria related thereto, or will do so and (3) checked and coordinated the information contained within such Submittals with the requirements of the Work and of the Design-Build Documents.

§ 3.1.11.3 The Design-Builder shall perform no portion of the Work for which the Design-Build Documents require Submittals until the Owner has approved the respective Submittal.

§ 3.1.11.4 The Work shall be in accordance with approved Submittals except that the Design-Builder shall not be relieved of its responsibility to perform the Work consistent with the requirements of the Design-Build Documents. The Work may deviate from the Design-Build Documents only if the Design-Builder has notified the Owner in writing of a deviation from the Design-Build Documents at the time of the Submittal and a Modification is executed authorizing the identified deviation. The Design-Builder shall not be relieved of responsibility for errors or omissions in Submittals by the Owner's approval of the Submittals.

§ 3.1.11.5 All professional design services or certifications to be provided by the Design-Builder, including all drawings, calculations, specifications, certifications, shop drawings and other Submittals, shall contain the signature and seal of the licensed design professional preparing them. Submittals related to the Work designed or certified by the licensed design professionals, if prepared by others, shall bear the licensed design professional's written approval. The Owner and its consultants shall be entitled to rely upon the adequacy, accuracy and completeness of the services, certifications or approvals performed by such design professionals.

§ 3.1.12 Warranty. The Design-Builder warrants to the Owner that materials and equipment furnished under the Contract will be of good quality and new unless the Design-Build Documents require or permit otherwise. The Design-Builder further warrants that the Work will conform to the requirements of the Design-Build Documents and will be free from defects, except for those inherent in the quality of the Work or otherwise expressly permitted by the Design-Build Documents. Work, materials, or equipment not conforming to these requirements may be considered defective. The Design-Builder's warranty excludes remedy for damage or defect caused by abuse, alterations to the Work not executed by the Design-Builder, improper or insufficient maintenance, improper operation, or normal wear and tear and normal usage. If required by the Owner, the Design-Builder shall furnish satisfactory evidence as to the kind and quality of materials and equipment.

§ 3.1.13 Royalties, Patents and Copyrights

§ 3.1.13.1 The Design-Builder shall pay all royalties and license fees.

§ 3.1.13.2 The Design-Builder shall defend suits or claims for infringement of copyrights and patent rights and shall hold the Owner and its separate contractors and consultants harmless from loss on account thereof, but shall not be responsible for such defense or loss when a particular design, process or product of a particular manufacturer or manufacturers is required by the Owner, or where the copyright violations are required in the Owner's Criteria. However, if the Design-Builder has reason to believe that the design, process or product required in the Owner's Criteria is an infringement of a copyright or a patent, the Design-Builder shall be responsible for such loss unless such

information is promptly furnished to the Owner. If the Owner receives notice from a patent or copyright owner of an alleged violation of a patent or copyright, attributable to the Design-Builder, the Owner shall give prompt written notice to the Design-Builder.

§ 3.1.14 Indemnification

§ 3.1.14.1 To the fullest extent permitted by law, the Design-Builder shall indemnify and hold harmless the Owner, including the Owner's agents and employees, from and against claims, damages, losses and expenses, including but not limited to attorneys' fees, arising out of or resulting from performance of the Work, but only to the extent caused by the negligent acts or omissions of the Design-Builder, Architect, a Consultant, a Contractor, or anyone directly or indirectly employed by them or anyone for whose acts they may be liable. Such obligation shall not be construed to negate, abridge, or reduce other rights or obligations of indemnity that would otherwise exist as to a party or person described in this Section 3.1.14.

§ 3.1.14.2 The indemnification obligation under this Section 3.1.14 shall not be limited by a limitation on amount or type of damages, compensation, or benefits payable by or for Design-Builder, Architect, a Consultant, a Contractor, or anyone directly or indirectly employed by them, under workers' compensation acts, disability benefit acts or other employee benefit acts.

§ 3.1.15 Contingent Assignment of Agreements

§ 3.1.15.1 Each agreement for a portion of the Work is assigned by the Design-Builder to the Owner, provided that

- .1 assignment is effective only after termination of the Contract by the Owner for cause, pursuant to Sections 13.1.4 or 13.2.2, and only for those agreements that the Owner accepts by written notification to the Design-Builder and the Architect, Consultants, and Contractors whose agreements are accepted for assignment; and
- .2 assignment is subject to the prior rights of the surety, if any, obligated under bond relating to the Contract.

When the Owner accepts the assignment of an agreement, the Owner assumes the Design-Builder's rights and obligations under the agreement.

§ 3.1.15.2 Upon such assignment, if the Work has been suspended for more than 30 days, the compensation under the assigned agreement shall be equitably adjusted for increases in cost resulting from the suspension.

§ 3.1.15.3 Upon such assignment to the Owner under this Section 3.1.15, the Owner may further assign the agreement to a successor design-builder or other entity. If the Owner assigns the agreement to a successor design-builder or other entity, the Owner shall nevertheless remain legally responsible for all of the successor design-builder's or other entity's obligations under the agreement.

§ 3.1.16 Design-Builder's Insurance and Bonds. The Design-Builder shall purchase and maintain insurance and provide bonds as set forth in Exhibit B.

ARTICLE 4 WORK PRIOR TO EXECUTION OF THE DESIGN-BUILD AMENDMENT

§ 4.1 General

§ 4.1.1 Any information submitted by the Design-Builder, and any interim decisions made by the Owner, shall be for the purpose of facilitating the design process and shall not modify the Owner's Criteria unless the Owner and Design-Builder execute a Modification.

§ 4.1.2 The Design-Builder shall advise the Owner on proposed site use and improvements, selection of materials, and building systems and equipment. The Design-Builder shall also provide the Owner with recommendations, consistent with the Owner's Criteria, on constructability; availability of materials and labor; time requirements for procurement, installation and construction; and factors related to construction cost including, but not limited to, costs of alternative designs or materials, preliminary budgets, life-cycle data, and possible cost reductions.

§ 4.2 Evaluation of the Owner's Criteria

§ 4.2.1 The Design-Builder shall schedule and conduct meetings with the Owner and any other necessary individuals or entities to discuss and review the Owner's Criteria as set forth in Section 1.1. The Design-Builder shall thereafter again meet with the Owner to discuss a preliminary evaluation of the Owner's Criteria. The preliminary evaluation

shall address possible alternative approaches to design and construction of the Project and include the Design-Builder's recommendations, if any, with regard to accelerated or fast-track scheduling, procurement, or phased construction. The preliminary evaluation shall consider cost information, constructability, and procurement and construction scheduling issues.

§ 4.2.2 After the Design-Builder meets with the Owner and presents the preliminary evaluation, the Design-Builder shall provide a written report to the Owner, summarizing the Design-Builder's evaluation of the Owner's Criteria. The report shall also include

- .1 allocations of program functions, detailing each function and their square foot areas;
- .2 a preliminary estimate of the Cost of the Work, and, if necessary, recommendations to adjust the Owner's Criteria to conform to the Owner's budget;
- .3 a preliminary schedule, which shall include proposed design milestones; dates for receiving additional information from, or for work to be completed by, the Owner; anticipated date for the Design-Builder's Proposal; and dates of periodic design review sessions with the Owner; and
- .4 the following:
(List additional information, if any, to be included in the Design-Builder's written report.)

§ 4.2.3 The Owner shall review the Design-Builder's written report and, if acceptable, provide the Design-Builder with written consent to proceed to the development of the Preliminary Design as described in Section 4.3. The consent to proceed shall not be understood to modify the Owner's Criteria unless the Owner and Design-Builder execute a Modification.

§ 4.3 Preliminary Design

§ 4.3.1 Upon the Owner's issuance of a written consent to proceed under Section 4.2.3, the Design-Builder shall prepare and submit a Preliminary Design to the Owner. The Preliminary Design shall include a report identifying any deviations from the Owner's Criteria, and shall include the following:

- .1 Confirmation of the allocations of program functions;
- .2 Site plan;
- .3 Building plans, sections and elevations;
- .4 Structural system;
- .5 Selections of major building systems, including but not limited to mechanical, electrical and plumbing systems; and
- .6 Outline specifications or sufficient drawing notes describing construction materials.

The Preliminary Design may include some combination of physical study models, perspective sketches, or digital modeling.

§ 4.3.2 The Owner shall review the Preliminary Design and, if acceptable, provide the Design-Builder with written consent to proceed to development of the Design-Builder's Proposal. The Preliminary Design shall not modify the Owner's Criteria unless the Owner and Design-Builder execute a Modification.

§ 4.4 Design-Builder's Proposal

§ 4.4.1 Upon the Owner's issuance of a written consent to proceed under Section 4.3.2, the Design-Builder shall prepare and submit the Design-Builder's Proposal to the Owner. The Design-Builder's Proposal shall include the following:

- .1 A list of the Preliminary Design documents and other information, including the Design-Builder's clarifications, assumptions and deviations from the Owner's Criteria, upon which the Design-Builder's Proposal is based;
- .2 The proposed Contract Sum, including the compensation method and, if based upon the Cost of the Work plus a fee, a written statement of estimated cost organized by trade categories, allowances, contingencies, Design-Builder's Fee, and other items that comprise the Contract Sum;
- .3 The proposed date the Design-Builder shall achieve Substantial Completion;
- .4 An enumeration of any qualifications and exclusions, if applicable;
- .5 A list of the Design-Builder's key personnel, Contractors and suppliers; and
- .6 The date on which the Design-Builder's Proposal expires.

§ 4.4.2 Submission of the Design-Builder's Proposal shall constitute a representation by the Design-Builder that it has visited the site and become familiar with local conditions under which the Work is to be completed.

§ 4.4.3 If the Owner and Design-Builder agree on a proposal, the Owner and Design-Builder shall execute the Design-Build Amendment setting forth the terms of their agreement.

ARTICLE 5 WORK FOLLOWING EXECUTION OF THE DESIGN-BUILD AMENDMENT

§ 5.1 Construction Documents

§ 5.1.1 Upon the execution of the Design-Build Amendment, the Design-Builder shall prepare Construction Documents. The Construction Documents shall establish the quality levels of materials and systems required. The Construction Documents shall be consistent with the Design-Build Documents.

§ 5.1.2 The Design-Builder shall provide the Construction Documents to the Owner for the Owner's information. If the Owner discovers any deviations between the Construction Documents and the Design-Build Documents, the Owner shall promptly notify the Design-Builder of such deviations in writing. The Construction Documents shall not modify the Design-Build Documents unless the Owner and Design-Builder execute a Modification. The failure of the Owner to discover any such deviations shall not relieve the Design-Builder of the obligation to perform the Work in accordance with the Design-Build Documents.

§ 5.2 Construction

§ 5.2.1 **Commencement.** Except as permitted in Section 5.2.2, construction shall not commence prior to execution of the Design-Build Amendment.

§ 5.2.2 If the Owner and Design-Builder agree in writing, construction may proceed prior to the execution of the Design-Build Amendment. However, such authorization shall not waive the Owner's right to reject the Design-Builder's Proposal.

§ 5.2.3 The Design-Builder shall supervise and direct the Work, using the Design-Builder's best skill and attention. The Design-Builder shall be solely responsible for, and have control over, construction means, methods, techniques, sequences and procedures, and for coordinating all portions of the Work under the Contract, unless the Design-Build Documents give other specific instructions concerning these matters.

§ 5.2.4 The Design-Builder shall be responsible for inspection of portions of Work already performed to determine that such portions are in proper condition to receive subsequent Work.

§ 5.3 Labor and Materials

§ 5.3.1 Unless otherwise provided in the Design-Build Documents, the Design-Builder shall provide and pay for labor, materials, equipment, tools, construction equipment and machinery, water, heat, utilities, transportation, and other facilities and services, necessary for proper execution and completion of the Work, whether temporary or permanent, and whether or not incorporated or to be incorporated in the Work.

§ 5.3.2 When a material or system is specified in the Design-Build Documents, the Design-Builder may make substitutions only in accordance with Article 6.

§ 5.3.3 The Design-Builder shall enforce strict discipline and good order among the Design-Builder's employees and other persons carrying out the Work. The Design-Builder shall not permit employment of unfit persons or persons not properly skilled in tasks assigned to them.

§ 5.4 Taxes

The Design-Builder shall pay sales, consumer, use and similar taxes, for the Work provided by the Design-Builder, that are legally enacted when the Design-Build Amendment is executed, whether or not yet effective or merely scheduled to go into effect.

§ 5.5 Permits, Fees, Notices and Compliance with Laws

§ 5.5.1 Unless otherwise provided in the Design-Build Documents, the Design-Builder shall secure and pay for the building permit as well as any other permits, fees, licenses, and inspections by government agencies, necessary for proper execution of the Work and Substantial Completion of the Project.

§ 5.5.2 The Design-Builder shall comply with and give notices required by applicable laws, statutes, ordinances, codes, rules and regulations, and lawful orders of public authorities, applicable to performance of the Work.

§ 5.5.3 Concealed or Unknown Conditions. If the Design-Builder encounters conditions at the site that are (1) subsurface or otherwise concealed physical conditions that differ materially from those indicated in the Design-Build Documents or (2) unknown physical conditions of an unusual nature that differ materially from those ordinarily found to exist and generally recognized as inherent in construction activities of the character provided for in the Design-Build Documents, the Design-Builder shall promptly provide notice to the Owner before conditions are disturbed and in no event later than 21 days after first observance of the conditions. The Owner shall promptly investigate such conditions and, if the Owner determines that they differ materially and cause an increase or decrease in the Design-Builder's cost of, or time required for, performance of any part of the Work, shall recommend an equitable adjustment in the Contract Sum or Contract Time, or both. If the Owner determines that the conditions at the site are not materially different from those indicated in the Design-Build Documents and that no change in the terms of the Contract is justified, the Owner shall promptly notify the Design-Builder in writing, stating the reasons. If the Design-Builder disputes the Owner's determination or recommendation, the Design-Builder may proceed as provided in Article 14.

§ 5.5.4 If, in the course of the Work, the Design-Builder encounters human remains, or recognizes the existence of burial markers, archaeological sites, or wetlands, not indicated in the Design-Build Documents, the Design-Builder shall immediately suspend any operations that would affect them and shall notify the Owner. Upon receipt of such notice, the Owner shall promptly take any action necessary to obtain governmental authorization required to resume the operations. The Design-Builder shall continue to suspend such operations until otherwise instructed by the Owner but shall continue with all other operations that do not affect those remains or features. Requests for adjustments in the Contract Sum and Contract Time arising from the existence of such remains or features may be made as provided in Article 14.

§ 5.6 Allowances

§ 5.6.1 The Design-Builder shall include in the Contract Sum all allowances stated in the Design-Build Documents. Items covered by allowances shall be supplied for such amounts, and by such persons or entities as the Owner may direct, but the Design-Builder shall not be required to employ persons or entities to whom the Design-Builder has reasonable objection.

§ 5.6.2 Unless otherwise provided in the Design-Build Documents,

- .1 allowances shall cover the cost to the Design-Builder of materials and equipment delivered at the site and all required taxes, less applicable trade discounts;
- .2 the Design-Builder's costs for unloading and handling at the site, labor, installation costs, overhead, profit, and other expenses contemplated for stated allowance amounts, shall be included in the Contract Sum but not in the allowances; and
- .3 whenever costs are more than or less than allowances, the Contract Sum shall be adjusted accordingly by Change Order. The amount of the Change Order shall reflect (1) the difference between actual costs and the allowances under Section 5.6.2.1 and (2) changes in Design-Builder's costs under Section 5.6.2.2.

§ 5.6.3 The Owner shall make selections of materials and equipment with reasonable promptness for allowances requiring Owner selection.

§ 5.7 Key Personnel, Contractors and Suppliers

§ 5.7.1 The Design-Builder shall not employ personnel, or contract with Contractors or suppliers to whom the Owner has made reasonable and timely objection. The Design-Builder shall not be required to contract with anyone to whom the Design-Builder has made reasonable and timely objection.

§ 5.7.2 If the Design-Builder changes any of the personnel, Contractors or suppliers identified in the Design-Build Amendment, the Design-Builder shall notify the Owner and provide the name and qualifications of the new personnel, Contractor or supplier. The Owner may reply within 14 days to the Design-Builder in writing, stating (1) whether the Owner has reasonable objection to the proposed personnel, Contractor or supplier or (2) that the Owner requires additional time to review. Failure of the Owner to reply within the 14-day period shall constitute notice of no reasonable objection.

§ 5.7.3 Except for those persons or entities already identified or required in the Design-Build Amendment, the Design-Builder, as soon as practicable after execution of the Design-Build Amendment, shall furnish in writing to the Owner the names of persons or entities (including those who are to furnish materials or equipment fabricated to a special design) proposed for each principal portion of the Work. The Owner may reply within 14 days to the Design-Builder in writing stating (1) whether the Owner has reasonable objection to any such proposed person or entity or (2) that the Owner requires additional time for review. Failure of the Owner to reply within the 14-day period shall constitute notice of no reasonable objection.

§ 5.7.3.1 If the Owner has reasonable objection to a person or entity proposed by the Design-Builder, the Design-Builder shall propose another to whom the Owner has no reasonable objection. If the rejected person or entity was reasonably capable of performing the Work, the Contract Sum and Contract Time shall be increased or decreased by the difference, if any, occasioned by such change, and an appropriate Change Order shall be issued before commencement of the substitute person or entity's Work. However, no increase in the Contract Sum or Contract Time shall be allowed for such change unless the Design-Builder has acted promptly and responsively in submitting names as required.

§ 5.8 Documents and Submittals at the Site

The Design-Builder shall maintain at the site for the Owner one copy of the Design-Build Documents and a current set of the Construction Documents, in good order and marked currently to indicate field changes and selections made during construction, and one copy of approved Submittals. The Design-Builder shall deliver these items to the Owner in accordance with Section 9.10.2 as a record of the Work as constructed.

§ 5.9 Use of Site

The Design-Builder shall confine operations at the site to areas permitted by applicable laws, statutes, ordinances, codes, rules and regulations, lawful orders of public authorities, and the Design-Build Documents, and shall not unreasonably encumber the site with materials or equipment.

§ 5.10 Cutting and Patching

The Design-Builder shall not cut, patch or otherwise alter fully or partially completed construction by the Owner or a separate contractor except with written consent of the Owner and of such separate contractor; such consent shall not be unreasonably withheld. The Design-Builder shall not unreasonably withhold from the Owner or a separate contractor the Design-Builder's consent to cutting or otherwise altering the Work.

§ 5.11 Cleaning Up

§ 5.11.1 The Design-Builder shall keep the premises and surrounding area free from accumulation of waste materials or rubbish caused by operations under the Contract. At completion of the Work, the Design-Builder shall remove waste materials, rubbish, the Design-Builder's tools, construction equipment, machinery and surplus materials from and about the Project.

§ 5.11.2 If the Design-Builder fails to clean up as provided in the Design-Build Documents, the Owner may do so and Owner shall be entitled to reimbursement from the Design-Builder.

§ 5.12 Access to Work

The Design-Builder shall provide the Owner and its separate contractors and consultants access to the Work in preparation and progress wherever located. The Design-Builder shall notify the Owner regarding Project safety criteria and programs, which the Owner, and its contractors and consultants, shall comply with while at the site.

§ 5.13 Construction by Owner or by Separate Contractors

§ 5.13.1 Owner's Right to Perform Construction and to Award Separate Contracts

§ 5.13.1.1 The Owner reserves the right to perform construction or operations related to the Project with the Owner's own forces; and to award separate contracts in connection with other portions of the Project, or other construction or operations on the site, under terms and conditions identical or substantially similar to this Contract, including those terms and conditions related to insurance and waiver of subrogation. The Owner shall notify the Design-Builder promptly after execution of any separate contract. If the Design-Builder claims that delay or additional cost is involved because of such action by the Owner, the Design-Builder shall make a Claim as provided in Article 14.

§ 5.13.1.2 When separate contracts are awarded for different portions of the Project or other construction or operations on the site, the term "Design-Builder" in the Design-Build Documents in each case shall mean the individual or entity that executes each separate agreement with the Owner.

§ 5.13.1.3 The Owner shall provide for coordination of the activities of the Owner's own forces, and of each separate contractor, with the Work of the Design-Builder, who shall cooperate with them. The Design-Builder shall participate with other separate contractors and the Owner in reviewing their construction schedules. The Design-Builder shall make any revisions to the construction schedule deemed necessary after a joint review and mutual agreement. The construction schedules shall then constitute the schedules to be used by the Design-Builder, separate contractors and the Owner until subsequently revised.

§ 5.13.1.4 Unless otherwise provided in the Design-Build Documents, when the Owner performs construction or operations related to the Project with the Owner's own forces or separate contractors, the Owner shall be deemed to be subject to the same obligations, and to have the same rights, that apply to the Design-Builder under the Contract.

§ 5.14 Mutual Responsibility

§ 5.14.1 The Design-Builder shall afford the Owner and separate contractors reasonable opportunity for introduction and storage of their materials and equipment and performance of their activities, and shall connect and coordinate the Design-Builder's construction and operations with theirs as required by the Design-Build Documents.

§ 5.14.2 If part of the Design-Builder's Work depends upon construction or operations by the Owner or a separate contractor, the Design-Builder shall, prior to proceeding with that portion of the Work, prepare a written report to the Owner, identifying apparent discrepancies or defects in the construction or operations by the Owner or separate contractor that would render it unsuitable for proper execution and results of the Design-Builder's Work. Failure of the Design-Builder to report shall constitute an acknowledgment that the Owner's or separate contractor's completed or partially completed construction is fit and proper to receive the Design-Builder's Work, except as to defects not then reasonably discoverable.

§ 5.14.3 The Design-Builder shall reimburse the Owner for costs the Owner incurs that are payable to a separate contractor because of the Design-Builder's delays, improperly timed activities or defective construction. The Owner shall be responsible to the Design-Builder for costs the Design-Builder incurs because of a separate contractor's delays, improperly timed activities, damage to the Work or defective construction.

§ 5.14.4 The Design-Builder shall promptly remedy damage the Design-Builder wrongfully causes to completed or partially completed construction or to property of the Owner or separate contractors as provided in Section 10.2.5.

§ 5.14.5 The Owner and each separate contractor shall have the same responsibilities for cutting and patching the Work as the Design-Builder has with respect to the construction of the Owner or separate contractors in Section 5.10.

§ 5.15 Owner's Right to Clean Up

If a dispute arises among the Design-Builder, separate contractors and the Owner as to the responsibility under their respective contracts for maintaining the premises and surrounding area free from waste materials and rubbish, the Owner may clean up and will allocate the cost among those responsible.

ARTICLE 6 CHANGES IN THE WORK

§ 6.1 General

§ 6.1.1 Changes in the Work may be accomplished after execution of the Contract, and without invalidating the Contract, by Change Order or Change Directive, subject to the limitations stated in this Article 6 and elsewhere in the Design-Build Documents.

§ 6.1.2 A Change Order shall be based upon agreement between the Owner and Design-Builder. The Owner may issue a Change Directive without agreement by the Design-Builder.

§ 6.1.3 Changes in the Work shall be performed under applicable provisions of the Design-Build Documents, and the Design-Builder shall proceed promptly, unless otherwise provided in the Change Order or Change Directive.

§ 6.2 Change Orders

A Change Order is a written instrument signed by the Owner and Design-Builder stating their agreement upon all of the following:

- .1 The change in the Work;
- .2 The amount of the adjustment, if any, in the Contract Sum or, if prior to execution of the Design-Build Amendment, the adjustment in the Design-Builder's compensation; and
- .3 The extent of the adjustment, if any, in the Contract Time.

§ 6.3 Change Directives

§ 6.3.1 A Change Directive is a written order signed by the Owner directing a change in the Work prior to agreement on adjustment, if any, in the Contract Sum or, if prior to execution of the Design-Build Amendment, the adjustment in the Design-Builder's compensation, or Contract Time. The Owner may by Change Directive, without invalidating the Contract, order changes in the Work within the general scope of the Contract consisting of additions, deletions or other revisions, the Contract Sum or, if prior to execution of the Design-Build Amendment, the adjustment in the Design-Builder's compensation, and Contract Time being adjusted accordingly.

§ 6.3.2 A Change Directive shall be used in the absence of total agreement on the terms of a Change Order.

§ 6.3.3 If the Change Directive provides for an adjustment to the Contract Sum or, if prior to execution of the Design-Build Amendment, an adjustment in the Design-Builder's compensation, the adjustment shall be based on one of the following methods:

- .1 Mutual acceptance of a lump sum properly itemized and supported by sufficient substantiating data to permit evaluation;
- .2 Unit prices stated in the Design-Build Documents or subsequently agreed upon;
- .3 Cost to be determined in a manner agreed upon by the parties and a mutually acceptable fixed or percentage fee; or
- .4 As provided in Section 6.3.7.

§ 6.3.4 If unit prices are stated in the Design-Build Documents or subsequently agreed upon, and if quantities originally contemplated are materially changed in a proposed Change Order or Change Directive so that application of such unit prices to quantities of Work proposed will cause substantial inequity to the Owner or Design-Builder, the applicable unit prices shall be equitably adjusted.

§ 6.3.5 Upon receipt of a Change Directive, the Design-Builder shall promptly proceed with the change in the Work involved and advise the Owner of the Design-Builder's agreement or disagreement with the method, if any, provided in the Change Directive for determining the proposed adjustment in the Contract Sum or, if prior to execution of the Design-Build Amendment, the adjustment in the Design-Builder's compensation, or Contract Time.

§ 6.3.6 A Change Directive signed by the Design-Builder indicates the Design-Builder's agreement therewith, including adjustment in Contract Sum or, if prior to execution of the Design-Build Amendment, the adjustment in the Design-Builder's compensation, and Contract Time or the method for determining them. Such agreement shall be effective immediately and shall be recorded as a Change Order.

§ 6.3.7 If the Design-Builder does not respond promptly or disagrees with the method for adjustment in the Contract Sum or, if prior to execution of the Design-Build Amendment, the method for adjustment in the Design-Builder's

compensation, the Owner shall determine the method and the adjustment on the basis of reasonable expenditures and savings of those performing the Work attributable to the change, including, in case of an increase, an amount for overhead and profit as set forth in the Agreement, or if no such amount is set forth in the Agreement, a reasonable amount. In such case, and also under Section 6.3.3.3, the Design-Builder shall keep and present, in such form as the Owner may prescribe, an itemized accounting together with appropriate supporting data. Unless otherwise provided in the Design-Build Documents, costs for the purposes of this Section 6.3.7 shall be limited to the following:

- .1 Additional costs of professional services;
- .2 Costs of labor, including social security, unemployment insurance, fringe benefits required by agreement or custom, and workers' compensation insurance;
- .3 Costs of materials, supplies and equipment, including cost of transportation, whether incorporated or consumed;
- .4 Rental costs of machinery and equipment, exclusive of hand tools, whether rented from the Design-Builder or others;
- .5 Costs of premiums for all bonds and insurance, permit fees, and sales, use or similar taxes related to the Work; and
- .6 Additional costs of supervision and field office personnel directly attributable to the change.

§ 6.3.8 The amount of credit to be allowed by the Design-Builder to the Owner for a deletion or change that results in a net decrease in the Contract Sum or, if prior to execution of the Design-Build Amendment, in the Design-Builder's compensation, shall be actual net cost. When both additions and credits covering related Work or substitutions are involved in a change, the allowance for overhead and profit shall be figured on the basis of net increase, if any, with respect to that change.

§ 6.3.9 Pending final determination of the total cost of a Change Directive to the Owner, the Design-Builder may request payment for Work completed under the Change Directive in Applications for Payment. The Owner will make an interim determination for purposes of certification for payment for those costs deemed to be reasonably justified. The Owner's interim determination of cost shall adjust the Contract Sum or, if prior to execution of the Design-Build Amendment, the Design-Builder's compensation, on the same basis as a Change Order, subject to the right of Design-Builder to disagree and assert a Claim in accordance with Article 14.

§ 6.3.10 When the Owner and Design-Builder agree with a determination concerning the adjustments in the Contract Sum or, if prior to execution of the Design-Build Amendment, the adjustment in the Design-Builder's compensation and Contract Time, or otherwise reach agreement upon the adjustments, such agreement shall be effective immediately and the Owner and Design-Builder shall execute a Change Order. Change Orders may be issued for all or any part of a Change Directive.

ARTICLE 7 OWNER'S RESPONSIBILITIES

§ 7.1 General

§ 7.1.1 The Owner shall designate in writing a representative who shall have express authority to bind the Owner with respect to all Project matters requiring the Owner's approval or authorization.

§ 7.1.2 The Owner shall render decisions in a timely manner and in accordance with the Design-Builder's schedule agreed to by the Owner. The Owner shall furnish to the Design-Builder, within 15 days after receipt of a written request, information necessary and relevant for the Design-Builder to evaluate, give notice of or enforce mechanic's lien rights. Such information shall include a correct statement of the record legal title to the property on which the Project is located, usually referred to as the site, and the Owner's interest therein.

§ 7.2 Information and Services Required of the Owner

§ 7.2.1 The Owner shall furnish information or services required of the Owner by the Design-Build Documents with reasonable promptness.

§ 7.2.2 The Owner shall provide, to the extent under the Owner's control and if not required by the Design-Build Documents to be provided by the Design-Builder, the results and reports of prior tests, inspections or investigations conducted for the Project involving structural or mechanical systems; chemical, air and water pollution; hazardous materials; or environmental and subsurface conditions and information regarding the presence of pollutants at the Project site. Upon receipt of a written request from the Design-Builder, the Owner shall also provide surveys

describing physical characteristics, legal limitations and utility locations for the site of the Project, and a legal description of the site under the Owner's control.

§ 7.2.3 The Owner shall promptly obtain easements, zoning variances, and legal authorizations or entitlements regarding site utilization where essential to the execution of the Project.

§ 7.2.4 The Owner shall cooperate with the Design-Builder in securing building and other permits, licenses and inspections.

§ 7.2.5 The services, information, surveys and reports required to be provided by the Owner under this Agreement, shall be furnished at the Owner's expense, and except as otherwise specifically provided in this Agreement or elsewhere in the Design-Build Documents or to the extent the Owner advises the Design-Builder to the contrary in writing, the Design-Builder shall be entitled to rely upon the accuracy and completeness thereof. In no event shall the Design-Builder be relieved of its responsibility to exercise proper precautions relating to the safe performance of the Work.

§ 7.2.6 If the Owner observes or otherwise becomes aware of a fault or defect in the Work or non-conformity with the Design-Build Documents, the Owner shall give prompt written notice thereof to the Design-Builder.

§ 7.2.7 Prior to the execution of the Design-Build Amendment, the Design-Builder may request in writing that the Owner provide reasonable evidence that the Owner has made financial arrangements to fulfill the Owner's obligations under the Design-Build Documents and the Design-Builder's Proposal. Thereafter, the Design-Builder may only request such evidence if (1) the Owner fails to make payments to the Design-Builder as the Design-Build Documents require; (2) a change in the Work materially changes the Contract Sum; or (3) the Design-Builder identifies in writing a reasonable concern regarding the Owner's ability to make payment when due. The Owner shall furnish such evidence as a condition precedent to commencement or continuation of the Work or the portion of the Work affected by a material change. After the Owner furnishes the evidence, the Owner shall not materially vary such financial arrangements without prior notice to the Design-Builder.

§ 7.2.8 Except as otherwise provided in the Design-Build Documents or when direct communications have been specially authorized, the Owner shall communicate through the Design-Builder with persons or entities employed or retained by the Design-Builder.

§ 7.2.9 Unless required by the Design-Build Documents to be provided by the Design-Builder, the Owner shall, upon request from the Design-Builder, furnish the services of geotechnical engineers or other consultants for investigation of subsurface, air and water conditions when such services are reasonably necessary to properly carry out the design services furnished by the Design-Builder. In such event, the Design-Builder shall specify the services required. Such services may include, but are not limited to, test borings, test pits, determinations of soil bearing values, percolation tests, evaluations of hazardous materials, ground corrosion and resistivity tests, and necessary operations for anticipating subsoil conditions. The services of geotechnical engineer(s) or other consultants shall include preparation and submission of all appropriate reports and professional recommendations.

§ 7.2.10 The Owner shall purchase and maintain insurance as set forth in Exhibit B.

§ 7.3 Submittals

§ 7.3.1 The Owner shall review and approve or take other appropriate action on Submittals. Review of Submittals is not conducted for the purpose of determining the accuracy and completeness of other details, such as dimensions and quantities; or for substantiating instructions for installation or performance of equipment or systems; or for determining that the Submittals are in conformance with the Design-Build Documents, all of which remain the responsibility of the Design-Builder as required by the Design-Build Documents. The Owner's action will be taken in accordance with the submittal schedule approved by the Owner or, in the absence of an approved submittal schedule, with reasonable promptness while allowing sufficient time in the Owner's judgment to permit adequate review. The Owner's review of Submittals shall not relieve the Design-Builder of the obligations under Sections 3.1.11, 3.1.12, and 5.2.3. The Owner's review shall not constitute approval of safety precautions or, unless otherwise specifically stated by the Owner, of any construction means, methods, techniques, sequences or procedures. The Owner's approval of a specific item shall not indicate approval of an assembly of which the item is a component.

Init.

§ 7.3.2 Upon review of the Submittals required by the Design-Build Documents, the Owner shall notify the Design-Builder of any non-conformance with the Design-Build Documents the Owner discovers.

§ 7.4 Visits to the site by the Owner shall not be construed to create an obligation on the part of the Owner to make on-site inspections to check the quality or quantity of the Work. The Owner shall neither have control over or charge of, nor be responsible for, the construction means, methods, techniques, sequences or procedures, or for the safety precautions and programs in connection with the Work, because these are solely the Design-Builder's rights and responsibilities under the Design-Build Documents.

§ 7.5 The Owner shall not be responsible for the Design-Builder's failure to perform the Work in accordance with the requirements of the Design-Build Documents. The Owner shall not have control over or charge of, and will not be responsible for acts or omissions of the Design-Builder, Architect, Consultants, Contractors, or their agents or employees, or any other persons or entities performing portions of the Work for the Design-Builder.

§ 7.6 The Owner has the authority to reject Work that does not conform to the Design-Build Documents. The Owner shall have authority to require inspection or testing of the Work in accordance with Section 15.5.2, whether or not such Work is fabricated, installed or completed. However, neither this authority of the Owner nor a decision made in good faith either to exercise or not to exercise such authority shall give rise to a duty or responsibility of the Owner to the Design-Builder, the Architect, Consultants, Contractors, material and equipment suppliers, their agents or employees, or other persons or entities performing portions of the Work.

§ 7.7 The Owner shall determine the date or dates of Substantial Completion in accordance with Section 9.8 and the date of final completion in accordance with Section 9.10.

§ 7.8 Owner's Right to Stop Work

If the Design-Builder fails to correct Work which is not in accordance with the requirements of the Design-Build Documents as required by Section 11.2 or persistently fails to carry out Work in accordance with the Design-Build Documents, the Owner may issue a written order to the Design-Builder to stop the Work, or any portion thereof, until the cause for such order has been eliminated; however, the right of the Owner to stop the Work shall not give rise to a duty on the part of the Owner to exercise this right for the benefit of the Design-Builder or any other person or entity, except to the extent required by Section 5.13.1.3.

§ 7.9 Owner's Right to Carry Out the Work

If the Design-Builder defaults or neglects to carry out the Work in accordance with the Design-Build Documents and fails within a ten-day period after receipt of written notice from the Owner to commence and continue correction of such default or neglect with diligence and promptness, the Owner may, without prejudice to other remedies the Owner may have, correct such deficiencies. In such case, an appropriate Change Order shall be issued deducting from payments then or thereafter due the Design-Builder the reasonable cost of correcting such deficiencies. If payments then or thereafter due the Design-Builder are not sufficient to cover such amounts, the Design-Builder shall pay the difference to the Owner.

ARTICLE 8 TIME

§ 8.1 Progress and Completion

§ 8.1.1 Time limits stated in the Design-Build Documents are of the essence of the Contract. By executing the Design-Build Amendment the Design-Builder confirms that the Contract Time is a reasonable period for performing the Work.

§ 8.1.2 The Design-Builder shall not, except by agreement of the Owner in writing, commence the Work prior to the effective date of insurance, other than property insurance, required by this Contract. The Contract Time shall not be adjusted as a result of the Design-Builder's failure to obtain insurance required under this Contract.

§ 8.1.3 The Design-Builder shall proceed expeditiously with adequate forces and shall achieve Substantial Completion within the Contract Time.

§ 8.2 Delays and Extensions of Time

§ 8.2.1 If the Design-Builder is delayed at any time in the commencement or progress of the Work by an act or neglect of the Owner or of a consultant or separate contractor employed by the Owner; or by changes ordered in the Work by

the Owner; or by labor disputes, fire, unusual delay in deliveries, unavoidable casualties or other causes beyond the Design-Builder's control; or by delay authorized by the Owner pending mediation and binding dispute resolution or by other causes that the Owner determines may justify delay, then the Contract Time shall be extended by Change Order for such reasonable time as the Owner may determine.

§ 8.2.2 Claims relating to time shall be made in accordance with applicable provisions of Article 14.

§ 8.2.3 This Section 8.2 does not preclude recovery of damages for delay by either party under other provisions of the Design-Build Documents.

ARTICLE 9 PAYMENT APPLICATIONS AND PROJECT COMPLETION

§ 9.1 Contract Sum

The Contract Sum is stated in the Design-Build Amendment.

§ 9.2 Schedule of Values

Where the Contract Sum is based on a stipulated sum or Guaranteed Maximum Price, the Design-Builder, prior to the first Application for Payment after execution of the Design-Build Amendment shall submit to the Owner a schedule of values allocating the entire Contract Sum to the various portions of the Work and prepared in such form and supported by such data to substantiate its accuracy as the Owner may require. This schedule, unless objected to by the Owner, shall be used as a basis for reviewing the Design-Builder's Applications for Payment.

§ 9.3 Applications for Payment

§ 9.3.1 At least ten days before the date established for each progress payment, the Design-Builder shall submit to the Owner an itemized Application for Payment for completed portions of the Work. The application shall be notarized, if required, and supported by data substantiating the Design-Builder's right to payment as the Owner may require, such as copies of requisitions from the Architect, Consultants, Contractors, and material suppliers, and shall reflect retainage if provided for in the Design-Build Documents.

§ 9.3.1.1 As provided in Section 6.3.9, Applications for Payment may include requests for payment on account of changes in the Work that have been properly authorized by Change Directives, or by interim determinations of the Owner, but not yet included in Change Orders.

§ 9.3.1.2 Applications for Payment shall not include requests for payment for portions of the Work for which the Design-Builder does not intend to pay the Architect, Consultant, Contractor, material supplier, or other persons or entities providing services or work for the Design-Builder, unless such Work has been performed by others whom the Design-Builder intends to pay.

§ 9.3.2 Unless otherwise provided in the Design-Build Documents, payments shall be made for services provided as well as materials and equipment delivered and suitably stored at the site for subsequent incorporation in the Work. If approved in advance by the Owner, payment may similarly be made for materials and equipment suitably stored off the site at a location agreed upon in writing. Payment for materials and equipment stored on or off the site shall be conditioned upon compliance by the Design-Builder with procedures satisfactory to the Owner to establish the Owner's title to such materials and equipment or otherwise protect the Owner's interest, and shall include the costs of applicable insurance, storage and transportation to the site for such materials and equipment stored off the site.

§ 9.3.3 The Design-Builder warrants that title to all Work, other than Instruments of Service, covered by an Application for Payment will pass to the Owner no later than the time of payment. The Design-Builder further warrants that, upon submittal of an Application for Payment, all Work for which Certificates for Payment have been previously issued and payments received from the Owner shall, to the best of the Design-Builder's knowledge, information and belief, be free and clear of liens, claims, security interests or encumbrances in favor of the Design-Builder, Architect, Consultants, Contractors, material suppliers, or other persons or entities entitled to make a claim by reason of having provided labor, materials and equipment relating to the Work.

§ 9.3.4 Subject to other provisions of the Contract Documents, the amount of each progress payment shall be computed as follows:

.1 Take the portion of the Contract Sum properly allocable to completed Work as determined by multiplying the percentage completion of each portion of the Work by the share of the Contract Sum allocated to that portion of the Work in the schedule of values, less retainage Pending final determination of cost to the Owner of changes in the Work.

.2 Add that portion of the Contract Sum properly allocable to materials and equipment delivered and suitably stored at the site for subsequent incorporation in the completed construction (or, if approved Init. in advance by the Owner, suitably stored off the site at a location agreed upon in writing), less retainage often percent (10%); payment for stored materials shall be in accordance with Contract Documents .

.3 Subtract the aggregate of previous payments made by the Owner;

.4 Ten percent (10%) retention will be held on all Applications until fifty percent (50%) of the Work is completed. Thereafter, no additional retention will be withheld except to adjust the retention for Change Orders. No retention shall be held on Architects Fee, Materials, or General Conditions items.

§ 9.4 Certificates for Payment

The Owner shall, within seven days after receipt of the Design-Builder's Application for Payment, issue to the Design-Builder a Certificate for Payment indicating the amount the Owner determines is properly due, and notify the Design-Builder in writing of the Owner's reasons for withholding certification in whole or in part as provided in Section 9.5.1.

§ 9.5 Decisions to Withhold Certification

§ 9.5.1 The Owner may withhold a Certificate for Payment in whole or in part to the extent reasonably necessary to protect the Owner due to the Owner's determination that the Work has not progressed to the point indicated in the Design-Builder's Application for Payment, or the quality of the Work is not in accordance with the Design-Build Documents. If the Owner is unable to certify payment in the amount of the Application, the Owner will notify the Design-Builder as provided in Section 9.4. If the Design-Builder and Owner cannot agree on a revised amount, the Owner will promptly issue a Certificate for Payment for the amount that the Owner deems to be due and owing. The Owner may also withhold a Certificate for Payment or, because of subsequently discovered evidence, may nullify the whole or a part of a Certificate for Payment previously issued to such extent as may be necessary to protect the Owner from loss for which the Design-Builder is responsible because of

- .1 defective Work, including design and construction, not remedied;
- .2 third party claims filed or reasonable evidence indicating probable filing of such claims unless security acceptable to the Owner is provided by the Design-Builder;
- .3 failure of the Design-Builder to make payments properly to the Architect, Consultants, Contractors or others, for services, labor, materials or equipment;
- .4 reasonable evidence that the Work cannot be completed for the unpaid balance of the Contract Sum;
- .5 damage to the Owner or a separate contractor;
- .6 reasonable evidence that the Work will not be completed within the Contract Time, and that the unpaid balance would not be adequate to cover actual or liquidated damages for the anticipated delay; or
- .7 repeated failure to carry out the Work in accordance with the Design-Build Documents.

§ 9.5.2 When the above reasons for withholding certification are removed, certification will be made for amounts previously withheld.

§ 9.5.3 If the Owner withholds certification for payment under Section 9.5.1.3, the Owner may, at its sole option, issue joint checks to the Design-Builder and to the Architect or any Consultants, Contractor, material or equipment suppliers, or other persons or entities providing services or work for the Design-Builder to whom the Design-Builder failed to make payment for Work properly performed or material or equipment suitably delivered.

§ 9.6 Progress Payments

§ 9.6.1 After the Owner has issued a Certificate for Payment, the Owner shall make payment in the manner and within the time provided in the Design-Build Documents.

§ 9.6.2 The Design-Builder shall pay each Architect, Consultant, Contractor, and other person or entity providing services or work for the Design-Builder no later than the time period required by applicable law, but in no event more than seven days after receipt of payment from the Owner the amount to which the Architect, Consultant, Contractor,

and other person or entity providing services or work for the Design-Builder is entitled, reflecting percentages actually retained from payments to the Design-Builder on account of the portion of the Work performed by the Architect, Consultant, Contractor, or other person or entity. The Design-Builder shall, by appropriate agreement with each Architect, Consultant, Contractor, and other person or entity providing services or work for the Design-Builder, require each Architect, Consultant, Contractor, and other person or entity providing services or work for the Design-Builder to make payments to subconsultants and subcontractors in a similar manner.

§ 9.6.3 The Owner will, on request and if practicable, furnish to the Architect, a Consultant, Contractor, or other person or entity providing services or work for the Design-Builder, information regarding percentages of completion or amounts applied for by the Design-Builder and action taken thereon by the Owner on account of portions of the Work done by such Architect, Consultant, Contractor or other person or entity providing services or work for the Design-Builder.

§ 9.6.4 The Owner has the right to request written evidence from the Design-Builder that the Design-Builder has properly paid the Architect, Consultants, Contractors, or other person or entity providing services or work for the Design-Builder, amounts paid by the Owner to the Design-Builder for the Work. If the Design-Builder fails to furnish such evidence within seven days, the Owner shall have the right to contact the Architect, Consultants, and Contractors to ascertain whether they have been properly paid. The Owner shall have no obligation to pay or to see to the payment of money to a Consultant or Contractor, except as may otherwise be required by law.

§ 9.6.5 Design-Builder payments to material and equipment suppliers shall be treated in a manner similar to that provided in Sections 9.6.2, 9.6.3 and 9.6.4.

§ 9.6.6 A Certificate for Payment, a progress payment, or partial or entire use or occupancy of the Project by the Owner shall not constitute acceptance of Work not in accordance with the Design-Build Documents.

§ 9.6.7 Unless the Design-Builder provides the Owner with a payment bond in the full penal sum of the Contract Sum, payments received by the Design-Builder for Work properly performed by the Architect, Consultants, Contractors and other person or entity providing services or work for the Design-Builder, shall be held by the Design-Builder for the Architect and those Consultants, Contractors, or other person or entity providing services or work for the Design-Builder, for which payment was made by the Owner. Nothing contained herein shall require money to be placed in a separate account and not commingled with money of the Design-Builder, shall create any fiduciary liability or tort liability on the part of the Design-Builder for breach of trust or shall entitle any person or entity to an award of punitive damages against the Design-Builder for breach of the requirements of this provision.

§ 9.7 Failure of Payment

If the Owner does not issue a Certificate for Payment, through no fault of the Design-Builder, within the time required by the Design-Build Documents, then the Design-Builder may, upon seven additional days' written notice to the Owner, stop the Work until payment of the amount owing has been received. The Contract Time shall be extended appropriately and the Contract Sum shall be increased by the amount of the Design-Builder's reasonable costs of shut-down, delay and start-up, plus interest as provided for in the Design-Build Documents.

§ 9.8 Substantial Completion

§ 9.8.1 Substantial Completion is the stage in the progress of the Work when the Work or designated portion thereof is sufficiently complete in accordance with the Design-Build Documents so that the Owner can occupy or utilize the Work for its intended use. The date of Substantial Completion is the date certified by the Owner in accordance with this Section 9.8.

§ 9.8.2 When the Design-Builder considers that the Work, or a portion thereof which the Owner agrees to accept separately, is substantially complete, the Design-Builder shall prepare and submit to the Owner a comprehensive list of items to be completed or corrected prior to final payment. Failure to include an item on such list does not alter the responsibility of the Design-Builder to complete all Work in accordance with the Design-Build Documents.

§ 9.8.3 Upon receipt of the Design-Builder's list, the Owner shall make an inspection to determine whether the Work or designated portion thereof is substantially complete. If the Owner's inspection discloses any item, whether or not included on the Design-Builder's list, which is not sufficiently complete in accordance with the Design-Build Documents so that the Owner can occupy or utilize the Work or designated portion thereof for its intended use, the

Design-Builder shall, before issuance of the Certificate of Substantial Completion, complete or correct such item upon notification by the Owner. In such case, the Design-Builder shall then submit a request for another inspection by the Owner to determine Substantial Completion.

§ 9.8.4 Prior to issuance of the Certificate of Substantial Completion under Section 9.8.5, the Owner and Design-Builder shall discuss and then determine the parties' obligations to obtain and maintain property insurance following issuance of the Certificate of Substantial Completion.

§ 9.8.5 When the Work or designated portion thereof is substantially complete, the Design-Builder will prepare for the Owner's signature a Certificate of Substantial Completion that shall, upon the Owner's signature, establish the date of Substantial Completion; establish responsibilities of the Owner and Design-Builder for security, maintenance, heat, utilities, damage to the Work and insurance; and fix the time within which the Design-Builder shall finish all items on the list accompanying the Certificate. Warranties required by the Design-Build Documents shall commence on the date of Substantial Completion of the Work or designated portion thereof unless otherwise provided in the Certificate of Substantial Completion.

§ 9.8.6 The Certificate of Substantial Completion shall be submitted by the Design-Builder to the Owner for written acceptance of responsibilities assigned to it in the Certificate. Upon the Owner's acceptance, and consent of surety, if any, the Owner shall make payment of retainage applying to the Work or designated portion thereof. Payment shall be adjusted for Work that is incomplete or not in accordance with the requirements of the Design-Build Documents.

§ 9.9 Partial Occupancy or Use

§ 9.9.1 The Owner may occupy or use any completed or partially completed portion of the Work at any stage when such portion is designated by separate agreement with the Design-Builder, provided such occupancy or use is consented to, by endorsement or otherwise, by the insurer providing property insurance and authorized by public authorities having jurisdiction over the Project. Such partial occupancy or use may commence whether or not the portion is substantially complete, provided the Owner and Design-Builder have accepted in writing the responsibilities assigned to each of them for payments, retainage, if any, security, maintenance, heat, utilities, damage to the Work and insurance, and have agreed in writing concerning the period for correction of the Work and commencement of warranties required by the Design-Build Documents. When the Design-Builder considers a portion substantially complete, the Design-Builder shall prepare and submit a list to the Owner as provided under Section 9.8.2. Consent of the Design-Builder to partial occupancy or use shall not be unreasonably withheld. The stage of the progress of the Work shall be determined by written agreement between the Owner and Design-Builder.

§ 9.9.2 Immediately prior to such partial occupancy or use, the Owner and Design-Builder shall jointly inspect the area to be occupied or portion of the Work to be used in order to determine and record the condition of the Work.

§ 9.9.3 Unless otherwise agreed upon, partial occupancy or use of a portion or portions of the Work shall not constitute acceptance of Work not complying with the requirements of the Design-Build Documents.

§ 9.10 Final Completion and Final Payment

§ 9.10.1 Upon receipt of the Design-Builder's written notice that the Work is ready for final inspection and acceptance and upon receipt of a final Application for Payment, the Owner will promptly make such inspection. When the Owner finds the Work acceptable under the Design-Build Documents and the Contract fully performed, the Owner will, subject to Section 9.10.2, promptly issue a final Certificate for Payment.

§ 9.10.2 Neither final payment nor any remaining retained percentage shall become due until the Design-Builder submits to the Owner (1) an affidavit that payrolls, bills for materials and equipment, and other indebtedness connected with the Work, for which the Owner or the Owner's property might be responsible or encumbered, (less amounts withheld by Owner) have been paid or otherwise satisfied, (2) a certificate evidencing that insurance required by the Design-Build Documents to remain in force after final payment is currently in effect, (3) a written statement that the Design-Builder knows of no substantial reason that the insurance will not be renewable to cover the period required by the Design-Build Documents, (4) consent of surety, if any, to final payment, (5) as-constructed record copy of the Construction Documents marked to indicate field changes and selections made during construction, (6) manufacturer's warranties, product data, and maintenance and operations manuals, and (7) if required by the Owner, other data establishing payment or satisfaction of obligations, such as receipts, or releases and waivers of liens, claims, security interests, or encumbrances, arising out of the Contract, to the extent and in such form as may be designated by

the Owner. If an Architect, a Consultant, or a Contractor, or other person or entity providing services or work for the Design-Builder, refuses to furnish a release or waiver required by the Owner, the Design-Builder may furnish a bond satisfactory to the Owner to indemnify the Owner against such liens, claims, security interests, or encumbrances. If such liens, claims, security interests, or encumbrances remains unsatisfied after payments are made, the Design-Builder shall refund to the Owner all money that the Owner may be compelled to pay in discharging such liens, claims, security interests, or encumbrances, including all costs and reasonable attorneys' fees.

§ 9.10.3 If, after Substantial Completion of the Work, final completion thereof is materially delayed through no fault of the Design-Builder or by issuance of Change Orders affecting final completion, the Owner shall, upon application by the Design-Builder, and without terminating the Contract, make payment of the balance due for that portion of the Work fully completed and accepted. If the remaining balance for Work not fully completed or corrected is less than retainage stipulated in the Design-Build Documents, and if bonds have been furnished, the written consent of surety to payment of the balance due for that portion of the Work fully completed and accepted shall be submitted by the Design-Builder to the Owner prior to issuance of payment. Such payment shall be made under terms and conditions governing final payment, except that it shall not constitute a waiver of claims.

§ 9.10.4 The making of final payment shall constitute a waiver of Claims by the Owner except those arising from

- .1 liens, Claims, security interests or encumbrances arising out of the Contract and unsettled;
- .2 failure of the Work to comply with the requirements of the Design-Build Documents; or
- .3 terms of special warranties required by the Design-Build Documents.

§ 9.10.5 Acceptance of final payment by the Design-Builder shall constitute a waiver of claims by the Design-Builder except those previously made in writing and identified by the Design-Builder as unsettled at the time of final Application for Payment.

ARTICLE 10 PROTECTION OF PERSONS AND PROPERTY

§ 10.1 Safety Precautions and Programs

The Design-Builder shall be responsible for initiating, maintaining and supervising all safety precautions and programs in connection with the performance of the Contract.

§ 10.2 Safety of Persons and Property

§ 10.2.1 The Design-Builder shall be responsible for precautions for the safety of, and reasonable protection to prevent damage, injury or loss to

- .1 employees on the Work and other persons who may be affected thereby;
- .2 the Work and materials and equipment to be incorporated therein, whether in storage on or off the site, under care, custody or control of the Design-Builder or the Architect, Consultants, or Contractors, or other person or entity providing services or work for the Design-Builder; and
- .3 other property at the site or adjacent thereto, such as trees, shrubs, lawns, walks, pavements, roadways, or structures and utilities not designated for removal, relocation or replacement in the course of construction.

§ 10.2.2 The Design-Builder shall comply with, and give notices required by, applicable laws, statutes, ordinances, codes, rules and regulations, and lawful orders of public authorities, bearing on safety of persons or property, or their protection from damage, injury or loss.

§ 10.2.3 The Design-Builder shall implement, erect, and maintain, as required by existing conditions and performance of the Contract, reasonable safeguards for safety and protection, including posting danger signs and other warnings against hazards, promulgating safety regulations, and notify owners and users of adjacent sites and utilities of the safeguards and protections.

§ 10.2.4 When use or storage of explosives or other hazardous materials or equipment, or unusual methods, are necessary for execution of the Work, the Design-Builder shall exercise utmost care, and carry on such activities under supervision of properly qualified personnel.

§ 10.2.5 The Design-Builder shall promptly remedy damage and loss (other than damage or loss insured under property insurance required by the Design-Build Documents) to property referred to in Sections 10.2.1.2 and 10.2.1.3, caused in whole or in part by the Design-Builder, the Architect, a Consultant, a Contractor, or anyone directly or

indirectly employed by any of them, or by anyone for whose acts they may be liable and for which the Design-Builder is responsible under Sections 10.2.1.2 and 10.2.1.3; except damage or loss attributable to acts or omissions of the Owner, or anyone directly or indirectly employed by the Owner, or by anyone for whose acts the Owner may be liable, and not attributable to the fault or negligence of the Design-Builder. The foregoing obligations of the Design-Builder are in addition to the Design-Builder's obligations under Section 3.1.14.

§ 10.2.6 The Design-Builder shall designate a responsible member of the Design-Builder's organization, at the site, whose duty shall be the prevention of accidents. This person shall be the Design-Builder's superintendent unless otherwise designated by the Design-Builder in writing to the Owner.

§ 10.2.7 The Design-Builder shall not permit any part of the construction or site to be loaded so as to cause damage or create an unsafe condition.

§ 10.2.8 **Injury or Damage to Person or Property.** If the Owner or Design-Builder suffers injury or damage to person or property because of an act or omission of the other, or of others for whose acts such party is legally responsible, written notice of the injury or damage, whether or not insured, shall be given to the other party within a reasonable time not exceeding 21 days after discovery. The notice shall provide sufficient detail to enable the other party to investigate the matter.

§ 10.3 Hazardous Materials

§ 10.3.1 The Design-Builder is responsible for compliance with any requirements included in the Design-Build Documents regarding hazardous materials. If the Design-Builder encounters a hazardous material or substance not addressed in the Design-Build Documents and if reasonable precautions will be inadequate to prevent foreseeable bodily injury or death to persons resulting from a material or substance, including but not limited to asbestos or polychlorinated biphenyl (PCB), encountered on the site by the Design-Builder, the Design-Builder shall, upon recognizing the condition, immediately stop Work in the affected area and report the condition to the Owner in writing.

§ 10.3.2 Upon receipt of the Design-Builder's written notice, the Owner shall obtain the services of a licensed laboratory to verify the presence or absence of the material or substance reported by the Design-Builder and, in the event such material or substance is found to be present, to cause it to be rendered harmless. Unless otherwise required by the Design-Build Documents, the Owner shall furnish in writing to the Design-Builder the names and qualifications of persons or entities who are to perform tests verifying the presence or absence of such material or substance or who are to perform the task of removal or safe containment of such material or substance. The Design-Builder will promptly reply to the Owner in writing stating whether or not the Design-Builder has reasonable objection to the persons or entities proposed by the Owner. If the Design-Builder has an objection to a person or entity proposed by the Owner, the Owner shall propose another to whom the Design-Builder has no reasonable objection. When the material or substance has been rendered harmless, Work in the affected area shall resume upon written agreement of the Owner and Design-Builder. By Change Order, the Contract Time shall be extended appropriately and the Contract Sum shall be increased in the amount of the Design-Builder's reasonable additional costs of shut-down, delay and start-up.

§ 10.3.3 To the fullest extent permitted by law, the Owner shall indemnify and hold harmless the Design-Builder, the Architect, Consultants, and Contractors, and employees of any of them, from and against claims, damages, losses and expenses, including but not limited to attorneys' fees, arising out of or resulting from performance of the Work in the affected area, if in fact the material or substance presents the risk of bodily injury or death as described in Section 10.3.1 and has not been rendered harmless, provided that such claim, damage, loss or expense is attributable to bodily injury, sickness, disease or death, or to injury to, or destruction of, tangible property (other than the Work itself), except to the extent that such damage, loss or expense is due to the fault or negligence of the party seeking indemnity.

§ 10.3.4 The Owner shall not be responsible under this Section 10.3 for materials or substances the Design-Builder brings to the site unless such materials or substances are required by the Owner's Criteria. The Owner shall be responsible for materials or substances required by the Owner's Criteria, except to the extent of the Design-Builder's fault or negligence in the use and handling of such materials or substances.

§ 10.3.5 The Design-Builder shall indemnify the Owner for the cost and expense the Owner incurs (1) for remediation of a material or substance the Design-Builder brings to the site and negligently handles, or (2) where the

Design-Builder fails to perform its obligations under Section 10.3.1, except to the extent that the cost and expense are due to the Owner's fault or negligence.

§ 10.3.6 If, without negligence on the part of the Design-Builder, the Design-Builder is held liable by a government agency for the cost of remediation of a hazardous material or substance solely by reason of performing Work as required by the Design-Build Documents, the Owner shall indemnify the Design-Builder for all cost and expense thereby incurred.

§ 10.4 Emergencies

In an emergency affecting safety of persons or property, the Design-Builder shall act, at the Design-Builder's discretion, to prevent threatened damage, injury or loss.

ARTICLE 11 UNCOVERING AND CORRECTION OF WORK

§ 11.1 Uncovering of Work

The Owner may request to examine a portion of the Work that the Design-Builder has covered to determine if the Work has been performed in accordance with the Design-Build Documents. If such Work is in accordance with the Design-Build Documents, the Owner and Design-Builder shall execute a Change Order to adjust the Contract Time and Contract Sum, as appropriate. If such Work is not in accordance with the Design-Build Documents, the costs of uncovering and correcting the Work shall be at the Design-Builder's expense and the Design-Builder shall not be entitled to a change in the Contract Time unless the condition was caused by the Owner or a separate contractor in which event the Owner shall be responsible for payment of such costs and the Contract Time will be adjusted as appropriate.

§ 11.2 Correction of Work

§ 11.2.1 **Before or After Substantial Completion.** The Design-Builder shall promptly correct Work rejected by the Owner or failing to conform to the requirements of the Design-Build Documents, whether discovered before or after Substantial Completion and whether or not fabricated, installed or completed. Costs of correcting such rejected Work, including additional testing and inspections, the cost of uncovering and replacement, and compensation for any design consultant employed by the Owner whose expenses and compensation were made necessary thereby, shall be at the Design-Builder's expense.

§ 11.2.2 After Substantial Completion

§ 11.2.2.1 In addition to the Design-Builder's obligations under Section 3.1.12, if, within one year after the date of Substantial Completion of the Work or designated portion thereof or after the date for commencement of warranties established under Section 9.9.1, or by terms of an applicable special warranty required by the Design-Build Documents, any of the Work is found not to be in accordance with the requirements of the Design-Build Documents, the Design-Builder shall correct it promptly after receipt of written notice from the Owner to do so unless the Owner has previously given the Design-Builder a written acceptance of such condition. The Owner shall give such notice promptly after discovery of the condition. During the one-year period for correction of the Work, if the Owner fails to notify the Design-Builder and give the Design-Builder an opportunity to make the correction, the Owner waives the rights to require correction by the Design-Builder and to make a claim for breach of warranty. If the Design-Builder fails to correct nonconforming Work within a reasonable time during that period after receipt of notice from the Owner, the Owner may correct it in accordance with Section 7.9.

§ 11.2.2.2 The one-year period for correction of Work shall be extended with respect to portions of Work first performed after Substantial Completion by the period of time between Substantial Completion and the actual completion of that portion of the Work.

§ 11.2.2.3 The one-year period for correction of Work shall not be extended by corrective Work performed by the Design-Builder pursuant to this Section 11.2.

§ 11.2.3 The Design-Builder shall remove from the site portions of the Work that are not in accordance with the requirements of the Design-Build Documents and are neither corrected by the Design-Builder nor accepted by the Owner.

§ 11.2.4 The Design-Builder shall bear the cost of correcting destroyed or damaged construction of the Owner or separate contractors, whether completed or partially completed, caused by the Design-Builder's correction or removal of Work that is not in accordance with the requirements of the Design-Build Documents.

§ 11.2.5 Nothing contained in this Section 11.2 shall be construed to establish a period of limitation with respect to other obligations the Design-Builder has under the Design-Build Documents. Establishment of the one-year period for correction of Work as described in Section 11.2.2 relates only to the specific obligation of the Design-Builder to correct the Work, and has no relationship to the time within which the obligation to comply with the Design-Build Documents may be sought to be enforced, nor to the time within which proceedings may be commenced to establish the Design-Builder's liability with respect to the Design-Builder's obligations other than specifically to correct the Work.

§ 11.3 Acceptance of Nonconforming Work

If the Owner prefers to accept Work that is not in accordance with the requirements of the Design-Build Documents, the Owner may do so instead of requiring its removal and correction, in which case the Contract Sum will be reduced as appropriate and equitable. Such adjustment shall be effected whether or not final payment has been made.

ARTICLE 12 COPYRIGHTS AND LICENSES

§ 12.1 Drawings, specifications, and other documents furnished by the Design-Builder, including those in electronic form, are Instruments of Service. The Design-Builder, and the Architect, Consultants, Contractors, and any other person or entity providing services or work for any of them, shall be deemed the authors and owners of their respective Instruments of Service, including the Drawings and Specifications, and shall retain all common law, statutory and other reserved rights, including copyrights. Submission or distribution of Instruments of Service to meet official regulatory requirements, or for similar purposes in connection with the Project, is not to be construed as publication in derogation of the reserved rights of the Design-Builder and the Architect, Consultants, and Contractors, and any other person or entity providing services or work for any of them.

§ 12.2 The Design-Builder and the Owner warrant that in transmitting Instruments of Service, or any other information, the transmitting party is the copyright owner of such information or has permission from the copyright owner to transmit such information for its use on the Project.

§ 12.3 Upon execution of the Agreement, the Design-Builder grants to the Owner a limited, irrevocable and non-exclusive license to use the Instruments of Service solely and exclusively for purposes of constructing, using, maintaining, altering and adding to the Project, provided that the Owner substantially performs its obligations, including prompt payment of all sums when due, under the Design-Build Documents. The license granted under this section permits the Owner to authorize its consultants and separate contractors to reproduce applicable portions of the Instruments of Service solely and exclusively for use in performing services or construction for the Project. If the Design-Builder rightfully terminates this Agreement for cause as provided in Section 13.1.4 or 13.2.1 the license granted in this Section 12.3 shall terminate.

§ 12.3.1 The Design-Builder shall obtain non-exclusive licenses from the Architect, Consultants, and Contractors, that will allow the Design-Builder to satisfy its obligations to the Owner under this Article 12. The Design-Builder's licenses from the Architect and its Consultants and Contractors shall also allow the Owner, in the event this Agreement is terminated for any reason other than the default of the Owner or in the event the Design-Builder's Architect, Consultants, or Contractors terminate their agreements with the Design-Builder for cause, to obtain a limited, irrevocable and non-exclusive license solely and exclusively for purposes of constructing, using, maintaining, altering and adding to the Project, provided that the Owner (1) agrees to pay to the Architect, Consultant or Contractor all amounts due, and (2) provide the Architect, Consultant or Contractor with the Owner's written agreement to indemnify and hold harmless the Architect, Consultant or Contractor from all costs and expenses, including the cost of defense, related to claims and causes of action asserted by any third person or entity to the extent such costs and expenses arise from the Owner's alteration or use of the Instruments of Service.

§ 12.3.2 In the event the Owner alters the Instruments of Service without the author's written authorization or uses the Instruments of Service without retaining the authors of the Instruments of Service, the Owner releases the Design-Builder, Architect, Consultants, Contractors and any other person or entity providing services or work for any of them, from all claims and causes of action arising from or related to such uses. The Owner, to the extent permitted by law, further agrees to indemnify and hold harmless the Design-Builder, Architect, Consultants, Contractors and any

other person or entity providing services or work for any of them, from all costs and expenses, including the cost of defense, related to claims and causes of action asserted by any third person or entity to the extent such costs and expenses arise from the Owner's alteration or use of the Instruments of Service under this Section 12.3.2. The terms of this Section 12.3.2 shall not apply if the Owner rightfully terminates this Agreement for cause under Sections 13.1.4 or 13.2.2.

ARTICLE 13 TERMINATION OR SUSPENSION

§ 13.1 Termination or Suspension Prior to Execution of the Design-Build Amendment

§ 13.1.1 If the Owner fails to make payments to the Design-Builder for Work prior to execution of the Design-Build Amendment in accordance with this Agreement, such failure shall be considered substantial nonperformance and cause for termination or, at the Design-Builder's option, cause for suspension of performance of services under this Agreement. If the Design-Builder elects to suspend the Work, the Design-Builder shall give seven days' written notice to the Owner before suspending the Work. In the event of a suspension of the Work, the Design-Builder shall have no liability to the Owner for delay or damage caused by the suspension of the Work. Before resuming the Work, the Design-Builder shall be paid all sums due prior to suspension and any expenses incurred in the interruption and resumption of the Design-Builder's Work. The Design-Builder's compensation for, and time to complete, the remaining Work shall be equitably adjusted.

§ 13.1.2 If the Owner suspends the Project, the Design-Builder shall be compensated for the Work performed prior to notice of such suspension. When the Project is resumed, the Design-Builder shall be compensated for expenses incurred in the interruption and resumption of the Design-Builder's Work. The Design-Builder's compensation for, and time to complete, the remaining Work shall be equitably adjusted.

§ 13.1.3 If the Owner suspends the Project for more than 90 cumulative days for reasons other than the fault of the Design-Builder, the Design-Builder may terminate this Agreement by giving not less than seven days' written notice.

§ 13.1.4 Either party may terminate this Agreement upon not less than seven days' written notice should the other party fail substantially to perform in accordance with the terms of this Agreement through no fault of the party initiating the termination.

§ 13.1.5 The Owner may terminate this Agreement upon not less than seven days' written notice to the Design-Builder for the Owner's convenience and without cause.

§ 13.1.6 In the event of termination not the fault of the Design-Builder, the Design-Builder shall be compensated for Work performed prior to termination, together with Reimbursable Expenses then due and any other expenses directly attributable to termination for which the Design-Builder is not otherwise compensated. In no event shall the Design-Builder's compensation under this Section 13.1.6 be greater than the compensation set forth in Section 2.1.

§ 13.2 Termination or Suspension Following Execution of the Design-Build Amendment

§ 13.2.1 Termination by the Design-Builder

§ 13.2.1.1 The Design-Builder may terminate the Contract if the Work is stopped for a period of 30 consecutive days through no act or fault of the Design-Builder, the Architect, a Consultant, or a Contractor, or their agents or employees, or any other persons or entities performing portions of the Work under direct or indirect contract with the Design-Builder, for any of the following reasons:

- .1 Issuance of an order of a court or other public authority having jurisdiction that requires all Work to be stopped;
- .2 An act of government, such as a declaration of national emergency that requires all Work to be stopped;
- .3 Because the Owner has not issued a Certificate for Payment and has not notified the Design-Builder of the reason for withholding certification as provided in Section 9.5.1, or because the Owner has not made payment on a Certificate for Payment within the time stated in the Design-Build Documents; or
- .4 The Owner has failed to furnish to the Design-Builder promptly, upon the Design-Builder's request, reasonable evidence as required by Section 7.2.7.

§ 13.2.1.2 The Design-Builder may terminate the Contract if, through no act or fault of the Design-Builder, the Architect, a Consultant, a Contractor, or their agents or employees or any other persons or entities performing portions of the Work under direct or indirect contract with the Design-Builder, repeated suspensions, delays or interruptions of

the entire Work by the Owner as described in Section 13.2.3 constitute in the aggregate more than 100 percent of the total number of days scheduled for completion, or 120 days in any 365-day period, whichever is less.

§ 13.2.1.3 If one of the reasons described in Section 13.2.1.1 or 13.2.1.2 exists, the Design-Builder may, upon seven days' written notice to the Owner, terminate the Contract and recover from the Owner payment for Work executed, including reasonable overhead and profit, costs incurred by reason of such termination, and damages.

§ 13.2.1.4 If the Work is stopped for a period of 60 consecutive days through no act or fault of the Design-Builder or any other persons or entities performing portions of the Work under contract with the Design-Builder because the Owner has repeatedly failed to fulfill the Owner's obligations under the Design-Build Documents with respect to matters important to the progress of the Work, the Design-Builder may, upon seven additional days' written notice to the Owner, terminate the Contract and recover from the Owner as provided in Section 13.2.1.3.

§ 13.2.2 Termination by the Owner For Cause

§ 13.2.2.1 The Owner may terminate the Contract if the Design-Builder

- .1 fails to submit the Proposal by the date required by this Agreement, or if no date is indicated, within a reasonable time consistent with the date of Substantial Completion;
- .2 repeatedly refuses or fails to supply an Architect, or enough properly skilled Consultants, Contractors, or workers or proper materials;
- .3 fails to make payment to the Architect, Consultants, or Contractors for services, materials or labor in accordance with their respective agreements with the Design-Builder;
- .4 repeatedly disregards applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of a public authority; or
- .5 is otherwise guilty of substantial breach of a provision of the Design-Build Documents.

§ 13.2.2.2 When any of the above reasons exist, the Owner may without prejudice to any other rights or remedies of the Owner and after giving the Design-Builder and the Design-Builder's surety, if any, seven days' written notice, terminate employment of the Design-Builder and may, subject to any prior rights of the surety:

- .1 Exclude the Design-Builder from the site and take possession of all materials, equipment, tools, and construction equipment and machinery thereon owned by the Design-Builder;
- .2 Accept assignment of the Architect, Consultant and Contractor agreements pursuant to Section 3.1.15; and
- .3 Finish the Work by whatever reasonable method the Owner may deem expedient. Upon written request of the Design-Builder, the Owner shall furnish to the Design-Builder a detailed accounting of the costs incurred by the Owner in finishing the Work.

§ 13.2.2.3 When the Owner terminates the Contract for one of the reasons stated in Section 13.2.2.1, the Design-Builder shall not be entitled to receive further payment until the Work is finished.

§ 13.2.2.4 If the unpaid balance of the Contract Sum exceeds costs of finishing the Work and other damages incurred by the Owner and not expressly waived, such excess shall be paid to the Design-Builder. If such costs and damages exceed the unpaid balance, the Design-Builder shall pay the difference to the Owner. The obligation for such payments shall survive termination of the Contract.

§ 13.2.3 Suspension by the Owner for Convenience

§ 13.2.3.1 The Owner may, without cause, order the Design-Builder in writing to suspend, delay or interrupt the Work in whole or in part for such period of time as the Owner may determine.

§ 13.2.3.2 The Contract Sum and Contract Time shall be adjusted for increases in the cost and time caused by suspension, delay or interruption as described in Section 13.2.3.1. Adjustment of the Contract Sum shall include profit. No adjustment shall be made to the extent

- .1 that performance is, was or would have been so suspended, delayed or interrupted by another cause for which the Design-Builder is responsible; or
- .2 that an equitable adjustment is made or denied under another provision of the Contract.

§ 13.2.4 Termination by the Owner for Convenience

§ 13.2.4.1 The Owner may, at any time, terminate the Contract for the Owner's convenience and without cause.

§ 13.2.4.2 Upon receipt of written notice from the Owner of such termination for the Owner's convenience, the Design-Builder shall

- .1 cease operations as directed by the Owner in the notice;
- .2 take actions necessary, or that the Owner may direct, for the protection and preservation of the Work; and,
- .3 except for Work directed to be performed prior to the effective date of termination stated in the notice, terminate all existing Project agreements, including agreements with the Architect, Consultants, Contractors, and purchase orders, and enter into no further Project agreements and purchase orders.

§ 13.2.4.3 In case of such termination for the Owner's convenience, the Design-Builder shall be entitled to receive payment for Work executed, and costs incurred by reason of such termination, along with reasonable overhead and profit on the Work not executed.

ARTICLE 14 CLAIMS AND DISPUTE RESOLUTION

§ 14.1 Claims

§ 14.1.1 **Definition.** A Claim is a demand or assertion by one of the parties seeking, as a matter of right, payment of money, or other relief with respect to the terms of the Contract. The term "Claim" also includes other disputes and matters in question between the Owner and Design-Builder arising out of or relating to the Contract. The responsibility to substantiate Claims shall rest with the party making the Claim.

§ 14.1.2 **Time Limits on Claims.** The Owner and Design-Builder shall commence all claims and causes of action, whether in contract, tort, breach of warranty or otherwise, against the other, arising out of or related to the Contract in accordance with the requirements of the binding dispute resolution method selected in Section 1.3, within the time period specified by applicable law, but in any case not more than 10 years after the date of Substantial Completion of the Work. The Owner and Design-Builder waive all claims and causes of action not commenced in accordance with this Section 14.1.2.

§ 14.1.3 Notice of Claims

§ 14.1.3.1 **Prior To Final Payment.** Prior to Final Payment, Claims by either the Owner or Design-Builder must be initiated by written notice to the other party within 21 days after occurrence of the event giving rise to such Claim or within 21 days after the claimant first recognizes the condition giving rise to the Claim, whichever is later.

§ 14.1.3.2 **Claims Arising After Final Payment.** After Final Payment, Claims by either the Owner or Design-Builder that have not otherwise been waived pursuant to Sections 9.10.4 or 9.10.5, must be initiated by prompt written notice to the other party. The notice requirement in Section 14.1.3.1 and the Initial Decision requirement as a condition precedent to mediation in Section 14.2.1 shall not apply.

§ 14.1.4 **Continuing Contract Performance.** Pending final resolution of a Claim, except as otherwise agreed in writing or as provided in Section 9.7 and Article 13, the Design-Builder shall proceed diligently with performance of the Contract and the Owner shall continue to make payments in accordance with the Design-Build Documents.

§ 14.1.5 **Claims for Additional Cost.** If the Design-Builder intends to make a Claim for an increase in the Contract Sum, written notice as provided herein shall be given before proceeding to execute the portion of the Work that relates to the Claim. Prior notice is not required for Claims relating to an emergency endangering life or property arising under Section 10.4.

§ 14.1.6 Claims for Additional Time

§ 14.1.6.1 If the Design-Builder intends to make a Claim for an increase in the Contract Time, written notice as provided herein shall be given. The Design-Builder's Claim shall include an estimate of cost and of probable effect of delay on progress of the Work. In the case of a continuing delay, only one Claim is necessary.

§ 14.1.6.2 If adverse weather conditions are the basis for a Claim for additional time, such Claim shall be documented by data substantiating that weather conditions were abnormal for the period of time, could not have been reasonably anticipated, and had an adverse effect on the scheduled construction.

§ 14.1.7 Claims for Consequential Damages

The Design-Builder and Owner waive Claims against each other for consequential damages arising out of or relating to this Contract. This mutual waiver includes

- .1 damages incurred by the Owner for rental expenses, for losses of use, income, profit, financing, business and reputation, and for loss of management or employee productivity or of the services of such persons; and
- .2 damages incurred by the Design-Builder for principal office expenses including the compensation of personnel stationed there, for losses of financing, business and reputation, and for loss of profit except anticipated profit arising directly from the Work.

This mutual waiver is applicable, without limitation, to all consequential damages due to either party's termination in accordance with Article 13. Nothing contained in this Section 14.1.7 shall be deemed to preclude an award of liquidated damages, when applicable, in accordance with the requirements of the Design-Build Documents.

§ 14.2 Initial Decision

§ 14.2.1 An initial decision shall be required as a condition precedent to mediation of all Claims between the Owner and Design-Builder initiated prior to the date final payment is due, excluding those arising under Sections 10.3 and 10.4 of the Agreement and Sections B.3.2.9 and B.3.2.10 of Exhibit B to this Agreement, unless 30 days have passed after the Claim has been initiated with no decision having been rendered. Unless otherwise mutually agreed in writing, the Owner shall render the initial decision on Claims.

§ 14.2.2 Procedure

§ 14.2.2.1 Claims Initiated by the Owner. If the Owner initiates a Claim, the Design-Builder shall provide a written response to Owner within ten days after receipt of the notice required under Section 14.1.3.1. Thereafter, the Owner shall render an initial decision within ten days of receiving the Design-Builder's response: (1) withdrawing the Claim in whole or in part, (2) approving the Claim in whole or in part, or (3) suggesting a compromise.

§ 14.2.2.2 Claims Initiated by the Design-Builder. If the Design-Builder initiates a Claim, the Owner will take one or more of the following actions within ten days after receipt of the notice required under Section 14.1.3.1: (1) request additional supporting data, (2) render an initial decision rejecting the Claim in whole or in part, (3) render an initial decision approving the Claim, (4) suggest a compromise or (5) indicate that it is unable to render an initial decision because the Owner lacks sufficient information to evaluate the merits of the Claim.

§ 14.2.3 In evaluating Claims, the Owner may, but shall not be obligated to, consult with or seek information from persons with special knowledge or expertise who may assist the Owner in rendering a decision. The retention of such persons shall be at the Owner's expense.

§ 14.2.4 If the Owner requests the Design-Builder to provide a response to a Claim or to furnish additional supporting data, the Design-Builder shall respond, within ten days after receipt of such request, and shall either (1) provide a response on the requested supporting data, (2) advise the Owner when the response or supporting data will be furnished or (3) advise the Owner that no supporting data will be furnished. Upon receipt of the response or supporting data, if any, the Owner will either reject or approve the Claim in whole or in part.

§ 14.2.5 The Owner's initial decision shall (1) be in writing; (2) state the reasons therefor; and (3) identify any change in the Contract Sum or Contract Time or both. The initial decision shall be final and binding on the parties but subject to mediation and, if the parties fail to resolve their dispute through mediation, to binding dispute resolution.

§ 14.2.6 Either party may file for mediation of an initial decision at any time, subject to the terms of Section 14.2.6.1.

§ 14.2.6.1 Either party may, within 30 days from the date of an initial decision, demand in writing that the other party file for mediation within 60 days of the initial decision. If such a demand is made and the party receiving the demand fails to file for mediation within the time required, then both parties waive their rights to mediate or pursue binding dispute resolution proceedings with respect to the initial decision.

§ 14.2.7 In the event of a Claim against the Design-Builder, the Owner may, but is not obligated to, notify the surety, if any, of the nature and amount of the Claim. If the Claim relates to a possibility of a Design-Builder's default, the Owner may, but is not obligated to, notify the surety and request the surety's assistance in resolving the controversy.

Init.
/

§ 14.2.8 If a Claim relates to or is the subject of a mechanic's lien, the party asserting such Claim may proceed in accordance with applicable law to comply with the lien notice or filing deadlines.

§ 14.3 Mediation

§ 14.3.1 Claims, disputes, or other matters in controversy arising out of or related to the Contract, except those waived as provided for in Sections 9.10.4, 9.10.5, and 14.1.7, shall be subject to mediation as a condition precedent to binding dispute resolution.

§ 14.3.2 The parties shall endeavor to resolve their Claims by mediation which, unless the parties mutually agree otherwise, shall be administered by the American Arbitration Association in accordance with its Construction Industry Mediation Procedures in effect on the date of the Agreement. A request for mediation shall be made in writing, delivered to the other party to the Contract, and filed with the person or entity administering the mediation. The request may be made concurrently with the filing of binding dispute resolution proceedings but, in such event, mediation shall proceed in advance of binding dispute resolution proceedings, which shall be stayed pending mediation for a period of 60 days from the date of filing, unless stayed for a longer period by agreement of the parties or court order. If an arbitration proceeding is stayed pursuant to this Section 14.3.2, the parties may nonetheless proceed to the selection of the arbitrator(s) and agree upon a schedule for later proceedings.

§ 14.3.3 The parties shall share the mediator's fee and any filing fees equally. The mediation shall be held in the place where the Project is located, unless another location is mutually agreed upon. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction.

§ 14.4 Arbitration

§ 14.4.1 If the parties have selected arbitration as the method for binding dispute resolution in Section 1.3, any Claim subject to, but not resolved by, mediation shall be subject to arbitration which, unless the parties mutually agree otherwise, shall be administered by the American Arbitration Association in accordance with its Construction Industry Arbitration Rules in effect on the date of the Agreement. A demand for arbitration shall be made in writing, delivered to the other party to the Contract, and filed with the person or entity administering the arbitration. The party filing a notice of demand for arbitration must assert in the demand all Claims then known to that party on which arbitration is permitted to be demanded.

§ 14.4.1.1 A demand for arbitration shall be made no earlier than concurrently with the filing of a request for mediation, but in no event shall it be made after the date when the institution of legal or equitable proceedings based on the Claim would be barred by the applicable statute of limitations or statute of repose. For statute of limitations or statute of repose purposes, receipt of a written demand for arbitration by the person or entity administering the arbitration shall constitute the institution of legal or equitable proceedings based on the Claim.

§ 14.4.2 The award rendered by the arbitrator or arbitrators shall be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction.

§ 14.4.3 The foregoing agreement to arbitrate, and other agreements to arbitrate with an additional person or entity duly consented to by parties to the Agreement, shall be specifically enforceable under applicable law in any court having jurisdiction thereof.

§ 14.4.4 Consolidation or Joinder

§ 14.4.4.1 Either party, at its sole discretion, may consolidate an arbitration conducted under this Agreement with any other arbitration to which it is a party provided that (1) the arbitration agreement governing the other arbitration permits consolidation, (2) the arbitrations to be consolidated substantially involve common questions of law or fact, and (3) the arbitrations employ materially similar procedural rules and methods for selecting arbitrator(s).

§ 14.4.4.2 Either party, at its sole discretion, may include by joinder persons or entities substantially involved in a common question of law or fact whose presence is required if complete relief is to be accorded in arbitration, provided that the party sought to be joined consents in writing to such joinder. Consent to arbitration involving an additional person or entity shall not constitute consent to arbitration of any claim, dispute or other matter in question not described in the written consent.

§ 14.4.4.3 The Owner and Design-Builder grant to any person or entity made a party to an arbitration conducted under this Section 14.4, whether by joinder or consolidation, the same rights of joinder and consolidation as the Owner and Design-Builder under this Agreement.

ARTICLE 15 MISCELLANEOUS PROVISIONS

§ 15.1 Governing Law

The Contract shall be governed by the law of the place where the Project is located except that, if the parties have selected arbitration as the method of binding dispute resolution, the Federal Arbitration Act shall govern Section 14.4.

§ 15.2 Successors and Assigns

§ 15.2.1 The Owner and Design-Builder, respectively, bind themselves, their partners, successors, assigns and legal representatives to the covenants, agreements and obligations contained in the Design-Build Documents. Except as provided in Section 15.2.2, neither party to the Contract shall assign the Contract as a whole without written consent of the other. If either party attempts to make such an assignment without such consent, that party shall nevertheless remain legally responsible for all obligations under the Contract.

§ 15.2.2 The Owner may, without consent of the Design-Builder, assign the Contract to a lender providing construction financing for the Project, if the lender assumes the Owner's rights and obligations under the Design-Build Documents. The Design-Builder shall execute all consents reasonably required to facilitate such assignment.

§ 15.2.3 If the Owner requests the Design-Builder, Architect, Consultants, or Contractors to execute certificates, other than those required by Section 3.1.10, the Owner shall submit the proposed language of such certificates for review at least 14 days prior to the requested dates of execution. If the Owner requests the Design-Builder, Architect, Consultants, or Contractors to execute consents reasonably required to facilitate assignment to a lender, the Design-Builder, Architect, Consultants, or Contractors shall execute all such consents that are consistent with this Agreement, provided the proposed consent is submitted to them for review at least 14 days prior to execution. The Design-Builder, Architect, Consultants, and Contractors shall not be required to execute certificates or consents that would require knowledge, services or responsibilities beyond the scope of their services.

§ 15.3 Written Notice

Written notice shall be deemed to have been duly served if delivered in person to the individual, to a member of the firm or entity, or to an officer of the corporation for which it was intended; or if delivered at, or sent by registered or certified mail or by courier service providing proof of delivery to, the last business address known to the party giving notice.

§ 15.4 Rights and Remedies

§ 15.4.1 Duties and obligations imposed by the Design-Build Documents, and rights and remedies available thereunder, shall be in addition to and not a limitation of duties, obligations, rights and remedies otherwise imposed or available by law.

§ 15.4.2 No action or failure to act by the Owner or Design-Builder shall constitute a waiver of a right or duty afforded them under the Contract, nor shall such action or failure to act constitute approval of or acquiescence in a breach thereunder, except as may be specifically agreed in writing.

§ 15.5 Tests and Inspections

§ 15.5.1 Tests, inspections and approvals of portions of the Work shall be made as required by the Design-Build Documents and by applicable laws, statutes, ordinances, codes, rules and regulations or lawful orders of public authorities. Unless otherwise provided, the Design-Builder shall make arrangements for such tests, inspections and approvals with an independent testing laboratory or entity acceptable to the Owner, or with the appropriate public authority, and shall bear all related costs of tests, inspections and approvals. The Design-Builder shall give the Owner timely notice of when and where tests and inspections are to be made so that the Owner may be present for such procedures. The Owner shall bear costs of (1) tests, inspections or approvals that do not become requirements until after bids are received or negotiations concluded, and (2) tests, inspections or approvals where building codes or applicable laws or regulations prohibit the Owner from delegating their cost to the Design-Builder.

§ 15.5.2 If the Owner determines that portions of the Work require additional testing, inspection or approval not included under Section 15.5.1, the Owner will instruct the Design-Builder to make arrangements for such additional

testing, inspection or approval by an entity acceptable to the Owner, and the Design-Builder shall give timely notice to the Owner of when and where tests and inspections are to be made so that the Owner may be present for such procedures. Such costs, except as provided in Section 15.5.3, shall be at the Owner's expense.

§ 15.5.3 If such procedures for testing, inspection or approval under Sections 15.5.1 and 15.5.2 reveal failure of the portions of the Work to comply with requirements established by the Design-Build Documents, all costs made necessary by such failure shall be at the Design-Builder's expense.

§ 15.5.4 Required certificates of testing, inspection or approval shall, unless otherwise required by the Design-Build Documents, be secured by the Design-Builder and promptly delivered to the Owner.

§ 15.5.5 If the Owner is to observe tests, inspections or approvals required by the Design-Build Documents, the Owner will do so promptly and, where practicable, at the normal place of testing.

§ 15.5.6 Tests or inspections conducted pursuant to the Design-Build Documents shall be made promptly to avoid unreasonable delay in the Work.

§ 15.6 Confidential Information

If the Owner or Design-Builder transmits Confidential Information, the transmission of such Confidential Information constitutes a warranty to the party receiving such Confidential Information that the transmitting party is authorized to transmit the Confidential Information. If a party receives Confidential Information, the receiving party shall keep the Confidential Information strictly confidential and shall not disclose it to any other person or entity except as set forth in Section 15.6.1.

§ 15.6.1 A party receiving Confidential Information may disclose the Confidential Information as required by law or court order, including a subpoena or other form of compulsory legal process issued by a court or governmental entity. A party receiving Confidential Information may also disclose the Confidential Information to its employees, consultants or contractors in order to perform services or work solely and exclusively for the Project, provided those employees, consultants and contractors are subject to the restrictions on the disclosure and use of Confidential Information as set forth in this Contract.

§ 15.7 Capitalization

Terms capitalized in the Contract include those that are (1) specifically defined, (2) the titles of numbered articles or (3) the titles of other documents published by the American Institute of Architects.

§ 15.8 Interpretation

§ 15.8.1 In the interest of brevity the Design-Build Documents frequently omit modifying words such as "all" and "any" and articles such as "the" and "an," but the fact that a modifier or an article is absent from one statement and appears in another is not intended to affect the interpretation of either statement.

§ 15.8.2 Unless otherwise stated in the Design-Build Documents, words which have well-known technical or construction industry meanings are used in the Design-Build Documents in accordance with such recognized meanings.

ARTICLE 16 SCOPE OF THE AGREEMENT

§ 16.1 This Agreement is comprised of the following documents listed below:

- .1 AIA Document A141™-2014, Standard Form of Agreement Between Owner and Design-Builder
- .2 AIA Document A141™-2014, Exhibit A, Design-Build Amendment, if executed
- .3 AIA Document A141™-2014, Exhibit B, Insurance and Bonds
- .4 AIA Document A141™-2014, Exhibit C, Sustainable Projects, if completed
- .5

(Paragraphs deleted)

Exhibit D, Scope of Work dated February 15, 2022

This Agreement entered into as of the day and year first written above.


OWNER (Signature)

Tommy Reddick, Executive Director
(Printed name and title)


DESIGN-BUILDER (Signature)

Bob Crowder, Vice President
(Printed name and title)

AIA[®] Document A141™ – 2014 Exhibit A

Design-Build Amendment

This Amendment is incorporated into the accompanying AIA Document A141™–2014, Standard Form of Agreement Between Owner and Design-Builder dated the 15th day of February in the year Two Thousand Twenty Two (the "Agreement")
(In words, indicate day, month and year.)

for the following PROJECT:
(Name and location or address)

Paramount School -Lafayette
1904 Elmwood Avenue
Lafayette, IN 47904

THE OWNER:
(Name, legal status and address)

Paramount School of Excellence
3020 Nowland Avenue
Indianapolis, IN 46204

THE DESIGN-BUILDER:
(Name, legal status and address)

Keystone Construction Corp
47 S. Pennsylvania Street, Suite 1000
Indianapolis, IN 46204

The Owner and Design-Builder hereby amend the Agreement as follows.

TABLE OF ARTICLES

- A.1 CONTRACT SUM**
- A.2 CONTRACT TIME**
- A.3 INFORMATION UPON WHICH AMENDMENT IS BASED**
- A.4 DESIGN-BUILDER'S PERSONNEL, CONTRACTORS AND SUPPLIERS**
- A.5 COST OF THE WORK**

ARTICLE A.1 CONTRACT SUM

§ A.1.1 The Owner shall pay the Design-Builder the Contract Sum in current funds for the Design-Builder's performance of the Contract after the execution of this Amendment. The Contract Sum shall be one of the following and shall not include compensation the Owner paid the Design-Builder for Work performed prior to execution of this Amendment:

(Check the appropriate box.)

Stipulated Sum, in accordance with Section A.1.2 below

ADDITIONS AND DELETIONS:

The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

Consultation with an attorney is also encouraged with respect to professional licensing requirements in the jurisdiction where the Project is located.

Cost of the Work plus the Design-Builder's Fee, in accordance with Section A.1.3 below

Cost of the Work plus the Design-Builder's Fee with a Guaranteed Maximum Price, in accordance with Section A.1.4 below

(Based on the selection above, complete Section A.1.2, A.1.3 or A.1.4 below.)

§ A.1.2 Stipulated Sum

§ A.1.2.1 The Stipulated Sum shall be), subject to authorized adjustments as provided in the Design-Build Documents.

§ A.1.2.2 The Stipulated Sum is based upon the following alternates, if any, which are described in the Design-Build Documents and are hereby accepted by the Owner:

(State the numbers or other identification of accepted alternates. If the Owner is permitted to accept other alternates subsequent to the execution of this Amendment, attach a schedule of such other alternates showing the change in Stipulated Sum for each and the deadline by which the alternate must be accepted.)

§ A.1.2.3 Unit prices, if any:

(Identify item, state the unit price, and state any applicable quantity limitations.)

Item	Units and Limitations	Price per Unit (\$0.00)
------	-----------------------	-------------------------

§ A.1.3 Cost of the Work Plus Design-Builder's Fee

§ A.1.3.1 The Cost of the Work is as defined in Article A.5, Cost of the Work.

§ A.1.3.2 The Design-Builder's Fee:

(State a lump sum, percentage of Cost of the Work or other provision for determining the Design-Builder's Fee, and the method for adjustment to the Fee for changes in the Work.)

§ A.1.4 Cost of the Work Plus Design-Builder's Fee With a Guaranteed Maximum Price

§ A.1.4.1 The Cost of the Work is as defined in Article A.5, Cost of the Work.

§ A.1.4.2 The Design-Builder's Fee:

(State a lump sum, percentage of Cost of the Work or other provision for determining the Design-Builder's Fee and the method for adjustment to the Fee for changes in the Work.)

Six Percent (6%)

§ A.1.4.3 Guaranteed Maximum Price

§ A.1.4.3.1 The sum of the Cost of the Work and the Design-Builder's Fee is guaranteed by the Design-Builder not to exceed One Million, One Hundred Eighty Two Thousand, Two Hundred Seventy Six Dollars (\$ 1,182,276.00), subject to additions and deductions for changes in the Work as provided in the Design-Build Documents. Costs that would cause the Guaranteed Maximum Price to be exceeded shall be paid by the Design-Builder without reimbursement by the Owner.

(Insert specific provisions if the Design-Builder is to participate in any savings.)

§ A.1.4.3.2 Itemized Statement of the Guaranteed Maximum Price

Provided below is an itemized statement of the Guaranteed Maximum Price organized by trade categories, allowances, contingencies, alternates, the Design-Builder's Fee, and other items that comprise the Guaranteed Maximum Price.

(Provide information below or reference an attachment.)

§ A.1.4.3.3 The Guaranteed Maximum Price is based on the following alternates, if any, which are described in the Design-Build Documents and are hereby accepted by the Owner:

(State the numbers or other identification of accepted alternates. If the Owner is permitted to accept other alternates subsequent to the execution of this Amendment, attach a schedule of such other alternates showing the change in the Cost of the Work and Guaranteed Maximum Price for each and the deadline by which the alternate must be accepted.)

§ A.1.4.3.4 Unit Prices, if any:

(Identify item, state the unit price, and state any applicable quantity limitations.)

Item	Units and Limitations	Price per Unit (\$0.00)
------	-----------------------	-------------------------

§ A.1.4.3.5 Assumptions, if any, on which the Guaranteed Maximum Price is based:

§ A.1.5 Payments

§ A.1.5.1 Progress Payments

§ A.1.5.1.1 Based upon Applications for Payment submitted to the Owner by the Design-Builder, the Owner shall make progress payments on account of the Contract Sum to the Design-Builder as provided below and elsewhere in the Design-Build Documents.

§ A.1.5.1.2 The period covered by each Application for Payment shall be one calendar month ending on the last day of the month, or as follows:

§ A.1.5.1.3 Provided that an Application for Payment is received not later than the 5th day of the month, the Owner shall make payment of the certified amount to the Design-Builder not later than the 30th day of the same month. If an Application for Payment is received by the Owner after the application date fixed above, payment shall be made by the Owner not later than Thirty (30) days after the Owner receives the Application for Payment.

(Federal, state or local laws may require payment within a certain period of time.)

§ A.1.5.1.4 With each Application for Payment where the Contract Sum is based upon the Cost of the Work, or the Cost of the Work with a Guaranteed Maximum Price, the Design-Builder shall submit payrolls, petty cash accounts, receipted invoices or invoices with check vouchers attached, and any other evidence required by the Owner to demonstrate that cash disbursements already made by the Design-Builder on account of the Cost of the Work equal or exceed (1) progress payments already received by the Design-Builder, less (2) that portion of those payments attributable to the Design-Builder's Fee; plus (3) payrolls for the period covered by the present Application for Payment.

§ A.1.5.1.5 With each Application for Payment where the Contract Sum is based upon a Stipulated Sum or Cost of the Work with a Guaranteed Maximum Price, the Design-Builder shall submit the most recent schedule of values in accordance with the Design-Build Documents. The schedule of values shall allocate the entire Contract Sum among the various portions of the Work. Compensation for design services, if any, shall be shown separately. Where the Contract Sum is based on the Cost of the Work with a Guaranteed Maximum Price, the Design-Builder's Fee shall be shown separately. The schedule of values shall be prepared in such form and supported by such data to substantiate its accuracy as the Owner may require. This schedule of values, unless objected to by the Owner, shall be used as a basis for reviewing the Design-Builder's Applications for Payment.

§ A.1.5.1.6 In taking action on the Design-Builder's Applications for Payment, the Owner shall be entitled to rely on the accuracy and completeness of the information furnished by the Design-Builder and shall not be deemed to have made a detailed examination, audit or arithmetic verification of the documentation submitted in accordance with

Sections A.1.5.1.4 or A.1.5.1.5, or other supporting data; to have made exhaustive or continuous on-site inspections; or to have made examinations to ascertain how or for what purposes the Design-Builder has used amounts previously paid. Such examinations, audits and verifications, if required by the Owner, will be performed by the Owner's auditors acting in the sole interest of the Owner.

§ A.1.5.1.7 Except with the Owner's prior approval, the Design-Builder shall not make advance payments to suppliers for materials or equipment which have not been delivered and stored at the site.

(Paragraphs deleted)

§ A.1.5.4 Progress Payments—Cost of the Work Plus a Fee with a Guaranteed Maximum Price

§ A.1.5.4.1 Applications for Payment where the Contract Sum is based upon the Cost of the Work Plus a Fee with a Guaranteed Maximum Price shall show the percentage of completion of each portion of the Work as of the end of the period covered by the Application for Payment. The percentage of completion shall be the lesser of (1) the percentage of that portion of the Work which has actually been completed; or (2) the percentage obtained by dividing (a) the expense that has actually been incurred by the Design-Builder on account of that portion of the Work for which the Design-Builder has made or intends to make actual payment prior to the next Application for Payment by (b) the share of the Guaranteed Maximum Price allocated to that portion of the Work in the schedule of values.

§ A.1.5.4.2 Subject to other provisions of the Design-Build Documents, the amount of each progress payment shall be computed as follows:

- .1 Take that portion of the Guaranteed Maximum Price properly allocable to completed Work as determined by multiplying the percentage of completion of each portion of the Work by the share of the Guaranteed Maximum Price allocated to that portion of the Work in the schedule of values. Pending final determination of cost to the Owner of changes in the Work, amounts not in dispute shall be included as provided in Section 6.3.9 of the Agreement.
- .2 Add that portion of the Guaranteed Maximum Price properly allocable to materials and equipment delivered and suitably stored at the site for subsequent incorporation in the Work, or if approved in advance by the Owner, suitably stored off the site at a location agreed upon in writing;
- .3 Add the Design-Builder's Fee, less retainage of Zero percent (0 %). The Design-Builder's Fee shall be computed upon the Cost of the Work at the rate stated in Section A.1.4.2 or, if the Design-Builder's Fee is stated as a fixed sum in that Section, shall be an amount that bears the same ratio to that fixed-sum fee as the Cost of the Work bears to a reasonable estimate of the probable Cost of the Work upon its completion;
- .4 Subtract retainage of zero percent (0 %) from that portion of the Work that the Design-Builder self-performs;
- .5 Subtract the aggregate of previous payments made by the Owner;
- .6 Subtract the shortfall, if any, indicated by the Design-Builder in the documentation required by Section A.1.5.1.4 to substantiate prior Applications for Payment, or resulting from errors subsequently discovered by the Owner's auditors in such documentation; and
- .7 Subtract amounts, if any, for which the Owner has withheld or nullified a payment as provided in Section 9.5 of the Agreement.

§ A.1.5.4.3 The Owner and Design-Builder shall agree upon (1) a mutually acceptable procedure for review and approval of payments to the Architect, Consultants, and Contractors and (2) the percentage of retainage held on agreements with the Architect, Consultants, and Contractors; and the Design-Builder shall execute agreements in accordance with those terms.

§ A.1.5.5 Final Payment

§ A.1.5.5.1 Final payment, constituting the entire unpaid balance of the Contract Sum, shall be made by the Owner to the Design-Builder not later than 30 days after the Design-Builder has fully performed the Contract and the requirements of Section 9.10 of the Agreement have been satisfied, except for the Design-Builder's responsibility to correct non-conforming Work discovered after final payment or to satisfy other requirements, if any, which extend beyond final payment.

§ A.1.5.5.2 If the Contract Sum is based on the Cost of the Work, the Owner's auditors will review and report in writing on the Design-Builder's final accounting within 30 days after the Design-Builder delivers the final accounting to the Owner. Based upon the Cost of the Work the Owner's auditors report to be substantiated by the Design-Builder's final accounting, and provided the other conditions of Section 9.10 of the Agreement have been met,

the Owner will, within seven days after receipt of the written report of the Owner's auditors, either issue a final Certificate for Payment, or notify the Design-Builder in writing of the reasons for withholding a certificate as provided in Section 9.5.1 of the Agreement.

ARTICLE A.2 CONTRACT TIME

§ A.2.1 Contract Time, as defined in the Agreement at Section 1.4.13, is the period of time, including authorized adjustments, for Substantial Completion of the Work.

§ A.2.2 The Design-Builder shall achieve Substantial Completion of the Work not later than () days from the date of this Amendment, or as follows:
(Insert number of calendar days. Alternatively, a calendar date may be used when coordinated with the date of commencement. If appropriate, insert requirements for earlier Substantial Completion of certain portions of the Work.)

Portion of Work	Substantial Completion Date
------------------------	------------------------------------

, subject to adjustments of the Contract Time as provided in the Design-Build Documents.
(Insert provisions, if any, for liquidated damages relating to failure to achieve Substantial Completion on time or for bonus payments for early completion of the Work.)

ARTICLE A.3 INFORMATION UPON WHICH AMENDMENT IS BASED

§ A.3.1 The Contract Sum and Contract Time set forth in this Amendment are based on the following:

§ A.3.1.1 The Supplementary and other Conditions of the Contract:

Document	Title	Date	Pages
-----------------	--------------	-------------	--------------

§ A.3.1.2 The Specifications:
(Either list the specifications here or refer to an exhibit attached to this Amendment.)

Section	Title	Date	Pages
----------------	--------------	-------------	--------------

§ A.3.1.3 The Drawings:
(Either list the drawings here or refer to an exhibit attached to this Amendment.)

Number	Title	Date
---------------	--------------	-------------

§ A.3.1.4 The Sustainability Plan, if any:
(If the Owner identified a Sustainable Objective in the Owner's Criteria, identify the document or documents that comprise the Sustainability Plan by title, date and number of pages, and include other identifying information. The Sustainability Plan identifies and describes the Sustainable Objective; the targeted Sustainable Measures; implementation strategies selected to achieve the Sustainable Measures; the Owner's and Design-Builder's roles and responsibilities associated with achieving the Sustainable Measures; the specific details about design reviews, testing or metrics to verify achievement of each Sustainable Measure; and the Sustainability Documentation required for the Project, as those terms are defined in Exhibit C to the Agreement.)

Title	Date	Pages
-------	------	-------

Other identifying information:

§ A.3.1.5 Allowances and Contingencies:

(Identify any agreed upon allowances and contingencies, including a statement of their basis.)

.1 Allowances

.2 Contingencies

§ A.3.1.6 Design-Builder's assumptions and clarifications:

§ A.3.1.7 Deviations from the Owner's Criteria as adjusted by a Modification:

§ A.3.1.8 To the extent the Design-Builder shall be required to submit any additional Submittals to the Owner for review, indicate any such submissions below:

ARTICLE A.4 DESIGN-BUILDER'S PERSONNEL, CONTRACTORS AND SUPPLIERS

§ A.4.1 The Design-Builder's key personnel are identified below:

(Identify name, title and contact information.)

.1 Superintendent

.2 Project Manager

.3 Others

§ A.4.2 The Design-Builder shall retain the following Consultants, Contractors and suppliers, identified below:

(List name, discipline, address and other information.)

ARTICLE A.5 COST OF THE WORK

§ A.5.1 Cost To Be Reimbursed as Part of the Contract

§ A.5.1.1 Labor Costs

§ A.5.1.1.1 Wages of construction workers directly employed by the Design-Builder to perform the construction of the Work at the site or, with the Owner's prior approval, at off-site workshops.

§ A.5.1.1.2 With the Owner's prior approval, wages or salaries of the Design-Builder's supervisory and administrative personnel when stationed at the site.

(If it is intended that the wages or salaries of certain personnel stationed at the Design-Builder's principal or other offices shall be included in the Cost of the Work, identify below the personnel to be included, whether for all or only part of their time, and the rates at which their time will be charged to the Work.)

Person Included	Status (full-time/part-time)	Rate (\$0.00)	Rate (unit of time)
------------------------	-------------------------------------	----------------------	----------------------------

§ A.5.1.1.3 Wages and salaries of the Design-Builder's supervisory or administrative personnel engaged at factories, workshops or on the road, in expediting the production or transportation of materials or equipment required for the Work, but only for that portion of their time required for the Work.

§ A.5.1.1.4 Costs paid or incurred by the Design-Builder for taxes, insurance, contributions, assessments and benefits required by law or collective bargaining agreements and, for personnel not covered by such agreements, customary benefits such as sick leave, medical and health benefits, holidays, vacations and pensions, provided such costs are based on wages and salaries included in the Cost of the Work under Section A.5.1.1.

§ A.5.1.1.5 Bonuses, profit sharing, incentive compensation and any other discretionary payments paid to anyone hired by the Design-Builder or paid to the Architect or any Consultant, Contractor or supplier, with the Owner's prior approval.

§ A.5.1.2 Contract Costs. Payments made by the Design-Builder to the Architect, Consultants, Contractors and suppliers in accordance with the requirements of their subcontracts.

§ A.5.1.3 Costs of Materials and Equipment Incorporated in the Completed Construction

§ A.5.1.3.1 Costs, including transportation and storage, of materials and equipment incorporated or to be incorporated in the completed construction.

§ A.5.1.3.2 Costs of materials described in the preceding Section A.5.1.3.1 in excess of those actually installed to allow for reasonable waste and spoilage. Unused excess materials, if any, shall become the Owner's property at the completion of the Work or, at the Owner's option, shall be sold by the Design-Builder. Any amounts realized from such sales shall be credited to the Owner as a deduction from the Cost of the Work.

§ A.5.1.4 Costs of Other Materials and Equipment, Temporary Facilities and Related Items

§ A.5.1.4.1 Costs of transportation, storage, installation, maintenance, dismantling and removal of materials, supplies, temporary facilities, machinery, equipment and hand tools not customarily owned by construction workers that are provided by the Design-Builder at the site and fully consumed in the performance of the Work. Costs of materials, supplies, temporary facilities, machinery, equipment and tools that are not fully consumed shall be based on the cost or value of the item at the time it is first used on the Project site less the value of the item when it is no longer used at the Project site. Costs for items not fully consumed by the Design-Builder shall mean fair market value.

§ A.5.1.4.2 Rental charges for temporary facilities, machinery, equipment and hand tools not customarily owned by construction workers that are provided by the Design-Builder at the site and costs of transportation, installation, minor repairs, dismantling and removal. The total rental cost of any Design-Builder-owned item may not exceed the purchase price of any comparable item. Rates of Design-Builder-owned equipment and quantities of equipment shall be subject to the Owner's prior approval.

§ A.5.1.4.3 Costs of removal of debris from the site of the Work and its proper and legal disposal.

§ **A.5.1.4.4** Costs of document reproductions, electronic communications, postage and parcel delivery charges, dedicated data and communications services, teleconferences, Project websites, extranets and reasonable petty cash expenses of the site office.

§ **A.5.1.4.5** Costs of materials and equipment suitably stored off the site at a mutually acceptable location, with the Owner's prior approval.

§ **A.5.1.5 Miscellaneous Costs**

§ **A.5.1.5.1** Premiums for that portion of insurance and bonds required by the Design-Build Documents that can be directly attributed to the Contract. With the Owner's prior approval self-insurance for either full or partial amounts of the coverages required by the Design-Build Documents.

§ **A.5.1.5.2** Sales, use or similar taxes imposed by a governmental authority that are related to the Work and for which the Design-Builder is liable.

§ **A.5.1.5.3** Fees and assessments for the building permit and for other permits, licenses and inspections for which the Design-Builder is required by the Design-Build Documents to pay.

§ **A.5.1.5.4** Fees of laboratories for tests required by the Design-Build Documents, except those related to defective or nonconforming Work for which reimbursement is excluded by Section 15.5.3 of the Agreement or by other provisions of the Design-Build Documents, and which do not fall within the scope of Section A.5.1.6.3.

§ **A.5.1.5.5** Royalties and license fees paid for the use of a particular design, process or product required by the Design-Build Documents; the cost of defending suits or claims for infringement of patent rights arising from such requirement of the Design-Build Documents; and payments made in accordance with legal judgments against the Design-Builder resulting from such suits or claims and payments of settlements made with the Owner's consent. However, such costs of legal defenses, judgments and settlements shall not be included in the calculation of the Design-Builder's Fee or subject to the Guaranteed Maximum Price. If such royalties, fees and costs are excluded by the second to last sentence of Section 3.1.13.2 of the Agreement or other provisions of the Design-Build Documents, then they shall not be included in the Cost of the Work.

§ **A.5.1.5.6** With the Owner's prior approval, costs for electronic equipment and software directly related to the Work.

§ **A.5.1.5.7** Deposits lost for causes other than the Design-Builder's negligence or failure to fulfill a specific responsibility in the Design-Build Documents.

§ **A.5.1.5.8** With the Owner's prior approval, which shall not be unreasonably withheld, legal, mediation and arbitration costs, including attorneys' fees, other than those arising from disputes between the Owner and Design-Builder, reasonably incurred by the Design-Builder after the execution of the Agreement and in the performance of the Work.

§ **A.5.1.5.9** With the Owner's prior approval, expenses incurred in accordance with the Design-Builder's standard written personnel policy for relocation, and temporary living allowances of, the Design-Builder's personnel required for the Work.

§ **A.5.1.5.10** That portion of the reasonable expenses of the Design-Builder's supervisory or administrative personnel incurred while traveling in discharge of duties connected with the Work.

§ **A.5.1.6 Other Costs and Emergencies**

§ **A.5.1.6.1** Other costs incurred in the performance of the Work if, and to the extent, approved in advance in writing by the Owner.

§ **A.5.1.6.2** Costs incurred in taking action to prevent threatened damage, injury or loss in case of an emergency affecting the safety of persons and property.

§ **A.5.1.6.3** Costs of repairing or correcting damaged or nonconforming Work executed by the Design-Builder, Contractors or suppliers, provided that such damaged or nonconforming Work was not caused by negligence or failure

to fulfill a specific responsibility of the Design-Builder and only to the extent that the cost of repair or correction is not recovered by the Design-Builder from insurance, sureties, Contractors, suppliers, or others.

§ A.5.1.7 Related Party Transactions

§ A.5.1.7.1 For purposes of Section A.5.1.7, the term "related party" shall mean a parent, subsidiary, affiliate or other entity having common ownership or management with the Design-Builder; any entity in which any stockholder in, or management employee of, the Design-Builder owns any interest in excess of ten percent in the aggregate; or any person or entity which has the right to control the business or affairs of the Design-Builder. The term "related party" includes any member of the immediate family of any person identified above.

§ A.5.1.7.2 If any of the costs to be reimbursed arise from a transaction between the Design-Builder and a related party, the Design-Builder shall notify the Owner of the specific nature of the contemplated transaction, including the identity of the related party and the anticipated cost to be incurred, before any such transaction is consummated or cost incurred. If the Owner, after such notification, authorizes the proposed transaction, then the cost incurred shall be included as a cost to be reimbursed, and the Design-Builder shall procure the Work, equipment, goods or service from the related party, as a Contractor, according to the terms of Section A.5.4. If the Owner fails to authorize the transaction, the Design-Builder shall procure the Work, equipment, goods or service from some person or entity other than a related party according to the terms of Section A.5.4.

§ A.5.2 Costs Not to Be Reimbursed as Part of this Contract

The Cost of the Work shall not include the items listed below:

- .1 Salaries and other compensation of the Design-Builder's personnel stationed at the Design-Builder's principal office or offices other than the site office, except as specifically provided in Section A.5.1.1;
- .2 Expenses of the Design-Builder's principal office and offices other than the site office;
- .3 Overhead and general expenses, except as may be expressly included in Section A.5.1;
- .4 The Design-Builder's capital expenses, including interest on the Design-Builder's capital employed for the Work;
- .5 Except as provided in Section A.5.1.6.3 of this Agreement, costs due to the negligence or failure of the Design-Builder, Contractors and suppliers or anyone directly or indirectly employed by any of them or for whose acts any of them may be liable to fulfill a specific responsibility of the Contract;
- .6 Any cost not specifically and expressly described in Section A.5.1; and
- .7 Costs, other than costs included in Change Orders approved by the Owner, that would cause the Guaranteed Maximum Price to be exceeded.

§ A.5.3 Discounts, Rebates, and Refunds

§ A.5.3.1 Cash discounts obtained on payments made by the Design-Builder shall accrue to the Owner if (1) before making the payment, the Design-Builder included them in an Application for Payment and received payment from the Owner, or (2) the Owner has deposited funds with the Design-Builder with which to make payments; otherwise, cash discounts shall accrue to the Design-Builder. Trade discounts, rebates, refunds and amounts received from sales of surplus materials and equipment shall accrue to the Owner, and the Design-Builder shall make provisions so that they can be obtained.

§ A.5.3.2 Amounts that accrue to the Owner in accordance with Section A.5.3.1 shall be credited to the Owner as a deduction from the Cost of the Work.

§ A.5.4 Other Agreements

§ A.5.4.1 When the Design-Builder has provided a Guaranteed Maximum Price, and a specific bidder (1) is recommended to the Owner by the Design-Builder; (2) is qualified to perform that portion of the Work; and (3) has submitted a bid that conforms to the requirements of the Design-Build Documents without reservations or exceptions, but the Owner requires that another bid be accepted, then the Design-Builder may require that a Change Order be issued to adjust the Guaranteed Maximum Price by the difference between the bid of the person or entity recommended to the Owner by the Design-Builder and the amount of the subcontract or other agreement actually signed with the person or entity designated by the Owner.

§ A.5.4.2 Agreements between the Design-Builder and Contractors shall conform to the applicable payment provisions of the Design-Build Documents, and shall not be awarded on the basis of cost plus a fee without the prior consent of the Owner. If an agreement between the Design Builder and a Contractor is awarded on a cost plus a fee basis, the

Design-Builder shall provide in the agreement for the Owner to receive the same audit rights with regard to the Cost of the Work performed by the Contractor as the Owner receives with regard to the Design-Builder in Section A.5.5, below.

§ A.5.4.3 The agreements between the Design-Builder and Architect and other Consultants identified in the Agreement shall be in writing. These agreements shall be promptly provided to the Owner upon the Owner's written request.

§ A.5.5 Accounting Records

The Design-Builder shall keep full and detailed records and accounts related to the cost of the Work and exercise such controls as may be necessary for proper financial management under the Contract and to substantiate all costs incurred. The accounting and control systems shall be satisfactory to the Owner. The Owner and the Owner's auditors shall, during regular business hours and upon reasonable notice, be afforded access to, and shall be permitted to audit and copy, the Design-Builder's records and accounts, including complete documentation supporting accounting entries, books, correspondence, instructions, drawings, receipts, subcontracts, Contractor's proposals, purchase orders, vouchers, memoranda and other data relating to the Contract. The Design-Builder shall preserve these records for a period of three years after final payment, or for such longer period as may be required by law.

§ A.5.6 Relationship of the Parties

The Design-Builder accepts the relationship of trust and confidence established by this Agreement and covenants with the Owner to exercise the Design-Builder's skill and judgment in furthering the interests of the Owner; to furnish efficient construction administration, management services and supervision; to furnish at all times an adequate supply of workers and materials; and to perform the Work in an expeditious and economical manner consistent with the Owner's interests.

This Amendment to the Agreement entered into as of the day and year first written above.



OWNER (Signature)

Tommy Reddicks, Executive Director

(Printed name and title)



DESIGN-BUILDER (Signature)

Bob Crowder, Vice President

(Printed name and title)

AIA[®] Document A141™ – 2014 Exhibit B

Insurance and Bonds

for the following PROJECT:

(Name and location or address)

Paramount School -Lafayette
1904 Elmwood Avenue
Lafayette, IN 47904

THE OWNER:

(Name, legal status and address)

Paramount School of Excellence
3020 Nowland Avenue
Indianapolis, IN 46204

THE DESIGN-BUILDER:

(Name, legal status and address)

Keystone Construction Corp
47 S. Pennsylvania Street, Suite 1000
Indianapolis, IN 46204

THE AGREEMENT

This Insurance Exhibit is part of the accompanying agreement for the Project, between the Owner and the Design-Builder (hereinafter, the Agreement), dated the 15th day of February in the year Two Thousand Twenty Two.

(In words, indicate day, month and year.)

TABLE OF ARTICLES

- B.1 GENERAL**
- B.2 DESIGN BUILDER'S INSURANCE AND BONDS**
- B.3 OWNER'S INSURANCE**
- B.4 SPECIAL TERMS AND CONDITIONS**

ARTICLE B.1 GENERAL

The Owner and Design-Builder shall purchase and maintain insurance and provide bonds as set forth in this Exhibit B. Where a provision in this Exhibit conflicts with a provision in the Agreement into which this Exhibit is incorporated, the provision in this Exhibit will prevail.

ARTICLE B.2 DESIGN BUILDER'S INSURANCE AND BONDS

§ B.2.1 The Design-Builder shall purchase and maintain the following types and limits of insurance from a company or companies lawfully authorized to do business in the jurisdiction where the Project is located. The Design-Builder shall maintain the required insurance until the expiration of the period for correction of Work as set forth in Section 11.2.2.1 of the Agreement, unless a different duration is stated below:

ADDITIONS AND DELETIONS:

The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

(If the Design-Builder is required to maintain insurance for a duration other than the expiration of the period for correction of Work, state the duration.)

§ B.2.1.1 Commercial General Liability with policy limits of not less than One Million (\$ 1,000,000.00) for each occurrence and Two Million (\$ 2,000,000.00) in the aggregate providing coverage for claims including

- .1 damages because of bodily injury, sickness or disease, including occupational sickness or disease, and death of any person;
- .2 personal injury;
- .3 damages because of injury to or destruction of tangible property;
- .4 bodily injury or property damage arising out of completed operations; and
- .5 contractual liability applicable to the Design-Builder's obligations under Section 3.1.14 of the Agreement.

§ B.2.1.2 Automobile Liability covering vehicles owned by the Design-Builder and non-owned vehicles used by the Design-Builder with policy limits of not less than One Million (\$ 1,000,000.00) per accident, for bodily injury, death of any person, and property damage arising out of the ownership, maintenance and use of those motor vehicles along with any other statutorily required automobile coverage.

§ B.2.1.3 The Design-Builder may achieve the required limits and coverage for Commercial General Liability and Automobile Liability through a combination of primary and excess liability insurance, provided such primary and excess insurance policies result in the same or greater coverage as those required under Sections B.2.1.1 and B.2.1.2.

§ B.2.1.4 Workers' Compensation at statutory limits.

§ B.2.1.5 Employers' Liability with policy limits as provided below:

Five Hundred Thousand (\$500,000.00)

§ B.2.1.6 Professional Liability covering negligent acts, errors and omissions in the performance of professional services, with policy limits of not less than One Million Dollars (\$ 1,000,000.00) per claim and One Million Dollars (\$ 1,000,000.00) in the aggregate.

(Paragraphs deleted)

§ B.2.1.8 The Design-Builder shall provide written notification to the Owner of the cancellation or expiration of any insurance required by this Article B.2. The Design-Builder shall provide such written notice within five (5) business days of the date the Design-Builder is first aware of the cancellation or expiration, or is first aware that the cancellation or expiration is threatened or otherwise may occur, whichever comes first.

§ B.2.1.9 **Additional Insured Obligations.** The Owner and its consultants and contractors shall be additional insureds on the Design-Builder's primary and excess insurance policies for Commercial General Liability, Automobile Liability and Pollution Liability. The additional insured coverage shall be primary and non-contributory to any of the Owner's insurance policies. The additional insured coverage shall apply to both ongoing operations and completed operations. The policy limits applicable to the additional insureds shall be the same amount applicable to the named insured or, if the policy provides otherwise, policy limits not less than the amounts required under this Agreement.

§ B.2.1.10 **Certificates of Insurance.** The Design-Builder shall provide certificates of insurance acceptable to the Owner evidencing compliance with the requirements in this Article B.2: (1) prior to commencement of the Work; (2) upon renewal or replacement of each required policy of insurance; and (3) upon Owner's written request. An additional certificate evidencing continuation of liability coverage, including coverage for completed operations, shall be submitted with the final Application for Payment as required by Section 9.10.2 of the Agreement and thereafter upon renewal or replacement of such coverage until the expiration of the time required by Section B.2.1. The certificates will show the Owner and its consultants and contractors as additional insureds on the Design-Builder's primary and excess insurance policies for Commercial General Liability, Automobile Liability, and Pollution

Liability. Information concerning reduction of coverage on account of revised limits, claims paid under the General Aggregate or both, shall be furnished by the Design-Builder with reasonable promptness.

(Paragraph deleted)

(Table deleted)

(Paragraphs deleted)

ARTICLE B.3 OWNER'S INSURANCE

§ B.3.1 Owner's Liability Insurance

The Owner shall be responsible for purchasing and maintaining the Owner's usual liability insurance.

§ B.3.2 Property Insurance

§ B.3.2.1 Unless otherwise provided, at the time of execution of the Design-Build Amendment, the Owner shall purchase and maintain, in a company or companies lawfully authorized to do business in the jurisdiction where the Project is located, property insurance written on a builder's risk "all-risk" or equivalent policy form in the amount of the initial Contract Sum, plus the value of subsequent Modifications and cost of materials supplied or installed by others, comprising the total value for the entire Project at the site on a replacement cost basis without optional deductibles. If any construction that is part of the Work shall commence prior to execution of the Design-Build Amendment, the Owner shall, prior to commencement of construction, purchase and maintain property insurance as described above in an amount sufficient to cover the total value of the Work at the site on a replacement cost basis without optional deductibles. The insurance required under this section shall include interests of the Owner, Design-Builder, Architect, Consultants, Contractors, and Subcontractors in the Project. The property insurance shall be maintained, unless otherwise provided in the Design-Build Documents or otherwise agreed in writing by all persons and entities who are beneficiaries of the insurance, until the Owner has issued a Certificate of Substantial Completion in accordance with Section 9.8 of the Agreement. Unless the parties agree otherwise, upon issuance of a Certificate of Substantial Completion, the Owner shall replace the insurance policy required under this Section B.3.2 with another property insurance policy written for the total value of the Project that shall remain in effect until expiration of the period for correction of the Work set forth in Section 11.2.2 of the Agreement.

§ B.3.2.1.1 The insurance required under Section B.3.2.1 shall include, without limitation, insurance against the perils of fire (with extended coverage) and physical loss or damage including, without duplication of coverage, theft, vandalism, malicious mischief, collapse, earthquake, flood, windstorm, falsework, testing and startup, temporary buildings and debris removal, including demolition occasioned by enforcement of any applicable legal requirements, and shall cover reasonable compensation for the Design-Builder's services and expenses required as a result of such insured loss.

§ B.3.2.1.2 If the insurance required under Section B.3.2.1 requires deductibles, the Owner shall pay costs not covered because of such deductibles.

§ B.3.2.1.3 The insurance required under Section B.3.2.1 shall cover portions of the Work stored off the site, and also portions of the Work in transit.

§ B.3.2.1.4 Partial occupancy or use in accordance with Section 9.9 of the Agreement shall not commence until the insurance company or companies providing the insurance required under Section B.3.2.1 have consented to such partial occupancy or use by endorsement or otherwise. The Owner and the Design-Builder shall take reasonable steps to obtain consent of the insurance company or companies and shall, without mutual written consent, take no action with respect to partial occupancy or use that would cause cancellation, lapse or reduction of insurance.

§ B.3.2.2 Boiler and Machinery Insurance. The Owner shall purchase and maintain boiler and machinery insurance, which shall specifically cover commissioning, testing, or breakdown of equipment required by the Work, if not covered by the insurance required in Section B.3.2.1. This insurance shall include the interests of the Owner, Design-Builder, Architect, Consultants, Contractor and Subcontractors in the Work, and the Owner and Design-Builder shall be named insureds.

§ B.3.2.3 If the Owner does not intend to purchase the insurance required under Sections B.3.2.1 and B.3.2.2 with all of the coverages in the amounts described above, the Owner shall inform the Design-Builder in writing prior to any

construction that is part of the Work. The Design-Builder may then obtain insurance that will protect the interests of the Owner, Design-Builder, Architect, Consultants, Contractors, and Subcontractors in the Work. The cost of the insurance shall be charged to the Owner by an appropriate Change Order. If the Owner does not provide written notice, and the Design-Builder is damaged by the failure or neglect of the Owner to purchase or maintain insurance as described above, the Owner shall bear all reasonable costs and damages attributable thereto.

§ B.3.2.4 Loss of Use Insurance. At the Owner's option, the Owner may purchase and maintain insurance to insure the Owner against loss of use of the Owner's property due to fire or other hazards, however caused. The Owner waives all rights of action against the Design-Builder for loss of use of the Owner's property, including consequential losses due to fire or other hazards covered under the property insurance required under this Exhibit B to the Agreement.

§ B.3.2.5 If during the Project construction period the Owner insures properties, real or personal or both, at or adjacent to the site by property insurance under policies separate from those insuring the Project, or if after final payment property insurance is to be provided on the completed Project through a policy or policies other than those insuring the Project during the construction period, the Owner shall waive all rights in accordance with the terms of Section B.3.2.7 for damages caused by fire or other causes of loss covered by this separate property insurance. All separate policies shall provide this waiver of subrogation by endorsement or otherwise.

§ B.3.2.6 Before an exposure to loss may occur, the Owner shall file with the Design-Builder a copy of each policy that includes insurance coverages required by this Section B.3.2. Each policy shall contain all generally applicable conditions, definitions, exclusions and endorsements related to this Project. The Owner shall provide written notification to the Design-Builder of the cancellation or expiration of any insurance required by this Article B.3. The Owner shall provide such written notice within five (5) business days of the date the Owner is first aware of the cancellation or expiration, or is first aware that the cancellation or expiration is threatened or otherwise may occur, whichever comes first.

§ B.3.2.7 Waivers of Subrogation. The Owner and Design-Builder waive all rights against (1) each other and any of their consultants, subconsultants, contractors and subcontractors, agents and employees, each of the other, and (2) any separate contractors described in Section 5.13 of the Agreement, if any, and any of their subcontractors, sub-subcontractors, agents and employees, for damages caused by fire or other causes of loss to the extent covered by property insurance obtained pursuant to Section B.3.2 or other property insurance applicable to the Work and completed construction, except such rights as they have to proceeds of such insurance held by the Owner as fiduciary. The Owner or Design-Builder, as appropriate, shall require of the separate contractors described in Section 5.13 of the Agreement, if any, and the subcontractors, sub-subcontractors, agents and employees of any of them, by appropriate agreements, written where legally required for validity, similar waivers each in favor of the other parties enumerated herein. The policies shall provide such waivers of subrogation by endorsement or otherwise. A waiver of subrogation shall be effective as to a person or entity even though that person or entity would otherwise have a duty of indemnification, contractual or otherwise, did not pay the insurance premium directly or indirectly, and whether or not the person or entity had an insurable interest in the property damaged.

§ B.3.2.8 A loss insured under the Owner's property insurance shall be adjusted by the Owner as fiduciary and made payable to the Owner as fiduciary for the insureds, as their interests may appear, subject to requirements of any applicable mortgagee clause and of Section B.3.2.10. The Design-Builder shall pay the Architect, Consultants and Contractors their just shares of insurance proceeds received by the Design-Builder, and by appropriate agreements, written where legally required for validity, the Design-Builder shall require the Architect, Consultants and Contractors to make payments to their consultants and subcontractors in similar manner.

§ B.3.2.9 If required in writing by a party in interest, the Owner as fiduciary shall, upon occurrence of an insured loss, give bond for proper performance of the Owner's duties. The cost of required bonds shall be charged against proceeds received as fiduciary. The Owner shall deposit in a separate account proceeds so received, which the Owner shall distribute in accordance with such agreement as the parties in interest may reach, or as determined in accordance with the method of binding dispute resolution selected in the Agreement between the Owner and Design-Builder. If after such loss no other special agreement is made and unless the Owner terminates the Contract for convenience, replacement of damaged property shall be performed by the Design-Builder after notification of a Change in the Work in accordance with Article 6 of the Agreement.

§ B.3.2.10 The Owner as fiduciary shall have power to adjust and settle a loss with insurers unless one of the parties in interest shall object in writing within five days after occurrence of a loss to the Owner's exercise of this power. If an objection is made, the dispute shall be resolved in the manner selected by the Owner and Design-Builder as the method of binding dispute resolution in the Agreement. If the Owner and Design-Builder have selected arbitration as the method of binding dispute resolution, the Owner as fiduciary shall make settlement with insurers or, in the case of a dispute over distribution of insurance proceeds, in accordance with the directions of the arbitrators.

ARTICLE B.4 SPECIAL TERMS AND CONDITIONS

Special terms and conditions that modify this Insurance and Bonds Exhibit, if any, are as follows:

Paramount School of Excellence Lafayette

Owner Contract Exhibit D

February 15, 2022

Paramount School of Excellence – Lafayette, IN – Building Renovation

Scope of Work

Site: All general requirements, general conditions, necessary design, material, labor, tools, equipment, etc. for a complete job including tree & rock removal, weed & scrub removal, mulch & ground covering removal, new playground mulch, new tarp at existing greenhouse, crack fill at existing parking lot, sealcoat existing parking lot and striping & pavement markings for new parking arrangement & traffic pattern.

Building Exterior: All general requirements, general conditions, necessary design, material, labor, tools, equipment, etc. for a complete job including complete tear off to deck & reroof east & west upper level roofs, new hardy board planking at south & east elevations, replace (8) glass/aluminum doors including new hardware as required, replace (11) hollow metal doors including new hardware as required, prepare existing south & east elevations for new paint and paint new hardy board plank & existing EIFS & masonry surfaces at south & east elevations.

Building Interior: All general requirements, general conditions, necessary design, material, labor, tools, equipment, etc. for a complete job including bug & rodent extermination, removal & disposal of loose furniture, trash, stored debris, equipment, etc. as directed by Paramount, removal & disposal of flooring, base & selective ceiling tiles at corridors, front vestibule, reception, special education & open teaching areas, new carpet tile at corridors, front vestibule, reception & special education, new vinyl base at corridors, vestibule, special education & open teaching areas, patch & paint drywall at corridors, vestibule, special education & open teaching areas, new ceiling tiles as directed by Paramount, new drywall partitions complete with vinyl base, painting & electrical at reception & corridor 02, (3) new hollow metal door frames, (3) new wood doors, (1) new hollow metal door, (3) sets new door hardware, new warming kitchen complete with flooring, ceilings, painted walls, plastic laminate cabinetry & countertops, grease trap, electrical upgrades, etc., remediate stair wells as necessary, 2nd floor upgrades to “white box” standard & restroom upgrades and HVAC maintenance (Alternate Pricing).

Schedule – Anticipated 6 mos. To completion

Alternate Pricing

- A. Replacement of doors – Deduct (\$23,390)**
- B. HVAC Maintenance – Add \$58,475**
- C. Alternate \$60,000 allowance included for canopy construction (under design).**