



OFFICE of EDUCATION INNOVATION

MID-CHARTER REVIEW

Paramount School of Excellence

2013 - 2014

Office of the Mayor
2501 City-County Building
200 East Washington Street
Indianapolis, Indiana 46202
Telephone: 317. 327.3601
www.indy.gov/oei



Summary of Mid-Charter Review Ratings

Elementary/Middle School Core Question 1: Is the educational program a success?

1.1. Is the school's academic performance meeting state expectation, as measured by Indiana's accountability system? *Previously: 1.1. Is the school making adequate yearly academic progress, as measure by the Indiana Department of Education's system of accountability?	Meeting standard
1.2. Are students making sufficient and adequate gains, as measured by the Indiana Growth Model? *Previously: 1.2. Are students making substantial and adequate gains over time, as measured using value-added analysis?	Approaching standard
1.3. Does the school demonstrate that students are improving, the longer they are enrolled at the school? *This indicator is new and was only assessed in the 2013-2014 school year.	Meeting standard
1.4. Is the school providing an equitable education to students of all races and socioeconomic backgrounds? *This indicator is new and was only assessed in the 2013-2014 school year.	Does Not Meet Standard
1.5. Is the school's attendance rate strong?	Meeting standard
1.6. Is the school outperforming schools that the students would have been assigned to attend? *Previously classified as 1.3.	Meeting standard
1.7. Is the school meeting its school-specific educational goals? *Previously classified as 1.4.	Exceeding standard
Core Question 2: Is the organization in sound fiscal health?	
Financial Evaluation from 2010-2012	
2.1 Is the school in sound fiscal health?	Meeting standard
Financial Evaluation from 2012-present	
2.1. Short Term Health: Does the school demonstrate the ability to pay its obligations in the next 12 months?	Meeting standard
2.2. Long Term Health: Does the organization demonstrate long term financial health?	Exceeding standard
2.3. Does the organization demonstrate it has adequate financial management and systems?	Meeting standard
Core Question 3: Is the organization effective and well-run?	
3.1. Is the school leader strong in his or her academic and organizational leadership? *Previously classified as 2.5.	Meeting standard
3.2. Does the school satisfactorily comply with all its organizational structure and governance obligations? *Previously classified as 3.1.	Meeting standard
3.3. Is the school's board active and knowledgeable, and does it abide by appropriate policies, systems, and processes in its oversight? *Previously classified as 2.3.	Meeting standard

3.4. Does the school's board work to foster a school environment that is viable and effective? *This indicator is new and was only assessed in the 2013-2014 school year.	Approaching standard
3.5. Does the school comply with applicable laws, regulations, and provisions of the charter agreement relating to the safety and security of the facility? *Previously classified as 3.2.	Meeting standard
3.6. Is the school meeting its school-specific non-academic goals? *Previously classified as 2.6.	Not evaluated
Indicators included in the previous framework, but not assessed with the 2013-2014 framework.	
2.4. Is there a high level of parent satisfaction with the school?	Meeting standard
3.3. Has the school implemented a fair and appropriate pupil enrollment process?	Meeting standard
Core Question 4: Is the school providing the appropriate conditions for success?	
4.1. Does the school have a high-quality curriculum and supporting materials for each grade?	Meeting standard
4.2. Are the teaching processes (pedagogies) consistent with the school's mission?	Meeting standard
4.3. For secondary students, does the school provide sufficient guidance on and support and preparation for post-secondary options?	Not evaluated
4.4. Does the school effectively use learning standards and assessments to inform and improve instruction?	Meeting standard
4.5. Has the school developed adequate human resource systems and deployed its staff effectively?	Meeting standard
4.6. Is the school's mission clearly understood by all stakeholders?	Meeting standard
4.7. Is the school climate conducive to student and staff success?	Meeting standard
4.8. Is ongoing communication with students and parents clear and helpful?	Meeting standard
4.9. Is the school fulfilling its legal obligations related to access and services to students with special needs?	Meeting standard
4.10. Is the school fulfilling its legal obligations related to access and services to students with limited English proficiency?	Meeting standard

Summary of Historical Annual Performance Review Ratings					
Core Question 1: Is the educational program a success?	2010-11	2011-12	2012-13	2013-14	FYCR
1.1. Is the school's academic performance meeting state expectation, as measured by Indiana's accountability system?	DNMS	MS	DNMS	ES	MS
1.2. Are students making sufficient and adequate gains, as measured by the Indiana Growth Model?	DNMS	AS	DNMS	ES	MS
1.3. Does the school demonstrate that students are improving, the longer they are enrolled at the school?	Not Evaluated			MS	MS
1.4. Is the school providing an equitable education to students of all races and socioeconomic backgrounds?	Not Evaluated			DNMS	DNMS
1.5. Is the school's attendance rate strong?	Not Evaluated			MS	MS
1.6. Is the school outperforming schools that the students would have been assigned to attend?	AS	MS	AS	ES	MS
1.7. Is the school meeting its school-specific educational goals?	Not Evaluated			ES	ES
Core Question 2: Is the organization in sound fiscal health?					
Financial Evaluation from 2010-2012	2010-11	2011-12	2012-13	2013-14	FYCR
2.1 Is the school in sound fiscal health?	AS	ES	Not Evaluated		MS
Financial Evaluation from 2012-present	2010-11	2011-12	2012-13	2013-14	FYCR
2.1. Short Term Health: Does the school demonstrate the ability to pay its obligations in the next 12 months?	Not Evaluated		ES	AS	MS
2.2. Long Term Health: Does the organization demonstrate long term financial health?	Not Evaluated		ES	ES	ES
2.3. Does the organization demonstrate it has adequate financial management and systems?	Not Evaluated		MS	MS	MS
Core Question 3: Is the school meeting its operations and access obligations?	2010-11	2011-12	2012-13	2013-14	FYCR
3.1. Is the school leader strong in his or her academic and organizational leadership?	AS	AS	MS	ES	MS
3.2. Does the school satisfactorily comply with all its organizational structure and governance obligations?	MS	MS	ES	MS	MS
3.3. Is the school's board active and knowledgeable, and does it abide by appropriate policies, systems, and processes in its oversight?	AS	AS	MS	MS	MS

3.4. Does the school's board work to foster a school environment that is viable and effective?	Not Evaluated				AS	AS
3.5. Does the school comply with applicable laws, regulations, and provisions of the charter agreement relating to the safety and security of the facility?	MS	MS	MS	MS	MS	MS
3.6. Is the school meeting its school-specific non-academic goals?	Not Evaluated					NA
Indicators included in the previous framework, but not assessed with the 2013-2014 framework.	2010-11	2011-12	2012-13	2013-14		FYCR
2.4. Is there a high level of parent satisfaction with the school?	MS	MS	MS	NA		MS
3.3. Has the school implemented a fair and appropriate pupil enrollment process?	MS	MS	MS	NA		MS
Core Question 4: Is the school providing the appropriate conditions for success?						FYCR
4.1. Does the school have a high-quality curriculum and supporting materials for each grade?						MS
4.2. Are the teaching processes (pedagogies) consistent with the school's mission?						MS
4.3. For secondary students, does the school provide sufficient guidance on and support and preparation for post-secondary options?						NA
4.4. Does the school effectively use learning standards and assessments to inform and improve instruction?						MS
4.5. Has the school developed adequate human resource systems and deployed its staff effectively?						MS
4.6. Is the school's mission clearly understood by all stakeholders?						MS
4.7. Is the school climate conducive to student and staff success?						MS
4.8. Is ongoing communication with students and parents clear and helpful?						MS
4.9. Is the school fulfilling its legal obligations related to access and services to students with special needs?						MS
4.10. Is the school fulfilling its legal obligations related to access and services to students with limited English proficiency?						MS

Core Question 1: Is the educational program a success?

The Academic Performance Framework, outlined in Core Question 1, gauges the academic success of schools in serving their target populations and closing the achievement gap in Indianapolis. Core Question 1 consists of seven indicators designed to measure schools on how well their students perform and grow on standardized testing measures, attendance, and school-specific measures.

Note: The Academic Performance Framework has been revised to include additional measures and to reflect changes in state accountability systems. For this reason, not all historical ratings are based on the listed indicator targets, and some historical ratings are not available. Please see overview above for specific updates.

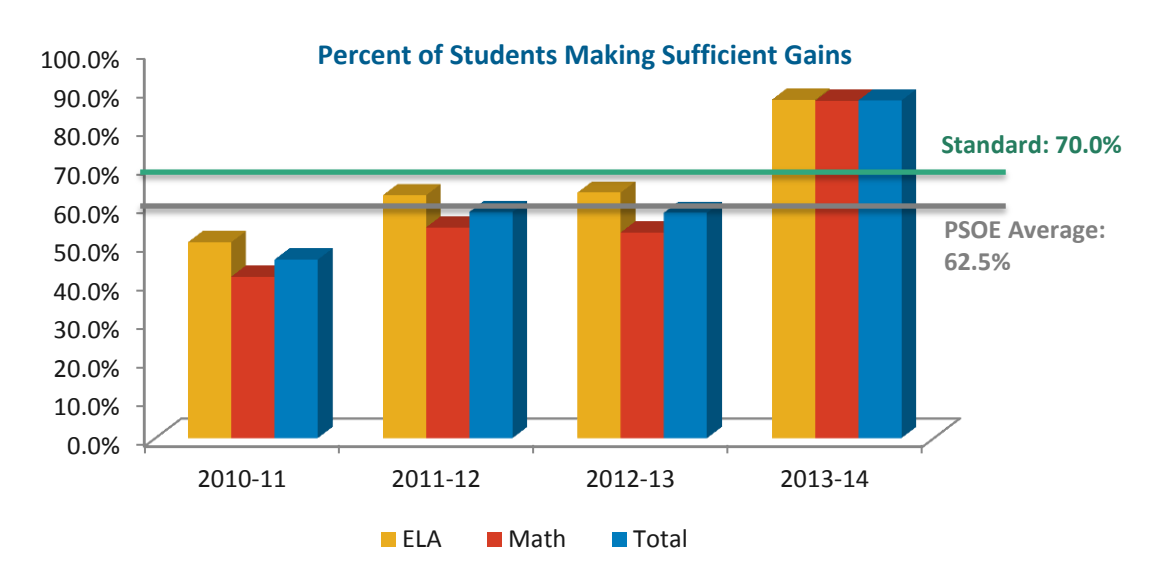
1.1. Is the school's academic performance meeting state expectations, as measured by Indiana's accountability system?					
Indicator Targets	Does not meet standard		School has not met standard the last two years.		
	Approaching standard		School has approached standard the last two years.		
	Meets standard		School has met standard the last two years.		
	Exceeds standard		School has exceeded standard the last two years.		
School Rating	2010-2011	2011-2012	2012-2013	2013-2014	Mid-Charter Rating
	DNMS	MS	DNMS	ES	MS

While Paramount School of Excellence (PSOE) did not achieve Adequate Yearly Progress (AYP) toward statewide academic goals set by the Indiana Department of Education in its first year, it has since met standard for two of its four years by receiving an acceptable letter grade under the state's accountability system set forth in Public Law 221 and Indiana's ESEA Waiver. Because Paramount has shown an upward trajectory in its recent academic performance, it receives a **Meeting Standard** for this indicator in the mid-charter review.

School Year	AYP Result / PL221
2010-11	Did Not Meet 5/11 categories
2011-12	C
2012-13	D
2013-14	A

1.2. Are students making substantial and adequate gains over time, as measured by the Indiana Growth Model					
Indicator Targets	<i>Only applicable to schools serving students in any one of, or combination of, grades 4-8.</i>				
	Does not meet standard	Results from the Indiana Growth Model indicate that less than 60.0% of students are making sufficient and adequate gains ('typical' or 'high' growth).			
	Approaching standard	Results from the Indiana Growth Model indicate that 60.0-69.9% of students are making sufficient and adequate gains ('typical' or 'high' growth).			
	Meets standard	Results from the Indiana Growth Model indicate that 70.0-79.9% of students are making sufficient and adequate gains ('typical' or 'high' growth).			
	Exceeds standard	Results from the Indiana Growth Model indicate that at least 80.0% of students are making sufficient and adequate gains ('typical' or 'high' growth).			
School Rating	2010-2011	2011-2012	2012-2013	2013-2014	Mid-Charter Rating
	DNMS	MS	DNMS	ES	AS

Analysis of fall-to-spring gains on the Northwest Evaluation Association (NWEA) Measures of Academic Progress (MAP) and Indiana Growth Model data show that an average of 67.9% of PSOE students achieved sufficient gains between 2010 and 2014. This percentage is approaching the Office of Education Innovation's standard.



Each year, analysts examined the amount of progress students made on the NWEA MAP test between the fall and spring, or the progress students made under the Indiana Growth Model. Analysts then determined whether students had made sufficient gains, and calculated a weighted average across grades and subjects. The percentage used for rating the school according to the rubric for this indicator was a weighted average calculated across four years.

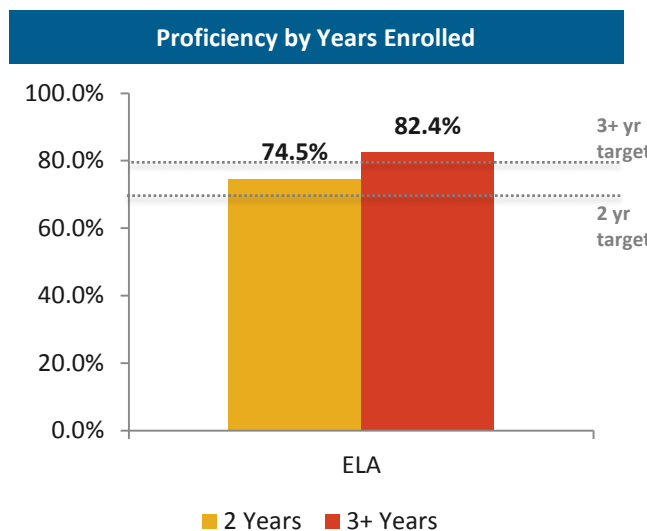
Across the four years of the charter term, an average of 67.9% of students made sufficient gains. This percentage approaches, but does not yet meet the Mayor's standard of 70% of students achieve sufficient gains. Therefore, PSOE receives an **Approaching Standard** for this indicator on the mid-charter review.

1.3. Does the school demonstrate that students are improving, the longer they are enrolled at the school?					
Indicator Targets	Does not meet standard	Less than 60.0% of students who have been enrolled at the school 3 or more years demonstrate proficiency on state standardized assessments.			
	Approaching standard	At least 60.0% of students enrolled 2 years and 70.0% of students enrolled 3 or more years demonstrate proficiency on state standardized assessments.			
	Meets standard	At least 70.0% of students enrolled 2 years and 80.0% of students enrolled 3 or more years demonstrate proficiency on state standardized assessments.			
	Exceeds standard	At least 80.0% of students enrolled 2 years and 90.0% of students enrolled 3 or more years demonstrate proficiency on state standardized assessments.			
School Rating	2010-2011	2011-2012	2012-2013	2013-2014	Mid-Charter Rating
	Not Evaluated			MS	MS

Many Mayor-sponsored charter schools are serving student populations from chronically low-performing schools. Recognizing this, the OEI performance framework examines student proficiency as a function of how many years students have been enrolled at the school – allowing more time for the school to reach a high level of student proficiency on standardized assessments.

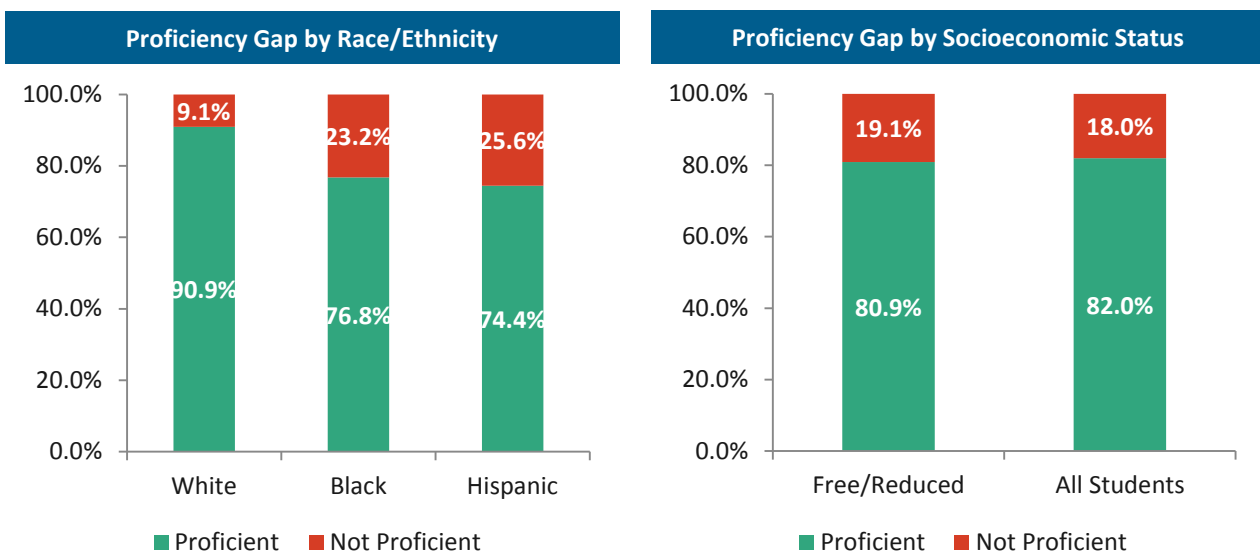
In 2013-14, of those students enrolled at Paramount School of Excellence for two years, 74.5% were proficient on both English/Language Arts and Mathematics. Of those enrolled at the school for three or more years, 82.4% were proficient on both subjects.

Because this indicator was first evaluated in 2013-14, there is only one year of data available for the mid-charter review. From the data reported above, the school earned a Meeting Standard on the OEI performance framework.



1.4. Is the school providing an equitable education for students of all races and socioeconomic backgrounds?					
Indicator Targets	Does not meet standard	School has more than 15% difference in the percentage of students passing standardized assessments amongst races and socioeconomic statuses.			
	Approaching standard	School has no more than 15% difference in the percentage of students passing standardized assessments amongst races and socioeconomic statuses.			
	Meets standard	School has no more than 10% difference in the percentage of students passing standardized assessments amongst races and socioeconomic statuses.			
	Exceeds standard	School has no more than 5% difference in the percentage of students passing standardized assessments amongst races and socioeconomic statuses.			
School Rating	2010-2011	2011-2012	2012-2013	2013-2014	Mid-Charter Rating
	Not Evaluated			DNMS	DNMS

Each year, the Indiana Department of Education reports student results disaggregated by race/ethnicity groups and socioeconomic status. Disaggregated performance for Paramount School of Excellence is captured below.



p

While 82.0% of all Paramount School of Excellence students were proficient, there are gaps between the overall performance of a variety of student groups.

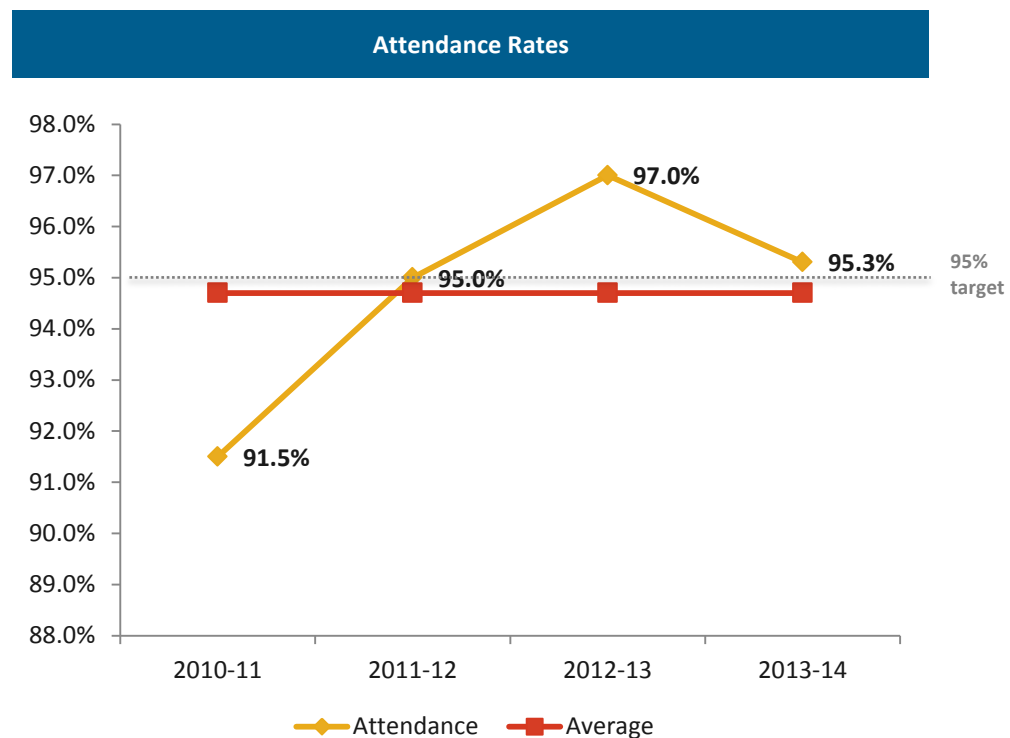
As shown in the left graph above, the largest of these gaps occurs between White student proficiency and Hispanic student proficiency, resulting in a difference of 16.5%. In order to report a proficiently level for a subgroup, the school must enroll more than 30 students in that subgroup. OEI was unable to examine socioeconomic subgroups, as Paramount did not enroll enough students in more than one socioeconomic subgroup. The graph above and on the right thus shows the performance of the largest subgroup of students, those who receive free or reduced lunch, compared to the performance of all students.

Overall, the 16.5% difference in racial groups led to Paramount School of Excellence receiving a **Does Not Meet Standard** on the OEI performance framework for the 2013-14 school year. Because there is only one year of data available for this indicator, PSOE receives the same rating for the mid-charter review.

1.5. Is the school's attendance rate strong?				
Indicator Targets	Does not meet standard		School's attendance rate is less than 95.0%.	
	Meets standard		School's attendance rate is greater than or equal to 95.0%.	
School Rating	2010-2011	2011-2012	2012-2013	2013-2014
	Not Evaluated		MS	MS

Starting at the age of 7, students in Indiana are required to attend school regularly. Habitual truancy is defined by the Indiana Department of Education as 10 or more days absent from school, meaning students are required to attend school for 95% of the 180 days in the school year.

Attendance was an area of concern in 2010-11, but Paramount School of Excellence has considerably increased attendance rates over the last three school years. The school's average attendance rate, 94.7%, falls below the target of 95%, but because the school has met the attendance target for three consecutive years, PSOE receives a **Meeting Standard** for this indicator.



1.6. Is the school outperforming schools that the students would have been assigned to attend?					
Indicator Targets	Does not meet standard	School's overall performance in terms of proficiency and/or growth is generally lower than that of the schools the students would otherwise have been assigned to attend in each of the last three years.			
	Approaching standard	School's overall performance in terms of proficiency and/or growth is generally lower than that of the schools the students would otherwise have been assigned to attend in two of the last three years.			
	Meets standard	School's overall performance in terms of both proficiency and/or growth is generally as good as that of the schools the students would otherwise have been assigned to attend.			
	Exceeds standard	School's overall performance consistently outpaces that of the schools the students would otherwise have been assigned to attend.			
School Rating	2010-2011	2011-2012	2012-2013	2013-2014	Mid-Charter Rating
	AS	MS	AS	ES	MS

PSOE has consistently outperformed the schools its students would otherwise have been assigned to attend in proficiency in both English/Language Arts and Math. While PSOE sometimes does not outperform the schools its students would otherwise have been assigned to attend in growth, it is generally as good as the assigned schools.

The table below answers the question "Did PSOE outperform schools students would otherwise have been assigned to attend?" for each category.

School Year	Proficiency		Growth	
	ELA	Math	ELA	Math
2010-11	Yes	No	No	No
2011-12	Yes	Yes	Yes	Yes
2012-13	Yes	Yes	Yes	No
2013-14	Yes	Yes	Yes	Yes

In summary, PSOE's overall performance in terms of both proficiency and/or growth is generally as good as that of the schools the students would otherwise have been assigned to attend, and the school earns a **Meeting Standard**.

1.7. Is the school meeting its school-specific educational goals?				
Indicator Targets	Does not meet standard	School does not meet standard on either school-specific educational goal.		
	Approaching standard	School is 1) approaching standard on one school-specific educational goal, while not meeting standard on the second goal, 2) approaching standard on both school-specific educational goals, or 3) meeting standard on one school-specific educational goal, while approaching standard on the second goal.		
	Meets standard	School is 1) meeting standard on both school-specific educational goals, or 2) meeting standard on one school-specific educational goal while exceeding standard on the second goal.		
	Exceeds standard	School is exceeding standard on both school-specific educational goals.		
School Rating	2010-2011	2011-2012	2012-2013	2013-2014
	Not Evaluated			ES

Each year, Mayor-sponsored charter schools set two educational goals that are aligned to or support the school's unique mission. All data for school-specific goals is self-reported by the individual school.

In 2013-14, Paramount School of Excellence set its first goal around its main school improvement focus, its state accountability grade. As reflected by the rating on Indicator 1.1, Paramount School of Excellence received an A, earning an **Exceeding Standard** on its first goal.

Paramount School of Excellence set its second goal around a subsequent school improvement effort, student growth on ISTEP+. As reflected by its rating on Indicator 1.2, the school completed the requirements for this goal, earning an **Exceeding Standard** on its second goal.

School Year	School-Specific Goals	Result	Rating
2013-2014	Earn a "Meets Standard" on Indicator 1.1.	ES	ES
	Earn a "Meets Standard" on Indicator 1.2.	ES	ES

Overall, Paramount School of Excellence receives an **Exceeding Standard** on the OEI performance framework for this indicator.

Core Question 2: Is the organization in sound fiscal health?

The Financial Performance Framework, outlined in Core Question 2, gauges both near term financial health and longer term financial sustainability while accounting for key financial reporting requirements. It is worth noting that the Office of Education Innovation reorganized the performance framework in 2012, and some indicators may not have four years of complete data, or may be based on more than one measure of data.

Financial Evaluation from 2010-2012

2.1. Is the school in sound financial health?					
Indicator Targets	Does not meet standard	The school presents concerns in three or more of the following areas: a) its state financial audits (e.g., presence of “significant findings”); b) its financial staffing and systems; c) its success in achieving a balanced budget over the past three years; d) the adequacy of its projections of revenues and expenses for the next three years; e) its fulfillment of financial reporting requirements under Sections 10 and 17 of the charter agreement.			
	Approaching standard	The school presents significant concerns in one or two of the following areas: a) its state financial audits (e.g., presence of “significant findings”); b) its financial staffing and systems; c) its success in achieving a balanced budget over the past three years; d) the adequacy of its projections of revenues and expenses for the next three years; e) its fulfillment of financial reporting requirements under Sections 10 and 17 of the charter agreement.			
	Meets standard	The school presents significant concerns in no more than one of the following areas: a) its state financial audits (e.g., presence of “significant findings”); b) its financial staffing and systems; c) its success in achieving a balanced budget over the past three years; d) the adequacy of its projections of revenues and expenses for the next three years; e) its fulfillment of financial reporting requirements under Sections 10 and 17 of the charter agreement. In addition, if the school presents significant concerns in one area, it has a credible plan for addressing the concern that has been approved by the Mayor’s Office.			
	Exceeds standard	The school demonstrates satisfactory performance in all of the areas listed in previous levels.			
School Rating	2010-2011	2011-2012	2012-2013	2013-2014	Mid-Charter Rating
	AS	ES	Not Evaluated		MS

In 2010-2011, Paramount School of Excellence (PSOE) struggled to develop sound staffing and systems for managing the school’s finances. PSOE’s financial staffing and reporting systems struggled in their initial year as the school’s leadership, board, and charter management organization (CMO) worked to implement and refine contractual roles and responsibilities to ensure financial reporting and expenditures were transparent and understood by all parties. This also hindered the school’s ability to successfully meet its revenue and expense projections. In response to these concerns, the board worked to improve staffing and reporting systems. Despite

the many challenges, the school met its financial reporting requirements and regularly met its reporting deadlines in a timely and accurate manner.

The Mayor’s Office contracted with an independent accounting firm to complete annual financial performance reviews of each school. Based on a review of PSOE’s finances for 2010-11, the Mayor’s Office found that the school achieved a balanced budget and ended the fiscal year with a surplus. However, given the concerns with staffing and procedures, the school **approached standard** for this indicator.

Paramount School of Excellence’s (PSOE) audit had no material weaknesses or significant deficiencies for the 2010-11 school year. However, the supplemental audit report did indicate some challenges that the school faced throughout the year. Each of the challenges raised, including lack of insurance documentation, insufficient maintenance of students’ average daily membership records, and school food form records, were resolved by the beginning of fiscal year 2011-12. The auditor also raised several issues around internal controls over receipting and depositing, conflicts of interest, and the Indiana Special Education Charter Cooperative (ISECC). Given that the auditor’s concerns pertained to the 2010-11 school year and that the school had no concerns noted for 2011-12, the Office of Education Innovation had no concerns.

By 2011-12, the school had established adequate staffing and systems for managing its finances. The school contracted with Bookkeeping Plus, Inc. for additional financial accounting, oversight, and employee payroll. PSOE maintained a balanced budget in its first two years of operations and projected surpluses through FY 2014-2015. These projections along with the school’s financial performance for the 2010-11 and 2011-12 indicated that it was on track to continue financial stability. The school fulfilled financial reporting requirements under Sections 10 and 17 of the charter agreement. Accordingly, the school **exceeded standard** for this indicator in 2011-12.

Because PSOE **approached standard** for school year 2010-11 and **exceeded standard** in 2011-12, the school receives a **Meeting Standard** at its mid-charter review.

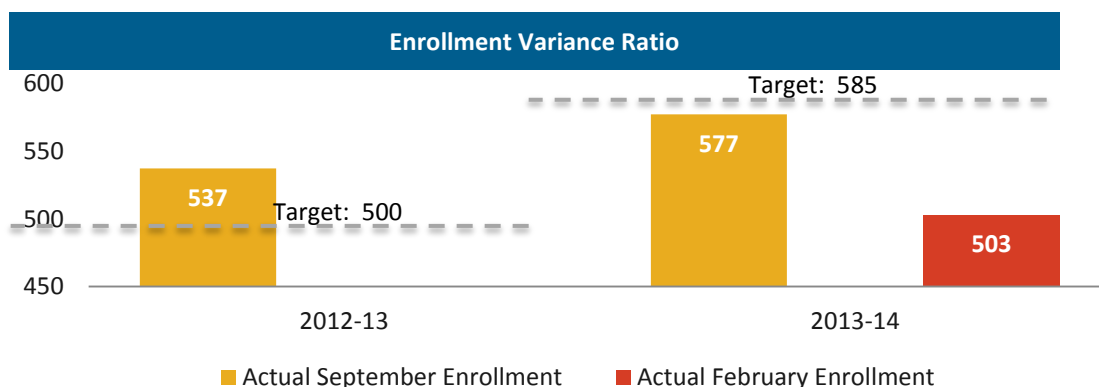
Financial Evaluation from 2012-Present

2.1. Short-term Health: Does the school demonstrate the ability to pay its obligations in the next 12 months?		
Indicator Targets	Does not meet standard	The school does not meet standard on 2 or more of the five sub-indicators shown below.
	Approaching standard	The school approaches standard for all 5 sub-indicators shown below, OR meet standard on 3 sub-indicators, while approaching on the remaining 2 OR meets standard on 4 sub-indicators, while not meeting standard for the final sub-indicator.
	Meets standard	The school meets standard for 4 sub-indicators shown below, while approaching standard on the final sub-indicator.
	Exceeds standard	The school meets standard for all 5 sub-indicators.

School Rating	2010-11	2011-12	2012-13	2013-14	Mid-Charter Rating				
	Not Evaluated		ES	AS	MS				
Sub-indicator Ratings	Sub-	Sub-indicator targets			12-13		13-14		
	Enrollment Ratio	DNMS	Enrollment ratio is less than or equal to 89%			107%	MS	99%	MS
		AS	Enrollment ratio is between 90 – 98%						
		MS	Enrollment ratio equals or exceeds 99%						
	February Enrollment Variance	DNMS	Enrollment ratio is less than or equal to 89%			N/A		89%	DNMS
		AS	Enrollment ratio is between 90 – 95%						
		MS	Enrollment ratio equals or exceeds 95%						
	Current Ratio	DNMS	Current ratio is less than or equal to 1.0			3.32	MS	2.94	MS
		AS	Current ratio is between 1.0 – 1.1						
		MS	Current ratio equals or exceeds 1.1						
	Days Cash on Hand	DNMS	Days cash on hand is less than or equal to 30			113	MS	70	MS
		AS	Days cash on hand is between 30-45						
		MS	Days cash on hand equals or exceeds 45						
	Debt Default	DNMS	Default or delinquent payments identified			Meets	MS	Meets	MS
MS		Not in default or delinquent							


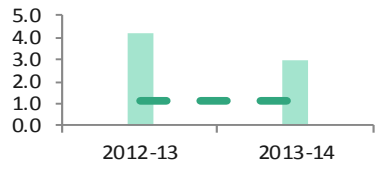

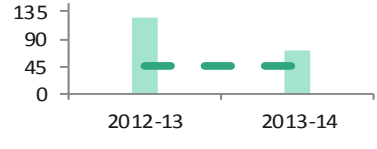
Beginning in the 2012-13 school year, the Office of Education Innovation (OEI) added and revised several key indicators of its financial performance framework. The enrollment ratio tells authorizers whether or not the school is meeting its enrollment projections in its charter. Each charter school commits in its charter contract to offering the community a certain number of seats to educate students. It is important that each school is fulfilling its commitment to the community by working diligently to ensure that families and children seeking educational opportunities are aware of the school. Additionally, charter schools, like all public schools, receive state funding based on their enrollment. This means that enrollment is an important factor in the fiscal health of charter schools.

Based on data from the September 2012 count day, PSOE’s enrollment exceeded the enrollment targets stated in its charter agreement, meaning that, for school year 2012-13, the school was generating sufficient revenue to fund ongoing operations. As a result, the school **met standard** for this sub-indicator. In school year 2013-14, PSOE met its enrollment targets for the September count day and thus **met standard** for this sub-indicator. In the same year, OEI also looked at the change (variance) between fall and February enrollment. Since the February enrollment influences funding for coming year, schools need to retain enough students between September and February to be able to serve the same number of students the following year. In the 2013-2014 school year, PSOE’s enrollment dropped sharply and the school **did not meet standard** for this sub-indicator. The school’s performance for the February count day is listed as “N/A” because the state did not perform a February count prior to the 2013-14 school year.



Between 2012 and 2014, PSOE had more current assets than current liabilities (those due in the next 12 months). As a result, the school **met standard** for the current ratio sub-indicator for both years. PSOE ended the year with 113 days of cash on hand in 2013, and 70 days cash on hand in 2014. This means that if payments to the school had stopped or been delayed post June 30 of each respective year, the school would have been able to operate for 113 more days after June 30, 2013 and 70 days after June 30, 2014. Based on this data, the school **met standard** for this sub-indicator in both years. Finally, between 2012 and 2014, the school successfully met its debt obligations based on the information that Sikich, the school's auditor, provided. Furthermore, there were no negative communications from the school's lenders.

Since the school **exceeded standard** in 2012-13, and was **approaching standard** in 2013-14, PSOE receives a **Meeting Standard** for its mid-charter rating on the short-term financial health indicator.

Short Term Health		
Current Ratio	2012-13	2013-14
Current Ratio	4.16	2.94
 MS		
Days Cash on Hand	2012-13	2013-14
Days Cash on Hand	126	70
 MS		

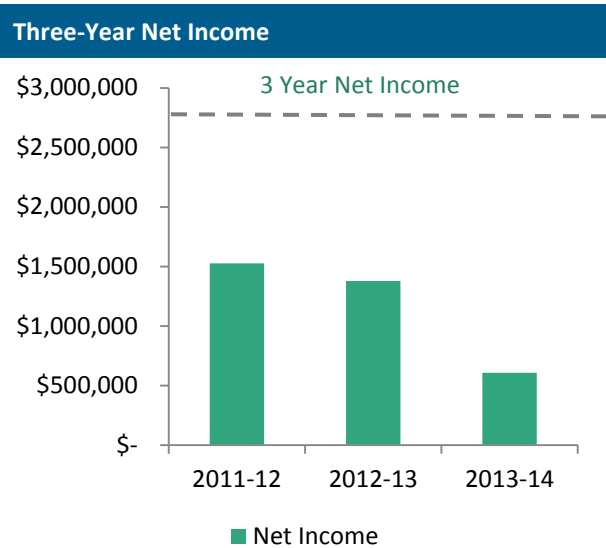
2.2. Long-term Health: Does the organization demonstrate long-term financial health?

Indicator Targets	Does not meet standard	The school does not meet standard on any of the 3 sub-indicators OR meets standard on 1 sub-indicator but does not meet standard on the remaining 2.			
	Approaching standard	The school meets standard on 2 of the sub-indicators while not meeting on the third, OR approaches standard on all 3 sub-indicators.			
	Meets standard	The school meets standard on 2 of the sub-indicators and approaches standard on the third.			
	Exceeds standard	The school meets standard for all 3 sub-indicators.			
School Rating	2010-11	2011-12	2012-13	2013-14	Mid-Charter Rating
	Not Evaluated		ES	ES	ES

Sub-indicator Ratings	Sub-indicator	Sub-indicator targets	12-13		13-14	
	Aggregate Three-Year Net Income	DNMS	Aggregate 3-year net income is negative.			
AS		Aggregate 3-year net income is positive, but most recent year is negative.	\$1,413,997	MS	\$2,702,027	MS
MS		Aggregate three year net income is positive, and most recent year is positive.				
Debt to Asset Ratio	DNMS	Debt to Asset ratio equals or exceeds .95				
	AS	Debt to Asset ratio is between .9 - .95	.60	MS	.59	MS
	MS	Debt to Asset ratio is less than or equal to .9				
Debt Service Coverage (DSC) Ratio	DNMS	DSC ratio is less than or equal to 1.05				
	AS	DSC ratio is between 1.05-1.2	N/A	N/A	3.76	MS
	MS	DSC ratio equals or exceeds 1.2				

The Mayor’s Office of Education Innovation introduced Core Question 2.2 in its current form in the 2012-13 school year. As such, it is only evaluated for the 2012-13 and 2013-14 school years for the purpose of the mid-charter review. This Core Questions evaluates each school’s long term fiscal health with the understanding that a charter school, like any non-profit entity, can only operate for so long with year over year losses, extreme amounts of debt, or an inability to meet its debt obligations.


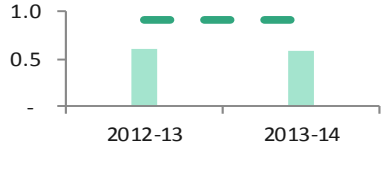

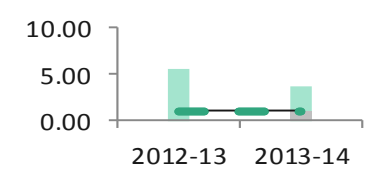
PSOE **met standard** for the net income sub-indicator for school years ending 2013 and 2014. The school had an aggregate three-year net income of \$1,413,997 in school year ending 2013 and \$2,702,027 in school year ending 2014. The graph to the right shows the annual net income at PSOE for school years ending 2012, 13, and 14.



The school also **met standard** on the debt to asset ratio sub-indicator for school years ending 2013 and 2014. The graph to the right shows that, in both years, the schools' total assets exceeded its total debts.

Additionally, the school **met standard** for the sub indicator regarding debt service coverage ratio. PSOE has \$326,152 in long-term maturities due prior to close of fiscal year 2014 and will have \$318,341 of its total long-term debt of \$6,076,279 due by the end of fiscal year 2015. Paramount's loan payable will reach maturity on June 18th, 2018. In that year, the school will owe the largest payment of its debt in the amount of \$5,121,258.

Since the school **met standard** for all of the sub-indicators in core question 2.2, it **exceeded standard** for this indicator in both 2012-2013 and 2013-2014, and receives a rating of **Exceeding Standard** at its mid-charter review.

Long-Term Health		
Debt to Asset Ratio	2012-13	2013-14
Debt to Asset Ratio	0.60	0.59
 MS		
Debt Service Coverage Ratio	2012-13	2013-14
Debt Service Coverage Ratio	5.62	3.76
 MS		

2.3. Does the organization demonstrate it has adequate financial management and systems?						
Indicator Targets	Does not meet standard		The school does not meet standard on 1 of the sub-indicators.			
	Approaching standard		The school meets standard on 1 sub-indicator, but approaches standard for the remaining sub-indicator.			
	Meets standard		The school meets standard on both sub-indicators.			
School Rating	2010-11	2011-12	2012-13	2013-14	Mid-Charter Rating	
	Not Evaluated		MS	MS	MS	
Sub-indicator Ratings	Sub-indicator	Sub-indicator targets		12-13	13-14	
	Financial Audit	DNMS	The school receives an audit with multiple significant deficiencies, material weaknesses, or has an ongoing concern.		MS	MS
		AS	The school receives a clean audit opinion with few significant deficiencies noted, but no material weaknesses.			
		MS	The school receives a clean audit opinion.			
	Financial Reporting Requirements	DNMS	The school fails to satisfy financial reporting requirements.		MS	MS
MS		The school satisfies all financial reporting requirements.				

Core question 2.3 ensures that schools have the proper internal controls and that schools are reporting financial data both to the state of Indiana and to the Office of Education Innovation in a timely manner.

The school received a clean audit with no material weaknesses or significant deficiencies and satisfied its financial reporting requirements by submitting its audit report on December 27, 2013. Thus, the school **met standard** for core question 2.3 for the 2012-2013 school year.

PSOE also received a rating of **meets standard** for Core Question 2.3 for the 2013-14 school year. The school received a clean accrual audit report with a few significant deficiencies noted, but no material weaknesses. The auditor noted that the OMB Circular A-133 federal audit found significant deficiencies that were “outside the control of the School”. Furthermore, questioned costs from the prior year audit were corrected by the time of publication of the 2013-14 audit. Because the auditor did not deem Paramount responsible for the significant deficiencies, the school **met standard** for the financial audit sub-indicator. The school **met standard** for all of its reporting requirements, and the school’s auditors issued their report December 5, 2014.

Because PSOE **met standard** on core question 2.3 in both school year ending 2013 and 2014, PSOE receives a rating of Meeting Standard at its mid-charter review.

Core Question 3: Is the organization effective and well-run?

The Governance and Leadership Performance Framework, outlined in Core Question 3, gauges the academic and operational leadership of schools. Core Question 3 consists of five indicators designed to measure schools on how well their school administration and board of directors comply with the terms of their charter agreement, applicable laws, and authorizer expectations. It is worth noting that the framework was updated for the 2013-2014 school year. While some indicators were re-organized into Core Question 3, two are new, and two have since been removed.

3.1. Is the school leader strong in his or her academic and organizational leadership?					
Indicator Targets	Does not meet standard	The school leader presents concerns in a majority of the sub-indicators with no evidence of a credible plan to address the issues.			
	Approaching standard	The school leader presents concerns in a minimal number of the sub-indicators and may or may not have a credible plan to address the issues.			
	Meets standard	The school leader complies with and presents no concerns in the sub-indicators below.			
	Exceeds standard	The school leader consistently and effectively complies with and presents no concerns in the sub-indicators below.			
Sub-indicators	Sub-indicators				
	Demonstration of sufficient academic and leadership experience				
	Leadership stability in key administrative positions				
	Communication with internal and external stakeholders				
	Clarity of roles among schools and staff				
	Engagement in a continuous process of improvement and establishment of systems for addressing areas of deficiency in a timely manner				
3.1 Rating	Consistency in providing information to and consulting with the schools' board of directors				
	2010-11	2011-12	2012-13	2013-14	Mid-Charter Rating
	AS	AS	MS	ES	MS

The school leadership team at Paramount School of Excellence (PSOE) has engaged in an effective and continuous process of improvement over the last four years. When the school opened in 2010, it employed a Charter Management Organization (CMO) to oversee the majority of school operations, including staffing, academics, and finances. While the school administration, including those employed through the CMO, demonstrated sufficient academic and business experience, there was a lack of clarity in roles and responsibilities between and amongst leaders that contributed to an overall lower school performance. PSOE terminated its contract with the CMO at the close of the 2010-2011 school year in favor of a more autonomous school leadership team.

Since the 2011-2012 school year, the school leadership team, including a School Director, Assistant School Director, and Director of Operations, has remained relatively stable and has exhibited strong academic and business expertise. Roles and responsibilities have been clarified to allow for effective management and oversight of daily school operations. School leaders have maintained consistent communication with internal and external stakeholders, including the school staff, board of directors, Board Chair, Mayor's Office (OEI), and community

organizations and partners. Additionally, they have built several meaningful relationships within the community and have organized several community-driven events.

The school leadership team has engaged in an intensive and focused process of school improvement. They have implemented extensive data analysis systems to identify student strengths and needs, incorporated regular classroom observations to provide instructional feedback, utilized restorative justice to maximize student time in the classroom, and have developed a robust assortment of clubs, programs, and extracurricular activities for students to directly apply their knowledge in engaging and relevant ways. PSOE has worked collaboratively with the Indiana Department of Education (IDOE) as well as a contracted consultant to receive objective feedback on the culture and instruction within the school. Additionally, the school has utilized staff surveys to ensure a healthy working environment throughout the year. Although there have often been many initiatives occurring at once, the leadership team has been able to maintain focus on student achievement. All of these factors have contributed to the consistent improvement in school performance, culminating in the school receiving an “A” on the state’s accountability report card for the 2013-2014 year.

Due to the strong leadership, continuous improvement, and recent success of the school, PSOE receives a [Meeting Standard](#) for this indicator on the mid-charter review.

3.2. Does the school satisfactorily comply with all its organizational structure and governance obligations?					
Indicator Targets	Does not meet standard	The school leader presents concerns in a majority of the sub-indicators with no evidence of a credible plan to address the issues.			
	Approaching standard	The school leader presents concerns in a minimal number of the sub-indicators and may or may not have a credible plan to address the issues.			
	Meets standard	The school leader complies with and presents no concerns in the sub-indicators below.			
	Exceeds standard	The school leader consistently and effectively complies with and presents no concerns in the sub-indicators below.			
Sub-indicators	Sub-indicators				
	Submission of all required compliance documentation in a timely manner as set forth by the Mayor’s Office, including but not limited to: meeting minutes and schedules, board member information, compliance reports and employee documentation				
	Compliance with the terms of its charter, including amendments, school policies and regulations, and applicable federal and state laws				
	Proactive and productive collaboration with its board and/or management organization (if applicable) in meeting governance obligations				
	Active participation in scheduled meetings with OEI, including the submission of required documentation by deadlines				
3.2 Rating	2010-11	2011-12	2012-13	2013-14	Mid-Charter Rating
	MS	MS	ES	MS	MS

Over the course of the last four years, PSOE has consistently met all compliance obligations as specified by the Mayor’s Office (OEI) and the Indiana Department of Education. While there have been relatively few occasions

when compliance documents and reports were submitted late, the vast majority have been submitted on time or early.

Additionally, PSOE has maintained compliance with all material sections of its charter and submitted amendments as necessary. All school leaders have been consistently engaged in meetings with OEI and have maintained frequent communication with OEI between scheduled meetings. For these reasons, PSOE receives a **Meeting Standard** for compliance obligations.

3.3. Is the school's board active, knowledgeable, and does it abide by appropriate policies, systems, and processes in its oversight?					
Indicator Targets	Does not meet standard	The school leader presents concerns in a majority of the sub-indicators with no evidence of a credible plan to address the issues.			
	Approaching standard	The school leader presents concerns in a minimal number of the sub-indicators and may or may not have a credible plan to address the issues.			
	Meets standard	The school leader complies with and presents no concerns in the sub-indicators below.			
	Exceeds standard	The school leader consistently and effectively complies with and presents no concerns in the sub-indicators below.			
Sub-indicators	Sub-indicators				
	Timely communication of organizational, leadership, academic, fiscal, or facility deficiencies to the Mayor's Office; or when the school's management company (if applicable) fails to meet its obligations as set forth in the charter				
	Clear understanding of the mission and vision of the school				
	Adherence to board policies and procedures, including those established in the by-laws, and revision of policies and procedures, as necessary				
	Recruitment and selection of members that are knowledgeable, represent diverse skill sets, and act in the best interest of the school and establishment of systems for member orientation and training				
	Effective and transparent management of conflicts of interest				
	Collaboration with school leadership that is fair, timely, consistent, and transparent in handling complaints or concerns				
	Adherence to its charter agreement as it pertains to governance structure				
	Holding of all meetings in accordance with Indiana Open Door Law				
	3.3 Rating	2010-11	2011-12	2012-13	2013-14
AS		AS	MS	MS	MS

Similar to the school leadership, the PSOE board of directors has engaged in a process of continual improvement since the school's opening in 2010. Due to the contested contract with the CMO and a high level of turnover on the board, there were initial concerns around the diversity of the board's roster, its ability to effectively delineate roles and responsibilities, and its ability to provide consistent and competent stewardship of the school. With a high level of commitment to the school's mission and vision, the board worked through the 2010-2011 year to improve its roster, terminate the CMO contract, and improve its oversight.

Since the 2011-2012 school year, the board has expanded its roster to include a wider variety of backgrounds and skillsets to contribute to school governance. Roles and responsibilities have been more clearly delineated and new directors have provided the consistent and competent stewardship necessary for effective oversight. The board has continually worked to promote the school’s mission and vision and has engaged in family and community outreach to ensure the needs of all stakeholders are being met. For example, in 2011, the board implemented a policy and space within the school for visiting family members and developed a method by which parents could directly contact the board when needed.

Although the board has continued to experience some turnover, it has remained relatively stable the past two years. Current directors are highly engaged and committed to the school. The board has regularly reviewed and revised its bylaws and policies as appropriate, has engaged in a series of development opportunities, and has worked to move toward a more sustainable and strategic governance structure. The Board Chair and School Director have maintained consistent communication with one another and the Mayor’s Office (OEI). They both have been proactive in providing to OEI up to date and transparent information about school performance, concerns, and future plans over the last few years.

Regarding governance operations, the board has maintained proper oversight of its bylaws and has appropriately handled conflicts of interest as they have been disclosed. Board meetings have been held monthly and have occurred as scheduled. Due to the board’s consistent work to improve its oversight and due to its recent stable and effective stewardship, PSOE receives a [Meeting Standard](#) on this indicator.

3.4. Does the school’s board work to foster a school environment that is viable and effective?					
Indicator Targets	Does not meet standard	The school leader presents concerns in a majority of the sub-indicators with no evidence of a credible plan to address the issues.			
	Approaching standard	The school leader presents concerns in a minimal number of the sub-indicators and may or may not have a credible plan to address the issues.			
	Meets standard	The school leader complies with and presents no concerns in the sub-indicators below.			
	Exceeds standard	The school leader consistently and effectively complies with and presents no concerns in the sub-indicators below.			
Sub-indicators	Sub-indicators				
	Regular communication with school leadership and/or its management company				
	Annual utilization of a performance based evaluation to assess its own performance, that of the school leader, and management organization (if applicable)				
	Collaboration with the school leader to establish clear objectives, priorities, and goals				
3.2 Rating	Interaction with school leader that is conducive to the success of the school, including requesting and disseminating information in a timely manner, providing continuous and constructive feedback, and engaging the school leader in school improvement plans				
	2010-11	2011-12	2012-13	2013-14	Mid-Charter Rating
	Not Evaluated			AS	AS

2013-2014 was the first year this indicator was included in schools' accountability reports.

The PSOE board held monthly meetings at which all stakeholders, including the school leadership team and relevant staff members, provided updated reports. Between meetings, the Board Chair met regularly with the School Director (SD) to offer additional feedback, guidance, and support.

At the close of the 2013-2014 school year, the board had not yet implemented a formal method of evaluating the School Director's performance or that of its own. While the board did provide informal formative feedback throughout the year and guided the SD to focus on specific priorities, the lack of a formalized evaluation system prevented the board from objectively analyzing performance at the close of the year. The board did engage in informal self-reflection and discussed plans to move to a more strategic method of operating, including the creation of active committees and changing the structure of meetings to be more policy-driven for the 2014-2015 school year.

The board and school leadership team appeared to have positive and collaborative working relationships. All observed meetings and communications were respectful and supportive, indicating a shared commitment to the school's mission. However, due to the lack of formalized evaluation systems, PSOE is **Approaching Standard** for school and board environment. Since 2013-2014 is the only year this indicator was assessed, the school receives the same rating for the mid-charter review.

3.5. Does the school comply with applicable laws, regulations, and provisions of the charter agreement relating to the safety and security of the facility?					
Indicator Targets	Does not meet standard	The school leader presents concerns in a majority of the sub-indicators with no evidence of a credible plan to address the issues.			
	Approaching standard	The school leader presents concerns in a minimal number of the sub-indicators and may or may not have a credible plan to address the issues.			
	Meets standard	The school leader complies with and presents no concerns in the sub-indicators below.			
Sub-indicators	Sub-indicators				
	Health and safety code requirements				
	Facility accessibility				
	Updated safety and emergency management plans				
	A facility that is well suited to meet the curricular and social needs of the students, faculty, and members of the community				
3.2 Rating	2010-11	2011-12	2012-13	2013-14	Mid-Charter Rating
	MS	MS	MS	MS	MS

Between 2010 and 2014, PSOE's facility met all health and safety code requirements and provided a safe environment conducive to learning. The facility's design, size, maintenance, security, equipment and furniture were all adequate to meet the school's needs. With a focus on environmental education, the numerous "Discovery Zones" and elaborate outdoor education space significantly contributed to the overall student experience. The school was accessible to all, including people with physical disabilities. The Mayor's Office monitoring of PSOE's compliance with health and safety code requirements did not reveal any significant concerns related to these obligations. Accordingly, the school receives a **Meeting Standard** for this indicator.

Indicators included in the previous framework, but not assessed with the 2013-14 framework.

The following two indicators were included in the performance framework used for the 2010-2013 school years. While they are no longer included in the 2013-14 framework, the results of these indicators are important for a comprehensive review of performance between the years 2010-2014.

2.4. Is there a high level of parent satisfaction with the school?					
Indicator Targets	Does not meet standard	Less than 70% of parents surveyed indicate that they are satisfied overall with the school.			
	Approaching standard	More than 70% but less than 80% of parents surveyed indicate that they are satisfied overall with the school.			
	Meets standard	More than 80% but less than 90% of parents surveyed indicate that they are satisfied overall with the school.			
	Exceeds Standard	At least 90% of parents surveyed indicate that they are satisfied overall with the school.			
School Rating	2010-2011	2011-2012	2012-2013	2013-2014	Mid-Charter Rating
	MS	MS	MS	NA	MS

Averaged across the last four years, 88% of parents surveyed indicated that they are satisfied overall with PSOE. In the spring of each year, an anonymous survey was administered to all parents and guardians of students enrolled at the school by Research & Evaluation Resources. Of the parents surveyed, between 82% and 92% of parents indicated overall satisfaction (see chart below). With an average satisfaction rate of 88%, the school receives an overall rating of Meeting Standard on the mid-charter review.

School Year	Percent Satisfied
2010-11	90%
2011-12	82%
2012-13	87%
2013-14	92%
Multi-Year Average	88%

Note: "Percent Satisfied" includes "very satisfied", and "satisfied", responses which were on a five-point scale that also included "neutral", "dissatisfied", and "very dissatisfied".

Source: Confidential survey results administered by Research & Evaluation Resources.

3.3. Has the school established and implemented a fair and appropriate pupil enrollment process?					
Indicator Targets	Does not meet standard	The school's enrollment process does not comply with applicable law AND/OR the school exhibits one or both of the following deficiencies: a) a substantial number of documented parent complaints suggest that it is not being implemented fairly or appropriately; b) the school has not engaged in outreach to students throughout the community.			
	Approaching standard	The school's enrollment process complies with applicable law but exhibits or both the following deficiencies: a) a substantial number of documented parent complaints suggest that it is not being implemented fairly or appropriately; b) the school has not engaged in outreach to students throughout the community.			
	Meets standard	The school's enrollment process complies with applicable law; there are minimal documented parent complaints suggesting that it is not being implemented fairly or appropriate; AND the school has engaged in outreach to students throughout the community.			
School Rating	2010-2011	2011-2012	2012-2013	2013-2014	Mid-Charter Rating
	MS	MS	MS	NA	MS

The admissions and enrollment practices of Paramount School of Excellence have consistently met the requirements of Indiana's charter school law. Each year, the Mayor's Office collects the school's enrollment policies and marketing procedures to ensure compliance with state law. The school employs a lottery system and gives preference to siblings of current students, as allowed by law. Between the 2010 and 2014 school years, the Mayor's Office received minimal complaints from parents around the school's enrollment process. Accordingly, the school receives a Meeting Standard for this indicator.