



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

B44801

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

February 10, 2015

Charter School Board
Paramount School of Excellence, Inc.
3020 Nowland Avenue
Indianapolis, IN 46201

We have reviewed the Supplemental Audit Report prepared by Sikich, LLP, Independent Public Accountants, for the period July 1, 2013 to June 30, 2014. In our opinion, the Supplemental Audit Report was prepared in accordance with the guidelines established by the State Board of Accounts.

We call your attention to the findings in the report. Page 5 contains two audit results and comments.

In addition to the report presented herein, a Financial Statements and Independent Auditors' Report for Paramount School of Excellence, Inc. was prepared in accordance with the guidelines established by the State Board of Accounts.

The Supplemental Audit Report and the Financial Statements and Independent Auditors' Report are filed in our office as a matter of public record.

Paul D. Joyce
Paul D. Joyce, CPA
State Examiner



SUPPLEMENTAL AUDIT REPORT

OF

PARAMOUNT SCHOOL OF EXCELLENCE, INC.

MARION COUNTY, INDIANA

JULY 1, 2013 TO JUNE 30, 2014



TABLE OF CONTENTS

| | |
|--|---|
| SCHOOL OFFICIALS | 3 |
| INDEPENDENT AUDITOR’S SUPPLEMENTAL AUDIT REPORT | 4 |
| AUDIT RESULTS AND COMMENTS: | |
| CASH RECEIPTS AND DEPOSITS NOT MADE DAILY PENALTIES AND INTEREST PAID FOR LATE PAYMENTS | 5 |
| EXIT CONFERENCE | 6 |

PARAMOUNT SCHOOL OF EXCELLENCE, INC.

SCHEDULE OF OFFICIALS

| <u>Office</u> | <u>Official</u> | <u>Term</u> |
|---|-----------------|----------------------|
| Business Manager | Shawna Ping | 01-12-12 to 06-30-14 |
| Head of School/Chief Executive Officer (CEO) | Thomas Reddicks | 07-01-10 to 06-30-14 |
| President and Treasurer of the School Board | Tom Rude | 09-01-13 to 06-30-14 |
| President and Treasurer of the School Board | Cathleen Nevin | 01-26-12 to 09-01-13 |



8555 N. River Rd., Suite 300
Indianapolis, Indiana 46240

317.842.4466 // www.sikich.com

Certified Public Accountants & Advisors
Members of American Institute of Certified Public Accountants

INDEPENDENT AUDITOR'S SUPPLEMENTAL AUDIT REPORT

To The Board of Directors
of Paramount School of Excellence, Inc.

We have audited, in accordance with auditing standards generally accepted in the United States, the financial statements of Paramount School of Excellence, Inc. as of and for the year ended June 30, 2014, and have issued our report thereon dated January 30, 2015.

In our audit, we noted that Paramount School of Excellence, Inc. failed to comply with the cash receipts and daily deposits and credit card fees provisions of the *Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools*, as outlined in the *Guidelines for the Audits of Charter Schools Performed by Private Examiners*, issued by the Indiana State Board of Accounts.

Our audit was not directed primarily toward obtaining knowledge as to whether Paramount School of Excellence, Inc. failed to comply with the terms of the *Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools*, issued by the Indiana State Board of Accounts, insofar as they relate to accounting matters. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding noncompliance with the above-referenced *Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools*, issued by the Indiana State Board of Accounts, insofar as they relate to accounting matters.

This report is intended solely for the information and use of the Board of Directors and management of Paramount School of Excellence, Inc. and the Indiana State Board of Accounts, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads 'Sikich, LLP' in a cursive, slightly slanted script.

Sikich LLP

January 30, 2015

PARAMOUNT SCHOOL OF EXCELLENCE, INC.

AUDIT RESULTS AND COMMENTS

CASH RECEIPTS AND DEPOSITS NOT MADE DAILY

There were 7 separate instances that the organization did not deposit cash receipts daily. The occurrences cover the entire school year.

Receipts shall be issued and recorded at the time of the transaction; for example, when cash or a check is received, a receipt is to be immediately prepared and given to the person making payment.

All charter school money must be deposited in the designated depository not later than the business day following the receipt of funds on business days of the depository in the same form in which the funds were received. Timely receipts and deposits are required to provide the organizer and charter school administration with current information necessary for all financial decisions.

(Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Manual Part 8)

PENALTIES AND INTEREST PAID FOR LATE PAYMENTS

A fee of \$25 was assessed for a late payment on a February credit card statement.

Officials and employees have the duty to pay claims and remit taxes in a timely fashion. Failure to pay claims or remit taxes in a timely manner could be an indicator of serious financial problems which should be investigated by the charter school.

Additionally, employees have a responsibility to perform duties in a manner which would not result in any unreasonable fees being assessed against the charter school.

Any penalties, interest or other charges paid by the charter school may be the personal obligation of the responsible employee.

(Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Manual Part 10)

PARAMOUNT SCHOOL OF EXCELLENCE, INC., INC.

MARION COUNTY, INDIANA

EXIT CONFERENCE

The contents of this report were discussed on January 22, 2015 with Shawna Ping, Business Manager, and Thomas Reddicks, Head of School/CEO. The officials concurred with our audit findings.