



**New Satellite School or Large Expansion Application**

Charter School Name: **Paradigm Charter School**

Charter School Director: **Fernando Seminario**

The request is for: (select one)

<input type="checkbox"/> <b>Satellite School</b> Grade levels currently served: _____ Grade levels requested for satellite school: _____ Current max enrollment: _____ Max enrollment requested for satellite school: _____ Current LEA location(s) (city and district): _____ Requested location for satellite school (city and district): _____	<input checked="" type="checkbox"/> <b>Large Expansion</b> Grade levels currently served: <u>6-12</u> Grade levels requested for satellite school: <u>N/A</u> Current max enrollment: <u>630</u> Max enrollment requested for satellite school: <b>2000</b> <b>(in addition to our current enrollment cap of 630)</b>
---	--

I certify that this request is being made by the governing board and has been discussed in an open and public meeting.

Brenda Petru                      10/31/2025  
**Board Chair/ Date**

Fernando Seminario                      10/31/2025  
**Director/ Date**

Please select one response per requirement:

<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	1. The charter school complies with the requirements of federal and state laws, regulations, and Board rule.
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	2. The charter school meets the academic and other standards and requirements of the charter school authorizer.
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	3. The charter school is in good standing with the SCSB.
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	4. The charter LEA, as a whole, qualifies as high performing under the SCSB’s approved definition of high performing.
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	5. The school complies with all public-school legal obligations.
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	6. The charter school has no outstanding corrective action that has not been resolved by completion of a corrective action plan.
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	7. The charter school has a hiring plan in place to ensure there are adequate qualified administrators and staff to meet the needs of the proposed student population.

## Required Attachments:

1. Provide a 1-page explanation of the justified need for the requested new satellite school or large expansion.
2. Provide a 1-page overview describing how the new satellite school or large expansion will provide educational services consistent with state law and Board rule.
3. Provide a 1-2-page plan for the new satellite school or large expansion to administer and have the capacity to conduct statewide assessments, including proctoring statewide assessments.
4. Provide a 1-3-page detailed description of the evidence-based instruction for special populations that will be provided to students as required by federal law.
5. Provide a 1-3-page market analysis. Per R277-552(2), market analysis should be a qualitative and quantitative analysis of the educational market near a proposed charter school, including:
  - (a) the school's target demographics;
  - (b) population and development trends in the area;
  - (c) nearby competing public schools;
  - (d) the proposed school's forecasts, along with supporting data; and
  - (e) any risks, barriers, or regulations that may impact a proposed school's success.
6. Provide a 2-4-page response addressing if the charter school is operationally successful, taking into consideration at least two years of data for every school under the charter agreement. Per R277-552(7), a charter school is considered to be operationally successful if:
  - (i) For each of the schools under the charter agreement, the charter school meets the following criteria: (A) for a school with 350 or fewer students enrolled in the school, at least a 120% debt coverage ratio\* for each of the three years before the request for a satellite;  
(B) for a school with between 351 and 499 students enrolled in the school, at least 115% debt coverage ratio\* for each of the three years before the request for a satellite;  
(C) for a school with between 500 and 750 students enrolled in the school, at least a 110% debt coverage ratio\* for each of the three years before the request for a satellite; or  
(D) for a school with more than 750 students enrolled in the school, at least a 105% debt coverage ratio\* for each of the three years before the request for a satellite;
  - (ii) the charter school is financially viable, as evidenced by the charter school's financial records, including the charter school's:
    - (A) most recent annual financial report (AFR);
    - (B) annual program report (APR); and
    - (C) audited financial statements;
  - (iii) the charter school has maintained a net lease-adjusted debt burden ratio of under 25% for each of the last three years; and
  - (iv) the charter school's financial statements report revenues exceeding expenditures for at least three of the last four years;
  - (v) the charter school is meeting the terms of its charter agreement;
  - (vi) the charter school has maintained for each of the last three years:
    - (A) a re-enrollment rate of at least 80%;
    - (B) a waitlist of at least 40% of its annual enrollment; or
    - (C) there is a demonstrated demand for the proposed satellite or large expansion, taking into consideration the market analysis.

*\*For purposes of this section "debt coverage ratio" means: a debt coverage ratio calculated using (revenue - expenditures + interest cost + depreciation) divided by annual debt service; or if the charter school's facilities are leased and not owned; a debt coverage ratio calculated using (revenue - expenditures + facility lease payment + real property taxes + depreciation) divided by annual debt service.*

## **ATTACHMENT 1 - QUESTION 1**

**1. Provide a 1-page explanation of the justified need for the requested new satellite school or large expansion.**

### **Justification for Requested Expansion – Paradigm Charter School**

Paradigm Charter School is celebrating 20 amazing years of learning, growth, and community. We're proud to have a strong track record of happy families and high parent satisfaction — something we've earned by truly partnering with parents to support every student's unique learning journey. At Paradigm, we blend traditional and modern approaches through a variety of flexible learning models, giving students the freedom to learn in ways that work best for them. Our mission is simple: to help young people think deeply, act with integrity, and lead with purpose. With two decades of experience and a caring, innovative environment, Paradigm continues to be a place where students and families feel supported, inspired, and excited to learn together.

Paradigm Charter School respectfully submits this request for a large expansion in alignment with our mission and the evolving needs of the student population we serve. The expansion is not only a strategic response to changing educational demands, but also a necessary step in fulfilling our obligations as outlined in our charter.

We offer the following justifications:

#### **1. Innovation and Educational Adaptation**

The landscape of education is shifting rapidly, and charter schools must evolve to stay relevant and effective. This expansion provides an opportunity to innovate beyond traditional classroom models—integrating technology, flexible pacing, and alternative learning formats. These changes not only support student success but also help stabilize enrollment by offering solutions tailored to modern family needs. With additional capacity, we can lead in providing a model that responds to Utah's changing educational climate.

#### **2. Changing Enrollment Patterns and Community Fit**

Since the COVID-19 pandemic, there has been a notable increase in families seeking independent and non-traditional educational formats, including online and hybrid models. Paradigm's educational philosophy and flexible structure make us an ideal fit for these learners, particularly within the growing homeschool community. Expansion will allow us to better serve this population through hybrid options and customized schedules that support individualized learning paths.

#### **3. Precedent of Success with Distance Learning Partnerships**

There is strong precedent for successful partnerships between charter schools and distance learning providers, both within Utah and nationally. These collaborations have demonstrated that expanding learning models through distance platforms can yield positive academic outcomes, high parental satisfaction, and increased school sustainability. Paradigm intends to build on this proven model, leveraging lessons learned and partnerships that can be replicated and scaled.

#### **4. Charter Compliance: Distance Learning Commitments**

Paradigm's original charter includes a provision for providing distance learning opportunities. While we have made efforts toward this goal, our capacity limitations have hindered full implementation. This expansion will allow us to provide comprehensive, high-quality distance learning options, ensuring we meet our charter commitments and serve students in the flexible, innovative ways originally envisioned.

## **5. Demand**

Paradigm Charter School was founded by a group of dedicated homeschool families who wanted to combine the strengths of home education with the benefits of a collaborative school community. Since its founding, Paradigm has continued to serve a high concentration of homeschool families who value flexibility, personalized learning, and family involvement in education. Each year, the school receives numerous requests from these families asking for expanded partnerships with distance learning providers, reflecting a strong and ongoing interest in blending various learning opportunities.

## **Conclusion**

In conclusion, the proposed expansion is a strategic and mission-aligned response to present needs and future opportunities. It allows us to fulfill our charter, meet the demand for flexible learning through distant learning opportunities, and lead with innovation—all while maintaining the high academic standards and values that define Paradigm Charter School.

## **ATTACHMENT 2 - QUESTION 2**

**2. Provide a 1-page overview describing how the new satellite school or large expansion will provide educational services consistent with state law and Board rule.**

### **Overview of Compliance with State Law and Board Rule in Proposed Expansion – Paradigm Charter School**

As Paradigm Charter School seeks approval for a large expansion, we affirm our full commitment to providing educational services that are consistent with all applicable Utah state laws and Utah State Board of Education (USBE) rules. Our expansion plan is designed to ensure that every student—regardless of enrollment model (on-campus, hybrid, or distance learning)—receives equitable access to all required instructional content, assessments, and student services.

### **Equity and Access for All Students**

Under the proposed expansion, Paradigm will serve both traditional and non-traditional learners while ensuring that all students are held to the same academic standards. All enrolled students will have access to the state-required curriculum, with instruction aligned to the Utah Core Standards. No matter the format of their participation, students will be provided with the necessary tools, technology, and support to meet these standards.

### **State Testing and Accountability**

All students will have the opportunity to participate in state-mandated assessments (such as RISE, Utah Aspire Plus, and others), and testing will be administered in accordance with USBE guidelines. Paradigm will ensure students are scheduled, monitored, and supported during assessments.

### **Special Education and Related Services**

Paradigm is fully committed to providing special education and related services in compliance with the Individuals with Disabilities Education Act (IDEA) and state special education rules. Individualized Education Programs (IEPs) will be implemented with fidelity, and students with disabilities will receive all necessary accommodations, whether learning in person or by distance. Service delivery will be tailored to meet student needs across learning environments.

## **Student Rights and Family Support**

The expansion model includes clear communication with families about their rights and the services available to their students. All students will have access to academic counseling, college and career readiness supports, mental health resources, and intervention services as required by law. Paradigm will maintain consistent contact with families, ensuring transparency and support throughout their educational journey.

## **Conclusion**

This expansion will not only allow Paradigm to serve a broader and more diverse student population but will also strengthen our ability to continue to successfully fulfill our charter. By prioritizing compliance and equity, Paradigm ensures that every student receives a full and fair education consistent with state law and USBE rules, regardless of how they choose to engage with their learning.

## **ATTACHMENT 3 - QUESTION 3**

**3. Provide a 1-2-page plan for the new satellite school or large expansion to administer and have the capacity to conduct statewide assessments, including proctoring statewide assessments.**

### **Assessment Administration Plan for Large Expansion for Paradigm Charter School**

As part of our proposed large expansion, Paradigm Charter School affirms its full commitment to administering all required statewide assessments in strict accordance with Utah state law and USBE rules. The following plan outlines our strategies, capacity, and protocols to ensure secure, compliant, and equitable administration of assessments for all enrolled students.

#### **1. Commitment to Full Compliance**

Paradigm Charter School will comply with all relevant federal and state assessment laws and Utah State Board of Education rules, including but not limited to:

- Utah Admin Code R277-404 – Requirements for statewide assessment administration.
- Utah Admin Code R277-705 – Student participation and accommodations in state assessments.
- Individuals with Disabilities Education Act (IDEA) and Section 504 – Assessment accommodations for students with disabilities.

We will ensure opportunity for participation in all applicable statewide assessments for eligible students.

#### **2. Assessment Staffing and Training**

To support the expanded student body, Paradigm will:

- Designate a full-time Testing Coordinator responsible for all assessment logistics, security, and compliance.
- Hire and train additional certified proctors proportional to enrollment growth, ensuring proper student-to-proctor ratios.
- Provide annual assessment training for all test coordinators and proctors as required by USBE, including:
  - Test security protocols
  - Standardized administration procedures
  - Appropriate handling of accommodations and accessibility features

All staff involved in testing will sign the USBE Test Administration and Ethics Agreement, and Paradigm will conduct internal audits to verify compliance.

### **3. Facilities and Capacity Planning**

Paradigm's expansion includes both physical and virtual infrastructure to ensure we have the capacity to administer assessments securely and efficiently.

- On-Campus Testing: Paradigm will utilize flexible classroom and lab space to host in-person testing. Additional rooms will be reserved during testing windows to accommodate students needing extended time or accommodations.
- Testing Schedule: We will create a staggered testing schedule to ensure adequate space and staff coverage for all assessment sessions, minimizing disruptions to regular instruction.
- Technology Readiness: Paradigm's expanded technology infrastructure will include:
  - Adequate numbers of testing-compatible devices (Chromebooks or desktops)
  - Secure internet connectivity and bandwidth to meet USBE online testing standards

### **4. Support for Distance and Hybrid Students**

For students enrolled in hybrid or distance learning models, Paradigm will:

- Require in-person attendance for statewide assessments at designated testing locations.
- Provide multiple testing sessions to accommodate family schedules, transportation limitations, and medical needs.
- Ensure that Distance students receive timely communication about testing requirements, including dates, expectations, and locations.

All students will be subject to the same assessment requirements as in-person students.

### **5. Accommodations and Accessibility**

Paradigm will ensure full implementation of IEP, 504, and ELL accommodations by:

- Reviewing each student's accommodations prior to testing sessions
- Assigning trained proctors to administer assessments in small-group or one-on-one settings
- Using USBE-approved accessibility tools and settings in the testing platform
- Documenting all accommodations provided during testing for auditing and compliance purposes

### **6. Data Integrity, Security, and Reporting**

Paradigm will implement secure data handling protocols:

- Lockdown browser settings for online testing
- Secure storage of physical testing materials (if applicable)
- Monitoring and incident reporting procedures for any potential testing irregularities
- Timely submission of all required testing reports to USBE

We will analyze assessment data to inform instructional decisions, improve student outcomes, and ensure program accountability.

### **Conclusion**

Through strategic staffing, facility planning, training, and infrastructure investment, Paradigm Charter School is fully prepared to administer all required statewide assessments for an expanded student body. This plan reflects our commitment to upholding the highest standards of compliance, test integrity, and equitable student access—ensuring all learners receive the full benefit of participation in Utah's assessment system.

## **ATTACHMENT 4 - QUESTION 4**

**4. Provide a 1-3-page detailed description of the evidence-based instruction for special populations that will be provided to students as required by federal law.**

### **Evidence-Based Instruction for Special Populations**

Paradigm Charter School is committed to ensuring equitable access to high-quality education for all students, including those in special populations, in accordance with federal laws such as the Individuals with Disabilities Education Act (IDEA), Section 504 of the Rehabilitation Act, Title III of the Elementary and Secondary Education Act (ESEA), etc. Our proposed expansion includes strategic planning and targeted instructional approaches to serve the following special populations:

- Students with Disabilities (Special Education and 504)
- English Language Learners (ELLs)
- Hybrid and Distance Learning Students
- At-Risk Students

#### **1. Special Education Students (IDEA & Section 504)**

Paradigm will provide a full continuum of services to students with disabilities as mandated by IDEA and Section 504. All services will be based on each student's Individualized Education Program (IEP) or 504 Plan, developed through collaboration with families and multidisciplinary teams.

Instructional Approach:

- Evidence-Based Interventions: Paradigm uses research-backed strategies including:
  - Explicit Direct Instruction (EDI)
  - Specially Designed Instruction (SDI)
  - Multisensory structured language education methods
  - Positive Behavior Interventions and Supports (PBIS)
  - Universal Design for Learning (UDL) principles
  - Socratic Discussion format
- Inclusive Practices: Students will be included in general education classrooms with support from special education teachers, paraprofessionals, and co-teaching models whenever appropriate.
- Progress Monitoring: Regular formative assessments and data-driven instruction are used to track student progress and adjust services accordingly.
- Specialized Staff: Licensed special education teachers, speech-language pathologists, occupational therapists, and counselors will deliver services aligned to each student's IEP goals.

Distance & Hybrid Students:

Special education services will be adapted for virtual or hybrid settings, including virtual IEP meetings, remote service delivery, and in-person assessments as required. Technology will be used to support access and engagement.

#### **2. English Language Learners (ELLs)**

Paradigm will support English learners in accordance with legal requirements, using evidence-based English Language Development (ELD) instruction integrated with content learning.

#### Instructional Approach:

- Integrated ELD: Pull-Out and Push-In Services depending on student needs, ELLs may receive targeted support in small groups or integrated instruction within core content areas.
- Targeted ELD - with protected time within the school day to target explicit instruction.
- Progress Monitoring: Language proficiency is assessed annually using ACCESS for ELLs, and growth data is used to refine instruction.

#### Distance & Hybrid Students:

ELL students in Distance settings will receive synchronous and asynchronous language support, as well as access to translation services and virtual office hours for academic assistance.

### 3. Hybrid and Distance Learning Students

As part of the expansion, Paradigm will continue to offer flexible learning pathways. Students in hybrid formats will receive access to the same curriculum, instruction, and support as their fulltime on-campus peers. Distance students will have the full range of course selections through our Distant Learning partners.

#### Instructional Approach:

- Standards-Based, Differentiated Instruction: Distance and Hybrid learners will follow Utah Core Standards and engage in online platforms that support differentiation, such as:
  - Canvas
  - IXL, ALEKS, or similar programs for personalized instruction
- Live Instruction + Self-Paced Learning: Students will engage in a blend of synchronous virtual classes and asynchronous assignments to support flexible pacing.
- Student Support Services: All students, including hybrid learners, will have access to:
  - Virtual tutoring and intervention blocks
  - Special education and ELL services (when eligible)
  - Regular check-ins with counselors or mentors

#### Accountability & Communication:

Paradigm will maintain high levels of accountability through learning logs, progress tracking, and consistent parent communication to ensure engagement and academic integrity.

### 4. At-Risk Students

Paradigm recognizes the importance of early identification and intervention for students at academic or social risk. This includes students who are low-income, academically behind, experiencing homelessness, or facing other barriers.

#### Instructional Approach:

- Multi-Tiered System of Supports (MTSS): A school-wide framework will be used to provide tiered intervention:
  - Tier 1: High-quality core instruction for all

- Tier 2: Small-group interventions for students showing early signs of difficulty
- Tier 3: Intensive, individualized support for students with significant needs
- Evidence-Based Programs: Reading and math interventions will be deployed to support struggling students.
- Wraparound Services: School counselors, social workers, and community partnerships will help address non-academic barriers to learning.
- Credit Recovery & Personalized Learning: Secondary students at risk of not graduating will have access to online credit recovery, academic coaching, and individualized learning plans.

**Distance/Hybrid Support:**

At-risk students in flexible learning models will receive regular check-ins from interventionists and counselors to ensure continued progress and support.

**Conclusion**

Paradigm Charter School’s expansion is grounded in a firm commitment to equitable education for all students. Through a blend of evidence-based instructional practices, targeted support services, and flexible learning options, we will ensure that students in special populations—including those with disabilities, English learners, hybrid and Distance learners, and at-risk youth—receive the instruction and support they are guaranteed under federal and state law. These practices will be monitored regularly to ensure effectiveness, compliance, and continual improvement.

**ATTACHMENT 5 - QUESTION 5**

**5. Provide a 1-3-page market analysis. Per R277-552(2), market analysis should be a qualitative and quantitative analysis of the educational market near a proposed charter school, including:**

- (a) the school’s target demographics;**
- (b) population and development trends in the area;**
- (c) nearby competing public schools;**
- (d) the proposed school’s forecasts, along with supporting data; and**
- (e) any risks, barriers, or regulations that may impact a proposed school’s success.**

**Market Analysis for Paradigm School, South Jordan, Utah**

**A. Target Demographics**

Paradigm School serves a diverse demographic of students primarily in South Jordan, Utah, focusing on families seeking high-quality, innovative education options. Key target demographics include:

- Age Groups: Primarily students in grades K-12, with a focus on middle and high school levels.
- Geographic Proximity: Families seeking a charter school experience who live in geographic proximity to the school.

- **Educational Preferences:** Families interested in personalized learning, project-based education, and a strong emphasis on a classical, liberal arts education
- **Cultural Diversity:** An increasing population of culturally diverse families, including a growing number of Hispanic families, contributing to the demand for inclusive educational practices.

## **B. Population and Development Trends**

- **Population Growth:** South Jordan is consistently ranked in the top 10 fastest growing cities in the country. South Jordan has experienced significant growth, with the population increasing by approximately 25% over the past decade. Current estimates suggest a population of around 86,000 (2024), with continued influx due to the area's desirable living conditions.
- **Housing Development:** The area is undergoing rapid residential development, with new housing projects aimed at young families and professionals. This trend is expected to further increase the school-age population in the coming years.
- **Economic Indicators:** South Jordan's economy is strong, characterized by a growing job market in technology, healthcare, and finance, attracting families seeking quality education for their children.

## **C. Nearby Competing Public Schools**

Several public schools in the vicinity offer educational alternatives to Paradigm School, including:

1. American Academy of Innovation (3.7 miles)
2. Bingham High School (1.7 miles)
3. Early Light Academy - Middle School (2.02 miles)
4. Elk Ridge Middle School (2.1 miles)
5. Mountain West Montessori - Middle School (.71 miles)
6. Oquirrh Hills Middle School (1.99 miles)
7. Providence Hall (4.1 miles)
8. Riverton High School (1.44 miles)
9. South Jordan Middle School (1.93 miles)

## **D. Proposed School Forecasts**

### **Enrollment Projections**

- **Year 1 (2027-2028):** Expected enrollment of 500 additional students (total 1130), based on current market analysis, community interest, increased marketing efforts, and Distant Learning provider relationships.
- **Year 2 (2028-2029):** Projected growth to 500 additional students (total 1630), driven by continued residential development, increased awareness/marketing of the school's unique offerings, and Distant Learning provider relationships.
- **Year 3 (2029-2030):** Enrollment forecast of 500 additional students (total 2130), driven by continued residential development, increased awareness/marketing of the school's unique offerings, and Distant Learning provider relationships.
- **Year 4 (2030-2031):** Enrollment forecast of 500 additional students (total 2630), driven by continued residential development, increased awareness/marketing of the school's unique offerings, and Distant Learning provider relationships.

## Supporting Data

- Demographic Trends: An increase in school-aged children in the area supports the enrollment forecasts, with projections suggesting a 5% annual increase in the relevant age population.
- ACT Scores: The school currently trends with ACT scores above the state average. Expansion would assist more students with post-secondary preparation.
- Demand: The school has had consistently high satisfaction scores from its parents on the school's annual parent surveys indicating strong and favorable demand for more students to enroll at an earlier grade level. An overwhelming number of Paradigm families have requested Distance Learning partnerships every year.

**Chart: Selected survey items and parent responses over the last 5 years**  
**Consistent responses indicate an average above 90% on satisfaction of the school.**

	Experience at Paradigm is helping to instill a love of learning	My scholar is generally happy at school	The culture at Paradigm is a place of optimal learning for my scholar	In general, how satisfied with Paradigm are you?
Year	Agree or Strongly agree	Agree or Strongly agree	Agree or Strongly agree	Satisfied or Very Satisfied
2019/2020	95%	93%	95%	90%
2020/2021	96%	94%	93%	92%
2021/2022	93%	90%	85%	91%
2022/2023	97%	94%	91%	96%
2023/2024	89%	94%	89%	90%
2024/2025	84%	90%	85%	90%

## E. Risks, Barriers, and Regulations

### Regulatory & Policy Risks

- Must strictly comply with Utah Charter School statutes, USBE rules, R277-552, assessment rules, special education, accreditation standards, etc. Noncompliance could jeopardize funding or authorization.
- Changes in state or federal policy regarding charter schools or distance learning may affect viability.

### Operational / Capacity Risks

- Recruiting and retaining qualified secondary teachers, especially for online/hybrid modes.
- Ensuring technology infrastructure, LMS, proctoring, and support services scale reliably.

- Facility constraints for on-campus instruction / labs / classrooms.
- Providing equitable access (devices, internet) for all students, including disadvantaged ones.

### **Market / Demand Risks**

- Demand may plateau or slow down; not all families will choose hybrid/distance models.
- Some families may prefer traditional “brick-and-mortar” schools due to perceived stability, proximity, or social aspects.
- Competing public schools may enhance their offerings (block scheduling, online courses, flex programs) to retain students.
- Negative perceptions of distance schooling may deter some families; Paradigm will need strong marketing, track record, and performance proof.

### **Geographic / Access Barriers**

- Transportation and access to testing/proctoring or in-person sessions for students living farther away.

### **Equity / Inclusion Risks**

- Ensuring students with disabilities, English learners, or economically disadvantaged families are fully supported in hybrid/remote models.
- Risk of digital divide (some households may have unreliable internet or device access).

### **Competition & Saturation**

- Other schools may improve or expand choice options to retain students.

### **Summary & Strategic Implications**

- The South Jordan area is growing rapidly, with new housing and population expansion, offering a rising base of potential students.
- Competing public middle/high schools have strengths but also performance gaps and limitations (especially in flexibility) that may motivate families to explore alternatives.
- The hybrid / distance / flexible schooling model is well positioned in this environment if executed with quality, compliance, and support.
- Forecasts of enrollment growth should be conservative initially, with increasing uptake over 3–4 years, focusing on hybrid/distance models to manage facility constraints.
- Risks are real—especially regulatory compliance, capacity scaling, and ensuring equity—but with careful planning, investment, and continuous quality monitoring, a charter in this space could capture meaningful share and provide value to families.

### **Conclusion**

Paradigm School is positioned to capitalize on the growing demand for innovative educational options in South Jordan, Utah. By understanding the target demographics, local population trends, competitive landscape, and potential risks, the school can strategically plan its expansion and programming to ensure long-term success. With effective marketing, community engagement, and a commitment to evidence-based instruction, Paradigm School can thrive in this dynamic educational environment.

## ATTACHMENT 6 - QUESTION 6

### 6. Operationally successful

(i) For each of the schools under the charter agreement, the charter school meets the following criteria:

(B) for a school with between 351 and 499 students enrolled in the school, at least 115% debt coverage ratio\* for each of the three years before the request for a satellite;

**For FY 25 our debt coverage was 133%**

(ii) the charter school is financially viable, as evidenced by the charter school's financial records, including the charter school's:

(A) most recent annual financial report (AFR); **Attached : See below or copy link for the full report:**

**X Final AFR (23).xlsx**

<https://docs.google.com/spreadsheets/d/1TVxBUogaa-VsQ6OvRJ6bfPfl6jQv3y3n/edit?usp=sharing&ouid=103376954474813212495&rtpof=true&sd=true>

(B) annual program report (APR); and **Attached : See below or copy link for the full report:**

**X FAPR (29).xlsx**

<https://docs.google.com/spreadsheets/d/1VuRwjqGUhQoS8sb8i8DptEdXP3CMt1rW/edit?usp=sharing&ouid=103376954474813212495&rtpof=true&sd=true>

(C) audited financial statements; **Attached : See below**

(iii) the charter school has maintained a net lease-adjusted debt burden ratio of under 25% for each of the last three years; and **Yes**

(iv) the charter school's financial statements report revenues exceeding expenditures for at least three of the last four years; **Yes**

(v) the charter school is meeting the terms of its charter agreement; **Yes**

(vi) the charter school has maintained for each of the last three years:

(A) a re-enrollment rate of at least 80%;

**FY 26 = 84%**

**FY 25 = 80%**

**FY 24 = 86%**

(B) a waitlist of at least 40% of its annual enrollment; or

(C) there is a demonstrated demand for the proposed satellite or large expansion, taking into consideration the market analysis. **We do not currently maintain a waitlist, but enroll students as they apply. By partnering with Distance learning providers we will be able to utilize their wait lists to fill our new enrollment cap.**

# Annual Financial Report

(9C) Paradigm High School

## 10 General Fund

### Balance Sheet

			Actual 2024	Final Budget 2025	Actual 2025	Original Budget 2026
			\$0	\$0	\$0	\$0
ASSETS	8111	Cash in Banks	\$2,181,761		\$2,071,378	
	8112	Petty Cash	\$100		\$100	
	8120	Investments	\$1,679,582		\$1,640,215	
	8131	Local			\$15,392	
	8133	State	\$121,828		\$12,527	
	8134	Federal	\$49,136			
	8139	Other Receivables	\$1,432		\$1,033	
	8150	Prepaid Expenditures	\$19		\$400	
	<b>TOTAL ASSETS</b>			\$4,033,858		\$3,741,044
LIABILITIES	9510	Accounts Payable	\$7,584		\$986,845	
	9540	Accrued Salaries and Withholdings	\$312,792		\$323,882	
	<b>TOTAL LIABILITIES</b>			\$320,376		\$1,310,727
FUND BALANCES	9860	Non-Spendable - Inventories & Prepaid	\$19		\$400	
	9870	Restricted - Debt Service	\$1,679,582		\$1,640,215	
	9873	Restricted – Student Activities	\$33,792		\$18,730	
	9899	Unassigned Fund Balance	\$2,000,089		\$770,971	
	<b>TOTAL FUND BALANCES</b>			\$3,713,482		\$2,430,317
<b>TOTAL LIABILITIES AND FUND BALANCES</b>			\$4,033,858		\$3,741,044	
<b>TOTAL ASSETS</b>			\$4,033,858	\$0	\$3,741,044	\$0

### Revenue

			Actual 2024	Final Budget 2025	Actual 2025	Original Budget 2026
LOCAL	1510	Interest on Investments	\$161,510	\$146,000	\$146,990	\$130,000
	1710	Admissions	\$20,464	\$19,000	\$19,111	\$20,000
	1720	Bookstore Sales	\$32,572	\$32,000	\$32,242	\$32,000
	1741	General Student Fees	\$43,033	\$39,000	\$39,271	\$10,000
	1742	General Student Fee Waivers	(\$2,913)	(\$2,500)	(\$2,500)	(\$700)
	1743	Curricular Activity Fees	\$28,803	\$33,500	\$32,792	\$33,000
	1744	Curricular Activity Fee Waivers	(\$2,233)	(\$2,110)	(\$2,110)	(\$2,240)
	1745	Co-Curricular Activity Fees	\$65,670	\$52,771	\$52,811	
	1746	Co-Curricular Activity Fee Waivers		(\$2,985)	(\$2,985)	
	1747	Extra-Curricular Activity Fees	\$29,485	\$30,707	\$31,845	\$61,000
	1748	Extra-Curricular Activity Fee Waivers	(\$1,230)	(\$1,325)	(\$1,325)	(\$4,233)
	1760	Fines	\$4,111	\$2,900	\$2,915	\$1,300
	1780	Non-Waivable Charges	\$5,323	\$5,600	\$5,646	\$5,600
	1910	Rentals	\$610	\$1,075	\$1,220	
	1920	Contributions and Donations From	\$33,890	\$45,411	\$46,022	
	1990	Miscellaneous	\$20,465	\$28,283	\$22,231	\$23,000
	<b>TOTAL LOCAL</b>			\$439,560	\$427,327	\$424,174
STATE	3010	Regular School Programs K-12	\$1,833,485	\$1,888,571	\$1,879,147	\$1,898,405
	3013	Foreign Exchange Students	\$4,280	\$8,988	\$8,988	\$37,392
	3020	Professional Staff	\$130,037	\$126,312	\$126,312	
	3100	Restricted Basic School Program	\$523,913	\$667,730	\$669,258	\$622,316
	3200	Related to Basic Programs	\$1,288,593	\$1,312,054	\$1,312,126	\$1,652,656
	3300	Focus Populations	\$591			

<b>S</b>	<b>3400</b>	<b>Educator Supports</b>	\$282,947	\$315,582	\$318,651	\$373,729
	<b>3500</b>	<b>Statewide Initiatives</b>	\$201,561	\$215,570	\$215,571	\$233,222
	<b>3800</b>	<b>Non-MSP State Revenue (via USBE)</b>	\$153,060	\$31,942	\$144,189	\$206,000
	<b>3990</b>	<b>State Revenue From Non-USBE State</b>	\$0	\$111,047	\$5,704	\$225,365
	<b>TOTAL STATE</b>		\$4,418,467	\$4,677,795	\$4,679,946	\$5,249,085
<b>FEDERAL</b>	<b>4200</b>	<b>Unrestricted Fed Revenue Passed</b>	\$23,965			
	<b>4524</b>	<b>IDEA - B -- Disabled (PL 101-476)</b>	\$49,136	\$55,670	\$55,670	\$55,670
	<b>4800</b>	<b>Elementary and Secondary Education Act</b>	\$5,777	\$3,458	\$3,458	\$3,458
	<b>TOTAL FEDERAL</b>		\$78,878	\$59,128	\$59,128	\$59,128
<b>TOTAL REVENUES, 10 GENERAL FUND</b>			\$4,936,904	\$5,164,250	\$5,163,249	\$5,616,940

## Expenditure

			Actual 2024	Final Budget 2025	Actual 2025	Original Budget 2026
<b>INSTRUCTION</b>	Salaries (Header Only)(100)					
	131	Salaries - Teachers	\$1,622,452	\$1,822,682	\$1,960,633	\$1,916,265
	132	Salaries - Substitute Teachers	\$17,304	\$1,000	\$1,576	\$1,000
	161	Salaries - Tchr Aides & Para-Prof	\$329,765	\$352,169	\$317,758	\$287,809
	<b>TOTAL SALARIES (HEADER ONLY)</b>		\$1,969,521	\$2,175,851	\$2,279,967	\$2,205,074
	220	Social Security	\$145,266	\$165,415	\$168,761	\$230,725
	230	Local Retirement	\$39,326	\$45,577	\$46,330	\$66,593
	240	Group Insurance	\$154,187	\$133,685	\$131,924	\$199,720
	290	Other Employee Benefits	\$21,484	\$28,137	\$25,953	\$39,721
	<b>TOTAL BENEFITS</b>		\$360,263	\$372,814	\$372,968	\$536,759
	320	Professional - Educational Services	\$17,350	\$52,700	\$53,803	\$49,000
	<b>TOTAL PURCH/PROF SERV</b>		\$17,350	\$52,700	\$53,803	\$49,000
	550	Printing and Binding	\$83	\$1,070	\$1,625	\$1,000
	<b>TOTAL OTHER PURCHASED SERVICES</b>		\$83	\$1,070	\$1,625	\$1,000
	610	General Supplies	\$59,452	\$50,960	\$54,317	\$57,272
	641	Textbooks	\$7,783	\$4,665	\$4,083	\$4,300
	642 e	Textbooks	\$3,260	\$80	\$80	\$40
	650	Technology Supplies	\$2,846	\$54		
	670	Software	\$4,286	\$9,873	\$10,131	\$9,000
	<b>TOTAL SUPPLIES &amp; MATERIALS</b>		\$77,628	\$65,632	\$68,611	\$70,612
	739	Other Equipment	\$70,712	\$50,570	\$50,570	\$22,000
	<b>TOTAL PROPERTY</b>		\$70,712	\$50,570	\$50,570	\$22,000
810	Dues and Fees	\$3,164	\$1,000	\$1,121	\$1,000	
<b>TOTAL DEBT &amp; MISCELLANEOUS</b>		\$3,164	\$1,000	\$1,121	\$1,000	
<b>TOTAL INSTRUCTION</b>		\$2,498,721	\$2,719,637	\$2,828,665	\$2,885,445	
<b>SUPPORT SERVICES - STUDENTS</b>	Salaries (Header Only)(100)					
	142	Salaries - Guidance Personnel	\$59,993	\$71,405	\$62,501	\$74,618
	<b>TOTAL SALARIES (HEADER ONLY)</b>		\$59,993	\$71,405	\$62,501	\$74,618
	220	Social Security	\$3,984	\$2,510	\$4,303	\$2,310
	230	Local Retirement	\$2,361	\$2,463	\$2,463	\$1,332
	240	Group Insurance	\$8,008	\$7,915	\$7,915	\$4,280
	290	Other Employee Benefits	\$555	\$335	\$626	\$303
	<b>TOTAL BENEFITS</b>		\$14,909	\$13,223	\$15,307	\$8,225
	320	Professional - Educational Services	\$2,400	\$6,500	\$6,500	\$6,500
	330	Prof Emp Training and Dev		\$585	\$585	
	340	Other Contracted Professional Services	\$29,487	\$22,750	\$21,553	\$22,750
	350	Technical Services	\$4,994	\$10,280	\$10,280	\$10,000
	<b>TOTAL PURCH/PROF SERV</b>		\$36,881	\$40,115	\$38,918	\$39,250
	580	Travel/Per Diem	\$1,437	\$1,377	\$1,377	\$1,000
	<b>TOTAL OTHER PURCHASED SERVICES</b>		\$1,437	\$1,377	\$1,377	\$1,000
	610	General Supplies	\$74,222	\$79,378	\$82,475	\$79,000

	TOTAL SUPPLIES & MATERIALS		\$74,222	\$79,378	\$82,475	\$79,000
	810 Dues and Fees		\$9,483	\$6,249	\$12,339	\$6,250
	TOTAL DEBT & MISCELLANEOUS		\$9,483	\$6,249	\$12,339	\$6,250
	<b>TOTAL SUPPORT SERVICES - STUDENTS</b>		\$196,924	\$211,747	\$212,916	\$208,343
<b>SUPPORT SERVICES - STAFF ASSISTANCE</b>	Salaries (Header Only)(100)					
	145 Salaries - Media Personnel - Licensed		\$55,574	\$81,230	\$71,369	\$84,700
	<b>TOTAL SALARIES (HEADER ONLY)</b>		\$55,574	\$81,230	\$71,369	\$84,700
	220 Social Security		\$4,234	\$4,925	\$4,925	
	230 Local Retirement		\$2,070	\$2,070	\$2,071	
	240 Group Insurance		\$6,832	\$6,830	\$6,833	
	290 Other Employee Benefits		\$569	\$656	\$653	
	<b>TOTAL BENEFITS</b>		\$13,705	\$14,481	\$14,482	
	320 Professional - Educational Services		\$983	\$630	\$630	
	330 Prof Emp Training and Dev		\$5,057			
	350 Technical Services		\$300			
	<b>TOTAL PURCH/PROF SERV</b>		\$6,340	\$630	\$630	
	580 Travel/Per Diem		\$53	\$1,018	\$1,072	\$1,000
	<b>TOTAL OTHER PURCHASED SERVICES</b>		\$53	\$1,018	\$1,072	\$1,000
	610 General Supplies		\$1,419	\$5,309	\$1,494	\$4,500
	644 Library Books		\$5,750	\$4,200	\$2,338	\$4,000
	<b>TOTAL SUPPLIES &amp; MATERIALS</b>		\$7,168	\$9,509	\$3,832	\$8,500
	810 Dues and Fees		\$280	\$270	\$270	
	<b>TOTAL DEBT &amp; MISCELLANEOUS</b>		\$280	\$270	\$270	
	<b>TOTAL SUPPORT SERVICES - STAFF</b>		\$83,120	\$107,138	\$91,656	\$94,200
<b>SUPPORT SERVICES - GENERAL DIST ADMIN</b>	Purch/Prof Serv(300)					
	340 Other Contracted Professional Services		\$40,305	\$1,349,689	\$1,354,544	\$19,000
	<b>TOTAL PURCH/PROF SERV</b>		\$40,305	\$1,349,689	\$1,354,544	\$19,000
	520 Insurance (Other than employee benefits)		\$6,900	\$6,150	\$6,093	\$6,150
	540 Advertising		\$40,200	\$33,064	\$33,064	\$20,000
	<b>TOTAL OTHER PURCHASED SERVICES</b>		\$47,100	\$39,214	\$39,157	\$26,150
	610 General Supplies		\$2,050	\$2,700	\$2,652	\$2,700
	<b>TOTAL SUPPLIES &amp; MATERIALS</b>		\$2,050	\$2,700	\$2,652	\$2,700
	810 Dues and Fees		\$4,291	\$4,050	\$4,042	\$6,500
	<b>TOTAL DEBT &amp; MISCELLANEOUS</b>		\$4,291	\$4,050	\$4,042	\$6,500
<b>TOTAL SUPPORT SERVICES - GENERAL DIST</b>		\$93,747	\$1,395,653	\$1,400,396	\$54,350	
<b>SUPPORT SERVICES - SCHOOL ADMIN</b>	Salaries (Header Only)(100)					
	121 Salaries - Principals and Assistants		\$244,366	\$349,836	\$277,851	\$471,805
	152 Salaries - Secretarial and Clerical Personnel		\$240,597	\$178,363	\$201,181	\$237,000
	<b>TOTAL SALARIES (HEADER ONLY)</b>		\$484,964	\$528,199	\$479,032	\$708,805
	220 Social Security		\$32,678	\$34,100	\$33,888	
	230 Local Retirement		\$10,608	\$7,835	\$7,688	
	240 Group Insurance		\$53,688	\$43,790	\$43,788	
	290 Other Employee Benefits		\$4,673	\$4,702	\$4,681	
	<b>TOTAL BENEFITS</b>		\$101,647	\$90,427	\$90,045	
	580 Travel/Per Diem		\$897	\$955	\$955	
	<b>TOTAL OTHER PURCHASED SERVICES</b>		\$897	\$955	\$955	
	610 General Supplies		\$17,305	\$17,869	\$17,381	\$15,500
<b>TOTAL SUPPLIES &amp; MATERIALS</b>		\$17,305	\$17,869	\$17,381	\$15,500	
<b>TOTAL SUPPORT SERVICES - SCHOOL</b>		\$604,814	\$637,450	\$587,413	\$724,305	
<b>SUPPORT SERVICES - DIST ADMIN</b>	Salaries (Header Only)(100)					
	114 Salaries - Business Administrator		\$65,518	\$87,000	\$79,678	
	198 Salaries - Other Classified Personnel			\$41,599		\$68,473
	<b>TOTAL SALARIES (HEADER ONLY)</b>		\$65,518	\$128,599	\$79,678	\$68,473

		220 Social Security	\$5,009	\$6,100	\$6,095		
SUPPORT SERVICES - CENTRAL SERVICES		230 Local Retirement	\$2,564	\$3,125	\$3,124		
		290 Other Employee Benefits	\$578	\$723	\$720		
		<b>TOTAL BENEFITS</b>	\$8,152	\$9,948	\$9,940		
		310 Official/Admin Services	\$86,275	\$134,316	\$133,781	\$175,750	
		330 Prof Emp Training and Dev	\$95				
		350 Technical Services	\$39,975	\$45,566	\$45,673	\$45,700	
		<b>TOTAL PURCH/PROF SERV</b>	\$126,345	\$179,882	\$179,454	\$221,450	
		430 Repairs & Maint Services		\$680			
		<b>TOTAL PURCH PROPERTY SERVICES</b>		\$680			
		530 Communication (Telephone & Other)	\$8,989	\$7,438	\$7,925	\$7,500	
		<b>TOTAL OTHER PURCHASED SERVICES</b>	\$8,989	\$7,438	\$7,925	\$7,500	
		650 Technology Supplies	\$3,022	\$6,078	\$6,078	\$6,000	
		670 Software	\$7,136	\$6,203	\$6,203	\$6,200	
		<b>TOTAL SUPPLIES &amp; MATERIALS</b>	\$10,158	\$12,281	\$12,281	\$12,200	
		<b>TOTAL SUPPORT SERVICES - CENTRAL</b>	\$219,161	\$338,828	\$289,277	\$309,623	
	OPERATION & MAINTENANCE OF PLANT		Salaries (Header Only)(100)				
			182 Salaries - Custodial & Maintenance	\$129,608	\$142,667	\$138,153	\$149,800
			<b>TOTAL SALARIES (HEADER ONLY)</b>	\$129,608	\$142,667	\$138,153	\$149,800
			220 Social Security	\$9,259	\$9,950	\$9,950	
		230 Local Retirement	\$3,724	\$3,930	\$3,930		
		240 Group Insurance	\$11,783	\$11,780	\$11,772		
		290 Other Employee Benefits	\$3,489	\$3,747	\$3,946		
		<b>TOTAL BENEFITS</b>	\$28,255	\$29,407	\$29,597		
		410 Utility Services	\$18,339	\$19,700	\$21,340	\$19,700	
		431 Non-Tech Repairs & Main.	\$31,361	\$37,471	\$37,447	\$50,000	
		440 Rentals	\$43,614	\$36,313	\$36,012	\$36,400	
		<b>TOTAL PURCH PROPERTY SERVICES</b>	\$93,313	\$93,484	\$94,799	\$106,100	
		520 Insurance (Other than employee benefits)	\$27,544	\$25,550	\$25,548	\$25,500	
		<b>TOTAL OTHER PURCHASED SERVICES</b>	\$27,544	\$25,550	\$25,548	\$25,500	
		610 General Supplies	\$25,186	\$25,000	\$25,059	\$25,000	
		621 Natural Gas	\$11,895	\$9,000	\$7,784	\$9,000	
		622 Electricity	\$28,245	\$32,000	\$34,417	\$32,000	
		<b>TOTAL SUPPLIES &amp; MATERIALS</b>	\$65,326	\$66,000	\$67,260	\$66,000	
		739 Other Equipment	\$138,168	\$57,249	\$6,999	\$5,000	
		<b>TOTAL PROPERTY</b>	\$138,168	\$57,249	\$6,999	\$5,000	
	<b>TOTAL OPERATION &amp; MAINTENANCE OF</b>	\$482,215	\$414,357	\$362,357	\$352,400		
STUDENT TRANSPORTATION		Purch Property Services(400)					
		431 Non-Tech Repairs & Main.	\$7,076				
		<b>TOTAL PURCH PROPERTY SERVICES</b>	\$7,076				
		513 Student Trans Services - Commercial		\$2,025	\$1,972	\$1,045	
		517 Student Travel Overnight	\$67,693	\$41,100	\$39,521	\$40,000	
		518 Student Day Travel/Field Trips	\$1,267	\$3,200	\$3,194	\$685	
		<b>TOTAL OTHER PURCHASED SERVICES</b>	\$68,960	\$46,325	\$44,686	\$41,730	
		680 Maintenance Supplies & Materials	\$338	\$1,101	\$1,101	\$1,100	
		<b>TOTAL SUPPLIES &amp; MATERIALS</b>	\$338	\$1,101	\$1,101	\$1,100	
		732 School Buses	\$20,000	\$28,921	\$28,921	\$198,000	
	<b>TOTAL PROPERTY</b>	\$20,000	\$28,921	\$28,921	\$198,000		
	<b>TOTAL STUDENT TRANSPORTATION</b>	\$96,374	\$76,347	\$74,709	\$240,830		
COMMUNITY SERVICES		Debt & Miscellaneous(800)					
		890 Misc Expenditures	\$13,380	\$15,283	\$15,283	\$10,000	
		<b>TOTAL DEBT &amp; MISCELLANEOUS</b>	\$13,380	\$15,283	\$15,283	\$10,000	
	<b>TOTAL COMMUNITY SERVICES</b>	\$13,380	\$15,283	\$15,283	\$10,000		
PROPERTY		Property(700)					

<b>BUILDING ACQUISITION AND CONSTRUCTION</b>	720 Buildings				\$50,250	
	<b>TOTAL PROPERTY</b>				\$50,250	
	<b>TOTAL BUILDING ACQUISITION AND CONSTRUCTION</b>				\$50,250	
<b>DEBT SERVICE</b>	Debt & Miscellaneous(800)					
	830 Interest	\$411,153	\$404,491	\$404,491	\$397,444	
	840 Redemption of Principal	\$125,000	\$135,000	\$135,000	\$140,000	
	<b>TOTAL DEBT &amp; MISCELLANEOUS</b>	\$536,153	\$539,491	\$539,491	\$537,444	
<b>TOTAL DEBT SERVICE</b>		\$536,153	\$539,491	\$539,491	\$537,444	
<b>TOTAL EXPENDITURES, 10 GENERAL FUND</b>		\$4,824,609	\$6,455,931	\$6,452,413	\$5,416,940	

## Other Financing

		Actual 2024	Final Budget 2025	Actual 2025	Original Budget 2026
<b>5000 OTHER FINANCING SOURCES (USES)</b>	<b>5000 Other Sources &amp; Changes</b>	\$0	\$0	\$0	\$0
	<b>5100 Sale of Bonds</b>	\$0	\$0	\$0	\$0
	<b>5110 Face Amount of Bonds Sold</b>	\$0	\$0	\$0	\$0
	<b>5120 Premium or Discount on the Issuance of</b>	\$0	\$0	\$0	\$0
	<b>5130 Issuance of Refunding Bonds</b>	\$0	\$0	\$0	\$0
	<b>5140 Payment to Refunded Bonds Escrow</b>	\$0	\$0	\$0	\$0
	<b>5200 Transfers in From Other Funds</b>	\$482,021	\$0	\$587,737	\$0
	<b>5201 Transfers In From Other Programs -</b>	\$0	\$0	\$0	\$0
	<b>5210 Transfers out to Other Funds</b>	(\$493,131)	\$0	(\$587,737)	\$0
	<b>5211 Transfers Out To Other Programs -</b>	\$11,110	\$0	\$0	\$0
	<b>5300 Sale of, or Compensation for Loss of, Fixed</b>	\$0	\$0	\$6,000	\$0
	<b>5400 Loan Proceeds</b>	\$0	\$0	\$0	\$0
	<b>5500 Lease Proceeds</b>	\$0	\$0	\$0	\$0
	<b>5600 Insurance Recoveries</b>	\$0	\$0	\$0	\$0
	<b>5900 Other Financing Sources &amp; Uses</b>	\$0	\$0	\$0	\$0
	<b>TOTAL OTHER FINANCING SOURCES (USES)</b>		\$0	\$0	\$6,000
<b>6000 OTHER ITEMS</b>	<b>6050 Budget from Surplus</b>	\$0	\$0	\$0	\$0
	<b>6100 Capital Contributions</b>	\$0	\$0	\$0	\$0
	<b>6200 Amortization of Premium on Issuance of</b>	\$0	\$0	\$0	\$0
	<b>6300 Special Items</b>	\$0	\$0	\$0	\$0
	<b>6400 Unusual or Infrequent Items</b>	\$0	\$0	\$0	\$0
	<b>6500 Restatement</b>	\$0	\$0	\$0	\$0
	<b>TOTAL OTHER ITEMS</b>		\$0	\$0	\$0
<b>TOTAL OTHER FINANCING SOURCES (USES) AND</b>		\$0	\$0	\$6,000	\$0

## Summary

		Actual 2024	Final Budget 2025	Actual 2025	Original Budget 2026
<b>REVENUE S BY SOURCE</b>	<b>1000 Total LOCAL</b>	\$439,560	\$427,327	\$424,174	\$308,727
	<b>3000 Total STATE</b>	\$4,418,467	\$4,677,795	\$4,679,946	\$5,249,085
	<b>4000 Total FEDERAL</b>	\$78,878	\$59,128	\$59,128	\$59,128
	<b>TOTAL REVENUES</b>		\$4,936,904	\$5,164,250	\$5,163,249
<b>EXPENDITURES BY OBJECT</b>	<b>100 Salaries</b>	\$2,765,178	\$3,127,951	\$3,110,699	\$3,291,470
	<b>200 Employee Benefits</b>	\$526,931	\$530,300	\$532,339	\$544,984
	<b>300 Purchased Professional and Technical</b>	\$227,221	\$1,623,016	\$1,627,349	\$328,700
	<b>400 Purchased property Services</b>	\$100,389	\$94,164	\$94,799	\$106,100
	<b>500 Other Purchased Services</b>	\$155,062	\$122,947	\$122,347	\$103,880
	<b>600 Supplies</b>	\$254,196	\$254,470	\$255,594	\$255,612
	<b>700 Property</b>	\$228,880	\$136,740	\$136,741	\$225,000
	<b>800 Other Objects</b>	\$566,751	\$566,343	\$572,546	\$561,194
	<b>TOTAL EXPENDITURES</b>		\$4,824,609	\$6,455,931	\$6,452,413
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER)</b>		\$112,296	(\$1,291,680)	(\$1,289,165)	\$200,000
<b>OTHER FINANCING SOURCES (USES) AND OTHER</b>		\$0	\$0	\$6,000	\$0

<b>NET CHANGE IN FUND BALANCE</b>	\$112,296	(\$1,291,680)	(\$1,283,165)	\$200,000
<b>FUND BALANCE - BEGINNING (FROM PRIOR YEAR)</b>	\$3,601,186	\$3,713,482	\$3,713,482	
<b>FUND BALANCE - ENDING</b>	\$3,713,482	\$2,421,801	\$2,430,317	\$200,000

## SUMMARY - ALL FUNDS

		<b>Actual 2024</b>	<b>Final Budget 2025</b>	<b>Actual 2025</b>	<b>Original Budget 2026</b>
<b>REVENUE S BY SOURCE</b>	<b>1000 Total LOCAL</b>	\$439,560	\$427,327	\$424,174	\$308,727
	<b>3000 Total STATE</b>	\$4,418,467	\$4,677,795	\$4,679,946	\$5,249,085
	<b>4000 Total FEDERAL</b>	\$78,878	\$59,128	\$59,128	\$59,128
	<b>TOTAL REVENUES</b>	\$4,936,904	\$5,164,250	\$5,163,249	\$5,616,940
<b>EXPENDITURES BY OBJECT</b>	<b>100 Salaries</b>	\$2,765,178	\$3,127,951	\$3,110,699	\$3,291,470
	<b>200 Employee Benefits</b>	\$526,931	\$530,300	\$532,339	\$544,984
	<b>300 Purchased Professional and Technical</b>	\$227,221	\$1,623,016	\$1,627,349	\$328,700
	<b>400 Purchased property Services</b>	\$100,389	\$94,164	\$94,799	\$106,100
	<b>500 Other Purchased Services</b>	\$155,062	\$122,947	\$122,347	\$103,880
	<b>600 Supplies</b>	\$254,196	\$254,470	\$255,594	\$255,612
	<b>700 Property</b>	\$228,880	\$136,740	\$136,741	\$225,000
	<b>800 Other Objects</b>	\$566,751	\$566,343	\$572,546	\$561,194
	<b>TOTAL EXPENDITURES</b>	\$4,824,609	\$6,455,931	\$6,452,413	\$5,416,940
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER)</b>		\$112,296	(\$1,291,680)	(\$1,289,165)	\$200,000
<b>OTHER FINANCING SOURCES (USES) AND OTHER</b>		\$0	\$0	\$6,000	\$0
<b>NET CHANGE IN FUND BALANCE</b>		\$112,296	(\$1,291,680)	(\$1,283,165)	\$200,000
<b>FUND BALANCE - BEGINNING (FROM PRIOR YEAR)</b>		\$3,601,186	\$3,713,482	\$3,713,482	\$0
<b>FUND BALANCE - ENDING</b>		\$3,713,482	\$2,421,801	\$2,430,317	\$200,000



# ANNUAL PROGRAM REPORT

## Utah School Districts and Charter Schools For Fiscal Year Ending June 30, 2025

District:	<b>Paradigm High School 9C</b>		
Prepared By:	Noreency	Date:	10/02/2025
Email Address:	ngibbons@paradigmhigh.org		
I certify that the data contained in this report are true and correct to the best of my knowledge.			
Business	ParadigmDirector	Date:	10/06/2025
Email Address:	fseminario@paradigmhigh.org		

Program Report Summary School Year 2024-2025 Paradigm High School		TOTALS	GENERAL EDUCATION	SPECIAL EDUCATION	CAREER TECHNOLOGY	SPECIAL POPULATIONS	RESTRICTED STATE OR FEDERAL	ONE-TIME AND OTHER BILLS	NON-INSTRUCTIONAL	CAPITAL AND DEBT SERVICE	ESEA
		SCHEDULES A-L									
<b>REVENUES</b>											
Beginning Program Balance		\$3,713,483	\$3,679,691	\$1,695	\$0	\$0	\$32,097	\$0	\$0	\$0	\$0
1000 - Local Sources											
Property Tax & Fees in Lieu											
Student Fees		\$147,797	\$147,797								
Other		\$276,377	\$275,447	\$930							
<b>Total Local Revenue</b>		\$424,174	\$423,244	\$930							
3000 - State Sources											
Unrestricted Unrestricted		\$2,014,447	\$2,014,447								
Restricted Local Disc Block Grant		\$2,515,607	\$131,756	\$457,523	\$95,024	\$69,331	\$1,693,712	\$68,260			
Other		\$149,893	\$15,160				\$7,773	\$126,960			
<b>Total State Revenue</b>		\$4,679,946	\$2,161,363	\$457,523	\$95,024	\$69,331	\$1,701,485	\$195,220			
4000 - Federal Revenue											
Unrestricted											
Restricted		\$59,128		\$55,670							\$3,458
<b>Total Federal Revenue</b>		\$59,128		\$55,670							\$3,458
<b>TOTAL REVENUES and BEGINNING BALANCE</b>		\$8,876,731	\$6,264,298	\$515,819	\$95,024	\$69,331	\$1,733,582	\$195,220	\$0		\$3,458
<b>EXPENDITURES</b>											
110 Gen. Dist. Administrative		\$79,678	\$79,678								
120 School Administrative		\$277,851	\$277,851								
130 Certificated Instructional		\$1,962,208	\$933,736	\$146,011	\$99,474	\$60,349	\$452,554	\$270,084			
140 Other Certificated		\$133,870	\$99,645				\$34,225				
150 Office		\$201,181	\$198,181				\$3,000				
160 Paraprofessional		\$317,758	\$107,848	\$207,052							\$2,858
170 Student Transportation											
180 Operation & Maintenance		\$138,153					\$138,153				
190 Other Classified											
<b>Total Salaries</b>		\$3,110,699	\$1,696,938	\$353,064	\$99,474	\$60,349	\$627,932	\$270,084			\$2,858
210 State Retirement											
220 Social Security		\$227,921	\$118,492	\$25,739	\$8,448	\$4,621	\$47,761	\$22,602			\$258
230-290 Other Employee Benefits		\$304,418	\$188,035	\$33,917	\$5,766	\$4,361	\$41,875	\$30,122			\$342
<b>Total Employee Benefits</b>		\$532,339	\$306,527	\$59,655	\$14,214	\$8,982	\$89,636	\$52,724			\$600
300 Professional & Technical		\$1,627,349	\$1,601,870	\$25,479							
400 Property Services		\$94,799					\$84,444	\$10,356			
500 Other (Except Travel)		\$118,943	\$89,570				\$29,373				
580 Travel		\$3,404	\$3,404								
<b>Total Purchased Services</b>		\$1,844,495	\$1,694,844	\$25,479			\$113,816	\$10,356			
610 Supplies		\$183,379	\$151,125	\$1,494			\$25,488	\$5,272			
620 Energy		\$42,201					\$42,201				
630 Food											
640 Books											
641 Textbooks		\$4,163	\$3,868	\$295							
644 Library Books		\$2,338	\$2,338								
650-660 Periodicals, AV Materials		\$6,078	\$5,078	\$1,000							
670 Computer Supplies		\$16,333	\$16,333								
680 Maintenance Supplies		\$1,101	\$1,101								
<b>Total Supplies and Materials</b>		\$255,594	\$179,843	\$2,789			\$67,689	\$5,272			
710 Land & Improvements											
720 Buildings		\$50,250					\$50,250				
730 Equipment		\$86,491	\$23,595		\$26,975		\$33,821	\$2,099			
740 Infrastructure											
750 Media Materials											
790 Depreciation											
<b>Total Property</b>		\$136,741	\$23,595		\$26,975		\$84,071	\$2,099			
810-820 Dues, Fees, Judgments		\$17,772	\$17,772								
830 Interest		\$404,491					\$404,491				

840 Redemption of Principal	\$135,000					\$135,000					
850 Contingency											
860 Indirect Costs - No Restricted											
870 Indirect Costs - Restricted											
890 Miscellaneous Objects	\$15,283	\$15,283									
<b>Total Other Objects</b>	\$572,546	\$33,055				\$539,491					
<b>ERROR - OBJECT CODE(S) UNACCOUNTED FOR880</b>											
<b>Total</b>	\$0										
<b>SUBTOTAL EXPENDITURES</b>	\$6,452,413	\$3,934,803	\$440,988	\$140,663	\$69,331	\$1,522,636	\$340,535	\$0	\$0	\$3,458	
<b>900 Other Financing Uses (Sources)</b>	(\$6,000)	(\$82,092)	\$74,831	(\$45,639)	\$0	\$192,215	(\$145,315)	\$0	\$0	\$0	\$0
<b>TOTAL EXPENDITURES and OTHER USES (SOURCES)</b>	\$6,446,413	\$3,852,710	\$515,819	\$95,024	\$69,331	\$1,714,851	\$195,220	\$0	\$0	\$3,458	
<b>SUBTOTAL (Revenues Minus Expenditures)</b>	\$2,430,318	\$2,411,588	(\$0)	\$0	\$0	\$18,731	\$0	\$0	\$0	\$0	\$0

Program Report School Year 2024-2025 General Education (A) Paradigm High School		TOTALS	REGULAR BASIC PROGRAM	CLASS SIZE REDUCTION	TRANSPORTATION	NESS
REVENUES		SCHEDULE A	VAR	5201	800, 5315, 5317, 5318, 5371	5220
	Beginning Program Balance	\$3,679,691	\$3,679,691		\$0	\$0
<b>1000 - Local Sources</b>						
Property Tax & Fees in Lieu						
Student Fees	\$147,797	\$147,797				
Other	\$275,447	\$275,447				
<b>Total Local Revenue</b>	\$423,244	\$423,244				
<b>3000 - State Sources</b>						
Unrestricted Unrestricted	\$2,014,447	\$2,014,447				
Restricted Local Disc Block Grant	\$131,756	\$84,377	\$47,379			
Other	\$15,160	\$15,160				
<b>Total State Revenue</b>	\$2,161,363	\$2,113,984	\$47,379			
<b>4000 - Federal Revenue</b>						
Unrestricted						
Restricted						
<b>Total Federal Revenue</b>	\$0					
<b>TOTAL REVENUES and BEGINNING BALANCE</b>	\$6,264,298	\$6,216,919	\$47,379	\$0	\$0	\$0
<b>EXPENDITURES</b>						
110 Gen. Dist. Administrative	\$79,678	\$79,678				
120 School Administrative	\$277,851	\$277,851				
130 Certificated Instructional	\$933,736	\$884,580	\$49,157			
140 Other Certificated	\$99,645	\$99,645				
150 Office	\$198,181	\$198,181				
160 Paraprofessional	\$107,848	\$107,848				
170 Student Transportation						
180 Operation & Maintenance						
190 Other Classified						
<b>Total Salaries</b>	\$1,696,938	\$1,647,782	\$49,157			
210 State Retirement						
220 Social Security	\$118,492	\$114,839	\$3,653			
230-290 Other Employee Benefits	\$188,035	\$182,666	\$5,369			
<b>Total Employee Benefits</b>	\$306,527	\$297,505	\$9,022			
300 Professional & Technical	\$1,601,870	\$1,601,870				
400 Property Services						
500 Other (Except Travel)	\$89,570	\$89,570				
580 Travel	\$3,404	\$3,404				
<b>Total Purchased Services</b>	\$1,694,844	\$1,694,844				
610 Supplies	\$151,125	\$151,125				
620 Energy						
630 Food						
640 Books						
641 Textbooks	\$3,868	\$3,868				
644 Library Books	\$2,338	\$2,338				
650-660 Periodicals, AV Materials	\$5,078	\$5,078				
670 Computer Supplies	\$16,333	\$16,333				
680 Maintenance Supplies	\$1,101	\$1,101				
<b>Total Supplies and Materials</b>	\$179,843	\$179,843				
710 Land & Improvements						
720 Buildings						
730 Equipment	\$23,595	\$23,595				
740 Infrastructure						
750 Media Materials						
790 Depreciation						
<b>Total Property</b>	\$23,595	\$23,595				
810-820 Dues, Fees, Judgments	\$17,772	\$17,772				
830 Interest						
840 Redemption of Principal						
850 Contingency						
860 Indirect Costs - No Restricted						

<b>870 Indirect Costs - Restricted</b>					
<b>890 Miscellaneous Objects</b>	\$15,283	\$15,283			
<b>Total Other Objects</b>	\$33,055	\$33,055			
<b>ERROR - OBJECT CODE(S) UNACCOUNTED FOR880</b>					
<b>Total</b>	\$0				
<b>SUBTOTAL EXPENDITURES</b>	\$3,934,803	\$3,876,624	\$58,178	\$0	\$0
<b>900 Other Financing Uses (Sources)</b>	(\$82,092)	(\$71,293)	(\$10,799)	\$0	\$0
<b>TOTAL EXPENDITURES and OTHER USES (SOURCES)</b>	\$3,852,710	\$3,805,331	\$47,379	\$0	\$0
<b>SUBTOTAL (Revenues Minus Expenditures)</b>	\$2,411,588	\$2,411,588	\$0	\$0	\$0

Financial Statements  
June 30, 2025

# Paradigm High School

Independent Auditor’s Report .....	1
Management’s Discussion and Analysis .....	4
Financial Statements	
Statement of Net Position .....	9
Statement of Activities.....	10
Balance Sheet – Governmental Funds .....	11
Reconciliation for Governmental Funds Balance Sheet to the Statement of Net Position .....	12
Statement of Revenue, Expenditures, and Changes in Fund Balance – Governmental Funds .....	13
Reconciliation of Governmental Funds Statement of Revenue, Expenditures, and Changes in Fund Balance to the Statement of Activities .....	14
Notes to Financial Statements .....	15
Required Supplementary Information	
Schedule of Revenue, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund .....	25
Notes to Required Supplementary Information .....	26
Compliance Reports	
Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> .....	27
Independent Auditor's Report on Compliance and Report on Internal Control over Compliance as Required by the <i>State Compliance Audit Guide</i> .....	29



*Independent Auditor's Report*

The Board of Directors  
Paradigm High School  
South Jordan, Utah

**Report on the Audit of the Financial Statements**

***Opinions***

We have audited the financial statements of the governmental activities and the major fund of Paradigm High School (the School) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the School's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the School, as of June 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the School and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the School's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 School's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the School's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and schedule of revenue, expenditures, and changes in fund balance – budget and actual – general fund and notes to the required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the

information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 28, 2025, on our consideration of the School'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 solely 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 the effectiveness of the School's 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 the School's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Ogden, Utah  
October 28, 2025

The discussion and analysis of the Paradigm High School's (the School) financial performance provides an overall review of financial activities for the fiscal year.

### **FINANCIAL HIGHLIGHTS**

Over the course of the year, revenue increased by 5% while expenses increased by 9%. The increase in expenses was primarily due to instructional expenses and central services. Revenues primarily increased due to an increase in state funded programs.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis serve as an introduction to the School's basic financial statements. These financial statements include three primary components:

- Government-wide financial statements
- Fund financial statements
- Notes to the financial statements

The basic financial statements consist of two kinds of statements that present different views of the School's financial activities.

#### **Government-Wide Financial Statements (GWFS)**

The GWFS (i.e., Statement of Net Position and Statement of Activities) provide readers with a broad overview of the School's finances. The government-wide statements report information about the School as a whole using accounting methods similar to those used by private-sector companies.

*The Statement of Net Position* provides information on all of the assets and liabilities of the School, with the difference between the two providing the net position. Increases or decreases in the net position may indicate whether the financial position of the School is improving or deteriorating, respectively.

*The Statement of Activities* reflects changes in net position during the fiscal year. Changes in net position are reported using the accrual basis of accounting, similar to that used by private-sector companies. Accrual basis accounting takes into account all current year related revenue and expenditures, regardless of when cash is received or paid.

The GWFS presents an aggregate view of the School's finances and contains useful long-term information as well as information for the just-completed fiscal year.

To assess the overall financial condition of the School, additional non-financial factors, such as changes in the condition of school buildings and other facilities, should be considered.

In the GWFS, the School's activities are all classified as governmental activities. Governmental activities include all regular and special education, all educational support activities, administration, custodial, maintenance, and transportation. Most of these activities are supported by the State of Utah Minimum School Program. The GWFS can be found on pages 9-10 of this report.

### **Fund Financial Statements**

Funds are accounting devices the School uses to keep track of sources of funding and spending on particular programs and to demonstrate compliance with various regulatory requirements. Fund financial statements focus on individual parts of the School. Fund statements generally report operations in more detail than the government-wide statements. This statement focuses on its most significant or "major" funds and not on the School as a whole.

The School establishes other funds, as necessary, to control and manage money for particular purposes or to show that it is properly using certain revenue.

### **Governmental Funds**

Governmental funds account for nearly the same functions as the governmental activities. However, unlike the GWFS, governmental funds focus on near-term inflows and outflows as well as the balances left at year-end that are available for funding future basic services.

It is useful to compare information found in the governmental funds with that of the governmental activities. By doing so, readers may better understand the long-term impact of the School's near-term financing decisions.

The basic governmental funds financial statements can be found on pages 11-14 of this report.

### **Notes**

The notes to the financial statements starting on page 15 provide further explanation of some of the information in the statements and provide additional disclosures so statement users have a complete picture of the School's financial activities and position.

Required supplementary information further explains and supports the financial statements by including a comparison of the School's budget data for the year.

**Government-Wide Financial Analysis**

Net position may serve as a useful indicator of an organization's financial position. With additional state funding, the School was able to increase its net position from fiscal year 2024.

	2025	2024
<b>Assets</b>		
Current and other assets	\$ 3,741,044	\$ 4,033,858
Capital assets	6,850,652	5,610,553
Total assets	\$ 10,591,696	\$ 9,644,411
<b>Liabilities</b>		
Current and other liabilities	\$ 1,494,534	\$ 507,353
Long-term liabilities	7,825,000	7,960,000
Total liabilities	9,319,534	8,467,353
<b>Net Position</b>		
Net investment in capital assets	(974,348)	(2,349,447)
Restricted	1,658,946	1,713,374
Unrestricted	587,564	1,813,131
Total net position	\$ 1,272,162	\$ 1,177,058

A portion of the School's net position is the investments in capital assets (i.e., buildings and improvements, land, equipment and vehicles, furniture and fixtures, and construction in progress) and the related debt used to acquire those assets still outstanding. These capital assets provide services to students; consequently, these assets are not available for future spending. The negative net investment in capital assets is due to cumulative depreciation of the respective capital assets exceeding the cumulative principal repayments on the related long-term debt. Restricted net position is restricted for debt service and program restrictions. The remaining portion of the School's net position is unrestricted.

**Governmental Activities**

Changes in Net Position – The table below shows the changes in net position for the fiscal years 2025 and 2024. The School relies on state and federal support for 92% of its governmental activities for the year ended June 30, 2025. The School had total revenue of \$5,169,252 and total expenses of \$5,074,148, during the year ended June 30, 2025. The School had an increase in net position of \$95,104 during the year ended June 30, 2025. This was in large part due to an increase in State funding.

Paradigm High School  
Management's Discussion and Analysis  
June 30, 2025

	2025	2024	Change
<b>Revenue</b>			
Program revenue			
State and federal aid	\$ 4,739,075	\$ 4,497,345	\$ 241,730
Operating grants and contributions	68,254	54,327	13,927
Earnings on investments	146,990	161,510	(14,520)
Other local revenue	214,933	223,695	(8,762)
<b>Total revenue</b>	<b>5,169,252</b>	<b>4,936,877</b>	<b>232,375</b>
<b>Expenses</b>			
Instructional	2,778,095	2,428,010	350,085
Support services			
Students	212,916	196,924	15,992
Staff assistance	91,656	83,120	8,536
General	68,075	93,747	(25,672)
School administration	587,413	604,814	(17,401)
Central services	289,277	219,161	70,116
Operation and maintenance of facilities	584,321	538,877	45,444
Transportation	45,788	69,298	(23,510)
Interest and other costs	416,607	421,595	(4,988)
<b>Total expenses</b>	<b>5,074,148</b>	<b>4,655,546</b>	<b>418,602</b>
<b>Change in Net Position</b>	<b>\$ 95,104</b>	<b>\$ 281,331</b>	<b>\$ (186,227)</b>

**Governmental Funds**

The focus of the School's governmental funds is to provide balances of spendable resources and to provide data on near-term inflows and outflows.

General Fund – The general fund is the general operating fund for the School. At the end of the current fiscal year, the general fund balance is \$2,430,316 which is a decrease of \$1,283,166 from the prior year. The School's general fund decrease was primarily due to an increase in capital outlay.

Expenditures for general School purposes totaled \$6,452,418, which is an increase of \$1,627,810 from the prior year. The increase in expenditures was due to increases in instructional, central services, and capital outlay expenditures.

General fund salaries totaled \$3,328,934, while the associated fringe benefits of retirement, social security, unemployment, workers compensation, health, dental, and vision added \$314,106 to arrive at 56% of the School's general fund expenditures.

### **Budgetary Highlights**

The School adopts an original budget in June for the subsequent year.

Actual expenditures in the general fund were \$3,513 less than the amended budget. The School monitors its budget and stays within or under planned expenditures.

### **Capital Assets**

The School has invested \$9,902,199 in a wide range of capital assets, but primarily in land, buildings and improvements and construction in progress. The total accumulated depreciation on these assets amounts to \$3,051,547. There were capital asset additions of \$1,527,982, including transfers from construction in progress to equipment and vehicles totaling \$58,921, for fiscal year 2025. Additional information regarding the School's capital assets can be found in Note 3 to the basic financial statements.

### **Long-Term Debt**

Long-term debt consists of outstanding bonds totaling \$7,825,000, with a rate of 5.13%, that mature in July 2051. See Note 4 to the financial statements for more information about long-term debt.

### **Requests for Information**

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the School's finances and to demonstrate the School's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the School, 11577 South 3600 West, South Jordan, Utah 84095, or by phone at (801) 742-8056.

Paradigm High School  
Statement of Net Position  
June 30, 2025

	Governmental Activities
<b>Assets</b>	
Cash and investments	\$ 2,071,477
Restricted cash and investments	1,640,215
State receivables	13,560
Other receivables	15,392
Prepaid expenses	400
Capital assets (not subject to depreciation)	2,859,304
Capital assets (net of accumulated depreciation)	3,991,348
Total assets	10,591,696
<b>Liabilities</b>	
Accounts payable	986,845
Accrued liabilities	323,883
Accrued interest	183,806
Long-term liabilities	
Due within one year - bonds payable	140,000
Due in more than one year - bonds payable	7,685,000
Total liabilities	9,319,534
<b>Net Position</b>	
Net investment in capital assets	(974,348)
Restricted for	
Suicide prevention	5,066
Substance abuse	2,333
E-Cigarette prevention	4,545
Educator salary adjustment	6,787
Debt service	1,640,215
Unrestricted	587,564
Total net position	\$ 1,272,162

Paradigm High School  
Statement of Activities  
Year Ended June 30, 2025

Functions/Programs	Expenses	Program Revenue		Net
<i>Governmental activities</i>		Charges for	Operating	Revenue (Expense)
		Services	Grants and	and Changes
			Contributions	in Net Position
Instructional	\$ 2,778,095	\$ -	\$ 2,645,966	\$ (132,129)
Support services				
Students	212,916	-	-	(212,916)
Staff assistance	91,656	-	-	(91,656)
General	68,075	-	-	(68,075)
School administration	587,413	-	-	(587,413)
Central services	289,277	-	-	(289,277)
Operation and maintenance of facilities	584,321	-	-	(584,321)
Transportation	45,788	-	-	(45,788)
Interest and other costs	416,607	-	-	(416,607)
<b>Total Governmental     Activities</b>	<b>\$ 5,074,148</b>	<b>\$ -</b>	<b>\$ 2,645,966</b>	<b>(2,428,182)</b>
<b>General Revenue</b>				
Grants and contributions not restricted to specific programs				
				2,161,363
State aid				208,933
Local revenue				146,990
Interest earnings				6,000
Gain on sale of assets				<u>6,000</u>
				<u>2,523,286</u>
				95,104
Change in Net Position				1,177,058
Net Position, Beginning of Year				<u>1,177,058</u>
Net Position, End of Year				<u>\$ 1,272,162</u>

Paradigm High School  
Balance Sheet – Governmental Funds  
June 30, 2025

	General
<b>Assets</b>	
Cash and investments	\$ 2,071,477
Restricted cash and investments	1,640,215
State receivables	13,560
Other receivables	15,392
Prepaid expenses	400
Total assets	\$ 3,741,044
<b>Liabilities and Fund Balance</b>	
<b>Liabilities</b>	
Accounts payable	\$ 986,845
Accrued liabilities	323,883
Total liabilities	1,310,728
<b>Fund Balance</b>	
Nonspendable	
Prepaid expenses	400
Restricted for	
Suicide prevention	5,066
Substance abuse	2,333
E- Cigarette prevention	4,545
Educator salary adjustment	6,787
Debt service	1,640,215
Unassigned	770,970
Total fund balance	2,430,316
	\$ 3,741,044

Paradigm High School  
 Reconciliation for Governmental Funds Balance Sheet to the Statement of Net Position  
 June 30, 2025

---

Total Fund Balances - Governmental Funds \$ 2,430,316

The cost of capital assets (land, buildings and improvements, equipment and vehicles, furniture and fixtures and construction in progress) purchased or constructed is reported as an expenditure in governmental funds. The statement of net position includes those capital assets among the assets of the School as a whole. The cost of those capital assets is allocated over their estimated useful lives (as depreciation expense) to the various programs reported as governmental activities in the statement of activities. Because depreciation expense does not affect financial resources, it is not reported in government funds.

Costs of capital assets	9,902,199	
Depreciation expense to date	<u>(3,051,547)</u>	
		6,850,652

Long-term liabilities applicable to governmental activities are not due and payable in the current period and therefore are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the statement of net position. Balances at year end are:

Long-term liabilities		
Bonds payable	(7,825,000)	
Accrued interest	<u>(183,806)</u>	
		<u>(8,008,806)</u>

Net Position \$ 1,272,162

Paradigm High School  
Statement of Revenue, Expenditures, and Changes in Fund Balance – Governmental Funds  
Year Ended June 30, 2025

	General
Revenue	
State aid	\$ 4,679,947
Federal aid	59,128
Earnings on investments	146,990
School fees	147,799
Other local sources	129,388
Total revenue	5,163,252
Expenditures	
Instructional	2,778,095
Support services	
Students	212,916
Staff assistance	91,656
General	68,075
School administration	587,413
Central services	289,277
Operation and maintenance of facilities	355,358
Transportation	45,788
Total support services	1,650,483
Non-instructional	
Capital outlay	1,469,061
Debt service	
Principal	135,000
Interest and other costs	419,779
Total debt service	554,779
Total expenditures	6,452,418
Deficiency of Revenue Under Expenditures	(1,289,166)
Other Financing Sources	
Proceeds on sale of asset	6,000
Net Change in Fund Balance	(1,283,166)
Fund Balance, Beginning of Year	3,713,482
Fund Balance, End of Year	\$ 2,430,316

Paradigm High School  
 Reconciliation of Governmental Funds Statement of Revenue, Expenditures,  
 and Changes in Fund Balance to the Statement of Activities  
 Year Ended June 30, 2025

---

Total Net Change in Fund Balances - Governmental Funds \$ (1,283,166)

Amounts reported for governmental activities in the statement of activities are different because:

Capital outlay is reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeded depreciation expense during the fiscal year:

Capital outlay	1,469,061	
Depreciation expense	<u>(228,963)</u>	
		1,240,098

The governmental funds report repayment of long-term liability payments as expenditures. Interest is recognized as an expenditure in the governmental activities when it is due. In the statement of activities, interest expense is recognized as it accrues, regardless of when it is due. The net effect of these differences in the treatment of debt and related items is as follows:

Repayment of bonds payable principal	135,000	
Change in accrued interest	<u>3,172</u>	
		<u>138,172</u>

Change in Net Position of Governmental Activities \$ 95,104

## **Note 1 - Summary of Significant Accounting Policies**

Paradigm High School (the School) was incorporated in the State of Utah on August 16, 2005, as a nonprofit organization involved in public education. The School operates a public charter school in South Jordan, Utah, and serves students from seventh through twelfth grade. The School provides the following activities: education, encompassing instruction, student and staff support activities, and facilities maintenance and operation. Supporting services include general and administrative services which are overall entity-related administrative costs.

The financial statements of the School have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the School are described below.

### **Financial Reporting Entity**

The School follows GASB in determining the reporting entity and component units. The financial reporting entity consists solely of the primary government. Accordingly, the financial statements include all funds and agencies of the primary government whose budgets are controlled or whose boards are appointed by the School's Board of Directors (the Board).

The accounts of the School are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The funds of the School are classified as governmental funds. The fund classifications and a description of each existing fund type follow:

### **Governmental Funds**

Governmental funds are used to account for the School's general government activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term debt. The general fund is considered a major fund. Governmental funds include:

General fund – the primary operating fund of the School accounts for all financial resources, except those required to be accounted for in other funds.

## **Measurement Focus and Basis of Accounting**

### **Government-Wide Financial Statements (GWFS)**

The statement of net position and the statement of activities display information about the reporting government as a whole.

The statement of net position and the statement of activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenue, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenue, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33 *Accounting and Financial Reporting for Nonexchange Transactions* in the GWFS.

### **Program Revenue**

Program revenue included in the statement of activities derive directly from the program itself or from parties outside the School's citizenry, as a whole; program revenue reduces the cost of the function to be financed from the School's general revenue. Program revenue includes charges to students or applicants who purchase, use, or directly benefit from the goods or services provided by the given function.

## **Fund Financial Statements**

### **Governmental Funds**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenue is recognized when susceptible to accrual, defined as measurable and available. Measurable means the amount of the transaction can be determined, and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The School considers all revenue available if they are collected within 90 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured principal and interest on general long-term debt, which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. With this measurement focus, only current assets and current liabilities and deferred outflows and inflows of resources, as applicable, are generally included on the balance sheet. Operating statements of these funds present increases and decreases in fund balance.

The governmental funds use the following practices in recording revenue and expenditures:

### **Revenue**

Entitlements and shared revenue (which include state equalization and state revenue sharing) are recorded as unrestricted grants-in-aid at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met and the susceptible to accrual criteria have been met.

Other receipts become measurable and available (collected within 90 days of year-end) when cash is received by the School and are recognized as revenue at that time. The School's period of availability is 90 days subsequent to year end.

### **Expenditures**

Expenditures are generally recorded when the related fund liability is incurred. General capital asset acquisitions are reported as expenditures in governmental funds. The School has employees who do not work year-round, but receive salary payments on a monthly basis; salaries earned, but unpaid, have been accrued as of June 30, 2025.

### **Restricted Cash and Investments**

Cash and investments restricted for debt service is cash and investments set aside for bonds payable reserve requirements.

### **Investments**

Investments are recorded at fair value in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*. Accordingly, the change in fair value of investments is recognized as an increase or decrease to investment assets and investment income.

### **Receivables**

All receivables are shown net of any allowance for uncollectible amounts. No allowances for uncollectible items have been recorded as of June 30, 2025.

### **Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates, and those differences could be material.

### Capital Assets

Capital assets are recorded at historical cost and depreciated over their estimated useful lives (excluding salvage value). Donated capital assets are recorded at their estimated acquisition value at the date of donation. Estimated useful lives are management's estimate of how long the asset is expected to meet service demands. Straight-line depreciation is used based on the following estimated useful lives:

Buildings and improvements	10-40 years
Equipment and vehicles	3-10 years
Furniture and fixtures	5 years

The School's capitalization threshold is \$2,000. The cost of normal maintenance and repairs not adding to the value of the asset or materially extending asset lives are not capitalized.

### Long-Term Liabilities

For government-wide reporting, material premiums and discounts are deferred and amortized over the life of the debt using the straight-line method, which approximates the effective interest method. Debt is reported net of the applicable premium or discount. Issuance costs are expensed as incurred.

For fund financial reporting, premiums and discounts as well as issuance costs are recognized in the period the debt is issued. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuance are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

### Restricted Net Position

For the government-wide statement of net position, net position is reported as restricted when constraints placed on net position use is either:

Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments;

Imposed by law through constitutional provisions or enabling legislation.

It is the School's policy to consider restricted-net position to have been depleted before unrestricted-net position is applied.

### **Fund Balances of Fund Financial Statements**

The governmental fund financial statements present fund balance based on classifications that comprise a hierarchy based primarily on the extent to which the School is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

**Nonspendable:** This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The School has historically shown prepaids as being nonspendable as these items are not expected to be converted to cash or are not expected to be converted to cash within the next year.

**Restricted:** This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation. Debt service resources are to be used for future servicing of the general obligations and are restricted through debt covenants.

**Committed:** This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action by the Board. These amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed.

**Assigned:** This classification includes amounts that are constrained by the Board's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board or by the Board delegating this responsibility to the Director or his designee through the budgetary process.

**Unassigned:** This classification includes the residual fund balance for the general fund and the amount established for minimum funding.

The School has a policy to use restricted fund balances first, followed by committed resources and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first to defer the use of these other classified funds.

### **Grants and Other Intergovernmental Revenue**

Federal and state reimbursement-type grants are recorded as intergovernmental revenue when the related expenditures and expenses are incurred and, in the governmental funds, when the revenue meets the availability criterion.

**Note 2 - Cash and Investments**

At June 30, 2025, the School’s cash and investments consisted of the following:

Cash			
Insured		\$ 250,000	
Uninsured and not collateralized		<u>378,821</u>	
Total balance of deposits		<u>\$ 628,821</u>	
Investments	<u>Rating</u>	<u>Fair Value</u>	<u>Investment Maturities</u>
PTIF	Unrated	<u>\$ 3,082,871</u>	Less than 1 year
Total cash and investments		<u>\$ 3,711,692</u>	

The State of Utah Money Management Council has the responsibility to advise the State Treasurer about investment policies, promote measures and rules that will assist in strengthening the banking and credit structure of the state, and review the rules adopted under the authority of the State of Utah Money Management Act (the Act) that relate to the deposit and investment of public funds.

The School follows the requirements of the Act (Utah Code, Title 51, Chapter 7) in handling its depository and investment transactions. The Act requires the depositing of School funds in a qualified depository. The Act defines a qualified depository as any financial institution whose deposits are insured by an agency of the federal Government, and which has been certified by the State Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Utah Money Management Council.

The Act defines the types of securities authorized as appropriate investments for the School’s funds and the conditions for making investment transactions. Investment transactions may be conducted only through qualified depositories, certified dealers, or directly with issuers of the investment securities.

Statutes authorize the School to invest in negotiable or nonnegotiable deposits of qualified depositories and permitted negotiable depositories; repurchase and reverse repurchase agreements; commercial paper that is classified as “first tier” by two nationally recognized statistical rating organizations; bankers’ acceptances; obligations of the United States Treasury including bills, notes, and bonds; obligations, other than mortgage derivative products, issued by U.S. government sponsored enterprises (U.S. Agencies) such as the Federal Home Loan Bank System, Federal Home Loan Mortgage Corporation (Freddie Mac), and Federal National Mortgage Association (Fannie Mae); bonds, notes, and other evidence of indebtedness of political subdivisions of the state; fixed rate corporate obligations and variable rate securities rated “A” or higher, or the equivalent of “A” or higher, by two nationally recognized statistical rating organizations; shares or certificates in a money market mutual fund as defined in the Act; and the Utah State Public Treasurers’ Investment Fund.

The Utah State Treasurer’s Office operates the Public Treasurers’ Investment Fund (PTIF). The PTIF is available for investment of funds administered by any Utah public treasurer and is not registered with the SEC as an investment company. The PTIF is authorized and regulated by the Act (Utah Code, Title 51, Chapter 7). The Act established the Money Management Council which oversees the activities of the State Treasurer and the PTIF and details the types of authorized investments. Deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah, and participants share proportionally in any realized gains or losses on investments.

The PTIF operates and reports to participants on a fair value basis. The income, gains, and losses of the PTIF, net of administration fees, are allocated based upon the participant’s average daily balance. The fair value of the PTIF investment pool is approximately equal to the value of the pool shares.

*Fair Value of Investments*

The School measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Quoted prices for identical investments in active markets;
- Level 2: Observable inputs other than quoted market prices; and
- Level 3: Unobservable inputs.

The investments consist only PTIF funds which are classified as Level 2. The PTIF funds use the application of the June 30, 2025, fair value as calculated by the Utah State Treasurer to the School’s average daily balance in the Fund. The School currently has no assets that qualify for Level 1 or 3 investments. The following table illustrates the investments by the appropriate levels for the School:

	<u>Total</u>	<u>Quoted Prices in Active Markets (Level 1)</u>	<u>Other Observable Inputs (Level 2)</u>	<u>Unobservable Inputs (Level 3)</u>
June 30, 2025 PTIF	\$ 3,082,871	\$ -	\$ 3,082,871	\$ -

### **Custodial Credit Risk**

For deposits and investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the School will not be able to recover the value of its deposits, investments, or collateral securities that are in the possession of an outside party. The School's policy for managing custodial credit risk is to adhere to the Act. The Act requires all deposits of the School to be in a qualified depository, defined as any financial institution whose deposits are insured by an agency of the federal government and which has been certified by the Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the Utah Money Management Council.

### **Credit Risk**

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The School's policy for reducing its exposure to credit risk is to comply with the Act, as previously discussed.

### **Concentration of Credit Risk**

Concentration of credit risk is the risk of loss attributed to the magnitude of the School's investment in a single issuer. The School's policy for reducing this risk of loss is to comply with the Rules of the Money Management Council. Rule 17 of the Money Management Council limits investments in a single issuer of commercial paper and corporate obligations to 5-10% depending upon the total dollar amount held in the portfolio.

### **Interest Rate Risk**

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The School's policy for managing its exposure to fair value loss arising from increasing interest rates is to comply with the Act. Section 51-7-11 of the Act requires that the remaining term to maturity of investments may not exceed the period of availability of the funds to be invested. The Act further limits the remaining term to maturity on all investments in commercial paper, bankers' acceptances, fixed rate negotiable deposits, and fixed rate corporate obligations to 270 days - 15 months or less. The Act further limits the remaining term to maturity on all investments in obligations of the United States Treasury; obligations issued by U.S. government sponsored enterprises; and bonds, notes, and other evidence of indebtedness of political subdivisions of the state to five years. In addition, variable rate negotiable deposits and variable rate securities may not have a remaining term to final maturity exceeding three years.

**Note 3 - Capital Assets**

A summary of activity in the capital assets is as follows:

	<u>June 30, 2024</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2025</u>
Capital assets, not subject to depreciation				
Land	\$ 1,476,733	\$ -	\$ -	\$ 1,476,733
Construction in progress	29,999	1,411,493	(58,921)	1,382,571
Total capital assets, not subject to depreciation	<u>1,506,732</u>	<u>1,411,493</u>	<u>(58,921)</u>	<u>2,859,304</u>
Capital assets being depreciated				
Buildings and improvements	6,504,106	7,823	-	6,511,929
Equipment and vehicles	420,947	108,666	(19,709)	509,904
Furniture and fixtures	21,062	-	-	21,062
Total capital assets being depreciated	<u>6,946,115</u>	<u>116,489</u>	<u>(19,709)</u>	<u>7,042,895</u>
Less accumulated depreciation for				
Buildings and improvements	(2,632,646)	(165,469)	-	(2,798,115)
Equipment and vehicles	(198,662)	(60,494)	19,709	(239,447)
Furniture and fixtures	(10,985)	(3,000)	-	(13,985)
Total accumulated depreciation	<u>(2,842,293)</u>	<u>(228,963)</u>	<u>19,709</u>	<u>(3,051,547)</u>
Total capital assets, subject to depreciation	<u>4,103,822</u>	<u>(112,474)</u>	<u>-</u>	<u>3,991,348</u>
Total capital assets, net	<u>\$ 5,610,554</u>	<u>\$ 1,299,019</u>	<u>\$ (58,921)</u>	<u>\$ 6,850,652</u>

Depreciation expense was charged to operation and maintenance of facilities function of the School.

**Note 4 - Long-Term Liabilities**

A summary of activity for the long-term liabilities is as follows:

	<u>Balance at June 30, 2024</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance at June 30, 2025</u>	<u>Due Within One Year</u>
Bonds payable	<u>\$ 7,960,000</u>	<u>\$ -</u>	<u>(135,000)</u>	<u>\$ 7,825,000</u>	<u>\$ 140,000</u>

Long-term liabilities as of June 30, 2025, consist of the following:

Series 2020 Revenue Refunding Bonds were issued through current refunding of the series 2010 bonds and had an original issue amount of \$8,370,000. The bonds bear interest at 5.13%. Semi-annual interest only payments are required beginning January 2021 with variable annual principal payments commencing July 2021. The bonds mature on July 15, 2051. The current refunding results in a net present value benefit of approximately \$610,000. The School is required to meet certain covenants including debt coverage and cash available as defined by their bonds payable agreement.

\$ 7,825,000

The annual requirements to pay principal and interest on the outstanding long-term liabilities is as follows:

<u>Years Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 140,000	\$ 397,444	\$ 537,444
2027	150,000	390,013	540,013
2028	155,000	382,197	537,197
2029	165,000	373,997	538,997
2030	170,000	365,411	535,411
2031-2035	1,000,000	1,682,279	2,682,279
2036-2040	1,285,000	1,391,309	2,676,309
2041-2045	1,645,000	1,017,953	2,662,953
2046-2050	2,110,000	538,894	2,648,894
2051-2052	1,005,000	52,147	1,057,147
 Total	 <u>\$ 7,825,000</u>	 <u>\$ 6,591,644</u>	 <u>\$ 14,416,644</u>

**Note 5 - Concentrations**

The School's principal source of support is state and federal-based support revenue. For the year ended June 30, 2025, this funding source accounted for approximately 92% of all revenue.

**Note 6 - Benefit Plan**

The School participates in a deferred compensation plan (the Plan) – under Internal Revenue Code 401(k) – that is available to all eligible full-time employees. The School matches employee contributions up to 4%. Employer discretionary contributions are also included in the Plan and are determined by the Board of Directors on an annual basis and were 4% of gross wages for the year ended June 30, 2025. The School contributed \$65,606 to the Plan during the year ended June 30, 2025.

**Note 7 - Subsequent Event**

On September 30, 2025, a Property Acquisition Loan (Series 2025), was issued totaling \$4,425,000, including \$60,000 of loan origination fees. The loan bears interest at a variable rate of 2.00% above the Wall Street Journal prime rate (9.25% as of September 30, 2025). Beginning October 2026, the loan requires annual principal and interest payments through October 2028. The proceeds of the loan were used to acquire a building and land adjacent to the School's property totaling \$4,365,000.

Required Supplementary Information  
June 30, 2025

## Paradigm High School

Paradigm High School

Schedule of Revenue, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund  
Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenue				
State aid	\$ 4,847,870	\$ 4,677,795	\$ 4,679,947	\$ 2,152
Federal aid	58,163	59,128	59,128	-
Earnings on investments	120,000	146,000	146,990	990
School fees	131,950	147,058	147,799	741
Other local sources	98,000	134,269	129,388	(4,881)
Total revenue	5,255,983	5,164,250	5,163,252	(998)
Expenditures				
Instructional	2,855,197	2,669,067	2,778,095	(109,028)
Support services				
Students	194,555	211,747	212,916	(1,169)
Staff assistance	89,030	107,138	91,656	15,482
General	158,175	45,964	68,075	(22,111)
School administration	542,899	637,450	587,413	50,037
Central services	194,850	338,828	289,277	49,551
Operation and maintenance of facilities	316,667	357,108	355,358	1,750
Transportation	45,500	47,426	45,788	1,638
Total support services	1,541,676	1,745,661	1,650,483	95,178
Non-instructional				
Capital outlay	200,000	1,486,429	1,469,061	17,368
Total non-instructional	200,000	1,486,429	1,469,061	17,368
Debt service				
Principal	135,000	135,000	135,000	-
Interest and other costs	414,491	419,774	419,779	(5)
Total debt service	549,491	554,774	554,779	(5)
Total expenditures	5,146,364	6,455,931	6,452,418	3,513
Excess (Deficiency) of Revenues Over (Under) Expenditures	109,619	(1,291,681)	(1,289,166)	2,515
Other Financing Sources				
Proceeds on sale of asset	-	-	6,000	6,000
Net Change in Fund Balance	\$ 109,619	\$ (1,291,681)	\$ (1,283,166)	\$ 8,515

**Note 1 - Basis of Budgeting**

The School follows these procedures in establishing the budgetary data reflected in the financial statements.

1. The School's Director is appointed as the budget officer. Before June 1 of each year, the budget officer shall prepare a tentative budget, with supporting documentation, to be submitted to the Board.
2. The tentative budget and supporting documents shall include the following items:
  - a. The revenue and expenditures of the preceding fiscal year,
  - b. The estimated revenue and expenditures of the current fiscal year,
  - c. A detailed estimate of the essential expenditures for all the purposes for the next succeeding fiscal year, and
  - d. The estimated financial condition of the School at the close of the fiscal year.
3. The tentative budget shall be filed with the School's Director for public inspection at least 15 days before the date of the tentative budget's proposed adoption by the Board.
4. Before June 30 of each year, the Board will adopt a budget for the next fiscal year.
5. By the sooner of July 15 or 30 days of adopting a budget, the Board will file a copy of the adopted budget with the state auditor and the State Board of Education.

Compliance Reports  
June 30, 2025

# Paradigm High School



**Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance  
and Other Matters Based on an Audit of Financial Statements Performed  
in Accordance with *Government Auditing Standards***

The Board of Directors  
Paradigm High School  
South Jordan, Utah

We have audited, in accordance with 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 (*Government Auditing Standards*), the financial statements of the governmental activities and the major fund of Paradigm High School (the School), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the School’s basic financial statements and the related notes to the financial statements and have issued our report thereon dated October 28, 2025.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the School'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School’s internal control. Accordingly, we do not express an opinion on the effectiveness of the School’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 the School’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 or significant deficiencies may exist that were not identified.

## **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the School's financial statements are free of 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 result of that testing, and not to provide an opinion on the effectiveness of the School's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Eric Sully LLP". The signature is written in a cursive, flowing style.

Ogden, Utah  
October 28, 2025



**Independent Auditor's Report on Compliance and Report on Internal Control over Compliance  
as Required by the *State Compliance Audit Guide***

The Board of Directors  
Paradigm High School  
South Jordan, Utah

**Report on Compliance**

We have audited Paradigm High School's (the School) compliance with the applicable state compliance requirements described in the *State Compliance Audit Guide*, issued by the Office of the Utah State Auditor, for the year ended June 30, 2025.

State compliance requirements were tested for the year ended June 30, 2025, in the following areas:

- Budgetary Compliance
- Fraud Risk Assessment
- Crime Insurance for Public Treasurers
- Internal Control Systems
- Public Education Programs

**Opinion on Compliance**

In our opinion, the School complied, in all material respects, with the state compliance requirements referred to above for the year ended June 30, 2025.

***Basis for Opinion***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), and the *State Compliance Audit Guide* (Guide), issued by the Office of the Utah State Auditor. Our responsibilities under those standards and the *State Compliance Audit Guide* are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the School and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our audit does not provide a legal determination of the School's compliance with the compliance requirements referred to above.

### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the state requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the School's government programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the School's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Guide will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about School's compliance with the requirements of the government program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Guide, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding School's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the School's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Guide but not for the purpose of expressing an opinion on the effectiveness of the School's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### ***Report on Internal Control over Compliance***

*A deficiency in internal control over compliance* exists when the design or operation of a control over 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 state compliance requirement 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 state compliance requirement 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 state compliance requirement 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses or significant deficiencies, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

### **Purpose of this Report**

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control and compliance and the results of that testing based on the requirements of the Guide. Accordingly, this report is not suitable for any other purpose. However, pursuant to *Utah Code* Title 63G, Chapter 2, this report is a matter of public record, and as such, its distribution is not limited.

The image shows a handwritten signature in cursive script that reads "Eide Bailly LLP". The signature is written in black ink and is positioned above the typed name and date.

Ogden, Utah  
October 28, 2025