



Paul D. Joyce, CPA
State Examiner

INDIANA STATE BOARD OF ACCOUNTS

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March 14, 2025

Charter School Board
The PATH School, Inc.
Marion County, Indiana

We have reviewed the supplemental report for The PATH School, Inc. prepared by Donovan CPAs, Independent Public Accountants, for the period July 1, 2023 to June 30, 2024. In our opinion, the supplemental report was prepared in accordance with the guidelines established by the Indiana State Board of Accounts.

We call your attention to the finding in the report on page 3. Management's response is on page 5.

The report is filed with this letter in our office as a matter of public record.

Tammy R. White, CPA
Deputy State Examiner

Supplemental Audit Report of

The PATH School, Inc.
Marion County, Indiana

July 1, 2023 to June 30, 2024



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The PATH School, Inc.
Marion County, Indiana
School Officials
July 1, 2023 to June 30, 2024

<u>Office</u>	<u>Official</u>	<u>Term</u>
Chairman of Board of Directors	Nicole Woodson	07/01/23 – 06/30/24
Founder and Executive Director	Alicia Hervey	07/01/23 – 06/30/24
Chief Operations Officer	Theo Brannum	07/01/23 – 06/30/24



Donovan CPAs

The Board of Directors
The PATH School, Inc.
Indianapolis, Indiana

We audited the financial statements of The PATH School, Inc., (the School) as of and for the year ended June 30, 2024, and issued our report thereon dated December 19, 2024. As part of our audit, we tested the School's compliance with provisions of the *Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools* issued by the Indiana State Board of Accounts and related provisions of laws, regulations, contracts and grant agreements. Reported in the Audit Results and Comments are matters we believe the School was not in compliance with those provisions.

Donovan CPAs
Indianapolis, Indiana
December 19, 2024

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The PATH School, Inc.
Marion County, Indiana
Audit Results and Comments
July 1, 2023 to June 30, 2024

REQUIRED REPORTS - FORM 9 REPORTING

We reviewed both biannual Form 9 reports filed by the School to the Indiana Department of Education for the fiscal year. While the total cash balance agreed to the trial balance, individual fund balances reported on the Form 9 did not agree with the fund activity per the financial records. In particular, fund balances for federal grants did not reflect the ending balances for those grants.

A fund, as used in the manual, represents money set aside for specific activities of a school corporation. A fund constitutes a complete accounting entity and all financial transactions, both receipts and disbursements, are to be recorded in the fund to which they pertain. (Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Part 3)

Charter schools are required to comply with all grant agreements, rules, regulations, bulletins, directives, letters, letter rulings and filing requirements concerning reports and other procedural matters of federal and state agencies, including opinions of the Attorney General of the State of Indiana, and court decisions. Charter schools shall file accurate reports required by federal and state agencies. Noncompliance may require corrective action. (Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Part 10)

The PATH School, Inc.
Marion County, Indiana
Exit Conference
July 1, 2023 to June 30, 2024

The contents of this report were discussed on December 19, 2024 with Theo Brannum (Chief Operations Officer) and Kim Tarin (Contracted Accountant). The Official Response has been made a part of this report and may be found on page 5.



December 16, 2024

Donovan CPAs
9292 N. Meridian Street, Suite 150
Indianapolis, IN 46260

The PATH School already has or will take the following actions to address the FY2024 supplemental audit report comments:

Required Reports

1. We will continue to navigate the timing differences and reporting requirements specific to charter schools in Indiana. As part of this effort, we will closely monitor cash-basis fund reporting for our Form 9 submissions and make adjustments as needed. These adjustments typically occur when accrual-based receivable and payable entries are made, or when retroactive grant budget approvals are received after a reporting deadline has passed.

Sincerely,

Theodore Brannum

Theodore Brannum
Chief Operations Officer
E: tbrannum@thepathschool.org