



Paul D. Joyce, CPA
State Examiner

INDIANA STATE BOARD OF ACCOUNTS

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April 2, 2025

Charter School Board
Purdue Polytechnic High School of Indianapolis, Inc.
d/b/a Purdue Polytechnic High Schools
Marion County, Indiana

We have reviewed the supplemental report for the Purdue Polytechnic High School of Indianapolis, Inc. d/b/a Purdue Polytechnic High Schools 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 findings in the report on page 3. Management's response is on pages 5 through 7.

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

Purdue Polytechnic High School of Indianapolis, Inc.
d/b/a Purdue Polytechnic High Schools

Marion County, Indiana

St. Joseph, County

July 1, 2023 to June 30, 2024



**Purdue Polytechnic High School of Indianapolis, Inc.
d/b/a Purdue Polytechnic High Schools**

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Purdue Polytechnic High School of Indianapolis, Inc.
d/b/a Purdue Polytechnic High Schools
Marion County, Indiana
School Officials
July 1, 2023 to June 30, 2024

<u>Office</u>	<u>Official</u>	<u>Term</u>
Chief of School Operations	Shatoya Ward	07/01/23 – 06/30/24
Chief of Executive Operations	Keeanna Warren	07/01/23 – 06/30/24
Co-Chair of the Board	Jamal Smith	07/01/23 – 06/30/24
Co-Chair of the Board	Gary Bertoline	07/01/23 – 06/30/24



Donovan CPAs

The Board of Directors
Purdue Polytechnic High School of Indianapolis, Inc.
Indianapolis, Indiana

We audited the financial statements of Purdue Polytechnic High School of Indianapolis, Inc. d/b/a Purdue Polytechnic High School (the School) as of and for the year ended June 30, 2024 and issued our report thereon dated February 28, 2025. 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
February 28, 2025

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Purdue Polytechnic High School of Indianapolis, Inc.
d/b/a Purdue Polytechnic High Schools
Marion County, Indiana
Audit Results and Comments
July 1, 2023 to June 30, 2024

Required Reports – Form 9 Reporting

We reviewed the Form 9s covering the 2023-2024 school year. While total cash reported on the June 30, 2024 Form 9s for the three schools agreed to cash reported on the financial statements, individual fund balances did not reflect actual balances in line with the School's accounting records.

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)

Receipts and Deposits

We selected a sample of twenty-five receipts for testing. Of our sample, six were not deposited in a timely manner. Untimely deposits ranged from seven to twenty-three days from the date of receipt and were between \$25 and \$101 in individual receipt amount.

All charter school money must be deposited in the designated depository not later than the business day following the receipt of funds on business days of the depository in the same form in which the funds were received. Timely receipts and deposits are required to provide the organizer and charter school administration with current information necessary for all financial decisions. (Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Part 8)

Annual Financial Report (AFR)

We viewed the Annual Financial Reports (AFRs) filed for each location under the Purdue Polytechnic High School entity name. The School did not file the AFRs within sixty days after the close of the School's fiscal year. The AFRs were submitted on December 3, 2024.

Charter schools are required to file an annual report with the State Examiner not later than sixty (60) days after the close of each fiscal year, IC 5-11-1-4.

**Purdue Polytechnic High School of Indianapolis, Inc.
d/b/a Purdue Polytechnic High Schools
Marion County, Indiana
Exit Conference
July 1, 2023 to June 30, 2024**

The contents of this report were discussed on February 25, 2025 with Dr. Keanna Warren (Chief of Executive Operations), Shatoya Ward (Chief of School Operations), Ken Kobe (Board Treasurer), Lindsay Phillips (Outsourced Consultant), Casey Jower (Outsourced Consultant). The Official Response has been made a part of this report and may be found on page 5.



**Official Response to Audit Findings
July 1, 2023 to June 30th, 2024**

Purdue Polytechnic High School (PPHS) Management provided the following responses for findings made by Donovan CPAs as a result of the audit performed for the fiscal year ending June 30, 2024. These responses were discussed during the exit conference held on February 25, 2025.

Finding 1: Form 9 Reporting

We reviewed the Form 9s covering the 2023-2024 school year. While total cash reported on the June 30, 2024 Form 9s for the three schools agreed to cash reported on the financial statements, individual fund balances did not reflect actual balances in line with the School's accounting records.

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)

PPHS RESPONSE: A reconciliation between the accounting system and submitted Form 9 reports was provided during the audit. Due to limited resources, adjustments were made outside the accounting system in the reconciliation to align with SBOA guidelines. PPHS experienced turnover in finance personnel during the 2022-23 and 2023-24 school year, and consultants have been assisting with tasks while PPHS fills open finance positions.

Action Steps and Timeframe: To address the identified inconsistencies between our Form 9 reporting and our accounting records, we are building capacity on the Finance team. A Controller was hired in October 2024, and a CFO and Staff Accountant are anticipated to be hired in late FY25. Additionally, the Finance team is implementing a comprehensive action plan to ensure full regulatory compliance. These immediate steps include a timely review and reconciliation of all relevant data, followed by necessary adjustments to our accounting system for fund reporting purposes. We are also enhancing our internal controls and oversight mechanisms to ensure accurate financial data for compliance reporting.



**Official Response to Audit Findings
July 1, 2023 to June 30th, 2024**

Finding 2: Receipts and Deposits

We selected a sample of twenty-five receipts for testing. Of our sample, six were not deposited in a timely manner. Untimely deposits ranged from seven to twenty-three days from the date of receipt and were between \$25 and \$101 in individual receipt amounts.

All charter school money must be deposited in the designated depository no later than the business day following the receipt of funds on business days of the depository in the same form in which the funds were received. Timely receipts and deposits are required to provide the organizer and charter school administration with current information necessary for all financial decisions. (Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Part 8)

PPHS RESPONSE: We understand the importance of timely deposits and the role they play in effective financial management. We are committed to ensuring that all funds are handled in a responsible and transparent manner.

Action Steps and Timeframe:

To address this finding, we will immediately reinforce our current procedures for handling receipts and deposits to all staff. This includes a review of the Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, emphasizing the requirement for deposits no later than the next business day following receipt.

We will also periodically monitor our current procedures to ensure all receipts are deposited promptly. This may include increasing the frequency of reviewing the reconciliation of receipts and deposits as well as periodic internal audits to identify and correct discrepancies.

Finding 3: Annual Financial Report (AFR)

We viewed the annual financial report filed for each location under the Purdue Polytechnic High School entity name. The School did not file the annual financial reports within sixty days after the close of each fiscal year.

Charter schools are required to file an annual report with the State Examiner not later than sixty (60) days after the close of each fiscal year, IC 5-11-1-4.

PPHS RESPONSE: We acknowledge the finding that the annual financial reports for Purdue Polytechnic High School were not filed within 60 days of the close of each fiscal year as



**Official Response to Audit Findings
July 1, 2023 to June 30th, 2024**

required by IC 5-11-1-4. We understand the importance of timely filing and are taking immediate steps to ensure compliance with all future reporting deadlines.

PPHS experienced turnover in finance personnel during the 22-23 and 23-24 school year. Our former Controller transitioned out of his position in August 2024, and notifications had been sent to his email address.

Action Steps and Timeframe:

PPHS has updated the contact email address with compliance agencies to a shared Finance email address to ensure multiple team members receive notifications to ensure required reporting and inquiries can be completed in a timely manner.