



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

B56490

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

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

March 18, 2021

Charter School Board
Drexel Foundation for Educational Excellence, Inc.
d/b/a Thea Bowman Leadership Academy
975 West 6th Avenue
Gary, IN 46402

We have reviewed the Supplemental Audit Report for Drexel Foundation for Educational Excellence, Inc. d/b/a Thea Bowman Leadership Academy prepared by Donovan CPAs, Independent Public Accountants, for the period July 1, 2019 to June 30, 2020. In our opinion, the Supplemental Audit Report was prepared in accordance with the guidelines established by the State Board of Accounts.

We call your attention to the findings in the report. Page 3 contains two audit results and comments. Management's response is on page 5.

The Supplemental Audit Report and associated audited Financial Statements are filed in our office as a matter of public record.

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

SUPPLEMENTAL AUDIT REPORT
OF
DREXEL FOUNDATION FOR EDUCATIONAL EXCELLENCE, INC.
d/b/a THEA BOWMAN LEADERSHIP ACADEMY

LAKE COUNTY, INDIANA

July 1, 2019 to June 30, 2020



TABLE OF CONTENTS

	Page
School Officials	1
Transmittal Letter	2
Audit Results and Comments:	
Vendor Disbursements	3
Ticket Sales	3
Exit Conference	4
Official Response.....	5

DREXEL FOUNDATION FOR EDUCATIONAL EXCELLENCE, INC.
d/b/a THEA BOWMAN LEADERSHIP ACADEMY
LAKE COUNTY, INDIANA
School Officials
July 1, 2019 to June 30, 2020

<u>Office</u>	<u>Official</u>	<u>Term</u>
President of Board of Directors	Michael Suggs	07/01/19 – 06/30/20
Principal (Middle and High School)	Richard Glass	07/01/19 – 06/30/20
Principal (Elementary School)	Marisa Simmons	07/01/19 – 06/30/20
Treasurer	Eva Spilker	07/01/19 – 06/30/20



Donovan CPAs

The Board of Directors
Drexel Foundation for Educational Excellence, Inc.
d/b/a Thea Bowman Leadership Academy

We have audited the financial statements of Drexel Foundation for Educational Excellence, Inc. d/b/a Thea Bowman Leadership Academy (the “School”) as of and for the year ended June 30, 2020 and have issued our report thereon dated February 25, 2021. 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 where we believe the School was not in compliance with those provisions.

DONOVAN

Indianapolis, Indiana
February 25, 2021

www.cpadonovan.com

Avon | 5151 E. US Hwy 36, Avon, IN 46123 | 317.745.6411

Indianapolis | 9292 N. Meridian Street, Suite 150, Indianapolis, IN 46260 | 317.844.8300

DREXEL FOUNDATION FOR EDUCATIONAL EXCELLENCE, INC.
d/b/a THEA BOWMAN LEADERSHIP ACADEMY
LAKE COUNTY, INDIANA
Audit Results and Comments
July 1, 2019 to June 30, 2020

VENDOR DISBURSEMENTS

We selected a sample of twenty-seven vendor disbursements for testing, noting sales tax was paid on four disbursements to utility providers.

Charter schools are eligible for an exemption from the state sales tax on purchases. To obtain the exemption for a Sales Tax Exemption Certificate, application shall be made to the Sales Tax Division of the Department of Revenue. This certificate must be presented at the time a purchase is made to avoid paying sales tax. (Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Part 10).

TICKET SALES

We tested ticket sales for two events. One event did not have an SA-4 form or its equivalent. The other event did not have the SA-4 form or equivalent completed in full. The School was able to provide support indicating an attempted reconciliation between the tickets sold and the amounts deposited, however, without an accurately-completed SA-4 form, we were unable to verify the correct deposit amount based on ticket sales.

The designated charter school employee shall be responsible for the proper accounting for all tickets and must keep a record of the number purchased, the number issued for sale, and the number returned. The designee must see that proper accounting is made for the cash received from those sold. All tickets shall be pre-numbered, with a different ticket color and numerical series for each price group. When cash for ticket sales is deposited with the charter school, the charter school's receipt issued therefore must show the number of tickets issued to the seller, the number returned unsold and the balance remitted in cash. All tickets (including free or reduced) must be listed and accounted for on the SA-4 Ticket Sales Form. (Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Part 8)

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Part 10)

DREXEL FOUNDATION FOR EDUCATIONAL EXCELLENCE, INC.
d/b/a THEA BOWMAN LEADERSHIP ACADEMY
LAKE COUNTY, INDIANA
Exit Conference
July 1, 2019 to June 30, 2020

The contents of this report were discussed on February 19, 2021 with Eva Spilker, Director of Finance at The Phalen Leadership Academies. The report was presented to the full Board of Directors at its meeting in February 2021. The Official Response has been made a part of this report and may be found on page 5.



Thea Bowman Leadership Academy

3401 West 5th Avenue
Gary, Indiana 46406
Office (219) 944-3100
Fax (219) 977-4780

February 25, 2021

Ticket Sales – all ticket sales will be recorded on the SA-4 form and reconciled to the deposit slip to ensure that the amount collected for ticket sales agrees to the deposit amount. We will review the recording and reconciliation process with Thea Bowman school staff to ensure that all ticket sales are recorded in accordance with required procedures.

Vendor Disbursements – Thea Bowman will provide a sales exemption certificate to all vendors to ensure that sales tax is not charged by the vendor or paid by the school.