



**STATE OF INDIANA**  
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August 17, 2021

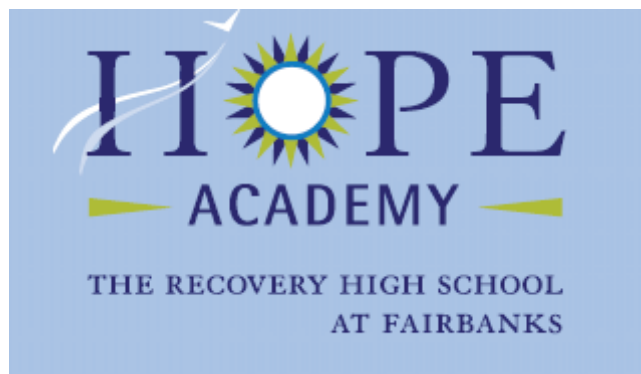
Charter School Board  
The Recovery High School at Fairbanks, Inc.  
d/b/a Hope Academy  
3919 Madison Ave Suite 100  
Indianapolis, IN 46227

We have reviewed the Supplemental Audit Report for The Recovery High School at Fairbanks, Inc., d/b/a Hope Academy prepared by Blue & Co., LLC, 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 finding in the report. Page 3 contains one audit result and comment. 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**

**JUNE 30, 2020**

*CPAs / ADVISORS*



**HOPE ACADEMY**

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**HOPE ACADEMY**

SCHEDULE OF SCHOOL OFFICIALS  
JUNE 30, 2020

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<u>Office</u>	<u>Official</u>	<u>Term</u>
President of Board of Directors	Amy Levander	7/1/19 - 6/30/20
Executive Director	Rachelle Gardner	7/1/19 - 6/30/20
Principal	Linda Gagyi	7/1/19 - 6/30/20
Treasurer	Janine Shopp	7/1/19 - 6/30/20



Blue & Co., LLC / 500 N. Meridian Street, Suite 200 / Indianapolis, IN 46204  
main 317.633.4705 fax 317.633.4889 email blue@blueandco.com

Board of Directors  
The Recovery High School at Fairbanks, Inc.  
d/b/a Hope Academy  
Indianapolis, Indiana

We have audited the financial statements of The Recovery High School at Fairbanks, Inc. d/b/a Hope Academy (Hope Academy), as of and for the year ended June 30, 2020 and have issued our report thereon dated June 29, 2021. As part of our audit, we tested Hope Academy'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 Hope Academy was not in compliance with those provisions.

Hope Academy's response to the finding identified in Audit Results and Comments Section is described in the accompanying Official Response Section to this Supplemental Audit Report. Hope Academy's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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

**Blue & Co., LLC**

Indianapolis, Indiana  
June 29, 2021

# HOPE ACADEMY

## AUDIT RESULTS AND COMMENTS YEAR ENDED JUNE 30, 2020

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### Required Report Filing

#### *Condition:*

In July 2020, Hope Academy contracted a new bookkeeping company for financial recordkeeping and reporting services in addition to assistance with required State Examiner report filings. As a result of the transition, the new bookkeeping company provided guidance to Hope Academy that Hope Academy was exempt from filing the annual financial report, due sixty (60) days after year-end. The bookkeeping company's guidance was based on a misinterpretation of the second sentence featured in the criteria below, and an assumption that two timely filed Form 9 Biannual Financial Reports constituted submission of the annual financial report. Based on discussions with the Indiana State Board of Accounts, this assumption was not correct, and an annual financial report is required to be filed. Prior to issuance of the financial statements and supplemental audit report dated as of the date of this report, Hope Academy delinquenty filed its 2020 annual financial report.

#### *Criteria:*

*Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools; Part 9: General Information and Statutory Citations – Annual Reporting Requirements*

Charter schools are required to file an annual report with the State Examiner not later than sixty (60) after the close of each fiscal year, IC 5-11-1-4. In order to not duplicate efforts, the Indiana State Board of Accounts considers the combination of the two 6-month periods for each school year on the Indiana Department of Education's (IDOE) Form 9 Biannual Financial Report as the annual report for charter schools.

## **HOPE ACADEMY**

EXIT CONFERENCE  
YEAR ENDED JUNE 30, 2020

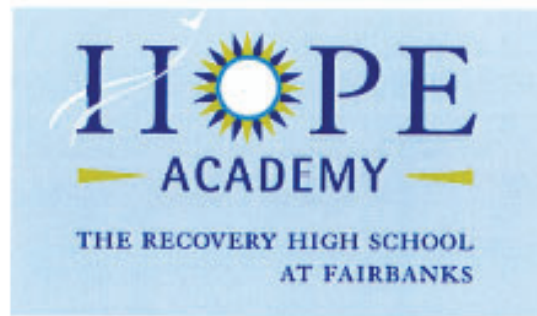
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The contents of this report were discussed on May 5, 2021 with Rachelle Gardner (Executive Director). The official response has been made a part of this report and may be found on page 5.

# HOPE ACADEMY

OFFICIAL RESPONSE  
YEAR ENDED JUNE 30, 2020

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June 29, 2021

Board of Directors  
The Recovery High School at Fairbanks, Inc.  
d/b/a Hope Academy  
Indianapolis, Indiana

The following condition is included in the Audit Results and Comments Section of the Supplemental Audit Report for The Recovery High School at Fairbanks, Inc. d/b/a Hope Academy (Hope Academy) as of June 30, 2020 and for the year ended.

#### Required Report Filing

In July 2020, Hope Academy contracted a new bookkeeping company for financial recordkeeping and reporting services in addition to assistance with required State Examiner report filings. As a result of the transition, the new bookkeeping company provided guidance to Hope Academy that Hope Academy was exempt from filing the annual financial report, due sixty (60) days after year end. The bookkeeping company's guidance was based on a misinterpretation of the second sentence featured in the criteria below, and an assumption that two timely filed Form 9 Biannual Financial Reports constituted submission of the annual financial report. Based on discussions with the Indiana State Board of Accounts, this assumption was not correct, and an annual financial report is required to be filed. Prior to issuance of the financial statements and supplemental audit report dated as of the date of this report, Hope Academy delinquent filed its 2020 annual financial report.

#### Hope Academy's Response to the Condition

Effective July 2020, a new contracted bookkeeping company was contracted for financial recordkeeping and reporting which improved the efficiency and quality of procedures and financial reporting. The condition noted above resulted during the transition to the new contracted bookkeeping company and has been adequately addressed.

Sincerely,

Rachelle Gardner, Executive Director