



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

B58203

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

December 30, 2021

Charter School Board
Higher Institute of Arts and Technology, Inc.
5861 Harrison Street
Merrillville, IN 46410

We have reviewed the Supplemental Audit Report for Higher Institute of Arts and Technology, Inc. prepared by Donovan CPAs, Independent Public Accountants, for the period July 1, 2020 to June 30, 2021. 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
OF
HIGHER INSTITUTE OF ARTS AND TECHNOLOGY, INC.**

LAKE COUNTY, INDIANA

July 1, 2020 to June 30, 2021



TABLE OF CONTENTS

| | Page |
|-----------------------------|-------------|
| School Officials | 1 |
| Transmittal Letter | 2 |
| Audit Results and Comments: | |
| Receipts and Deposits | 3 |
| Exit Conference | 4 |
| Official Response..... | 5 |

HIGHER INSTITUTE OF ARTS AND TECHNOLOGY, INC.
LAKE COUNTY, INDIANA
School Officials
July 1, 2020 to June 30, 2021

| <u>Office</u> | <u>Official</u> | <u>Term</u> |
|---------------------------------|-----------------|---------------------|
| President of Board of Directors | Sharla Johnson | 07/01/20 – 06/30/21 |
| School Principal | Jillian Kemp | 07/01/20 – 06/30/21 |
| School Treasurer | Charles Reese | 07/01/20 – 06/30/21 |



Donovan CPAs

The Board of Directors
Higher Institute of Arts and Technology, Inc.

We have audited the financial statements of Higher Institute of Arts and Technology, Inc. (the "School") as of and for the year ended June 30, 2021 and have issued our report thereon dated November 10, 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
November 10, 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

HIGHER INSTITUTE OF ARTS AND TECHNOLOGY, INC.
LAKE COUNTY, INDIANA
Audit Results and Comments
July 1, 2020 to June 30, 2021

RECEIPTS AND DEPOSITS

We tested 40 receipts from the School's receipt books. Of the 40 receipts tested, 7 did not indicate what form of payment was received.

The form is to be prenumbered by the printing supplier in duplicate, five receipts to the page. A receipt must be written on the form each time any money is received by the charter school regardless of whether it is in the form of cash, check, money order, bank card/credit card, EFT (all on which must be indicated as payment type and amount) or other negotiable instrument. (Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Part 2)

HIGHER INSTITUTE OF ARTS AND TECHNOLOGY, INC.
LAKE COUNTY, INDIANA
Exit Conference
July 1, 2020 to June 30, 2021

The contents of this report were discussed on November 10, 2021 with Eva Spiker, Director of Finance at The Phalen Leadership Academies. Eva will present this report to the full Board of Directors at its next regularly scheduled meeting in 2021. The Official Response has been made a part of this report and may be found on page 5.



November 10, 2021

Receipts and Deposits – in response to the finding on Receipts and Deposits:

Procedures for receipts and deposits have been reviewed with the Operations Manager and Director of Operations to ensure that all receipts include the form of payment received. All receipts will include the payment amount and form of payment regardless of whether it is in the form of cash, check or money order. The Operations Manager will be supported by a Director of Operations to ensure consistency with required processes.