



STATE OF INDIANA
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January 24, 2022

Charter School Board
pilotED Schools of Indiana, Inc.
2710 Bethel Ave
Indianapolis, IN 46203

We have reviewed the Supplemental Audit Report for pilotED Schools of Indiana, 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 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.

A handwritten signature in blue ink that reads "Paul D. Joyce".

Paul D. Joyce, CPA
State Examiner

SUPPLEMENTAL AUDIT REPORT
OF
pilotED SCHOOLS OF INDIANA, INC.

MARION COUNTY, INDIANA

July 1, 2020 to June 30, 2021



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pilotED SCHOOLS OF INDIANA, INC.
MARION COUNTY, INDIANA
School Officials
July 1, 2020 to June 30, 2021

<u>Office</u>	<u>Official</u>	<u>Term</u>
Chair of Board of Directors	Maggie Stevens	07/01/20 – 06/30/21
Director, Business & Operations	Lani Luo	07/01/20 – 06/30/21
Chief Executive Officer	Jacob Allen	07/01/20 – 06/30/21



Donovan CPAs

The Board of Directors
pilotED Schools of Indiana, Inc.

We have audited the financial statements of pilotED Schools of Indiana, Inc. (the “School”) as of and for the year ended June 30, 2021, and have issued our report thereon dated December 14, 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
December 14, 2021

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pilotED SCHOOLS OF INDIANA, INC.
MARION COUNTY, INDIANA
Audit Results and Comments
July 1, 2020 to June 30, 2021

REQUIRED REPORTS - FORM 9 REPORTING

We reviewed both biannual Form 9 reports filed by the School to the Indiana Department of Education during the 2020-2021 school year. Individual fund balances and the total cash reported on the June 30, 2021 Form 9 did not reflect actual balances in line with the School's accounting records. Total cash per the Form 9 was \$8,924 less than the 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)

REQUIRED REPORTS - NEGATIVE BALANCES

The School reported negative balances in the following funds as of June 30, 2021, neither of which were awaiting reimbursement:

- Fund 2020 \$ 108,793
- Fund 6891 20,818

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 fund balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the charter school. (Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Part 10)

pilotED SCHOOLS OF INDIANA, INC.
MARION COUNTY, INDIANA
Exit Conference
July 1, 2020 to June 30, 2021

The contents of this report were discussed on December 14, 2021 with Maggie Stevens (Chair of Board of Directors), Jennifer Lopez (Manager, Business & Operations), Jennica Adkins (Principal), Lakisha Crawford (Treasurer) and Lani Luo (Director, Business & Operations). The Official Response has been made a part of this report and may be found on page 5.



December 12, 2021

To whom it may concern,

Please find below pilotED Schools of Indiana Inc.'s response to the audit findings:

Required Reports – Form 9 Reporting

pilotED Schools of Indiana Inc. has been transitioning its bookkeeping from in-house management to professional management with Bookkeeping Plus Inc (BPI). As the books become fully onboarded with BPI, Form 9 reporting in the subsequent years will be in line as BPI will have a full year of handling Form 9.

Required Reports – Negative Balances

As stated previously, pilotED Schools of Indiana Inc. has been transitioning its bookkeeping from in-house management to professional management with Bookkeeping Plus Inc (BPI). As the books become fully onboarded with BPI, fund classification in the subsequent years will be in line as BPI will have a full year of handling the books.

Jennica Adkins
Principal

Jennifer Lopez
Manager, Business & Operations