



STATE OF INDIANA
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January 25, 2022

Charter School Board
URBAN ACT Academy, Inc.
1250 E Market Street
Indianapolis, IN 46202

We have reviewed the Supplemental Audit Report of URBAN ACT Academy, 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.

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

Paul D. Joyce, CPA
State Examiner

SUPPLEMENTAL AUDIT REPORT
OF
URBAN ACT ACADEMY, INC.

MARION COUNTY, INDIANA

July 1, 2020 to June 30, 2021



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URBAN ACT ACADEMY, INC.
MARION COUNTY, INDIANA
School Officials
July 1, 2020 to June 30, 2021

<u>Officer</u>	<u>Official</u>	<u>Term</u>
Chair of Board of Directors	Morgan Galbreth	07/01/20 – 06/30/21
Head of School	Nigena Livingston	07/01/20 – 06/30/21
Director of Finance and Operations	Theo Brannum	07/01/20 – 06/30/21



Donovan CPAs

The Board of Directors
URBAN ACT Academy, Inc.

We have audited the financial statements of URBAN ACT Academy, Inc. (the “School”) as of and for the year ended June 30, 2021, and have issued our report thereon dated December 15, 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 15, 2021

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URBAN ACT ACADEMY, INC.
MARION COUNTY, INDIANA
Audit Results and Comments
July 1, 2020 to June 30, 2021

REQUIRED REPORTS – FORM 9 REPORTING

We reviewed the biannual Form 9 reports filed by the School to the Indiana Department of Education (IDOE) for the 2020-2021 school year, noting the following errors:

1. The ending cash balance reported on the Form 9 as of June 30, 2021 does not agree to the ending cash reported on the trial balance. The Form 9 shows a balance that is \$10,500 less than the trial balance.
2. Individual fund balances reported on the Form 9 do not agree with the fund activity per the financial records.

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)

URBAN ACT ACADEMY, 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 Nigena Livingston (Head of School), Theo Brannum (Director of Finance and Operations), Kim Ballin and Brian Anderson (Center for Innovative Education Solutions). The Official Response has been made a part of this report and may be found on page 5.



December 14, 2021

Donovan CPAs
9292 N. Meridian Street, Suite 150
Indianapolis, IN 46260

URBAN ACT Academy will take the following actions to address the FY2021 supplemental audit report comments:

1. We will continue to manage the differences in timing and required reporting that exist for charter schools in the state of Indiana. As part of that, we will monitor our cash basis fund reporting on our Form 9 submission and adjust as necessary. We also hope that the approval and reimbursement of Federal grants, such as ESSER and Title I, will become more efficient at the state level. Improvements there would alleviate some of the need for adjustments after submission. Finally, we are happy to be a part of any data collection improvement process discussions the state may have. We will, however, continue to work within the framework of the imperfect data collection system to do the best we can at submitting information in the required format.
2. One finding was broken out into two parts for some reason. Our response to number 1 applies to number 2.

Sincerely,

The URBAN ACT Academy Management Team