



**STATE OF INDIANA**  
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May 27, 2022

Charter School Board  
Adelante Schools, Inc.  
1202 E. Troy Ave.  
Indianapolis, IN 46203

We have reviewed the Supplemental Audit Report for Adelante Schools, 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 on page 3. 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 black ink that reads "Tammy R. White".

Tammy R. White, CPA  
Deputy State Examiner

SUPPLEMENTAL AUDIT REPORT  
OF  
**ADELANTE SCHOOLS, INC.**

MARION COUNTY, INDIANA

July 1, 2020 to June 30, 2021



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**ADELANTE SCHOOLS, 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	Kristy Kainrath	07/01/20 – 06/30/21
Executive Director	Eddie Rangel	07/01/20 – 06/30/21
Director of Operations	Jordan Habayeb	07/01/20 – 06/30/21



# Donovan CPAs

The Board of Directors  
Adelante Schools, Inc.

We have audited the financial statements of Adelante Schools, Inc. (the “School”) as of and for the year ended June 30, 2021, and have issued our report thereon dated February 10, 2022. 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 10, 2022

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

**RECEIPTS AND DEPOSITS**

The School had two receipts during the 2020-2021 school year, both of which we tested, and neither of which was deposited timely. The receipts were for \$250 to \$400 and both were deposited 126 days after the receipts were written.

All charter school money must be deposited in the designated depository not later than the business day following the receipt of funds on business days of the depository in the same form in which the funds were received. Timely receipts and deposits are required to provide the organizer and charter school administration with current information necessary for all financial decisions. (Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Part 8)

**REQUIRED REPORTS - FORM 9 REPORTING**

We reviewed the biannual Form 9 filed by the School to the Indiana Department of Education during the 2020-2021 school year. While the total cash balance agreed at June 30, 2021, the individual fund balances reported on the June 2021 Form 9 did not reflect the actual balances in line with the School's accounting 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)

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

The contents of this report were discussed on February 10, 2022 with Jordan Habayeb (Director of Operations), Eddie Rangel (Executive Director), Brian Anderson (Outside Consultant) and Liz Campbell (Outside Consultant). The Official Response has been made a part of this report and may be found on page 5.

Tuesday, February 8, 2022

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

Adelante Schools will take the following actions to address the FY21 supplemental audit report findings.

**Receipts & Deposits:** During FY21 we received two checks mailed to our campus when we were remote. Mail was collected at the Post Office, and both envelopes were addressed to former employees which caused a delay in reaching the Operations team. Moving forward, we have trained our front office team to direct any unknown mail to the Managing Director of Operations. We have also purchased an on-site check deposit system so that checks can be deposited as soon as they are received. Per SBOA guidelines, all checks will be deposited in the designated depository no later than the business day following the receipt of funds on business days of the depository in the same form in which the funds were received.

**Form 9:** We will continue to manage the differences in timing and required reporting for charter schools in the state of Indiana. In FY21, we had some CARES & ESSER funding flow through Indianapolis Public Schools. The allocations through Indianapolis Public Schools have not been reimbursed as quickly as the Indiana Department of Education's timelines. Thus, we had reimbursements from FY21 come from IPS over four months after submitting them. As part of that, we will monitor our cash basis fund reporting on our Form 9 submission and adjust as necessary. Adjustments are typically required when we either make accrual-based receivable and payable adjustments or when we receive retroactive grant budget approvals after a reporting deadline has already passed.

In Partnership,



Jordan Habayeb  
Managing Director, Operations  
Adelante Schools, INC.