



STATE OF INDIANA
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STATE BOARD OF ACCOUNTS
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May 5, 2023

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, 2021 to June 30, 2022. 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 on page 3. Management's response is on page 5.

The report is filed with this letter 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
URBAN ACT ACADEMY, INC.

MARION COUNTY, INDIANA

July 1, 2021 to June 30, 2022



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URBAN ACT ACADEMY, INC.
MARION COUNTY, INDIANA
School Officials
July 1, 2021 to June 30, 2022

<u>Office</u>	<u>Official</u>	<u>Term</u>
Chair of Board of Directors	Morgan Galbreth	07/01/21 – 06/30/22
Head of School	Nigena Livingston	07/01/21 – 06/30/22
Director of Finance and Operations	Theo Brannum	07/01/21 – 06/30/22



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, 2022, and have issued our report thereon dated January 24, 2023. 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
January 24, 2023

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URBAN ACT ACADEMY, INC.
MARION COUNTY, INDIANA
Audit Results and Comments
July 1, 2021 to June 30, 2022

REQUIRED REPORTS - FORM 9 REPORTING

We reviewed the biannual Form 9 reports filed by the School to the Indiana Department of Education for the 2021-2022 school year noting the individual fund balances reported on 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, 2021 to June 30, 2022

The contents of this report were discussed on January 24, 2023 with Theo Brannum (Director of Finance and Operations), and Brian Anderson (Outside Consultant). The Official Response has been made a part of this report and may be found on page 5.



January 24, 2023

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

Urban Act Academy will take the following actions to address the FY2022 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 had hoped that the approval and reimbursement of Federal grants, such as ESSER and Title I, would have become more efficient at the state level. It has not. The state apparently continues to struggle with staffing issues. We will still reconcile our Form 9 cash reporting to our overall cash position appropriately. We also will still seek reimbursement for federal awards appropriately, even if we find out after the Form 9 reporting deadline that prior year expenses are eligible for reimbursement.

Sincerely,

The Urban Act Academy Management Team

Our mission is to develop and empower students as leaders, globally competitive scholars and informed citizens.

URBAN ACT Academy | 1250 E. Market St. - Indianapolis, IN 46202 | T: (317) 226-4214 | www.urbanact.org