



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
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May 17, 2023

Charter School Board
Drexel Foundation for Educational Excellence, Inc.
d/b/a Thea Bowman Leadership Academy
973 West 6th Avenue
Gary, IN 46402

We have reviewed the Supplemental Audit Report for Drexel Foundation for Educational Excellence, Inc. d/b/a Thea Bowman Leadership Academy 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 findings 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 cursive script that reads "Tammy R. White".

Tammy R. White, CPA
Deputy State Examiner

**SUPPLEMENTAL AUDIT REPORT
OF
DREXEL FOUNDATION FOR EDUCATIONAL EXCELLENCE, INC.
d/b/a THEA BOWMAN LEADERSHIP ACADEMY**

LAKE COUNTY, INDIANA

July 1, 2021 to June 30, 2022



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DREXEL FOUNDATION FOR EDUCATIONAL EXCELLENCE, INC.
d/b/a THEA BOWMAN LEADERSHIP ACADEMY
LAKE COUNTY, INDIANA
School Officials
July 1, 2021 to June 30, 2022

<u>Office</u>	<u>Official</u>	<u>Term</u>
President of Board of Directors	Michael Suggs	07/01/21 – 06/30/22
Principal (Middle and High School)	Richard Glass	07/01/21 – 06/30/22
Principal (Elementary School)	Marisa Simmons	07/01/21 – 06/30/22
Treasurer	Eva Spilker	07/01/21 – 06/30/22



Donovan CPAs

The Board of Directors
Drexel Foundation for Educational Excellence, Inc.
d/b/a Thea Bowman Leadership Academy

We have audited the financial statements of Drexel Foundation for Educational Excellence, Inc. d/b/a Thea Bowman Leadership Academy (the “School”) as of and for the year ended June 30, 2022 and have issued our report thereon dated February 23, 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
February 23, 2023

DREXEL FOUNDATION FOR EDUCATIONAL EXCELLENCE, INC.
d/b/a THEA BOWMAN LEADERSHIP ACADEMY
LAKE COUNTY, INDIANA
Audit Results and Comments
July 1, 2021 to June 30, 2022

RECEIPTS AND DEPOSITS

We examined records relating to cash received at the School and selected forty receipts for testing. Of the forty receipts selected, seventeen were not deposited in a timely manner. Untimely deposits ranged from six to thirty-four days, with individual receipts ranging from \$25 to \$100.

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 - NEGATIVE FUND BALANCE

The School reported a negative balance in fund 200 on the June 2022 Form 9, which was unrelated to a pending reimbursement. The negative fund balance totaled \$2,333,792.

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)

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)

DREXEL FOUNDATION FOR EDUCATIONAL EXCELLENCE, INC.
d/b/a THEA BOWMAN LEADERSHIP ACADEMY
LAKE COUNTY, INDIANA
Exit Conference
July 1, 2021 to June 30, 2022

The contents of this report were discussed on February 23, 2023 with Eve Gomez (Secretary of Board of Directors), Michelle Dickerson (At-large member of Board of Directors), and Eva Spilker (Treasurer and representative from The Phalen Leadership Academies). The Official Response has been made a part of this report and may be found on page 5.



Thea Bowman Leadership Academy

3401 West 5th Avenue
Gary, Indiana 46406
Office (219) 944-3100
Fax (219) 977-4780

February 23, 2023

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

PLA has reviewed the required procedure for depositing all funds no later than the business day following receipt of funds with the Office Manager and School Leader. The support package consisting of the deposit slip, receipts and the deposit reconciliation form will be submitted to PLA upon completion of the deposit. PLA will review all deposits received and flag any deposits that are outside the one business day deposit requirement.

Required Reports – Negative Fund Balance - in response to the negative fund balance finding:

All debt transaction payments are made from Fund 0200 for Thea Bowman Leadership Academy. We will transfer cash, to ensure the cash in Fund 0200 is not negative.

Champion Students, Champion Parents and Champion Staff
www.theabowmanacademy.org