



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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June 15, 2023

Charter School Board
Goodwill LEADS, Inc. - The Excel Center
2721 Kenwood Avenue
South Bend, IN 46628

We have reviewed the Supplemental Audit Report of Goodwill LEADS, Inc. - The Excel Center prepared by Kruggel, Lawton & Company LLC, 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 pages 3 and 4. Management's response is on page 6.

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
Goodwill LEADS, Inc. (The Excel Center)

ST. JOSEPH COUNTY, INDIANA
July 1, 2021 to June 30, 2022

Contents

School Officials 1

Transmittal Letter..... 2

Audit Results and Comments..... 3

 AVERAGE DAILY MEMBERSHIP 3

Exit Conference 5

Goodwill LEADS, Inc. (The Excel Center)
ST. JOSEPH COUNTY, INDIANA
July 1, 2021 to June 30, 2022

School Officials

Office	Official	Term
Board Chair	Debie Coble	7/1/2021-6/30/2022
Board Chair	Anthony Allison	7/1/2022-current
Chief Financial Officer	Karman Eash	7/1/2021-6/30/2022
Vice President	Cindy Cavanaugh	7/1/2021-11/3/2021
Vice President	Chris Alber	7/1/2022-current
School Director (South Bend)	Melissa LaPalce	7/1/2021-6/30/2022
School Director (Elkhart)	Mike Gallo	7/1/2021-6/30/2022
School Director (Hammond)	David Plesac	7/1/2021-6/30/2022
School Director (Hammond)	Countance Anderson	9/9/2022-current
School Director (Gary)	Theresa Knipe	7/1/2021-6/30/2022
Finance Manager	Ben Szumial	7/1/2021-1/07/2022
Accounting Manager	James Wiggins	2/28/2022-6/30/2022
Senior Accountant	Kathleen Pizana	7/1/2021-2/11/2022



The Board of Directors
Goodwill LEADS, Inc. (The Excel Center)

We have audited the financial statements of Goodwill LEADS, Inc. (The Excel Center) (the “School”) as of and for the year ended June 30, 2022 and have issued our report thereon dated January 30, 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.

Respectfully submitted,

A handwritten signature in blue ink that reads 'Kruggel, Lawton & Company LLC'.

Certified Public Accountants

Elkhart, Indiana
January 30, 2023

Goodwill LEADS, Inc. (The Excel Center)
ST. JOSEPH COUNTY, INDIANA
July 1, 2021 to June 30, 2022

Audit Results and Comments

AVERAGE DAILY MEMBERSHIP

The School reports Average Daily Membership (ADM) counts on a biannual basis as required by the Indiana Code. For the fiscal year ended June 30, 2022, these counts were required on September 17, 2021 and February 1, 2022.

Enrollment documents and attendance records are required to be maintained by the School in accordance with guidance by the Indiana Department of Education (IDOE). Officials shall maintain records (enrollment applications, attendance records, reporting forms, etc.) which substantiate the number of students claimed for ADM. A student claimed for ADM must be an "eligible pupil". An eligible pupil is a student that is enrolled and attending. IC 20-43-1-11: "'Eligible pupil' refers to an individual who qualifies as an eligible pupil under IC 20-43-4-1". IC 20-43-1-11.5 defines "Enrolled" as registered with a school corporation to attend educational programs offered by or through the school corporation; and attending these educational programs or receiving education services. IC 20-43-1-7.5 defines "Attending" as physical or virtual presence of a student with the expectation of continued services in the education programs for which the student is registered. (Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Part 9)

Twenty-six students were tested for the South Bend Excel Center. On the fall count date, fourteen students included in the total reported on the Certification Summary Report were not present. Three of the fourteen students who were not present on the count date showed no signs of engagement in the two weeks prior to the count date. On the spring count date, nine students included in the total reported on the Certification Summary Report were not present. Two of the nine students who were not present on the count date showed no signs of engagement in the two weeks prior to the count date. Of the total five exceptions who were not present and showed no signs of engagement for the two weeks prior to the count dates, the School did not follow its documented engagement policy for three of those students.

Twenty-three students were tested for the Hammond Excel Center. On the fall count date, five students included in the total reported on the Certification Summary Report were not present. Three of the five students who were not present on the count date showed no signs of engagement in the two weeks prior to the count date. On the spring count date, one student included in the total reported on the Certification Summary Report was not present. That student showed no signs of engagement in the two weeks prior to the count date. Of the total four exceptions who were not present and showed no signs of engagement for the two weeks prior to the count dates, the School did not follow its documented engagement policy for three of those students.

Seventeen students were tested for the Gary Excel Center. On the fall count date, seven students included in the total reported on the Certification Summary Report were not present. Three of the seven students who were not present on the count date showed no signs of engagement in the two weeks prior to the count date. On the spring count date, four students included in the total reported on the Certification Summary Report were not present. Two of the four students who were not present on the count date showed no signs of engagement for the two weeks prior to the count date. Of the total five exceptions who were not present

Goodwill LEADS, Inc. (The Excel Center)
ST. JOSEPH COUNTY, INDIANA
July 1, 2021 to June 30, 2022

and showed no signs of engagement for the two weeks prior to the count dates, the School did not follow its documented engagement policy for two of those students.

Eleven students were tested for the Elkhart Excel Center. On the fall count date, two students included in the total reported on the Certification Summary Report were not present. One of the two students who were not present on the count date showed no signs of engagement in the two weeks prior to the count date. On the spring count date, three students included in the total reported on the Certification Summary Report were not present. The three students who were not present on the spring count date showed no signs of engagement in the two weeks prior to the count. Of the total four exceptions who were not present and showed no signs of engagement for the two weeks prior to the count dates, the School did not follow its documented engagement policy for one of those students.

School officials shall contact the IDOE, Division of School Finance, to determine possible steps to be taken to correct any overpayment to the school because of incorrect reporting.

Goodwill LEADS, Inc. (The Excel Center)
ST. JOSEPH COUNTY, INDIANA
July 1, 2021 to June 30, 2022

Exit Conference

The contents of this report are scheduled to be discussed on January 30 with Melissa LaPalce, Mike Gallo, Countance Anderson and Theresa Knipe (current School Directors), Chris Alber (VP of Excel), Karman Eash (Chief Financial Officer), Debie Coble (previous Board Chair), and Tony Allison (current Board Chair). The Official Response has been made a part of this report and may be found on page 6.

**Official Response to Audit Results and Comments
Regarding Average Daily Membership**

During the school year ending June 30, 2022, Goodwill LEADS, Inc. (The Excel Center) experienced significant turnover in several key positions in the organization. Of those changes, the most significant was the VP of Excel Centers who left on November 3, 2021. The replacement VP did not start until July 1, 2022. The school registrar also resigned during the 2021-2022 school year.

As a result of these key resignations and other positions, new staff were being trained in various processes at the school, including the proper documentation needed for Average Daily Membership (ADM) and required follow-up for those students who were enrolled but identified as not regularly attending according to The Excel Center guidelines.

During the transition of staff, The Excel Center has been in regular contact with Indiana Charter School Board (“ICSB”) staff and Indiana State Board of Accounts (“SBOA”) staff to ensure a variety of issues and requirements were understood, followed, documented and reported on. During the time between VP’s, the President/CEO of Goodwill Industries of Michiana, Inc., the sponsor of The Excel Centers, stepped in as interim leader to the schools and worked closely with staff to understand and implement necessary changes as weaknesses were identified. Audit testing results indicate that there was significant improvement from Fall 2021 to Spring 2022 ADM in terms of properly counting students. That training and open communication with ICSB and SBOA has continued with the hiring of the new VP of Excel Centers on July 1, 2022.

Additional training is on-going with staff in each of the schools and at the administrative level to ensure ADM count guidelines are followed going forward. Each staff member involved in the ADM count or who is responsible for student contact will be required to participate in annual training developed by the team and tracked in the Learning Management System portal in Paycom beginning with the 2022-2023 school year.

Although significant time and effort goes into verifying the student count at each count date, The Excel Center has not previously conducted formal internal audits of student count data. This process will be implemented beginning with the February 2022 count date and will continue going forward. Internal audits will be conducted based on information provided as a result of this audit and as documented in the SBOA Guidelines for the Audits of Charter Schools.

Further, the school staff members who are responsible for documenting student follow-up will be required to enter all student contact in the Synergy tracking system. Verification of this data will be included in the internal audit process as well.