

Edison School of the Arts

OCTOBER 2024 BOARD MEETING

Date and Time

Tuesday October 15, 2024 at 5:30 PM EDT

Location

This in-person meeting is held in the Edison School of the Arts media center.

Edison School of the Arts Mission is to continue to be an educational and artful resource for all students, parents, community, and staff members by consistent and focused professional development, invitational practices by all, utilizing quarterly and annual reviews. We will continue to develop our educational and arts aesthetic by expanding our arts experiences, exposure, and partnerships

Edison School of the Arts Vision is to provide an environment that promotes high academic and creative achievement through implementation of visual and performing arts course programming. We encourage students to become responsible citizens who are culturally diverse. We develop lifelong learners, appreciators, and consumers of the arts.

Agenda

		Purpose	Presenter	Time
I.	Opening Items			5:30 PM
	A. Record Attendance		Vionta Jones	1 m
	B. Call the Meeting to Order	Discuss	Tanya Overdorf	1 m
	C. Adoption of Agenda	Vote	Tanya Overdorf	5 m

		Purpose	Presenter	Time
D.	Welcome & Introductions	Discuss	Tanya Overdorf	1 m
Е.	Open Door Law Review		Kay Feeney-Caito	2 m

The agency must post the notice on the outside of its main office or at the meeting location. It must send notices to any media that asked by January 1 of the current year to receive them.

The 48-hour notice period does not include Saturdays, Sundays, or legal holidays. The notice for an executive session must state the specific part of the Open Door Law that allows it to be a private meeting. Agencies must keep memoranda of each public meeting and make them available to you for inspection and copying within a reasonable time after the meeting. Memoranda generally include:

- Date, time, and place of the meeting
- Members present or absent

П.

III.

- · General information on matters discussed or decided
- Record of votes taken, listed by individual if a roll call vote was takenAgencies must also make any minutes taken available to you for inspection and copying. The minutes and memoranda for executive sessions must identify the specific part of the Open Door Law that allowed it to be a private meeting. They must also state that no other matters were discussed during the session.

F.	Board Member Comments	Discuss	Tanya Overdorf	5 m
	2-minutes each			
G.	Public Comments		Tanya Overdorf	15 m
H.	3-minutes each (maximum per speaker) A timer will be set. September 2024 Meeting Minutes	Approve Minutes	Tanya Overdorf	5 m
Воа	ard Chair Report			6:05 PM
Α.	CEO Report	Discuss	Michelle Brittain- Watts	5 m
23-	24 SY Donovan CPA Final Audit Deliverables			6:10 PM

		Purpose	Presenter	Time
	A. 23-24 SY Donovan CPA Final Audit Deliverable	s Vote	Gregory Wallis	10 m
IV.	Governance Committee Report			6:20 PM
	Edgar, Ernest, Vionta			
	 A. Update on Board Policy Manual (Paused in 2023) 	FYI	Edgar Palacios	5 m
	In 2023, the Board placed it's Policy Manual und and their engagement in the review of the manu will work with Dr. Brittain-Watts to update the Po	al. This school y	•	
	The Governance Chair will continue to work with updating the Edison Policy Manual. The results			
V.	Academic Excellence Committee			6:25 PM
	A. Committee Chair Report	Discuss	Kelli Marshall	10 m
VI.	Treasurer's Report			6:35 PM
	A. September 2024 Financial Reports	FYI	Gregory Wallis	5 m
	B. YTD Stipends 2024-2025	FYI	Gregory Wallis	10 m
VII.	Advancement Committee			6:50 PM
	A. Advancement Report	FYI	Kay Feeney-Caito	15 m
VIII.	New Business			
IX.	Final Board Comments			7:05 PM
	3-minutes each			
	A. 3-minutes for each Board member	FYI	Tanya Overdorf	6 m
Х.	Closing Items			7:11 PM
	A. Adjourn Meeting	Vote		

September 2024 Meeting Minutes

Section:I. Opening ItemsItem:H. September 2024 Meeting MinutesPurpose:Approve MinutesSubmitted by:Related Material:Minutes for SEPTEMBER 2024 BOARD MEETING on September 17, 2024



Edison School of the Arts

Minutes

SEPTEMBER 2024 BOARD MEETING

Date and Time Tuesday September 17, 2024 at 5:30 PM

Location

APPRO

This in-person meeting is held in the Edison School of the Arts media center.

Edison School of the Arts Mission is to continue to be an educational and artful resource for all students, parents, community, and staff members by consistent and focused professional development, invitational practices by all, utilizing quarterly and annual reviews. We will continue to develop our educational and arts aesthetic by expanding our arts experiences, exposure, and partnerships

Edison School of the Arts Vision is to provide an environment that promotes high academic and creative achievement through implementation of visual and performing arts course programming. We encourage students to become responsible citizens who are culturally diverse. We develop lifelong learners, appreciators, and consumers of the arts.

Directors Present G. Wallis, K. Marshall, T. Givens, T. Overdorf

Directors Absent E. Palacios, K. Feeney-Caito

Ex Officio Members Present

M. Brittain-Watts

Non Voting Members Present

M. Brittain-Watts

Guests Present

A. Berns, K. Sims-Fagan, S. Roach, V. Jones

I. Opening Items

A. Record Attendance

B. Call the Meeting to Order

T. Overdorf called a meeting of the board of directors of Edison School of the Arts to order on Tuesday Sep 17, 2024 at 5:40 PM.

C. Adoption of Agenda

G. Wallis made a motion to adopt the agenda.K. Marshall seconded the motion.The board **VOTED** to approve the motion.

D. Welcome & Introductions

Presented by Greg Wallis.

E. Open Door Law Review

Presented by Kelli Marshall

F. Board Member Comments

No comments.

G. Public Comments

No comments.

H. July & August 2024 Meeting Minutes

T. Overdorf made a motion to approve the minutes from JULY 2024 BOARD MEETING on 07-16-24.

G. Wallis seconded the motion.

The board **VOTED** to approve the motion.

T. Givens made a motion to approve the minutes from AUGUST 2024 BOARD MEETING on 08-20-24.

G. Wallis seconded the motion.

The board **VOTED** to approve the motion.

II. Executive Director's Report

A. Executive Director's Report

Presented by Dr. Michelle Brittain-Watts.

III. 23-24 SY Donovan CPA Audit Summary

A. 23-24 SY Donovan CPA Draft Reports/Audit Summary

Presented by Jason Schultz. Clean unmodified audit. Vote tabled until we have the final audit.

IV. BoardOnTrack - Edison School for the Arts - Renewal 2024-2025

A. BoardOnTrack - Edison School for the Arts - Renewal 2024-2025

Presented by Greg Wallis.G. Wallis made a motion to renewal approved.T. Givens seconded the motion.The board **VOTED** to approve the motion.

V. Governance Committee Report

A. Update on Board Policy Manual (Paused in 2023)

T. Givens made a motion to Electronic Meeting Policy.
T. Overdorf seconded the motion.
note -add the the electric policy to our website.
The board **VOTED** to approve the motion.
T. Givens made a motion to Approve Electronic Meeting Policy.
T. Overdorf seconded the motion.
The board **VOTED** to approve the motion.

VI. Academic Excellence Committee

A. Committee Chair Report

Presented by Kelli Marshall and Amy Berns.

VII. Treasurer's Report

A. July & August 2024 Financial Reports

Presented by Greg Wallis.

YTD Stipends 2023-2024

Presented by Greg Wallis.

C. 24/25 SY Final Budget

T. Overdorf made a motion to approved budget.K. Marshall seconded the motion.Presented by Greg Wallis.

The board **VOTED** to approve the motion.

VIII. Advancement Committee

A. Advancement Report

Presented by Dr. Michelle Brittain-Watts.

IX. Final Board Comments

A. 3-minutes for each Board member

No comments.

X. Closing Items

A. Adjourn Meeting

Presented by Tanya Stuart-Overdorf. There being no further business to be transacted, and upon motion duly made, seconded and approved, the meeting was adjourned at 6:35 PM.

Respectfully Submitted, T. Overdorf

CEO Report

Section: Item: Purpose: Submitted by: Related Material: II. Board Chair Report A. CEO Report Discuss

CEO Report 10-11-24 (1).pdf



Edison School of the Arts, Inc.
Monthly CEO Report
October 11, 2024
Enrollment
PowerSchool: 618
ADM Count Day (October 1): 621
Academics
See Academic Report
Innovation
 Completing compliance items for September/October.
Finance
 Summer School savings report (+\$72K)
QuickBooks access is still needed for approval
 Partnerships: Elanco Animal Health-Rise Against Hunger Meal Packaging at the Indianapolis Zoo
 DEI (Diversity Equity and Inclusion) •
Family & Community Engagement
Director of Enrollment and Community Outreach
Advancement Report
Parent Involvement Educator (PIE)
Parent Workshop #1: ILEARN Checkpoint Information Session
Grants/Donations
Lilly Community Grant-Submitted Staffing/HR
 Open positions for the 24-25 academic school year:
 Special Education Teachers (1)
Special Education Instructional Assistant (1)
Professional Development
Facilities & Safety
New cafeteria tables refresh



ESOA Board Meeting

□ November 19, 2024

MISC

23-24 SY Donovan CPA Final Audit Deliverables

Section:	III. 23-24 SY Donovan CPA Final Audit Deliverables
Item:	A. 23-24 SY Donovan CPA Final Audit Deliverables
Purpose:	Vote
Submitted by:	
Related Material:	Edison School of the Arts - Communication Letter 2024.pdf
	Edison School of the Arts - Audited Financial Statements 2024.pdf
Purpose: Submitted by:	Vote Edison School of the Arts - Communication Letter 2024.pdf



The Board of Directors Edison School of the Arts, Inc. Indianapolis, Indiana

We audited the financial statements of Edison School of the Arts, Inc. (the School) as of and for the years ended June 30, 2024 and 2023 and issued our report thereon dated September 26, 2024. Professional standards require us to provide you with information about our responsibilities under generally accepted auditing standards as well as certain information related to the planned scope and timing of our audits. We communicated such information in our letter to you dated May 30, 2024. Professional standards require us to communicate to you the following information related to our audits.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the School are described in Notes 2 and 3 to the financial statements. The School adopted Accounting Standards Update 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments* during the year ended June 30, 2024 which introduced a forward-looking approach based on expected losses to estimate credit losses on certain types of financial instruments, including grants receivable. The adoption of this accounting standards update did not have a material impact on the School's financial position or the result of its operations and cash flows.

We noted no transactions entered into by the School during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility future events affecting them may differ significantly from those expected. The most sensitive accounting estimate affecting the financial statements relates to the value of the in-kind services provided by IPS. Note 4 to the financial statements reads as follows:

Valuation of In-kind Services

The School recorded in-kind contributions and offsetting expenses from IPS, a related party, totaling \$4,714,953 and \$3,903,861 during the years ended June 30, 2024 and 2023, respectively. These in-kind transactions represent approximately 41% and 36% of total revenue and support for the years ended June 30, 2024 and 2023 and 42% and 37% of total expenses for the years ended June 30, 2024 and 2023, respectively. The values of in-kind services are calculated by IPS using significant estimates and judgments and are recorded by management of the School as presented.

Significant Disclosures

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. We identified no particularly sensitive financial statement disclosures.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audits

We encountered no significant difficulties in dealing with management in performing and completing our audits.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those which are clearly trivial, and communicate them to the appropriate level of management. The adjustment to record in-kind services from IPS is the only adjustment required after the start of our audit, which was due to IPS not providing the information until after the audit started. This adjustment had no impact on the statements of financial position nor the change in net assets.

Disagreements with Management

For purposes of this letter, a disagreement with management is a disagreement on a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, which could be significant to the financial statements or the auditor's report. We are pleased to report no such disagreements arose during the course of our audits.

Management Representations

We requested certain representations from management which were provided in the management representation letter dated September 26, 2024.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the School's financial statements or a determination of the type of auditor's opinion which may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the School's auditors. These discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Emphasis of Matter Paragraph

Given the significance of the valuation of the in-kind contributions and expenses, both in terms of dollar amounts as well as the significance of the estimates and judgements involved in arriving at those amounts, we included an emphasis of matter paragraph in our independent auditors' report drawing the reader's attention to the disclosures in Note 4. Our opinion is not modified with respect to this matter. This information is intended solely for the use of Board of Directors, Indianapolis Public Schools, and management of the School and is not intended to be, and should not be, used by anyone other than these specified parties.

ONOVAN

Donovan CPAs Indianapolis, Indiana September 26, 2024

Edison School of the Arts, Inc.

Financial Statements Together with Independent Auditor's Report

For the Years Ended June 30, 2024 and 2023



Edison School of the Arts, Inc.

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Independent Auditor's Report

The Board of Directors Edison School of the Arts, Inc. Indianapolis, Indiana

Opinion

We audited the accompanying financial statements of Edison School of the Arts, Inc. (the School) which comprise the statements of financial position as of June 30, 2024 and 2023 and the related statements of activities and change in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the School as of June 30, 2024 and 2023, and the changes in its net assets, functional expenses, and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report.

We are required to be independent of the School and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe the audit evidence we obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, which raise substantial doubt about the School's ability to continue as a going concern for one year after the date the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report including our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, raise substantial doubt about the School's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters we identified during the audits.

Emphasis of Matter

As discussed in Note 4 to the financial statements, the School recorded in-kind contributions and offsetting expenses from Commissioners of the City of Indianapolis, also known as Indianapolis Public Schools (IPS), a related party, totaling \$4,714,953 and \$3,903,861 during the years ended June 30, 2024 and 2023, respectively. These in-kind transactions represent approximately 41% and 36% of total revenue and support for the years ended June 30, 2024 and 2023, respectively, and 42% and 37% of total expenses for the years ended June 30, 2024 and 2023, respectively, and 42% and 37% of total expenses for the years ended June 30, 2024 and 2023, respectively. These amounts are calculated by IPS using significant estimates and judgments and are recorded by management of the School as presented. Our opinion is not modified with respect to this matter.

ONOVAN

Donovan CPAs Indianapolis, Indiana September 26, 2024

Edison School of the Arts, Inc. Statements of Financial Position June 30, 2024 and 2023

	ASSETS	2024	2023
Current Assets			
Cash	\$	1,649,271	\$ 1,460,715
Grants receivable		251,437	246,886
Total current assets	_	1,900,708	1,707,601
Fixed Assets			
Furniture and equipment		168,332	168,332
Textbooks		64,423	64,423
Less: accumulated depreciation		(200,980)	(176,589)
Fixed assets, net	_	31,775	56,166
Total Assets	\$	1,932,483	\$ 1,763,767

LIABILITIES AND NET ASSETS

Liabilities Accounts payable and accrued expenses	\$ 232,510	\$ 302,588
Net Assets		
Without donor restrictions	1,694,381	1,450,708
With donor restrictions	5,592	10,471
Total net assets	1,699,973	1,461,179
Total Liabilities and Net Assets	\$ 1,932,483	\$ 1,763,767

See independent auditor's report and notes to the financial statements

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Edison School of the Arts, Inc. Statements of Activities and Change in Net Assets For the Years Ended June 30, 2024 and 2023

		2024		2023		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Support						
Student-based allocation						
funding from IPS	\$ 5,139,357	\$ -	\$ 5,139,357	\$ 5,274,461	\$ -	\$ 5,274,461
In-kind contributions from IPS	4,714,953	-	4,714,953	3,903,861	-	3,903,861
Grants	1,490,340	-	1,490,340	1,774,780	-	1,774,780
Interest income	54,384	-	54,384	9,662	-	9,662
Contributions	2,627	-	2,627	3,120	-	3,120
Other income	18,859	-	18,859	24,359	-	24,359
Net assets released from restrictions	4,879	(4,879)		3,912	(3,912)	-
Total revenue and support	11,425,399	(4,879)	11,420,520	10,994,155	(3,912)	10,990,243
Expenses						
Program services	9,709,792	-	9,709,792	8,983,455	-	8,983,455
Management and general	1,471,934		1,471,934	1,616,645		1,616,645
Total expenses	11,181,726		11,181,726	10,600,100		10,600,100
Change in Net Assets	243,673	(4,879)	238,794	394,055	(3,912)	390,143
Net Assets, Beginning of Year	1,450,708	10,471	1,461,179	1,056,653	14,383	1,071,036
Net Assets, End of Year	\$ 1,694,381	\$ 5,592	\$ 1,699,973	\$ 1,450,708	\$ 10,471	\$ 1,461,179

See independent auditor's report and notes to the financial statements

Edison School of the Arts, Inc. Statements of Functional Expenses For the Years Ended June 30, 2024 and 2023

		2024			2023	
	Program	Management		Program	Management	
	Services	and General	Total	Services	and General	Total
In-kind expenses:						
Occupancy	\$ 2,201,275	\$ -	\$ 2,201,275	\$ 1,802,666	\$ -	\$ 1,802,666
Student transportation	1,482,319	-	1,482,319	1,114,266	-	1,114,266
Food services	516,678	-	516,678	496,733	-	496,733
Special education personnel	-	-	-	-	-	-
General education	294,306	-	294,306	240,201	-	240,201
Security services	-	97,483	97,483	-	101,291	101,291
Support services	-	-	-	-	62,600	62,600
Public engagement	-	122,892	122,892	-	86,104	86,104
Total in-kind expenses	4,494,578	220,375	4,714,953	3,653,866	249,995	3,903,861
Direct expenses:						
Salaries and wages	3,133,473	732,613	3,866,086	3,018,784	806,071	3,824,855
Employee benefits	944,861	220,910	1,165,771	939,302	250,811	1,190,113
Professional services	696,514	219,168	915,682	873,933	268,810	1,142,743
Supplies	278,205	34,929	313,134	267,674	26,227	293,901
School events	55,441	-	55,441	49,034	-	49,034
Advertising	-	43,939	43,939	-	14,731	14,731
Staff development	41,424	-	41,424	122,011	-	122,011
Insurance	32,073	-	32,073	30,709	-	30,709
Depreciation	24,391	-	24,391	23,591	-	23,591
Other	8,832	-	8,832	4,551	-	4,551
Total direct expenses	5,215,214	1,251,559	6,466,773	5,329,589	1,366,650	6,696,239
Total functional expenses	\$ 9,709,792	\$ 1,471,934	\$ 11,181,726	\$ 8,983,455	\$ 1,616,645	\$ 10,600,100

See independent auditor's report and notes to the financial statements

Edison School of the Arts, Inc. Statements of Cash Flows For the Years Ended June 30, 2024 and 2023

	2024		2023	
Operating Activities				
Change in net assets	\$	238,794	\$	390,143
Adjustments to reconcile change in net assets				
to net change in cash from operating activities:				
Depreciation		24,391		23,591
Changes in certain assets and liabilities:				
Grants receivable		(4,551)		160,770
Accounts payable and accrued expenses		(70,078)		138,566
Net change in cash from operating activities		188,556		713,070
Investing Activities				
Purchases of fixed assets		-		(25,664)
Net Change in Cash		188,556		687,406
Cash, Beginning of Year		1,460,715		773,309.00
Cash, End of Year	\$	1,649,271	\$	1,460,715

See independent auditor's report and notes to the financial statements

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Note 1 – Nature of Activities

Edison School of the Arts, Inc. (the School) is a public benefit not-for-profit organization incorporated under the laws of the State of Indiana for the purpose of operating as a public school. The School operates under an agreement with Commissioners of the City of Indianapolis, also known as Indianapolis Public Schools (IPS) to operate the School as an Innovation Network School. The agreement remains in effect until June 30, 2027 and is renewable thereafter by mutual consent. The School served approximately 600 students in grades kindergarten through eighth during the 2023-2024 school year (615 students during the 2022-2023 school year).

Key matters outlined in the Innovation Network School Agreement with IPS include:

- a) The School is considered to be a part of IPS and is not a separate local education agency;
- b) Most of the key operational decisions relating to students' enrollment, curriculum, and performance shall be in accordance with the policies of IPS and any significant changes made with respect to these need to be approved by IPS;
- c) The School is responsible for all personnel and human resources aspects of its operations and shall not be bound by any contract entered into with IPS;
- d) The School has the right to use certain land, building, equipment, furnishings, and property improvements owned by IPS;
- e) IPS provides certain services at no cost including occupancy, student transportation, food services, general education personnel, security services, general support services, and public engagement. See Note 4 for further description of these services and associated values; and
- f) IPS pays the School a monthly payment determined through a student-based allocation formula. The School receives eligible portions of the governmental funding (including Title I and II) through IPS since the School is not a separate local education agency. The determination of the allocations is based upon the School's expenditures and budgets approved by IPS.

During the years ended June 30, 2024 and 2023, the School purchased services from IPS totaling \$643,342 and \$683,495, respectively, for special education (\$398,864 in 2024; \$398,971 in 2023), English as a second language (\$75,584 in 2024; \$120,362 in 2023), custodial (\$162,718 in 2024; \$164,162 in 2023), and other services (\$6,176 in 2024).

Note 2 – Summary of Significant Accounting Policies

Basis of Accounting and Use of Estimates

The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America, which requires management to make estimates and assumptions affecting certain reported amounts and disclosures. Actual results could differ from those estimates.

Note 2 – Summary of Significant Accounting Policies (Continued)

Financial Statement Presentation

The School reports its financial position and activities according to two classes of net assets:

- net assets without donor restrictions, which include unrestricted resources available for the operating objectives of the School; and
- net assets with donor restrictions, which represent resources restricted by donors for specific time or purpose.

Cash and Cash Equivalents

Cash consists of cash held in bank accounts and cash equivalents consists of short-term, highly liquid investments with original maturities of three months or less. There were no cash equivalents at June 30, 2024 and 2023.

Grants Receivable

The School adopted Accounting Standards Update 2016-13, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments* during the year ended December 31, 2024 which introduced a forward-looking approach, based on expected losses, to estimate credit losses on certain types of financial instruments, including grants receivable. The adoption of this accounting standards update did not have a material impact on the School's financial position or the result of its operations and cash flows.

Grants receivable relate primarily to activities funded under federal programs and passed through IPS. The School believes it is operating in compliance with regulatory requirements and as such no allowance for credit losses is deemed necessary.

Fixed Assets

Purchases of assets and expenditures over \$1,000 that materially increase value or extend useful lives are capitalized and are included in the accounts at cost. Routine maintenance and repairs and minor replacement costs are charged to expense as incurred.

Depreciation is provided over the estimated useful lives of the respective assets using the straight-line method. The estimated useful lives generally are as follows:

Furniture and equipment	3 - 5 years
Textbooks	3 - 5 years

Advertising

The School's policy pertaining to advertising is to expense costs as incurred. The School incurred \$43,939 and \$14,731 in advertising costs during the years ended June 30, 2024 and 2023, respectively.

Taxes on Income

The School received a determination from the U.S. Treasury Department stating it qualifies under the provisions of Section 501(c)(3) of the Internal Revenue Code as a tax-exempt organization; however, the School would be subject to tax on income unrelated to its tax-exempt purpose. For the years ended June 30, 2024 and 2023, no accounting for federal and state income taxes was required to be included in the accompanying financial statements.

Note 2 – Summary of Significant Accounting Policies (Continued)

Professional accounting standards require the School to recognize a tax liability only if it is more likely than not the tax position would not be sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized is the largest amount of tax liability greater than 50% likely of being realized on examination. For tax positions not meeting the more-likely-than-not test, no tax liability is recorded. The School examined this issue and determined there are no material contingent tax liabilities or questionable tax positions. Tax years ended after June 30, 2020 are open to audit for both federal and state purposes.

Subsequent Events

The School evaluated subsequent events through September 26, 2024, the date these financial statements were available to be issued. Events occurring through that date have been evaluated to determine whether a change in the financial statements or related disclosures would be required.

Note 3 – Revenue Recognition

Revenue Recognition Policy

As discussed in Note 1, the majority of the School's revenue and support is provided by IPS as part of the Innovation Network School Agreement. Under the agreement with IPS, the School receives monthly funding from IPS in accordance with a student-based allocation formula. Funding includes both fixed and variable components. The variable funding depends upon certain attributes including the number of students, student grades, poverty status, and other factors. Revenue is recognized in the year in which the educational services are rendered.

A significant portion of the School's revenue is the product of cost reimbursement grants. Therefore, the School recognizes revenue under these grants in the amounts of costs and expenses at the time they are incurred. Incurring approved costs under the grants is considered satisfaction of the performance obligations.

Contributions received and unconditional promises to give are measured at their fair values and are reported as an increase in net assets during the year in which they are awarded. The School reports gifts of cash and other assets as restricted support if they are received with donor stipulations limiting the use of the donated assets, or if they are designated as support for future periods. When a donor restriction expires, that is, when a stipulated restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and are reported in the statements of activities and change in net assets as net assets released from restrictions.

Student fees, including textbook rentals, are recognized in the year in which the services are rendered.

Disaggregation of Revenue

Revenue is disaggregated on the statements of activities and change in net assets.

Note 4 – Valuation of In-Kind Services

The School recorded in-kind contributions and offsetting expenses from IPS, a related party, totaling \$4,714,953 and \$3,903,861 during the years ended June 30, 2024 and 2023, respectively. These in-kind transactions represent approximately 41% and 36% of total revenue and support for the years ended June 30, 2024 and 2023 and 42% and 37% of total expenses for the years ended June 30, 2024 and 2023, respectively. These amounts are calculated by IPS using significant estimates and judgments and are recorded by management of the School as presented.

Note 5 - Net Assets With Donor Restrictions

Net assets with donor restrictions represent resources received from donors but not expended for their restricted purposes as of June 30, 2024 and 2023. The School maintains a cash account funded by donors for the purpose of providing financial assistance to students' families in financial need. The balance in this donor-restricted fund was \$5,592 and \$10,471 as of June 30, 2024 and 2023, respectively. During the years ended June 30, 2024 and 2023, \$4,879 and \$3,912, respectively, were released from restrictions due to the accomplishment of the purpose restriction.

Note 6 – Retirement Plans

The School provides retirement benefits covering substantially all full-time employees. Retirement benefits are provided by the Indiana State Teachers' Retirement Fund (TRF) and the Indiana Public Employees' Retirement Fund (PERF), both of which are cost-sharing multiple-employer defined benefit retirement plans governed by the State of Indiana and administered by the Indiana Public Retirement System (INPRS) Board. School employees also have the option to participate in a 403(b) plan administered by an outside party. The School does not make employer contributions to the 403(b) plan.

Contribution requirements of plan members are determined annually by the INPRS Board. The School contributed 6% of compensation for eligible teaching personnel to TRF and 11.2% for other employees to PERF for both years ended June 30, 2024 and 2023. Should the School elect to withdraw from TRF or PERF, it could be subject to a withdrawal fee. The School's contributions represent an insignificant percentage of the total contributions received by TRF and PERF. As of June 30, 2023 (the latest year reported), TRF and PERF were approximately 88% and 81% funded, respectively.

Total contributions to INPRS for TRF and PERF were \$354,406 and \$418,445 during the years ended June 30, 2024 and 2023, respectively.

Note 7 – Pending Legal Matters

The School is in the process of resolving several pending legal matters related to the termination of the School's former Chief Executive Officer and a matter pertaining to a student. The School has engaged legal counsel to assist in the resolution of these matters. As of the date of this report, the cases have an unknown expected outcome and financial impact on the School. No liability has been accrued related to potential outcomes of these cases.

Note 8 – Risks and Uncertainties

The School provides educational instruction services to families residing in Indianapolis, Indiana, and is subject to the risks of economic and competitive forces at work within this geographic area.

Financial instruments potentially subjecting the School to concentrations of credit risk consist principally of a grant receivable from IPS. The School also receives substantial financial assistance from IPS in the form of in-kind contributions covering occupancy, student transportation, food services, special education, general education, security services, support services, and public engagement. Changes to the Innovation Network School Agreement with IPS could significantly affect the School.

In addition, deposits are maintained at The National Bank of Indianapolis and are insured up to the FDIC insurance limit of \$250,000. As of June 30, 2024 and 2023 and regularly throughout the years, funds held at The National Bank of Indianapolis exceeded FDIC insurance limits. Uninsured cash totaled approximately \$1,400,000 and \$1,210,000 as of June 30, 2024 and 2023, respectively.

Note 9 – Liquidity

The School's financial assets include cash and grants receivable. Following is a schedule of financial assets and the ability thereof to meet cash needs within one year as of June 30:

	 2024	 2023
Financial assets	\$ 1,900,708	\$ 1,707,601
Less: financial assets unavailable within one year due to purpose of restriction	 (5,592)	 (10,471)
Financial assets available to meet cash needs for general expenditures withone one year	\$ 1,895,116	\$ 1,697,130

From time to time, the School receives donor restricted contributions. Because donor restrictions require resources to be used in a particular manner or in a future period, the School must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. As part of the School's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due.

Note 10 - Functional Expense Reporting

The costs of providing educational activities have been summarized on a functional basis in the statements of activities and change in net assets. Management of the School categorized direct expenses as program services or management and general according to the underlying nature of the expense. In-kind expenses are allocated between program services and management and general in approximately equal proportion to the direct expenses.

Edison School of the Arts, Inc. Schedule of Lead Auditor For the Years Ended June 30, 2024 and 2023

Auditor Information:	Donovan CPAs 9292 N. Meridian Street, Suite 150 Indianapolis, IN 46260
Phone Number:	(317) 844-8300
Fax Number:	(317) 745-6545
Auditor Contact:	Benjamin A. Lippert, CPA
Auditor Contact Title:	Partner
Email:	blippert@cpadonovan.com

Committee Chair Report

Section: Item: Purpose: Submitted by: Related Material: V. Academic Excellence Committee A. Committee Chair Report Discuss

October 24-25 Academic Excellence Report .docx.pdf



	Edison School of the Arts
	October 2024 Academic Excellence Report
IREAD-	3
•	Students taking their 2nd Edison IREAD-3 practice test the week of 10-14
ILEAR	N Checkpoints
•	Practice test begin in October
•	1st ILEARN Check point will be completed by mid-November
•	Math alignment - CFA's created to expose students to standards that will be covered on the
	checkpoint
Studen	It Engagement Activities & Events
	Scholastic Book Fair September 19th - 24th
	2nd Grade Showcase September 30th
	Hispanic Heritage Day October 1st - 2nd
	Fall Festival October 29th

September 2024 Financial Reports

Section: Item: Purpose: Submitted by: Related Material: VI. Treasurer's Report A. September 2024 Financial Reports FYI

Edison Financials 2024.09.30 (1).pdf

Edison School for the Arts Statement of Financial Position Comparison

As of September 30, 2024

	Sep-24	Aug-24	Change	% Change	Sep-23
ASSETS					
Current Assets					
Bank Accounts					
NBOI Operating	25,012	25,017	(5)	-0.02%	25,758
Restricted Checking	5,600	5,598	2	0.04%	10,528
Savings Sweep- (0093)	1,769,382	1,842,883	(73,501)	-3.99%	1,437,884
Total Bank Accounts	1,799,994	1,873,498	(73,504)	-3.92%	1,474,170
Accounts Receivable					
Accounts Receivable	0	20,582	(20,582)	-100.00%	-
Total Accounts Receivable	0	20,582	(20,582)	-100.00%	-
Other Current Assets					
Prepaid Expense	17,707	17,707	-	0.00%	-
Total Other Current Assets	17,707	17,707	-	0.00%	-
Total Current Assets	1,817,701	1,911,787	(94,086)	-4.92%	1,474,170
Fixed Assets					
Accumulated Depreciation	(200,980)	(200,980)	-	0.00%	(176,589)
Furniture and equipment	168,332	168,332	-	0.00%	168,332
Textbooks	64,424	64,424	-	0.00%	64,424
Total Fixed Assets	31,776	31,776	-	0.00%	56,167
TOTAL ASSETS	1,849,477	1,943,563	(94,086)	-4.84%	1,530,337
LIABILITIES AND EQUITY					
Liabilities					
Current Liabilities					
Accounts Payable					
Accounts Payable (A/P)	-	-	-		18,990
Total Accounts Payable		-	-		18,990
Credit Cards					
Credit Card	-	-	-		13,693
Total Credit Cards		-	-		13,693
Total Current Liabilities		-	-		32,683
Total Liabilities	-	-	-		32,683
Equity					
Opening Balance Equity	8,205	8,205	-	0.00%	8,205
Retained Earnings	1,691,769	1,691,769	-	0.00%	1,452,973
Net Revenue	149,502	243,588	(94,086)	-38.63%	36,476
Total Equity	1,849,477	1,943,563	(94,086)	-4.84%	1,497,655
TOTAL LIABILITIES AND EQUITY				-4.84%	1,530,337
TOTAL LIABILITIES AND EQUITY	1,849,477	1,943,563	(94,086)	-4.84%	1,530,

Edison School for the Arts Statement of Activity Comparison July - September, 2024

	Jul 2024	Aug 2024	Sep 2024	YTD 2024	YTD 2023	Change	% Change
Revenue							
Contributions	2,491		500	2,991	-	2,991	
ESSER Pass Through Revenue	6,992	57,773		64,765	83,850	(19,085)	-22.76%
Grants			2,500	2,500	36,000	(33,500)	-93.06%
Interest Income	5,727	5,841	5,328	16,896	6,736	10,160	150.82%
Other Revenue		40	5,084	5,124	7,096	(1,972)	-27.80%
SBA Funding	465,994	465,994	465,994	1,397,982	1,275,496	122,486	9.60%
Title I		19,411		19,411	7,857	11,554	147.07%
Total Revenue	481,204	549,060	479,405	1,509,669	1,417,035	92,634	6.54%
Gross Profit	481,204	549,060	479,405	1,509,669	1,417,035	92,634	6.54%
Expenditures							
Insurance		5,639	2,823	8,462	2,413	6,049	250.68%
Melio Credit card fee				-	65	(65)	-100.00%
Office Supplies & Software				-	(178)	178	100.00%
Other/Contingency				-	-	-	
Advertising/Marketing	3,998		2,850	6,848	7,150	(303)	-4.24%
Travel			36	36	-	36	
Total Other/Contingency	3,998	-	2,886	6,883	7,150	(267)	-3.73%
Professional Development	4,178	25	100	4,303	21,733	(17,430)	-80.20%
Travel for PD	4,792	403		5,195	141	5,054	3583.42%
Total Professional Development	8,970	428	100	9,498	21,874	(12,376)	-56.58%
Purchased Services				-	-	-	
Accounting Services	3,500	7,300	7,300	18,100	17,800	300	1.69%
Bank Fees	50	70	38	158	-	158	
Dues & Subscriptions	16,909	200	1,765	18,874	21,417	(2,543)	-11.87%
Field Trips				-	560	(560)	-100.00%
IPS Purchased Services	38,416	35,983	115,185	189,585	169,033	20,551	12.16%
IT Services	2,675	2,675	2,675	8,024	7,399	625	8.44%
Legal Fees	133	612	15,518	16,263	-	16,263	
Nursing Services	1,885		3,770	5,655	4,988	667	13.37%
Other Professional Services	500	2,827	107	3,435	21,937	(18,503)	-84.34%
PEO Admin Fee	1,468	3,591	3,659	8,717	9,079	(361)	-3.98%
Substitute Teachers				-	2,142	(2,142)	-100.00%
Total Purchased Services	65,537	53,258	150,016	268,810	254,356	14,455	5.68%
Salaries/Benefits/Taxes				-	-	-	
142 Stipends	6,120	520	2,855	9,495	57,371	(47,876)	-83.45%
Admin Salaries - Certified	29,963	70,169	71,307	171,439	78,813	92,626	117.53%
Admin Salaries - Non-Certified	7,135	17,430	17,760	42,326	57,252	(14,926)	-26.07%
FICA Taxes	9,045	20,413	21,501	50,958	52,520	(1,562)	-2.97%
Health Insurance	14,746	45,070	45,070	104,887	80,061	24,826	31.01%
Instructional Salaries - Certified	76,838	179,406	185,826	442,070	439,515	2,555	0.58%
Instructional Salaries - Non-Certified	13,269	17,506	19,786	50,561	101,711	(51,150)	-50.29%
Other Benefits	711	2,129	2,142	4,982	4,043	940	23.25%

Edison School for the Arts Statement of Activity Comparison

July - September, 2024

	Jul 2024	Aug 2024	Sep 2024	YTD 2024	YTD 2023	Change	% Change
Retirement Match	4,842	1,944	5,331	12,117	1,240	10,878	877.54%
SUI	222	1,571	1,393	3,187	2,564	623	24.30%
TRF/ PERF Expense	29,456	25,906	41,765	97,127	77,101	20,026	25.97%
Workers Comp	654	1,125	1,185	2,963	2,859	105	3.66%
Total Salaries/Benefits/Taxes	193,000	383,189	415,923	992,113	955,048	37,065	3.88%
School Events				-	1,389	(1,389)	-100.00%
Athletics			67	67	116	(49)	-42.00%
Parent Involvement	3,642			3,642	3,109	532	17.12%
Performance	(48)	86	41	79	6,282	(6,203)	-98.75%
Student Recognition	885		1,298	2,182	2,090	92	4.41%
Total School Events	4,478	86	1,406	5,970	12,986	(7,016)	-54.03%
Supplies & Materials	82	174	(200)	56	-	56	
Art Supplies				-	144	(144)	-100.00%
Classroom Supplies		202	879	1,081	8,862	(7,781)	-87.80%
Curriculum & Assessments	43,265	1,308	(430)	44,143	72,723	(28,580)	-39.30%
Custodial Supplies	406			406	245	161	66.03%
Extra- Curricular Supplies	26		77	103	672	(569)	-84.71%
Furniture				-	5,019	(5,019)	-100.00%
Hardware/Software	6,864	5,000	(5,765)	6,099	10,788	(4,689)	-43.46%
Library Books & Supplies	3,087			3,087	-	3,087	
Musical Instruments		1,451		1,451	3,730	(2,278)	-61.09%
Office Supplies	2,698	105	4,206	7,009	12,128	(5,119)	-42.21%
Postage	28			28	-	28	
Staff Appreciation	2,516	880	1,571	4,967	12,536	(7,569)	-60.38%
Total Supplies & Materials	58,972	9,121	338	68,430	126,845	(58,415)	-46.05%
Total Expenditures	334,955	451,721	573,492	1,360,167	1,380,559	(20,392)	-1.48%
Net Operating Revenue	146,249	97,339	(94,086)	149,502	36,476	113,026	309.86%
Net Revenue	146,249	97,339	(94,086)	149,502	36,476	113,026	309.86%

YTD Stipends 2024-2025

Section: Item: Purpose: Submitted by: Related Material: VI. Treasurer's Report B. YTD Stipends 2024-2025 FYI

YTD Stipends 2024.09 (1).pdf

		July 202	4		August 20	024	September 2024		October 2024 No		November 2024		December 2024	
Pay Description	Am	ount Paid	Hours	Ame	ount Paid	Hours	Amount Paid	Hours	Amount Paid	Hours	Amount Paid	Hours	Amount Paid	Hours
1099 Hours	\$	795	53	\$	3,556	203	1,128	133						
AFTER HOURS	\$	1,328	44	\$	169	7	-	-						
AFTER SCHOOL CLUB	\$	-	-	\$	-	-	-	-						
ARTS	\$	-	-	\$	-	-	-	-						
ATHLETICS	\$	-	-	\$	-	-	-	-						
BONUS	\$	-	-	\$	-	-	-	-						
CONTRACT PAYOUT	\$	-	-	\$	-	-	2,410	1						
EARLY LITERACY GRANT	\$	-	-	\$	-	-	-	-						
OUTDOOR CLASS	\$	750	25	\$	400	16	325	13						
TAG GRANT	\$	-	-	\$	-	-	-	-						
PHONE STIPEND	\$	120	-	\$	120	-	120	-						
PROF DEVELOP	\$	-	-	\$	-	-	-	-						
PTO PAYOUT	\$	46,312	1,091	\$	-	-	-	-						
REFERRAL BONUS	\$	-	-	\$	-	-	-	-						
SBAI IPS STIPEND	\$	-	-	\$	-	-	-	-						
STIPEND	\$	-	-	\$	-	-	-	-						
SUB HOURS	\$	-	-	\$	-	-	-	-						
SUMMER SCHOOL	\$	38,010	11	\$	-	-	-	-						
TRANSLATION	\$	90	3	\$	-	-	-	-						
TUTORING	\$	-	-	\$	-	-	-	-						
TOTALS	\$	87,405	1,227	\$	4,245	226	3,983	147	-	-	-	-	\$-	-

	January 2025	February 2025	March 2025	April 2025	May 2025	June 2025	YTD	
Pay Description	Amount Paid Hours	Amount Paid	Hours					
1099 Hours							\$ 5,478	389
AFTER HOURS							\$ 1,497	51
AFTER SCHOOL CLUB							\$-	-
ARTS							\$-	-
ATHLETICS							\$-	-
BONUS							\$-	-
CONTRACT PAYOUT							\$ 2,410	1
EARLY LITERACY GRANT							\$-	-
OUTDOOR CLASS							\$ 1,475	54
TAG GRANT							\$-	-
PHONE STIPEND							\$ 360	-
PROF DEVELOP							\$-	-
PTO PAYOUT							\$ 46,312	1,091
REFERRAL BONUS							\$-	-
SBAI IPS STIPEND							\$-	-
STIPEND							\$-	-
SUB HOURS							\$-	-
SUMMER SCHOL							\$ 38,010	11
TRANSLATION							\$ 90	3
TUTORING							\$-	-
TOTALS	\$	\$	\$	\$	\$	\$	\$ 95,632	1,600

Advancement Report

Section: Item: Purpose: Submitted by: Related Material: VII. Advancement Committee A. Advancement Report FYI

October2024 Advancement Report.pdf



October 14, 2024

Community Engagement :

- Attending the Westside Community Advisory Panel meeting on Thursday, October 10, 2024.
- Working on Eli Lilly's small community grant.
- Working with community partners for funding for the upcoming Fall Festival to purchase pumpkins, candy and cookies.
- Working on finding a sponsor to purchase sweatshirts for the Edison Band , Drumline and Dance team for their performance at the Monumental Marathon on November 9, 2024.

Parent Involvement Educator :

Hosting a I -Learn checkpoint informational workshop for the parents on October 22, 2024 8:30a-9:30a morning session / Evening session 6:00p-7p.