



STATE OF INDIANA
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February 19, 2014

Charter School Board
Indiana Math and Science Academy-
North Indianapolis, Inc.
7435 N. Keystone Avenue
Indianapolis, IN 46240

We have reviewed the Supplemental Audit Report prepared by Fitzgerald/Isaac, LLC, Independent Public Accountants, for the period July 1, 2012 to June 30, 2013. 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. Pages 3 through 4 contain three audit results and comments. Management's response is on page 6.

In addition to the report presented herein, a Financial Statements and Independent Auditors' Report for Indiana Math and Science Academy – North Indianapolis, Inc. was prepared in accordance with the guidelines established by the State Board of Accounts.

The Supplemental Audit Report and the Financial Statements and Independent Auditors' Report are filed in our office as a matter of public record.

State Board of Accounts

SUPPLEMENTAL AUDIT REPORT
OF
INDIANA MATH AND SCIENCE ACADEMY- NORTH
INDIANAPOLIS, INC.
MARION COUNTY, INDIANA
July 1, 2012 to June 30, 2013

INDIANA MATH AND SCIENCE ACADEMY – NORTH INDIANAPOLIS, INC.

MARION COUNTY, INDIANA

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INDIANA MATH AND SCIENCE ACADEMY – NORTH INDIANAPOLIS, INC.

MARION COUNTY, INDIANA

School Officials

Year Ended June 30, 2013

<u>Office</u>	<u>Official</u>	<u>Term</u>
President of Board of Directors	Kent Millard	07/01/12 – 06/30/13
Superintendent/Principal	John Aytakin	07/01/12 – 06/30/13
Treasurer	Halil Dulgeroglu	07/01/12 – 06/30/13

The Board of Directors
Indiana Math and Science Academy – North Indianapolis, Inc.

We have audited the financial statements of Indiana Math and Science Academy – North Indianapolis, Inc. (the “School”) as of and for the year ended June 30, 2013 and have issued our report thereon dated January 7, 2014. 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.



Indianapolis, IN
January 7, 2014

INDIANA MATH AND SCIENCE ACADEMY – NORTH INDIANAPOLIS, INC.

MARION COUNTY, INDIANA

Audit Results and Comments

Year Ended June 30, 2013

FINANCIAL REPORTING

Our examination of the semi-annual financial reports to the Indiana Department of Revenue (Form 9) for the period July 1, 2012 to June 30, 2013 revealed that the June 30, 2013 cash balance did not reflect the balance as reported on the books and records. The balance reported on Form 9 was lower than the general ledger balance by \$206,066.

Charter schools are required to submit a Form 9 Biannual Financial Report two times per year during the months of January and July. The financial information in the Form 9 shall reflect cash basis information. The January report must include previous calendar year financial and other required information for the period July 1 to December 31 financial data. The July report must include current calendar year financial and other required information for the period January 1 to June 30. (Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Part 9)

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)

CASH RECEIPTS AND DEPOSITS

The School receives cash for various purposes, primarily student fees. Procedures were in place to process cash collections; however, we noted that in 17 instances out of a sample of 25 transactions, the bank deposit was not made in a timely manner. The delay ranged from 3 to 34 days between the date of collection and the date of deposit.

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)

INDIANA MATH AND SCIENCE ACADEMY – NORTH INDIANAPOLIS, INC.

MARION COUNTY, INDIANA

Audit Results and Comments

Year Ended June 30, 2013

VENDOR DISBURSEMENTS

We selected and examined a sample of 36 cash disbursement transactions from throughout the 2013 fiscal year. Within this sample we noted that fund numbers were not indicated in the account coding on the AP vouchers.

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)

INDIANA MATH AND SCIENCE ACADEMY – NORTH INDIANAPOLIS, INC.

MARION COUNTY, INDIANA

Exit Conference

Year Ended June 30, 2013

The contents of this report were discussed on January 21, 2014, with John Aytekin (Superintendent), Murat Hujaev (Business Manager), and Murat Atlihan (Director). The Official Response has been made a part of this report and may be found on page 6.



February 3, 2014

Indiana Math and Science Academy North would like to formally respond to the audit comment noted in your examination results for 2013.

- It was our first year to prepare Form-9 in house and we were using QuickBooks(Accrual basis) program for accounting which is not exactly compatible with Komputrol(Cash basis) program resulted discrepancies between those two programs. The problem has been solved and we contacted with SBOA to make necessary corrections. Based on our conversation with SBOA representative, necessary corrections will be made on next Form-9 reporting.
- Indiana Math and Science Academy North will make sure that collected money in the office will be deposited in timely manner.
- Due to transition from Bookkeeping Plus to in house, we overlooked to put the fund number next to the account number. The problem was noted and will be addressed for years to come.

Murat Atlihan
Director

A handwritten signature in blue ink, appearing to read 'Murat Atlihan', is written over the printed name and title.