

STATE BOARD OF ACCOUNTS 302 WEST WASHINGTON STREET ROOM E418 INDIANAPOLIS, INDIANA 46204-2769

> Telephone: (317) 232-2513 Fax: (317) 232-4711 Web Site: www.in.gov/sboa

February 10, 2016

Charter School Board Hope Academy 8102 Clearvista Parkway Indianapolis, IN 46256

We have reviewed the Supplemental Audit Report prepared by Blue & Co., LLC, Independent Public Accountants, for the period July 1, 2014 to June 30, 2015. In our opinion, the Supplemental Audit Report was prepared in accordance with the guidelines established by the State Board of Accounts.

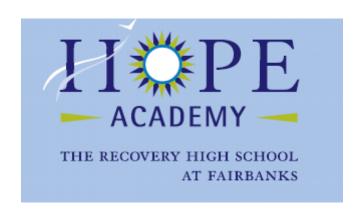
We call your attention to the finding in the report. Page 3 contains one audit result and comment. Management's response is on page 5.

In addition to the report presented herein, a Financial Statements and Independent Auditors' Report for Hope Academy 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.

Paul D. Joyce, CPA State Examiner

SUPPLEMENTAL AUDIT REPORT



MARION COUNTY, INDIANA

JULY 1, 2014 TO JUNE 30, 2015



TABLE OF CONTENTS

	Page
School Officials	1
Transmittal Letter	2
Audit Results and Comments:	
Cash Receipts and Deposits	3
Exit Conference	4
Official Response	5

SCHOOL OFFICIALS JULY 1, 2014 TO JUNE 30, 2105

<u>Office</u>	<u>Official</u>	<u>Term</u>
President of Board of Directors	Thomas Weede	7/1/14 - 6/30/15
Principal	Linda Gagyi	7/1/14 - 6/30/15
Treasurer	Barbara Elliott	7/1/14 - 6/30/15



Blue & Co., LLC / One American Square, Suite 2200 / Box 82062 / Indianapolis, IN 46282 main 317.633.4705 fax 317.633.4889 email blue@blueandco.com

Board of Directors The Recovery High School at Fairbanks, Inc. d/b/a Hope Academy Indianapolis, Indiana

We have audited the financial statements of The Recovery High School at Fairbanks, Inc., d/b/a Hope Academy (Hope Academy), as of and for the year ended June 30, 2015 and have issued our report thereon dated [Date]. As part of our audit, we tested Hope Academy'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 were we believe Hope Academy was not in compliance with those provisions.

Blue & Co., LLC

Indianapolis, Indiana October 27, 2015

AUDIT RESULTS AND COMMENTS YEAR ENDED JUNE 30, 2015

Cash Receipts and Deposits

Condition:

Hope Academy receives payments for various purposes. In our sample of 25 cash receipts from July 1, 2014 to June 30, 2015, we noted 6 instances in which the deposit receipt date was dated more than a reasonable period of time after the actual deposit was made, per the bank deposit slip. These receipts should be issued at the time of the transaction to ensure accurate reporting and recording.

Criteria:

Receipts shall be issued and recorded at the time of the transaction; for example, when cash or a check is received, a receipt is to be immediately prepared and given to the person making payment. (Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Part 8)

EXIT CONFERENCE JULY 1, 2014 TO JUNE 30, 2015

The contents of this report were discussed on October 27, 2015 with Barb Elliott (Treasurer) and Jane Panyard (Manager of Accounting). The official response has been made a part of this report and may be found on page 5.

OFFICIAL RESPONSE JULY 1, 2014 TO JUNE 30, 2015



November 24, 2015

Board of Directors
The Recovery High School at Fairbanks, Inc. d/b/a Hope Academy
8102 Clearvista Parkway
Indianapolis, Indiana 46256

The following management comment was made as a result of the yearend audit of the financial statements of The Recovery High School at Fairbanks, Inc., d/b/a Hope Academy (Hope Academy) for the year ended June 30, 2015:

Cash Receipts and Deposits

Hope Academy receives payments for various purposes. In our sample of 25 cash receipts from July 1, 2014 to June 30, 2015, we noted 6 instances in which the deposit receipt date was dated more than a reasonable period of time after the actual deposit was made, per the bank deposit slip. These receipts should be issued at the time of the transaction to ensure accurate reporting and recording.

Management provided the following response to the comment:

Cash Receipts and Deposits Resolution

Effective November 1, 2015, a new process was instituted with the administrative secretary at Hope Academy to ensure all receipts will be done concurrently with deposits. In addition, both the administrative secretary and our accountant at Bookkeeping Plus will be viewing the online bank statement weekly as an audit of this process moving forward.

Sincerely, Randaned Ellisak

Barbara B. Flliott

Treasurer

8102 Clearvista Parkway, Indianapolis, Indiana 46256 p.317.572.9440 | f.317.806.3104 | www.fairbanksed.org