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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](http://www.in.gov/sboa)

October 6, 2016

Charter School Board  
Irvington Community Schools  
5751 E University Ave.  
Indianapolis, IN 46219

We have reviewed the Supplemental Audit Report prepared by Sikich LLP, for the period July 1, 2015 to June 30, 2016. 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.

In addition to the report presented herein, a Financial Statements and Independent Auditors' Report for the Irvington Community Schools, 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*  
Paul D. Joyce, CPA  
State Examiner

SUPPLEMENTAL AUDIT REPORT  
OF  
**IRVINGTON COMMUNITY SCHOOLS, INC.**  
MARION COUNTY, INDIANA  
JULY 1, 2014 TO JUNE 30, 2015



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**IRVINGTON COMMUNITY SCHOOLS, INC.**

<u>Office</u>	<u>Official</u>	
CFO	David Nidiffer	03-01-11 to 06-30-15
	Harold Allen	07-01-16 to current
Treasurer of the Board	John Williams	07-01-11 to 06-30-15
	Chris Welty	07-01-15 to current
CEO	David Nidiffer	10-19-10 to 06-30-15
	Tim Mulherin	01-01-16 to current
Chair of the Board	Jeff Lozer	07-01-11 to 02-28-16
	Geoffery Slaughter (interim)	03-01-16 to 06-30-16
	Stephanie Kelly (interim)	07-01-16 to current



8555 N. River Rd., Suite 300  
Indianapolis, Indiana 46240

317.842.4466 // [www.sikich.com](http://www.sikich.com)

Certified Public Accountants & Advisors  
Members of American Institute of Certified Public Accountants

## INDEPENDENT AUDITOR'S REPORT

To The Board of Directors  
Irvington Community School, Inc.:

We have audited, in accordance with auditing standards generally accepted in the United States, the financial statements of Irvington Community School, Inc. which comprise the statement of financial position as of June 30, 2015, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated September 27, 2016.

In connection with our audit, we noted that Irvington Community School, Inc. failed to comply with the Penalties, Interest, and Other Charges and the Bad Debts and Uncollectible Accounts provisions of the *Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools* as outlined in the *Guidelines for the Audits of Charter Schools Performed by Private Examiners*, issued by the Indiana State Board of Accounts.

Our audit was not directed primarily toward obtaining knowledge as to whether Irvington Community School, Inc. failed to comply with the terms of the *Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools*, issued by the Indiana State Board of Accounts, insofar as they relate to accounting matters. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding noncompliance with the above-referenced *Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools*, issued by the Indiana State Board of Accounts, insofar as they relate to accounting matters.

This report is intended solely for the information and use of the Board of Directors and management of Irvington Community School, Inc. and the Indiana State Board of Accounts, and is not intended to be and should not be used by anyone other than these specified parties.

*Sikich LLP*

Sikich LLP  
September 27, 2016

**IRVINGTON COMMUNITY SCHOOLS, INC.**

**MARION COUNTY**

**AUDIT RESULTS AND COMMENTS**

***PENALTIES AND INTEREST PAID FOR LATE PAYMENTS***

In five instances during our expenditure testing, Sikich noted partial payments made on outstanding balances causing the school to incur \$525 of interest expense related to the financing of a credit card account. In addition, Sikich noted three instances of late fees of approximately \$100 due to late payments made on the credit card account.

Officials and employees have the duty to pay claims and remit taxes in a timely fashion. Additionally, officials and employees have a responsibility to perform duties in a manner which would not result in any unreasonable fees being assessed against the governmental unit. Any penalties, interest or other charges paid by the governmental unit may be the personal obligation of the responsible official or employee.

(Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools Manual, Part 10)

***BAD DEBTS AND UNCOLLECTIBLE ACCOUNTS***

During our audit, the school was unable to provide to us their procedures for the collection of partial payments on textbooks or procedures on pursuing delinquencies.

The charter school must have a written policy concerning a procedure for the writing off of bad debts, uncollectible accounts receivable, or any adjustments to record balances.

Documentation must exist for all efforts made by the charter school to collect amounts owed prior to any write-offs.

Officials or employees authorizing, directing or executing write-offs or adjustments to records which are not documented or warranted may be held personally responsible.

(Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools Manual, Part 10)

**IRVINGTON COMMUNITY SCHOOLS, INC.**

MARION COUNTY

EXIT CONFERENCE

The contents of this report were discussed on September 27, 2016, with Harold Allen, Chief Financial Officer, and Geoffrey Cherry, Consultant. The officials concurred with our audit findings.