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December 1, 2016

Charter School Board
Indiana Math and Science Academy – South
2710 Bethel Ave
Indianapolis, IN 46203

We have reviewed the Supplemental Audit Report prepared by Donovan P.C., Independent Public Accountants, 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 findings in the report. Page 3 contains two audit results and comments.

In addition to the report presented herein, a Financial Statements and Independent Auditors' Report for the Indiana Math and Science Academy – South, 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
INDIANA MATH AND SCIENCE ACADEMY –
SOUTH INDIANAPOLIS CHARTER SCHOOL, INC.**

MARION COUNTY, INDIANA

July 1, 2015 to June 30, 2016



TABLE OF CONTENTS

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

INDIANA MATH AND SCIENCE ACADEMY – NORTH INDIANAPOLIS, INC.
MARION COUNTY, INDIANA
School Officials
July 1, 2015 to June 30, 2016

<u>Office</u>	<u>Official</u>	<u>Term</u>
Chair of Board of Directors	Kent Millard	07/01/15 – 06/30/16
School Leader	Hasan Akkaya	07/01/15 – 06/30/16
Treasurer	Halil Dulgeroglu	07/01/15 – 06/30/16



The Board of Directors
Indiana Math and Science Academy – South Indianapolis Charter School, Inc.

We have audited the financial statements of Indiana Math and Science Academy – South Indianapolis Charter School, Inc. (the “School”) as of and for the year ended June 30, 2016 and have issued our report thereon dated November 28, 2016. 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.

DONOVAN

A handwritten signature in dark ink that reads 'DONOVAN' in a cursive style.

Indianapolis, IN
November 28, 2016

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INDIANA MATH AND SCIENCE ACADEMY – NORTH INDIANAPOLIS, INC.
MARION COUNTY, INDIANA
Audit Results and Comments
July 1, 2015 to June 30, 2016

CASH RECEIPTS AND DEPOSITS

The School receives cash payments for various purposes, including uniform purchases, meals, and field trips. Procedures were in place to process cash collections; however, we noted that in 6 instances out of a sample of 25 transactions that the bank deposit was not made in a timely manner. The delay ranged from 5 to 16 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)

SCHOOL LUNCH ELIGIBILITY

We selected 10 students for the purpose of testing the school's determination of free and reduced students. We noted two instances where the determination made by the School did not agree with the determination performed by the auditor.

The local educational agency must determine household eligibility for free or reduced price meals either through direct certification or the application process at or about the beginning of the school year. [7 CFR, part 245.6(c)]

Charter schools should have internal controls in place to provide reasonable assurance that their goals and objectives are accomplished; laws, regulations, and good business practices are complied with; assets are safeguarded; and accurate and reliable data are maintained. (Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Part 8)

INDIANA MATH AND SCIENCE ACADEMY – NORTH INDIANAPOLIS, INC.
MARION COUNTY, INDIANA
Exit Conference
July 1, 2015 to June 30, 2016

The contents of this report were discussed on November 28, 2016, with Mr. Mustafa Arslan (Superintendent), Mr. Hasan Akkaya (School Leader), Mr. Halil Dulgeroglu (Treasurer) and Mr. David Coats (Board of Directors). The Official Response has been made a part of this report and may be found on page 5.



November 28th, 2016

Indiana Math and Science Academy South would like to formally respond to the audit comment noted in your examination results for 2016.

- **School Lunch Eligibility** Indiana Math and Science Academy South is under Community Eligibility program as of 2016-2017 school year and will longer work on school lunch eligibility forms.
- **Cash Receipts and Deposits:** Indiana Math and Science Academy South will make sure that collected money in the office will be deposited in a timely manner.



Hasan Akkaya
Principal