



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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

January 11, 2024

Charter School Board
Liberty Grove Schools
Marion County, Indiana

We have reviewed the Supplemental Audit Report for Liberty Grove Schools prepared by Donovan CPAs, Independent Public Accountants, for the period July 1, 2022 to June 30, 2023. 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 on page 3. Management's response is on page 5.

The report is filed with this letter in our office as a matter of public record.

A handwritten signature in cursive script that reads "Tammy R. White".

Tammy R. White, CPA
Deputy State Examiner

SUPPLEMENTAL AUDIT REPORT
OF
LIBERTY GROVE SCHOOLS, INC.

MARION COUNTY, INDIANA

July 1, 2022 to June 30, 2023



TABLE OF CONTENTS

	Page
School Officials	1
Transmittal Letter.....	2
Audit Results and Comments:	
Required Reports	3
Exit Conference	4
Official Response.....	5

LIBERTY GROVE SCHOOLS, INC.
MARION COUNTY, INDIANA
School Officials
July 1, 2022 to June 30, 2023

<u>Office</u>	<u>Official</u>	<u>Term</u>
Board Chair	Lynda Montgomery	07/01/22 – 06/30/23
Founder & CEO	Morrise Harbour	07/01/22 – 06/30/23
Treasurer	Stephen Farris	07/01/22 – 06/30/23



Donovan CPAs

The Board of Directors
Liberty Grove Schools, Inc.

We audited the financial statements of Liberty Grove Schools, Inc. (the “School”) as of and for the year ended June 30, 2023 and issued our report thereon dated December 14, 2023. 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 we believe the School was not in compliance with those provisions.

DONOVAN

Indianapolis, Indiana
December 14, 2023

LIBERTY GROVE SCHOOLS, INC.
MARION COUNTY, INDIANA
Audit Results and Comments
July 1, 2022 to June 30, 2023

REQUIRED REPORTS

We reviewed both biannual Form 9 reports filed by the School to the Indiana Department of Education during the fiscal year. Individual fund balances on the June 30, 2023 Form 9 did not reflect actual balances in line with the School's accounting records.

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)

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)

LIBERTY GROVE SCHOOLS, INC.
MARION COUNTY, INDIANA
Exit Conference
July 1, 2022 to June 30, 2023

The contents of this report were discussed on December 12, 2023, with Morrise Harbour (Founder & CEO), Yolanda Wide (Director of Operations), and Kim Tarin (Outside Consultant). The official response has been made a part of this report and may be found on page 5.



December 14, 2023

Donovan CPAs
9292 N. Meridian Street, Suite 150
Indianapolis, IN 46260

Liberty Grove Schools already has or will take the following actions to address the FY2023 supplemental audit report comments:

Required Reports

We will continue to manage the differences in timing and required reporting that exist for charter schools in the State of Indiana. As part of that, we will monitor our cash-basis fund reporting on our Form 9 submission and adjust as necessary. Adjustments are typically required when we either make accrual-based receivable and payable adjustments or when we receive retroactive grant-budget approvals after a reporting deadline has already passed.

Most importantly, this finding is in no way an indication of a liquidity issue at Liberty Grove Schools. In addition, this finding is in no way an indictment of the school's cash management. We believe that is a misleading statement and do not agree that is the case. The school has strong cash management and internal controls and is in a strong financial position, which is demonstrated by the Final Audited Financial Statements herein.

Sincerely,

Mr. M. Harbour

Morrise Harbour
Founder & Executive Director

REMOVING LABELS AND REDEFINING STUDENT SUCCESS.

 **1002 W 25TH ST INDIANAPOLIS, IN 46208**
 **libertygroveschools.org**