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State Examiner

INDIANA STATE BOARD OF ACCOUNTS

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February 11, 2025

Charter School Board
Smith Academy for Excellence
Allen County, Indiana

We have reviewed the Supplemental Audit Report for Smith Academy for Excellence, Inc. prepared by CliftonLarsonAllen LLP, Independent Public Accountants, for the period July 1, 2023 to June 30, 2024. In our opinion, the Supplemental Audit Report was prepared in accordance with the guidelines established by the Indiana State Board of Accounts.

We call your attention to the findings 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.

Tammy R. White, CPA
Deputy State Examiner

**SUPPLEMENTAL AUDIT REPORT OF
SMITH ACADEMY FOR EXCELLENCE, INC.**

ALLEN COUNTY, INDIANA

JULY 1, 2023 TO JUNE 30, 2024



CPAs | CONSULTANTS | WEALTH ADVISORS

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**SMITH ACADEMY FOR EXCELLENCE, INC.
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JULY 1, 2023 TO JUNE 30, 2024**

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**SMITH ACADEMY FOR EXCELLENCE, INC.
ALLEN COUNTY, INDIANA
SCHOOL OFFICIALS
JULY 1, 2023 TO JUNE 30, 2024**

<u>Office</u>	<u>Official</u>	<u>Term</u>
Board President	Yul Craig Martin	07/01/2023 – 06/30/2024
School Leader	Corey Smith	07/01/2023 – 06/30/2024
School Treasurer	Melinda Benkovsky	07/01/2023 – 06/30/2024



INDEPENDENT AUDITORS' REPORT

Board of Directors
Smith Academy for Excellence, Inc.
Fort Wayne, Indiana

We have audited the financial statements of Smith Academy for Excellence, Inc. (the Academy) as of and for the year ended June 30, 2024, and have issued our report thereon December 29, 2024. 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 Academy was not in compliance with those provisions.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Indianapolis, Indiana
December 29, 2024

SMITH ACADEMY FOR EXCELLENCE, INC.
ALLEN COUNTY, INDIANA
AUDIT RESULTS AND COMMENTS
JULY 1, 2023 TO JUNE 30, 2024

CAPITAL ASSETS

The School was unable to provide records showing a complete inventory was taken within the last two years as required.

Every charter school must have a complete inventory of all capital assets owned which reflects their acquisition value. Such inventory must be recorded on the applicable Capital Asset Ledger. A complete inventory shall be taken for good internal control and for verifying account balances carried in the accounting records. (Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Part 15)

GENERAL RECEIPTS

During testing it was noted that six (6) occasions of the twenty-five (25) receipts tested were not deposited in a timely manner. The timing of the deposits for the items not in compliance were all over thirteen (13) days.

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)

LATE FEES

During testing it was noted that one (1) occasion of the twenty-five (25) disbursements tested incurred a late fee. The total amount of the late fee was \$4.52.

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, Part 8)

**SMITH ACADEMY FOR EXCELLENCE, INC.
ALLEN COUNTY, INDIANA
EXIT CONFERENCE
JULY 1, 2023 TO JUNE 30, 2024**

The contents of this report were discussed on December 27, 2024 with Corey Smith (School Leader), Melinda Benkovsky (School Treasurer), Renee Lindemann (Staff Accountant, The Leona Group), and Nihar Shah (Staff Accountant, The Leona Group). The Official Response has been made part of this report and can be found on page 5.

SMITH ACADEMY FOR EXCELLENCE, INC.
ALLEN COUNTY, INDIANA
OFFICIAL RESPONSE
JULY 1, 2023 TO JUNE 30, 2024



December 27, 2024

The following letter is in response to the Supplemental Audit Report for Smith Academy for Excellence for the 2023-2024 audit.

Capital Assets:

The Academy was unable to provide records showing a complete inventory was taken within the last two years.

Management Response:

In accordance with Accounting and Uniform Compliance Guidelines for Indiana Charter Schools, Management's CFO will work closely with the IT department and school leadership to ensure that physical inventories are scheduled on a timely basis and are completed at least once every two years.

General Receipts:

During testing it was noted that six of the twenty-five receipts tested were not deposited in a timely manner.

Management Response:

In accordance with Accounting and Uniform Compliance Guidelines for Indiana Charter Schools, Management's finance personnel and Academy personnel shall ensure that deposits are made at least twice weekly. Training in proper cash handling will be held for all individuals responsible for accounting for deposit transactions.

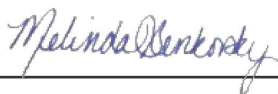
Late Fees:

During testing it was noted that one of the twenty-five disbursements tested incurred a late fee, amounting to \$4.52.

Management Response:

In accordance with Accounting and Uniform Compliance Guidelines for Indiana Charter Schools, Management's finance personnel and Academy personnel shall ensure that payments are made in a timely manner, per the payment terms listed by the vendor. Additional training will be held for all individuals responsible for transmitting and processing invoices to ensure a clear understanding of the expectations and requirements.

Sincerely,



Melinda Benkovsky, CFO, The Leona Group



CLA (CliftonLarsonAllen LLP) is a network member of CLA Global. See CLAGlobal.com/disclaimer. Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.