



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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March 11, 2024

Charter School Board
Options Charter Schools, Inc.
Hamilton County, Indiana

We have reviewed the Supplemental Audit Report for Options Charter Schools, Inc. prepared by CliftonLarsonAllen LLP, 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 pages 5 through 6.

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

A handwritten signature in black ink that reads "Tammy R. White".

Tammy R. White, CPA
Deputy State Examiner

**SUPPLEMENTAL AUDIT REPORT
OF
OPTIONS CHARTER SCHOOLS, INC.**

HAMILTON COUNTY, INDIANA

JULY 1, 2022 TO JUNE 30, 2023



CPAs | CONSULTANTS | WEALTH ADVISORS

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**OPTIONS CHARTER SCHOOLS
HAMILTON COUNTY, INDIANA
TABLE OF CONTENTS
JULY 1, 2022 TO JUNE 30, 2023**

SCHOOL OFFICIALS	1
INDEPENDENT AUDITORS' REPORT	2
AUDIT RESULTS AND COMMENTS	3
EXIT CONFERENCE	4
OFFICIAL RESPONSE	5

**OPTIONS CHARTER SCHOOLS
HAMILTON COUNTY, INDIANA
SCHOOL OFFICIALS
JULY 1, 2022 TO JUNE 30, 2023**

<u>Office</u>	<u>Official</u>	<u>Term</u>
Chairman of Board of Directors	John Kerr	07/01/2022 – 06/30/2023
School President and CEO	Mike Gustin	07/01/2022 – 06/30/2023
CFO	Jake Brandau	07/01/2022 – 06/30/2023
Corporate Treasurer	Jack Colwell	07/01/2022 – 06/30/2023



CliftonLarsonAllen LLP
CLAconnect.com

INDEPENDENT AUDITORS' REPORT

Board of Directors
Options Charter Schools, Inc.
Carmel, Indiana

We have audited the financial statements of Options Charter Schools, Inc. (the School) as of and for the year ended June 30, 2023 and have issued our report thereon dated February 14, 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 School was not in compliance with those provisions.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Indianapolis, Indiana
February 14, 2024

**OPTIONS CHARTER SCHOOLS
HAMILTON COUNTY, INDIANA
AUDIT RESULTS AND COMMENTS
JULY 1, 2022 TO JUNE 30, 2023**

AVERAGE DAILY MEMBERSHIP (ADM) TESTING

Enrollment documents and attendance records are required to be maintained by the School in accordance with guidance by the Indiana Department of Education (IDOE). The School has a written policy stating the documents required to be obtained at enrollment. During our testing of ADM, we noted there were thirteen (13) students out of 90 selections where the School did not maintain consistent and complete enrollment records. Also, to reconcile ADM counts provided to the Indiana Department of Education (IDOE), we obtained the ADM Summary Report for each count date as submitted to IDOE and determine it was signed by the appropriate officials (the Superintendent/Principal/Director of Schools and the Trustee/Corporate Treasurer). The Membership (ME) Roster and listing of excluded students were obtained for the Spring count. However, the excluded students listing for the Fall count was not provided by the school, therefore a reconciliation could not be completed.

Officials shall maintain records (enrollment applications, attendance records, reporting forms, etc.) which substantiate the number of students claimed for ADM. A student claimed for ADM must be an "eligible pupil." An eligible pupil is a student that is enrolled and attending. IC 20-43-1-11: "Eligible pupil" refers to an individual who qualifies as an eligible pupil under IC 20- 43-4-1." IC 20-43-1-11.5 defines "Enrolled" as registered with a school corporation to attend educational programs offered by or through the school corporation; and attending these educational programs or receiving education services. IC 20-43-1-7.5 defines "Attending" as physical or virtual presence of a student with the expectation of continued services in the education programs for which the student is registered.

The Organizer is responsible for reporting ADM to the Indiana Department of Education (IDOE). The ADM Summary Report shall provide a written certification of ADM to properly document responsibility. The ADM Summary Report must be signed by the Superintendent/Principal/Director of Schools and the Trustee/Corporate Treasurer and be uploaded to IDOE for each reporting period in the fiscal year. Supporting documentation of enrollment and attendance/engagement information by grade and school must be maintained for audit. (Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Part 9).

**OPTIONS CHARTER SCHOOLS
HAMILTON COUNTY, INDIANA
EXIT CONFERENCE
JULY 1, 2022 TO JUNE 30, 2023**

The contents of this report were discussed with Jack Colwell, CFO, Jake Brandau, Vice President, Mike Gustin, CEO, and Travis Carmean, Board Chair on February 1, 2024. The officials concurred with our audit findings. The Official Response has been made a part of this report and may be found starting on page 5.



Date: Feb. 1st, 2024

To: CliftonLarsonAllen LLP

From: Jacob Brandau, Vice President

Reason: **Audit Response for Options Schools, Inc.**

Issue One: ADM TESTING

Enrollment documents and attendance records are required to be maintained by the School in accordance with guidance by the Indiana Department of Education (IDOE). The School has a written policy stating the documents required to be obtained at enrollment. During our testing of ADM, we noted there were sixteen (13) students out of 90 selections where the School did not maintain consistent and complete enrollment records. Also, to reconcile ADM counts provided to the Indiana Department of Education (IDOE), we obtained the ADM Summary Report for each count date as submitted to IDOE and determine it was signed by the appropriate officials (the Superintendent/Principal/Director of Schools and the Trustee/Corporate Treasurer). The Membership (ME) Roster and listing of excluded students were obtained for the Spring count. However, the excluded students listing for the Fall count was not provided by the school, therefore a reconciliation could not be completed.

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Issue One: Response

A few of the issues in documents are related to students that enrolled prior to 20/21 and 21/22 school year. We have instituted the creation of a central office enrollment team to request, receive and manage all of the enrollment documents for new students and existing students that have been in our system since as early as the 17/18 school year.

Additionally, with the increased oversight of ADM count information, OCS has instituted an ADM testing internal control that will consist of monthly samples of student registration, attendance, and proof of residency by the CFO to insure completeness and accuracy of records per the SBOA's guidelines.

Issue Two: Response

The excluded student list will be uploaded to Options Schools database after each count day.



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