



STATE OF INDIANA
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September 24, 2013

Charter School Board
Aspire Charter Academy
4900 W. 15th Avenue
Gary, IN 46406

We have reviewed the Supplemental Audit Report prepared by Deloitte & Touche LLP, Independent Public Accountants, for the period July 1, 2010 to June 30, 2012. 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 4 contains one audit result and comment. Management's response is on page 6.

In addition to the report presented herein, a Financial Statements and Independent Auditors' Report for Aspire Charter Academy, 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.

State Board of Accounts

Aspire Charter Academy

Lake County, Indiana

Supplemental Report for the
Years Ended June 30, 2012 and 2011

ASPIRE CHARTER ACADEMY
Lake County, Indiana

TABLE OF CONTENTS

	Page
SCHOOL OFFICIALS	1
INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 AND THE GUIDELINES FOR THE AUDITS OF CHARTER SCHOOLS BY PRIVATE EXAMINERS ESTABLISHED BY THE STATE BOARD OF ACCOUNTS	2-3
AUDIT RESULTS AND COMMENTS —	
1. Prescribed Forms (2012-1)	4
EXIT CONFERENCE	5
OFFICIAL RESPONSE	6

SCHOOL OFFICIALS

Office	Official	Term
Treasurer of the Charter School Board	LaCrecia Lott	Jun 2010–Jun 2013
President of the Charter School Board	Richard Corner	Jan 2011–Jan 2014

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133 AND THE GUIDELINES FOR THE AUDITS OF CHARTER SCHOOLS BY PRIVATE EXAMINERS ESTABLISHED BY THE STATE BOARD OF ACCOUNTS

Board of Directors
Aspire Charter Academy
Gary, Indiana

Compliance

We have audited Aspire Charter Academy (the "Academy") compliance with the types of compliance requirements described in the Office of Management and Budget (OMB) Circular A-133 Compliance Supplement and the Guidelines for the Audits of Charter Schools, issued by the State Board of Accounts of Indiana, "Guidelines for the Audits of Charter Schools" that could have a direct and material effect on each of the Academy's major federal programs for the year ended June 30, 2012 and 2011. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Academy's management. Our responsibility is to express an opinion on the Academy's compliance based on our audits.

We conducted our audits of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Nonprofit Organizations and Guideline for the Audits of Charter Schools. Those standards, OMB Circular A-133 and the Guidelines for the Audits of Charter Schools, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Academy's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinion. Our audits do not provide a legal determination of the Academy's compliance with those requirements.

In our opinion, the Academy complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2012 and 2011. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements, which is required to be reported in accordance with Guidelines for the Audits of Charter Schools and

which is described in the accompanying schedule of audit results and comments as item 2012-1.

Internal Control over Compliance

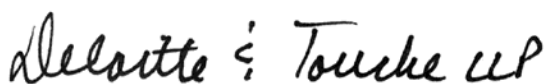
Management of the Academy is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audits, we considered the Academy's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and the Guideline for the Audits of Charter Schools, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Academy's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be *material weaknesses*, as defined above.

The Academy's response to the finding identified in our audit is described in the accompanying schedule of audit results and comments. We did not audit Academy's response and, accordingly, we express no opinion on the response.

This report is intended solely for the information and use of management, the Board of Directors, National Heritage Academies, Inc., the authorizing agency, the Indiana State Board of Accounts, federal awarding agencies, state funding agencies, and pass-through entities and is not intended to be, and should not be, used by anyone other than these specified parties.

The logo for Deloitte & Touche LLP, featuring the company name in a stylized, cursive script.

February 28, 2013

**Aspire Charter Academy
Lake County**

AUDIT RESULTS AND COMMENTS

STATE FINDINGS

Prescribed Forms (2012-1)

The Academy does not use certain state prescribed manual forms. The Academy uses electronic forms (created by the Academy's accounting system) in place of the state prescribed manual forms not used.

The Academy does not use the following state prescribed manual forms:

- Accounts Payable Voucher — Form 523
- Check in Duplicate — Form 509
- Receipt in Duplicate — Form 517

The State Board of Accounts is charged by law with the responsibility of prescribing and installing a system of accounting and reporting, which shall be uniform for every public office and every public account the same class, IC 20-239. [IC5-11-1-2]

A prescribed form is one, which is put into general use for all offices of the same class, whereas an approved form is a computerized form for special use in a particular office.

All Charter schools are required by law to use the forms prescribed by the State Board of Accounts; however, if desirable to have a prescribed form modified to conform for computer applications, a letter and copies of the proposed form may be submitted to the State Board of Accounts for approval. No form should be printed and placed into use, other than a prescribed form, without prior approval.

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

ASPIRE CHARTER ACADEMY
Lake County

EXIT CONFERENCE

The contents of this report were discussed February 26, 2013, with Susan Beans, Chief Financial Officer, and Ann Strahota, Audit Manager. The Official Response has been made a part of this report and may be found on page 6.



RESPONSE TO STATE FINDINGS

Prescribed Forms 2012-1

Issue: The State Board of Accounts is charged by law with the responsibility of prescribing and installing a system of accounting and reporting which shall be uniform for every public office and every public account the same class, IC 20-239. [IC5-11-1-2]

A prescribed form is one which is put into general use for all offices of the same class, whereas an approved form is a computerized form for special use in a particular office.

All Charter schools are required by law to use the forms prescribed by the State Board of Accounts; however, if desirable to have a prescribed form modified to conform for computer applications, a letter and copies of the proposed form may be submitted to the State Board of Accounts for approval. No form should be printed and placed into use, other than a prescribed form, without prior approval.

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

Response: The Academy does not utilize the following state prescribed manual forms:

- Accounts Payable Voucher - Form 523
- Check in Duplicate - Form 509
- Receipt in Duplicate - Form 517

The Academy uses electronic forms (created by the Academy's accounting system) in place of the above listed prescribed manual forms. The Academy is in the process of providing the electronic forms currently used to the State for approval of use in place of the state prescribed manual forms.

NHA Interim CFO

February 28, 2013

Date

NHA Director of School Accounting

February 28, 2013

Date