



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

B43231

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February 14, 2014

Charter School Board  
West Gary Lighthouse Charter School  
725 Clark Road  
Gary, IN 46406

We have reviewed the Supplemental Audit Report prepared by Fitzgerald/Isaac, LLC, Independent Public Accountants, for the period July 1, 2012 to June 30, 2013. 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. Management's response is on pages 5 and 6.

In addition to the report presented herein, a Financial Statements and Independent Auditors' Report for West Gary Lighthouse Charter School 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*

SUPPLEMENTAL AUDIT REPORT

OF

**WEST GARY LIGHTHOUSE CHARTER SCHOOL**

LAKE COUNTY, INDIANA

July 1, 2012 to June 30, 2013

**Fitzgerald | Isaac** LLC  
Certified Public Accountants

WEST GARY LIGHTHOUSE CHARTER SCHOOL

LAKE COUNTY, INDIANA

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WEST GARY LIGHTHOUSE CHARTER SCHOOL

LAKE COUNTY, INDIANA

School Officials

Year Ended June 30, 2013

<u>Office</u>	<u>Official</u>	<u>Term</u>
President of Board of Directors	Thakena Hogue	07/01/12 – 09/30/12
	Samuel Snideman	10/01/12 – 06/30/13
Superintendent	Charles Salter	07/01/12 – 02/12/13
	Jamila Newman	02/13/13 – 06/30/13
Treasurer	Robert Stearns	07/01/12 – 06/30/13

The Board of Directors  
Lighthouse Academies of Indiana, Inc.

We have audited the financial statements of **West Gary Lighthouse Charter School** (the "School") as of and for the year ended June 30, 2013 and have issued our report thereon dated December 9, 2013. 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.

*Fitzgerald/Isaac*

Indianapolis, IN  
December 9, 2013

WEST GARY LIGHTHOUSE CHARTER SCHOOL

LAKE COUNTY, INDIANA

Audit Results and Comments

Year Ended June 30, 2013

CASH RECEIPTS AND DEPOSITS

In our audit, the School was unable to produce evidence that written receipts were utilized to document cash collections.

Receipts shall be issued and recorded at the time of the transaction; for example, when cash or a check is received, a receipt is to be immediately prepared and given to the person making payment. (Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Part 8)

TICKET SALES

The School charges admission to athletic events and sell concessions; however, it does not use pre-numbered tickets or reconcile ticket sales revenue via the SA-4 Ticket Sales Form.

The designated charter school employee shall be responsible for the proper accounting for all tickets and must keep a record of the number purchased, the number issued for sale, and the number returned. The designee must see that proper accounting is made for the cash received from those sold. All tickets shall be pre-numbered, with a different ticket color and numerical series for each price group. When cash for ticket sales is deposited with the charter school, the charter school's receipt issued therefore must show the number of tickets issued to the seller, the number returned unsold and the balance remitted in cash. All tickets (including free or reduced) must be listed and accounted for on the SA-4 Ticket Sales Form. (Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Part 8)

WEST GARY LIGHTHOUSE CHARTER SCHOOL

LAKE COUNTY, INDIANA

Exit Conference

Year Ended June 30, 2013

The contents of this report were discussed on December 20, 2013 with Otty Westenfield (Chief Financial Officer, Lighthouse Academies, Inc.) and Howard Hammond (Controller, Indiana Lighthouse Charter Schools). The Official Response has been made a part of this report and may be found on pages 5 and 6.

# Lighthouse Academies of Indiana, Inc.

December 23, 2013

Fitzgerald/Isaac LLC  
9245 N. Meridian St., Suite 302  
Indianapolis, IN 46260  
Attn: Eugene P. Fitzgerald

Re: Responses to SBOA Findings for West Gary Lighthouse Charter School

Dear Sir:

## WEST GARY AND CASH RECEIPTS AND DEPOSITS

Audit comment: The School was unable to produce evidence that written receipts were utilized to document cash collections.

School response: Receipts were issued, but SA-8's were not. The policies and procedures were in place for SA-8's to be issued and kept. However, the Business Manager at West Gary did not comply. The school has closed.

Policies and procedures surrounding cash receipts and deposits have been reviewed with the School Operations Manager at the new school (Lighthouse College Preparatory Academy) by both the Controller and Regional Operations Manager from Lighthouse Academies, Inc. The Regional Operations Manager is based in Indiana, and visits the various schools during the year. Deposit summaries are sent regularly to Lighthouse Academies, Inc. and monitored for compliance and completeness against the bank deposits. Copies of SA-8's and receipts are also submitted for inspection.

## WEST GARY AND TICKET SALES

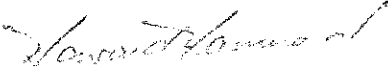
Audit comment: The School charges admission to athletic events and sells concessions. However, it does not use pre-numbered tickets or reconcile ticket sales revenue via the SA-4 Ticket Sales Form.

School response: The School has closed. However, starting in January 2014, the Lighthouse College Preparatory Academy will use the SA-4 Ticket Sales Form, which will be reconciled with ticket sales. Tickets shall be pre-numbered, with a different ticket color and numerical series for each price group.

If you have any questions, please let me know.

Thank you.

Sincerely,



Howard Hammond  
Controller  
Lighthouse Academies of Indiana, Inc.