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September 2, 2015

Charter School Board  
Padua Academy  
349 North Warman Avenue  
Indianapolis, IN 46222


We have reviewed the Supplemental Audit Report prepared by Sikich, LLP, 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 5 contains three audit results and comments.

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

*Paul D. Joyce*  
Paul D. Joyce, CPA  
State Examiner



SUPPLEMENTAL AUDIT REPORT  
OF  
PADUA ACADEMY  
MARION COUNTY, INDIANA  
JULY 1, 2012 TO JUNE 30, 2013



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### SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Head of School	Cynthia Greer	07-01-10 to 06-30-13
Business Manager	Chris Brunson	06-01-12 to 06-30-13
President of the School Board	Holly McKiernan	07-01-10 to 06-30-13
Treasurer of the School Board	Jeff Stumpf	07-01-10 to 06-30-13



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Members of American Institute of Certified Public Accountants

## INDEPENDENT AUDITOR'S SUPPLEMENTAL AUDIT REPORT

To The Board of Directors  
of Padua Academy:

We have audited, in accordance with auditing standards generally accepted in the United States, the financial statements of Padua Academy, as of and for the year ended June 30, 2013, and have issued our report thereon dated August 7, 2015.

In our audit, we noted that Padua Academy failed to comply with the school lunch reimbursement, average daily membership report, and accuracy of CND-1 reports provisions of the *Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools* as outlined in the *Guidelines for the Audits of Charter Schools Performed by Private Examiners*, issued by the Indiana State Board of Accounts.

Our audit was not directed primarily toward obtaining knowledge as to whether Padua Academy failed to comply with the terms of the *Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools*, issued by the Indiana State Board of Accounts, insofar as they relate to accounting matters. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding noncompliance with the above-referenced *Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools*, issued by the Indiana State Board of Accounts, insofar as they relate to accounting matters.

This report is intended solely for the information and use of the Board of Directors and management of Padua Academy and the Indiana State Board of Accounts, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads 'Sikich, LLP'.

Sikich LLP  
August 7, 2015

# **PADUA ACADEMY**

## **AUDIT RESULTS AND COMMENTS**

### ***SCHOOL LUNCH REIMBURSEMENT***

The Academy could not produce documentation to support the income eligibility of enrolled students for state and federal benefits. The Academy could not produce Form 521, *Application for Free and Reduced Price Meals and Other Benefits*, a list of eligible students, or support for sponsor claim reports. As such, no determination could be made as to the accuracy of the information provided to the Indiana Department of Education.

We understand situations exist which could be a concern regarding charter schools test-checking the validity of information provided on the applications for free and reduced-priced meals. The results of test checks are to be reported to the Indiana Department of Education in accordance with 7 CFR 245.6(a). (*Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools*, Part 17).

### ***AVERAGE DAILY MEMBERSHIP REPORT***

The Academy could not provide documentation to show that the building level official had certified the Average Daily Membership (ADM) count.

The building level administrator (Principal, Assistant Principal, etc.) who is responsible for reporting the ADM count, shall provide a written certification of ADM to properly document responsibility. The certification must at a minimum include a statement detailing the names and location of the records used (these records must be retained for public inspection and audit) to substantiate ADM claimed. (*Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools*, Part 9).

### ***ACCURACY OF CND-1 REPORTS***

The Academy did not provide documentation to support the accuracy of the number of meals served reported on the School's monthly CND-1 reports.

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).

**PADUA ACADEMY**  
MARION COUNTY  
EXIT CONFERENCE

The contents of this report were discussed on August 7, 2015 with Chris Brunson, Business Manager. The officials concurred with our audit findings.