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January 14, 2016

Charter School Board
Indiana Math and Science Academy - Indianapolis, Inc.
4575 W. 38th Street
Indianapolis, IN 45254

We have reviewed the Supplemental Audit Report prepared by Donovan P.C., Independent Public Accountants, for the period July 1, 2014 to June 30, 2015. 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 page 5.

In addition to the report presented herein, a Financial Statements and Independent Auditors' Report for Indiana Math and Science Academy-Indianapolis, Inc. 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

INDIANA MATH AND SCIENCE ACADEMY – INDIANAPOLIS, INC.

MARION COUNTY, INDIANA

July 1, 2014 to June 30, 2015



INDIANA MATH AND SCIENCE ACADEMY – INDIANAPOLIS, INC.

MARION COUNTY, INDIANA

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INDIANA MATH AND SCIENCE ACADEMY – INDIANAPOLIS, INC.

MARION COUNTY, INDIANA

School Officials

July 1, 2014 to June 30, 2015

<u>Office</u>	<u>Official</u>	<u>Term</u>
Chair of Board of Directors	Kent Millard	07/01/14 – 06/30/15
Director	Murat Atlihan	07/01/14 – 06/30/15
Treasurer	Halil Dulgeroglu	07/01/14 – 06/30/15



The Board of Directors
Indiana Math and Science Academy – Indianapolis, Inc.

We have audited the financial statements of **Indiana Math and Science Academy – Indianapolis, Inc.** (the “School”) as of and for the year ended June 30, 2015 and have issued our report thereon dated November 16, 2015. 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.

Donovan P.C.

Indianapolis, IN
November 16, 2015

INDIANA MATH AND SCIENCE ACADEMY – INDIANAPOLIS, INC.

MARION COUNTY, INDIANA

Audit Results and Comments

July 1, 2014 to June 30, 2015

CASH RECEIPTS AND DEPOSITS

The School receives cash payments for various purposes, including student fees, book rental, meal charges, and uniforms. Procedures were in place to process cash collections; however, we noted that in nine instances out of a sample of twenty-five transactions, the bank deposit was not made in a timely manner. The delay ranged from five to twenty-five days between the date of collection and the date of deposit.

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)

VENDOR DISBURSEMENTS

In our sample of twenty-five vendor disbursements, we noted four instances where the School paid sales tax on the purchase. The total amount of sales tax paid was \$125.

Charter schools are eligible for an exemption from the state sales tax on purchases. To obtain the exemption for a Sales Tax Exemption Certificate, application should be made to the Sales Tax Division of the Department of Revenue. This certificate must be presented at the time a purchase is made to avoid paying sales tax. If sales tax is paid erroneously, a refund application may be obtained from the Sales Tax Division. (Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Part 10)

INDIANA MATH AND SCIENCE ACADEMY – INDIANAPOLIS, INC.

MARION COUNTY, INDIANA

Exit Conference

July 1, 2014 to June 30, 2015

The contents of this report were discussed on December 14, 2015 with Mustafa Arslan (Superintendent), Murat Altihan (Principal), and Halil Dulgeroglu (Treasurer). The Official Response has been made a part of this report and may be found on page 5.



December 15th, 2015

Indiana Math and Science Academy West would like to formally respond to the audit comment noted in your examination results for 2015.

- **Cash Receipts and Deposits:** Indiana Math and Science Academy West will make sure that collected money in the office will be deposited in a timely manner.
- **Vendor Disbursement:** This item was shared with purchasing department and school principal. IMSA West will make sure not to pay any sales taxes for future purchases.

A handwritten signature in black ink, appearing to read 'Murat A.', is written over a large, faint, light-blue watermark of the academy's logo.

Murat Atlihan
Principal