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December 22, 2016

Charter School Board
Indianapolis Metropolitan High School
1635 W. Michigan St.
Indianapolis, IN 46222

We have reviewed the Supplemental Audit Report prepared by Greenwalt CPAs, Inc., Independent Public Accountants, for the period July 1, 2015 to June 30, 2016. 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. Pages 4 through 5 contain four audit results and comments.

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

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

SUPPLEMENTAL AUDIT REPORT OF
INDIANAPOLIS METROPOLITAN HIGH SCHOOL, LLC
MARION COUNTY, INDIANA
JULY 1, 2015 TO JUNE 30, 2016

GREENWALT^{CPAs}

We Deliver Peace of Mind

INDIANAPOLIS METROPOLITAN HIGH SCHOOL, LLC

SUPPLEMENTAL AUDIT REPORT

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SCHOOL OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Goodwill Education Initiatives, Inc. Treasurer	Daniel J. Riley, CPA	12/06/2010 - 12/04/2011 12/05/2011 - 12/02/2012 12/03/2012 - 12/02/2013 12/03/2013 - 12/02/2014 12/03/2014 - 12/02/2015 12/03/2015 - 12/02/2016
Goodwill Industries of Central Indiana, Inc. Vice President, Mission and Education Initiatives	Betsy Delgado	not applicable
Goodwill Education Initiatives, Inc. Board Chair	C. Perry Griffith, Jr.	12/06/2010 - 12/04/2011 12/05/2011 - 12/02/2012 12/03/2012 - 12/02/2013 12/03/2013 - 12/02/2014 12/03/2014 - 12/02/2015 12/03/2015 - 12/02/2016



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
WITH GUIDELINES FOR THE AUDITS OF CHARTER SCHOOLS
PERFORMED BY PRIVATE EXAMINERS

To the Officials of
Goodwill Education Initiatives, Inc.:

We have audited the financial statements of the Indianapolis Metropolitan High School, LLC (Indianapolis Met) as of and for the year ended June 30, 2016, and have issued our report thereon dated December 5, 2016.

In connection with that audit and with our consideration of Excel Centers' internal controls as required by the *Guidelines for the Audits of Charter Schools Performed by Private Examiners* (Guide), Issued by the Indiana State Board of Accounts, we performed procedures prescribed under the Guide for the year ended June 30, 2016.

As required by the Guide, we performed procedures to test compliance with the requirements that are applicable to Indianapolis Met. Our procedures were substantially narrower in scope than an audit, the objective of which is the expression of an opinion on Indianapolis Met's compliance with these requirements. Accordingly, we do not express such an opinion.

The results of our tests disclosed instances of noncompliance with those requirements, which is described in the accompanying Schedule of Audit Results and Comments.

The purpose of this report is solely to describe the scope of our testing over compliance with the requirements prescribed under the Guide and the results of that testing, and not to provide a legal determination of compliance with those requirements. Accordingly, this report is not suitable for any other purpose.

December 5, 2016

Greenwalt CPAs, Inc.

INDIANAPOLIS METROPOLITAN HIGH SCHOOL, LLC

MARION COUNTY

SCHEDULE OF AUDIT RESULTS AND COMMENTS

Monies from ticket sales were not deposited daily

We identified that the monies collected from the ticket sales related to basketball and volleyball games were not always deposited on the next business day following the event. None of the 5 deposits tested were deposited on the next business day. Indianapolis Metropolitan High School (Indianapolis Met) is required to follow the requirements outlined in the Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Parts 8 and 10.

Tickets, goods for sale, billings and other collections, are considered accountable items for which a corresponding deposit must be made in the bank accounts of the charter school (Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Part 10). 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).

Missing Accounts Payable (AP) Voucher and Board Approval for Credit Card Expense

One out of five credit card expenses tested did not have a required AP Voucher Form. As such, there was no way to identify if the expenses were properly approved. Indianapolis Metropolitan High School (Indianapolis Met) is required to follow the requirements outlined in the Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Parts 10.

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed (Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Part 10).

Attorney opinion letters were not obtained for all terminated employees prior to being terminated.

Indianapolis Met did not obtain a written opinion from an attorney relating to severance agreements for three out of four employees who were terminated during the 2016 fiscal year. Indianapolis Met is required to follow the requirements outlined in the Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Part 10.

Unless specifically authorized by statute, severance pay, or other payments to employees upon separation from employment, must be supported by the written opinion of the attorney for the charter school stating that the payments are in accordance with all federal laws and regulations and state laws, as applicable. (Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Part 10).

INDIANAPOLIS METROPOLITAN HIGH SCHOOL, LLC

MARION COUNTY

SCHEDULE OF AUDIT RESULTS AND COMMENTS

Number of eligible students on Federal School Lunch Claim exceeded the number of eligible students.

Indianapolis Met meets the Community Eligibility Provision and as such, all students are considered eligible for free lunch and breakfast. All five Child Nutrition Division Forms Claim for Reimbursement reported a total number of meals that agreed to supporting meal count documents. However, three out of five months of National School Lunch Program claims tested reported a higher number of children than were enrolled in the school for that month. Management of Indianapolis Met noted this was due to students receiving more than one meal. We recommend that claim forms be reviewed prior to submission for reasonableness and that the number of eligible students reported on the claim form is compared with the number of enrolled students. Indianapolis Met is required to follow the requirements outlined in the Accounting and Uniform Compliance Guidelines manual for Indiana Charter Schools Part 17.

An accounting system and the necessary forms for its maintenance are prescribed but the State Board of Accounts. If these forms are properly maintained for your program, you will have little difficulty obtaining the information needed to prepare monthly federal reimbursement claims, quarterly financial reports, etc. Effective internal controls of cash receipts and meals served are built into the system by using one of several methods. The methods are the use of properly maintained and approved class rosters, prenumbered meal tickets, and cash registers...All cash register systems must be equipped with identification keys to indicate (1) paid student meals, (2) reduced price student meals, (3) free student meals, (4) adult meals, (5) a la carte sales and other additional categories the school corporation may wish to identify that may be required by the accounting system...School Food Form SF-2A, Daily Record of Meals/Milk Served, records daily the number of meals/milk served and must be totaled monthly and will be a source of information for preparation of the monthly claim for federal reimbursement. (Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools Part 17).

INDIANAPOLIS METROPOLITAN HIGH SCHOOL, LLC

MARION COUNTY, INDIANA

EXIT CONFERENCE

The contents of this report were discussed on December 5, 2016 with C. Perry Griffith, Jr., Betsy Delgado, Kent Kramer, Daniel J. Riley, Don Palmer, Claudia Cummings and Jeff Curiel. The officials concurred with our findings.