



STATE OF INDIANA
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B49402

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January 24, 2018

Charter School Board
The Recovery High School at Fairbanks, Inc., d/b/a Hope Academy
8102 Clearvista Pkwy.
Indianapolis, IN 46256

We have reviewed the Supplemental Audit Report for The Recovery High School at Fairbanks, Inc., d/b/a Hope Academy prepared by Blue & Co., LLC, Independent Public Accountants, for the period July 1, 2016 to June 30, 2017. 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. Page 3 contains an audit results and comment. Management's response is on page 5.

The Supplemental Audit Report and associated audited Financial Statements are filed in our office as a matter of public record.

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

SUPPLEMENTAL AUDIT REPORT



MARION COUNTY, INDIANA

JULY 1, 2016 TO JUNE 30, 2017

HOPE ACADEMY

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HOPE ACADEMY

SCHOOL OFFICIALS
JULY 1, 2016 TO JUNE 30, 2017

<u>Office</u>	<u>Official</u>	<u>Term</u>
President of Board of Directors	Leah Mannweiler	7/1/16 - 6/30/17
Principal	Linda Gagyi	7/1/16 - 6/30/17
Treasurer	Barbara Elliott	7/1/16 - 2/28/17
Treasurer	Janine Shopp	3/1/17 - 6/30/17



Blue & Co., LLC / 500 N. Meridian Street, Suite 200 / Indianapolis, IN 46204
main 317.633.4705 fax 317.633.4889 email blue@blueandco.com

Board of Directors
The Recovery High School at Fairbanks, Inc.
d/b/a Hope Academy
Indianapolis, Indiana

We have audited the financial statements of The Recovery High School at Fairbanks, Inc., d/b/a Hope Academy (Hope Academy), as of and for the year ended June 30, 2017 and have issued our report thereon dated November 20, 2017. As part of our audit, we tested Hope Academy'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 Hope Academy was not in compliance with those provisions.

Blue & Co., LLC

Indianapolis, Indiana
November 20, 2017

HOPE ACADEMY

AUDIT RESULTS AND COMMENTS YEAR ENDED JUNE 30, 2017

Credit Card Policy, Procedures, and Disbursements

Condition:

Hope Academy receives monthly credit card statements depending on the prior month's credit card activity. In our sample of 12 credit card statements from July 1, 2016 to June 30, 2017, we noted five instances in which the check date was dated after the credit card statement due date. These late payments resulted in late fees and interest payments. These penalties and interest fees should be the responsibility of the office or employee response for the late payment, not Hope Academy.

Criteria:

Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools; Part 10: General Information 10-3

Any interest or penalty incurred due to late filing or furnishing of documentation by an officer or employee shall be the responsibility of that officer or employee.

HOPE ACADEMY

EXIT CONFERENCE
JULY 1, 2016 TO JUNE 30, 2017

The contents of this report were discussed on October 12, 2017 with Janine Shopp (Treasurer) and Jane Panyard (Manager of Accounting). The official response has been made a part of this report and may be found on page 5.

HOPE ACADEMY

OFFICIAL RESPONSE
JULY 1, 2016 TO JUNE 30, 2017



November 13, 2017

Board of Directors
The Recovery High School at Fairbanks, Inc. d/b/a Hope Academy
8102 Clearvista Parkway
Indianapolis, Indiana 46256

The following management comment was made as a result of the year-end audit of the financial statements of The Recovery High School at Fairbanks, Inc. d/b/a Hope Academy (Hope Academy) for the year ended June 30, 2017.

Credit Card Policy, Procedures, and Disbursements


Hope Academy receives monthly credit card statements depending on the prior months credit card activity. In our sample of 12 credit card statements from July 1, 2016 to June 30, 2017, we noted five instances in which the check date was dated after the credit card statement due date. These late payments resulted in late fees and interest payments. These penalties and interest fees should be the responsibility of the office or employee responsible for the late payment, not Hope Academy.

Management provided the following response to the comment:

Credit Card Policy, Procedures, and Disbursements

Effective December 1, 2017, a new process will be instituted with the administrative secretary at Hope Academy, COO, Bookkeeping Plus and Treasurer. On the last day of the month, the administrative secretary will login to the online credit card system to pull an electronic file credit card statement. She will route the statement to the COO who will compile receipts and complete the voucher with account distributions for payment. The COO will approve and route the voucher to the Treasurer for approval by the 5th business day. Once the Treasurer has reviewed the statement and receipts and approved the voucher, all items will be routed to Bookkeeping Plus to be processed. The payment will be made by the administrative secretary by initiating an electronic payment on the credit card company's website within 3 business days of the payment due date. The administrative secretary will forward record of the payment to Bookkeeping Plus to be filed with the original credit card statement, voucher and receipts. The credit card payment will need to appear on the voucher listing which is reviewed and signed by Hope Academy board members.

Sincerely,


Janine Shopp
Treasurer

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