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February 7, 2018

Charter School Board
21st Century Charter School @ Gary, Inc.
556 Washington Street
Gary, IN 46402

We have reviewed the Supplemental Audit Report for 21st Century Charter School @ Gary, Inc. prepared by Crowe Horwath LLP, 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 one audit result and comment.

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

INDIANA STATE BOARD OF ACCOUNTS
COMPLIANCE REPORT OF
21ST CENTURY CHARTER SCHOOL @ GARY, INC.

LAKE COUNTY, INDIANA
July 1, 2016 to June 30, 2017

21ST CENTURY CHARTER SCHOOL @ GARY, INC.

LAKE COUNTY, INDIANA
July 1, 2016 to June 30, 2017

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21ST CENTURY CHARTER SCHOOL @ GARY, INC.
SCHOOL OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Lead Principal	Anthony Cherry	July 1, 2016 to June 30, 2017
Treasurer	Dana Johnson Teasley	July 1, 2016 to June 30, 2017
President of the Charter Board	Arlene Colvin	July 1, 2016 to June 30, 2017

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

Board of Directors
21st Century Charter School @ Gary, Inc.
Gary, Indiana

We have audited the financial statements of 21st Century Charter School @ Gary, Inc. ("School") as of and for the year ended June 30, 2017, and have issued our report thereon, dated January 31, 2018.

In connection with that audit and with our consideration of School's internal control 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, 2017.

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

The results of our tests disclosed an instance of noncompliance with those requirements, which is described in the accompanying Schedule of Findings as item 17-001.

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.

The School's response to the finding identified is described in the accompanying Schedule of Findings. The School's response was not subjected to the procedures applied and, accordingly, we express no opinion on it.



Crowe Horwath LLP

Indianapolis, Indiana
January 31, 2018

21ST CENTURY CHARTER SCHOOL @ GARY, INC.
LAKE COUNTY
AUDIT RESULTS AND COMMENTS

FINDING 17-001: CREDIT CARDS

Criteria: Part 10 of the Indiana Charter School Manual states in part, “Payment shall not be made on the basis of a statement or a credit card slip only. Procedures for payments shall be no different than for any other claim. Supporting documents such as paid bills and receipts must be available. Additionally, 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.”

Condition: During our testing of travel expenditures, it was noted that for multiple transactions, in our review of two months’ of credit card statements, the School did not maintain a copy of a receipt to support the expenditure. These transactions related to one card-holder.

Recommendation: We recommend the School issue, and retain copies of, receipts at the time of the transaction for all receipts of funds. All receipts should be reviewed and acknowledged by signature of the Treasurer, or equivalent.

Management Response: The School has reviewed the credit card receipts issue, and has found that all of the expenses aligned properly with the line items detailed on the credit card statement, and no funds are unaccounted for or have been improperly spent. However, the school recognizes the need for better record-keeping in this area, and will review its receipt policy and will ensure that a better job is done maintaining receipts and records in the future.

21ST CENTURY CHARTER SCHOOL @ GARY, INC.
LAKE COUNTY
EXIT CONFERENCE

The contents of this report were discussed on November 30, 2017, with Dana Johnson Teasley, Treasurer. The Official Response has been made a part of this report and may be found immediately following the finding on page 3.