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STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

November 13, 2018

Charter School Board
Dr. Robert H. Faulkner Academy, Inc.
1111 W. 2nd Street
Marion, IN 46952

We have reviewed the Supplemental Audit Report for Dr. Robert H. Faulkner Academy, Inc. prepared by Donovan CPAs, Independent Public Accountants, for the period July 1, 2017 to June 30, 2018. 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.

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
OF
DR. ROBERT H. FAULKNER ACADEMY, INC.

GRANT COUNTY, INDIANA

July 1, 2017 to June 30, 2018



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DR. ROBERT H. FAULKNER ACADEMY, INC.
GRANT COUNTY, INDIANA
School Officials
July 1, 2017 to June 30, 2018

<u>Office</u>	<u>Official</u>	<u>Term</u>
President of Board of Directors	Jeanne Goble	07/01/17 – 06/30/18
School Director	Janice Adams	07/01/17 – 06/30/18
School Treasurer	Arthur Faulkner	07/01/17 – 06/30/18



Donovan CPAs

The Board of Directors
Dr. Robert H. Faulkner Academy, Inc.

We have audited the financial statements of Dr. Robert H. Faulkner Academy, Inc. (the “School”) as of and for the year ended June 30, 2018 and have issued our report thereon dated October 4, 2018. 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

Indianapolis, Indiana
October 4, 2018

www.cpadonovan.com

Westside Office | 5151 E. US Hwy 36, Avon, IN 46123 | 317.745.6411

Northside Office | 9292 N. Meridian Street, Suite 150, Indianapolis, IN 46260 | 317.844.8300

DR. ROBERT H. FAULKNER ACADEMY, INC.
GRANT COUNTY, INDIANA
Audit Results and Comments
July 1, 2017 to June 30, 2018

RECEIPTS AND DEPOSITS

We tested a sample of twenty-five receipts and deposits. From the items tested, the School was unable to provide documentation to allow tracing of the receipt to a deposit for three transactions.

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)

The deposit ticket or attached documentation must provide a detailed listing of the deposit, which includes at a minimum, check numbers and corresponding names of payors. (Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Part 10)

MINIMUM INTERNAL CONTROL STANDARDS

Per review and discussion with School personnel, we determined that the School was not in compliance with either of the minimum internal control requirements as set forth by IC 5-11-1-27(g).

After June 30, 2016, the legislative body of a political subdivision shall ensure that:

1. the internal control standards and procedures developed under subsection (e) are adopted by the political subdivision; and
2. personnel received training concerning the internal control standards and procedures adopted by the political subdivision.

(IC 5-11-1-27(g))

DR. ROBERT H. FAULKNER ACADEMY, INC.
GRANT COUNTY, INDIANA
Exit Conference
July 1, 2017 to June 30, 2018

The contents of this report were discussed on October 3, 2018 with Janice Adams (School Director), Jeanne Goble (President of Board of Directors), and Jim Henry (Food Service Director). The Official Response has been made a part of this report and may be found on page 5.



DR. ROBERT H. FAULKNER ACADEMY

"Stop ♦ Think ♦ Achieve"

To Whom It May Concern,

Dr. Robert H. Faulkner Academy has developed a system that ensures that all receipt and deposit transactions are recorded immediately to address the concerns during the State Board Audit.

Compliance with the State Board of Accounts (IC 5-11-1-27(g)) was satisfied. Janice Adams, the School Leader of Robert H Faulkner Academy, viewed the training (<https://www.in.gov/sboa/5072.htm>) for the 2017-2018 school year. However, the certification form found at: (https://www.in.gov/sboa/files/IC_Certification.pdf) was not printed and dated.

Going forward in order to correct this error, Janice Adams, School Leader and Jimmy Henry, Business Manager of Robert H. Faulkner Academy will both review the video and sign the certification form for the 2018-2019 school year and each year thereafter until such time as these positions are replaced by others.