



**STATE OF INDIANA**  
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October 21, 2019

Charter School Board  
Options Charter School – Noblesville, Inc.  
530 W Carmel Dr.  
Carmel, IN 46032

We have reviewed the Supplemental Audit Report for Options Charter School – Noblesville, Inc. prepared by Donovan CPAs, Independent Public Accountants, for the period July 1, 2018 to June 30, 2019. 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  
OPTIONS CHARTER SCHOOL - NOBLESVILLE, INC.**

HAMILTON COUNTY, INDIANA

July 1, 2018 to June 30, 2019



## TABLE OF CONTENTS

	<b>Page</b>
School Officials .....	1
Transmittal Letter.....	2
Audit Results and Comments:	
Receipts and Deposits .....	3
Payroll Compliance .....	3
Exit Conference .....	4
Official Response.....	5

**OPTIONS CHARTER SCHOOL - NOBLESVILLE, INC.**  
**HAMILTON COUNTY, INDIANA**  
**School Officials**  
**July 1, 2018 to June 30, 2019**

<b><u>Office</u></b>	<b><u>Official</u></b>	<b><u>Term</u></b>
Chairman of Board of Directors	Stacy Segal	07/01/18 – 06/30/19
Treasurer of Board of Directors	Will Mattingly	07/01/18 – 06/30/19
School President and CEO	Mike Gustin	07/01/18 – 06/30/19
School Treasurer	Sherrie Bly	07/01/18 – 06/30/19



# Donovan CPAs

The Board of Directors  
Options Charter School - Noblesville, Inc.

We have audited the financial statements of Options Charter School - Noblesville, Inc. (the "School") as of and for the year ended June 30, 2019 and have issued our report thereon dated October 11, 2019. 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 11, 2019

**OPTIONS CHARTER SCHOOL - NOBLESVILLE, INC.**  
**HAMILTON COUNTY, INDIANA**  
**Audit Results and Comments**  
**July 1, 2018 to June 30, 2019**

**RECEIPTS AND DEPOSITS**

We tested twenty-six cash receipts from the School's receipt books. Seven of the receipts tested were not deposited timely.

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)

**PAYROLL COMPLIANCE**

During the year, the School paid severance to two employees without obtaining a written opinion from an attorney.

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)

**OPTIONS CHARTER SCHOOL - NOBLESVILLE, INC.**  
**HAMILTON COUNTY, INDIANA**  
**Exit Conference**  
**July 1, 2018 to June 30, 2019**

The contents of this report were discussed on October 11, 2019 with Will Mattingly (Board Treasurer); Mike Gustin (School President and CEO); Jacob Brandau (School CFO); and Sherrie Bly (School Treasurer). The Official Response has been made a part of this report and may be found on page 5.



Date: October 10th, 2019

To: Donovan CPAs

From Jacob Brandau, Chief Financial Officer

Reason: **Audit Response for Options Charter School- Noblesville**

**Issue One: RECEIPTS AND DEPOSITS**

We tested twenty-six cash receipts from the School's receipt books. Seven of the receipts tested were not deposited timely.

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)

**Issue One: Response**

This issue was due to the Options Carmel administrative assistant dealing with the large amount of student fees that came in on our back-to-school night. The back-to-school night ended late on a Friday and the money and receipts were put in the safe. This money then did not get processed to the Treasurer until the next week. This issue will be resolved next year by instituting that the Principal is responsible for depositing the money on the evening of back to school night. Generally, there is an expectation that all deposits on made on the same business day.

**Issue Two: PAYROLL COMPLIANCE**

During the year, the School paid severance to two employees without obtaining a written opinion from an attorney.

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)

**Issue Two: Response**

We will be obtaining a written opinion from our attorney for any severance pay in the future. This issue was just on oversight on our part in the severance process.

Sincerely,

Jacob Brandau, Chief Financial Officer  
Options Charter Schools