



STATE OF INDIANA
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December 26, 2019

Charter School Board
Hoosier Academy, Inc.
2855 N. Franklin Road
Indianapolis, IN 46219

We have reviewed the Supplemental Audit Report for Hoosier Academy, 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. Pages 3 through 4 contain three audit results and comments. Management's response is on page 6.

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
HOOSIER ACADEMY, INC.

MARION COUNTY, INDIANA

July 1, 2018 to June 30, 2019



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HOOSIER ACADEMY, INC.
MARION COUNTY, INDIANA
School Officials
July 1, 2018 to June 30, 2019

<u>Office</u>	<u>Official</u>	<u>Term</u>
Board President	John Marske	07/01/18 – 06/30/19
Head of School	Elizabeth Lamey	07/01/18 – 06/07/19
Head of School	Elizabeth Roth	06/08/19 – 06/30/19
Board Treasurer	Gary Meyer	07/01/18 – 06/30/19



Donovan CPAs

The Board of Directors
Hoosier Academy, Inc.

We have audited the financial statements of Hoosier Academy, Inc. (“Hoosier Academy”) as of and for the year ended June 30, 2019 and have issued our report thereon dated December 16, 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
December 17, 2019

HOOSIER ACADEMY, INC.
MARION COUNTY, INDIANA
Audit Results and Comments
July 1, 2018 to June 30, 2019

RECEIPTS AND DEPOSITS

We selected a sample of 25 receipts from Hoosier Academy's receipt books for testing. From our sample, we noted the following instances of non-compliance:

1. The School was unable to locate receipts for the period prior to November 2018.
2. The form of payment was not identified on 22 of the receipts.
3. Deposit support was not available for three receipts.
4. Receipts issued for prom tickets (15 in total) were written after the date of the deposit.

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)

Receipts shall be issued and recorded at the time of the transaction; for example, when cash or a check is received, a receipt is to be immediately prepared and given to the person making payment. (Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Part 8)

TEXTBOOK REIMBURSEMENT

We selected 25 students to test the determination of their eligibility for inclusion on the textbook reimbursement claim. Eligibility for textbook reimbursement uses the same criteria as free and reduced meals. From our testing, we noted the following instances of non-compliance:

1. Hoosier Academy could not provide applications for eight of the selected students.
2. Six of the applications did not have the determination of eligibility section completed by a school official.

The local educational agency must determine household eligibility for free or reduced price meals either through direct certification or the application process at or about the beginning of the school year. [7 CFR, part 245.6(c)]

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)

HOOSIER ACADEMY, INC.
MARION COUNTY, INDIANA
Audit Results and Comments
July 1, 2018 to June 30, 2019

REQUIRED REPORTS

The fund balances shown on the Form 9 for Hoosier Academies Indianapolis at June 30, 2019 for the Title I grant did not accurately reflect the balances in those funds when compared to activity shown on the trial balance.

Charter schools are required to comply with all grant agreements, rules, regulations, bulletins, directives, letters, letter rulings and filing requirements concerning reports and other procedural matters of federal and state agencies, including opinions of the Attorney General of the State of Indiana, and court decisions. Charter schools shall file accurate reports required by federal and state agencies. Noncompliance may require corrective action. (Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Part 10)

HOOSIER ACADEMY, INC.
MARION COUNTY, INDIANA
Exit Conference
July 1, 2018 to June 30, 2019

The contents of this report were discussed on December 17, 2019 with Enrico Rudolph (Finance Manager, K12, Inc.), Gary Meyer (Board Treasurer), Michelle Study-Campbell (Board President), Nadina McFann (School Board Liaison), and Dr. Janice Silver (Head of School). The Official Response has been made a part of this report and may be found on page 6.



Receipts and Deposits – Response

Management has been diligently working on making sure these items are not an issue for this Academic year’s audit. Revisions have been made in the process of receipt creation using the guidance garnered from the auditors while they were on sight. All receipts and subsequent deposits are made in a timely fashion in accordance with the auditor’s instructions. Care is being made to make sure payment type is identified and not assumed as our predecessors had. Deposit support will be available for all deposits. Prom receipts will be made when the income is received this school year, there will be no need for correcting previous errors.

Textbook Reimbursement - Response

The current administration has worked diligently to ensure that this school year’s free and reduced lunch applications have been filled out entirely and are maintained electronically using forms prescribed or approved of by the State Board of Accounts.

Required Reports - Response

Management has taken action to correct the findings in the Title I balances matching the Form 9 during the current school year and will ensure the compliance with the SBOA regulations.