



**STATE OF INDIANA**  
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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](http://www.in.gov/sboa)

January 27, 2020

Charter School Board  
Aspire Charter Academy, Inc.  
4900 W. 15<sup>th</sup> Avenue  
Gary, IN 46406

We have reviewed the Supplemental Audit Report for Aspire Charter 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. Page 3 contains three 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  
**ASPIRE CHARTER ACADEMY, INC.**

LAKE COUNTY, INDIANA

July 1, 2018 to June 30, 2019



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**ASPIRE CHARTER ACADEMY, INC.**  
**LAKE COUNTY, INDIANA**  
**School Officials**  
**July 1, 2018 to June 30, 2019**

<u>Office</u>	<u>Official</u>	<u>Term</u>
Board President	Denise Dillard	07/01/18 – 06/30/19
Board Treasurer	LaCrecia Lott	07/01/18 – 06/30/19
School Leader	ReNae Robinson	07/01/18 – 06/30/19



# Donovan CPAs

The Board of Directors  
Aspire Charter Academy, Inc.

We have audited the financial statements of Aspire Charter Academy, Inc. (the “Academy”) as of and for the year ended June 30, 2019 and have issued our report thereon dated December 13, 2019. As part of our audit, we tested the 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 the School was not in compliance with those provisions.

DONOVAN

Indianapolis, Indiana  
December 13, 2019

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[www.cpadonovan.com](http://www.cpadonovan.com)

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

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

# **ASPIRE CHARTER ACADEMY, INC.**

## **LAKE COUNTY, INDIANA**

### **Audit Results and Comments**

**July 1, 2018 to June 30, 2019**

#### **RECEIPTS AND DEPOSITS**

We selected a sample of 25 receipts for testing from the Academy's receipt book. Of those tested, four were not deposited in a timely manner. The length of time between receipt and deposit for these items ranged from 12 to 86 days.

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)

#### **REQUIRED REPORTS**

The total cash balance shown on the Academy's Form 9 at June 30, 2019 did not reflect the balance of cash reported on the Academy's trial balance. The Form 9 reports a \$1 ending cash balance at June 30, 2019, while the actual cash balance per the trial balance was \$1,306,833. Per the Academy's agreement with National Heritage Academies, Inc. ("NHA"), any excess cash at the end of the year reverts to NHA to assist in its management oversight responsibilities. This transfer was reflected in the Form 9 records, but not in the trial balance as of June 30, 2019.

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)

#### **TEXTBOOK REIMBURSEMENT**

We selected a sample of five students to test for textbook eligibility compliance testing. Of the five students sampled, four were not directly certified. For each of the four non-directly certified students, the applications we reviewed were not signed by the designated determining official.

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)

**ASPIRE CHARTER ACADEMY, INC.**  
**LAKE COUNTY, INDIANA**  
**Exit Conference**  
**July 1, 2018 to June 30, 2019**

The contents of this report were discussed on December 13, 2019 with Janet Thatcher and Christine Paulen from National Heritage Academies. The official response has been made a part of this report and may be found on page 5.



**CORRECTIVE ACTION PLAN – STATE COMPLIANCE AUDIT FINDINGS**

**Finding:** *The Academy did not deposit funds received in a timely manner.*

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 schools administration with current information necessary for all financial decisions. (Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Part 8)

**Response:** The Academy does use electronic forms for the majority of its receipting process in place of the above listed prescribed manual forms. The Academy is in the process of providing the manual forms to the individuals at the school for the minimal amount of money that is not collected through their electronic system.

**Finding:** *The Academy's cash balance at fiscal year end should reflect the same balance on Form 9.*

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)

**Response:** The Academy's accrual basis accounting needs to be converted to cash basis for the required Form 9. The Academy will ensure that the cash balance at its fiscal year end will match the cash balance as reported on its trial balance for future Form 9's completed.

**Finding:** *The Academy must have completed forms for textbook reimbursement.*

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (Accounting and Uniform Guidelines Manual for Indiana Charter Schools, Part 10).

**Response:** The Academy will ensure that all forms are completed properly for those receiving textbook reimbursement.