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December 8, 2020

Charter School Board  
Irvington Community Schools, Inc.  
5751 E University Ave  
Indianapolis, IN 46219

We have reviewed the Supplemental Audit Report for Irvington Community Schools, Inc. prepared by Donovan CPAs, Independent Public Accountants, for the period July 1, 2019 to June 30, 2020. 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. 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.

A handwritten signature in blue ink that reads "Paul D. Joyce".

Paul D. Joyce, CPA  
State Examiner

SUPPLEMENTAL AUDIT REPORT  
OF  
**IRVINGTON COMMUNITY SCHOOLS, INC.**

MARION COUNTY, INDIANA

July 1, 2019 to June 30, 2020



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**IRVINGTON COMMUNITY SCHOOLS, INC.**  
**MARION COUNTY, INDIANA**  
**School Officials**  
**July 1, 2019 to June 30, 2020**

<u>Office</u>	<u>Official</u>	<u>Term</u>
Chair of Board of Directors	Suzanne Koehler	07/01/19 – 06/30/20
Chief Financial Officer	Harold Allen	07/01/19 – 06/30/20
Chief Executive Officer	Tim Mulherin	07/01/19 – 06/30/20



# Donovan CPAs

The Board of Directors  
Irvington Community Schools, Inc.

We have audited the financial statements of Irvington Community Schools, Inc. (the “School”) as of and for the year ended June 30, 2020, and have issued our report thereon dated November 20, 2020. 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  
November 20, 2020

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**IRVINGTON COMMUNITY SCHOOLS, INC.**  
**MARION COUNTY, INDIANA**  
**Audit Results and Comments**  
**July 1, 2019 to June 30, 2020**

**REQUIRED REPORTS**

The School is required to file two biannual financial reports (“Form 9”) that reflect its cash activity. The School reported negative balances of \$12,095,387 and \$1,262,093 in funds 300 and 5200, respectively, that did not pertain to awaiting reimbursements. Additionally, the activity reported in the funds, particularly those related to federal grants (funds 4100 to 6890), did not appear to reflect actual activity in line with financial detail provided by the School.

The fund balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the charter school. (Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Part 10)

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)

**IRVINGTON COMMUNITY SCHOOLS, INC.**  
**MARION COUNTY, INDIANA**  
**Exit Conference**  
**July 1, 2019 to June 30, 2020**

The contents of this report were discussed on November 5, 2020 with Harold Allen (Chief Financial Officer), Tim Mulherin (Chief Executive Officer), and Rich Berger (Board Treasurer). The Official Response has been made a part of this report and may be found on page 5.

**IRVINGTON COMMUNITY SCHOOLS, INC.**  
**MARION COUNTY, INDIANA**  
**Corrective Action Plan**  
**For the Year Ended June 30, 2020**

SUPPLEMENTAL AUDIT REPORT FINDING

Condition

The school reported negative balances of \$12,095,387 and \$1,262,093 in funds 0300 and 5200, respectively, that did not pertain to awaiting reimbursements. Additionally, the activity reported in the funds, particularly those related to federal grants (funds 4100 to 6890), did not appear to reflect actual activity in line with financial detail provided by the school.

Response

Fund balancing was not completed until after the Form 9 was submitted this year with other activities related to the pandemic that pushed back reconciling. Balancing the funds are a critical step in the year-end process.

Moving forward, monthly balancing will occur in order to not prolong the year-end balancing. Balances reported to audit through the trial balance were accurate to the year-end.