



STATE OF INDIANA
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December 9, 2020

Charter School Board
Seven Oaks Classical School, Inc.
200 E. Association Street
Ellettsville, IN 47429

We have reviewed the Supplemental Audit Report for Seven Oaks Classical School, 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 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.

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

Paul D. Joyce, CPA
State Examiner

SUPPLEMENTAL AUDIT REPORT
OF
SEVEN OAKS CLASSICAL SCHOOL, INC.

MONROE COUNTY, INDIANA

July 1, 2019 to June 30, 2020



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SEVEN OAKS CLASSICAL SCHOOL, INC.
MONROE COUNTY, INDIANA
School Officials
July 1, 2019 to June 30, 2020

<u>Office</u>	<u>Official</u>	<u>Term</u>
Board President	Matt Wolf	07/01/19 – 06/30/20
Board Treasurer	Ian Jonathan Hall	07/01/19 – 06/30/20
Headmaster	Dr. Stephen Shipp	07/01/19 – 06/30/20
Business Manager	Scott Reynolds	07/01/19 – 06/30/20



Donovan CPAs

The Board of Directors
Seven Oaks Classical School, Inc.

We have audited the financial statements of Seven Oaks Classical School, Inc., (the “School”) as of and for the year ended June 30, 2020, and have issued our report thereon dated November 23, 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 23, 2020

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SEVEN OAKS CLASSICAL SCHOOL, INC.
MONROE COUNTY, INDIANA
Audit Results and Comments
July 1, 2019 to June 30, 2020

CASH RECEIPTS AND DEPOSITS

From a sample of forty receipts tested, nine were not deposited in a timely manner. The untimely deposited receipts ranged from \$5 to \$100 and were made between seven and fifteen days after receipt.

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)

FINANCIAL REPORTING

We reviewed the Form 9s submitted by the School for semi-annual periods July 1, 2019 to December 31, 2019 and January 1, 2020 to June 30, 2020. We noted funds 101, 300, and 5200 were overdrawn and were unrelated to awaiting reimbursements.

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)

SEVEN OAKS CLASSICAL SCHOOL, INC.
MONROE COUNTY, INDIANA
Exit Conference
July 1, 2019 to June 30, 2020

The contents of this report were discussed on November 23, 2020 with Dr. Stephen Shipp (Headmaster) and Scott Reynolds (Business Manager). The Official Response has been made a part of this report and may be found on page 5.



November 23, 2020

Donovan CPAs
9292 N. Meridian Street, Suite 150
Indianapolis, IN 46260

Seven Oaks Classical School has already or will take the following actions to address the FY2020 supplemental audit report comments:

1. **Cash Receipts and Deposits:** All monies received by the school during the year were deposited in the same form received. We will take steps to improve the timeliness of deposits so that monies are deposited not later than the business day following receipt.
2. **Financial Reporting:** We will contact the State Board of Accounts to determine the best way to correct the overdrawn fund amounts and will make any suggested adjustments on future Form 9s.

Sincerely,

Seven Oaks Classical School Management