



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

B56314

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January 15, 2021

Charter School Board  
Ignite Achievement Academy, Inc.  
1002 W 25th St.  
Indianapolis, IN 46208

We have reviewed the Supplemental Audit Report for Ignite Achievement Academy, 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. Pages 3 through 4 contain four audit results and comments. Management's response is on pages 6 through 8.

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  
**IGNITE ACHIEVEMENT ACADEMY, INC.**

MARION COUNTY, INDIANA

July 1, 2019 to June 30, 2020



## TABLE OF CONTENTS

	<b>Page</b>
School Officials.....	1
Transmittal Letter.....	2
Audit Results and Comments:	
Required Reports .....	3
Receipts and Deposits .....	3
Credit Card Usage.....	4
Ticket Sales .....	4
Exit Conference.....	5
Official Response .....	6 - 8

**IGNITE ACHIEVEMENT ACADEMY, INC.**  
**MARION COUNTY, INDIANA**  
**School Officials**  
**July 1, 2019 to June 30, 2020**

<u>Office</u>	<u>Official</u>	<u>Term</u>
Board Chair	Dr. Demetrees Hutchins	07/01/19 – 06/30/20
Business Operations Manager	April Hubbard	07/01/19 – 06/30/20
Head of School	Shy-Quon Ely II	07/01/19 – 06/30/20



# Donovan CPAs

The Board of Directors  
Ignite Achievement Academy, Inc.

We have audited the financial statements of Ignite Achievement Academy, Inc. (the “School”) as of and for the year ended June 30, 2020, and have issued our report thereon dated December 21, 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  
December 21, 2020

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

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**IGNITE ACHIEVEMENT ACADEMY, INC.**  
**MARION COUNTY, INDIANA**  
**Audit Results and Comments**  
**July 1, 2019 to June 30, 2020**

**REQUIRED REPORTS**

We reviewed the Form 9s for the 2019-2020 school year, noting the following errors:

1. The ending cash balance reported on the Form 9 as of June 30, 2020 does not agree to the ending cash reported on the trial balance. The Form 9 shows a balance that is \$53,173 less than the trial balance.
2. Fund 300 was overdrawn by \$242,651 and was unrelated to awaiting reimbursement.
3. Individual fund activity reported on the Form 9 does not agree with the fund activity per the trial balance.

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)

**RECEIPTS AND DEPOSITS**

We selected a sample of twenty-five receipts for testing from the School's receipt books. Of those tested, sixteen were not deposited in a timely manner. These untimely deposits ranged in total deposit amount from \$190 to \$18,750 and were made between seven and eighty-five days from the date of the 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)

**IGNITE ACHIEVEMENT ACADEMY, INC.**  
**MARION COUNTY, INDIANA**  
**Audit Results and Comments**  
**July 1, 2019 to June 30, 2020**

**CREDIT CARD USAGE**

We selected a sample of five credit card payments for testing. During our testing, we noted one instance where a late fee in the amount of \$34 was paid. Additionally, we noted one instance where interest in the amount of \$145 was charged.

Payment shall not be made on the basis of a statement or a credit card slip only. Procedures for payments shall be no different than for any other claim. Supporting documents such as paid bills and receipts must be available. Additionally, any interest or penalty incurred due to late filing or furnishing of documentation by an officer or employee is the responsibility of that officer or employee. (Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Part 10)

**TICKET SALES**

The School held multiple events during the 2019-2020 school year where tickets were sold. The School did not maintain the ticket stubs that reconcile to the SA-4 form and corresponding deposit support.

The designated charter school employee shall be responsible for the proper accounting for all tickets and must keep a record of the number purchased, the number issued for sale, and the number returned. The designee must see that proper accounting is made for the cash received from those sold. All tickets shall be pre-numbered, with a different ticket color and numerical series for each price group. When cash for ticket sales is deposited with the charter school, the charter school's receipt issued therefore must show the number of tickets issued to the seller, the number returned unsold and the balance remitted in cash. All tickets (including free or reduced) must be listed and accounted for on the SA-4 Ticket Sales Form. (Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Part 8)

**IGNITE ACHIEVEMENT ACADEMY, INC.**  
**MARION COUNTY, INDIANA**  
**Exit Conference**  
**July 1, 2019 to June 30, 2020**

The contents of this report were discussed on December 17, 2020 with Shy-Quon Ely II (Head of School), Nadia Miller (Chief of Staff), April Hubbard (Business Operations Manager), Brian Anderson and Linda Diakite Karressy (Outsourced Consultants with Center for Innovative Education Solutions). The Official Response has been made a part of this report and may be found on pages 6 - 8.



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Indianapolis, IN 46208

PH: (317) 226-4242

www.igniteindy.org

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

RE: Official response to Indiana State Board of Accounts compliance findings:

**REQUIRED REPORTS:**

*Finding:*

We reviewed the Form 9s for the 2019-2020 school year, noting the following errors:

1. The ending cash balance reported on the Form 9 as of June 30, 2020 does not agree to the ending cash reported on the trial balance. The Form 9 shows a balance that is \$53,173 less than the trial balance.
2. Fund 300 was overdrawn by \$242,651 and was unrelated to awaiting reimbursement.
3. Individual fund activity reported on the Form 9 does not agree with the fund activity per the trial balance.

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)

*School Response:*

We will continue to manage the differences in timing and required reporting that exist for charter schools in the state of Indiana. As part of that, we will monitor our cash basis fund reporting on our Form 9 submission and adjust as necessary. Adjustments are typically required when we either make accrual-based receivable and payable adjustments or when we receive retroactive grant budget approvals after a reporting deadline has already passed.

Implementation prior to June 30, 2020: CPA Firm, Business Operations Manager  
Oversight: Chief of Staff

We will continue working with the Indiana Department of Education to adjust lingering Form 9 negative fund balances that remain from prior years.

Implementation prior to June 30, 2020: CPA, Business Operations Manager  
Oversight: Chief of Staff

## **RECEIPTS AND DEPOSITS:**

### *Finding:*

We selected a sample of twenty-five receipts for testing from the School's receipt books. Of those tested, sixteen were not deposited in a timely manner. These untimely deposits ranged in dollar amount from \$8 to \$300 and were made between seven and eighty-five days from the date of the 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)

### *School Response:*

We will ensure the business office will make timely deposits into our depository following receipt of funds and ensure the business office personnel is able to get to the bank more often.

We made corrections to receipts and deposit immediately following our 2018-2019 audit in February 2020. Of the twenty-five items pulled for testing nineteen of the items were prior to receiving the finding in the 2018-2019 audit. We will continue to make timely deposits according SBOA regulations.

Immediate Implementation: Business Operations Manager  
Oversight: Chief of Staff

## **CREDIT CARD USAGE:**

### *Finding:*

We selected a sample of five credit card payments for testing. During our testing, we noted one instance where a late fee in the amount of \$34 was paid. Additionally, we noted one instance where interest in the amount of \$145 was charged.

Payment shall not be made on the basis of a statement or a credit card slip only. Procedures for payments shall be no different than for any other claim. Supporting documents such as paid bills and receipts must be available. Additionally, any interest or penalty incurred due to late filing or furnishing of documentation by an officer or employee is the responsibility of that officer or employee. (Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Part 10)

### *School Response:*

We have implemented a new credit card tracking and reconciliation process to ensure the credit card bill is paid within the terms so no late fee is incurred.

Immediate Implementation: CPA, Business Operations Manager  
Oversight: Chief of Staff

**TICKET SALES:**

*Finding:*

The School held multiple events during the 2019-2020 school year where tickets were sold. The School did not maintain the ticket stubs that reconcile to the SA-4 form and corresponding deposit support.

The designated charter school employee shall be responsible for the proper accounting for all tickets and must keep a record of the number purchased, the number issued for sale, and the number returned. The designee must see that proper accounting is made for the cash received from those sold. All tickets shall be pre-numbered, with a different ticket color and numerical series for each price group. When cash for ticket sales is deposited with the charter school, the charter school's receipt issued therefore must show the number of tickets issued to the seller, the number returned unsold and the balance remitted in cash. All tickets (including free or reduced) must be listed and accounted for on the SA-4 Ticket Sales Form. (Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Part 8)

*School Response:*

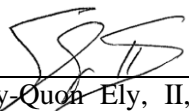
We will have the athletics department submit all tickets to the business office. The business office will reconcile to the corresponding deposit information.

Immediate Implementation: Business Operations Manager  
Oversight: Chief of Staff

We will provide training to all personnel involved on the prescribed SBOA policy of accounting for ticket sales at all extra-curricular events as well as the creation of standard operating procedures on file in the business office.

Implementation prior to June 30, 2020: COS

Sincerely,

  
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Shy-Quan Ely, II, Head of School,  
ABD

12/21/2020  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Angela Dabney, IAA Board Chair

12/21/2020  
\_\_\_\_\_  
Date