



STATE OF INDIANA
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February 8, 2021

Charter School Board
Matchbook Learning Schools of Indiana, Inc.
1163 N Belmont Ave
Indianapolis, IN 46222

We have reviewed the Supplemental Audit Report for Matchbook Learning Schools of Indiana, 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 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
MATCHBOOK LEARNING SCHOOLS OF INDIANA, INC.

MARION COUNTY, INDIANA

July 1, 2019 to June 30, 2020



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MATCHBOOK LEARNING SCHOOLS OF INDIANA, 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	Sajan George	07/01/19 – 06/30/20
Business Manager	Donald Stewart	07/01/19 – 06/30/20
Head of School	Dr. Amy Swann	07/01/19 – 06/30/20



Donovan CPAs

The Board of Directors
Matchbook Learning Schools of Indiana, Inc.

We have audited the financial statements of Matchbook Learning Schools of Indiana, Inc. (the “School”) as of and for the year ended June 30, 2020, and have issued our report thereon dated January 29, 2021. 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
January 29, 2021

MATCHBOOK LEARNING SCHOOLS OF INDIANA, INC.

MARION COUNTY, INDIANA

Audit Results and Comments

July 1, 2019 to June 30, 2020

REQUIRED REPORTS

The School is not accurately reflecting cash basis activity on the Form 9 when compared to activity shown on its trial balance. As a result, the ending cash balance shown on the School's Form 9 at June 30, 2020 did not match the School's actual cash balance. The School's Form 9 shows approximately \$1,318,000 less in cash than is reported on its trial balance at June 30, 2020. Total expenses per the Form 9 were approximately \$1,835,000 less than cash basis expenses per the trial balance. Receipts were not properly reported, with multiple accounts showing negative receipt balances when funds were received during the fiscal year.

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)

TRAVEL CLAIMS

The School was unable to provide support for two of the three travel reimbursements selected for testing. The reimbursements in question were for \$147.66 and \$179.90.

The charter school shall only reimburse employees for travel expenses when appropriate claims are submitted. The claims must be in writing, itemized, and supported with original receipts, and documentation that the trip was for charter school business. (Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Part 8)

CREDIT CARD USAGE

Five credit card statement payments were selected for testing. The School was unable to provide invoices to support the amounts paid with the credit card.

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)

MATCHBOOK LEARNING SCHOOLS OF INDIANA, INC.

MARION COUNTY, INDIANA

Exit Conference

July 1, 2019 to June 30, 2020

The contents of this report were discussed on January 28, 2021 with Dr. Amy Swann (Head of School), Donald Stewart (Business Manager), and Michael Cosack (Board of Directors Member). The Official Response has been made a part of this report and may be found on page 5.



mATCHBOOK
LEARNING

29 Jan 2021

Don Stewart
Director of Finance
1163 N. Belmont, Indianapolis, IN. 46222

Subject: SBOA Findings

To: Jason Schultz Donavan CPA's

Travel Claims – The school was unable to support of invoices on 2 travel claims.

The Director of Finance will ensure all reimbursement claims have supporting documents and are tracked appropriately in the Tri Net system to ensure accurate reporting. The Director of Finance will also ensure that all that staff report reimbursements understand and uses the system in place for appropriate tracking.

Credit Card Usage – The school was unable to provide receipts for all payments made to Credit Card.

The Director of Finance will create a monthly folder either in hard copy or a shared file to assist in accurate tracking of all receipts. The share file is currently being worked on. There will be a system in place by the second week of February 2021. The hard copy folders are in place now.

The school is not accurately reflecting cash basis activity with the Form 9.

The Director of Finance got approval to allow the accounting firm the school employs to assist with more accurately reporting the input required for completion of the Form 9 in March of 2020. The Director of Finance will continue to use this tool to assist in accurately reporting data to the Form 9. The Director of Finance is also working with the Indiana Charter Network to ensure accuracy for the January 2021 submission of the Form 9 which is do on 31 Jan of 2021.

Don Stewart
Director of Finance
Matchbook Learning