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March 17, 2021

Charter School Board
21st Century Charter School @ Gary, Inc.
556 Washington Street
Gary, IN 46402

We have reviewed the Supplemental Audit Report for 21st Century Charter School @ Gary, Inc. prepared by Crowe LLP, 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 three audit results and comments. Management's response can be found immediately following each finding.

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

INDIANA STATE BOARD OF ACCOUNTS
COMPLIANCE REPORT OF
21st CENTURY CHARTER SCHOOL AT GARY, INC.

LAKE COUNTY, INDIANA
July 1, 2019 to June 30, 2020

21st CENTURY CHARTER SCHOOL AT GARY, INC.

LAKE COUNTY, INDIANA
July 1, 2019 to June 30, 2020

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21st CENTURY CHARTER SCHOOL AT GARY, INC.
SCHOOL OFFICIALS

Office	Official	Term
Lead Principal	Nicole McIntosh	July 1, 2019 to June 30, 2020
Treasurer	Dana Johnson Teasley	July 1, 2019 to June 30, 2020
President of the Charter Board	Arlene Colvin	July 1, 2019 to June 30, 2020

TRANSMITTAL LETTER

Board of Directors and Management
21st Century Charter School at Gary, Inc.
Indianapolis, Indiana

We have audited the financial statements of 21st Century Charter School at Gary, Inc. (the "School") for the period from July 1, 2019 to June 30, 2020 and have issued our report thereon February 19, 2021. As part of our audit, we performed certain tests of the School's compliance with provisions of the Accounting and Uniform Compliance Guidelines Manual ("Manual") for the audits of Indiana Charter Schools issued by the Indiana State Board of Accounts and related provisions of laws, regulations, contracts and grant agreements. Reported in the Audited Results and Comments are matters where we believe the School was not in compliance with those provisions. However, providing an opinion on compliance with the Manual was not an objective of our tests, and accordingly, we do not express such an opinion.

The School's responses to the findings identified in our report are described in the accompanying pages. The School's responses were not subjected to the procedures applied in the tests of the School's compliance with the Manual and, accordingly, we express no opinion on them.



Crowe LLP

Indianapolis, Indiana
February 19, 2021

FINDING 2020-001: REVIEW OF TICKET SALE PROCEDURES

Criteria: Part 2 of the Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools states in part, *“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 prenumbered, 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.”*

Condition: During our testing of ticket sale procedures, we noted the SA-4 Ticket Sales Form is being utilized by the School. We selected five SA-4 Ticket Sales Forms to test and noted in two instances the form was not properly signed off by the official or sponsor.

Recommendation: We recommend management review the procedures surrounding the preparation and review of the SA-4 Ticket Sales Form and ensure the forms are properly reviewed and signed off by the official or sponsor.

Management Response: Management agrees with the finding. Management communicated the requirements to the form approvers and will continue to work with form approvers to ensure the SA-4 forms are properly filled out and signed by the appropriate parties.

FINDING 2020-002: CONFLICT OF INTEREST STATEMENTS

Criteria: Part 13 of the Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools notes that conflict of interest statements should be filed and provided to State Board of Accounts.

Condition: During our review of conflict of interest statements, we noted six board members did not complete the conflict of interest form for the year under review.

Recommendation: We recommend all board members complete their conflict of interest statements in a timely manner.

Management Response: Management agrees with finding. Management communicates the requirement to board members frequently and will continue to work with all board members to ensure conflict of interest forms are completed in a timely manner.

21st CENTURY CHARTER SCHOOL AT GARY, INC.
AUDIT RESULTS AND COMMENTS
July 1, 2019 to June 30, 2020

FINDING 2020-003: TICKET SALES PROCEDURES

Criteria: Part 10 of the Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools states in part, *“Receipts shall be issued and recorded at the time of the transaction; for example, when cash or a check is received, a receipt is to be immediately prepared and given to the person making payment. 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.”*

Condition: During our review of ticket sale procedures, we randomly selected five ticket sale reports related to extra-curricular events. Monies for these events are required to be deposited within one business day of being received. We noted in four of the five selections cash was being held for a period longer than one business day before being deposited in the bank.

Recommendation: We recommend management review internal controls surrounding the deposit process for extra-curricular events to ensure deposits are made by the next business day in accordance with SBOA guidelines.

Management Response: Management agrees with the finding. Management communicated the requirements to the respective parties and will continue to work with appropriate parties to ensure the timely deposit of funds.

21st CENTURY CHARTER SCHOOL AT GARY, INC.
EXIT CONFERENCE
July 1, 2019 to June 30, 2020

The contents of this report were discussed on January 11, 2021 with Dana Johnson Teasley, Treasurer. The Official Response has been made a part of this report and may be found immediately following the findings on the previous page.