



STATE OF INDIANA
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March 18, 2021

Charter School Board
Northern Rush County Schools, Inc.
d/b/a Mays Community Academy
929 East South Street
Mays, IN 46155

We have reviewed the Supplemental Audit Report for Northern Rush County Schools, Inc. d/b/a Mays Community Academy prepared by CliftonLarsonAllen 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 is on page 6.

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
NORTHERN RUSH COUNTY SCHOOLS, INC.
DBA: MAYS COMMUNITY ACADEMY
RUSH COUNTY, INDIANA
JULY 1, 2019 TO JUNE 30, 2020



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**NORTHERN RUSH COUNTY SCHOOLS, INC.
DBA: MAYS COMMUNITY ACADEMY
RUSH COUNTY, INDIANA
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JULY 1, 2019 TO JUNE 30, 2020**

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**NORTHERN RUSH COUNTY SCHOOLS, INC.
DBA: MAYS COMMUNITY ACADEMY
RUSH COUNTY, INDIANA
SCHOOL OFFICIALS
JULY 1, 2019 TO JUNE 30, 2020**

<u>Office</u>	<u>Official</u>	<u>Term</u>
Board President	Nansi Custer	7/1/19 – 6/30/20
Board Treasurer	Marcia Schwering	7/1/19 – 6/30/20
Principal	Shannon New	7/1/19 – 6/30/20



CliftonLarsonAllen LLP
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INDEPENDENT AUDITORS' REPORT

Board of Directors
Northern Rush County Schools, Inc.
dba: Mays Community Academy
Mays, Indiana

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of Northern Rush County Schools, Inc. dba: Mays Community Academy, as of and for the year ended June 30, 2020, and have issued our report thereon dated February 17, 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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Indianapolis, Indiana
February 17, 2021

**NORTHERN RUSH COUNTY SCHOOLS, INC.
DBA: MAYS COMMUNITY ACADEMY
RUSH COUNTY, INDIANA
AUDIT RESULTS AND COMMENTS
JULY 1, 2019 TO JUNE 30, 2020**

REQUIRED REPORTS

During testing, it was noted that the Annual Financial Report (AFR) was not filed with the state per review of the Indiana Gateway website.

Additionally during testing, it was noted that the 100R report was filed past the deadline of January 31, 2020 and was filed with the state on February 11, 2020.

Lastly during testing, it was noted that the Form 9 for the reporting period July 1, 2019 through December 31, 2019 beginning cash balance of \$140,052 did not agree to the prior year ended cash balance per the trial balance of \$146,442.

Charter schools are required to file an annual report with the State Examiner not later than sixty (60) days after the close of each fiscal year, IC 5-11-1-4. "Every state, county, city, town, township, or school official ... shall during the month of January of each year prepare, make, and sign a certified report, correctly and completely showing the names and business addresses of each and all officers, employees, and agents ... and the respective duties and compensation of each, and shall forthwith file said report in the office of the state examiner of the state board of accounts ... The certification must be filed electronically in the manner prescribed under IC 5-14-3.8-7." Charter schools are required to submit a Form 9 Biannual Financial Report two times per year during the months of January and July. The financial information in the Form 9 shall reflect cash basis information and shall be reported utilizing the State Board of Accounts prescribed chart of accounts. The January report must include previous calendar year financial and other required information for the period of July 1 to December 31 financial data. The July report must include current calendar year financial and other required information for the period of January 1 to June 30. (Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools Manual, Part 9)

GENERAL RECEIPTS TESTING

During our general receipt testing, we noted there were two (2) receipts in our sample of forty (40) that information was unable to be provided for further testing.

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. (Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools Manual, Part 8)

**NORTHERN RUSH COUNTY SCHOOLS, INC.
DBA: MAYS COMMUNITY ACADEMY
RUSH COUNTY, INDIANA
AUDIT RESULTS AND COMMENTS
JULY 1, 2019 TO JUNE 30, 2020**

GENERAL DISBURSEMENT TESTING

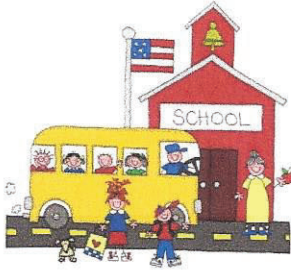
During our general disbursement testing, we noted the following items in our sample of forty (40) selections:

- Two (2) disbursements did not have supporting information for further testing.
- Three (3) disbursements had vouchers but did not have the supporting invoices.
- Four (4) disbursements had vouchers that did not contain approval (unsigned).

The charter school must establish procedures for the initiation, approval, and use of purchase requisitions and purchase orders. The procedures must include limits on approval of purchase orders after the purchase to emergency situations and all blanket purchases must have a fixed monetary limit. Upon receipt of the goods or services a charter school employee must verify the condition, quantity, and quality of the goods or services prior to payment of the invoice/bill/contract. Supporting documentation, such as invoices, shall be compared to purchase orders to ensure the prices, quantities, etc. are correct prior to payment. (Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools Manual, Part 8)

**NORTHERN RUSH COUNTY SCHOOLS, INC.
DBA: MAYS COMMUNITY ACADEMY
RUSH COUNTY, INDIANA
EXIT CONFERENCE
JULY 1, 2019 TO JUNE 30, 2020**

The contents of this report were discussed with Nansi Custer, Board President, Marcia Schwering, Board Treasurer, and Kevin Davis, Indiana Charters, on February 17, 2021. The Official Response has been made a part of this report and may be found on page 6.



Northern Rush County Schools Inc.

929 E. South Street
Mays Indiana 46155

February 29, 2021

RESPONSE TO SBOA REPORT

REQUIRED REPORTS : Due to a tabulation error, the ending cash balance on the June 30, 2019 Form 9 was misstated. The Form 9 ending cash balances for December 31, 2019 and June 30, 2020 were stated properly and the error has been resolved moving forward.

The 100R report was delayed due to the transition from our former CEO to our new accountant. There was a miscommunication in who would be responsible for the report. Moving forward, this responsibility has been clearly defined and will be carried out by our new accountant.

GENERAL RECEIPTS TESTING: We have implemented additional internal controls to ensure the accurate and timely processing of receipts of payment. This includes receipts in triplicate and verified by at least 2 individuals on all transactions. All monies received are verified by receipt and deposited in a timely manner. Original receipt books are maintained as records. The corporation treasurer keeps one of the triplicate receipts and a physical copy of any checks deposited along with deposit tickets from the bank. All these items will then be maintained for record keeping.

GENERAL DISBURSEMENT TESTING: We have now contracted with a new accountant and an educational service provider who specializes in school finance, to ensure that our processes are complete and accurate. The NRCS Board and office staff have received additional training on disbursements, purchase orders, vouchers and record keeping. This has been very helpful and has given us the knowledge and support to ensure accurate record keeping. We have also strengthened our internal controls on these processes. The combined team provides additional layers of support, verification and record keeping. Records are complete and filed both in paper and electronic form.

Nansi Custer,
President
Northern Rush County Schools Inc.
DBA: Mays Community Academy

