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August 17, 2021

Charter School Board
Vanguard Collegiate of Indianapolis
2447 W 14th St.
Indianapolis, IN 46222

We have reviewed the Supplemental Audit Report for Vanguard Collegiate of Indianapolis prepared by Greenwalt CPAs, Inc., 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 five audit results and comments.

The Supplemental Audit Report and associated audited Financial Statements Report are filed in our office as a matter of public record.

Paul D. Joyce
Paul D. Joyce, CPA
State Examiner

SUPPLEMENTAL AUDIT REPORT OF
VANGUARD COLLEGIATE OF INDIANAPOLIS

MARION COUNTY, INDIANA
JULY 1, 2019 TO JUNE 30, 2020

VANGUARD COLLEGIATE OF INDIANAPOLIS
SUPPLEMENTAL AUDIT REPORT
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SCHOOL OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
President of Board of Directors	Asia Bartee	07/01/2019 – to date
Treasurer	Andrew Salmon	07/01/2019 – to date
Executive Director	Robert Marshall	07/01/2018 – to date



Greenwalt CPAs, Inc.
5342 W. Vermont Street
Indianapolis, IN 46224
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To the Board of Directors of
Vanguard Collegiate of Indianapolis:

We have audited the financial statements of Vanguard Collegiate of Indianapolis (the School) as of and for the year ended June 30, 2020 and have issued our report thereon dated June 21, 2021.

In connection with that audit and with our consideration of the School's internal controls as required by the *Guidelines for the Audits of Charter Schools Performed by Private Examiners* (Guide), issued by the Indiana State Board of Accounts, we performed procedures prescribed under the Guide for the year ended June 30, 2020.

As required by the Guide, we performed procedures to test compliance with the requirements that are applicable to the School. Our procedures were substantially narrower in scope than an audit, the objective of which is the expression of an opinion on the School's compliance with these requirements. Accordingly, we do not express such an opinion.

The results of our tests disclosed instances of noncompliance with those requirements, which are described in the accompanying Schedule of Audit Results and Comments.

The purpose of this report is solely to describe the scope of our testing over compliance with the requirements prescribed under the Guide and the results of that testing, and not to provide a legal determination of compliance with those requirements. Accordingly, this report is not suitable for any other purpose.

Greenwalt CPAs, Inc.

June 21, 2021

VANGUARD COLLEGIATE OF INDIANAPOLIS

MARION COUNTY

SCHEDULE OF AUDIT RESULTS AND COMMENTS

Supporting documentation not maintained for cash receipts.

The School did not provide supporting documentation for 10 out of 40 selected cash receipts. There was also one instance found where cash was not deposited timely.

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

Management was unable to provide supporting documentation such as a contract or invoice for certain disbursements selected. There was one instance where the cash disbursement did not tie to the invoice. There were two instances where sales tax was inappropriately paid.

Out of 40 selections, 4 items did not have supporting documentation. Out of 40 Selections, 1 cash payment did not tie to the invoice. Out of 40 Selections, there were 2 instances where sales tax was inappropriately paid.

All claims, invoices, receipts, and accounts payable vouchers shall contain adequate detailed documentation. (Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Part 10)

Payments made or received for contractual services must be supported by a written contract. Each charter school is responsible for complying with the provisions of its contracts. (Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Part 10)

The incorrect object code was used for travel expenses

The School was unable to provide expense reports for travel reimbursements selected for testing. Upon further investigation by management, it was determined that travel expenses paid directly by the School had been miscoded to travel reimbursements.

VANGUARD COLLEGIATE OF INDIANAPOLIS

MARION COUNTY

SCHEDULE OF AUDIT RESULTS AND COMMENTS

Job acceptance letters were not provided for four out of twelve payroll selections

For four of the twelve personnel selected, the School was unable to provide job acceptance letters or teacher contracts to substantiate payroll amounts. Additionally, GCPAs was unable to recalculate wages for two out of twelve employees.

All compensation and benefits paid to employees must be included in the at-will employment agreement or letter, or labor contract or salary schedule, unless otherwise authorized by statute. All compensation and benefits paid to employees must be included in the labor contract or salary schedule unless authorized by statute. Compensation must be made in a manner that will facilitate compliance with state and federal reporting requirements. (Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Part 10)

The charter school shall maintain adequate supporting documentation for payroll to ensure that payments are made only for services rendered. Supporting documentation, such as time cards, must show signs of supervisory approval. The organizer must designate an employee to review supporting documentation to ensure payments are accurate and due the employee for services rendered. (Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Part 8)

Cash per the financial statements did not agree to the cash per Form 9 as of 6/30/20 and reconciliation of accounts.

The 6/30/20 form 9 tied to the unaudited financial statements without exception. However, during cash testing, GCPAs noted cash was inappropriately reconciled by approximately \$8,000. Therefore, the cash amount reported on the form 9 was incorrect as of 6/30/20.

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. 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, Part 9) All financial records must be kept up-to-date and reconciled monthly. (Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Part 9)

VANGUARD COLLEGIATE OF INDIANAPOLIS

MARION COUNTY, INDIANA

EXIT CONFERENCE

The contents of this report were discussed on June 21, 2021 with Robert Marshall (Executive Director), Tamara Chaney (Outsourced Accountant with Milestone Accounting) and Andrew Salmon (Treasurer). The officials concurred with our findings.