



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

B58428

STATE BOARD OF ACCOUNTS
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January 26, 2022

Charter School Board
Joshua Academy, Inc.
1230 E Illinois St
Evansville, IN 47711

We have reviewed the Supplemental Audit Report for Joshua Academy, Inc. prepared by Kemper CPA Group, LLP, Independent Public Accountants, for the period July 1, 2020 to June 30, 2021. 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 4 contains three audit results and comments. Management's response is on pages 6 through 7.

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

JOSHUA ACADEMY, INC.

Vanderburgh County, Indiana

**SUPPLEMENTAL COMPLIANCE
EXAMINATION REPORT**

Year Ended June 30, 2021



JOSHUA ACADEMY, INC.

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JOSHUA ACADEMY, INC.
SCHOOL OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
President of the Charter School Board	Zachary LaGrange	7/1/20 to 6/30/21
Board Treasurer	James Snepp	7/1/20 to 6/30/21
Board Secretary	Rhea Jones-Price	7/1/20 to 6/30/21
Finance Director	Sandy Byers	7/1/20 to 6/30/21
Principal	Arveneda McDonald	7/1/20 to 6/30/21



TRANSMITTAL LETTER

The Officials of
Joshua Academy, Inc.

We have audited the records of Joshua Academy, Inc. (Academy) for the period from July 1, 2020 to June 30, 2021, and have issued our report thereon dated January 4, 2022. As part of our audit, we tested the Academy's compliance with provisions of the *Accounting and Uniform Compliance Manual for the audits of Indiana Charter Schools* issued by the Indiana State Board of Accounts and related provisions of laws, regulations, contract, and grant agreements. Reported in the Audit Results and Comments are matters where we believe the Academy was not in compliance with those provisions.

Kemper CPA Group, LLP

Evansville, Indiana
January 4, 2022

Certified Public Accountants and Consultants



INDEPENDENT ACCOUNTANT’S REPORT

Board of Directors
Joshua Academy, Inc.

We have examined Joshua Academy, Inc.’s (Academy) compliance with the *Accounting and Uniform Compliance Manual for the audits of Indiana Charter Schools* issued by the Indiana State Board of Accounts (Manual) during the year ended June 30, 2021. Management is responsible for the Academy’s compliance with those requirements. Our responsibility to express an opinion on the Academy’s compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the requirements prescribed by the Indiana State Board of Accounts in *Guidelines for the Audits of Charter Schools Performed by Private Examiners*, and, accordingly, included examining, on a test basis, evidence about the Academy’s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Academy’s compliance with specified requirements.

Our examination disclosed certain instances of noncompliance with the Manual, as described in the Audit Results and Comments.

In our opinion, except for the noncompliance described in the third paragraph, the Academy complied, in all material respects, with the aforementioned requirements for the year ended June 30, 2021.

This report is intended solely for the information and use of management, the Board of Directors, and the Indiana State Board of Accounts, and is not intended to be and should not be used by anyone other than these specified parties.

Kemper CPA Group, LLP

Certified Public Accountants and Consultants

Evansville, Indiana
January 4, 2022

JOSHUA ACADEMY, INC.
Vanderburgh County, Indiana
Audit Results and Comments
Year Ended June 30, 2021

Sales Tax

Our testing of eight credit card statements revealed nine invoices that Joshua Academy paid sales tax on. The total amount of sales tax paid on these invoices was \$303.27.

Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools Part 10: Sales tax should not be paid inappropriately. Note that sales tax can be reimbursed for nonexempt purchases, including lodging.

Conflict of Interest

Our testing of conflict of interest statements on file revealed that of eight board members, only one had signed and completed the conflict of interest form for fiscal year 2021. Two board members had completed the form, but had not signed it.

Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools Part 13: The appropriate conflict of interest statements should be filed. Conflict of interest statements shall also be provided to the State Board of Accounts.

Overtime Policy

Our testing of employment policies revealed that Joshua Academy does not have any written policy regarding the accrual and use of leave time and compensatory time and the payment of overtime.

Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools Part 10: Each charter school must adopt a written policy regarding the accrual and use of leave time and compensatory time and the payment of overtime. The policy must conform to the requirements of all state and federal regulatory agencies.

JOSHUA ACADEMY, INC.
Vanderburgh County, Indiana
Exit Conference
Year Ended June 30, 2021

The contents of this report were discussed on September 28, 2021, with the following persons:

Zachary LaGrange, President, James Snepp, Treasurer, Arveneda McDonald, Principal, and Sandy Byers, Finance Director

The Official Response has been made a part of this report and may be found on page 6.



Joshua Academy
1230 East Illinois Street, Evansville, IN 47711
812-601-4300
www.JoshuaAcademySchools.com
Better with a "B"



We NOW have an Indiana
Department of Education
Grade of a "B".

October 19, 2021

To: State Board of Accounts
302 West Washington St.
Room E418
Indianapolis, IN 46204-2765

From: Zachary LaGrange, President of Board
James Snapp, Treasurer of Board
Arveneda McDonald, Principal
Sandy Byers, Finance Manager

OFFICIAL RESPONSE

For

Joshua Academy, Inc.

SALES TAX

Audit Comment: Our testing of eight credit card statements revealed nine invoices that Joshua Academy paid sales tax on. The total amount of sales tax paid on these invoices was \$303.27.

School Response: Joshua Academy will emphasize to all staff that sales tax is not to be paid for any transaction. We will make sure that all staff that purchase for the school have a sales tax exempt form. The staff making the purchase will contact the vendor prior to making a purchase to let them know that we are sales tax exempt in an effort to avoid this mistake in the future.

Joshua Academy shall not discriminate against any student, teacher, or employee on the basis of race, religion, gender, or national origin. Furthermore, in regards to students, the school admits students of any race, religion, gender, color, national and ethnic origin, and disability to all the rights, privileges, programs, and activities generally accorded or made available to students at the school.



CONFLICT OF INTEREST

Audit Comment: Our testing of conflict of interest statements on file revealed that of eight board members, only one had signed and completed the conflict of interest form for fiscal year 2021. Two board members had completed the form, but had not signed it..

School Response: In the past Joshua Academy's Board of Directors has always completed the conflict of interest forms. Due to Covid-19 and having to conduct virtual meetings it made the completion of this task complicated. Going forward we will make sure that this form is completed and signed by all board members.

OVERTIME POLICY

Audit Comment: Our testing of employment policies revealed that Joshua Academy does not have any written policy regarding the accrual and use of leave time and compensatory time and the payment of overtime.

School Response: Joshua Academy has created our overtime policy. It was approved at the August 2021 Board Meeting.