



STATE OF INDIANA
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B58666

STATE BOARD OF ACCOUNTS
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February 24, 2022

Charter School Board
Ignite Achievement Academy, Inc.
1002 W 25th St.
Indianapolis, IN 46208

We have reviewed the Supplemental Audit Report for Ignite Achievement Academy, Inc. prepared by Donovan CPAs, 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 3 contains three audit results and comments. Management's response immediately follows page 4.

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

A handwritten signature in blue ink that reads "Paul D. Joyce".

Paul D. Joyce, CPA
State Examiner

SUPPLEMENTAL AUDIT REPORT
OF
IGNITE ACHIEVEMENT ACADEMY, INC.

MARION COUNTY, INDIANA

July 1, 2020 to June 30, 2021



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IGNITE ACHIEVEMENT ACADEMY, INC.
MARION COUNTY, INDIANA
School Officials
July 1, 2020 to June 30, 2021

<u>Office</u>	<u>Official</u>	<u>Term</u>
Board Chair	Angela Dabney	07/01/20 – 06/30/21
Business Operations Manager	April Hubbard	07/01/20 – 06/30/21
Head of School	Shy-Quon Ely II	07/01/20 – 06/30/21



Donovan CPAs

The Board of Directors
Ignite Achievement Academy, Inc.

We have audited the financial statements of Ignite Achievement Academy, Inc. (the “School”) as of and for the year ended June 30, 2021, and have issued our report thereon dated January 28, 2022. 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 28, 2022

www.cpadonovan.com

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Indianapolis | 9292 N. Meridian Street, Suite 150, Indianapolis, IN 46260 | 317.844.8300

IGNITE ACHIEVEMENT ACADEMY, INC.
MARION COUNTY, INDIANA
Audit Results and Comments
July 1, 2020 to June 30, 2021

REQUIRED REPORTS - FORM 9 REPORTING

We reviewed both biannual Form 9 reports filed by the School to the Indiana Department of Education for the fiscal year. The ending cash balance reported on the Form 9 as of June 30, 2021 did not agree to the ending cash reported on the trial balance. The Form 9 shows a balance that is \$1,190 less than the trial balance. Additionally, individual fund balances reported on the Form 9 did not agree with the fund activity per the financial records.

A fund, as used in the manual, represents money set aside for specific activities of a school corporation. A fund constitutes a complete accounting entity and all financial transactions, both receipts and disbursements, are to be recorded in the fund to which they pertain. (Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Part 3)

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)

REQUIRED REPORTS - NEGATIVE FUND BALANCE

The School reported a negative balance in Fund 300 of \$170,549 that did not pertain to awaiting reimbursement.

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)

RECEIPTS AND DEPOSITS

We selected all receipts during the 2020-2021 school year (13 in total) for testing from the School's receipt books. Of those tested, four were not deposited in a timely manner. These untimely deposits ranged in individual receipt amount from \$16 to \$48 and were made between seven and ten days from the date of the receipt.

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, Part 8)

IGNITE ACHIEVEMENT ACADEMY, INC.
MARION COUNTY, INDIANA
Exit Conference
July 1, 2020 to June 30, 2021

The contents of this report were discussed on January 28, 2022 with Shy-Quon Ely II (Head of School), Nadia Miller (Chief of Staff), and April Hubbard (Business Operations Manager). The Official Response has been made a part of this report and may be found on page 5.



1002 W 25th Street
Indianapolis, IN 46208

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Donovan CPAs
9292 N. Meridian Street, Suite 150
Indianapolis, IN 46260

RE: Official response to Indiana State Board of Accounts compliance findings:

REQUIRED REPORTS:

Finding:

We reviewed both biannual Form 9 reports filed by the School to the Indiana Department of Education for the fiscal year. The ending cash balance reported on the Form 9 as of June 30, 2021 did not agree to the ending cash reported on the trial balance. The Form 9 shows a balance that is \$1,190 less than the trial balance. Additionally, individual fund balances reported on the Form 9 did not agree with the fund activity per the financial records.

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School Response:

We will continue to manage the differences in timing and required reporting that exist for charter schools in the state of Indiana. As part of that, we will monitor our cash basis fund reporting on our Form 9 submission and adjust as necessary. Adjustments are typically required when we either make accrual-based receivable and payable adjustments or when we receive retroactive grant budget approvals after a reporting deadline has already passed.

Implementation prior to June 30, 2022: CPA Firm, Business Operations Manager
Oversight: Chief of Staff

We will continue working with the Indiana Department of Education to adjust lingering Form 9 negative fund balances that remain from prior years.

Implementation prior to June 30, 2022: CPA, Business Operations Manager
Oversight: Chief of Staff

NEGATIVE FUND BALANCE:

Finding:

The School reported a negative balance in Fund 300 of \$170,549 that did not pertain to awaiting reimbursement.

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School Response:

Fund 300 is the Management Fund. We are to record all non-instructional expenses to fund 300 such as custodian services etc. The balance is negative because no income is received for management. All income flow to fund 100. Negative balances will be cleaned up for the next Form 9.

Implementation prior to June 30, 2022: CPA, Business Operations Manager
Oversight: Chief of Staff

RECEIPTS AND DEPOSITS:

Finding:

We selected all receipts during the 2020-2021 school year (13 in total) for testing from the School's receipt books. Of those tested, four were not deposited in a timely manner. These untimely deposits ranged in individual receipt amount from \$16 to \$48 and were made between seven and ten days from the date of the receipt.

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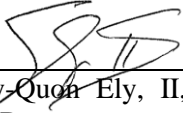
School Response:

We will ensure the business office will make timely deposits into our depository following receipt of funds and ensure the business office personnel is able to get to the bank more often.

We made corrections to receipts and deposit immediately following our 2019-2020 audit in January 2021. Of the thirteen items pulled for testing the four untimely deposits ranged between five and eight days and were apart of deposit items audited during 2019-2020. We will continue to make timely deposits according to SBOA regulations.

Immediate Implementation: Business Operations Manager
Oversight: Chief of Staff

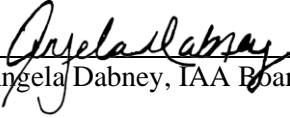
Sincerely,



Shy-Quon Ely, II, Head of School,
ABD

1/28/2022

Date



Angela Dabney, IAA Board Chair

1/28/2022

Date