



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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July 20, 2022

Charter School Board  
Herron High School, Inc.  
d/b/a Herron Classical Schools  
110 E. 16<sup>th</sup> St.  
Indianapolis, IN 46202

We have reviewed the Supplemental Audit Report for Herron High School, Inc. d/b/a Herron Classical Schools prepared by Katz, Sapper & Miller, 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 on page 3. Management's response is on pages 5 and 6.

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

A handwritten signature in cursive script that reads "Tammy R. White".

Tammy R. White, CPA  
Deputy State Examiner

**SUPPLEMENTAL AUDIT REPORT  
OF  
HERRON HIGH SCHOOL, INC.  
d/b/a HERRON CLASSICAL SCHOOLS  
AND ITS WHOLLY-OWNED SUBSIDIARIES**

MARION COUNTY, INDIANA  
JULY 1, 2020 TO JUNE 30, 2021



**HERRON HIGH SCHOOL, INC.  
d/b/a HERRON CLASSICAL SCHOOLS  
AND ITS WHOLLY-OWNED SUBSIDIARIES**

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**HERRON HIGH SCHOOL, INC.  
d/b/a HERRON CLASSICAL SCHOOLS  
AND ITS WHOLLY-OWNED SUBSIDIARIES**

**SCHOOL OFFICIALS**

<b>Office</b>	<b>Official</b>	<b>Term</b>
Treasurer and Chief Financial Officer	Juli Woodrum	07-01-20 to 06-30-21
President of Herron Classical Schools	Janet H. McNeal	07-01-20 to 06-30-21
Board Treasurer	Adrian Miller	07-01-20 to 06-30-21
President of the Charter School Board	John Watson	07-01-20 to 06-30-21



*Independent Auditors' Supplemental Audit Report*

Board of Directors  
Herron High School, Inc. d/b/a Herron Classical Schools  
and Its Wholly-Owned Subsidiaries

We have audited, in accordance with auditing standards generally accepted in the United States of America, and the *Uniform Compliance Guidelines for Audits of Charter Schools Performed by Private Examiners*, issued by the Indiana State Board of Accounts, the consolidated financial statements of Herron High School, Inc. d/b/a Herron Classical Schools and its Wholly-Owned Subsidiaries as of and for the year ended June 30, 2021, and have issued our report thereon dated March 1, 2022.

In connection with our audit, nothing came to our attention that caused us to believe that Herron High School, Inc. d/b/a Herron Classical Schools and its Wholly-Owned Subsidiaries failed to comply with the conditions of the *Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools*, established by the Indiana State Board of Accounts, except as stated in the Audit Results and Comments.

This report is intended solely for the information and use of the Board of Directors and management of Herron High School, Inc. d/b/a Herron Classical Schools and Its Wholly-Owned Subsidiaries 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.

*Katz, Sapper & Miller, LLP*

Indianapolis, Indiana  
March 1, 2022

**HERRON HIGH SCHOOL, INC.  
d/b/a HERRON CLASSICAL SCHOOLS  
AND ITS WHOLLY-OWNED SUBSIDIARIES  
MARION COUNTY, INDIANA**

**AUDIT RESULTS AND COMMENTS  
Year Ended June 30, 2021**

**PRESCRIBED FORMS**

The capital asset inventory is not kept on a prescribed or approved form.

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (*Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Chapter 10*)

**CASH RECEIPTS AND DEPOSITS**

3 of 25 cash receipts selected for testing were not deposited timely.

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, Chapter 8*)

**FORM 9**

Management prepared an accrual-to-cash reconciliation to complete the Form 9. The cash balances by fund agreed to management's reconciliation, however, the total cash balance at December 31, 2020 listed on the Form 9 did not agree to the general ledger by an understatement of \$163,581.

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. (*Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Chapter 9*)

**HERRON HIGH SCHOOL, INC.  
d/b/a HERRON CLASSICAL SCHOOLS  
AND ITS WHOLLY-OWNED SUBSIDIARIES  
MARION COUNTY, INDIANA  
EXIT CONFERENCE**

The contents of this report were discussed on December 13, 2021, with Juli Woodrum, Treasurer and Chief Financial Officer; Adrian Miller, Board Treasurer; Janet McNeal, President of Herron Classical Schools; Stacey Roberts and Bill Harris. The officials concurred with our audit findings.

The Official Response has been included on pages 5 and 6 of this report. The Official Response has not been subjected to the auditing procedures applied in the audits of the financial statements, and accordingly, we express no opinion on the Official Response.



HERRON HIGH SCHOOL • HERRON-RIVERSIDE HIGH SCHOOL • HERRON PREPARATORY ACADEMY

February 23, 2022

Katz, Sapper & Miller  
800 East 96th Street, Suite 500  
Indianapolis, IN 46240

Re: OFFICIAL RESPONSE

To Whom It May Concern:

As an official response to recommendations provided in the Supplemental Audit Report that accompanies the audit report of Herron High School, Inc. for the year ended June 30, 2021, management respectively submits the following response to your recommendations:

**Prescribed Forms**

KSM Comment The capital asset inventory is not kept on a prescribed or approved form.

Officials and employees are required to use State Board of Accounts prescribed or approved forms in the manner prescribed. (*Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools*, Chapter 10)

Management Response The capital asset inventory is maintained in the Fixed Asset module of Intacct. It was management's understanding that the requirement for the prescribed form was removed from the manual. The version issued by State Board of Accounts in June 2020 indicates that computer applications can now produce replicas of the prescribed forms. As long as the computer generated listing incorporates the same information as the prescribed form, no further action is required to utilize the listing from the computer application.

**Cash Receipts and Deposits**

KSM Comment 3 of 25 cash receipts selected for testing were not deposited timely.

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*, Chapter 8)

Management Response During the COVID-19 pandemic, staff frequently worked from home. Staff would regularly go to the office to retrieve cash receipts for deposits. However, delays in deposits were expected with staff not being on campus daily. Cash receipts are deposited remotely when possible but cash and coin must be physically taken to the bank.

**Form 9**

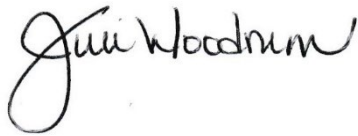
KSM Comment Management prepared an accrual-to-cash reconciliation to complete the Form 9. The cash balances by fund agreed to management's reconciliation, however, the total cash balance on December 31, 2020 listed on the Form 9 did not agree to the general ledger by an understatement of \$163,581.

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. (*Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Chapter 9*)

Management Response The financials for the Organization are prepared on an accrual-basis. The preparation of the Form 9 requires a manual conversion of accrual to cash. The reconciliation process documents that total revenues and expenses tie to the financial statements presented to the board of directors. Revenue reported on the financial statements is converted to actual cash receipts by reconciling the grants receivable. However, the manual process of converting expenses has become tedious and cumbersome as the organization has grown. As it is a manual process, there is significant risk that the conversion would not be accurate and complete. To ensure that all expenses are reported, the conversion of expenses is limited to accrued payroll.

We appreciate the recommendations provided by your team. If you require further information or clarification, please do not hesitate to contact me directly at [jwoodrum@indianapolisclassicalschoools.org](mailto:jwoodrum@indianapolisclassicalschoools.org) or 317.231.0010 x16109.

Respectfully,

A handwritten signature in black ink that reads "Juli Woodrum". The signature is written in a cursive style with a large, looped initial "J".

Juli Woodrum  
Vice President & Chief Financial Officer