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December 7, 2022

Charter School Board
Central Indiana Military Academy, Inc.
d/b/a Anderson Preparatory Academy
101 W 29th St.
Anderson, IN 46016

We have reviewed the report of Central Indiana Military Academy, Inc. d/b/a Anderson Preparatory Academy which was opined upon by CliftonLarsonAllen LLP, Independent Public Accountants, for the period July 1, 2020 to June 30, 2021. Per the *Independent Auditors' Report* the financial statements included in the report present fairly the financial condition of Central Indiana Military Academy, Inc. d/b/a Anderson Preparatory Academy as of June 30, 2021 and the results of its operations for the period then ended, on the basis of accounting described in the report.

We call your attention to the findings in the report on pages 24 through 26. Please see the Schedule of Findings and Questioned Costs for complete details related to the findings. Management's Corrective Action Plan appears on pages 28 through 29.

In our opinion, CliftonLarsonAllen LLP prepared the audit report in accordance with guidelines established by the State Board of Accounts.

In addition to the report presented herein, a Supplemental Audit Report for Central Indiana Military Academy, Inc. d/b/a Anderson Preparatory Academy, was prepared in accordance with the guidelines established by the State Board of Accounts.

The report is filed with this letter 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

**CENTRAL INDIANA MILITARY ACADEMY, INC.
DBA: ANDERSON PREPARATORY ACADEMY**

**FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION**

YEARS ENDED JUNE 30, 2021 AND 2020



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**CENTRAL INDIANA MILITARY ACADEMY, INC.
DBA: ANDERSON PREPARATORY ACADEMY
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INDEPENDENT AUDITORS' REPORT

Board of Directors
Central Indiana Military Academy, Inc.
dba: Anderson Preparatory Academy
Anderson, Indiana

Report on the Financial Statements

We have audited the accompanying financial statements of Central Indiana Military Academy, Inc. dba: Anderson Preparatory Academy, which comprise the statements of financial position as of June 30, 2021 and 2020, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

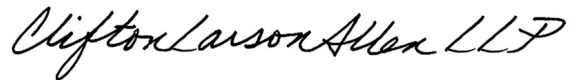
Board of Directors
Central Indiana Military Academy, Inc.
dba: Anderson Preparatory Academy

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Anderson Preparatory Academy as of June 30, 2021 and 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 26, 2022, on our consideration of Anderson Preparatory Academy's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Anderson Preparatory Academy's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Anderson Preparatory Academy's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Indianapolis, Indiana
January 26, 2022

CENTRAL INDIANA MILITARY ACADEMY, INC.
DBA: ANDERSON PREPARATORY ACADEMY
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2021 AND 2020

ASSETS	2021	2020
CURRENT ASSETS		
Cash	\$ 1,673,729	\$ 1,577,510
Grants Receivable	144,260	181,168
Prepaid Expenses	156,629	10,340
Total Current Assets	1,974,618	1,769,018
PROPERTY AND EQUIPMENT		
Land	320,000	320,000
Buildings and Improvements	3,524,928	3,411,494
Furniture and Equipment	2,629,524	2,532,209
Textbooks	143,962	143,962
Vehicles	82,275	57,275
Less: Accumulated Depreciation	(3,812,738)	(3,508,987)
Property and Equipment, Net	2,887,951	2,955,953
Total Assets	\$ 4,862,569	\$ 4,724,971
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Current Portion of Capital Lease Obligations	\$ -	\$ 3,655.00
Accounts Payable and Accrued Expenses	734,749	731,665
Current Portion of Notes Payable	227,516	273,178
Total Current Liabilities	962,265	1,008,498
LONG-TERM LIABILITIES		
Notes Payable, Net of Current Portion	967,600	1,195,515
Payroll Protection Program Loan	-	982,700
Total Long-Term Liabilities	967,600	2,178,215
Total Liabilities	1,929,865	3,186,713
NET ASSETS WITHOUT DONOR RESTRICTIONS		
Undesignated	2,622,922	1,452,288
Board Designated	309,782	85,970
Total Net Assets	2,932,704	1,538,258
Total Liabilities and Net Assets	\$ 4,862,569	\$ 4,724,971

See accompanying Notes to Financial Statements.

**CENTRAL INDIANA MILITARY ACADEMY, INC.
 DBA: ANDERSON PREPARATORY ACADEMY
 STATEMENTS OF ACTIVITIES AND CHANGES IN NET ASSETS
 YEARS ENDED JUNE 30, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
REVENUE AND SUPPORT		
State Education Support	\$ 6,267,159	\$ 5,743,628
Grant Revenue	3,090,108	1,845,611
Student Fees	67,805	169,172
Contributions	21,286	25,767
Fundraising and Other Income	1,193,329	243,318
Total Revenue and Support	<u>10,639,687</u>	<u>8,027,496</u>
EXPENSES		
Program Services	7,813,692	6,619,149
Management and General	1,431,549	1,479,580
Total Expenses	<u>9,245,241</u>	<u>8,098,729</u>
CHANGE IN NET ASSETS	1,394,446	(71,233)
Net Assets - Beginning of Year	<u>1,538,258</u>	<u>1,609,491</u>
NET ASSETS - END OF YEAR	<u><u>\$ 2,932,704</u></u>	<u><u>\$ 1,538,258</u></u>

See accompanying Notes to Financial Statements.

**CENTRAL INDIANA MILITARY ACADEMY, INC.
DBA: ANDERSON PREPARATORY ACADEMY
STATEMENTS OF FUNCTIONAL EXPENSES
YEARS ENDED JUNE 30, 2021 AND 2020**

	2021			2020		
	Program Services	Management and General	Total	Program Services	Management and General	Total
Salaries and Wages	\$ 3,854,755	\$ 704,016	\$ 4,558,771	\$ 3,642,016	\$ 740,230	\$ 4,382,246
Employee Benefits	812,226	123,726	935,952	751,807	136,637	888,444
Classroom, Kitchen, and Office Supplies	1,859,040	73,483	1,932,523	1,073,180	39,560	1,112,740
Professional Services	369,116	175,871	544,987	235,207	213,392	448,599
Depreciation	313,656	-	313,656	468,943	-	468,943
Occupancy	216,503	-	216,503	189,207	-	189,207
Property Rental and Maintenance	269,401	-	269,401	90,194	-	90,194
Insurance	-	151,667	151,667	-	134,351	134,351
Authorizer Oversight Fees	-	166,145	166,145	-	150,364	150,364
Interest	67,331	-	67,331	89,103	-	89,103
Staff Development	28,512	1,484	29,996	25,825	11,888	37,713
Transportation	211	-	211	30,267	-	30,267
Other	22,941	35,157	58,098	23,400	53,158	76,558
Total Functional Expenses	<u>\$ 7,813,692</u>	<u>\$ 1,431,549</u>	<u>\$ 9,245,241</u>	<u>\$ 6,619,149</u>	<u>\$ 1,479,580</u>	<u>\$ 8,098,729</u>

See accompanying Notes to Financial Statements.

**CENTRAL INDIANA MILITARY ACADEMY, INC.
DBA: ANDERSON PREPARATORY ACADEMY
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ 1,394,446	\$ (71,233)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:		
Depreciation	313,656	468,943
Loss on Disposal of Property and Equipment	2,985	-
Gain on Extinguishment of Debt - PPP Loan	(982,700)	-
Changes in Operating Assets and Liabilities:		
Grants Receivable	36,908	(167,413)
Prepaid Expenses	(146,289)	14,361
Accounts Payable and Accrued Expenses	3,084	336,948
Net Cash Provided by Operating Activities	<u>622,090</u>	<u>581,606</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property and Equipment	(248,639)	(395,429)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Notes Payable	139,655	1,251,363
Principal Repayment of Notes Payable	(413,232)	(405,035)
Principal Reduction of Capital Lease Obligations	<u>(3,655)</u>	<u>(22,603)</u>
Net Cash Provided (Used) by Financing Activities	<u>(277,232)</u>	<u>823,725</u>
NET CHANGE IN CASH	96,219	1,009,902
Cash - Beginning of Year	<u>1,577,510</u>	<u>567,608</u>
CASH - END OF YEAR	<u>\$ 1,673,729</u>	<u>\$ 1,577,510</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash Paid for Interest	<u>\$ 67,331</u>	<u>\$ 89,103</u>

See accompanying Notes to Financial Statements.

CENTRAL INDIANA MILITARY ACADEMY, INC.
DBA: ANDERSON PREPARATORY ACADEMY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General

Central Indiana Military Academy, Inc. dba: Anderson Preparatory Academy (the School) is a public benefit nonprofit organization incorporated under the laws of the state of Indiana. The School operates a public charter school established under Indiana Code 20-24 serving approximately 750 students in grades kindergarten through 12 and is sponsored by Ball State University.

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

Board-Designated Net Assets

The board-designated net assets at both June 30, 2021 and 2020 for purposes related to various School academic and sports programs. Board-designated net assets totaled \$309,782 and \$85,970, as of June 30, 2021 and 2020, respectively.

Revenue Recognition

Revenues primarily come from resources provided under the Indiana Charter Schools Act. Under the Act, the School receives an amount per student in relation to the funding received by other public schools in the same geographic area. Funding from the state of Indiana is based on enrollment, and paid in monthly installments in July through June coinciding with the academic school year. Revenue is recognized in the year in which the educational services are rendered.

A portion of the School's revenue is the product of cost reimbursement grants. Therefore, the School recognizes revenue under these grants in the amounts of costs and expenses at the time they are incurred. As of June 30, 2021 and 2020, the School does not have any conditional grants that have not been recognized as revenue in the statement of activities because conditions have not been met.

Revenue from student fees is recognized when the control of the promised good or service is transferred to the student, in an amount that reflects the consideration expected to be entitled in exchange for those goods or services.

Cash

The School considers all demand accounts to be cash.

CENTRAL INDIANA MILITARY ACADEMY, INC.
DBA: ANDERSON PREPARATORY ACADEMY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Grants Receivable and Revenue

Grants receivable and revenue relate primarily to activities funded under federal programs. The School believes that it is operating in compliance with regulatory requirements and as such no allowance for doubtful accounts is deemed necessary.

Contributions, Grants, and Fees

The School receives income from contributions, student fees, and fundraising events that support certain school activities. These receipts are reported as restricted support in that they are received with stipulations that limit their use. When a donor restriction expires, that is, when the purpose or time restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities and change in net assets as net assets released from restrictions.

Taxes on Income

Central Indiana Military Academy, Inc. has received a determination from the U.S. Internal Revenue Service stating that it qualifies under the provisions of Section 501(c)(3) of the Internal Revenue Code as a tax-exempt organization; however, the School would be subject to tax on income unrelated to its tax-exempt purpose. For the years ended June 30, 2021 and 2020, no accounting for federal and state income taxes was required to be included in the accompanying financial statements.

Professional accounting standards require the School to recognize a tax liability only if it is more likely than not the tax position would be sustained in a tax examination, with a tax examination being presumed to occur. The amount recognized is the largest amount of tax liability that is greater than 50% likely of being realized on examination. For tax positions not meeting the more-likely-than-not test, no tax liability is recorded. The School has examined this issue and has determined that there are no material contingent tax liabilities or questionable tax positions. The U.S. federal and state income tax returns of the School are subject to examination by the IRS and state taxing authorities, generally for three years after they were filed.

Property and Equipment

Purchases of assets and expenditures that materially increase value or extend useful lives are capitalized and are included in the accounts at cost. Routine maintenance and repairs, minor replacement costs, and equipment purchases with a unit cost of less than \$500 are charged to expense as incurred.

Depreciation is provided over the estimated useful lives of the respective assets using the straight-line method. The estimated useful lives generally are as follows:

Buildings and Improvements	5 to 40 Years
Furniture and Equipment	3 Years
Textbooks	4 Years
Vehicles	5 Years

**CENTRAL INDIANA MILITARY ACADEMY, INC.
DBA: ANDERSON PREPARATORY ACADEMY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment of Long-Lived Assets

On an ongoing basis, the School reviews its long-lived assets for impairment whenever events or circumstances indicate that the carrying amount may be overstated. The School recognizes impairment losses if the undiscounted cash flows expected to be generated are less than the carrying value of the related asset. If impaired, the assets are adjusted to fair value based on the undiscounted cash flows.

Recent Accounting Pronouncements

Leases

In February 2016, the FASB issued amended guidance for the treatment of leases. The guidance requires lessees to recognize a right-of-use asset and a corresponding lease liability for all operating and finance leases with lease terms greater than one year. The guidance changes the accounting for sale and leaseback transactions to conform to the new revenue recognition standard. The guidance also requires both qualitative and quantitative disclosures regarding the nature of the School's leasing activities. The guidance will initially be applied using a modified retrospective approach. The amendments in the guidance are effective for fiscal years beginning after December 15, 2021. Early adoption is permitted.

Subsequent Events

The School evaluated subsequent events through January 26, 2022, the date these financial statements were available to be issued. Events occurring through that date have been evaluated to determine whether a change in the financial statements or related disclosures would be required.

The School purchased and constructed a new track for \$208,910 that was completed on October 10, 2021. The funds for the purchase of the track was from the innovation grant that was in the deferred revenue account at year ended June 30, 2021.

NOTE 2 NOTES PAYABLE

Notes payable were comprised of the following at June 30:

<u>Description</u>	<u>2021</u>	<u>2020</u>
Loan payable to First Financial Bank, payable in monthly installments of \$4,460 including interest at 4.55% per annum through July 2021, secured by a mortgage of School facilities and all business assets	\$ 4,455	\$ 56,462
Loan payable to First Financial Bank, payable in monthly installments of \$3,183 including interest at 4.20% per annum through June 2022, secured by a mortgage on School facilities and all business assets	28,509	64,650

**CENTRAL INDIANA MILITARY ACADEMY, INC.
DBA: ANDERSON PREPARATORY ACADEMY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 2 NOTES PAYABLE (CONTINUED)

<u>Description</u>	<u>2021</u>	<u>2020</u>
Loan payable to First Financial Bank, payable in monthly installments of \$3,224 including interest at 5.625% per annum (adjustable annually each August) through March 2029, secured by a mortgage on School facilities and all business assets	\$ 249,228	\$ 274,429
Loan payable to First Financial Bank, payable in monthly installments of \$4,214 including interest at 5.625% per annum (adjustable annually each September) through July 2026, secured by a mortgage on School facilities and all business assets	230,000	267,704
Loan payable to First Financial Bank, payable in monthly installments of \$7,341 including interest at 5.75% per annum (adjustable annually each August) through August 2026, secured by a mortgage on School facilities and all business assets	402,964	469,512
Loan payable to First Financial Bank, payable in monthly installments of \$3,224 including interest at 5.75% per annum (adjustable annually each September) through August 2026, secured by a mortgage on School facilities and all business assets	203,657	237,290
Loan payable to First Financial Bank, payable in monthly installments of \$2,229 including interest at 4.90% per annum through July 2024, secured by a mortgage on School facilities and all business assets	<u>76,303</u>	<u>98,646</u>
Total	1,195,116	1,468,693
Less: Current Portion	<u>(227,516)</u>	<u>(273,178)</u>
Long-Term Portion	<u>\$ 967,600</u>	<u>\$ 1,195,515</u>

The First Financial Bank notes payable require the School to maintain a minimum debt service coverage ratio greater than 1.25-to-1.00. The School was in compliance with this covenant for the year ended June 30, 2021.

**CENTRAL INDIANA MILITARY ACADEMY, INC.
DBA: ANDERSON PREPARATORY ACADEMY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 2 NOTES PAYABLE (CONTINUED)

Principal maturities of notes payable are as follows for the years ending June 30:

<u>Year Ending June 30,</u>	<u>Amount</u>
2022	\$ 227,516
2023	204,435
2024	217,247
2025	200,714
2026	208,578
Thereafter	136,626
Total	<u>\$ 1,195,116</u>

NOTE 3 PAYROLL PROTECTION PROGRAM LOAN

On April 13, 2020, the Organization received a loan from First Financial Bank in the amount of \$982,700 to fund payroll, rent, utilities, and interest on mortgages and existing debt through the Paycheck Protection Program (the PPP Loan). The original loan agreement was written prior to the PPP Flexibility Act of 2020 (June 5) and was due over eighteen months, deferred for six months. Subsequent to this, the law changed the loan deferral terms retroactively. The PPP Flexibility Act and subsequent regulations supersede the loan agreement. The PPP Loan bears interest at a fixed rate of 1.0% per annum, with the first six months of interest deferred, has a term of two years, and is unsecured and guaranteed by the U.S. Small Business Administration. Payment of principal and interest is deferred until the date on which the amount of forgiveness is remitted to the lender or, if the Organization fails to apply for forgiveness within 10 months after the covered period, then payment of principal and interest shall begin on that date. These amounts may be forgiven subject to compliance and approval based on the timing and use of these funds in accordance with the program. To the extent that all or part of the PPP Loan is not forgiven, the Organization will be required to pay interest on the PPP Loan at a rate of 1.0% per annum, and commencing in November 2020, principal and interest payments will be required through the maturity date in April 2022.

This loan was forgiven in June 2021 and is included in fundraising and other income in the accompanying statement of activities for the year ended June 30, 2021.

The SBA may review funding eligibility and usage of funds for compliance with program requirements based on dollar thresholds and other factors. The amount of liability, if any, from potential noncompliance cannot be determined with certainty; however, management is of the opinion that any review will not have a material adverse impact on the Company's financial position.

CENTRAL INDIANA MILITARY ACADEMY, INC.
DBA: ANDERSON PREPARATORY ACADEMY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020

NOTE 4 REVOLVING LINE OF CREDIT

The School had a \$75,000 revolving line of credit at June 30, 2020 with First Financial Bank to provide short-term financing, which is secured by all business assets. Bank advances on the credit line carried an interest rate of prime plus .75% (5.75% at June 30, 2021 and 2020, respectively). There were no advances outstanding on the line of credit as of June 30, 2020. This line of credit was closed during the year ended June 30, 2021.

On September 29, 2021, the school entered a new \$75,000 revolving line of credit with First Financial Bank to provide short-term financing, which is secured by all business assets. Bank advances on the credit line carry an interest rate of 3.250% with the possibility of interest rate changing daily. Interest rate is calculated based on FFB Prime Rate in effect on the Change Date.

NOTE 5 LEASES

The School leases various items of equipment under capital leases. At June 30, 2021, the cost and accumulated depreciation relating to these assets were \$306,200 and \$306,200, respectively (\$306,200 and \$301,920, respectively, at June 30, 2020).

The School also leases various items of equipment under operating leases. Total expense under these operating leases was \$7,551 and \$15,900 for the years ended June 30, 2021 and 2020, respectively. None of the operating leases have terms extending beyond the following fiscal year.

NOTE 6 RETIREMENT PLANS

The School provides retirement benefits covering substantially all full-time employees. Retirement benefits for teaching personnel are provided by the Indiana State Teachers' Retirement Fund (TRF), which is a cost-sharing multiple-employer defined benefit retirement plan governed by the state of Indiana and administered by the Indiana Public Retirement System (INPRS) Board. Contribution requirements of plan members are determined annually by the INPRS Board. For the years ended June 30, 2021 and 2020, the School contributed 5.5% and 5.5%, respectively, of compensation for eligible teaching personnel to TRF. Should the School elect to withdraw from TRF, it could be subject to a withdrawal fee. The School's contributions represent an insignificant percentage of the total contributions received by TRF. As of June 30, 2020 (the latest year reported), TRF was more than 90% funded.

All other employees are eligible to participate in a School-sponsored section 403(b) plan. Under this plan, the School contributes 6% of compensation, as defined in the plan document. Additional contributions may be made at the discretion of the board of directors. No discretionary contributions were made in 2021 or 2020. Retirement plan expense under both plans was \$259,300 and \$242,726 for the years ended June 30, 2021 and 2020, respectively.

CENTRAL INDIANA MILITARY ACADEMY, INC.
DBA: ANDERSON PREPARATORY ACADEMY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020

NOTE 7 COMMITMENTS

The School operates under a charter granted by Ball State University. As the sponsoring organization, Ball State University exercises certain oversight responsibilities. Under this charter, the School has agreed to pay to Ball State University an annual administrative fee equal to 3% of state tuition support. Payments under this charter agreement were \$166,145 and \$150,360 for the years ended June 30, 2021 and 2020, respectively. The charter remains in effect until June 30, 2021 and is renewable thereafter by mutual consent.

The School contracts with a third party to provide network and technology services to the School. Under this contract, the School has committed to make annual payments of approximately \$75,000 that expired August 2020 with the option to purchase additional services for which the School is billed as services are provided. The School contracted with a new service provider in August 2020 for five years, with an automatic extension of an additional five-year term unless terminated by the parties. Payments under these agreements were \$57,783 and \$87,459 for the years ended June 30, 2021 and 2020, respectively.

NOTE 8 RISKS AND UNCERTAINTIES

The School provides educational instruction services to families residing in Madison and surrounding counties in Indiana and is subject to the risks of economic and competitive forces at work within this geographic area.

The majority of revenues relate to legislation enacted by the state of Indiana and grants awarded under federal programs. Any changes in state or federal legislation could significantly impact the School. Additionally, the School is subject to monitoring and audit by state and federal agencies. Those examinations may result in additional liability to be imposed on the School.

Financial instruments that potentially subject the School to concentrations of credit risk consist principally of receivables from the state of Indiana. At June 30, 2021, substantially all of the receivable balance was due from the state of Indiana. In addition, bank deposits are maintained at two financial institutions, and are insured up to the Federal Deposit Insurance Corporation (FDIC) limit.

During the year ended June 30, 2020, the World Health Organization declared the spread of Coronavirus Disease (COVID-19) a worldwide pandemic. The COVID-19 pandemic continues to have significant effects on global markets, supply chains, businesses, and communities. Specific to the School, COVID-19 has impacted various parts of its 2020 and 2021 operations and financial results, including an increase in nutrition and other grant funding. Management believes the School is taking appropriate actions to mitigate the negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as these events are ongoing and are still developing.

**CENTRAL INDIANA MILITARY ACADEMY, INC.
DBA: ANDERSON PREPARATORY ACADEMY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021 AND 2020**

NOTE 9 LIQUIDITY

Under ASU 2016-14, the School is required to disclose the assets it has available at June 30, 2021 and 2020 to meet its cash needs for general expenditures within one year of the date of the statement of financial position. Financial assets for the School include cash and grants receivable.

	<u>2021</u>	<u>2020</u>
Financial Assets	\$ 1,817,989	\$ 1,758,678
Less: Those Unavailable for General Expenditures Within One Year, Due to:		
Board Designated for Specific Purpose	<u>(309,782)</u>	<u>(85,970)</u>
Financial Assets Available to Meet Cash Needs for General Expenditures Within One Year	<u>\$ 1,508,207</u>	<u>\$ 1,672,708</u>

From time to time, the School receives donor-restricted contributions. Because donor restrictions require resources to be used in a particular manner or in a future period, the School must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. As part of the School's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The board of directors has the option to undesignate the \$309,782 of board-designated net assets to meet general obligations.

NOTE 10 FUNCTIONAL EXPENSE REPORTING

The costs of providing the educational activities have been summarized on a functional basis in the statements of activities and change in net assets. Management of the School has categorized expenses as program services or management and general according to the underlying nature of the expense. As such, no allocation of specific transactions between these categories is required.

NOTE 11 RELATED PARTY

The school had expenses for services provided by an organization that a board member works for in the amount of \$20,229 during the year ended June 30, 2021.

**CENTRAL INDIANA MILITARY ACADEMY, INC.
DBA: ANDERSON PREPARATORY ACADEMY
OTHER REPORT
FOR THE YEAR ENDING JUNE 30, 2021**

The reports presented herein were prepared in addition to another official report prepared for the School as listed below:

Supplemental Audit Report of Central Indiana Military Academy, Inc.
dba: Anderson Preparatory Academy

The Supplemental Audit Report contains the results of compliance testing required by the Indiana State Board of Accounts under its *Guidelines for the Audits of Charter Schools Performed by Private Examiners* pertaining to matters addressed in its *Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools*.



INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors
Central Indiana Military Academy, Inc.
dba: Anderson Preparatory Academy
Anderson, Indiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Central Indiana Military Academy, Inc. dba: Anderson Preparatory Academy (the School), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated January 26, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2021-001 that we consider to be a significant deficiency.

Board of Directors
Central Indiana Military Academy, Inc.
dba: Anderson Preparatory Academy

Compliance and Other Matters

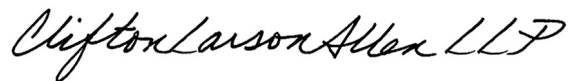
As part of obtaining reasonable assurance about whether Anderson Preparatory Academy's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The School's Response to Findings

The School's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The School's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Indianapolis, Indiana
January 26, 2022



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR
FEDERAL PROGRAM, REPORT ON INTERNAL CONTROL OVER COMPLIANCE, AND
REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REQUIRED BY THE UNIFORM GUIDANCE**

Board of Directors
Central Indiana Military Academy, Inc.
dba: Anderson Preparatory Academy
Anderson, Indiana

Report on Compliance for Each Major Federal Program

We have audited Central Indiana Military Academy, Inc. dba: Anderson Preparatory Academy's (the School) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the School's major federal programs for the year ended June 30, 2021. The School's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the School's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the School's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the School's compliance.

Opinion on Each Major Federal Program

In our opinion, the School complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Report on Internal Control Over Compliance

Management of the School is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control over compliance, described in the accompanying schedule of findings and questioned costs as item 2021-002 that we consider to be a material weakness.

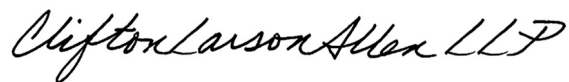
The School's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The School's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Board of Directors
Central Indiana Military Academy, Inc.
dba: Anderson Preparatory Academy

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the School as of and for the year ended June 30, 2021, and have issued our report thereon dated January 26, 2022, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.



CliftonLarsonAllen LLP

Indianapolis, Indiana
September 19, 2022

**CENTRAL INDIANA MILITARY ACADEMY, INC.
DBA: ANDERSON PREPARATORY ACADEMY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30,2021**

Federal Grantor/Pass through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
Department of Agriculture				
Passed through Indiana Department of Education:				
Child Nutrition Cluster - National School Lunch Program	10.555	N/A	\$ -	\$ 1,011,658
Total Department of Agriculture			-	1,011,658
Department of Education				
Passed through Indiana Department of Education:				
Title I Grants to Local Educational Agencies	84.010	S010A200014	-	385,144
Special Education Cluster - Special Education Grants to States	84.027A	H027A190084	-	95,490
Supporting Effective Instructions State Grants	84.367	S367A190013	-	46,690
Title IV Student Support and Academic Enrichment Program	84.424	S424A190015	-	28,872
COVID 19: The Coronavirus Aid, Relief and Economic Security Act	84.425D	S425D200013	-	211,833
COVID 19: Elementary and Secondary School Emergency Relief Fund II	84.425D	S425D210013	-	325,399
COVID 19: Elementary and Secondary School Emergency Relief Fund III	84.425U	S425U210013	-	54,344
COVID 19: Governor's Emergency Education Relief Programs	84.425C	S425C200018	-	39,949
Total ALN 84.425			-	631,525
Total Department of Education			-	1,187,721
Total Expenditures of Federal Awards			\$ -	\$ 2,199,379

See accompanying Notes to Schedule of Expenditures of Federal Awards.

CENTRAL INDIANA MILITARY ACADEMY, INC.
DBA: ANDERSON PREPARATORY ACADEMY
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30,2021

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Central Indiana Military Academy, Inc. dba: Anderson Preparatory Academy (the School) under programs of the federal government for the year ended June 30, 2021. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. Because the schedule presents only a selected portion of the operations of the School, it is not intended to and does not present the financial position of the School.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or a limited as to reimbursement.

The School has elected not to use the 10-percent de minimus indirect cost rate to recover indirect costs as allowed under the Uniform Guidance.

**CENTRAL INDIANA MILITARY ACADEMY, INC.
DBA: ANDERSON PREPARATORY ACADEMY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2021
(SEE INDEPENDENT AUDITORS' REPORT)**

Section I – Summary of Auditors' Results

Financial Statements

1. Type of auditors' report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? _____ yes x no
 - Significant deficiency(ies) identified? x yes _____ none reported
3. Noncompliance material to financial statements noted? _____ yes x no

Federal Awards

1. Internal control over major federal programs:
- Material weakness(es) identified? x yes _____ no
 - Significant deficiency(ies) identified? _____ yes x none reported
2. Type of auditors' report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? _____ yes x no

Identification of Major Federal Programs

ALN Number(s)

10.555
84.425

Name of Federal Program or Cluster

Child Nutrition Cluster
Education Stabilization Fund Program

Dollar threshold used to distinguish between Type A and Type B programs:

\$ 750,000

Auditee qualified as low-risk auditee?

_____ yes x no

CENTRAL INDIANA MILITARY ACADEMY, INC.
DBA: ANDERSON PREPARATORY ACADEMY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2021
(SEE INDEPENDENT AUDITORS' REPORT)

Section II – Financial Statement Findings

Finding 2021-001 Audit Adjustments

Type of Finding:

- Significant Deficiency in Internal Control over Financial Reporting

Condition: The board and management share the ultimate responsibility for the School's internal control system. While it is acceptable to outsource various accounting functions, the responsibility for internal control cannot be outsourced. Several significant audit adjustments were proposed and posted through the audit process. These adjustments were a necessary step in ensuring the financial statements were fairly stated in accordance with accounting principles generally accepted in the United States of America.

Criteria: In an ideal control setting, the School would have a comprehensive control procedure to ensure that the financial statements, including disclosures are complete and accurate. Such review procedures should be performed by an individual possessing a thorough understanding of applicable accounting principles generally accepted in the United States of America.

Effect of Finding: It is possible that a misstatement of the School's financial statements could occur and not be prevented or detected by the School's internal control.

Cause of Finding: The School's controls were not able to detect the adjustments made as part of the audit. The School does not have a comprehensive review process to ensure that the financial statements, including disclosures, are complete and accurate.

Auditor Recommendation: We recommend the board and management work with their bookkeeping company to develop a process to review and identify such items in a timely manner.

View of Responsible Officials: There is no disagreement with the audit finding.

Section III – Findings and Questioned Costs – Major Federal Programs

2021 – 002 Schedule of Expenditures of Federal Awards Preparation

Federal Agency: All

Federal Program Title: All

Assistance Listing Number: Multiple

Pass-Through Agency: Indiana Department of Education

Pass-Through Number(s): Multiple

CENTRAL INDIANA MILITARY ACADEMY, INC.
DBA: ANDERSON PREPARATORY ACADEMY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2021
(SEE INDEPENDENT AUDITORS' REPORT)

Section III – Findings and Questioned Costs – Major Federal Programs (Continued)

2021 – 002 Schedule of Expenditures of Federal Awards Preparation (Continued)

Award Period: Multiple

Type of Finding:

- Material Weakness in Internal Control over Compliance

Criteria or Specific Requirement: 2 CFR, Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Subpart F, §200.510(b) requires that auditees prepare a schedule of expenditures of federal awards (the Schedule) for the period covered by the auditee's financial statements which must include the total federal awards expended as determined in accordance with §200.502. At a minimum, the Schedule must:

1. List individual federal programs by federal agency. For a cluster of programs, provide the cluster name, list individual federal programs within the cluster of programs, and provide the applicable federal agency name. For R&D, total federal awards expended must be shown either by individual federal award or by federal agency and major subdivision within the federal agency.
2. For federal awards received as a subrecipient, the name of the pass-through entity and identifying number assigned by the pass-through entity must be included.
3. Provide total federal awards expended for each individual federal program and the Assistance Listings Number or other identifying number when the Assistance Listings information is not available. For a cluster of programs also provide the total for the cluster.
4. Include the total amount provided to subrecipients from each federal program.
5. For loan or loan guarantee programs described in §200.502(b), identify in the notes to the schedule the balances outstanding at the end of the audit period. This is in addition to including the total federal awards expended for loan or loan guarantee programs in the Schedule.
6. Include notes that describe that significant accounting policies used in preparing the Schedule and note whether or not the auditee elected to use the 10% de minimis cost rate as covered in §200.414 Indirect (F&A) costs.

Condition: During testing, it was noted the School's draft SEFA did not properly identify items 1-3 as noted above. Additionally, the School did not complete the footnote disclosures related to the SEFA. We noted missing Assistance Listing Numbers, improper subtotaling, no name or pass-through identifying information, and missing subparts that are required to be identified under Assistance Listing 84.425. Additionally, the SEFA was not initially prepared on the same basis of accounting as the financial statements, i.e., accrual basis, thus resulting in an adjustment of approximately \$179,000.

Questioned Costs: None

Context: The conditions noted above were discovered as a systemic problem during the reconciliation process between the amounts recorded in the financial statements for grant expenditures and the amounts initially shown in the Schedule. The reconciliation process included all Assistance Listing numbers.

CENTRAL INDIANA MILITARY ACADEMY, INC.
DBA: ANDERSON PREPARATORY ACADEMY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED JUNE 30, 2021
(SEE INDEPENDENT AUDITORS' REPORT)

Section III – Findings and Questioned Costs – Major Federal Programs (Continued)

2021 – 002 Schedule of Expenditures of Federal Awards Preparation (Continued)

Cause: The School did not have the controls in place to ensure that the Schedule was prepared and reviewed in accordance with 2 CFR, Part 200, Subpart F, §200.510(b) and U.S. GAAP.

Effect: The Schedule of the School could be materially misstated and inaccurately presented. Inaccurate presentation and clustering of programs affects the presentation of the Schedule and the conduct of the audit procedures applicable to the expenditures. Additionally, federal funds could be expended that are not accurately reported.

Repeat Finding: No

Recommendation: We recommend the School utilize the practice aids provided during the audit and establish controls to ensure that the Schedule is prepared in compliance with 2 CFR, Part 200 and U.S. GAAP, specifically as it relates to accrual basis of accounting and presentation.

Views of Responsible Officials: There is no disagreement with the audit finding.



CLA (CliftonLarsonAllen LLP) is a network member of CLA Global. See CLAGlobal.com/disclaimer. Investment advisory services are offered through CliftonLarsonAllen Wealth Advisors, LLC, an SEC-registered investment advisor.

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U.S. Department of Education and U.S. Department of Agriculture

Central Indiana Military Academy, Inc. d/b/a Anderson Preparatory Academy respectfully submits the following corrective action plan for the year ended June 30, 2021.

Audit period: July 1, 2020 - June 30, 2021

The findings from the schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

FINDINGS—FINANCIAL STATEMENT AUDIT

SIGNIFICANT DEFICIENCY

2021-001 AUDIT ADJUSTMENTS

Recommendation: We recommend the board and management work with their bookkeeping company to develop a process to review and identify such items in a timely manner.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action planned/taken in response to finding: Review processes have been increased to include the newly created Grant Compliance Coordinator in financial review process to allow additional layer of oversight and review. Bookkeeping company has adjusted its practices to ensure that all classifications and codes have been updated.

Name(s) of the contact person(s) responsible for corrective action: Jill Barker, CEO/Commandant

Planned completion date for corrective action plan: June 30, 2022

FINDINGS—FEDERAL AWARD PROGRAMS AUDITS

U.S. Department of Agriculture; U.S. Department of Education

2021-002 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS PREPARATION

Child Nutrition Cluster – National School Lunch Program – ALN 10.555

Education Stabilization Fund – ALN 84.425

Recommendation: We recommend the School utilize the practice aids provided during the course of the audit and establish controls to ensure that the SEFA is prepared in compliance with 2 CFR, Part 200 and U.S. GAAP, specifically as it relates to accrual basis of accounting and presentation.

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Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: Auditors have worked with our bookkeeping company to provide clarification on cash v. accrual for SEFA reporting. SEFA will be included in year-end financials review to ensure that both SEFA and financials are reported on accrual basis.

Name(s) of the contact person(s) responsible for corrective action: Jill Barker, CEO/Commandant

Planned completion date for corrective action plan: June 30, 2022

If the U.S. Department of Education and U.S. Department of Agriculture has questions regarding this plan, please call Jill Barker, CEO/Commandant at 765-649-8472, ext. 5201.

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U.S. Department of Agriculture

Central Indiana Military Academy, Inc, d/b/a Anderson Preparatory Academy respectfully submits the following summary schedule of prior audit findings for the year ended June 30, 2021.

Audit period: July 01, 2020 through June 30, 2021

The findings from the prior audit's schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the prior year.

FINDINGS—FINANCIAL STATEMENT AUDIT

There were no financial statement findings in the prior year.

FINDINGS— FEDERAL AWARD PROGRAMS AUDITS

2020 – 001

Condition: During our testing, we noted instances in two students tested that did not have their direct certification letter affirming that they could participate in the program. Additionally, three other students did not have their application or direct certification letter.

Status: Corrective action was taken.

If the U.S Department of Agriculture have questions regarding this plan, please call Jill Barker, CEO/Commandant, at 765-649-8472, ext. 5201.