



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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January 17, 2023

Charter School Board  
Seven Oaks Classical School, Inc.  
200 E. Association Street  
Ellettsville, IN 47429

We have reviewed the Supplemental Audit Report for Seven Oaks Classical School, Inc., prepared by Donovan CPAs, Independent Public Accountants, for the period July 1, 2021 to June 30, 2022. 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 through 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 black ink that reads "Tammy R. White".

Tammy R. White, CPA  
Deputy State Examiner

SUPPLEMENTAL AUDIT REPORT  
OF  
**SEVEN OAKS CLASSICAL SCHOOL, INC.**

MONROE COUNTY, INDIANA

July 1, 2021 to June 30, 2022



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**SEVEN OAKS CLASSICAL SCHOOL, INC.**  
**MONROE COUNTY, INDIANA**  
**School Officials**  
**July 1, 2021 to June 30, 2022**

<b><u>Office</u></b>	<b><u>Official</u></b>	<b><u>Term</u></b>
Board President	Matt Wolf	07/01/21 – 06/30/22
Board Treasurer	Ian Jonathan Hall	07/01/21 – 06/30/22
Headmaster	Dr. Stephen Shipp	07/01/21 – 06/30/22
Business Manager	Scott Reynolds	07/01/21 – 06/30/22



The Board of Directors  
Seven Oaks Classical School, Inc.

We have audited the financial statements of Seven Oaks Classical School, Inc., (the “School”) as of and for the year ended June 30, 2022, and have issued our report thereon dated December 13, 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

A handwritten signature in dark ink that reads 'DONOVAN' in a cursive style.

Indianapolis, Indiana  
December 13, 2022

**SEVEN OAKS CLASSICAL SCHOOL, INC.**  
**MONROE COUNTY, INDIANA**  
**Audit Results and Comments**  
**July 1, 2021 to June 30, 2022**

**RECEIPTS AND DEPOSITS**

From a sample of forty receipts tested, six were not deposited in a timely manner. The individual receipt amounts in question ranged from \$10 to \$1,300 and were made between six and seventeen days after 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)

**AVERAGE DAILY MEMBERSHIP REPORTING**

We selected a sample of forty-eight students for Average Daily Membership (“ADM”) testing. Of the students selected, one student was incorrectly on the ADM report. The student transferred out of the School before the count day. The School must communicate this error to the Indiana Department of Education for resolution.

The Organizer shall maintain records (enrollment cards, rosters, reporting forms, etc.) which substantiate the number of students claimed for ADM. (Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Part 9)

**SEVEN OAKS CLASSICAL SCHOOL, INC.**  
**MONROE COUNTY, INDIANA**  
**Exit Conference**  
**July 1, 2021 to June 30, 2022**

The contents of this report were discussed on December 13, 2022 with Scott Reynolds (Business Manager), and Dr. Stephen Shipp (Headmaster). The Official Response has been made a part of this report and may be found on pages 5 and 6.



December 13, 2022

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

To Whom it May Concern:

Seven Oaks Classical School has already or will take the following actions to address the FY2022 supplemental audit report comments:

1. **Cash Receipts and Deposits:** All monies received by the school during the year were deposited in the same form received. We will take steps to improve the timeliness of deposits so that monies are deposited not later than the business day following receipt.
2. **Average Daily Membership Reporting.** The audit revealed that a student was counted for membership in the February 1 student count who had withdrawn two weeks prior to that date. The school's mistake came about because of a conjunction of circumstances. Successfully syncing or uploading our information in DataExchange, the state's new reporting platform, was a persistent challenge throughout the 2021-2022 academic year. We knew what number we believed was correct, we filed tickets where we discovered errors, and we were directed to certify even with support tickets outstanding.

Despite the issues with the state's new platform, typically an error of this kind would be caught when another school claims the transfer student during the reconciliation period. However, in this case, the student in question withdrew to school at home. The entry of the withdrawal in the school's student information system (SIS) was then delayed because the timing of the parent's submission of the withdrawal form corresponded to an extended absence from the office by our Registrar.

On discovery of the error, the school immediately took measures to ensure that we do not repeat the same mistake:

- A. **Count Day Certification.** The school created a Count Day Certification Form and a corresponding protocol. This form is to be completed each count date by the Registrar and submitted to the Headmaster for review prior to certification, together with an alphabetized composite of "ADA/ADM by Student Reports" from PowerSchool, the school's SIS, and alphabetized membership report from the state's Data Exchange platform. The form includes a certification by the Registrar that he or she is up to date on student transfers (in and out).



# Seven Oaks

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## Classical School

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- B. Student Transfer and Withdrawal Form. The school revised its Student Transfer and Withdrawal Form to include a place to indicate the date that the form is received, a place to indicate whether we have received a letter or form to indicate a family's intent to home school, and a place to indicate when the transfer/withdrawal has been entered in PowerSchool, from which DataExchange (in theory) pulls enrollment data.

The school implemented these measures in time for the mid-September count day for the present academic year. Although the school continues to encounter difficulties with the DataExchange System, we believe our internal safeguards are sufficient to prevent a repeat of the same error.

Sincerely,

A handwritten signature in black ink that reads "Stephen Shipp".

Stephen Shipp, Ph.D.

Headmaster

Seven Oaks Classical School