



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

March 15, 2023

Charter School Board
Allegiant Preparatory, Inc.
3125 Concord Ct., Suite B
Indianapolis, IN 46222

We have reviewed the Supplemental Audit Report for Allegiant Preparatory, 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 page 5.

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

SUPPLEMENTAL AUDIT REPORT
OF
ALLEGIANT PREPARATORY, INC.

MARION COUNTY, INDIANA

July 1, 2021 to June 30, 2022



TABLE OF CONTENTS

	Page
School Officials	1
Transmittal Letter.....	2
Audit Results and Comments:	
Receipts and Deposits	3
Credit Card Policy and Compliance	3
Exit Conference	4
Official Response.....	5

ALLEGIANT PREPARATORY, INC.
MARION COUNTY, INDIANA
School Officials
July 1, 2021 to June 30, 2022

<u>Office</u>	<u>Official</u>	<u>Term</u>
Chairman of Board of Directors	Daniel Harting	07/01/21 – 06/30/22
Operations Manager	Sequoia Anderson	07/01/21 – 06/30/22
Head of School	Rick Anderson	07/01/21 – 06/30/22



The Board of Directors
Allegiant Preparatory, Inc.

We have audited the financial statements of Allegiant Preparatory, Inc., (the “School”) as of and for the year ended June 30, 2022, and have issued our report thereon dated December 19, 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, all-caps style.

Indianapolis, Indiana
December 19, 2022

ALLEGIANT PREPARATORY, INC.
MARION COUNTY, INDIANA
Audit Results and Comments
July 1, 2021 to June 30, 2022

RECEIPTS AND DEPOSITS

From a sample of twenty-five receipts tested, we noted nineteen were not deposited in a timely manner. The individual receipt amounts in question ranged from \$5 to \$75 and were deposited between seven and forty-six 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)

CREDIT CARD POLICY AND COMPLIANCE

Of the five credit card transactions tested, the School paid a late fee of \$35 for the month of January.

Payment shall not be made on the basis of a statement, or a credit card slip only. Procedures for payments shall be no different than for any other claim. Supporting documents such as paid bills and receipts must be available. Additionally, any interest or penalty incurred due to late filing or furnishing of documentation by an officer or employee is the responsibility of that officer or employee. (Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Part 10)

ALLEGIANT PREPARATORY, INC.
MARION COUNTY, INDIANA
Exit Conference
July 1, 2021 to June 30, 2022

The contents of this report were discussed on December 19, 2022 with Rick Anderson (Head of School), Sequoia Anderson (Business Manager), and Brian Anderson (Outside Consultant). The Official Response has been made a part of this report and may be found on page 5.



December 20, 2022

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

Allegiant Prep will take the following actions to address the FY2022 supplemental audit report comments:

1. We continue to follow our processes for depositing funds in a timely manner. However, being a small school with limited administrative staff, we make sure we keep our priorities in order. On occasion, that means keeping staff in the building with students instead of leaving the building and driving to the bank to deposit a \$5 bill that was just received. We respect the requirement and we meet the requirement with more than 99% of our funding.
2. We made an error in paying a credit card bill after the due date. We have processes in place to avoid that and we will try to follow those processes better.

Sincerely,

Allegiant Preparatory Academy, Inc. Management