



**STATE OF INDIANA**  
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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](http://www.in.gov/sboa)

May 5, 2023

Charter School Board  
Otwell Miller Academy, Inc.  
9958 E County Rd 150 N  
Otwell, IN 47564

We have reviewed the Supplemental Audit Report for Otwell Miller Academy, 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 black ink that reads "Tammy R. White".

Tammy R. White, CPA  
Deputy State Examiner

SUPPLEMENTAL AUDIT REPORT  
OF  
**OTWELL MILLER ACADEMY, INC.**

PIKE COUNTY, INDIANA

July 1, 2021 to June 30, 2022



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**OTWELL MILLER ACADEMY, INC.**  
**PIKE 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	Jordan Hill	07/01/21 – 06/30/22
School Director	Rich Padgett	07/01/21 – 06/30/22
Board Treasurer	Courtney Huckelby	07/01/21 – 06/30/22



# Donovan CPAs

The Board of Directors  
Otwell Miller Academy, Inc.

We have audited the financial statements of Otwell Miller Academy, Inc., (the “School”) as of and for the year ended June 30, 2022, and have issued our report thereon dated February 10, 2023. 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  
February 10, 2023

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[www.cpadonovan.com](http://www.cpadonovan.com)

Avon | 5151 E. US Hwy 36, Avon, IN 46123 | 317.745.6411

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

**OTWELL MILLER ACADEMY, INC.**  
**PIKE COUNTY, INDIANA**  
**Audit Results and Comments**  
**July 1, 2021 to June 30, 2022**

**RECEIPTS AND DEPOSITS**

We tested ten receipts from the School's receipt books noting three were deposited untimely. These deposits ranged from \$85 to \$155 and were made between ten and fourteen 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)

**REQUIRED REPORTS – FORM 9**

While the Form 9 ending cash balance agreed to the trial balance, the fund balances for CSP, CARES, and ESSER did not relate to corresponding receivables on the financials.

Charter schools are required to submit a Form 9 Biannual Financial Report two times per year during the months of January and July. The financial information in the Form 9 shall reflect cash basis information. The January report must include previous calendar year financial and other required information for the period of July 1 to December 31 financial data. The July report must include current calendar year financial and other required information for the period of January 1 to June 30. (Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Part 9)

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)

**OTWELL MILLER ACADEMY, INC.**  
**PIKE COUNTY, INDIANA**  
**Exit Conference**  
**July 1, 2021 to June 30, 2022**

The contents of this report were discussed on February 10, 2023 with Rich Pagett (School Director), Danielle Houtsch (Board Member), and Kevin Davis (Outside Consultant). The Official Response has been made a part of this report and may be found on page 5.



Otwell Miller Academy  
9958 East County Road 150 North  
Otwell, Indiana 47564

## Response and Corrective Action

Audit Findings of July 1, 2021 to June 30, 2022 Audit

### 1. RECEIPTS AND DEPOSITS

The school is refining the procedures for handling deposits and receipts in order to follow best practices and adhere to prescribed timelines. Our location being 13 miles from the nearest bank increases the difficulties of arriving at the bank prior to close of business for the bank if we wait until our own closing to drive to the bank. We are restructuring our office personnel times and the times that cash payments can be made to the school to mitigate the chances of not operating within the banking hours. Care will be taken to include the date of receipt into the office rather than the date of the individual checks presented for payment.

### 2. Required Reports-Form 9

The Form 9 is prepared on a cash basis whereas the audited financial statements are prepared on an accrual basis. Regarding the cost reimbursement grants CSP, CARES and ESSER, the qualifying reimbursable costs are not always immediately identifiable. Since the Form 9 is due within 30 days after the end of the financial statement date, it is prepared with the best information on hand at that time. Qualifying reimbursable costs are sometimes not identified until after the due date of the Form 9. The School will continue to prepare the Form 9 with the best information it has on hand at the time of filing, to the best of its ability. If qualifying reimbursable costs for grants are identified after the Form 9 is filed and before the financial records are finalized for audit readiness, the School will continue to use the Form 9's beginning balance fund adjustment available to it on the following Form 9 filing to correct the fund balances that may have been misallocated in the prior filing period due to this timing constraint.

Submitted By:

Rich Padgett, Director Otwell Miller Academy

February 10, 2023