



STATE OF INDIANA
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July 19, 2023

Charter School Board
Muncie Public Charter School of Inquiry, Inc.
d/b/a Inspire Academy
2801 E 16th St
Muncie, IN 47302

We have reviewed the Supplemental Audit Report for Muncie Public Charter School of Inquiry, Inc. d/b/a Inspire Academy prepared by CliftonLarsonAllen LLP, 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 Indiana State Board of Accounts.

We call your attention to the findings in the report on pages 3 and 4. Management's response is on pages 6 through 8.

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
MUNCIE PUBLIC CHARTER SCHOOL OF INQUIRY, INC.
DBA: INSPIRE ACADEMY
DELAWARE COUNTY, INDIANA
JULY 1, 2021 TO JUNE 30, 2022



CPAs | CONSULTANTS | WEALTH ADVISORS

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**MUNCIE PUBLIC CHARTER SCHOOL OF INQUIRY, INC.
DBA: INSPIRE ACADEMY
DELAWARE COUNTY, INDIANA
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JULY 1, 2021 TO JUNE 30, 2022**

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**MUNCIE PUBLIC CHARTER SCHOOL OF INQUIRY, INC.
DBA: INSPIRE ACADEMY
DELAWARE COUNTY, INDIANA
SCHOOL OFFICIALS
JULY 1, 2021 TO JUNE 30, 2022**

<u>Office</u>	<u>Official</u>	<u>Term</u>
Executive Director	Leslie Draper	07/01/2021 – 06/30/2022
Financial Manager	Brittany Pickett	07/01/2021 – 06/30/2022
Board President	Dr. Thomas Schroeder	07/01/2021 – 06/30/2022
Board Treasurer	David Wentland	07/01/2021 – 06/30/2022



CliftonLarsonAllen LLP
CLAconnect.com

INDEPENDENT AUDITORS' REPORT

Board of Directors
Muncie Public Charter School of Inquiry, Inc.
dba: Inspire Academy
Muncie, Indiana

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of Inspire Academy, as of and for the year ended June 30, 2022, and have issued our report thereon dated March 27, 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.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Indianapolis, Indiana
March 27, 2023

**MUNCIE PUBLIC CHARTER SCHOOL OF INQUIRY, INC.
DBA: INSPIRE ACADEMY
DELAWARE COUNTY, INDIANA
AUDIT RESULTS AND COMMENTS
JULY 1, 2021 TO JUNE 30, 2022**

AVERAGE DAILY MEMBERSHIP (ADM) TESTING – ENROLLMENT

Enrollment documents and attendance records are required to be maintained by the School in accordance with guidance by the Indiana Department of Education (IDOE). The School has a written policy stating the documents required to be obtained at enrollment. The School did not maintain consistent and complete enrollment records for five (5) of the sixty-two (62) students tested for enrollment.

Records such as paper or electronic enrollment applications, as well as copies of birth certificates and proof of residency, etc. as determined by policy or normal practice by the school should be maintained.

Officials shall maintain records (enrollment applications, attendance records, reporting forms, etc.) which substantiate the number of students claimed for ADM. A student claimed for ADM must be an “eligible pupil”. An eligible pupil is a student that is enrolled and attending. IC 20-43-1-11: “Eligible pupil” refers to an individual who qualifies as an eligible pupil under IC 20- 43-4-1”. IC 20-43-1-11.5 defines “Enrolled” as registered with a school corporation to attend educational programs offered by or through the school corporation; and attending these educational programs or receiving education services. IC 20-43-1-7.5 defines “Attending” as physical or virtual presence of a student with the expectation of continued services in the education programs for which the student is registered.

AVERAGE DAILY MEMBERSHIP (ADM) TESTING – REPORTING CERTIFICATIONS

The Organizer is responsible for reporting ADM to the Indiana Department of Education (IDOE). The ADM Summary Report shall provide a written certification of ADM to properly document responsibility. During our testing, we noted that the Spring 2022 certifications did not include the superintendent’s signature and was shown as incomplete in the system due to a timing issue with the system that did not retain the certification.

The ADM Summary Report must be signed by the Superintendent/Principal/Director of Schools and the Trustee/Corporate Treasurer and be uploaded to IDOE for each reporting period in the fiscal year. Supporting documentation of enrollment and attendance/engagement information by grade and school must be maintained for audit. (Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Part 9).

CREDIT CARD TESTING – INTEREST PAID

During our testing of credit cards, there was one (1) instance of the five (5) charges tested where the School paid interest for the statement period that totaled \$86.61. This was subsequently refunded to the School.

Officials and employees have the duty to pay claims and remit taxes in a timely fashion. Additionally, officials and employees have a responsibility to perform duties in a manner which would not result in any unreasonable fees being assessed against the governmental unit. Any penalties, interest, or other charges paid by the governmental unit may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Part 10).

**MUNCIE PUBLIC CHARTER SCHOOL OF INQUIRY, INC.
DBA: INSPIRE ACADEMY
DELAWARE COUNTY, INDIANA
AUDIT RESULTS AND COMMENTS
JULY 1, 2021 TO JUNE 30, 2022**

CREDIT CARD TESTING

During our testing of credit cards, there were two (2) of the five (5) credit card payments selected for testing had missing receipts. Missing receipts totaled \$516 out of total credit card expenses tested of \$25,010 tested.

Payment of credit cards is to not to be made on the basis of a statement or a credit card slip only. Procedures for payments are processed the same as for any other claim. Supporting documents such as paid bills and receipts are required to be available (Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Part 10).

**MUNCIE PUBLIC CHARTER SCHOOL OF INQUIRY, INC.
DBA: INSPIRE ACADEMY
DELAWARE COUNTY, INDIANA
EXIT CONFERENCE
JULY 1, 2021 TO JUNE 30, 2022**

The contents of this report were discussed with Brittany Pickett, Financial Manager, Leslie Draper, Executive Director, and Dr. Thomas Schroeder, Board President, on March 27, 2023. The officials concurred with our audit findings. The Official Response has been made a part of this report and may be found on page 6.



March 17, 2023

CliftonLarsonAllen LLP
9365 Counselors Row, Suite 200
Indianapolis, IN 46240

Detailed below is the Official Response to Audit Results and Comments relative to the review of Muncie Public Charter School of Inquiry, Inc.'s ("the School") compliance with provisions of the *Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools* issued by the Indiana State of Accounts.

AVERAGE DAILY MAINTENANCE (ADM) TESTING – ENROLLMENT

Audit Results and Comment: Enrollment documents and attendance records are required to be maintained by the School in accordance with guidance by the Indiana Department of Education (IDOE). The School has a written policy stating the documents required to be obtained at enrollment. The School did not maintain consistent and complete enrollment records for five (5) of the sixty-two (62) students tested for enrollment.

Records such as paper or electronic enrollment applications, as well as copies of birth certificates and proof of residency, etc. as determined by policy or normal practice by the school should be maintained.

Officials shall maintain records (enrollment applications, attendance records, reporting forms, etc.) which substantiate the number of students claimed for ADM. A student claimed for ADM must be an "eligible pupil". An eligible pupil is a student that is enrolled and attending. IC 20-43-1-11: "Eligible pupil" refers to an individual who qualifies as an eligible pupil under IC 20-43-4-1". IC 20-43-1-11.5 defines "Enrolled" as registered with a school corporation to attend educational programs offered by or through the school corporation; and attending these educational programs or receiving education services. IC 20-43-1-7.5 defines "Attending" as physical or virtual presence of a student with the expectation of continued services in the education programs for which the student is registered.

Response: The School has a system for obtaining and maintaining consistent and complete enrollment records to substantiate all students. The School is faced with the challenge of accepting all students with or without proper documentation in compliance with the McKinney-Vento Act.

AVERAGE DAILY MAINTENANCE (ADM) TESTING – REPORTING CERTIFICATIONS

Audit Results and Comment: The Organizer is responsible for reporting ADM to the Indiana Department of Education (IDOE). The ADM Summary Report shall provide a written certification of ADM to properly document responsibility. During our testing, we noted that the Spring 2022 certifications did not include the superintendent's signature and was shown as incomplete in the system due to a timing issue with the system that did not retain the certification.

The ADM Summary Report must be signed by the Superintendent/Principal/Director of Schools and the Trustee/Corporate Treasurer and be uploaded to IDOE for each reporting period in the fiscal year. Supporting documentation of enrollment and attendance/engagement information by grade and school must be maintained for audit. (Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Part 9).

Response: The School has been in contact with the Indiana Department of Education (IDOE) to address the missing signature and to understand more clearly how the system works in regards to retaining the dual signatures for ADM Summary Report sign-offs. For the 2022-2023 school year, the School will be sure to follow-up with each required signature to ensure they are accepted by the IDOE's reporting system.

CREDIT CARD TESTING – INTEREST PAID

Audit Results and Comment: During our testing of credit cards, there was one (1) instance of the five (5) charges tested where the School paid interest for the statement period that totaled \$86.61. This was subsequently refunded to the School.

Officials and employees have the duty to pay claims and remit taxes in a timely fashion. Additionally, officials and employees have a responsibility to perform duties in a manner which would not result in any unreasonable fees being assessed against the governmental unit. Any penalties, interest, or other charges paid by the governmental unit may be the personal obligation of the responsible official or employee. (Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Part 10).

Response: This is an isolated incident and the School has committed to making credit card payments via the secure, online portal in the event a payment may be delayed in the mail to prevent any future interest charges.

CREDIT CARD TESTING

Audit Results and Comment: During our testing of credit cards, there were two (2) of the five (5) credit card payments selected for testing had missing receipts. Missing receipts totaled \$516 out of total credit card expenses tested of \$25,010 tested.

Payment of credit cards is to not to be made on the basis of a statement or a credit card slip only. Procedures for payments are processed the same as for any other claim. Supporting documents such as paid bills and receipts are required to be available (Accounting and Uniform Compliance Guidelines Manual for Indiana Charter Schools, Part 10).

Response: The School will implement a folder system for the 2022-2023 school year that allows employees to immediately submit credit card receipts, for approved purchases, directly to the Financial Manager for retention and reconciliation with the monthly credit card statement. This should reduce the incidence of receipts being misplaced prior to being given to the School.

A handwritten signature in black ink, appearing to read "Leslie Draper". The signature is written in a cursive style with a large initial "L" and a long, sweeping underline.

Leslie Draper
Executive Director
Inspire Academy- A School of Inquiry
2801 E. 16th St.
Muncie, IN 47302



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