

Students

Integrity

Fiscal Responsibility

Learning

People

Teamwork

Commitment

Accountability

High Standards



Four Corners Charter School

**BOARD OF DIRECTORS' MEETING
October 25, 2011**





FOUR CORNERS CHARTER SCHOOL, INC. BOARD MEETING
Tuesday, October 25, 2011
Agenda

CALL TO ORDER

ACTION ITEMS FOR APPROVAL

- I. Open For Public Comment**
- II. Minutes from September 8, 2011 Meeting** **Page 3**
- III. FCCS, Inc. 1st Quarter Financials** **Page 6**
- IV. FCCS 1st Quarter Financials** **Page 8**
- V. FY11 Audits** **Page 16**
- VI. Amended By-Laws** **Page -**
- VII. HVAC Enhancements** **Page20**

INFORMATIONAL

- VIII. School Report** **Page 30**
- IX. Ratify School Improvement Plan** **Page -**
- X. Old Business**
- XI. New Business**
- XII. Adjournment**

◀ *Next Meeting: To Be Determined* ▶

MEETING MINUTES

Name of Foundation: Four Corners Charter School, Inc.
Board Meeting: September 8, 2011

School(s): Four Corners Charter School

The minutes of Sunshine Law meetings need not be verbatim transcripts of the meeting. These minutes are a brief summary of the events of the meeting.

Date:	Start	End	Next Meeting:	Next time:	Prepared by:
09.08.11	2:00 p.m.	3:20 p.m.	TBD	TBD	M. Vecchione
Meeting Location:					
School District of Osceola County, 817 Bill Beck Blvd, Kissimmee, FL					

Attended by:	
Cindy Hartig, Chairperson Barbara Horn, Director Jim Miller, Director Tod Howard, Director Julius Melendez, Director	Paul Hage, Director of Facilities, CSUSA Frank Johns, Assistant Director of Facilities, CSUSA Rob Vilardi, Sr. Financial Analyst, CSUSA Kenneth Toppin, Assistant Principal, FCCS Mary Vecchione, Governing Board Liaison, CSUSA Gene Vertus, Director of IT, CSUSA Migdalia Mercado, Finance, Osceola School District Sonia Esposito, Osceola School District Larry Brown, Attorney, FCCS, Inc. Gary Sermersheim, Osceola School District
Highlights:	

CALL TO ORDER

Pursuant to public notice, the meeting commenced at 2:00 p.m. with a Call to Order by Madam Chair Hartig. Roll call was taken and quorum was established.

I. APPROVAL OF MINUTES

Madam Chair Hartig asked the Board to review the minutes from the June 29, 2011 Governing Board meeting and note any corrections or modifications. The minutes stand.

Motion made by Mr. Miller with a second by Ms. Horn to approve the June 29, 2011 Governing Board minutes of the Four Corners Charter School, Inc. meeting. The motion was approved 5-0.

II. FCCS, Inc. Final Budget Amendment FY12

- Ms. Mercado reviewed the FY11 Amended Budget for FCCS, Inc. The General Fund was amended in the amount of \$6,724,251.93 with the final amount of total revenues of \$6,737,394.18. Amended total expenses in the amount of \$7,029,380.93 with the final amount of expenses of \$7,024,315.18. This is a difference of (\$5,065.75). Financing from other sources are a difference of (\$18,208.00).
- Ms. Mercado reviewed the FY11 Capital Outlay. Revenue was amended in the amount of \$455,129.00 with the final amount of \$436,921.00. This is a difference of (\$18,208.00).
- Additionally, the FY12 adopted budget was presented in comparison with the tentative budget. Total revenues are now expected to be \$5,855,535.00 which

is a difference of (\$106,980.00) from the tentative budget. Total Expenditures for the adopted budget is (\$2,490,473.00) which is a difference of (\$2,390,152.00) from the tentative budget. Fund balances for the year is \$1,390,716.05 which is a difference of (\$2,106,661.37) from the tentative budget.

- Capital Outlay is showing a difference of \$196,172.00 from the tentative amount.

Motion made by Mr. Melendez with a second by Mr. Miller to approve the FY12 Amended Budget for FCCS, Inc. The motion was approved 5-0.

III. FCCS 4th Quarter Financial Report FY11

- Mr. Essik reviewed the FCCS FY11 Year End Summary. He noted those items with significant budget variances. Variances for total Revenue were \$512,000 and total expenses were (\$85,000). This left a net change in fund balance favorable of \$427,000.
- Student enrollment ended at 1055 students with an average FTE of \$6,142/student. This resulted in a net school surplus of \$252,883. This enrollment was favorable to plan by 73 students.

Motion made by Ms. Horn with a second by Mr. Howard to approve the FCCS 4th Quarter Financial Report for FY11 and Year End Summary. The motion was approved 5-0.

IV. Ratify Audit Engagement Letter

Motion made by Mr. Howard with a second by Mr. Miller to ratify the approval of the audit firm Berman Hopkins Wright & Laham for the Four Corners Charter School for the year ending June 30, 2011. The motion was approved 5-0.

- It was asked that an RFP process for the audit be included on the agenda for the next meeting.

V. School Board Facilitator

- Ms. Vecchione reported on the state legislature bill recently passed which requires each charter school's governing board to appoint a representative to facilitate parental involvement, provide access to information, assist parents and others with questions and concerns and resolve disputes. She also indicated the requirements of who this person can be, under the statute.
- The Board recommended that Ms. Cindy Hartig be appointed as the Board Facilitator for Four Corners Charter School, Inc.

Motion made by Mr. Miller with a second by Ms. Horn to appoint Cindy Hartig as Board Facilitator for FCCS. The motion was approved 5-0.

- At this time the Board also discussed amending the by-laws to reflect the needs of the Board, and the rotation terms of the Board members. It was suggested that one of the 3 Osceola positions on the Board be an appointed position to hold a longer term, and remain on the FCCS, Inc. Board given the terms below.
- The Board recommended that the SAC president sit on the Board as a non-voting exofficio and the current Board Chairman be given a longer acting term

to ensure expertise and continuity. Every 2 years you would elect a 4 year person and the current chair is the first person to lock in.

- Mr. Brown, attorney for the FCCS, Inc., will draft a document to reflect these changes and bring back to the next meeting.

VI. Out of Field Waivers

- Mr. Toppin asked for approval of the Out of Field Waivers for ESOL.

Motion made by Mr. Melendez with a second by Ms. Horn to approve the Out of Field Waivers in ESOL for FCCS. The motion was approved 5-0.

VII. School Report and School Grade

- Mr. Toppin, Assistant Principal with FCCS, reviewed the School Report. He also provided the Board with an analysis of the School Grade, which was an A.

VIII. Technology Update

- Mr. Vertus updated the Board with the new phone system. The system should be installed by Monday. It will also tie in with the PA system.
- Madam Chair Hartig will be attending the SAC committee meeting and would like to have an overview of the phone and PA system.

IX. Facility Update

- Mr. Hage updated the Board on the completion of the A/C and Roofing upgrade. Everything has been complete and in working order.

Motion made to adjourn the FCCS, Inc. Governing Board meeting. Motion was approved unanimously.

Cindy Hartig, Chairman

Date: _____

Four Corners Charter School, Inc. Revenue & Expenditures - Budget And Actual September 30, 2011	GENERAL FUND				
	OF1	Budget Amounts			Percentage of Current Budget
	Account Number	<i>Original</i>	<i>Current</i>	<i>Actual</i>	
		<i>1050</i>	<i>1050</i>	<i>1050</i>	
REVENUES					
Federal Direct	3100	0.00	0.00	0.00	0.00%
Federal Through State	3200	0.00	0.00	0.00	0.00%
State Sources	3300	5,850,035.00	5,850,035.00	1,491,225.33	25.49%
Local Sources	3400	5,500.00	5,500.00	12,811.45	232.94%
Total Revenues		5,855,535.00	5,855,535.00	1,504,036.78	25.69%
EXPENDITURES					
Current:					
Instruction	5000	4,261,443.07	4,261,443.07	1,083,552.69	25.43%
Pupil Personnel Services	6100	0.00	0.00	0.00	0.00%
Instructional Media Services	6200	0.00	0.00	0.00	0.00%
Instruction and Curriculum Development Services	6300	0.00	0.00	0.00	0.00%
Instructional Staff Training Services	6400	0.00	0.00	0.00	0.00%
Instructional Related Technology	6500	0.00	0.00	0.00	0.00%
Board	7100	9,000.00	9,000.00	0.00	0.00%
General Administration	7200	757,253.67	757,253.67	180,105.67	23.78%
School Administration	7300	0.00	0.00	0.00	0.00%
Facilities Acquisition and Construction	7410	3,318,311.26	3,318,311.26	2,115,530.89	63.75%
Fiscal Services	7500	0.00	0.00	0.00	0.00%
Food Services	7600	0.00	0.00	0.00	0.00%
Central Services	7700	0.00	0.00	0.00	0.00%
Pupil Transportation Services	7800	0.00	0.00	0.00	0.00%
Operation of Plant	7900	0.00	0.00	0.00	0.00%
Maintenance of Plant	8100	0.00	0.00	0.00	0.00%
Administrative Tech Services	8200	0.00	0.00	0.00	0.00%
Community Services	9100	0.00	0.00	0.00	0.00%
Debt Service	9200	0.00	0.00	0.00	0.00%
Total Expenditures		8,346,008.00	8,346,008.00	3,379,189.25	40.49%
Excess (Deficiency) of Revenues Over (Under) Expenditures		(2,490,473.00)	(2,490,473.00)	(1,875,152.47)	75.29%
OTHER FINANCING SOURCES (USES)					
Long-term Debt Proceeds & Sales of Capital Assets	3700	0.00	0.00	0.00	
Transfers In	3600	446,493.00	446,493.00	0.00	
Transfers Out	9700	0.00	0.00	0.00	
Total Other Financing Sources (Uses)		446,493.00	446,493.00	0.00	
FUND BALANCE					
Net Change in Fund Balance		(2,043,980.00)	(2,043,980.00)	(1,875,152.47)	
Fund Balance, July 01, 2011	2800	3,434,696.05	3,434,969.05	3,434,696.05	
Adjustment to Fund Balance	2891	0.00	0.00	0.00	
Fund Balance, June 30, 2012	2700	1,390,716.05	1,390,989.05	1,559,543.58	

Four Corners Charter School, Inc. Revenue & Expenditures - Budget And Actual September 30, 2011		CAPITAL PROJECTS FUNDS				
		OF3 Account Number	Budget Amounts		Actual	Percentage of Current Budget
			Original	Current		
REVENUES						
Federal Direct	3100	0.00	0.00	0.00	0.00%	
Federal Through State	3200	0.00	0.00	0.00	0.00%	
State Sources	3300	250,321.00	446,493.00	111,394.00	24.95%	
Local Sources	3400	0.00	0.00	0.00	0.00%	
Total Revenues		250,321.00	446,493.00	111,394.00	24.95%	
EXPENDITURES						
Current:						
Instruction	5000	0.00	0.00	0.00	0.00%	
Pupil Personnel Services	6100	0.00	0.00	0.00	0.00%	
Instructional Media Services	6200	0.00	0.00	0.00	0.00%	
Instruction and Curriculum Development Services	6300	0.00	0.00	0.00	0.00%	
Instructional Staff Training Services	6400	0.00	0.00	0.00	0.00%	
Instructional Related Technology	6500	0.00	0.00	0.00	0.00%	
Board	7100	0.00	0.00	0.00	0.00%	
General Administration	7200	0.00	0.00	0.00	0.00%	
School Administration	7300	0.00	0.00	0.00	0.00%	
Facilities Acquisition and Construction	7410	0.00	0.00	0.00	0.00%	
Fiscal Services	7500	0.00	0.00	0.00	0.00%	
Food Services	7600	0.00	0.00	0.00	0.00%	
Central Services	7700	0.00	0.00	0.00	0.00%	
Pupil Transportation Services	7800	0.00	0.00	0.00	0.00%	
Operation of Plant	7900	0.00	0.00	0.00	0.00%	
Maintenance of Plant	8100	0.00	0.00	0.00	0.00%	
Administrative Tech Services	8200	0.00	0.00	0.00	0.00%	
Community Services	9100	0.00	0.00	0.00	0.00%	
Debt Service	9200	0.00	0.00	0.00	0.00%	
Total Expenditures		0.00	0.00	0.00	0.00%	
Excess (Deficiency) of Revenues Over (Under) Expenditures		250,321.00	446,493.00	111,394.00	24.95%	
OTHER FINANCING SOURCES (USES)						
Long-term Debt Proceeds & Sales of Capital Assets	3700	0.00	0.00	0.00		
Transfers In	3600	0.00	0.00	0.00		
Transfers Out	9700	(250,321.00)	(446,493.00)	0.00		
Total Other Financing Sources (Uses)		(250,321.00)	(446,493.00)	0.00		
FUND BALANCE						
Net Change in Fund Balance		0.00	0.00	111,394.00		
Fund Balance, July 01, 2011	2800	0.00	0.00	0.00		
Adjustment to Fund Balance	2891	0.00	0.00	0.00		
Fund Balance, June 30, 2012	2700	0.00	0.00	111,394.00		



FCCS FY12 Q1 Review

Presented by Mike Essik

October 25, 2011

www.charterschoolsusa.com





Summary of Significant Budget Variances:

Amounts in 000's	July - Sep. Actual	FY12 Forecast	Comments
<u>Revenue:</u>			
FTE Revenue	\$ (31)	(59)	Unfavorable due to increased revenue reductions from State
Capital Outlay Revenue	49	3	Higher due to enrollment; Q1 favorable per State DOE Capital Outlay
District Fee Refund	(1)	(1)	Inline with Budget
Federal/State Grants	(152)	(152)	Unfavorable Edujobs
Before/Aftercare Revenue	2	-	Inline with Budget; Q1 favorable due to timing
Other State/Federal Programs	34	-	Inline with Budget; Q1 favorable due to timing
Misc. revenue	20	28	Favorable due to E-rate funding
Total Revenue:	(78)	(182)	
<u>Expenses:</u>			
Compensation	100	45	Favorable Taxes & Benefits; Q1 favorable due to timing of Edujobs payout
Professional Services	7	10	Favorable Management Fee and Fee to school board
Vendor Services	2	(104)	Unfavorable transportation due to increased ridership than planned
Administrative Services	4	-	Inline with Budget; Q1 favorable due to timing
Instruction Expense	18	(0)	Inline with Budget; Q1 favorable due to timing
Plant Operations Expense	96	-	Inline with Budget; Q1 favorable due to timing
Fixed Expenses	1	-	Inline with Budget; Q1 favorable due to timing
Capital Expenses	104	-	Inline with Budget; Q1 favorable due to timing
Total Expense:	323	(49)	
Net Change in Fund Balance	245	(231)	



Summary of FY12 First Quarter:

	FY 12 Budget		FY 12 Forecast	
Student Enrollment		1,050		1,062
Avg FTE Rev / Student	\$	5,646	\$	5,526
Net School Surplus / (Deficit)	\$	(620,350)	\$	(851,041)
Fund Balance Appropriation		620,350		851,041
Net School Surplus / (Deficit)	\$	-	\$	-

FTE revenue is currently being funded at \$5,526. This is below the budget amount of \$5,646.

The School District of Osceola County

Charter School

Projected Revenues & Expenditures

Cover Sheet

2011-2012

0863

School Name: Four Corners Charter School

Charter Holder's Name: Four Corners Charter School

Board Chairman's Printed Name: Cindy Hartig

Board Chairman's Signature:

Date Board Approved:

Contact Name:

Phone Number:

Email Address:

OSCEOLA COUNTY CHARTER SCHOOL Four Corners Charter School Projected Revenues & Expenditures		All Fund Types	All Fund Types	All Fund Types	
			Budget	Forecast	Variance
		Function	2011-2012 1050 UFTE	2011-2012 1062 UFTE	2010-2011 12 UFTE
REVENUES					
Federal Direct	3100	0.00	0.00	0.00	
Federal Through State & Local	3200	177,276.00	25,100.00	(152,176.00)	
State Sources	3300	6,178,234.65	6,121,973.34	(56,261.31)	
Local Sources	3400	133,500.00	161,897.00	28,397.00	
Total Revenues		6,489,010.65	6,308,970.34	(180,040.31)	
EXPENDITURES					
Current:					
Instruction	5000	3,117,197.08	3,112,902.74	4,294.34	
Pupil Personnel Services	6100	100,663.12	104,666.18	(4,003.06)	
Instructional Media Services	6200	2,075.00	2,075.00	0.00	
Instruction and Curriculum Development Services	6300	0.00	0.00	0.00	
Instructional Staff Training Services	6400	4,019.00	4,055.00	(36.00)	
Instruction Related Technology	6500	314,740.44	314,740.44	0.00	
Board	7100	0.00	0.00	0.00	
General Administration	7200	773,451.72	765,042.97	8,408.75	
School Administration	7300	418,059.40	359,707.73	58,351.67	
Facilities Acquisition and Construction	7400	0.00	0.00	0.00	
Fiscal Services	7500	12,000.00	12,000.00	0.00	
Food Services	7600	0.00	0.00	0.00	
Central Services	7700	11,503.24	11,503.24	0.00	
Pupil Transportation Services	7800	74,000.00	178,000.00	(104,000.00)	
Operation of Plant	7900	1,826,546.96	1,826,851.28	(304.32)	
Maintenance of Plant	8100	395,202.86	395,202.86	0.00	
Administrative Technology Services	8200	0.00	0.00	0.00	
Community Services	9100	59,901.43	73,265.04	(13,363.62)	
Debt Service: (Function 9200)				0.00	
Retirement of Principal	9200.7100	0.00	0.00	0.00	
Interest	9200.7200	0.00	0.00	0.00	
Dues, Fees and Issuance Costs	9200.7300	0.00	0.00	0.00	
Miscellaneous Expenditures	9200.7900	0.00	0.00	0.00	
Capital Outlay:				0.00	
Facilities Acquisition and Construction	7420	0.00	0.00	0.00	
Other Capital Outlay	9300	0.00	0.00	0.00	
Total Expenditures		7,109,360.24	7,160,012.48	(50,652.24)	
Excess (Deficiency) of Revenues Over (Under) Expenditures		(620,349.59)	(851,042.14)	230,692.55	
OTHER FINANCING SOURCES (USES)					
Loans Incurred	3720	0.00	0.00	0.00	
Proceeds from the Sale of Capital Assets	3730	0.00	0.00	0.00	
Loss Recoveries	3740	0.00	0.00	0.00	
Proceeds of Forward Supply Contract	3760	0.00	0.00	0.00	
Special Facilities Construction Advances	3770	0.00	0.00	0.00	
Transfers In	3600	0.00	0.00	0.00	
Transfers Out	9700	0.00	0.00	0.00	
Total Other Financing Sources (Uses)		0.00	0.00	0.00	
SPECIAL ITEMS					
	SPCL	0.00	0.00	0.00	
EXTRAORDINARY ITEMS					
	EXTR	0.00	0.00	0.00	
Net Change in Fund Balances		(620,349.59)	(851,042.14)	(230,692.55)	
Fund Balance, Beginning	2800	1,521,614.00	1,521,614.00	0.00	
Adjustment to Fund Balances	2891	0.00	0.00	0.00	
Fund Balance, Ending	2700	901,264.41	670,571.86	(230,692.55)	

OSCEOLA COUNTY CHARTER SCHOOL

Four Corners Charter School

Function	Forecasted Revenues & Expenditures 2011-2012			2011-2012 1062 UFTE
REVENUES				
3100	Federal Direct			0.00
3200	Federal Through State & Local			
	<i>Education Jobs Funds</i>			0.00
	<i>MAP Revenue Performance Pay</i>			25,100.00
	<i>IDEA Grant</i>			0.00
3300	State Sources			
	<i>FEFP (Fill out Revenue WorkSheet)</i>			5,868,792.54
	<i>Capital Outlay</i>			253,180.80
	<i>Florida Lead Teacher</i>			0.00
				0.00
				0.00
3400	Local Sources			
	<i>Before and Aftercare Revenue</i>			97,500.00
	<i>Rental Income and Other</i>			64,397.00
				0.00
				0.00
				0.00
	Total Revenues			6,308,970.34
EXPENDITURES				
5000	Instruction			
	Teachers	60.00	46,820.90	2,809,253.75
	Classroom Asst.	10.00	14,506.94	145,069.37
	Text Books			9,005.50
	Supplies			123,216.51
	Equipment			4,890.00
	Other			21,467.61
6100	Pupil Personnel Services			
	Attd and Social Wrk	1.50	56,174.01	84,261.01
	Guidance Services			
	Health Services	1.00	19,808.16	19,808.16
	Psychological Services			
	Supplies			597.00
	Equipment			0.00
	Other			0.00
6200	Instructional Media Services			
	Personnel	-	-	0.00
	Library Books			2,075.00
	Materials			0.00
	Supplies			0.00

OSCEOLA COUNTY CHARTER SCHOOL

Four Corners Charter School

Function	Forecasted Revenues & Expenditures 2011-2012		2011-2012 1062 UFTE
	Equipment		0.00
	Other		0.00
6300	Instruction and Curriculum Development Services		
	Specialists	<i>(Num of Units)</i>	<i>(Avg Salary)</i>
	Supplies		0.00
	Other		0.00
6400	Instructional Staff Training Services		4,055.00
6500	Instruction Related Technology		314,740.44
7100	Board		0.00
7200	General Administration		0.00
7300	School Administration		
	Principal	1.00	107,040.56
	Asst. Principal	1.00	69,498.41
	Other Supervisors	-	0.00
	Secretary	2.00	26,075.57
	Bookkeeper	1.00	50,884.72
	Other Assistants	1.00	34,030.46
	Supplies		3,722.98
	Equipment		0.00
	Other		42,379.46
7400	Facilities Acquisition and Construction		
	Land & Building Purchases		0.00
	Remodeling/Improvements		0.00
	Construction & Additions		0.00
	Lease/Rent		0.00
7500	Fiscal Services (Accounting & Auditing)		12,000.00
7600	Food Services		0.00
7700	Central Services		11,503.24
7800	Pupil Transportation Services		178,000.00
7900	Operation of Plant		
	Insurance		90,343.00
	Security Personnel	1.00	36,577.00
	Utilities & Telephone		304,677.02
	Security		0.00
	Other		1,395,254.26
8100	Maintenance of Plant		
	Ground Maint.		34,460.00
	Bldg Repairs & Maint.		350,025.00

OSCEOLA COUNTY CHARTER SCHOOL

Four Corners Charter School

Function	Forecasted Revenues & Expenditures 2011-2012	2011-2012 1062 UFTE
	Preventative	10,717.86
	Other	0.00
8200	Administrative Technology Services	0.00
9100	Community Services	
	<i>Before and Aftercare</i>	66,315.04
	<i>Aftercare snacks/food</i>	6,950.00
9200	Debt Service	
	Retirement of Principal	0.00
	Interest	0.00
	Dues, Fees and Issuance Costs	0.00
	Miscellaneous Expenditures	
	Normal Expenditures	6,394,969.50
ALLOCATED EXPENDITURES		
	District Holdback	69,077.13
7200	<i>General Administration</i>	100% 69,077.13
	<i>Please Select From Drop Down List</i>	0%
	<i>Please Select From Drop Down List</i>	0%
	<i>Please Select From Drop Down List</i>	0%
	Management Fee	695,965.85
7200	<i>General Administration</i>	100% 695,965.85
	<i>Please Select From Drop Down List</i>	0% 0.00
	<i>Please Select From Drop Down List</i>	0% 0.00
	<i>Please Select From Drop Down List</i>	0% 0.00
	Allocated Expenditures	765,042.97
	Total Expenditures	7,160,012.47
	Excess of Revenues Over Expenditures	(851,042.13)
OTHER FINANCING SOURCES (USES)		
3720	Loans Incurred	
	<i>(Description)</i>	0.00
	<i>(Description)</i>	0.00
3730	Proceeds from the Sale of Capital Assets	0.00
	Total Other Financing Sources (Uses)	0.00
SPECIAL ITEMS		
SPCL		
EXTRAORDINARY ITEMS		
EXTR	<i>(Description)</i>	0.00
NET CHANGE IN FUND BALANCES		(851,042.13)

BERMAN HOPKINS
WRIGHT & LAHAM

CPAS AND ASSOCIATES, LLP

8035 Spyglass Hill Road
Melbourne, FL 32940
Phone: 321-757-2020
Fax: 321-242-4844

www.bermanhopkins.com

255 S. Orange Ave. Suite 745
Orlando, FL 32801
Phone: 407-841-8841
Fax: 407-841-8849

September 15, 2011

To the Board of Directors
Four Corners Charter School

We have audited the financial statements of the governmental activities and each major fund of Four Corners Charter School (the "School") for the year ended June 30, 2011. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated April 15, 2011. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the School are described in Note A to the financial statements. As described in Note A to the financial statements, the School changed accounting policies related to Fund Balance Classification by adopting Statement of Government Accounting Standards (GASB Statement) No. 54, Fund Balance, in 2011. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements was:

Useful Lives of Capital Assets - Management's estimate of the useful life of capital assets is based on the historical asset life of School capital assets and industry standards, in order to determine the value and period of time over which individual capital assets are to be depreciated.

We evaluated the key factors and assumptions used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole.



Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

Note D - Concentrations of Revenue Sources - The School receives revenues for current operations primarily from the State of Florida through the School District of Osceola County.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated September 15, 2011.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those

statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention. During the course of our audit, we discussed the following matter:

In order for the School to be in compliance with Chapter 280, Florida Statutes, the School is required to enroll all bank account balances in the state's Qualified Public Depository program. In the event of a financial institution's default or insolvency, the program insures deposited funds are secured by the State Treasurer for payment of losses pursuant to Section 280.08, Florida Statutes.

This information is intended solely for the use of the Board of Directors and management of Four Corners Charter School and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully,

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP

BERMAN HOPKINS
WRIGHT & LAHAM

CPAs AND ASSOCIATES, LLP

8035 Spyglass Hill Road
Melbourne, FL 32940
Phone: 321-757-2020
Fax: 321-242-4844

www.bermanhopkins.com

255 S. Orange Ave. Suite 745
Orlando, FL 32801
Phone: 407-841-8841
Fax: 407-841-8849

SAS No. 114 General Instructions

The Auditor's Communication with Those Charged with Governance, SAS No. 114, applies to all nonpublic entities regardless of the entity's governance structure or size. SAS No. 114 requires that the auditors communicate audit matters that are, in their professional judgment, significant and relevant to those charged with governance in overseeing the financial reporting process.

SAS No. 114 letters are required to be distributed and reviewed by each member of the Board of Directors. Please complete the following information to acknowledge compliance with SAS No. 114:

By signing below, I hereby certify that the aforementioned SAS No. 114 letters were distributed and reviewed by each member of the Board of Directors;

Charter School: Four Corners Charter School

Signature: _____
Board President

Date: _____

Please return the completed form to Berman Hopkins Wright & LaHam, CPAs and Associates, LLP in the enclosed provided envelope. Thank you in advance for your assistance.

Respectfully,

Berman Hopkins Wright & LaHam
CPAs and Associates, LLP





To: Board Members

From: CSUSA Facilities Department

Date: October 25, 2011

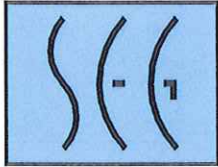
Subjects:

- (1) Building envelope corrective action
- (2) HVAC – Replace 14 bad exhaust fan motors, add speed controls to existing fans
- (3) Repair roof of kitchen walk-in kitchen freezer

The CSUSA Facilities Department is requesting approval from the Board to correct the subjects noted above and detailed within the content below and the attached information.

- (1) Insulation to correct building envelope issue – In the PK and K-5 buildings there is currently insufficient insulation in the area between the metal roof decking and the ceiling. This is allowing heat and humidity into the ceiling cavity which is creating condensation on the ductwork and equipment and allows the ducts and grilles to sweat. This was not part of the original SOW for the installation of the new chiller system but was uncovered during the installation. The requested solution is to install rigid insulation beneath the current batt insulation to create a functional vapor and thermal barrier. Additional attachments (a) Engineer's Report (b) Contractor's proposal in the amount of \$9,100.00
- (2) There are fourteen (14) bad exhaust fans and it has been recommended by Sabiston Engineering Group that speed controllers (29) be added to all existing exhaust fans to allow correct balancing of the system. Additional attachments (a) Correspondence from Sabiston Engineering (b) Contractor's proposal in the amount of \$10,048.00
- (3) The roof of the walk-in freezer is collapsing and needs to be replaced. We have received two quotes and the less expensive of the two proposals is attached in the amount of \$6,215.00. Additional attachments (a) Exterior photo (b) Contractor's proposal in the amount of \$6,215.00.

Any questions or concerns can be addressed by contacting the CSUSA Facilities Department.



September 2, 2011

Mr. Paul Hage
Charter Schools USA
6245 N. Federal Hwy, 5th Floor
Ft Lauderdale, FL 33308

RE: **Four Corners Charter School - HVAC Renovation**
SEG Project # 10021

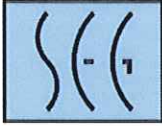
Dear Paul:

AMSCO contacted me regarding significant condensation on some grilles and ductwork in the PK and K-5 buildings at Four Corners Charter School. While working to resolve the condensation problem they identified several areas of concern in the building envelope. Yesterday, I reviewed these areas and agree with AMSCO that there are several areas where substantial heat and humidity is able to flow freely into the ceiling cavity above the conditioned spaces, resulting in the condensation issue.

The areas of concern have a horizontal thermal and vapor barrier consisting of wire mesh with batt insulation lying on top of it. The insulation does not appear to be attached, nor are the seams sealed. Some of the batt insulation is out of place, leaving large openings (approx 2' x 6') for heat and humidity to enter the indoor ceiling cavity. The areas that need to be addressed are:

K-5 Building: above the Principal's office





Charter Schools USA, (Mr. Paul Hage)

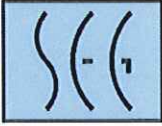
Re: Four Corners Charter School - HVAC Renovation, SEG Project # 10021
September 2, 2011, Page 2 of 3

K-5 Building: Above Workroom 107 (next to the principal's office)



PK Building: above the Principal's office





Charter Schools USA, (Mr. Paul Hage)

Re: Four Corners Charter School - HVAC Renovation, SEG Project # 10021
September 2, 2011, Page 3 of 3

PK Building: 12" x 10' strip above the Lobby entrance doors.



To create an adequate thermal and moisture barrier, I recommend having AMSCO move the existing batt insulation, install a layer of Densglass sheathing on top of the existing structural supports, tape the seams, then reinstall the batt insulation on top of the Densglass and secure it.

I have asked AMSCO to provide pricing for this work and will forward it to you upon receipt.

Please contact me with any questions regarding this information.

Sincerely,

Donald J. Sabiston, P.E.
President

Ewing's Contracting Services, Inc.

537 Strathclyde Court
Apopka, FL 32712

Proposal

Phone 321-229-7408
Fax 407-880-8313

September 19, 2011

To: Sabiston Engineering
Attn: Don Sabiston
Job Name: Four Corners Charter School
Location: Davenport, FL

Ewing's Contracting is pleased to submit the following proposal to perform the insulation requirements at the above-mentioned project in accordance with the following scope of work based off of site inspection.

Scope of Work & Proposed Price of Job

Board: 1" Thick board insulation provided and installed by ECS at roof deck in 2 areas (Pre K and K-5) to establish vapor barrier in order to prevent condensation. Price includes 2,650 sq. ft. of insulation secured into place with glue pins and washers. All seams will be taped with FSK tape. Price also includes replacing the damaged ceiling tiles and cleaning the stained light fixtures in just these areas.

Exclusions: Any work not mentioned above including any additional square feet of insulation.

Total Proposed Price of Job: \$9,100

Thank you for choosing Ewing's Contracting Services, Inc.

Estimator: James Ewing

Approved By: _____

Approval Date: _____

Johns, Frank

From: Don Sabiston <don@sabistonengineering.com>
Sent: Monday, September 26, 2011 3:34 PM
To: Johns, Frank
Cc: Hage, Paul; Cappola, Dan
Subject: FW: Four Corners
Attachments: change order10 revised exhaust fan replacement add speed controls.PDF

Frank,
AMSCO's proposal is attached to replace 14 bad exhaust fan motors and add speed controls to the existing fans for balancing. The speed controls were shown on the original construction documents for the campus, but apparently were not installed.

I recommend accepting this proposal.
Please let me know if you would like to discuss this issue further.

Also, have you made a decision regarding the building envelope work?

Donald J. Sabiston, P.E.
President
Sabiston Engineering Group, Inc.
Ph: 407.884.6769, Fx: 407.884.6764
don@sabistonengineering.com

From: Fred Bass [mailto:fbass@amsco-ac.com]
Sent: Monday, September 26, 2011 2:46 PM
To: Don Sabiston
Subject: Four Corners

Don , here is the motor(s) replacement ans speed controls add from our service department. Change Order 10.

Fred



September 26, 2011

Mr. Don Sabiston
Sabiston Engineering Group INC.
339 Kentucky Blue Cr.
Apopka, FL 32712

**RE: Four Corners Charter School Speed Controls for existing Exhaust Fans, replace failed fan motors
Change Order 10 Revised**

Don,

Attached is Change Order 10 proposal by our service department for the above referenced work. To procure replace the motors, procure and install the speed controls. The total cost being: \$10,048.00

Please advise as to proceed.

Regards,

Fred Bass

Fred Bass
Senior Project Manager
Air Mechanical & Service Corporation
325 Anchor Road
Casselberry, FL 32707
Senior Project Manager
407-699-0454 Bus.
321-354-4000 Cell

325 Anchor Road
Casselberry, Florida
407-699-0454 Phone
407-699-0690 Fax

4311 W. Ida Street
Tampa, Florida 33614
813-875-0782 Phone
813-873-2275 Fax

2700 Avenue of the Americas
Englewood, Florida 34224
941-475-3715 Phone
941-475-3725 Fax



AIR MECHANICAL & SERVICE CORP.

325 Anchor Rd.
Casselberry, FL 32707
P. 407-699-0454 F. 407-699-0590

PROPOSAL

Date: 9-26-11
Proposal Submitted to: Fred Bass
Attention: Don Sabiston

Air Mechanical & Service Corporation proposes to complete the following:
Miss. A.D. MTR's & 33 SPEED CONTROL'S

- The above work will be performed during the following hours listed below:
- 7:00 AM to 4:30 PM Monday - Friday
 - Weekends
 - After Hours

- Work Excludes the following:
- Electrical
 - Concrete
 - Painting & Patching Drywall
 - Roofing
 - Controls

Scope of Work: INSTALL 39 SPEED CONTROL'S & 14 DIRECT DRIVE MTR'S

We hereby propose to furnish material and labor - complete in accordance with the above specifications for the sum of: 10,048⁰⁰ with payments be made as follows: NET 30

Any alteration or deviation from above specifications involving extra costs will be executed only upon written order, and will become an extra charge over and above the estimate. All agreements contingent upon accidents or delays beyond our control.

Respectfully submitted by: Vinnie Noffleo, Service Manager
Cell Phone: 321-231-0371

Note: This proposal may be withdrawn by us if not accepted within _____ days.

The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified.

Acceptance of Proposal

Signature _____ E-mail Address: _____
Date of Acceptance _____



FERRAN SERVICES & CONTRACTING INC.

ORLANDO
(407) 422-3551 · FAX # (407) 648-0961

CONTRACT

PORT ORANGE
(386) 322-6168 · FAX # (386) 322-2259

This Agreement, between Ferran Services & Contracting, Inc.

530 Grand Street, Orlando, FL 32805 4420 Eastport Park Way, Port Orange, FL 32127,

Hereinafter called the Seller, and FOUR CORNERS CHARTER SCHOOL, hereinafter called the Purchaser, provides for the following equipment and materials to be furnished and installed by the seller, at work location 9100 TEACHERS LANE in premises owned by (name) _____ (address) DAVENPORT, FLA 33897

ATTENTION: DAN CAPPOLA

FURNISH LABOR AND MATERIALS TO REPAIR KOLPAK WALK N COOLER/FREEZER, S # 01E0995

WORK SCOPE :

- * REMOVE AND REPLACE FREEZER SECTION (ONLY) CEILING
- * REMOUNT EVAPORATOR COIL
- * REMOUNT ELECTRICAL LIGHT
- * RECONNECT CONDENSATE DRAIN LINE
- * DEHYDRATE AND RECHARGE REFRIGERANT SYSTEM
- * CHECK SYSTEM FOR PROPER OPERATION

THANK YOU FOR YOUR CONSIDERATION:

* VIA FAX

For the above work the Purchaser agrees to pay the Seller the total sum of \$ 6,215.00, payable as follows:

A down payment upon signing of this agreement,	of _____ % = \$ _____
A progress payment, upon _____	of _____ % = \$ _____
A progress payment, upon _____	of _____ % = \$ _____
A final payment, upon <u>NET 30 DAYS UPON COMPLETION</u>	of <u>100</u> % = \$ <u>6,215.00</u>

This proposal will expire if not accepted by the Purchaser by 4:00 p.m. on NOVEMBER 10th 2011

Acceptance shall be effective upon receipt of Seller.

Unpaid balances will be additionally charged a 11/2% monthly service charge as detailed on the back. (The **General Conditions and Warranties on the reverse side are part of this agreement and the Purchaser agrees that he has read, and understands, these provisions before signing).**

In consideration of the sale, delivery or installation of the above described materials, the undersigned guarantees payment of the amounts contained herein.

Accepted this _____ day of _____ 20____, by _____ for Purchaser.

Purchaser Work Phone 407-787-4300 Home Phone VIA FAX, 407-902-8523

Proposed this 11th day of OCTOBER 2011, by DAVID CURRY, A/C MANAGER for Seller.

CERTIFIED Air Conditioning CONTRACTOR
CAC01 0842

CERTIFIED Plumbing CONTRACTOR
CFC 050579

CERTIFIED ELECTRICAL CONTRACTOR
EC 13003653

Ferran Services & Contracting, Inc., is committed to equal employment opportunity. We do not discriminate against employees or applicants for employment on any legally-recognized basis including, but not limited to: veteran status, race, color, religion, sex, marital status, national origin, physical or mental disability and/or age or sexual orientation.....

**FOUR CORNERS CHARTER SCHOOL
MS. DENISE THOMPSON**

The Board of Directors' School Report

Date: October 25, 2011

I. Enrollment (September)

	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Total Enrollment-Elementary	663	693									
Total Enrollment-MS	366	370									
Enrollment – Osceola Cty	155	154									
Enrollment – Lake County	245	223									
Enrollment – Polk County	626	673									
Budgeted Enrollment	986	986									
% in Attendance	95	97									
# of Student Withdrawals	22	17									
# of Suspensions	0	0									

II. Reasons For Withdrawal:

	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Moving Out of Area	20	17									
Curriculum											
Sport/ExtraCurricular											
Transportation/Busing	1										
Uniforms											
Not Satisf w Teacher											
Not Satisf w Adminis											
Volunteer Hours											
Discipline											
Other: Please indicate why:											
1. homebound	1										
2.											
3.											

III. Staffing Update

	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
# of New Staff	10	1									
Grade & Subject Area of Open Positions:	Fully staffed										
Reasons for Leaving:											
Additions Since Last Report:	1										

Leadership Training/Leading Edge Update: <i>Participation:</i> <i>Names:</i> <i>Position:</i>	Krista Holycross, Jesi Cartagena Ken Toppin, Jennifer Reagan, Joe Childers, Karima Ezzair. 3 rd Grade Team Lead, Kindergarten Team Lead, Assistant Principal, Curriculum Specialist, Middle School Math, TLC
Other:	

IV. School Update

School Site Visit:	Next Date: Fidelity Check Nov. 18, 2011
Monthly Updates on School Improvement Plan/Strategic Plan <i>Date & Agenda of Last SAC Mtg:</i> <i>Professional Dev Topics for the Month:</i>	SAC- October 11, 2011 Discussed Benchmark one, SAC breakout sessions attended at county, available opportunities through the Osceola Foundation. Professional Development - Prescriptions, Differentiated Instruction, RTI
Other:	
Other:	

V. Facility Update

Cleaning:	Routine Cleaning, Pressure Washing, Replacing Tiles
Maintenance:	Routine Repairs
Building:	New Water Fountain installed, Plastered and painted around promethean boards
Outdoor Areas:	mulch
Other:	

VI. School/PTO/Community Activities (Highlight any school and/or community activities held that would significantly impact the board)

Event: Masquerade Ball (4th	Oct. 20
Event: Book Fair	Oct. 21-28
Event: Family Movie Night	Oct. 28
Event: Open House	Oct 25
Event: middle school 80's dance	Oct. 31
Event: Multicultural Night	Nov. 10th

VII. Technology

Technology Improvements(new equip; new software; SIS, etc):	Doc Cams installed, SIS upgrades
Technology Concerns:	Need 5 more promethean boards (kindergarten does not have them)
Other:	

VIII. Reports Specific To This Month (This will vary month to month)

Sept.	
Student Enrollment: 1062	Recommits: New Enrollment: 230 Wait List: 434
Other:	