



Board of Directors' Meeting

**Wednesday, October 5, 2016
10:00 AM**



Four Corners Charter School, Inc. Board of Directors' Meeting

Wednesday
October 5, 2016 | 10:00 a.m.
School District of Osceola County
817 Bill Beck Blvd | Finance Conference Room
Kissimmee, FL 34744



Agenda

Call to Order
Roll Call

- I. **Administrative**
 - Approval of September 14, 2016 Minutes
- II. **CSUSA Reports**
 - School Progress Report
 - School Event Calendar
- III. **New Business**
 - School Improvement Plan
 - ESOL/Out of Field Waivers
- IV. **Old Business**
- V. **Financials**
 - Osceola – Audit for FCCS/FCCS Inc.
- VI. **Public Comments**
- VII. **Adjournment**

◀ **Next Meeting: TBD** ▶

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I. ADMINISTRATIVE

Approval of Board Minutes

- Informational
- For Discussion
- For Action

Notes:

MEETING MINUTES

Name of Foundation: Four Corners Charter School, Inc.
Board Meeting: Wednesday, September 14, 2016
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:
September 14, 2016	10:19 A.M.	10:59 A.M.	October 5, 2016	10:00 A.M.	K. Smith
Meeting Location:					
Four Corners Charter School, 9100 Teacher Lane, Davenport, FL 33837					

Attended by:	
Board Members: Jim Miller, Director Jay Wheeler, Director Marc Dodd, Director Absent: Clarence Thacker, Chairman Kelvin Soto, Director	Other Attendees: Denise Thompson, Principal, Four Corners Charter School Kimberly Linden, Parent Liaison, Four Corners Charter School Dr. Sonia Esposito, Exec Director-Charter Schools, Osceola School District, Osceola County School Board Cherish Benedict, Esq., Assistant Board Attorney Angela Barner, Sr. Accountant, Osceola School District Lechyana Knight, Manager, Financial Planning & Analysis, CSUSA Debra Leite, Financial Analyst, CSUSA Keisha Smith, Director of Board Governance, CSUSA

CALL TO ORDER

Pursuant to public notice, the meeting commenced at 10:19 a.m. with a Call to Order by Board Director Jay Wheeler. Roll call was taken and quorum established.

I. ADMINISTRATIVE

Approval of August 2, 2016 Minutes

The board reviewed the minutes of the August 2, 2016 meeting.

MOTION: Motion was made by Jim Miller and seconded by Marc Dodd to approve the minutes of the August 2, 2016, Four Corners Charter School, Inc. Board Meeting. Motion was approved unanimously. (3-0).

II. CSUSA REPORTS

FY15-16 Academic Review for FCCS-Elementary

- Principal Denise Thompson presented the Four Corners School Academic Review, and discussed with the Board the current enrollment and open seats.

FY15-16 Parent and Staff Survey Results

- Principal Denise Thompson presented the Four Corners School FY15-16 Parent and Staff Survey Results. All questions were answered by Principal Thompson.

III. NEW BUSINESS

FCCS Board Meeting Dates

- The Board reviewed and discussed their next meeting date by consensus is October 5, 2016 at 10:00 a.m. at the Osceola School District Office.

IV. OLD BUSINESS

- There was no old business

V. FINANCIALS

CSUSA – FY16 Year End Financials for FCCS

- Debra Leite presented the CSUSA FY16 Year End Financials for FCCS, and all questions were answered by Ms. Leite.

MOTION: Motion was made by Marc Dodd and seconded by Jim Miller to approve the CSUSA FY16 Year End Financials for Four Corners Charter School. Motion was approved unanimously. (3-0).

VI. PUBLIC COMMENTS

There were no Public Comments

VII. ADJOURNMENT

Board Director, Jay Wheeler adjourned the Four Corners Charter School, Inc. Board Meeting at 10:59 p.m. September 14, 2016.

Clarence Thacker, Chairman

Date: _____

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II. CSUSA REPORT

School Progress Report

- Informational
- For Discussion
- For Action

Notes:

FCCS		Historical Performance					Current Year Performance & Goals					
		2014-2015			2015-2016		2016-2017			Goals		
Profile		K-5			K-5		K-5					
	% FRL	64%			67%							
	% Minority	65%			67%							
State Account.	School Grade	A			C						A	
	Reading/ELA	63%			55%					61%		
	Mathematics	60%			51%					55%		
	Science	48%			45%					51%		
Academic Excellence NWEA	Reading Achievement	Fall	Winter	Spring	Fall	Winter	Spring	Fall	Winter	Spring	64%	
		37%	52%	65%	26%	39%	60%					
		27%	12%		36%	16%						
	Reading Growth											70%
			54%	53%	55%	43%	51%					
Mathematics Achievement											62%	
	19%	35%	59%	11%	28%	56%						
	30%	16%		44%	24%							
Mathematics Growth											73%	
		51%	49%	41%	46%	48%	44%					
			54%	66%	58%	49%	51%					
Growth	Enrollment	1,050			1,057		1,057			1,057		
		1,072	1,073	1,061	1,057							
	Withdrawal						9					
	Wait List						18					
Financial Health Fund Balance	Cumulative	\$712,379			\$1,281,066							
	Budgeted Actual	(\$379,232) (\$91,631)			(\$264,655) \$553,514							
	Variance	\$287,601			\$818,169							
Culture of Excellence	Leadership (S)	Fall	Spring	Fall	Spring	Fall	Spring	76%				
		97%	96%	93%	90%							
	Parent Loyalty (P)	83%	81%	69%	56%							
		97%	96%	89%	89%							
	Staff Loyalty (S)	68%	62%	42%	44%							
97%		97%	89%	92%								
Workforce Engagement (S)	86%	78%	72%	58%								
	96%	98%	92%	92%								
Operational Performance	Safe/Orderly Environment (P)	85%	81%	67%	56%							
		96%	97%	91%	N/A							
	School Level Factors (P)	59%	51%	40%								
Parent Response %	Fall	Spring	Fall	Spring				>25%				
	95%	95%	89%	89%								
Staff Response # %	54%	48%	36%	35%				>50%				
	23%	16%	26%	25%								

Governing Board
Four Corners Charter School, Inc.

Charter Authorizer
Osceola County Public Schools

% of students proficient based on the state accountability exam

NWEA Achievement

- % at Spring Target
- % at Seasonal Target
- % Not on Grade Level
- 50th Percentile - National Norm

NWEA Growth

- ↑ >75% Above Norm
- ↗ 50-74% Above Norm
- ↘ 25-49% Below Norm
- ↓ <25% Below Norm

% of students meeting the average or normative growth targets

Enrollment

- Meeting Target
- Near Target
- Not Meeting Target

Fund Balance

- Favorable to Budget
- N/A

Survey Results

Goal is set for Strongly Agree.

TA %
SA %

TA = Total Agree
SA = Strongly Agree

- SA Above 40%
- SA 30-40%
- N/A

S = Staff Survey
P = Parent Survey
% = Page 7 of 127
= Count

FCCS 2016-17 School Specific Initiatives

Initiatives	KIOs
Increase instructional minutes for lowest 25% in Reading, Math & Science	To increase Learning Gains – ELA & Math To increase Proficiency – ELA, Math & Science
Provide small group instruction for all level 1 & 2 students utilizing Voyager to improve math fluency	To increase Proficiency - Math
Utilize other instructional software programs such as TTM, Reading Plus & Lexia with fidelity	To increase Proficiency – ELA, Math & Science
Expand tutoring for before and after school as well embedded time within the school day	To increase Learning Gains – ELA & Math
Implement monthly staff and student recognition programs to build a positive culture	To increase Staff & Student Loyalty & Staff Workforce Engagement
Effective implementation of CHALK program	To increase Teacher Effectiveness
Develop a Substitute Teacher University	To increase Teacher Effectiveness and Staff workforce Engagement

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II. CSUSA REPORT

School Event Calendar

- Informational
- For Discussion
- For Action

Notes:

PTC AGENDA

Four Corners Charter Elementary School

September 20, 2016 | 6 pm

Item	Owner
Welcome	Heather Reed Guay
Introductions	
<u>Recap</u> : What is PTC? Membership Dues; Communication Efforts	
Volunteering – Meeting Your Requirements	Rebecca Aydelott
<u>Collection Items</u> :	
<ul style="list-style-type: none">Box Tops, Capri Sun, Coke Rewards, Ink Cartridges, Pop Tabs, Shoparoo, Sunny D labels, Tyson A+ (64)	Rachel Cohen Deborah Gordon
<u>PTC Initiatives This Year</u> :	Heather Reed Guay
<ul style="list-style-type: none">Valance for the Back Wall of Stage – \$575 quote from Hile’sBasketball Court (shade cover) - \$60,000 estimateiPad Mini with protective case for Art/Artsonia - \$300Purple and Green Lanyards with Sleeves for Music - \$70Little Passports for 2nd Grade - \$714	
<u>Business Partner</u> : Bow-Ties Children’s Salon	Alexis Mackenzie
<u>Upcoming Fundraisers</u> :	
<ul style="list-style-type: none">Cookie Dough & More – Monday, 9/26 through Friday, 10/7Carrabba’s Presale TicketsJamerry Products (on-going; info in offices)	Heather Reed Guay Tione Kalafian Julie Candiotti
<u>Volunteer Opportunity</u> : Garden Refresher, Sunday, 9/25 , 10:00 am	Mrs. Berner
<u>Important Dates in October</u> :	
<ul style="list-style-type: none">Fall Pictures – Friday, 10/7NO SCHOOL – Friday, 10/14 and Monday, 10/17Fall Book Fair – Thursday, 10/27 through Friday, 11/4Carrabba’s Family Night – Friday, 10/28	Victoria Underhill Tione Kalafian
Question & Answer Session	Heather Reed Guay
Adjournment	Heather Reed Guay

Next PTC Meeting: Tuesday, 10/18, 6 pm

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III. NEW BUSINESS

School Improvement Plan

- Informational
- For Discussion
- For Action

Notes:

School District of Osceola County, FL

Four Corners Charter School



2016-17 School Improvement Plan

Four Corners Charter School

9100 TEACHER LN, Davenport, FL 33897

www.osceola.k12.fl.us

School Demographics

School Type and Grades Served (per MSID File)	2015-16 Title I School	2015-16 Economically Disadvantaged (FRL) Rate (As Reported on Survey 3)
Elementary School KG-5	No	67%
Primary Service Type (per MSID File)	Charter School	2015-16 Minority Rate (Reported as Non-white on Survey 2)
K-12 General Education	Yes	67%

School Grades History

Year	2015-16	2014-15	2013-14	2012-13
Grade	C	A*	A	A

**Informational Baseline School Grade*

Note: The school grades calculation was revised substantially for the 2014-15 school year to implement statutory changes made by the 2014 Legislature and incorporate the new Florida Standards Assessments. The 2014-15 school grades serve as informational baseline data that schools can use to improve in future years.

School Board Approval

N/A

SIP Authority and Template

Section 1001.42(18), Florida Statutes, requires district school boards to annually approve and require implementation of a school improvement plan (SIP) for each school in the district.

The Florida Department of Education (FDOE) SIP template meets all statutory and rule requirements for traditional public schools and incorporates all components required for schools receiving Title I funds. This template is required by State Board of Education Rule 6A-1.099811, Florida Administrative Code, for all non-charter schools with a current grade of D or F, or with a grade of F within the prior two years. For all other schools, the district may use a template of its choosing. All districts must submit annual assurances that their plans meet statutory requirements.

This document was prepared by school and district leadership using the Florida Department of Education's school improvement planning web application located at <https://www.floridacims.org>.

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Purpose and Outline of the SIP

The SIP is intended to be the primary artifact used by every school with stakeholders to review data, set goals, create an action plan and monitor progress. A corollary at the district level is the District Improvement and Assistance Plan (DIAP), designed to help district leadership make the necessary connections between school and district goals in order to align resources. The Florida Department of Education encourages schools to use the SIP as a “living document” by continually updating, refining and using the plan to guide their work throughout the year. This printed version represents the SIP as of the “Date Modified” listed in the footer.

Part I: Current School Status

Part I organizes the current status of the school around five domains inspired by the 5Essentials framework: Supportive Environment, Family and Community Involvement, Effective Leadership, Public and Collaborative Teaching, and Ambitious Instruction and Learning. Questions regarding the school’s Multi-Tiered System of Supports have been embedded throughout this part to demonstrate how data is used by stakeholders to understand the needs of all students and allocate appropriate resources in proportion to those needs.

Part II: Needs Assessment

Part II requires the school to review performance and early warning systems data in order to develop strategic goals and associated data targets (i.e., “SMART goals”) for the coming school year in context of the school’s greatest strengths and needs. An online tool was developed, which includes data visualizations and processing questions to support problem identification, problem analysis and strategic goal formulation.

Part III: 8-Step Planning and Problem Solving for Implementation

Part III enables the school to develop implementation plans for its highest-priority goals. With the overview of the current state of the school in mind and the strategic goals identified through the needs assessment, the planning team engages in a facilitated planning and problem-solving process, through which they

- Define strategic goals and establish targets to be reached by successfully achieving the goals (Step 1)
- Identify resources available to support the goals and barriers that could hinder achieving those goals (Step 2)
- Select high-priority barriers they want to address initially (Step 3)
- Design implementation and monitoring plans for strategies to resolve selected barriers (Steps 4-7)
- Determine how they will monitor progress toward each goal (Step 8)

Appendices

The following appendices, automatically-generated from content entered in Part III, are included in this document:

- Appendix 1 is a timeline of all action steps and monitoring activities
- Appendix 2 is an outline of all professional development opportunities and technical assistance items
- Appendix 3 is a report of the budget needed to implement the strategies

Differentiated Accountability

Florida's Differentiated Accountability (DA) system is a statewide network of strategic support, differentiated by need according to performance data, and provided to schools and districts in order to improve leadership capacity, teacher efficacy and student outcomes. DA field teams collaborate with district and school leadership to design, implement and refine improvement plans, as well as provide instructional coaching, as needed.

DA Regions

Florida's DA network is divided into five geographical regions, each served by a field team led by a regional executive director (RED).

DA Categories

Traditional public schools are classified at the start of each school year, based upon the most recently released school grades (A-F), into one of the following categories:

- Not in DA – currently A or B with no F in prior three years; charter schools; ungraded schools
- Monitoring Only – currently A or B with at least one F in the prior three years
- Focus – currently D
 - Planning – two consecutive grades of D (i.e., DD), or a grade of F immediately followed by a grade of D in the most recent grades release (i.e., FD)
 - Implementing – two consecutive grades of D in the most recent grades release preceded by a grade below C (i.e., FDD or DDD)
- Priority – currently F
 - Planning – declined to a grade of F in the most recent grades release and have not received a planning year or implemented a turnaround option during the previous school year
 - Implementing – two consecutive grades of F (i.e., FF), or three consecutive grades below C with an F in the most recent grades release (i.e., FDF or DDF)

DA Turnaround and Monitoring Statuses

Additionally, schools in DA are subject to one or more of the following Turnaround and Monitoring Statuses:

- Former F – currently A-D with at least one F in the prior three years; SIP is monitored by FDOE
- Planning – Focus Planning and Priority Planning; district is planning for possible turnaround
- Implementing – Focus Implementing and Priority Implementing; district is implementing the Turnaround Option Plan (TOP)

2016-17 DA Category and Statuses

DA Category	Region	RED
Not In DA	Southeast	Gayle Sitter
Former F	Turnaround Status	
No	None	

I. Part I: Current School Status

A. Supportive Environment

1. School Mission and Vision

a. Provide the school's mission statement

Four Corners Charter School will provide students with the necessary tools and skills needed to develop superior levels of achievement. We will strive for academic, social and physical excellence by providing a quality and challenging curriculum. We will promote positive moral and social values, foster an atmosphere of self-discipline in a safe learning environment, and maximize individual productivity to meet the needs of a changing global society. Four Corners Charter School students will be able to maximize their potential for successfully actualizing their goals with confidence and intrinsic motivation, thereby enabling each student to become a lifelong learner and strong functional contributor to their local community as well as their global community.

b. Provide the school's vision statement

To have an innovative hands-on environment where all children can learn, want to learn, and experience success.

2. School Environment

a. Describe the process by which the school learns about students' cultures and builds relationships between teachers and students

FCCS has morning meetings in the elementary school. During these meeting sessions, discussions and activities are conducted around character, discipline, academics, and social skills. The goals of these meetings are to build relationships and foster a respectful culture within our school family.

b. Describe how the school creates an environment where students feel safe and respected before, during and after school

FCCS participates in the Osceola County Stop Bullying program. Information is provided to our school for teachers, students, parents, and stakeholders that explains the importance of a safe school environment. We also bring in a representative from the Osceola County Sheriff's Department to conduct assemblies on Cyberbullying and Bullying in general. This program is monitored throughout the year to ensure implementation with fidelity.

c. Describe the schoolwide behavioral system in place that aids in minimizing distractions to keep students engaged during instructional time. This may include, but is not limited to, established protocols for disciplinary incidents, clear behavioral expectations, and training for school personnel to ensure the system is fairly and consistently enforced

Responsive Classroom will be instituted in our elementary school. This program streamlines the discipline process and allow students to actively participate in the behavioral process. This encourages ownership for undesired behaviors and alternatives to navigate through different emotions. Positive reinforcement and reflection techniques are emphasized with logical consequences. Teacher are taught how to use appropriate language with students to diffuse potentially volatile situations. Training was provided on both programs to our faculty during our returning teacher orientation. The Osceola County behavioral matrix is followed for all referrals if needed.

d. Describe how the school ensures the social-emotional needs of all students are being met, which may include providing counseling, mentoring and other pupil services

Responsive Classroom has a social-emotional component embedded within the program. Groups are conducted around various social-emotional issues as the need arises. Our student services coordinator has partnered with different organizations to assist families in transition or those in need of basic necessities. We also have peer mediation to provide students with various social-emotional perspectives.

3. Early Warning Systems

The school's response to this section may be used to satisfy the requirements of 20 U.S.C. § 6314(b)(1)(B)(ii)(III), (b)(1)(B)(iii)(I), and (b)(1)(I).

a. Describe the school's early warning system and provide a list of the early warning indicators used in the system

FCCS uses Powerschool to track attendance. We receive a monthly update through the Osceola County system in regards to our attendance percentage. Administration monitors appropriate attendance trends. Unsatisfactory trends prompt a call and a letter home to the parents to enlighten them on the expectations of attendance and its association with academic achievement. Individual behavior plans are set up with students that receive a suspension. Goals and incentives are put in place to improve behavior. School Data is reviewed and all level 1 students receive appropriate academic remediation to close the learning gaps via computer-based learning or intensive instruction.

b. Provide the following data related to the school's early warning system

1. The number of students by grade level that exhibit each early warning indicator:

Indicator	Grade Level												Total	
	K	1	2	3	4	5	6	7	8	9	10	11		12
Attendance below 90 percent	3	2	2	0	3	2	0	0	0	0	0	0	0	12
One or more suspensions	1	1	0	1	0	1	0	0	0	0	0	0	0	4
Course failure in ELA or Math	0	0	7	8	2	0	0	0	0	0	0	0	0	17
Level 1 on statewide assessment	0	0	0	28	41	40	0	0	0	0	0	0	0	109

The number of students identified by the system as exhibiting two or more early warning indicators:

Indicator	Grade Level												Total	
	K	1	2	3	4	5	6	7	8	9	10	11		12
Students exhibiting two or more indicators	0	0	1	1	0	1	0	0	0	0	0	0	0	3

c. Describe all intervention strategies employed by the school to improve the academic performance of students identified by the early warning system

The intervention Strategies we use are:
 -Computer- Based Remediation using Think Through Math, Reading Plus, Voyager, Lexia Core 5 and Plato.
 Supplemental program use in the elementary.
 -Schoolwide needs based tutoring

B. Family and Community Engagement

The school's response to this section may be used to satisfy the requirements of 20 U.S.C. § 6314(b)(1)(B)(iii)(I)(aa).

1. Describe how the school works at building positive relationships with families to increase involvement, including efforts to communicate the school's mission and vision, and keep parents informed of their child's progress

Title I schools use the Parent Involvement Plan (PIP) to meet the requirements of 20 U.S.C. § 6314(b)(1)(F).

a. Will the school use its PIP to satisfy this question?

No

1. PIP Link

The school completes a Parental Involvement Plan (PIP), which is available at the school site.

2. Description

Our goal is to increase our parental involvement by 30 % this year.

2. Describe the process by which the school builds and sustains partnerships with the local community for the purpose of securing and utilizing resources to support the school and student achievement

The school leadership team, along with the school volunteer coordinator and business partner liaison work together to build partnerships with stakeholders outside of the school. The business partner liaison has added new business partners who have graciously donated time, instructional supplies and student incentives to motivate and reward student achievement. Community members and business partners are invited to these events to see the amazing things taking place at Four Corners Charter School. It also provides local businesses the opportunity to share their information with parents and other community members.

C. Effective Leadership

The school's response to this section may be used to satisfy the requirements of 20 U.S.C. § 6314(b)(1)(H).

1. School Leadership Team

a. Membership

Identify the name, email address and position title for each member of the school leadership team.:

Name	Title
Thompson, Denise	Principal

b. Duties

1. Describe the roles and responsibilities of the members, including how they serve as instructional leaders and practice shared decision making

Baseline Data: NWEA Benchmark testing, FAIR, and FSA are used for Reading, Mathematics, Science and Writing. A Functional Behavior Assessment is conducted through observation. Data, which includes frequency;duration; and on-task behavior is collected if there is a behavior concern.

Progress Monitoring: Academic- PMRN, Individual Tracking Sheets, Edmentum Programs, and specific content area testing.

Behavior- Behavior Intervention Plan is used to monitor and track undesired behaviors.

Midyear: Academic- FAIR, Benchmarks Behavior- Contingent upon severity of behavior. Might include continous tracking of behavior or referral for testing.

End of the Year: Academic - FAIR, NWEA Evaluation of data and determination of continuation of FUBA-BIP

2. Describe the process through which school leadership identifies and aligns all available resources (e.g., personnel, instructional, curricular) in order to meet the needs of all students and maximize desired student outcomes. Include the methodology for coordinating and supplementing federal, state and local funds, services and programs. Provide the person(s) responsible, frequency of meetings, how an inventory of resources is maintained and any problem-solving activities used to determine how to apply resources for the highest impact

The team will focus and be centered around reviewing data and problem solving to accurately make decisions for at risk students. Team will meet weekly to collaborate on instructional resources, share what worked for them, and decide on the next approach in each individual student plan for success. This will ensure consensus and create a cohesive MTSS/RTI Leadership Team.

We follow the Osceola County School District guidelines for "Free and Reduced Lunch." As of 2013, we provide free breakfast for all students, as mandated by the school district. Cafeteria is managed by Osceola County School District. Our manager facilitates grade level nutritionally outlined activities which stress the importance of a healthy and balanced diet.

2. School Advisory Council (SAC)

a. Membership

Identify the name and stakeholder group for each member of the SAC.:

Name	Stakeholder Group
Denise Thompson	Principal
Joe Childers	Education Support Employee
Tione Kalafian	Parent
Mick Kalafian	Business/Community
Chiara Haynes	Teacher
	Student

b. Duties

1. Provide a description of the SAC's involvement with the following activities, as required by section 1001.452(2), Florida Statutes

a. Evaluation of last year's school improvement plan

The 2015-2016 SIP for Four Corners Charter School identified areas of focus for the school year. The teachers and staff worked tirelessly to follow the action plan set forth in the SIP. FCCS expanded from a K-8 with 1070 students to a K-5 with the same number of students. This created an influx of new students as well as teacher shortages in critical areas. In the end, Four Corners received the 5 Star School Award. The overall school grade went down from an A to a C for the 2015-2016 school year.

b. Development of this school improvement plan

SAC assists the principal with the school's annual budget, improves the expenditure of school improvement funds, advertises the final draft of the SIP, supports school improvement implementation, collects and analyzes information about the community/school, receives public input regarding needs of the school, provides school with ongoing reviews of the progress, adheres to the Sunshine Law, decides jointly with the staff how the "A" money is distributed, and reviews relevant data to identify problem areas.

c. Preparation of the school's annual budget and plan

The school's annual budget is created by the Charter Schools USA finance team. The budget is then reviewed with the principal. Adjustments are made according to the needs of the school for the upcoming year. The budget is presented to the Four Corners Charter School Board of Directors for approval.

2. Describe the use of school improvement funds allocated last year, including the amount budgeted for each project

No funds generated.

3. Verify that the school is in compliance with section 1001.452, Florida Statutes, regarding the establishment requirements and duties of the SAC

Yes

a. If the school is not in compliance, describe the measures being implemented to meet SAC requirements

3. Literacy Leadership Team (LLT)

a. Membership

Identify the name and position title for each member of the school-based LLT or similar group, if applicable.:

Name	Title
Thompson, Denise	Principal

b. Duties

1. Describe how the LLT or similar group promotes literacy within the school, if applicable

The LLT is continuing the implementation of the Wonders Curriculum for grades 3 through 5. The LLT is also focused on implementation of the online programs Reading Plus and Lexia Core 5. These adaptive programs work to meet the needs of the students on an individualized level. They provides pretests and post-tests to effectively gauge student success. Students will be given reading materials based on their initial grade level report from the pretest. The content selections will be based on the interest of the students. Also, the reading coach will be focused on effectively monitoring reading fluency to help increase reading comprehension. Finally, the LLT will be monitoring the schoolwide reading challenge, and ensure that we meet 100% participation.

D. Public and Collaborative Teaching

The school's response to this section may be used to satisfy the requirements of 20 U.S.C. § 6314(b)(1)(D).

1. Describe the school's strategies to encourage positive working relationships between teachers, including collaborative planning and instruction

Culture is a key component at Four Corners Charter School. The school leadership teams works hand in hand with the teachers and other staff members to express the importance of collaborative planning and instruction. The foundation of this cultural drive is that the staff members at Four Corners Charter School know that student success is the ultimate goal, and the only way to achieve this goal is to work collaboratively. Elementary teachers implement team lesson planning, where the teachers bounce ideas off one another in order to create the most effective plan of action. Each teacher has their own area of expertise, and the school leadership team empowers teachers to take leadership roles in said areas. These teacher leaders help drive the collaborative environment throughout the school.

2. Describe the school's strategies to recruit, develop and retain highly qualified, certified-in-field, effective teachers to the school

We collaborate with our HR department and hold various hiring fairs to determine highly qualified status. We also have partnerships with universities in proximity to the school. Students interns are paired with teachers who have completed a Clinical Educator's training course. Effective teachers receive additional compensation for their performance. Our Recruitment team and Talent and Acquisition department are responsible for recruitment. The principal is the person responsible for retaining teachers.

3. Describe the school's teacher mentoring program, including the rationale for pairings and planned mentoring activities

Our mentoring program was developed to provide assistance and clarification with:

- classroom management ideas
- lesson planning questions
- powerschool or gradebook help
- data analysis questions
- examples of how to use Benchmark/FAIR/ or any Assessment scores effectively in the classroom
- megabinder questions
- school procedures and protocol questions
- basically helping out in anyway possible

Mentors and Mentees were paired based on grade level and subject area expertise.

E. Ambitious Instruction and Learning

1. Instructional Programs and Strategies

a. Instructional Programs

1. Describe how the school ensures its core instructional programs and materials are aligned to Florida's standards

Thorough background research is conducted before any instructional program is implemented in the school. The leadership team studies the new materials to ensure that they are not only correctly aligned to the Florida Standards, but also aligned to grade level and subject-area test specifications, promote differentiation and collaborative learning, and meet the requirements of the school's technology directive. Team members are selected to sample new materials or programs before full school implementation. Data is then compiled, and results are compared to see if the program is effectively improving student achievement.

b. Instructional Strategies

1. Describe how the school uses data to provide and differentiate instruction to meet the diverse needs of students. Provide examples of how instruction is modified or supplemented to assist students having difficulty attaining the proficient or advanced level on state assessments

Every academic decision made in the school is based on data. Previous year end of year assessment data is used to create class schedules for the upcoming year. This data dictates whether or not students need intensive instruction. This data is also used to create Personal Learning Plans and academic goals for the students. Throughout the year, benchmark data is collected to ensure that students are progressing towards their own goals. If not, students are pulled for additional interventions to ensure that they are both on grade level, and progressing towards their individual goals. Finally, data is compiled in each classroom for each unit of instruction. Teachers pre-assess their students to see their needs, and fit their instruction to meet these needs. As instruction continues, teachers use formative assessments to gauge whether or not the class is grasping the

content. If so, they will move on to the next area of instruction. If not, the teacher will reteach the material in a adjusted manner to meet the needs of the students.

2. Provide the following information for each strategy the school uses to increase the amount and quality of learning time and help enrich and accelerate the curriculum:

Strategy: Extended School Day

Minutes added to school year: 2,160

After school detention will be turned into an academic improvement time. Students who receive a detention will receive specific instruction and additional work based on their areas of weakness, which are determined by the teacher grade book or benchmark testing. Students who are academically successful will receive enrichment in core areas that will focus on higher order thinking skills and utilize online programs such as Reading Plus, Think Through Math, and Plato.

Strategy Rationale

The rationale behind this strategy is to use every academic minute possible. Used in this manner, detention becomes a solution to a disciplinary situation, as well as extended learning time.

Strategy Purpose(s)

- Enrichment

Person(s) responsible for monitoring implementation of the strategy

Thompson, Denise, dthompson@fourcornerscharter.org

Data that is or will be collected and how it is analyzed to determine effectiveness of the strategy

Student grade books will be monitored to gauge mastery levels, and benchmark data will be pulled to ensure that the additional content is improving their academic success.

Strategy: Extended School Day

Minutes added to school year: 4,320

Student access to online programs such as Reading Plus, Think Through Math and Lexia Core 5.

Strategy Rationale

These programs are adaptive to the needs of the students and are accessible off campus.

Strategy Purpose(s)

- Core Academic Instruction
- Enrichment

Person(s) responsible for monitoring implementation of the strategy

Thompson, Denise, dthompson@fourcornerscharter.org

Data that is or will be collected and how it is analyzed to determine effectiveness of the strategy

Usage reports, completion rates and growth reports.

Strategy: Summer Program

Minutes added to school year: 7,200

3rd Grade students who do not show proficiency in the 3rd grade end of year assessment will be offered summer school in order to be promoted to 4th grade. The six week intensive program covers the 3rd grade reading standards in a differentiated manner to meet the needs of the students.

Strategy Rationale

This strategy is implemented in order to determine which students are capable of being promoted to 4th grade, and which students would benefit academically by repeating the 3rd grade.

Strategy Purpose(s)

- Core Academic Instruction

Person(s) responsible for monitoring implementation of the strategy

Thompson, Denise, dthompson@fourcornerscharter.org

Data that is or will be collected and how it is analyzed to determine effectiveness of the strategy

At the end of the session, students will take the Stanford 10 Reading Assessment to determine whether or not they will be promoted to the 4th grade.

Strategy: Extended School Day

Minutes added to school year: 180,000

Students are offered after-school tutoring that will be catered to meet the individual needs of each of the attendees.

Strategy Rationale

This strategy allows teachers to work in small environments with students that need additional support in a specific area of instruction, without jeopardizing the amount of instructional minutes in a regular school day.

Strategy Purpose(s)

- Core Academic Instruction
- Enrichment

Person(s) responsible for monitoring implementation of the strategy

Thompson, Denise, dthompson@fourcornerscharter.org

Data that is or will be collected and how it is analyzed to determine effectiveness of the strategy

Teacher made assessment data, as well as benchmark assessments and end of year will determine the effectiveness of the tutoring program.

Strategy: Weekend Program

Minutes added to school year: 720

Writing camps will be held each Saturday, beginning in January, and ending after the Florida writing assessment. Lessons are differentiated to meet the specific needs of the attendees.

Strategy Rationale

With increased rigor and grade level participation in this year's assessments, it is critical that additional instructional time is created to ensure that the students are effectively prepared to be successful.

Strategy Purpose(s)

- Core Academic Instruction
- Enrichment

Person(s) responsible for monitoring implementation of the strategy

Thompson, Denise, dthompson@fourcornerscharter.org

Data that is or will be collected and how it is analyzed to determine effectiveness of the strategy

Teachers use formative writing assessments to gauge overall progress of mastery of the writing curriculum.

Strategy: Weekend Program

Minutes added to school year: 1,920

5th Grade teachers hold a Science Camp every Saturday beginning in January. The camp held for two hours each Saturday. Students participate in lab activities, and other science areas in order to increase mastery of the content for the FCAT.

Strategy Rationale

Science is a critical component in preparation for students to be successful in adulthood. Therefore, additional instructional time is critical in ensuring that students are not only prepared to be successful on FCAT, but to ensure that they are effectively prepared to participate in a technology-based society.

Strategy Purpose(s)

- Core Academic Instruction
- Enrichment

Person(s) responsible for monitoring implementation of the strategy

Thompson, Denise, dthompson@fourcornerscharter.org

Data that is or will be collected and how it is analyzed to determine effectiveness of the strategy

Students are given regular formative assessments by the 5th grade teachers to gauge progress throughout the entirety of the science camp. In the end, the FCAT Science scores determine if students achieved their goals.

2. Student Transition and Readiness

a. PreK-12 Transition

The school's response to this question may be used to satisfy the requirements of 20 U.S.C. § 6314(b)(1)(G).

1. Describe the strategies the school employs to support incoming and outgoing cohorts of students in transition from one school level to another

Students are acclimated to behavior modification, classroom structure, and socialization with peers. This is accomplished through center based activities, peer interaction, and classroom behavior model.

b. College and Career Readiness

1. Describe the strategies the school uses to advance college and career awareness, which may include establishing partnerships with business, industry or community organizations

N/A

2. Identify the career and technical education programs available to students and industry certifications that may be earned through those respective programs

N/A

3. Describe efforts the school has taken to integrate career and technical education with academic courses (e.g., industrial biotechnology) to support student achievement

N/A

4. Describe strategies for improving student readiness for the public postsecondary level based on annual analysis of the [High School Feedback Report](#), as required by section 1008.37(4), Florida Statutes

N/A

II. Needs Assessment

The school's completion of this section may satisfy the requirements of 20 U.S.C. § 6314(b)(1)(A).

A. Problem Identification

1. Data to Support Problem Identification

b. Data Uploads

Data uploads are not required by the Florida Department of Education but are offered as a tool for the needs assessment. In this section, the school may upload files of locally available data charts and graphs being used as evidence of need.

The following documents were submitted as evidence for this section:

No files were uploaded

2. Problem Identification Summary

This section is not required by the Florida Department of Education but is provided as an opportunity for the school to summarize the points of strength and areas of need that have been identified in the data.

B. Problem Analysis Summary

This section is not required by the Florida Department of Education but is provided as an opportunity for the school to summarize the underlying "why"? or root causes for the areas of need identified in the data, as determined by situational awareness of, and research conducted by, the stakeholders involved in the needs assessment.

C. Strategic Goals

School Improvement Goals

The following key is intended to help readers understand how the sections of this document correspond to the steps of the 8-step planning and problem-solving framework used in the School Improvement Plan. The Quick Key numbers can help registered users go directly to the point of entry for any given goal, barrier and strategy within the online survey.

Problem Solving Key

G = Goal

B =
Barrier

S = Strategy

1 = Problem Solving Step  S123456 = Quick Key

Strategic Goals Summary

- G1.** All Level 1 and 2 students will receive additional instruction in content areas of weakness.
- G2.** Students learning gains will increase in both ELA and Math.
- G3.** All students will read 50 books to increase vocabulary, comprehension, and reading strategy usage.(200 pages+ one book)
- G4.**
- G5.**

Strategic Goals Detail

For each strategic goal, this section lists the associated targets (i.e., "SMART goals"), resources available to support movement toward the goal, barriers to achieving the goal, and the plan for monitoring progress toward the goal

G1. All Level 1 and 2 students will receive additional instruction in content areas of weakness. 1a

G078186

Targets Supported 1b

Indicator	Annual Target
FSA English Language Arts - Achievement	61.0
ELA/Reading Lowest 25% Gains	70.0
FSA Mathematics - Achievement	55.0
Math Lowest 25% Gains	70.0

Targeted Barriers to Achieving the Goal 3

- Parent permission to increase academic minutes in lieu of a special.
- Absences
- Transportation for afterschool tutoring

Resources Available to Support the Goal 2

- Students will have the opportunity for remediation through online resources such as Plato, Think Through Math, Reading Plus, Lexia Core 5.
- Students identified as the lowest 25% are automatically enrolled in Intensive Math, which uses the Triumphs curriculum.
- Student progress is monitored in Personal Learning Plan using multiple data points such as NWEA and common formative assessments.

Plan to Monitor Progress Toward G1. 8

Compare test data with absentee records to show that attendance and results are related.

Person Responsible

Denise Thompson

Schedule

Monthly, from 8/10/2016 to 5/30/2017

Evidence of Completion

Data Chats, Benchmark Data, EOC Computerized data tracking, student grade books

G2. Students learning gains will increase in both ELA and Math. 1a

G078187

Targets Supported 1b

Indicator	Annual Target
ELA/Reading Gains	65.0
Math Gains	65.0

Targeted Barriers to Achieving the Goal 3

- Lack of technology
- Added writing requirements in both ELA and Math

Resources Available to Support the Goal 2

- Think Through Math
- Lexia Core 5
- Reading Plus

Plan to Monitor Progress Toward G2. 8

Monitor results from formative assessments.

Person Responsible

Denise Thompson

Schedule

Triannually, from 8/10/2016 to 5/30/2017

Evidence of Completion

Compare results from NWEA assessments with usage and completion reports from online programs.

G3. All students will read 50 books to increase vocabulary, comprehension, and reading strategy usage. (200 pages+ one book) 1a

G078188

Targets Supported 1b

Indicator	Annual Target
FSA English Language Arts - Achievement	61.0
ELA/Reading Gains	70.0
ELA/Reading Lowest 25% Gains	65.0

Targeted Barriers to Achieving the Goal 3

- Lack of Student Interest in Subject Area

Resources Available to Support the Goal 2

- Various non-fiction and fiction reading material

Plan to Monitor Progress Toward G3. 8

Analyze data and monitor growth from formative assessment and benchmark testing.

Person Responsible

Schedule

Weekly, from 8/10/2016 to 5/30/2017

Evidence of Completion

Benchmark Results, Formative Assessment Results

G4. 1a

G078189

Targets Supported 1b

Indicator	Annual Target
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Targeted Barriers to Achieving the Goal 3

-

Resources Available to Support the Goal 2

-

Plan to Monitor Progress Toward G4. 8

Person Responsible

Schedule

Evidence of Completion

G5. 1a

G078190

Targets Supported 1b

Indicator	Annual Target
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Targeted Barriers to Achieving the Goal 3

.

Resources Available to Support the Goal 2

.

Plan to Monitor Progress Toward G5. 8

Person Responsible

Schedule

Evidence of Completion

Action Plan for Improvement

For each strategy selected in the plan to reduce a targeted barrier to a strategic goal, this section lists the rationale for that strategy (i.e., why the school believes it will reduce the barrier) and the action steps that have been identified as necessary to implementing the strategy, including details such as the point person, timing and duration, and evidence of completion. At the end of each set of action steps is the plan for monitoring the implementation and effectiveness of the respective strategy.

Problem Solving Key

G = Goal **B** =
 Barrier **S** = Strategy

1 = Problem Solving Step  S123456 = Quick Key

G1. All Level 1 and 2 students will receive additional instruction in content areas of weakness. **1**

 G078186

G1.B1 Parent permission to increase academic minutes in lieu of a special. **2**

 B205312

G1.B1.S1 Provide additional minutes in academic content area of weakness. **4**

 S217105

Strategy Rationale

Additional research-based and targeted instruction will yield gains.

Action Step 1 **5**

Provide additional instructional time for students in the lowest 25%.

Person Responsible

Denise Thompson

Schedule

Daily, from 8/10/2016 to 5/30/2017

Evidence of Completion

NWEA, CMA, Standards and Test Specification Trackers

Plan to Monitor Fidelity of Implementation of G1.B1.S1 6

Ensure student scores are increasing with intensive classes by completing walkthrough observations.

Person Responsible

Denise Thompson

Schedule

Daily, from 8/10/2016 to 5/30/2017

Evidence of Completion

Observation form with feedback

Plan to Monitor Effectiveness of Implementation of G1.B1.S1 7

Ensure scores are increasing due to increased time.

Person Responsible

Denise Thompson

Schedule

Monthly, from 8/10/2016 to 5/30/2017

Evidence of Completion

NWEA, FSA, Formative Assessments

G1.B2 Absences 2

B205313

G1.B2.S1 Provide resources that students can continue to work on when absent. 4

S217106

Strategy Rationale

Allowing students not to fall behind when they are unable to attend school.

Action Step 1 5

Provide online resources, such as Plato, Think Through Math, Reading Plus, Lexia Core 5, and Math Seeds.

Person Responsible

Denise Thompson

Schedule

Daily, from 8/10/2016 to 5/30/2017

Evidence of Completion

Data and results from specific web-based program.

Plan to Monitor Fidelity of Implementation of G1.B2.S1 6

Ensure programs are being used in an effective manner.

Person Responsible

Denise Thompson

Schedule

Weekly, from 8/10/2016 to 5/30/2017

Evidence of Completion

Teachers provide documentation through lesson plans on proper implementation, and discuss results with students when data is available.

Plan to Monitor Effectiveness of Implementation of G1.B2.S1 7

Ensure that student results correspond with formative and benchmark data.

Person Responsible

Denise Thompson

Schedule

Monthly, from 8/10/2016 to 5/30/2017

Evidence of Completion

Compare data from programs with NWEA data to ensure grades correspond with benchmark data.

G1.B3 Transportation for afterschool tutoring 2

 B205314

G1.B3.S1 Provide free tutoring based on student needs. 4

 S217107

Strategy Rationale

Tutoring will be targeted to needs, so it will yield higher results.

Action Step 1 5

Monitor Attendance patterns, and meet with families to discuss importance of attendance and attendance policy.

Person Responsible

Denise Thompson

Schedule

Daily, from 8/17/2015 to 6/3/2016

Evidence of Completion

Attendance Sheets and PowerSchool

Plan to Monitor Fidelity of Implementation of G1.B3.S1 6

Administration will meet with families of students with chronic absenteeism, and find ways to ensure that student attendance improves.

Person Responsible

Denise Thompson

Schedule

On 6/3/2016

Evidence of Completion

Signed documentation by parents/guardians that state they will adhere to attendance policy.

Plan to Monitor Effectiveness of Implementation of G1.B3.S1 7

Students with attendance plans will be closely monitored to ensure improvement of attendance record.

Person Responsible

Denise Thompson

Schedule

Daily, from 8/18/2014 to 6/5/2015

Evidence of Completion

Daily Attendance

G2. Students learning gains will increase in both ELA and Math. 1

G078187

G2.B1 Lack of technology 2

B205315

G2.B1.S1 Increase technology availability throughout the school day. 4

S217108

Strategy Rationale

To ensure that students have opportunities to work in online programs in a structured and monitored school environment.

Action Step 1 5

Teachers will track and present usage reports.

Person Responsible

Denise Thompson

Schedule

Weekly, from 8/10/2016 to 5/30/2017

Evidence of Completion

Present usage reports at team meetings.

Action Step 2 5

Teachers will follow up with students who are not completing the mandatory amount of lessons.

Person Responsible

Denise Thompson

Schedule

Weekly, from 8/10/2016 to 5/30/2017

Evidence of Completion

Teachers will track contact with a parent log.

Plan to Monitor Fidelity of Implementation of G2.B1.S1 6

Conduct walkthrough observations to ensure proper implementation.

Person Responsible

Denise Thompson

Schedule

Weekly, from 8/10/2016 to 5/30/2017

Evidence of Completion

Specific Feedback through observation tool based on usage data.

Plan to Monitor Effectiveness of Implementation of G2.B1.S1 7

Usage reports will be analyzed in data chats to ensure students are putting the correct amount of minutes into the programs.

Person Responsible

Denise Thompson

Schedule

Monthly, from 8/10/2016 to 5/30/2017

Evidence of Completion

Data from programs

G2.B2 Added writing requirements in both ELA and Math **2**

 B205316

G2.B2.S1 Ensure that writing strategies are incorporated into math and reading curricula. **4**

 S217109

Strategy Rationale

Writing must be incorporated due to the fact that effective writing will be assessed in FSA Reading and Math

Action Step 1 **5**

Incorporate writing element into math and reading instruction.

Person Responsible

Denise Thompson

Schedule

Daily, from 8/10/2016 to 5/30/2017

Evidence of Completion

Teacher created standards based assessments through Unify.

Plan to Monitor Fidelity of Implementation of G2.B2.S1 **6**

Walkthrough's and data chats

Person Responsible

Denise Thompson

Schedule

Biweekly, from 8/10/2016 to 5/30/2017

Evidence of Completion

Walkthrough Feedback, standards mastery data, data chats

Plan to Monitor Effectiveness of Implementation of G2.B2.S1 7

CRT's will provide effective feedback to make improvements on rigorous standards based writing when needed.

Person Responsible

Denise Thompson

Schedule

Weekly, from 8/10/2016 to 5/30/2017

Evidence of Completion

Data Chats, formative assessments, FSA Results

G3. All students will read 50 books to increase vocabulary, comprehension, and reading strategy usage.(200 pages+ one book) **1**

 G078188

G3.B1 Lack of Student Interest in Subject Area **2**

 B205317

G3.B1.S1 Motivating students to read 50 books through a schoolwide incentive program, and web based programs with incentives **4**

 S217110

Strategy Rationale

Increased reading volume will increase knowledge, use of strategies, and desire for reading.

Action Step 1 **5**

Participate in a School -Wide Reading Challenge

Person Responsible

Denise Thompson

Schedule

Annually, from 8/10/2016 to 5/30/2017

Evidence of Completion

Excel spreadsheet filled out by each grade level with amount of books read by the students.

Action Step 2 **5**

Effectively implement Reading Plus program

Person Responsible

Denise Thompson

Schedule

Weekly, from 8/10/2016 to 5/30/2017

Evidence of Completion

Data provided from Reading Plus

Plan to Monitor Fidelity of Implementation of G3.B1.S1 6

Teachers track their own progress, as well as student progress.

Person Responsible

Denise Thompson

Schedule

Monthly, from 8/10/2016 to 5/30/2017

Evidence of Completion

Provide specific feedback through observations and lesson plan template.

Plan to Monitor Effectiveness of Implementation of G3.B1.S1 7

Teachers will meet with students who are not participating in reading challenge on methods to increase participation.

Person Responsible

Denise Thompson

Schedule

Weekly, from 8/10/2016 to 5/30/2017

Evidence of Completion

Data Tracking and monitoring with fidelity

IV. Implementation Timeline

Source	Task, Action Step or Monitoring Activity	Who	Start Date (where applicable)	Deliverable or Evidence of Completion	Due Date/ End Date
2014					
G1.B3.S1.MA1 M267247	Students with attendance plans will be closely monitored to ensure improvement of attendance record.	Thompson, Denise	8/18/2014	Daily Attendance	6/5/2015 daily
2015					
G1.B3.S1.MA1 M267248	Administration will meet with families of students with chronic absenteeism, and find ways to...	Thompson, Denise	8/17/2015	Signed documentation by parents/ guardians that state they will adhere to attendance policy.	6/3/2016 one-time
G1.B3.S1.A1 A272405	Monitor Attendance patterns, and meet with families to discuss importance of attendance and...	Thompson, Denise	8/17/2015	Attendance Sheets and PowerSchool	6/3/2016 daily
2016					
G1.MA1 M267249	Compare test data with absentee records to show that attendance and results are related.	Thompson, Denise	8/10/2016	Data Chats, Benchmark Data, EOC Computerized data tracking, student grade books	5/30/2017 monthly
G1.B1.S1.MA1 M267244	Ensure student scores are increasing with intensive classes by completing walkthrough observations.	Thompson, Denise	8/10/2016	Observation form with feedback	5/30/2017 daily
G1.B1.S1.A1 A272403	Provide additional instructional time for students in the lowest 25%.	Thompson, Denise	8/10/2016	NWEA, CMA, Standards and Test Specification Trackers	5/30/2017 daily
G1.B2.S1.MA1 M267245	Ensure that student results correspond with formative and benchmark data.	Thompson, Denise	8/10/2016	Compare data from programs with NWEA data to ensure grades correspond with benchmark data.	5/30/2017 monthly
G1.B2.S1.MA1 M267246	Ensure programs are being used in an effective manner.	Thompson, Denise	8/10/2016	Teachers provide documentation through lesson plans on proper implementation, and discuss results with students when data is available.	5/30/2017 weekly
G1.B2.S1.A1 A272404	Provide online resources, such as Plato, Think Through Math, Reading Plus, Lexia Core 5, and Math...	Thompson, Denise	8/10/2016	Data and results from specific web-based program.	5/30/2017 daily
G3.MA1 M267257	Analyze data and monitor growth from formative assessment and benchmark testing.		8/10/2016	Benchmark Results, Formative Assessment Results	5/30/2017 weekly
G2.MA1 M267254	Monitor results from formative assessments.	Thompson, Denise	8/10/2016	Compare results from NWEA assessments with usage and completion reports from online programs.	5/30/2017 triannually
G1.B1.S1.MA1 M267243	Ensure scores are increasing due to increased time.	Thompson, Denise	8/10/2016	NWEA, FSA, Formative Assessments	5/30/2017 monthly
G2.B1.S1.MA1 M267250	Usage reports will be analyzed in data chats to ensure students are putting the correct amount of...	Thompson, Denise	8/10/2016	Data from programs	5/30/2017 monthly
G2.B1.S1.MA1 M267251	Conduct walkthrough observations to ensure proper implementation.	Thompson, Denise	8/10/2016	Specific Feedback through observation tool based on usage data.	5/30/2017 weekly
G2.B1.S1.A1 A272406	Teachers will track and present usage reports.	Thompson, Denise	8/10/2016	Present usage reports at team meetings.	5/30/2017 weekly
G2.B1.S1.A2 A285575	Teachers will follow up with students who are not completing the mandatory amount of lessons.	Thompson, Denise	8/10/2016	Teachers will track contact with a parent log.	5/30/2017 weekly
G2.B2.S1.MA1 M267252	CRT's will provide effective feedback to make improvements on rigorous standards based writing when...	Thompson, Denise	8/10/2016	Data Chats, formative assessments, FSA Results	5/30/2017 weekly
G2.B2.S1.MA1 M267253	Walkthrough's and data chats	Thompson, Denise	8/10/2016	Walkthrough Feedback, standards mastery data, data chats	5/30/2017 biweekly

Source	Task, Action Step or Monitoring Activity	Who	Start Date (where applicable)	Deliverable or Evidence of Completion	Due Date/ End Date
G2.B2.S1.A1  A272407	Incorporate writing element into math and reading instruction.	Thompson, Denise	8/10/2016	Teacher created standards based assessments through Unify.	5/30/2017 daily
G3.B1.S1.MA1  M267255	Teachers will meet with students who are not participating in reading challenge on methods to...	Thompson, Denise	8/10/2016	Data Tracking and monitoring with fidelity	5/30/2017 weekly
G3.B1.S1.MA1  M267256	Teachers track their own progress, as well as student progress.	Thompson, Denise	8/10/2016	Provide specific feedback through observations and lesson plan template.	5/30/2017 monthly
G3.B1.S1.A1  A272408	Participate in a School -Wide Reading Challenge	Thompson, Denise	8/10/2016	Excel spreadsheet filled out by each grade level with amount of books read by the students.	5/30/2017 annually
G3.B1.S1.A2  A272409	Effectively implement Reading Plus program	Thompson, Denise	8/10/2016	Data provided from Reading Plus	5/30/2017 weekly

V. Professional Development Opportunities

Professional development opportunities identified in the SIP as action steps to achieve the school's goals.

G1. All Level 1 and 2 students will receive additional instruction in content areas of weakness.

G1.B1 Parent permission to increase academic minutes in lieu of a special.

G1.B1.S1 Provide additional minutes in academic content area of weakness.

PD Opportunity 1

Provide additional instructional time for students in the lowest 25%.

Facilitator

CRT

Participants

All Instructional Staff

Schedule

Daily, from 8/10/2016 to 5/30/2017

G1.B2 Absences

G1.B2.S1 Provide resources that students can continue to work on when absent.

PD Opportunity 1

Provide online resources, such as Plato, Think Through Math, Reading Plus, Lexia Core 5, and Math Seeds.

Facilitator

CRT's

Participants

All instructional Staff

Schedule

Daily, from 8/10/2016 to 5/30/2017

G2. Students learning gains will increase in both ELA and Math.

G2.B1 Lack of technology

G2.B1.S1 Increase technology availability throughout the school day.

PD Opportunity 1

Teachers will track and present usage reports.

Facilitator

CRT

Participants

All Staff

Schedule

Weekly, from 8/10/2016 to 5/30/2017

G2.B2 Added writing requirements in both ELA and Math

G2.B2.S1 Ensure that writing strategies are incorporated into math and reading curricula.

PD Opportunity 1

Incorporate writing element into math and reading instruction.

Facilitator

CRT

Participants

Instructional Staff

Schedule

Daily, from 8/10/2016 to 5/30/2017

G3. All students will read 50 books to increase vocabulary, comprehension, and reading strategy usage.(200 pages+ one book)

G3.B1 Lack of Student Interest in Subject Area

G3.B1.S1 Motivating students to read 50 books through a schoolwide incentive program, and web based programs with incentives

PD Opportunity 1

Effectively implement Reading Plus program

Facilitator

Reading Plus Representatives

Participants

Reading Instructional Staff

Schedule

Weekly, from 8/10/2016 to 5/30/2017

VI. Technical Assistance Items

Technical Assistance opportunities identified in the SIP as action steps to achieve the school's goals.

VII. Budget

Budget Data

1	G1.B1.S1.A1	Provide additional instructional time for students in the lowest 25%.				\$0.00
2	G1.B2.S1.A1	Provide online resources, such as Plato, Think Through Math, Reading Plus, Lexia Core 5, and Math Seeds.				\$39,695.00
	Function	Object	Budget Focus	Funding Source	FTE	2016-17
			0863 - Four Corners Charter School	General Fund		\$39,695.00
3	G1.B3.S1.A1	Monitor Attendance patterns, and meet with families to discuss importance of attendance and attendance policy.				\$0.00
4	G2.B1.S1.A1	Teachers will track and present usage reports.				\$2,034.00
	Function	Object	Budget Focus	Funding Source	FTE	2016-17
			District-Wide	General Fund		\$2,034.00
5	G2.B1.S1.A2	Teachers will follow up with students who are not completing the mandatory amount of lessons.				\$0.00
6	G2.B2.S1.A1	Incorporate writing element into math and reading instruction.				\$0.00
7	G3.B1.S1.A1	Participate in a School -Wide Reading Challenge				\$0.00
8	G3.B1.S1.A2	Effectively implement Reading Plus program				\$0.00
Total:						\$41,729.00

Section Cover Page



III. NEW BUSINESS

ESOL/Out of Field Waivers

- Informational
- For Discussion
- For Action

Notes:

Out of Field Report

Teacher	Out-of-Field Assignment	Current Certification	Out of Field Assignment Date
Antido, Rina	ESOL	Elementary Education (Grades K-6)	9/1/2016
Apgar, Codi N.	ESOL	Elementary Education (Grades K-6)	8/1/2016
Betts, Marie	ESOL	Temp. Cert. Elem. Education (Grades K-6)	8/3/2015
Blanchette, Brittany	ESOL	Elementary Education (Grades K-6)	11/9/2015
Brown, Terria	ESOL	Temp. Cert. Pre-K - Primary	8/3/2015
Cameron, Sasha	ESOL	Pre-K Primary, ESE K-12	3/9/2016
Carter, Deborah	ESOL	Elementary Education (Grades K-6)	10/1/2015
Closs, Caroline	ESOL	Elementary Education (Grades K-6)	
Dettloff, Kortney	ESOL		
Dupont, Erica	ESOL	Elementary Education (Grades K-6)	7/26/2016
Haigh, Alissa	ESOL		
Levine, Briana	ESOL	Elementary Education (Grades K-6)	7/25/2016
Luna, Martha P.	ESOL	Elementary Education (Grades K-6)	8/8/2016
Marchese, Emily	ESOL	Elementary Education (Grades K-6)	9/6/2016
Nickless, Annabelle	ESOL	Pre-K Primary	
Novoa Rivera, Farah	ESOL		
Octive, Christina	ESOL	Pre-K Primary	9/9/2015
Rodriguez, Evy	ESOL	Elementary Education (Grades K-6)	9/1/2016
Shelton, Steven J.	ESOL	Elementary Education (Grades K-6)	7/25/2016
Sullivan, Daniel	ESOL	Elementary Education (Grades K-6)	7/26/2016
Sulyk, Jennifer	ESOL	Elementary Education (Grades K-6), ESE	9/16/2016
Vil,Emmanuelle	ESOL	Elementary Education (Grades K-6)	8/3/2015
Charter School Name	Four Corners Charter Scholl (0863)	Board Meeting Date	Setp. 9, 2016

Section Cover Page



V. FINANCIALS

Osceola – Audit for FCCS/FCCS Inc.

- Informational
- For Discussion
- For Action

Notes:

**FOUR CORNERS
CHARTER SCHOOL
(A division of Four Corners
Charter School, Inc.)**

**Basic Financial Statements and
Supplemental Information**

June 30, 2016

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Partners

W. Ed Moss Jr.
Joe M. Krusick
James R. Dexter
Cori Cameron
Bob Marchewka
Ric Perez

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Four Corners Charter School, Inc.
Davenport, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of Four Corners Charter School (the "School"), a division of Four Corners Charter Schools, Inc. (the "Charterholder"), which is a component unit of the School Board of Osceola County, Florida as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the School's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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American Institute of
Certified Public
Accountants

Florida Institute of
Certified Public
Accountants

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the School, as of June 30, 2016, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As described in Note A-1, the accompanying financial statements referred to above present only the financial position of Four Corners Charter School at June 30, 2016, and the results of its operation for the year then ended, and is not intended to be a complete presentation of the Charterholder.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 20, 2016 on our consideration of the School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control over financial reporting and compliance.

Moss, Krusick & Associates, LLC

September 20, 2016
Winter Park, Florida

Management's Discussion and Analysis

As management of Four Corners Charter School (the "School"), a division of Four Corners Charter School, Inc. (the "Charterholder"), which is a component unit of the School Board of Osceola County, Florida, we offer readers of the School's financial statements this narrative overview and analysis of the financial activities of the School for the fiscal year ended June 30, 2016 to (a) assist the reader in focusing on significant financial issues, (b) provide an overview and analysis of the School's financial activities, (c) identify changes in the School's financial position, (d) identify material deviations from the approved budget, and (e) highlight significant issues in individual funds.

Since the information contained in the Management's Discussion and Analysis (MD&A) is intended to highlight significant transactions, events, and conditions, it should be considered in conjunction with the financial statements starting on page 9.

Financial Highlights

- The assets of the School exceeded its liabilities at the close of the most recent fiscal year by \$2,067,853 (net position).
- The School's total net position increased by \$1,092,097.
- As of the close of the current fiscal year, the School's governmental funds reported combined ending fund balances of \$1,813,873, an increase of \$1,101,494 in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$1,797,557.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the School's basic financial statements. The School's basic financial statements have three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the School's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the School's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the School is improving or deteriorating.

The statement of activities presents information showing how the School's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected funding and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the School that are principally supported by district, state, and federal funding (governmental activities). Basic instruction, exceptional instruction, and school administration are examples of the School's governmental activities.

The government-wide financial statements include only the School itself. The School is a division of the Charterholder which is a component unit of the School Board of Osceola County, Florida. The School Board of Osceola County, Florida includes the operations of the Charterholder in its operational results.

The government-wide financial statements can be found on pages 9 - 10 of this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The School, like state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the operations of the School are presented in governmental funds only.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The School maintains individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the general fund and capital outlay fund, both of which are considered to be major funds.

The basic governmental fund financial statements can be found on pages 11 - 14 of this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the School. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the School's own programs.

The basic fiduciary fund financial statement can be found on page 15 of this report.

The School adopts an annual appropriated budget for its entire operations. Budgetary comparison schedules and the notes to these statements have been provided to demonstrate compliance with the budget and can be found on pages 29 through 31 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found starting on page 16 of this report.

Government-Wide Financial Analysis

As noted previously, net position may serve over time as a useful indicator of the School's financial position. In the case of the School, for the years ended June 30, 2016 and 2015, assets exceeded liabilities by \$2,067,853 and \$975,756 (net position), respectively.

The largest portion of the School's net position is the unrestricted portion. This amount consists primarily of the cash and amounts due from the Charterholder. Another portion of the School's net position reflects its net investment in capital assets (e.g., furniture, fixtures and equipment, improvements other than buildings, information technology equipment, computer software, and audio visual equipment). The School uses these capital assets to provide services to students; consequently, these assets are not available for future spending. An additional portion of the School's net position represents resources that are Subject to external restrictions on how they may be used.

A condensed statement of net position and the statement of activities are provided below.

	Governmental Activities		
	June 30, 2016	June 30, 2015	Variance
ASSETS			
Current and other assets	\$ 2,116,315	\$ 1,148,779	\$ 967,536
Capital assets, net of accumulated depreciation	262,796	275,990	(13,194)
Total assets	<u>2,379,111</u>	<u>1,424,769</u>	<u>954,342</u>
LIABILITIES			
Current and other liabilities	302,442	413,436	(110,994)
Noncurrent liabilities	8,816	12,613	(3,797)
Due to management company	-	22,964	(22,964)
Total liabilities	<u>311,258</u>	<u>449,013</u>	<u>(137,755)</u>
NET POSITION			
Invested in capital assets	262,796	275,990	(13,194)
Unrestricted	<u>1,805,057</u>	<u>699,766</u>	<u>1,105,291</u>
Total net position	<u>\$ 2,067,853</u>	<u>\$ 975,756</u>	<u>\$ 1,092,097</u>

Current assets increased as a result of the timing of inflows and outflows in due to due from charterholder account. The capital assets net of accumulated depreciation decreased due to higher accumulated depreciation. Total liabilities decreased at year end as a result of the timing of payments for invoices.

	Governmental Activities		
	2016	2015	Variance
Revenues:			
Program revenues:			
Charges for services	\$ 143,759	\$ 92,327	\$ 51,432
Operating grants and contributions	191,913	103,919	87,994
Capital grants and contributions	322,849	386,159	(63,310)
General revenues			
State passed through local school district	6,930,027	6,421,122	508,905
Other revenues	4,511	145,855	(141,344)
Total revenues	<u>7,593,059</u>	<u>7,149,382</u>	<u>443,677</u>
Expenses:			
Basic instruction	3,069,443	3,180,038	110,595
Exceptional instruction	66,508	147,805	81,297
Guidance services	7,326	57,226	49,900
Health services	26,136	24,993	(1,143)
Other pupil services	127,493	58,025	(69,468)
Curriculum development	6,156	9,694	3,538
Staff development	4,327	10,732	6,405
Instruction related technology	101,872	75,977	(25,895)
Board of directors	8,941	14,760	5,819
School administration	296,107	337,023	40,916
Fiscal services	503,653	782,509	278,856
Central services	5,788	6,821	1,033
Information services	-	1,850	1,850
Transportation	85,050	141,928	56,878
Operation of plant	1,782,569	1,837,327	54,758
Maintenance of plant	332,056	359,712	27,656
Community service	77,537	55,959	(21,578)
Total expenses	<u>6,500,962</u>	<u>7,102,379</u>	<u>601,417</u>
Change in net position	1,092,097	47,003	1,045,094
Net position - beginning	975,756	928,753	47,003
Net position - ending	<u>\$ 2,067,853</u>	<u>\$ 975,756</u>	<u>\$ 1,092,097</u>

Capital grants and contributions decreased due to a decrease in capital outlay funds. The increase in state pass through local school district revenue resulted from an increase in the student allocation funding per student in addition to the number of full time equivalent students. The decrease in expenses related to basic instruction is a result of lower costs associated with salaries and benefits as compared to the prior year. The decrease in fiscal services is a result of decreases in management service costs in accordance with the service contract.

Financial Analysis of the Government's Funds

As noted previously, the School uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the School's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the School's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a School's net resources available for spending at the end of the fiscal year.

As of the current fiscal year, the School's governmental funds reported combined ending fund balance of \$1,813,873.

The general fund is the main operating fund of the School. At the end of the current fiscal year, the unassigned balance of the general fund was \$1,797,557.

The combined ending fund balance of the School's general fund increased by \$1,101,494 during the current fiscal year.

General Fund Budgetary Highlights

Actual general fund revenue was favorable compared to the budget for the year ending June 30, 2016 as the budget was based on conservative numbers. The actual general fund revenue exceeded the budgeted revenue by \$467,608 as overall FTE funding increased and FTE enrollment also increased. Budgeted general fund expenditures exceeded actual expenditures by \$898,540.

The budgetary information can be found on pages 29 through 31 of this report.

Capital Asset Administration

Capital assets. The School's investment in capital assets for its governmental activities as of June 30, 2016, amounts to \$262,796 (net of accumulated depreciation). This investment in capital assets includes furniture, fixtures and equipment, improvements other than buildings, information technology equipment, computer software, and audio visual equipment. Additional information on the School's capital assets can be found in Note C.

Economic Factors. A majority of the School's funding is determined by the number of enrolled students. The School is forecasting enrollment to remain at capacity at approximately 1,058 students for the 2016-17 school year. The State of Florida has increased its Florida Education Finance Program funding for the next year by approximately 1%. This brings the per student funding to \$7,179. In addition, the Charter School Capital Outlay pool, which includes all charter schools, was increased to \$75,000,000, a 50% increase over the prior year.

Expenditures are budgeted in proportion to enrollment as well as strategic objectives at the School.

Request for Information

This financial report is designed to provide a general overview of Four Corners Charter School's finances for all those with an interest in the School's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Hillary Daigle, Vice President of Finance, Charter Schools USA, 800 Corporate Dr., Suite 124, Fort Lauderdale, FL 33334.

Four Corners Charter School
(A division of Four Corners Charter School, Inc.)

STATEMENT OF NET POSITION

June 30, 2016

	Governmental Activities
ASSETS	
CURRENT ASSETS	
Cash	\$ 979,015
Due from charterholder	1,014,101
Due from management company	49,634
Due from other schools	57,249
Deposits	5,398
Prepaid expense	10,918
Total current assets	2,116,315
CAPITAL ASSETS	
Capital assets, net of accumulated depreciation	
Furniture, fixtures and equipment	58,383
Improvements other than buildings	19,997
IT equipment	182,595
Software	1,821
Total capital assets	262,796
Total assets	2,379,111
LIABILITIES AND NET POSITION	
CURRENT LIABILITIES	
Accounts payable	11,946
Due to agency fund	161
Accrued payroll and other expenses	290,335
Total current liabilities	302,442
LONG-TERM LIABILITIES	
Compensated absences payable - due within one year	6,612
Compensated absences payable - due in more than one year	2,204
Total liabilities	311,258
NET POSITION	
Net investment in capital assets	262,796
Unrestricted	1,805,057
Total net position	\$ 2,067,853

The accompanying notes are an integral part of this financial statement.

Four Corners Charter School
(A division of Four Corners Charter School, Inc.)

STATEMENT OF ACTIVITIES

For the year ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Basic instructions	\$ 3,069,443	\$ -	\$ 104,038	\$ -	\$ (2,965,405)
Exceptional instructions	66,508	-	-	-	(66,508)
Guidance services	7,326	-	-	-	(7,326)
Health services	26,136	-	-	-	(26,136)
Other pupil services	127,493	-	-	-	(127,493)
Cirriculum development	6,156	-	-	-	(6,156)
Staff development	4,327	-	-	-	(4,327)
Instruction related technology	101,872	-	-	-	(101,872)
Board of directors	8,941	-	-	-	(8,941)
School administration	296,107	-	-	-	(296,107)
Fiscal services	503,653	-	-	-	(503,653)
Central services	5,788	-	-	-	(5,788)
Transportation	85,050	-	-	-	(85,050)
Operation of plant	1,782,569	-	87,875	322,849	(1,371,845)
Maintenance of plant	332,056	-	-	-	(332,056)
Community service	77,537	143,759	-	-	66,222
Total governmental activities	<u>\$ 6,500,962</u>	<u>\$ 143,759</u>	<u>\$ 191,913</u>	<u>\$ 322,849</u>	<u>\$ (5,842,441)</u>
General revenues:					
State passed through local school district					6,930,027
Other revenues					<u>4,511</u>
Total general revenues					<u>6,934,538</u>
Change in net position					1,092,097
Net position at July 1, 2015					<u>975,756</u>
Net position at June 30, 2016					<u>\$ 2,067,853</u>

The accompanying notes are an integral part of this financial statement.

Four Corners Charter School
(A division of Four Corners Charter School, Inc.)

BALANCE SHEET - GOVERNMENTAL FUNDS

June 30, 2016

	General Fund	Capital Outlay Fund	Total Governmental Funds
ASSETS			
Cash	\$ 979,015	\$ -	\$ 979,015
Due from charterholder	986,684	27,417	1,014,101
Due from other funds	27,417	-	27,417
Due from management company	49,634	-	49,634
Due from other schools	57,249	-	57,249
Deposits	5,398	-	5,398
Prepaid expense	10,918	-	10,918
Total assets	\$ 2,116,315	\$ 27,417	\$ 2,143,732
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Due to other funds	\$ -	\$ 27,417	\$ 27,417
Accounts payable	11,946	-	11,946
Due to agency fund	161	-	161
Accrued payroll and other expenses	290,335	-	290,335
Total liabilities	302,442	27,417	329,859
FUND BALANCES			
Nonspendable			
Deposits	5,398	-	5,398
Prepaid expense	10,918	-	10,918
Unassigned	1,797,557	-	1,797,557
Total fund balances	1,813,873	-	1,813,873
Total liabilities and fund balances	\$ 2,116,315	\$ 27,417	\$ 2,143,732

The accompanying notes are an integral part of this financial statement.

Four Corner Charter School
(A division of Four Corners Charter School, Inc.)

**RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL
FUNDS TO THE STATEMENT OF NET POSITION**

June 30, 2016

Fund balances - total governmental funds		\$ 1,813,873
The net assets reported for governmental activities in the statement of net assets is different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds. Those assets consist of:		
Furniture, fixtures and equipment, net	\$ 58,383	
Improvements other than buildings, net	19,997	
IT equipment, net	182,595	
Computer software, net	<u>1,821</u>	
Total capital assets		262,796
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.		<u>(8,816)</u>
Total net position of governmental activities		<u><u>\$ 2,067,853</u></u>

The accompanying notes are an integral part of this financial statement.

Four Corner Charter School
(A division of Four Corners Charter School, Inc.)

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS**

For the year ended June 30, 2016

	<u>General Fund</u>	<u>Capital Outlay Fund</u>	<u>Total Governmental Funds</u>
Revenues			
State passed through local school district	\$ 7,034,065	\$ 322,849	\$ 7,356,914
Other revenues	236,145	-	236,145
Total revenues	<u>7,270,210</u>	<u>322,849</u>	<u>7,593,059</u>
Expenditures			
Current:			
Basic Instruction	2,910,122	-	2,910,122
Exceptional instruction	66,508	-	66,508
Guidance services	7,326	-	7,326
Health services	26,136	-	26,136
Other pupil services	127,493	-	127,493
Curriculum development	6,156	-	6,156
Staff development	4,327	-	4,327
Instruction related technology	101,872	-	101,872
Board of directors	8,941	-	8,941
School administration	296,107	-	296,107
Fiscal services	503,653	-	503,653
Central services	5,788	-	5,788
Transportation	85,050	-	85,050
Operation of plant	1,455,613	322,849	1,778,462
Maintenance of plant	332,056	-	332,056
Community services	77,537	-	77,537
Fixed capital outlay	154,031	-	154,031
Total expenditures	<u>6,168,716</u>	<u>322,849</u>	<u>6,491,565</u>
Net change in fund balances	1,101,494	-	1,101,494
Fund balances at July 1, 2015	712,379	-	712,379
Fund balances at June 30, 2016	<u>\$ 1,813,873</u>	<u>\$ -</u>	<u>\$ 1,813,873</u>

The accompanying notes are an integral part of this financial statement.

Four Corners Charter School
(A division of Four Corners Charter School, Inc.)

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES**

For the year ended June 30, 2016

Net change in fund balances - total government funds	\$ 1,101,494
The change in net assets reported for governmental activities in the statement of activities is different because:	
Governmental funds report fixed capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Total fixed capital outlay	\$ 154,031
Less: depreciation	<u>(167,225)</u> (13,194)
Long-term liabilities are not due and payable in the current period and therefore are not reported in funds. Those liabilities consist of:	
Accrued compensation	<u>3,797</u>
Change in net position of governmental activities	<u>\$ 1,092,097</u>

The accompanying notes are an integral part of this financial statement.

Four Corners Charter School
(A division of Four Corners Charter School, Inc.)

STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES - AGENCY FUND

June 30, 2016

	<u>Internal Fund</u>
ASSETS	
Cash	\$ 68,807
Total assets	<u>\$ 68,807</u>
LIABILITIES	
Internal accounts payable	\$ 68,807
Total liabilities	<u>\$ 68,807</u>

The accompanying notes are an integral part of this financial statement.

**Four Corners Charter School
(A division of Four Corners Charter School, Inc.)**

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Reporting entity

Four Corners Charter School, (the "School"), is a division of Four Corners Charter School, Inc., (the "Charterholder," which is a component unit of the School Board of Osceola County, Florida), a not-for-profit corporation organized pursuant to Chapter 617, Florida Statutes, the Florida Not-For-Profit Corporation Act, and Section 1002.33, Florida Statutes. The governing body of the School is the not-for-profit corporation's Board of Directors, which is comprised of five members. The financial information presented in these financial statements is only that of the School.

The general operating authority of the School is contained in Section 1002.33, Florida Statutes. The School operates under a charter of the sponsoring school district, the School Board of Osceola County, Florida (the "District"). The current charter is effective until June 30, 2031 and may be extended for an additional two years upon approval of the District. At the end of the term of the charter, the District may choose not to renew the charter under grounds specified in the charter. In that case, the District is required to notify the School in writing at least ninety days prior to the charter's expiration. During the term of the charter, any property purchased by the School with public funds and any unencumbered public funds revert back to the District. The School is considered to be part of the Charterholder, which is a component unit of the District.

The School's entire workforce is provided by the management company; therefore, all employee benefits are provided by the management company.

2. Government-wide and fund financial statements

The government-wide financial statements consist of a statement of net position and a statement of activities. These statements report information on all of the nonfiduciary activities of the School. As part of the consolidation process, all interfund activities are eliminated from these statements. Both statements report only the governmental activities as the School does not engage in any business type activities.

Net position, the difference between assets and liabilities, as presented in the statement of net position, is subdivided into three categories: net investment in capital assets, restricted net position, and unrestricted net position. Net investment in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when constraints are imposed on the use of the amounts either externally by creditors, grantors, contributors, or laws or regulations of other governments, or enabling legislation.

**Four Corners Charter School
(A division of Four Corners Charter School, Inc.)**

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2. Government-wide and fund financial statements (continued)

The statement of activities presents a comparison between the direct and indirect expenses of a given function and its program revenues, and displays the extent to which each function contributes to the change in net position for the fiscal year. Direct expenses are those that are clearly identifiable to a specific function.

Indirect expenses are costs the School has allocated to various functions. Program revenues consist of charges for services, operating grants and contributions, and capital grants and contributions.

Charges for services refer to amounts received from those who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment. Grants and contributions consist of revenues that are restricted to meeting the operational or capital requirements of a particular function. Revenues not classified as program revenues are reported as general revenues.

Separate fund financial statements report detailed information about the School's governmental funds. The focus of the governmental fund financial statements is on major funds. Therefore, major funds are reported in separate columns on the fund financial statements. The School reports the general fund and capital outlay fund as its major funds. A reconciliation is provided that converts the results of governmental fund accounting to the government-wide presentation.

3. Measurement focus, basis of accounting, and financial statement presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized in the period earned and expenses are recognized when a liability is incurred.

All governmental fund financial statements are reported using a current financial resources measurement focus on a modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues, except for certain grant revenues, are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the School considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. When grant terms provide that the expenditure of resources is the prime factor for determining eligibility for federal, state, and other grant resources, revenue is recognized at the time the expenditure is made.

**Four Corners Charter School
(A division of Four Corners Charter School, Inc.)**

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3. Measurement focus, basis of accounting, and financial statement presentation (continued)

Under the modified accrual basis of accounting, expenditures are generally recorded when the related fund liability is incurred. However, principal and interest on general long-term debt are recorded as expenditures only when payment is due.

The School's financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board. Accordingly, the financial statements are organized on the basis of funds. A fund is an accounting entity having a self-balancing set of accounts for recording assets, liabilities, fund equity, revenues, expenditures, and other financing sources and uses.

Resources are allocated to and accounted for in individual funds based on the purpose for which they are to be spent and the means by which spending activities are controlled. The School reports the following major governmental funds:

General Fund - the general operating fund of the School. It is used to account for all financial resources not required to be accounted for in another fund.

Capital Outlay Fund - in accordance with guidelines established by The School District of Osceola County, Florida, this fund accounts for all resources for the leasing or acquisition of capital facilities by the School to the extent funded by capital outlay funds.

Additionally, the School reports the following fiduciary fund type:

Agency Fund - the internal activity fund, which accounts for the student activities, fundraisers, and other monies collected and maintained on behalf of the students at the School. Fiduciary funds are not included in the government wide financial statements.

Agency (fiduciary) funds are purely custodial in nature (assets equal liabilities) and as such do not have a measurement focus. Agency funds use the accrual basis of accounting to recognize receivables and payables.

4. Cash

Cash consists of cash on hand at the School and checking accounts held at a financial institution. The School has no cash equivalents.

**Four Corners Charter School
(A division of Four Corners Charter School, Inc.)**

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

5. Receivables

The School's receivables consist primarily of other third party amounts and amounts due from the Charterholder. The School's management determined that 100% of receivables are fully collectible. Therefore, no allowance for doubtful accounts has been provided.

6. Prepaid expenses

Payments made to vendors for services that will benefit periods beyond June 30, 2016 are recorded as prepaid expenses in both the government-wide and fund financial statements.

7. Capital assets

Capital assets are reported in the applicable governmental columns on the government-wide financial statements. Capital assets are defined by the School as assets with an individual cost of more than \$750 or a total invoice cost of greater than \$5,000 and an estimated useful life of greater than one year. Such assets are recorded at historical cost. Donated capital assets are recorded at their estimated fair values at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Capital assets of the School are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives (years)</u>
Furniture, fixtures and equipment	5
Improvements other than building	10
IT equipment	3
Computer software	3
Audio visual equipment	5

**Four Corners Charter School
(A division of Four Corners Charter School, Inc.)**

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

8. Accrued compensated absences

The School's policy permits employees to accumulate earned but unused paid time off, which is eligible for payment upon separation from services. The liability for such leave is reported as incurred in the government-wide financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable. Payments for compensated absences are generally paid out of the General Fund.

9. Revenue sources

Revenues for current operations are received primarily from the State of Florida passed through the District to the Charterholder and then to the School pursuant to the funding provisions included in the School's charter. In accordance with the funding provisions of the charter and Section 1002.33(17), Florida Statutes, the School reports the number of full-time equivalent (FTE) students and related data to the District. Under the provisions of Section 1011.62, Florida Statutes, the District reports the number of FTE students and related data to the Florida Department of Education (FDOE) for funding through the Florida Education Finance Program. Funding for the School is adjusted during the year to reflect revised calculations by the FDOE under the Florida Education Finance Program and actual weighted FTE students reported by the School during designated FTE student survey periods. Additionally, other revenues may be derived from various fundraising activities and certain other programs.

10. Income taxes

The School is a component unit of the Charterholder, which is a component unit of the School Board of Osceola County, Florida and therefore as a government is not required to file an income tax return.

11. Use of estimates

The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

**Four Corners Charter School
(A division of Four Corners Charter School, Inc.)**

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

12. Excess of expenditure over appropriations

Florida Education Finance Program (FEFP) and other federal and state funds are forwarded to the management company for use in school operations. The Charterholder does not reimburse the management company for expenditures incurred in excess of revenue received, unless a budgeted deficit is approved by the Board. Any amounts in excess of the approved budget are considered to be contributed by the management company. As of June 30, 2016, no contributions were recognized by the School from the management company.

13. Fund balance classification

The School follows Government Accounting Standard ("GASB") No. 54 - *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement provides more clearly defined fund balance classifications and also sets a hierarchy which details how the School may spend funds based on certain constraints. The following are the fund balance classifications used in the governmental fund financial statements:

Nonspendable: This classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. The School classifies inventories, prepaid items, long-term notes receivable and deposits as nonspendable since they are not expected to be converted to cash or are not expected to be converted to cash within the next year.

Restricted: This classification includes amounts that are restricted for specific purposes by external parties such as grantors and creditors or are imposed by law through constitutional provisions or enabling legislation.

Committed: This classification includes amounts that can be used for specific purposes voted on through formal action of the Board of Directors (the highest level of decision making authority). The committed amount cannot be used for any other purpose unless the Board of Directors removes or changes the commitment through formal action.

Assigned: This classification includes amounts that the Board of Directors intends to use for a specific purpose but they are neither restricted nor committed. The School classifies existing fund balance to be used in the subsequent year's budget for elimination of a deficit as assigned.

Unassigned: This classification includes amounts that are available for any purpose. No other fund except the general fund can report positive amounts of unassigned fund balance.

**Four Corners Charter School
(A division of Four Corners Charter School, Inc.)**

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

13. Fund balance classification (continued)

When the School incurs expenditures for which restricted or unrestricted fund balance is available, the School would consider restricted funds to be spent first. When the School has expenditures for which committed, assigned or unassigned fund balance is available, the School would consider committed funds to be spent first, and then assigned funds and lastly unassigned funds.

NOTE B - CASH

Custodial Credit Risk - Custodial credit risk is the risk that in the event of bank failure, the School's deposits may not be returned to it. The School does not have a formal policy regarding custodial credit risk. The deposits are insured by the FDIC up to \$250,000 per entity. At June 30, 2016, the School's cash balance exceeded FDIC coverage by \$800,393. The School has no history of loss due to exceeding coverage limitations.

**Four Corners Charter School
(A division of Four Corners Charter School, Inc.)**

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

NOTE C - CAPITAL ASSETS

Changes in capital assets were as follows for the year ended June 30, 2016:

	Balance at July 1, 2015	Additions	Deletions	Balance at June 30, 2016
Capital assets depreciated:				
Furniture, fixtures and equipment	\$ 1,076,946	\$ 45,505	\$ -	\$ 1,122,451
Improvements other than building	58,034	-	-	58,034
IT equipment	814,371	108,526	-	922,897
Computer software	80,682	-	-	80,682
Audio visual equipment	1,555	-	-	1,555
Total assets depreciated	<u>2,031,588</u>	<u>154,031</u>	<u>-</u>	<u>2,185,619</u>
Less accumulated depreciation:				
Furniture, fixtures and equipment	1,039,667	24,401	-	1,064,068
Improvements other than building	33,930	4,107	-	38,037
IT equipment	602,735	137,567	-	740,302
Computer software	77,711	1,150	-	78,861
Audio visual equipment	1,555	-	-	1,555
Total accumulated depreciation	<u>1,755,598</u>	<u>\$ 167,225</u>	<u>\$ -</u>	<u>1,922,823</u>
Total governmental activities capital assets, net	<u>\$ 275,990</u>			<u>\$ 262,796</u>

Depreciation expense for the year ended June 30, 2016 was charged to functions of the School as follows:

Basic instruction	\$ 163,118
Operation of plant	<u>4,107</u>
	<u>\$ 167,225</u>

**Four Corners Charter School
(A division of Four Corners Charter School, Inc.)**

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

NOTE D - LONG-TERM LIABILITIES

1. Changes in long-term liabilities:

	Balance at July 1, 2015	Additions	Reductions	Balance at June 30, 2016	Due within one year
Accrued compensation	\$ 12,613	\$ 3,100	\$ (6,897)	\$ 8,816	\$ 6,612
Total long-term liabilities	<u>\$ 12,613</u>	<u>\$ 3,100</u>	<u>\$ (6,897)</u>	<u>\$ 8,816</u>	<u>\$ 6,612</u>

NOTE E - CONCENTRATIONS

Revenue sources

As stated in Note A-9, the School receives revenues for current operations primarily from the State of Florida through the District. The following is a schedule of revenue sources and amounts:

Sources	Amounts
School District of Osceola County:	
Base funding	\$ 4,728,644
Class size reduction	1,346,059
Supplemental academic instruction	225,584
Discretionary millage compression allocation	194,260
Instructional materials	88,444
Exceptional student education guaranteed allocation	44,922
Safe schools	18,481
Discretionary lottery	264,146
Digital classroom allocation	20,412
Proration to funds available	(13,117)
Florida teacher lead program	12,192
School recognition	104,038
Subtotal	<u>7,034,065</u>
Capital outlay funds	<u>322,849</u>
Total School Board of Osceola County, Florida	7,356,914
Community service fee	143,759
Other revenues	<u>92,386</u>
	<u>\$ 7,593,059</u>

The administration fee paid to the District during the year ended June 30, 2016 totaled approximately \$32,668 and is reflected as a general administration expense/expenditure in the accompanying financial statements.

**Four Corners Charter School
(A division of Four Corners Charter School, Inc.)**

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

NOTE F - COMMITMENTS AND CONTINGENCIES

1. Management service contract

On June 23, 2015, the School extended its management agreement, which originally commenced on July 1, 2006, with a management company. The extension is for a term of five years commencing on July 1, 2015. The contract terminates the earlier of June 30, 2020 or the termination date of the charter if the District chooses to terminate or not to renew.

The management company will manage and operate the School during the term of the agreement. The management company is guaranteed a fee of \$500,000 plus contingent incentive fees. The incentive fees are calculated as the difference between the guaranteed fee and 13% of FEFP operational revenues, and subject to performance requirements detailed in the management agreement. Current year management fees charged to operations totaled \$500,000. The management company may earn an additional incentive fee of 2% of FEFP operational revenues in the event the School attains or maintains a High Performing Charter School as designated by Florida statutes.

2. Facilities sub-lease

The real property, buildings, and other assets, which comprise the School's facilities, are owned by the District. Construction of the buildings was financed by the issuance of \$8,315,000 principal amount of Certificates of Participation, Series 2000A and \$6,385,000 principal amount of Certificates of Participation, Series 2000B (the "Certificates"), which are obligations of the District.

On April 19, 2005, the District issued \$12,095,000 principal amount of Certificates of Participation, Series 2005. The proceeds were used to refund a portion of the outstanding Series 2000 Certificates maturing on and after August 1, 2011 (the "Refunded Certificates") and, therefore, refinanced a portion of the cost of the acquisition, construction and equipment of facilities and reduced the corresponding basic lease payments due under the lease.

On August 7, 2015, the District issued \$8,310,000 principal amount of Certificates of Participation, Series 2015. The proceeds were used to refund the outstanding Series 2005 Certificates maturing on or after February 2016. The Series 2015 Certificates were issued to reduce the basic lease payments due under the lease and mature in August 2024.

**Four Corners Charter School
(A division of Four Corners Charter School, Inc.)**

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

NOTE F - COMMITMENTS AND CONTINGENCIES (continued)

2. Facilities sub-lease (continued)

The School is entitled to use the facilities under a sub-lease agreement with the District that requires annual payments in amounts equal to the annual debt service payments on the Certificates. Such annual payments range from \$1,035,651 to \$1,045,730 for the School. At the end of the term of the charter including renewals, if any, possession of the School facilities will revert to the District which will be liable for all future payments.

Current year facilities expense charged to operations totaled \$1,046,619. This amount is included in the "Operation of plant" functional expense category on the accompanying statement of activities and statement of revenues, expenditures and changes in fund balances. A portion of the facility use fee in the amount of \$322,849 was reimbursed through capital outlay funds.

Aggregate remaining rental commitments, including all extensions, under this sub-lease agreement are summarized as follows at June 30:

2017	\$	1,045,730
2018		1,043,168
2019		1,035,140
2020		1,036,577
2021		1,037,346
2022-2025		4,148,666
		\$ 9,346,627

NOTE G - OPERATING LEASES

In September 2009, the School entered into an operating agreement for six copiers. The term of the lease is for 60 months and was extended on September 2014. In May 2014 the School entered into an operating agreement for five copiers. The term of the lease is for 60 months and extends until May 2019. The current annual lease payments total \$36,059. The following is a schedule of future minimum lease payments for the following years ending June 30:

2017	\$	12,363
2018		12,363
2019		11,333
		\$ 36,059

**Four Corners Charter School
(A division of Four Corners Charter School, Inc.)**

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

NOTE H - RELATED PARTIES

1. Due from / (due to) management company

The School has entered into an agreement with a management company for professional services. Under terms of the agreement, the management company will manage and operate the School (See Note F-1). The management company charges the School for certain expenses paid on behalf of the School and for any operating advances. In addition, the School is required to pay a guaranteed fee and a contingent incentive fee when certain criteria are met. As of June 30, 2016, the School's balance sheet reflects a receivable due from the management company in the amount of \$49,634.

2. Due from / (due to) charterholder

All monies received by revenue, grants and revenue allocations are initially deposited with the Charterholder. The Charterholder retains funds in order to pay for certain operating expenses such as lease payments, long term maintenance of the facility, transportation costs, and management fees. At June 30, 2016, the balance sheet reflects a receivable due from Charterholder in the amount of \$1,014,101.

NOTE I - RISK MANAGEMENT

The School is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the School carries commercial insurance. Under the plan for property insurance, the School's liability is \$25,000 per occurrence. There have been no significant reductions in insurance coverage during fiscal year 2016. Settled claims resulting from the risks described above have not exceeded the insurance coverage during the previous three years.

NOTE J - SUBSEQUENT EVENTS

The School has evaluated subsequent events through September 20, 2016, the date which the financial statements were available for issuance.

REQUIRED SUPPLEMENTAL INFORMATION

Four Corners Charter School
(A division of Four Corners Charter School, Inc.)

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - GENERAL FUND**

For the year ended June 30, 2016

	Budgeted Amounts		Variance with Final Budget
	Final	Actual	
Revenue			
State sources	\$ 6,533,554	\$ 7,034,065	\$ 500,511
Local sources	269,048	236,145	(32,903)
Total Revenues	<u>6,802,602</u>	<u>7,270,210</u>	<u>467,608</u>
Expenditures			
Instruction			
Basic Instruction	3,306,627	2,910,122	396,505
Exceptional instruction	84,056	66,508	17,548
Instruction support service			
Pupil personnel services	98,229	167,111	(68,882)
Instruction related technology	1,000	101,872	(100,872)
Instructional staff training services	4,115	4,327	(212)
Administrative services	339,868	296,107	43,761
Transportation	198,158	85,050	113,108
Plant operations and maintenance	1,916,503	1,787,669	128,834
Operations of noninstructional services			
Board services	-	8,941	(8,941)
Fiscal services	779,147	503,653	275,494
Central services	109,469	5,788	103,681
Community services	44,539	77,537	(32,998)
Fixed capital outlay	185,545	154,031	31,514
Total expenditures	<u>7,067,256</u>	<u>6,168,716</u>	<u>898,540</u>
Excess of revenue over expenditures	(264,654)	1,101,494	1,366,148
Fund balance at July 1, 2015	<u>712,379</u>	<u>712,379</u>	<u>-</u>
Fund balance at June 30, 2016	<u>\$ 447,725</u>	<u>\$ 1,813,873</u>	<u>\$ 1,366,148</u>

See accompanying note to required supplemental information.

Four Corners Charter School
(A division of Four Corners Charter School, Inc.)

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - CAPITAL OUTLAY FUND

For the year ended June 30, 2016

	<u>Budgeted</u> <u>Amounts</u>		Variance with Final Budget
	<u>Final</u>	<u>Actual</u>	
Revenue			
Charter capital funding	\$ 384,136	\$ 322,849	\$ (61,287)
Expenditures			
Operation of plant	384,136	322,849	61,287
Net change in fund balances	-	-	-
Fund balance at July 1, 2015	-	-	-
Fund balance at June 30, 2016	\$ -	\$ -	\$ -

See accompanying note to required supplemental information.

**Four Corners Charter School
(A division of Four Corners Charter School, Inc.)**

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

NOTE A - BUDGETARY INFORMATION

Annual budgets are adopted for the entire operations and may be amended by the Board of Directors (the "Board"). Budgets are adopted on the modified accrual basis of accounting. The legal level of budgetary control is the fund level.

Although budgets are adopted for the entire operation, budgetary comparisons have been presented for the general fund and each major fund for which a legally adopted budget exists.

SUPPLEMENTAL INFORMATION



Partners

W. Ed Moss Jr.
Joe M. Krusick
James R. Dexter
Cori Cameron
Bob Marchewka
Ric Perez

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors
Four Corners Charter School, Inc.
Davenport, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Four Corners Charter School (the "School"), a division of Four Corners Charter School, Inc. (the "Charterholder"), which is a component unit of the School Board of Osceola County, Florida, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the School's basic financial statements and have issued our report thereon dated September 20, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, we do not express an opinion on the effectiveness of the School's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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American Institute of
Certified Public
Accountants

Florida Institute of
Certified Public
Accountants

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Moss, Krusick & Associates, LLC

September 20, 2016
Winter Park, Florida



Partners

W. Ed Moss Jr.
Joe M. Krusick
James R. Dexter
Cori Cameron
Bob Marchewka
Ric Perez

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MANAGEMENT LETTER

To the Board of Directors
Four Corners Charter School, Inc.
Davenport, Florida

Report on the Financial Statements

We have audited the financial statements of Four Corners Charter School (the "School"), a division of Four Corners Charter School, Inc. (the "Charterholder"), as of and for the fiscal year ended June 30, 2016, and have issued our report thereon dated September 20, 2016.

Auditors' Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and Chapter 10.850, Rules of the Auditor General.

Other Reporting and Schedules

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*. Disclosures in that report, which is dated September 20, 2016, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.854(1)(e)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. In connection with our audit, the School did not have prior year findings.

Official Title

Section 10.854(1)(e)5., Rules of the Auditor General, requires the name or official title of the entity. The official title of the school is *Four Corners Charter School*, a division of Four Corners Charter School, Inc., which is a not-for-profit corporation organized pursuant to Chapter 617, Florida Statutes, the Florida Not-For-Profit Corporation Act, and Section 1002.33, Florida Statutes.

Financial Condition

Sections 10.854(1)(e)2., Rules of the Auditor General, requires that we report the results of our determination as to whether or not the School has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that Four Corners Charter School did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.854(1)(e)6.a. and 10.855(12), Rules of the Auditor General, we applied financial condition assessment procedures for the School. It is management's responsibility to monitor the School's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Transparency

Sections 10.854(1)(e)7. and 10.855(13), Rules of the Auditor General, require that we report the results of our determine as to whether the School maintains on its Web site the information specified in Section 1002.33(9)(p), Florida Statutes. In connection with our audit, we determined that the School maintained on its Web site the information specified in Section 1002.33(9)(p), Florida Statutes.

Other Matters

Section 10.854(1)(e)3., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we did not have any recommendations in the current year.

Section 10.854(1)(e)4., Rules of the Auditor General, requires that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance, In connection with our audit, we did not have any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of Legislative Auditing Committee, members of the Florida Senate and Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, Four Corners Charter School's management, Four Corners Charter School, Inc., the Board of Directors, others within the School Board of Osceola County, and applicable management and is not intended to be and should not be used by anyone other than these specified parties.

Moss, Krusick & Associates, LLC

September 20, 2016
Winter Park, Florida

MANAGEMENT FINDINGS, RECOMMENDATIONS AND RESPONSES

For the year ended June, 30 2016, there were no management findings, recommendations and responses.

**FOUR CORNERS
CHARTER SCHOOL, INC.**

**Basic Financial Statements and
Supplemental Information**

June 30, 2016

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INDEPENDENT AUDITORS' REPORT

Partners

W. Ed Moss Jr.
Joe M. Krusick
James R. Dexter
Cori Cameron
Bob Marchewka
Ric Perez

To the Board of Directors
Four Corners Charter School, Inc.
Kissimmee, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, and each major fund of Four Corners Charter School, Inc. (the "Corporation") a component unit of the School Board of Osceola County, Florida as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Corporation's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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American Institute of
Certified Public
Accountants

Florida Institute of
Certified Public
Accountants

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, and each major fund, as of June 30, 2016, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 28, 2016 on our consideration of the Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Corporation's internal control over financial reporting and compliance.

Moss, Krusick & Associates, LLC

September 28, 2016
Winter Park, Florida

Management's Discussion and Analysis

As management of Four Corners Charter School, Inc. (the "Corporation") a component unit of the School Board of Osceola County, Florida, we offer readers of the Corporation's financial statements this narrative overview and analysis of the financial activities of the Corporation for the fiscal year ended June 30, 2016 to (a) assist the reader in focusing on significant financial issues, (b) provide an overview and analysis of the Corporation's financial activities, (c) identify changes in the Corporation's financial position, (d) identify material deviations from the approved budget, and (e) highlight significant issues in individual funds.

Since the information contained in the Management's Discussion and Analysis (MD&A) is intended to highlight significant transactions, events, and conditions, it should be considered in conjunction with the financial statements starting on page 8.

Financial Highlights

- The assets of the Corporation exceeded its liabilities at the close of the most recent fiscal year by \$4,259,679.
- The Corporation's total net position increased by \$414,197.
- As of the close of the current fiscal year, the Corporation's governmental funds reported combined ending fund balances \$2,855,795.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$1,660,065.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Corporation's basic financial statements. The Corporation's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the Corporation's finances, in a manner similar to private-sector business.

The statement of net position presents information on all of the Corporation's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Corporation is improving or deteriorating.

The statement of activities presents information showing how the Corporation's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected funding and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the Corporation that are principally supported by district, state, and federal funding (governmental activities). Basic instruction, general administration, and facilities are examples of the Corporation's governmental activities.

The government-wide financial statements include only the Corporation itself which is a component unit of the School Board of Osceola County, Florida. The School Board of Osceola County, Florida includes the operations of the Corporation in their operational results.

The government-wide financial statements can be found on pages 8 - 9 of this report.

Fund financial statements. A fund is a collection of related accounts grouped together to maintain control over resources that have been segregated for specific activities or objectives. The Corporation, like state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the operations of the Corporation are presented in governmental funds only.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Corporation's near-term financing decisions. Both the governmental fund balance sheet and the statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Corporation maintains two individual government funds. Information is presented separately in the governmental fund balance sheet and statement of revenues, expenditures and changes in fund balances. The general fund and capital outlay fund are considered to be major funds.

The basic governmental fund financial statements can be found on pages 10 through 13 of this report.

The Corporation adopts an annual appropriated budget for its entire operations. Budgetary comparison schedules and notes to these schedules have been provided to demonstrate compliance with this budget and can be found on pages 26 through 28 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found starting on page 14 of this report.

Government-Wide Financial Analysis

As noted previously, net position may serve over time as a useful indicator of a government's financial position. In the case of the Corporation, assets exceeded liabilities by \$4,259,679 at the close of the most recent fiscal year.

The largest portion of the Corporation's net position is the unrestricted portion. Another portion of the Corporation's net position reflects its net investment in capital assets (e.g. furniture, fixtures and equipment; improvements other than buildings; leasehold improvements; IT equipment; and software). The Corporation uses these capital assets to provide services to students; consequently, these assets are not available for future spending. The net investment in capital assets totaled \$1,403,884 at June 30, 2016.

Comparison of the condensed statement of net position and the statement of activities are provided below:

Statement of Net Position

	Governmental Activities		
	June 30, 2016	June 30, 2015	Variance
ASSETS			
Current and other assets	\$ 3,802,979	\$ 2,962,068	\$ 840,911
Capital assets, net of accumulated depreciation	1,403,884	1,636,408	(232,524)
Total assets	5,206,863	4,598,476	608,387
LIABILITIES			
Current and other liabilities	947,184	752,994	194,190
Total current liabilities	947,184	752,994	194,190
NET POSITION			
Invested in capital assets	1,403,884	1,636,408	(232,524)
Unrestricted	2,855,795	2,209,074	646,721
Total net position	\$ 4,259,679	\$ 3,845,482	\$ 414,197

Current assets and liabilities increased from prior year due to the timing of the facility lease payments and management fees made subsequent to year end. Capital assets decreased from prior year due to current year depreciation expense.

Statement of Activities

	Governmental Activities		
	2016	2015	Variance
Revenues:			
Program revenues:			
Operating grants and contributions	322,849	386,159	(63,310)
General revenues			
State passed through local school district	7,021,272	6,551,837	469,435
Interest income	489	659	(170)
Total revenues	<u>7,344,610</u>	<u>6,938,655</u>	<u>405,955</u>
Expenses:			
Basic instruction	5,102,529	4,705,553	(396,976)
Board of directors	9,200	9,000	(200)
General administration	532,668	733,942	201,274
Facilities	1,286,016	1,343,358	57,342
Total expenses	<u>6,930,413</u>	<u>6,791,853</u>	<u>(138,560)</u>
Change in net position	414,197	146,802	267,395
Net position - beginning	3,845,482	3,698,680	146,802
Net position - ending	<u>\$ 4,259,679</u>	<u>\$ 3,845,482</u>	<u>\$ 414,197</u>

State passed through local school district revenues increased due to an overall increase in funding from the state of Florida. Operating grants and contributions and basic instruction expenses decreased due to a lower capital outlay funding this year. General administration expenditure increased due to higher administration fees being calculated based on increased funding.

Financial Analysis of the Government's Funds

As noted, the Corporation uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the Corporation's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Corporation's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the current fiscal year, the Corporation's governmental funds reported combined ending fund balances of \$2,855,795.

The general fund is the main operating fund of the Corporation. At the end of the current fiscal year, the unassigned fund balance of the general fund was \$1,660,065. The combined ending fund balance of the Corporation's general fund increased by \$646,721 during the current fiscal year.

General Fund Budgetary Highlights

Actual general fund revenues matched budgeted revenues. Budgeted general fund expenditures exceeded actual expenditures by \$532,809 because expenditures related to the general administration were less than projected. As a result, the budgeted increase in fund balance was exceeded by the actual increase in fund balance by \$532,809. The budgetary information can be found on pages 26 through 28 of this report.

Capital Asset Administration

Capital Assets. The Corporation's investment in capital assets for its governmental type activities as of June 30, 2016, amounts to \$1,403,884 (net of accumulated depreciation). This investment in capital assets includes furniture, fixtures and equipment, improvements other than buildings, leasehold improvements, IT equipment, computer equipment and audio visual equipment.

Economic Factors. A majority of the Corporation's funding is determined by the number of enrolled students. The Corporation is forecasting enrollment to remain at capacity at approximately 1,085 students for the 2016-17 school year.

Request for Information

This financial report is designed to provide a general overview of the Corporation's finances for all those with an interest in the Corporation's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Migdalia Gonzalez Mercado, Director of Finance at the School District of Osceola County, Florida, 817 Bill Beck Boulevard, Kissimmee, Florida, 34744-4495.

Four Corners Charter School, Inc.

STATEMENT OF NET POSITION

June 30, 2016

	<u>Governmental Activities</u>
ASSETS	
CURRENT ASSETS	
Cash	\$ 3,796,873
Accounts receivable	6,106
Total current assets	<u>3,802,979</u>
CAPITAL ASSETS	
Capital assets, net of accumulated depreciation	
Furniture, fixtures and equipment	58,383
Improvements other than buildings	19,997
Leasehold improvements	1,141,088
IT equipment	182,595
Software	1,821
Total capital assets	<u>1,403,884</u>
Total assets	<u>5,206,863</u>
LIABILITIES AND NET POSITION	
LIABILITIES	
Due to management company	947,184
Total current liabilities	<u>947,184</u>
NET POSITION	
Net investment in capital assets	1,403,884
Unrestricted	<u>2,855,795</u>
Total net position	<u>\$ 4,259,679</u>

The accompanying notes are an integral part of this financial statement.

Four Corners Charter School, Inc.

STATEMENT OF ACTIVITIES

For the year ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Basic instruction	\$ 5,102,529	\$ -	\$ -	\$ -	\$ (5,102,529)
Board of directors	9,200	-	-	-	(9,200)
General administration	532,668	-	-	-	(532,668)
Facilities	1,286,016	-	322,849	-	(963,167)
Total governmental activities	<u>\$ 6,930,413</u>	<u>\$ -</u>	<u>\$ 322,849</u>	<u>\$ -</u>	<u>(6,607,564)</u>
		General revenues:			
				State passed through local school district	7,021,272
				Interest income	489
				Total general revenues	<u>7,021,761</u>
				Change in net position	414,197
				Net position at July 1, 2015	3,845,482
				Net position at June 30, 2016	<u>\$ 4,259,679</u>

The accompanying notes are an integral part of this financial statement.

Four Corners Charter School, Inc.

BALANCE SHEET - GOVERNMENTAL FUNDS

June 30, 2016

	General Fund	Capital Outlay Fund	Total Governmental Funds
ASSETS			
Cash	\$ 3,796,873	\$ -	\$ 3,796,873
Accounts receivable	6,106		6,106
Total assets	\$ 3,802,979	\$ -	\$ 3,802,979
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Due to management company	947,184		947,184
Total liabilities	947,184	-	947,184
FUND BALANCES			
Assigned	1,195,730	-	1,195,730
Unassigned	1,660,065	-	1,660,065
Total fund balances	2,855,795	-	2,855,795
Total liabilities and fund balances	\$ 3,802,979	\$ -	\$ 3,802,979

The accompanying notes are an integral part of this financial statement.

Four Corner Charter School, Inc.

RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL
FUNDS TO THE STATEMENT OF NET POSITION

June 30, 2016

Fund balances - total governmental funds \$ 2,855,795

The net assets reported for governmental activities in the statement of net assets is different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds. Those assets consist of:

Furniture, fixtures and equipment, net	\$ 58,383	
Improvements other than buildings, net	19,997	
Leashold improvements, net	1,141,088	
IT equipment, net	182,595	
Software	<u>1,821</u>	
Total capital assets		<u>1,403,884</u>
Total net position of governmental activities		<u>\$ 4,259,679</u>

The accompanying notes are an integral part of this financial statement.

Four Corners Charter School, Inc.

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS**

For the year ended June 30, 2016

	General Fund	Capital Outlay Fund	Total Governmental Funds
Revenues			
State passed through local school district	\$ 7,021,272	\$ 322,849	\$ 7,344,121
Other revenues	489	-	489
Total revenues	7,021,761	322,849	7,344,610
Expenditures			
Current:			
Instruction	4,939,411	-	4,939,411
Board of directors	9,200	-	9,200
General administration	532,668	-	532,668
Facilities	1,062,579	-	1,062,579
Fixed capital outlay	154,031	-	154,031
Total expenditures	6,697,889	-	6,697,889
Excess (deficiency) of revenues over (under) expenditures	323,872	322,849	646,721
Other financing sources and (uses)			
Transfer in	322,849	-	322,849
Transfer out	-	(322,849)	(322,849)
Total other financing sources (uses)	322,849	(322,849)	-
Net change in fund balances	646,721	-	646,721
Fund balances at July 1, 2015	2,209,074	-	2,209,074
Fund balances at June 30, 2016	\$ 2,855,795	\$ -	\$ 2,855,795

The accompanying notes are an integral part of this financial statement.

Four Corners Charter School, Inc.

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES

For the year ended June 30, 2016

Net change in fund balances - total government funds		\$	646,721
The change in net assets reported for governmental activities in the statement of activities is different because:			
Governmental funds report fixed capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.			
Total fixed capital outlay		\$	154,031
Less: Depreciation			<u>(386,555)</u>
			<u>(232,524)</u>
Change in net position of governmental activities		\$	<u>414,197</u>

The accompanying notes are an integral part of this financial statement.

Four Corners Charter School, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Reporting entity

Four Corners Charter School, Inc. (the "Corporation"), which is a component unit of the School District of Osceola County, Florida is a not-for-profit corporation organized pursuant to Chapter 617, Florida Statutes, the Florida Not-For-Profit Corporation Act, and Section 1002.33, Florida Statutes. The governing body of the Corporation is the Board of Directors, which is comprised of five members.

The Corporation was formed to operate Four Corners Charter School (the "School") in Osceola County, Florida. The general operating authority of the School is contained in Section 1002.33, Florida Statutes. The School operates under charter of the sponsoring school district, the School District of Osceola County, Florida (the "District"). The current charter is effective until June 30, 2030. At the end of the term of the charter, the District may choose not to renew the charter under grounds specified in the charter. In this case, the District is required to notify the Corporation in writing at least 90 days prior to the charter's expiration. During the term of the charter, the District may also terminate the charter if good cause is shown. In the event of termination of the charter, any property purchased by the Corporation with public funds and any unencumbered public funds revert back to the District. The Corporation is considered a component unit of the School District of Osceola County, Florida.

2. Government-wide and fund financial statements

The government-wide financial statements consist of a statement of net position and a statement of activities. These statements report information on all of the nonfiduciary activities of the Corporation. As part of the consolidation process, all interfund activities are eliminated from these statements. Both statements report only governmental activities as the Corporation does not engage in any business type activities.

Net position, the difference between assets and liabilities, as presented in the statement of net position, are subdivided into three categories: net investment in capital assets, restricted net assets, and unrestricted net assets. Net position is reported as restricted when constraints are imposed on the use of the amounts either externally by creditors, grantors, contributors, laws or regulations of other governments, or enabling legislation.

The statement of activities presents a comparison between the direct and indirect expenses of a given function and its program revenues, and displays the extent to which each function contributes to the change in net position for the fiscal year. Direct expenses are those that are clearly identifiable to a specific function.

Indirect expenses are costs the Corporation has allocated to various functions. Program revenues consist of charges for services, operating grants and contributions, and capital grants and contributions.

Four Corners Charter School, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Charges for services refer to amounts received from those who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment. Grants and contributions consist of revenues that are restricted to meeting the operational or capital requirements of a particular function. Revenues not classified as program revenues are reported as general revenues.

Separate fund financial statements report detailed information about the Corporation's governmental funds. The focus of the governmental fund financial statements is on major funds. Therefore, major funds are reported in separate columns on the fund financial statements. The Corporation reports the general fund and capital outlay fund as its major funds. Reconciliations are provided that converts the results of governmental fund accounting to the government-wide presentation.

3. Measurement focus, basis of accounting, and financial statement presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized in the period earned and expenses are recognized when a liability is incurred.

All governmental fund financial statements are reported using a current financial resources measurement focus on a modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues, except for certain grant revenues, are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the Corporation considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. When grant terms provide that the expenditure of resources is the prime factor for determining eligibility for federal, state, and other grant resources, revenue is recognized at the time the expenditure is made.

Under the modified accrual basis of accounting, expenditures are generally recorded when the related fund liability is incurred. However, principal and interest on general long-term debt is recorded as expenditure only when payment is due.

The Corporation's financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board. Accordingly, the financial statements are organized on the basis of funds. A fund is an accounting entity having a self-balancing set of accounts for recording assets, liabilities, fund equity, revenues, expenditures, and other financing sources and uses.

Four Corners Charter School, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Resources are allocated to and accounted for in individual funds based on the purpose for which they are to be spent and the means by which spending activities are controlled. The Corporation reports the following major governmental funds:

General Fund - the general operating fund of the Corporation and is used to account for all financial resources not required to be accounted for in another fund.

Capital Outlay Fund - in accordance with the guidelines established by the District, this fund accounts for all resources for the leasing and acquisition of capital facilities by the Corporation to the extent funded by capital outlay funds.

The Corporation has contracted operations of the School to a commercial management company. The management company accounts for certain school level assets, liabilities, revenues and expenses that are not a part of the Corporation. These items, including the functional classification of expenses, are not reported in the Corporation's financial statements.

4. Cash

The Corporation's cash consists of a checking account held at a financial institution. Deposits are held and maintained by the District. The Corporation does not have any cash equivalents.

5. Interfund Receivables, Payable and Transfers

Interfund receivables and payables represent activity between the funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year and are referred to as either due to/from other funds. The capital outlay fund transferred \$322,849 to the general fund for payment of rent expense related to the facilities sub-lease (see Note E-2).

6. Capital assets

Capital assets are reported in the governmental columns on the government-wide financial statements. Capital assets are defined by the Corporation as assets with an initial individual cost of more than \$750 or a total invoice cost of greater than \$5,000 and an estimated useful life of greater than one year. Such assets are recorded at historical cost. Donated capital assets are recorded at their estimated fair market values at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset lives are not capitalized.

Four Corners Charter School, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Capital assets of the Corporation are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives (years)</u>
Furniture, fixtures and equipment	5
Improvements other than building	10
IT equipment	3
Computer software	3
Audio visual equipment	5

7. Revenue sources

Revenues for current operations are received primarily from the State of Florida passed through the District pursuant to the funding provisions included in the Corporation's charter agreement with the District. In accordance with the funding provisions of the charter and Section 1002.33(17), Florida Statutes, the District reports the number of FTE students and related data to the Florida Department of Education (FDOE) for funding through the Florida Education Finance Program. Funding for the schools is adjusted during the year to reflect the revised calculations by the FDOE under the Florida Education Finance Program and the actual weighted FTE students reported by the schools during the designated FTE student survey periods.

The Corporation receives federal awards for the enhancement of various educational programs. The assistance is generally based on applications submitted to and approved by various granting agencies. These federal awards may have requirements whereby the issuance of grant funds is withheld until qualifying eligible expenditures are incurred. Revenues for these awards are recognized only to the extent that eligible expenditures have been incurred.

8. Expenses

A commercial management company operates the School pursuant to a long-term contract with the Corporation. The management company is responsible for payment of virtually all operating expenses. Actual expenses paid by the management company may differ significantly from amounts paid and expensed by the Corporation. For this reason, functional detail of the Corporation's expenditures has not been presented in the financial statements.

Four Corners Charter School, Inc.
NOTES TO FINANCIAL STATEMENTS

June 30, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

9. Income taxes

The Corporation is a component unit of the School Board of Osceola County, Florida and therefore as a government is not required to file an income tax return.

10. Use of estimates

The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

11. Fund balance classification

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the Corporation is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

Nonspendable fund balance - amounts that are not in spendable form (such as inventory and prepaid expense) or are required to be maintained intact.

Restricted fund balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

Committed fund balance - amounts constrained to specific purposes by the Corporation itself, using its highest level of decision-making authority (i.e., Board of Directors). To be reported as committed, amounts cannot be used for any other purpose unless the Corporation takes the same highest level action to remove or change the constraint.

For the year ended June 30, 2016, the breakout of the fund balance is shown below:

Assigned fund balance - amounts the Corporation intends to use for a specific purpose. Intent can be expressed by the Board of Directors or by an official or body to which the Board of Directors delegates the authority. The amount assigned by the Board of Directors is made up of the facility use fee \$1,045,730, as well as \$150,000 set aside each year to facilities and maintenance.

Four Corners Charter School, Inc.
NOTES TO FINANCIAL STATEMENTS

June 30, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Unassigned fund balance - amounts that are available for any purpose. No other fund except the general fund can report positive amounts of unassigned fund balance.

	<u>General Fund</u>
Assigned	
Facilities and maintenance	\$ 150,000
Facilities and fees	1,045,730
Unassigned	1,660,065
	<u>\$ 2,855,795</u>

The Corporation would typically use restricted fund balances first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first to defer the use of these other classified funds.

NOTE B - CASH

Custodial Credit Risk - Custodial credit risk is the risk that in the event of bank failure, the Corporation's deposits may not be returned to it. The Corporation does not have a formal policy regarding custodial credit risk. The bank balance of the Corporation's deposits was \$4,297,258 at June 30, 2016. The deposits are insured by the FDIC up to \$250,000 per entity. Monies invested in amounts greater than the insurance coverage are secured by amounts required by the Florida Security for Public Deposits Act. In the event of a default or insolvency of a qualified public depositor, the State Treasurer will implement procedures for payment of losses according to the validated claims of the Corporation pursuant to section 280.08, Florida Statutes.

Four Corners Charter School, Inc.
NOTES TO FINANCIAL STATEMENTS

June 30, 2016

NOTE C - CAPITAL ASSETS

Changes in capital assets were as follows for the year ended June 30, 2016:

	Balance at July 1, 2015	Additions	Deletions	Balance at June 30, 2016
Capital assets depreciated:				
Furniture, fixtures and equipment	\$ 1,076,946	\$ 45,505	\$ -	\$ 1,122,451
Improvements other than building	58,034	-	-	58,034
Leasehold improvements	2,193,298	-	-	2,193,298
IT equipment	814,371	108,526	-	922,897
Computer equipment	80,682	-	-	80,682
Audio visual equipment	1,555	-	-	1,555
Total assets depreciated	<u>4,224,886</u>	<u>154,031</u>	<u>-</u>	<u>4,378,917</u>
Less accumulated depreciation:				
Furniture, fixtures and equipment	1,039,667	24,401	-	1,064,068
Improvements other than building	33,930	4,107	-	38,037
Leasehold improvements	832,880	219,330	-	1,052,210
IT equipment	602,735	137,567	-	740,302
Computer equipment	77,711	1,150	-	78,861
Audio visual equipment	1,555	-	-	1,555
Total accumulated depreciation	<u>2,588,478</u>	<u>\$ 386,555</u>	<u>\$ -</u>	<u>2,975,033</u>
Total governmental activities capital assets, net	<u>\$ 1,636,408</u>			<u>\$ 1,403,884</u>

Depreciation expense for the year ended June 30, 2016 was charged to functions of the Corporation as follows:

Basic instruction	\$ 163,118
Facilities	<u>223,437</u>
	<u>\$ 386,555</u>

Four Corners Charter School, Inc.
NOTES TO FINANCIAL STATEMENTS

June 30, 2016

NOTE D - CONCENTRATIONS

Revenue sources

As stated in Note A-7, the Corporation receives revenues for current operations primarily from the State of Florida through the District. The following is a schedule of revenue sources and amounts:

Sources	Amounts
School District of Osceola County:	
Base funding	\$ 4,717,226
Class size reduction	1,346,059
Supplemental academic instruction	225,584
Discretionary millage compression allocation	194,260
Instructional materials	88,444
Exceptional student education guaranteed allocation	44,922
Safe schools	18,481
Discretionary lottery	264,146
Digital classroom allocation	20,411
Proration to funds available	(13,117)
Subtotal	6,906,416
Capital outlay funds	322,849
School recognition	104,038
Florida teacher lead program	11,650
Total School Board of Osceola County, Florida	7,344,953
Interest income	489
Class size funding paid directly to management company	(832)
Total revenues	\$ 7,344,610

Four Corners Charter School, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

NOTE E - COMMITMENTS AND CONTINGENCIES

1. Management service contract

On September 16, 2010, the Corporation entered into a new management agreement. The contract terminated on June 30, 2015. A new agreement was signed on June 23, 2015 for a term of five years commencing on July 1, 2015. The contract expires the earlier of June 30, 2020 or the termination date of the charter if the District chooses to early terminate or not to renew when expired.

The management company will manage and operate the School during the term of the agreement and is guaranteed a fee of \$500,000 plus contingent incentive fees. The incentive fees are calculated as the difference between the guaranteed fee and 15% of FEFP operational revenues, and subject to performance requirements as detailed in the management agreement. Current year management fees charged to operations totaled \$500,000.

2. Facilities sub-lease

The real property, buildings, and other assets, which comprise the Corporation's facilities, are owned by the District. Construction of the buildings was financed by the issuance of \$8,315,000 principal amount of Certificates of Participation, Series 2000A and \$6,385,000 principal amount of Certificates of Participation, Series 2000B (the "Certificates"), which are obligations of the District.

On April 19, 2005, the District issued \$12,095,000 principal amount of Certificates of Participation, Series 2005. The proceeds were used to refund a portion of the outstanding Series 2000 Certificates maturing on and after August 1, 2011 (the "Refunded Certificates") and, therefore, refinanced a portion of the cost of the acquisition, construction and equipping of the Series 2000 Facilities and reduced the corresponding basic lease payments due under the lease.

On August 7, 2015, the District issued \$8,310,000 principal amount of Certificates of Participation, Series 2015. The proceeds were used to refund the outstanding Series 2005 Certificates maturing on or after February 2016. The Series 2015 Certificates were issued to reduce the basic lease payments due under the lease and mature in August 2024.

The Corporation is entitled to use the facilities under a sub-lease agreement with the District that requires annual payments in amounts equal to the annual debt service payments on the Certificates. Such annual payments range from \$1,035,651 to \$1,045,730 for the Corporation. At the end of the term of the charter including renewals, if any, possession of the facilities will revert to the District which will be liable for all future payments.

Four Corners Charter School, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

NOTE E - COMMITMENTS AND CONTINGENCIES (continued)

Current year facilities lease expense charged to operations totaled \$1,062,579. This amount is included in the "Facilities" functional expense category on the accompanying statement of activities and statement of revenues, expenditures and changes in fund balances. A portion of the facility use fee in the amount of \$322,849 was reimbursed through capital outlay funds.

Current aggregate remaining rental commitments, including all extensions, under this sub-lease agreement are summarized as follows at June 30:

2017	\$	1,045,730
2018		1,043,168
2019		1,035,140
2020		1,036,577
2021		1,037,346
2022-2025		4,148,666
	\$	<u>9,346,627</u>

NOTE F - RISK MANAGEMENT

The Corporation and School are exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the School carries commercial insurance. Under the plan for property insurance, the liability is \$25,000 per occurrence. There have been no significant reductions in insurance coverage during fiscal year 2016. Settled claims resulting from the risks described above have not exceeded the insurance coverage during the previous three years.

NOTE G - RELATED PARTIES

1. Due from management company

The Corporation has entered into an agreement with a management company for professional services to manage and operate the School (See Note E-1). All monies received by revenue, grants and revenue allocations are initially deposited with the Corporation. The Corporation retains funds in order to pay for management fees. As of June 30, 2016, the Corporation has an outstanding receivable due from the management company in the amount \$6,106.

Four Corners Charter School, Inc.
NOTES TO FINANCIAL STATEMENTS

June 30, 2016

NOTE G - RELATED PARTIES (continued)

2. Due to school district

All monies received by revenue, grants and revenue allocations are initially deposited with the Corporation. The Corporation retains funds in order to pay for certain operating expenses such as lease payments to the District (see Note E-2). At June 30, 2016, the Corporation has an outstanding payable due to the District in the amount of \$947,184.

3. Due to Four Corners Charter School

All monies received by revenue, grants and revenue allocations are initially deposited with the Corporation. The Corporation retains funds in order to pay for facility maintenance. At June 30, 2016, the balance sheet reflects no payable due to Four Corners Charter School.

NOTE H - SUBSEQUENT EVENTS

The Corporation has evaluated subsequent events through September 28, 2016, the date which the financial statements were available for issuance.

REQUIRED SUPPLEMENTAL INFORMATION

Four Corners Charter School, Inc.

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - GENERAL FUND**

For the year ended June 30, 2016

	Budgeted Amounts			Variance with Final Budget
	Original	Final	Actual	
Revenue				
State passed through local school district	\$ 4,461,000	\$ 7,021,272	\$ 7,021,272	\$ -
Other revenues	650	489	489	-
Total revenues	<u>4,461,650</u>	<u>7,021,761</u>	<u>7,021,761</u>	<u>-</u>
Expenditures				
Instruction	4,428,453	5,093,441	4,939,411	154,030
Board of directors	8,550	9,200	9,200	-
General administration	608,246	1,065,478	532,668	532,810
Facilities	1,131,556	1,062,579	1,062,579	-
Fixed capital outlay	-	-	154,031	(154,031)
Total expenditures	<u>6,176,805</u>	<u>7,230,698</u>	<u>6,697,889</u>	<u>532,809</u>
Deficiency of revenues under expenditures				
Other financing sources				
Transfers in	<u>385,590</u>	<u>322,849</u>	<u>322,849</u>	<u>-</u>
Net change in fund balances	(1,329,565)	113,912	646,721	(532,809)
Fund balance at July 1, 2015	<u>2,209,074</u>	<u>2,209,074</u>	<u>2,209,074</u>	<u>-</u>
Fund balance at June 30, 2016	<u>\$ 879,509</u>	<u>\$ 2,322,986</u>	<u>\$ 2,855,795</u>	<u>\$ (532,809)</u>

See accompanying note to required supplemental information.

Four Corners Charter School, Inc.

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - CAPITAL OUTLAY FUND**

For the year ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenue				
State passed through local school district	\$ 385,590	\$ 322,849	\$ 322,849	\$ -
Other financing uses				
Transfers out	(385,590)	(322,849)	(322,849)	-
Net change in fund balances	-	-	-	-
Fund balance at July 1, 2015	-	-	-	-
Fund balance at June 30, 2016	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying note to required supplemental information.

Four Corners Charter School, Inc.

NOTES TO FINANCIAL STATEMENTS

June 30, 2016

NOTE A - BUDGETARY BASIS OF ACCOUNTING

Annual budgets are adopted for the entire operations and may be amended by the Board of Directors (the "Board"). The budgets presented for fiscal year ended June 30, 2016, have been amended according to Board procedures. Budgets are adopted on the modified accrual basis of accounting. The legal level of budgetary control is the fund level.

Although budgets are adopted for the entire operation, budgetary comparisons have been presented for the general fund and each major fund for which a legally adopted budget exists.

SUPPLEMENTAL INFORMATION



Partners

W. Ed Moss Jr.
Joe M. Krusick
James R. Dexter
Cori Cameron
Bob Marchewka
Ric Perez

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors
Four Corners Charter School, Inc.
Kissimmee, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of Four Corners Charter School, Inc. (the "Corporation") a component unit of the School Board of Osceola County, Florida, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the Corporation's basic financial statements and have issued our report thereon dated September 28, 2016.

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Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Corporation's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Corporation's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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Accountants

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Corporation's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Corporation's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Corporation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Moss, Krusick & Associates, LLC

September 28, 2016
Winter Park, Florida



MANAGEMENT LETTER

Partners

W. Ed Moss Jr.
Joe M. Krusick
James R. Dexter
Cori Cameron
Bob Marchewka
Ric Perez

To the Board of Directors
Four Corners Charter School, Inc.
Kissimmee, Florida

Report on the Financial Statements

We have audited the financial statements of Four Corners Charter School, Inc. (the "Corporation"); a component unit of the School Board of Osceola County, Florida, as of and for the fiscal year ended June 30, 2016, and have issued our report thereon dated September 28, 2016.

Auditors' Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and Chapter 10.850, Rules of the Auditor General.

Other Reporting

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*. Disclosures in this report, which is dated September 28, 2016, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.854(1)(e)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. In connection with our audit, the Corporation did not have prior year findings.

Official Title

Section 10.854(1)(e)5., Rules of the Auditor General, requires the name or official title of the entity. The official title of the Corporation is Four Corners Charter School, Inc., which is a not-for-profit corporation organized pursuant to Chapter 617, Florida Statutes, the Florida Not-For-Profit Corporation Act, and Section 1002.33, Florida Statutes.

Financial Condition

Sections 10.854(1)(e)2., Rules of the Auditor General, requires that we report the results of our determination as to whether or not the Corporation has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the Corporation did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

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Pursuant to Sections 10.854(1)(e)6.a. and 10.855(12), Rules of the Auditor General, we applied financial condition assessment procedures for the Corporation. It is management's responsibility to monitor the Corporation's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Transparency

Sections 10.854(1)(e)7. and 10.855(13), Rules of the Auditor General, require that we report the results of our determine as to whether the Corporation maintains on its Web site the information specified in Section 1002.33(9)(p), Florida Statutes. In connection with our audit, we determined that the Corporation maintained on its Web site the information specified in Section 1002.33(9)(p), Florida Statutes.

Other Matters

Section 10.854(1)(e)3., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. In connection with our audit, we did not have any recommendations in the current year.

Section 10.854(1)(e)4., Rules of the Auditor General, requires that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, and applicable management and is not intended to be and should not be used by anyone other than these specified parties.

Moss, Krusick & Associates, LLC

September 28, 2016
Winter Park, Florida

MANAGEMENT FINDINGS, RECOMMENDATIONS AND RESPONSES

For the year ended June 30, 2016 there were no management findings, recommendations and responses.