

Four Corners Upper School

A Department of Renaissance Charter School, Inc.
(A Component Unit of the School
Board of Osceola County, Florida)

Basic Financial Statements
and Supplementary Information
For the Year Ended June 30, 2025

Four Corners Upper School

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Four Corners Upper School
Davenport, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of the Four Corners Upper School (the "School"), a Department of Renaissance Charter School, Inc. and a component unit of the School Board of Osceola County, Florida, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the School's basic financial statements as listed in the table of contents.

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 of the School, as of June 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the School and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 1, the financial statements of the School are intended to present the financial position and changes in financial position of only that portion of the governmental activities and each major fund of Renaissance Charter School, Inc. that are attributable to the transactions of the School. They do not purport to, and do not, present fairly the financial position of Renaissance Charter School, Inc. as of June 30, 2025 or its changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 School's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

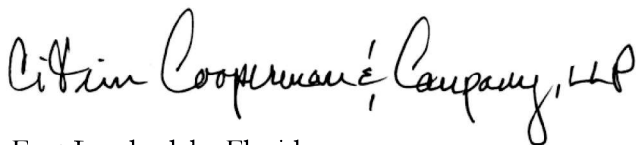
We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 8 and the budgetary comparison information on pages 25 and 26 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 GAAS, 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 17, 2025, 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 solely 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 effectiveness of the School's 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.



Fort Lauderdale, Florida
September 17, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

**Four Corners Upper School
Management's Discussion and Analysis
June 30, 2025**

As management of Four Corners Upper School (the "School"), a Department of Renaissance Charter School, Inc. and a component unit of the School Board of Osceola County, Florida (the "School Board"), we offer readers of the School's basic financial statements this narrative overview and analysis of the financial activities of the School for the years ended June 30, 2025 and 2024.

Management's discussion and analysis is included at the beginning of the School's basic financial statements to provide, in layman's terms, the current position of the School's financial condition. This summary should not be taken as a replacement for the audit, which consists of the basic financial statements.

Financial Highlights

Our basic financial statements provide these insights into the results of this year's operations.

- As of June 30, 2025, the School had a total fund balance of \$ 2,067,282, as compared to \$ 1,904,081 as of June 30, 2024.
- The net position (deficit) of the School as of June 30, 2025 was \$ (23,467) as compared to \$ 30,675 as of June 30, 2024.

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 are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to basic financial statements.

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 (deficit) presents information on all of the School's assets, liabilities, and deferred inflows/outflows of resources, with the difference 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 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 revenues and services rendered but unpaid).

The government-wide financial statements include all governmental activities that are principally supported by grants and entitlements from the state for full-time equivalent funding. The School does not have any business-type activities. The governmental activities of the School primarily include instruction and instructional support services.

The government-wide financial statements can be found on pages 9 and 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 other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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 balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the School'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 School's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds 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 several individual governmental funds. Information is presented in the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances. The General Fund, Grants Fund, Capital Project Fund and Club and Activities Fund are considered to be the School's major funds.

The School adopts an annual budget for its governmental funds except for the Capital Project Fund and the Club and Activities Fund. A budgetary comparison schedule has been provided for the General Fund and the Grants Fund to demonstrate compliance with the budget.

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

Notes to Basic Financial Statements: The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to basic financial statements can be found on pages 15 through 24 of this report.

Government-Wide Financial Analysis

As noted earlier, net position over time may serve as a useful indicator of financial position. In the case of the School, liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$ 23,467 at the close of the most recent fiscal year.

**BASIC
FINANCIAL STATEMENTS**

**Four Corners Upper School
Management's Discussion and Analysis
June 30, 2025**

Government-Wide Financial Analysis (continued)

Our analysis in the table below focuses on the net position of the School's governmental activities:

Four Corners Upper School Net Position (Deficit)			
	June 30, 2025	June 30, 2024	Variance
Assets:			
Current and other assets	\$ 3,049,314	\$ 2,913,509	\$ 135,805
Capital assets, net of depreciation	<u>14,897,652</u>	<u>15,515,952</u>	<u>(618,300)</u>
Total assets	<u>17,946,966</u>	<u>18,429,461</u>	<u>(482,495)</u>
Liabilities:			
Current liabilities	1,524,476	1,531,841	(7,365)
Long-term liabilities	<u>16,445,957</u>	<u>16,866,945</u>	<u>(420,988)</u>
Total liabilities	<u>17,970,433</u>	<u>18,398,786</u>	<u>(428,353)</u>
Net Position (Deficit):			
Net investment in capital assets	(1,958,668)	(1,735,368)	(223,300)
Restricted	80,043	128,243	(48,200)
Unrestricted	<u>1,855,158</u>	<u>1,637,800</u>	<u>217,358</u>
Total net position (deficit)	<u>\$ (23,467)</u>	<u>\$ 30,675</u>	<u>\$ (54,142)</u>

Current and other assets increased mainly due to a rise in the School's cash position offset by the decline of monies due from other governments. Capital assets, net of depreciation decreased mainly due to the current depreciation expense of \$ 734,476 offset by purchase of new assets of \$ 116,176. Long-term liabilities decreased due to the payment made on the School's leases.

Governmental Activities: The School's overall net position decreased by \$ 54,142 from the prior fiscal year. The reasons for this overall decrease are discussed in the following section for governmental activities.

Four Corners Upper School Change in Net Position			
	June 30, 2025	June 30, 2024	Variance
Revenues:			
Program revenues:			
Charges for services	\$ 17,396	\$ 21,077	\$ (3,681)
Operating grants and contributions	1,165,688	2,348,226	(1,182,538)
Capital grants and contributions	1,066,893	825,398	241,495
General revenues:			
FTE and other nonspecific revenues	10,716,500	10,469,104	247,396
Interest income	201,504	107,600	93,904
Miscellaneous income	<u>48</u>	<u>-</u>	<u>48</u>
Total revenues	<u>\$ 13,168,029</u>	<u>\$ 13,771,405</u>	<u>\$ (603,376)</u>

**Four Corners Upper School
Management's Discussion and Analysis
June 30, 2025**

Governmental Activities: (continued)

Four Corners Upper School Change in Net Position (continued)			
	June 30, <u>2025</u>	June 30, <u>2024</u>	<u>Variance</u>
Functions/Program Expenses:			
Instruction	\$ 5,855,414	\$ 6,028,443	\$ (173,029)
Student support services	314,326	395,454	(81,128)
Instruct. and curric. dev. services	-	27,280	(27,280)
Instructional staff training services	26,045	58,314	(32,269)
Instruction-related technology	239,359	211,333	28,026
Board	61,149	40,963	20,186
School administration	1,189,874	881,803	308,071
Fiscal services	1,226,207	718,573	507,634
Food services	5,128	1,634	3,494
Central services	100,064	102,169	(2,105)
Transportation	467,632	430,279	37,353
Operation of plant	1,774,289	1,706,485	67,804
Maintenance of plant	298,788	329,792	(31,004)
Community services	5,739	8,812	(3,073)
Extracurricular activities	519,673	418,124	101,549
Interest on long-term debt	<u>1,138,484</u>	<u>1,260,996</u>	<u>(122,512)</u>
Total expenses	<u>13,222,171</u>	<u>12,620,454</u>	<u>601,717</u>
Change in net position	(54,142)	1,150,951	(1,205,093)
Net position (deficit) - beginning	<u>30,675</u>	<u>(1,120,276)</u>	<u>1,150,951</u>
Net position (deficit) - ending	<u>\$ (23,467)</u>	<u>\$ 30,675</u>	<u>\$ (54,142)</u>

Program revenues decreased from a decrease in ESSER III revenues. General revenues increased due to a rise in student funding. Total expenses increased primarily due to increases in school administration and fiscal services expenses.

Financial Analysis of Governmental Funds

The General Fund is the chief operating fund of the School. At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$ 1,798,395, while total fund balance increased to \$ 1,987,239. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total General Fund expenditures. Unassigned fund balance represents 16.28% of total General Fund expenditures, while total fund balance represents 17.98% of that same amount.

The fund balance of the School's General Fund increased by \$ 211,401 during the current fiscal year. The increase was mainly due to monies received for prior grant expenditures and higher student funding.

Financial Analysis of Governmental Funds (continued)

The Grants Fund does not have an increase or decrease in fund balance during the fiscal year, as this fund reports federal and certain state expense reimbursement grants.

The Capital Project Fund does not have an increase or decrease in fund balance during the year, as this fund reports state and local capital outlay funding that is used to cover a portion of interest expense.

The Club and Activities Fund had a decrease in fund balance during the current fiscal year due to increased extracurricular expenses.

Capital Assets and Debt Administration

Capital assets: At June 30, 2025, the School had capital assets of \$ 14,897,652, net of accumulated depreciation and amortization, invested in lease assets, improvements other than buildings, furniture, fixtures and equipment and computer equipment. Major capital assets additions for the year included \$ 116,176 for building improvements, computer equipment and classroom furniture. Additional information on the School's capital assets can be found in Note 6 of this report.

Debt: At June 30, 2025, the School had debt of \$ 16,856,320 as compared to \$ 17,251,320 at June 30, 2024. The decrease is a result of scheduled debt payments in accordance with the lease agreement. Additional information on the School's debt can be found in Notes 7 and 8 of this report.

General Fund Budgetary Highlights

Interest income was favorable to the budget due to higher than anticipated earnings. Expenditures were favorable to the budget primarily due to lower instruction expense.

Economic Factors and Next Year's Budget

In fiscal year 2025, the State of Florida continued to include a teacher salary increase allocation of \$ 1.25 billion. The capital outlay funding pool ended up at \$230 million.

For fiscal year 2026, the funding for teacher salaries and other instructional personnel will be \$ 1.36 billion. Additionally, the State of Florida approved an increase to the base funding allocation and capital outlay. A 3% merit increase for all staff was included in the budget. All other expenditures are budgeted in alignment with the enrollment changes and the school's strategic objectives.

Requests for Information

If you have questions about this report or need additional information, please contact Michael Valdes, Controller - School Accounting; Charter Schools USA, 800 Corporate Drive, Suite 700, Fort Lauderdale, Florida 33334.

Four Corners Upper School
Statement of Net Position (Deficit)
June 30, 2025

	Governmental Activities
Current Assets:	
Cash and cash equivalents	\$ 2,724,473
Other receivables	112,765
Due from related party	23,232
Prepaid items	183,340
Deposits	<u>5,504</u>
Total current assets	3,049,314
Noncurrent Assets:	
Capital assets (depreciable and amortizable), net of accumulated depreciation and amortization	<u>14,897,652</u>
Total assets	<u>17,946,966</u>
Current Liabilities:	
Accounts payable and accrued expenses	183,945
Accrued interest payable	93,534
Salaries and wages payable	526,699
Due to related parties	4,480
Due to management company	266,908
Compensated absences	28,910
Lease payable	<u>420,000</u>
Total current liabilities	<u>1,524,476</u>
Noncurrent Liabilities:	
Compensated absences	9,637
Lease payable	<u>16,436,320</u>
Total noncurrent liabilities	<u>16,445,957</u>
Total liabilities	<u>17,970,433</u>
Net Position (Deficit):	
Net investment in capital assets	(1,958,668)
Restricted for extracurricular activities	80,043
Unrestricted	<u>1,855,158</u>
Total net position (deficit)	\$ <u><u>(23,467)</u></u>

The accompanying notes to basic financial statements are an integral part of these statements.

**Four Corners Upper School
Statement of Activities
For the Year Ended June 30, 2025**

	<u>Expenses</u>	<u>Program Revenues</u>			<u>Governmental</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Net Revenue (Expense) and Change in Net Position (Deficit)</u>
Functions/Programs:					
Instruction	\$ 5,855,414	\$ -	\$ 489,652	\$ -	\$ (5,365,762)
Student support services	314,326	-	579	-	(313,747)
Instructional and curriculum development services	-	-	930	-	930
Instructional staff training services	26,045	-	10,523	-	(15,522)
Instruction-related technology	239,359	-	-	-	(239,359)
Board	61,149	-	-	-	(61,149)
School administration	1,189,874	-	-	-	(1,189,874)
Fiscal services	1,226,207	-	-	-	(1,226,207)
Food services	5,128	-	-	-	(5,128)
Central services	100,064	-	-	-	(100,064)
Transportation	467,632	-	140,295	-	(327,337)
Operation of plant	1,774,289	-	58,256	-	(1,716,033)
Maintenance of plant	298,788	-	-	-	(298,788)
Community services	5,739	17,396	-	-	11,657
Extracurricular activities	519,673	-	465,453	-	(54,220)
Interest and fees	1,138,484	-	-	1,066,893	(71,591)
	<u>13,222,171</u>	<u>17,396</u>	<u>1,165,688</u>	<u>1,066,893</u>	<u>(10,972,194)</u>
Total governmental activities	\$ <u>13,222,171</u>	\$ <u>17,396</u>	\$ <u>1,165,688</u>	\$ <u>1,066,893</u>	<u>(10,972,194)</u>
General revenues:					
FTE and other nonspecific revenues					10,716,500
Interest income					201,504
Miscellaneous income					48
Total general revenues					<u>10,918,052</u>
Change in net position					(54,142)
Net position, July 1, 2024					<u>30,675</u>
Net position (deficit), June 30, 2025					\$ <u>(23,467)</u>

The accompanying notes to basic financial statements are an integral part of these statements.

Four Corners Upper School
Balance Sheet - Governmental Funds
June 30, 2025

	<u>General Fund</u>	<u>Grants Fund</u>	<u>Capital Project Fund</u>	<u>Club and Activities Fund</u>	<u>Total</u>
Assets:					
Cash and cash equivalents	\$ 2,597,622	\$ -	\$ -	\$ 126,851	\$ 2,724,473
Other receivables	112,765	-	-	-	112,765
Due from other funds	46,808	-	-	-	46,808
Due from related party	23,232	-	-	-	23,232
Prepaid items	183,340	-	-	-	183,340
Deposits	<u>5,504</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,504</u>
Total assets	<u>\$ 2,969,271</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 126,851</u>	<u>\$ 3,096,122</u>
Liabilities:					
Accounts payable and accrued expenses	\$ 183,945	\$ -	\$ -	\$ -	\$ 183,945
Salaries and wages payable	526,699	-	-	-	526,699
Due to related parties	4,480	-	-	-	4,480
Due to other funds	-	-	-	46,808	46,808
Due to management company	<u>266,908</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>266,908</u>
Total liabilities	<u>982,032</u>	<u>-</u>	<u>-</u>	<u>46,808</u>	<u>1,028,840</u>
Fund Balances:					
Nonspendable:					
Prepaid items	183,340	-	-	-	183,340
Deposits	5,504	-	-	-	5,504
Restricted for extracurricular activities	-	-	-	80,043	80,043
Unassigned	<u>1,798,395</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,798,395</u>
Total fund balances	<u>1,987,239</u>	<u>-</u>	<u>-</u>	<u>80,043</u>	<u>2,067,282</u>
Total liabilities and fund balances	<u>\$ 2,969,271</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 126,851</u>	<u>\$ 3,096,122</u>

The accompanying notes to basic financial statements are an integral part of these statements.

**Four Corners Upper School
 Reconciliation of the Balance Sheet of Governmental Funds
 to the Statement of Net Position (Deficit)
 June 30, 2025**

Total Fund Balances - Governmental Funds \$ 2,067,282

Amounts reported for governmental activities in the statement of net position (deficit) are different because:

The cost of capital assets acquired is reported as an expenditure in the governmental fund statements. The statement of net position (deficit) includes those capital assets, net of accumulated depreciation and amortization, among the assets of the School as a whole.

Cost of capital assets	\$	21,445,501		
Accumulated depreciation and amortization		<u>(6,547,849)</u>		14,897,652

Liabilities not payable with current available resources are not reported as fund liabilities in the governmental fund statements. All liabilities, both current and long-term, are reported in the government-wide statements.

Compensated absences	\$	(38,547)		
Accrued interest payable		(93,534)		
Lease payable		<u>(16,856,320)</u>		<u>(16,988,401)</u>

Net Position (Deficit) of Governmental Activities \$ (23,467)

The accompanying notes to basic financial statements are an integral part of these statements.

**Four Corners Upper School
Statement of Revenues, Expenditures and
Changes in Fund Balances - Governmental Funds
For the Year Ended June 30, 2025**

	<u>General Fund</u>	<u>Grants Fund</u>	<u>Capital Project Fund</u>	<u>Club and Activities Fund</u>	<u>Total</u>
Revenues:					
Federal sources	\$ -	\$ 471,813	\$ -	\$ -	\$ 471,813
State sources	10,886,666	-	860,065	-	11,746,731
Local sources	58,304	-	206,828	465,453	730,585
Interest income	195,484	-	-	6,020	201,504
Aftercare	17,396	-	-	-	17,396
Total revenues	<u>11,157,850</u>	<u>471,813</u>	<u>1,066,893</u>	<u>471,473</u>	<u>13,168,029</u>
Expenditures:					
Current:					
Instruction	5,226,995	356,332	-	-	5,583,327
Student support services	313,747	579	-	-	314,326
Instructional and curriculum development services	-	930	-	-	930
Instructional staff training services	14,592	10,523	-	-	25,115
Instruction-related technology	239,359	-	-	-	239,359
Transportation	467,632	-	-	-	467,632
Board	61,149	-	-	-	61,149
School administration	1,189,874	-	-	-	1,189,874
Fiscal services	1,226,207	-	-	-	1,226,207
Food services	5,128	-	-	-	5,128
Central services	100,064	-	-	-	100,064
Operation of plant	1,315,855	-	-	-	1,315,855
Maintenance of plant	298,788	-	-	-	298,788
Community services	5,739	-	-	-	5,739
Extracurricular activities	-	-	-	519,673	519,673
Capital outlay	116,176	-	-	-	116,176
Debt service:					
Principal	395,000	-	-	-	395,000
Interest	73,593	-	1,066,893	-	1,140,486
Total expenditures	<u>11,049,898</u>	<u>368,364</u>	<u>1,066,893</u>	<u>519,673</u>	<u>13,004,828</u>
Excess (deficiency) of revenues over (under) expenditures	<u>107,952</u>	<u>103,449</u>	<u>-</u>	<u>(48,200)</u>	<u>163,201</u>
Other Financing Sources (Uses):					
Transfer in	103,449	-	-	-	103,449
Transfer out	-	(103,449)	-	-	(103,449)
Total other financing sources (uses)	<u>103,449</u>	<u>(103,449)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	211,401	-	-	(48,200)	163,201
Fund Balances, July 1, 2024	<u>1,775,838</u>	<u>-</u>	<u>-</u>	<u>128,243</u>	<u>1,904,081</u>
Fund Balances, June 30, 2025	<u>\$ 1,987,239</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 80,043</u>	<u>\$ 2,067,282</u>

The accompanying notes to basic financial statements are an integral part of these statements.

**Four Corners Upper School
Reconciliation of the Statement of Revenues,
Expenditures and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2025**

Net Change in Fund Balances - Governmental Funds \$ 163,201

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures; however, in the statement of activities, the costs of those assets are depreciated and amortized over their estimated useful lives as provision for depreciation and amortization.

Capital outlays	\$	116,176	
Depreciation and amortization		<u>(734,476)</u>	(618,300)

Principal payments on long-term debt are reported as an expenditure in the governmental funds, but as a reduction of long-term liabilities in the statement of net position (deficit). 395,000

Certain items reported in the statement of activities do not require the use of current financial resources, and therefore, are not reported as expenditures in the governmental funds.

Change in compensated absences		3,955	
Change in accrued interest payable		<u>2,002</u>	<u>5,957</u>

Change in Net Position (Deficit) of Governmental Activities \$ (54,142)

The accompanying notes to basic financial statements are an integral part of these statements.

Note 1 - Organization and Operations

Four Corners Upper School (the "School") is a Department of Renaissance Charter School, Inc. ("RCS") and a component unit of the School Board of Osceola County, Florida. Four Corners Charter Middle School and Four Corners Charter High School were established in 2015 as public charter schools to serve students from sixth to eighth grade and from ninth to twelfth grade, respectively, in Osceola County. In November 2016, the charters for these two schools were combined, forming Four Corners Upper School. RCS is a Florida nonprofit corporation organized in August 1998. There were 1,402 students enrolled for the 2024/2025 school year.

The basic financial statements of the School present only the balances, activity and disclosures related to the School. They do not purport to, and do not, present fairly the financial position of RCS as of June 30, 2025, and its changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Note 2 - Summary of Significant Accounting Policies

Reporting entity: The School operates under a charter granted by the sponsoring school district the School Board of Osceola County (the "District"). The current charter is effective until June 30, 2038 and may be renewed by mutual written agreement between the School and 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 which case the District is required to notify the School 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. Four Corners Upper School is considered a component unit of the School Board of Osceola County.

The School may also be financially accountable if an organization is fiscally dependent on the School regardless of whether the organization has a separately elected governing board, a governing board appointed by another government, or a jointly approved board. In addition, component units can be other organizations for which the nature and significance of their relationship with the School are such that exclusion would cause the basic financial statements to be misleading or incomplete.

As a result of evaluating the above criteria, management has determined that no component units exist for which the School is financially accountable which would require inclusion in the School's basic financial statements.

Basis of presentation: The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Government-wide financial statements: Government-wide financial statements, including the statement of net position and the statement of activities, present information about the School as a whole.

Note 2 - Summary of Significant Accounting Policies (continued)

Government-wide financial statements are prepared using the economic resources measurement focus. The statement of activities presents a comparison between direct expenses and program revenues for each function or program of the School's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and are thereby clearly identifiable to a particular function.

Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the School.

Fund financial statements: Fund financial statements report detailed information about the School in the governmental funds. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is reported in a separate column. Because the focus of governmental fund financial statements differs from the focus of government-wide financial statements, a reconciliation is presented with each of the governmental fund financial statements.

The School's major governmental funds are as follows:

General Fund - This fund is used to account for all operating activities of the School except for those required to be accounted for in another fund.

Grants Fund - This special revenue fund is used to account for federal and certain state grants that are legally restricted to expenditures for particular purposes.

Capital Project Fund - This fund is used to account for state and local capital outlay funding that is legally restricted to expenditures for particular purposes.

Club and Activities Fund - This special revenue fund is used to administer funds raised and earned by the various clubs and activities that are part of the School but restricted for use in the extracurricular activities.

During the course of operations, the School has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds. While these balances are reported in the governmental fund financial statements, they are eliminated in the preparation of the government-wide financial statements.

Basis of accounting: Basis of accounting refers to when revenues and expenditures, or expenses, are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide financial statements are prepared using the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of the related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Note 2 - Summary of Significant Accounting Policies (continued)

Governmental fund financial statements are prepared using the modified accrual basis of accounting. Revenues are recognized when they become measurable and available. Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The School considers revenues to be available if they are collected within 120 days of the end of the current period. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source.

All other revenue items are considered to be measurable and available only when cash is received by the School. Under the modified accrual basis of accounting, expenditures are generally recognized when the related fund liability is incurred, except for principal and interest on long-term debt, claims and judgments, and compensated absences, which are recognized when due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under leases are reported as other financing sources.

Student funding is provided by the State of Florida through the School Board. Such funding is recorded as full-time equivalent ("FTE") revenue in the government-wide financial statements and state source revenue in the fund financial statements. This funding is received on a prorated basis over the twelve-month period and is adjusted for changes in FTE student population.

Cash and cash equivalents: The School considers all demand accounts and short-term investments with a maturity of three months or less when purchased to be cash and cash equivalents. The School maintains its cash accounts with one financial institution. The School's accounts at this institution, at times, may exceed the federal insured limit, however, the School's deposits are collateralized in accordance with Chapter 280 of the Florida Statutes (Note 3).

Prepaid items: Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

Income taxes: The School is a division of a nonprofit corporation. Revenue of the School is derived primarily from other governmental entities. The School is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been made in these financial statements.

Capital assets: Property and equipment purchased or acquired are capitalized at historical cost or estimated historical cost. Capital assets are defined by the School as assets with an initial cost equal to or greater than \$ 750 and useful life of over one year. Donated property and equipment are reported at acquisition value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized and depreciated over the remaining useful lives of the related fixed assets. Other costs incurred for repairs and maintenance are expensed as incurred.

Depreciation on all assets is provided on the straight-line basis over the estimated useful lives as follows:

Improvements other than building	10 years
Furniture, fixtures and equipment	5 years
Computer equipment	3 years

Note 2 - Summary of Significant Accounting Policies (continued)

The School has recorded a right to use lease asset as a required by GAAP. The right to use asset is initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The right to use asset is amortized on a straight-line basis over the life of the related lease.

Deferred outflows/inflows of resources: In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The School does not have any items that qualify for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period and so will *not* be recognized as an inflow of resources (revenue) until that time. The School does not have any items that qualify for reporting in this category.

Unearned revenue: Unearned revenue arises when the School receives resources before it has a legal claim to them.

Compensated absences: The School's policy permits employees to accumulate earned but unused paid time off, which is eligible for payment upon separation from service. 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.

Net position: Net position is classified in three categories. The general meaning of each is as follows:

- Net investment in capital assets - represents the difference between the cost of capital assets, less accumulated depreciation and amortization reduced by the outstanding balances of borrowings used for the acquisition, construction or improvement of those assets.
- Restricted - consists of net position with constraints placed on their use either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or 2) law through constitutional provisions or enabling legislation.
- Unrestricted - the residual portion of net position that does not meet the definition of the other two categories.

When both restricted and unrestricted resources are available for use, it is the School's policy to use restricted resources first, then, unrestricted resources as they are needed.

Note 2 - Summary of Significant Accounting Policies (continued)

Fund balance: The governmental fund financial statements present fund balances based on the provisions of GAAP which provides 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 have not been restricted, committed or assigned for a specific purpose within the General Fund.

The details of the fund balances are included in the Governmental Funds Balance Sheet on page 11.

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, then assigned funds and lastly unassigned funds.

Use of estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Budget: An operating budget is adopted and maintained by the governing board for all governmental funds, except the Capital Project Fund and the Club and Activities Fund, pursuant to the requirements of Florida Statutes. The budget is adopted using the same basis of accounting that is used in the preparation of the basic financial statements.

Note 2 - Summary of Significant Accounting Policies (continued)

Adoption of new accounting standards: During the year ended June 30, 2025, the School implemented GASB Statement No. 101, *Compensated Absences*, which revisits the definition and recognition parameters of accrued employee paid time off. The School also implemented GASB Statement No. 102, *Certain Risk Disclosures*, which addresses obligations for governmental entities to disclose a variety of risks that could negatively affect the level of service they provide or their ability to meet obligations as they come due. There were no changes required to the financials of the School as a result of the adoption of these standards.

Date of management review: Subsequent events were evaluated by management through September 17, 2025, which is the date the financial statements were available to be issued.

Note 3 - Cash and Cash Equivalents

At June 30, 2025, the carrying amount of the deposits and cash on hand totaled \$ 2,724,473, with a bank balance of \$ 2,730,079.

State statutes require, and it is the School’s policy, that all deposits be made into, and be held by, financial institutions designated by the Treasurer of the State of Florida as “qualified public depositories” as defined by Chapter 280 of the Florida Statutes. This Statute requires that every qualified public depository institution maintain eligible collateral to secure the public entity’s funds. The minimum collateral to be pledged by an institution, the collateral eligible for pledge, and the reporting requirements of the qualified public depositor to the Treasurer is defined by statute. Collateral is pooled in a multiple qualified public depository institution pool with the ability to assess members of the pool should the need arise. The School’s deposits of \$ 2,480,079 in excess of the federal insured level of \$ 250,000 are held in a qualified public depository and are covered by the collateral pool held in the name of the financial institution’s trust department or agent, but not in the School’s name.

Note 4 - Interfund Receivables and Payables and Interfund Transfers

The composition of interfund balances as of June 30, 2025, is as follows:

Due To/From Other Funds		
Receivable Fund	Payable Fund	Amount
General Fund	Club and Activities Fund	\$ <u>46,808</u>

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Four Corners Upper School
Notes to Basic Financial Statements
June 30, 2025

Note 4 - Interfund Receivables and Payables and Interfund Transfers (continued)

The composition of interfund transfers for the year ended June 30, 2025 is as follows:

	<u>Transfers In</u> General Fund
Transfers Out: Grants Fund	\$ <u>103,449</u>

During the year, transfers were used to move grant revenues received in the current year for prior year expenditures to the General Fund.

Note 5 – Due From/To Related Parties

The School is a Department of Renaissance Charter School, Inc. (“RCS”). The due from/to balances represent amounts that are due from/to other schools that share common board membership and are departments of RCS and are expected to be repaid within one year.

Note 6 - Capital Assets

Capital asset balances and activity for the year ended June 30, 2025 are as follows:

	<u>Balance at</u> July 1, 2024	<u>Additions</u>	<u>Transfers</u>	<u>Balance at</u> June 30, 2025
Capital assets being depreciated/ amortized:				
Improvements other than building	\$ 570,175	\$ 39,195	\$ -	\$ 609,370
Furniture, fixtures and equipment	884,152	12,932	-	897,084
Computer equipment	2,017,487	64,049	-	2,081,536
Lease assets:				
Building	<u>17,857,511</u>	<u>-</u>	<u>-</u>	<u>17,857,511</u>
 Total capital assets being depreciated/amortized	 <u>21,329,325</u>	 <u>116,176</u>	 <u>-</u>	 <u>21,445,501</u>
 Accumulated depreciation/ amortization:				
Improvements other than building	56,330	59,121	-	115,451
Furniture, fixtures and equipment	824,699	27,020	-	851,719
Computer equipment	1,604,450	249,022	-	1,853,472
Intangible right to use:				
Building	<u>3,327,894</u>	<u>399,313</u>	<u>-</u>	<u>3,727,207</u>
 Total accumulated depreciation/ amortization	 <u>5,813,373</u>	 <u>734,476</u>	 <u>-</u>	 <u>6,547,849</u>
 Net capital assets being depreciated/amortized	 <u>\$ 15,515,952</u>	 <u>\$ (618,300)</u>	 <u>\$ -</u>	 <u>\$ 14,897,652</u>

Four Corners Upper School
Notes to Basic Financial Statements
June 30, 2025

Note 6 - Capital Assets (continued)

Provision for depreciation and amortization was charged to governmental activities as follows:

Instruction	\$ 276,042
Operation of plant	<u>458,434</u>
Total	<u>\$ 734,476</u>

Note 7 – Lease Payable

In 2015, the Florida Development Finance Corporation (the “Corporation”) issued \$ 86,835,000 in Tax Exempt Educational Facilities Revenue Bonds, Series 2015A and \$ 9,145,000 in Taxable Educational Facilities Revenue Bonds, Series 2015B pursuant to an Indenture of Trust between the Corporation and a trustee to make a loan to RCS, as a division of which the School exists, and Red Apple Development, LLC and subsidiaries (“RAD”) to finance the acquisition of the facilities of seven charter schools existing under RCS. In order to secure the payment of the principal and interest on the bonds, the Corporation assigned all of its rights and interest in the loan agreement to the trustee. The bonds are payable from and secured by a lien upon and pledge of payments to be received by the trustee.

Concurrent with the preceding loan transaction, RAD, through its wholly-owned subsidiaries, entered into five lease agreements with RCS. The facilities, which are owned by RAD, are leased by RCS on behalf of the schools under a 45-year lease. The leases are deemed to be intangible right-to-use leases and the lease payments are based on the debt service requirements of the bonds which extend through June 2046. These payments are made from the revenues received from the School Board of Osceola County for the operation of the Schools. RCS is obligated under the Indenture to deposit all Charter revenues received from the School Board and additional revenues, if any, directly with the trustee during the term of the lease. The payments are applied by the trustee to make sinking fund payments and pay for operating expenses.

The lease requires monthly principal and interest payments through June 2046.

Future minimum payments at June 30, 2025 are approximately as follows:

Year Ending June 30,	Principal	Interest	Total
2026	\$ 420,000	\$ 1,116,105	\$ 1,536,105
2027	445,000	1,090,605	1,535,605
2028	475,000	1,063,455	1,538,455
2029	500,000	1,034,505	1,534,505
2030	535,000	1,003,905	1,538,905
2031-2035	3,190,000	4,491,825	7,681,825
2036-2040	4,305,000	3,381,475	7,686,475
2041-2044	4,520,000	1,635,479	6,155,479
2045-2046	<u>2,466,320</u>	<u>349,713</u>	<u>2,816,033</u>
	<u>\$ 16,856,320</u>	<u>\$ 15,167,067</u>	<u>\$ 32,023,387</u>

Four Corners Upper School
Notes to Basic Financial Statements
June 30, 2025

Note 7 – Lease Payable (continued)

The Bond Indenture related to the lease requires that the School maintain a school payment coverage ratio of 1.00. As of June 30, 2025, the School is in compliance with this covenant.

In addition to the lease payments noted above, the School is required to pay incremental rent payments to RAD. The incremental rent payments range from approximately \$ 155,100 to \$ 155,900 per year over the term of the agreement which is through June 2046. These incremental rent payments are contingent upon the School having available revenues. For the year ending June 30, 2025, \$ 155,252 was paid in incremental rent.

Note 8 - Long-Term Liabilities

Changes in the School’s long-term liabilities for the fiscal year ended June 30, 2025, are as follows:

	Balance at July 1, 2024	Additions	Retirements	Balance at June 30, 2025	Amount Due Within One Year
Lease - building	\$ 17,251,320	\$ -	\$ 395,000	\$ 16,856,320	\$ 420,000
Compensated absences	42,502	-	3,955 *	38,547	28,910
	<u>\$ 17,293,822</u>	<u>\$ -</u>	<u>\$ 398,955</u>	<u>\$ 16,894,867</u>	<u>\$ 448,910</u>

* The change in compensated absences above is a net change for the year.

Note 9 - Employee Benefit Plan

During the year ended June 30, 2025, the School offered all of its full-time employees who had attained 21 years of age a retirement plan (the “Plan”) under Internal Revenue Code Section 401(k). The employee is allowed to contribute up to a maximum of 100% of his/her annual gross compensation, subject to certain limitations. The Plan provides for a discretionary employer matching contribution of the participant’s annual elective deferral to the Plan. As determined annually by the School’s management, the School may also make a discretionary profit-sharing contribution, which is allocated among the participants based on a pro rata formula. Participants are immediately vested in their own contributions and earnings on those contributions.

Participants become vested in School contributions and earnings on School contributions according to the following schedule:

<u>Years of Service</u>	<u>Vesting Percentage</u>
1	25%
2	50%
3	75%
4	100%

Nonvested contributions are forfeited upon termination of employment and such forfeitures are used to reduce any employer contribution. For the Plan year ended December 31, 2024, the School had \$ 1,025 in forfeitures. For the year ended June 30, 2025, the School contributed a matching amount of \$ 19,394.

Note 10 - Commitments

Management agreement: The School has a formal agreement with Charter Schools USA, Inc. (“CSUSA”) to manage, staff and operate the School. The agreement states that CSUSA shall be entitled to cost reimbursements and management fees (the “fee”) for its services, subject to availability of funds. The fee is subordinated to all lease payment requirements (Note 7). Cost reimbursements and management fees totaled \$ 1,210,175 for the year ending June 30, 2025. The fee ranges from \$ 1,432,350 for fiscal year 2026 to \$ 2,170,964 for fiscal year 2046 as defined in the management agreement or the budgeted amount approved by the Board of Directors based on enrollment and School performance. The agreement will automatically renew for five-year periods unless terminated by either party.

The financial statements reflect a due to management company of \$ 266,908 at June 30, 2025.

Post-employment benefits: The School does not provide post-employment benefits to retired employees.

Note 11 - Capital Appropriations Funding

The Florida Department of Education has approved a Charter School Capital Outlay (“CSCO”) award for the School. In each year that funds are appropriated by the state for charter school capital outlay purposes, those funds are allocated among eligible charter schools. The funds for the School’s allocation are transferred to the School once a CSCO Plan has been provided to and approved by the sponsoring School Board. The School’s CSCO Award totaled \$ 860,065 for the 2024/2025 school year which has been recognized as revenue in the accompanying financial statements. If the CSCO funds are used to acquire tangible property assets, the School Board has a reversionary interest in those assets. In the event of nonrenewal, termination, or breach of the charter school agreement, ownership of the assets would automatically revert to the School Board. The School has elected to use these funds to pay a portion of the interest expense on the lease.

Local Capital Improvement Revenue (“LCIR”) funds are also appropriated by the School Board for charter school capital outlay purposes, with funds being allocated among eligible charter schools in a similar manner to the CSCO award. The School’s LCIR award totaled \$ 206,828 for the 2024/2025 school year which has been recognized as revenue in the accompanying basic financial statements.

Note 12 - Risk Management

The School is exposed to various risks of loss related to torts, thefts of, damage to, and destruction of assets and natural disasters. The School has obtained property insurance from commercial companies including, but not limited to, general liability and errors and omissions insurance. There have been no claims in excess of insurance coverage limits during the past three years.

As disclosed in Note 10, CSUSA employs all of the employees of the School. As a result, the School is not exposed to medical or workers’ compensation claims for these individuals. In addition, CSUSA carries all required insurance including, but not limited to, general liability and errors and omissions insurance.

REQUIRED SUPPLEMENTARY
INFORMATION

**Four Corners Upper School
Required Supplementary Information
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - General Fund
For the Year Ended June 30, 2025**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
State sources	\$ 10,881,322	\$ 10,881,322	\$ 10,886,666	\$ 5,344
Local sources	59,279	59,279	58,304	(975)
Interest income	91,048	91,048	195,484	104,436
Aftercare	23,454	23,454	17,396	(6,058)
	<u>11,055,103</u>	<u>11,055,103</u>	<u>11,157,850</u>	<u>102,747</u>
Expenditures:				
Current:				
Instruction	5,756,635	5,756,635	5,226,995	529,640
Student support services	136,387	136,387	313,747	(177,360)
Instructional staff training services	21,379	21,379	14,592	6,787
Instruction-related technology	217,430	217,430	239,359	(21,929)
Board	27,323	27,323	61,149	(33,826)
School administration	1,055,776	1,055,776	1,189,874	(134,098)
Food services	-	-	5,128	(5,128)
Fiscal services	1,074,825	1,217,825	1,226,207	(8,382)
Central services	114,442	114,442	100,064	14,378
Operation of plant	1,284,509	1,284,509	1,315,855	(31,346)
Transportation	209,217	209,217	467,632	(258,415)
Maintenance of plant	333,073	333,073	298,788	34,285
Community services	1,597	1,597	5,739	(4,142)
Capital outlay	89,694	89,694	116,176	(26,482)
Debt service:				
Principal	395,000	395,000	395,000	-
Interest	297,686	297,686	73,593	224,093
	<u>11,014,973</u>	<u>11,157,973</u>	<u>11,049,898</u>	<u>108,075</u>
Excess (deficiency) of revenues over (under) expenditures	<u>40,130</u>	<u>(102,870)</u>	<u>107,952</u>	<u>210,822</u>
Other Financing Sources:				
Transfer in	<u>-</u>	<u>-</u>	<u>103,449</u>	<u>103,449</u>
Net change in fund balance	<u>\$ 40,130</u>	<u>\$ (102,870)</u>	<u>\$ 211,401</u>	<u>\$ 314,271</u>

**Four Corners Upper School
Required Supplementary Information
Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - Grants Fund
For the Year Ended June 30, 2025**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues:				
Federal sources:				
Title IV	\$ 28,608	\$ 28,608	\$ 27,383	\$ (1,225)
ESSER III	-	-	444,430	444,430
	<u>28,608</u>	<u>28,608</u>	<u>471,813</u>	<u>443,205</u>
Total revenues				
Expenditures:				
Current:				
Instruction	28,608	28,608	356,332	(327,724)
Student support services	-	-	579	(579)
Instruction staff training	-	-	10,523	(10,523)
Instructional and curriculum development services	-	-	930	(930)
	<u>28,608</u>	<u>28,608</u>	<u>368,364</u>	<u>(339,756)</u>
Total expenditures				
Excess of revenues over expenditures	<u>-</u>	<u>-</u>	<u>103,449</u>	<u>103,449</u>
Other Financing Uses:				
Transfer out	<u>-</u>	<u>-</u>	<u>(103,449)</u>	<u>(103,449)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Note to Schedule: For the year ended June 30, 2025, expenditures exceeded appropriations in the Grants Fund by \$ 339,756. The over-expenditures were funded by greater than anticipated revenues in that fund.

OTHER INDEPENDENT
AUDITOR'S REPORTS

INDEPENDENT AUDITOR'S 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 Upper School
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 and each major fund of Four Corners Upper School (the "School"), a Department of Renaissance Charter School, Inc. and a component unit of the School Board of Osceola County, Florida, as of and for the year ended June 30, 2025, 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 17, 2025.

Report on 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) as a basis for designing 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 School'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 or significant deficiencies may exist that have not been identified.

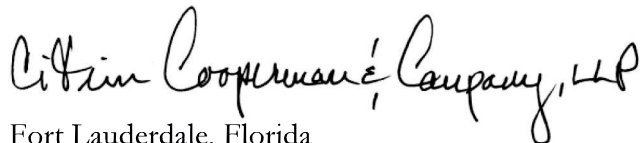
"Citrin Cooperman" is the brand under which Citrin Cooperman & Company, LLP, a licensed independent CPA firm, and Citrin Cooperman Advisors LLC serve clients' business needs. The two firms operate as separate legal entities in an alternative practice structure. The entities of Citrin Cooperman & Company, LLP and Citrin Cooperman Advisors LLC are independent member firms of the Moore North America, Inc. (MNA) Association, which is itself a regional member of Moore Global Network Limited (MGNI). All the firms associated with MNA are independently owned and managed entities. Their membership in, or association with, MNA should not be construed as constituting or implying any partnership between them.

Report on 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 grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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.



Fort Lauderdale, Florida
September 17, 2025

MANAGEMENT LETTER REQUIRED BY CHAPTER 10.850 OF THE RULES OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

To the Board of Directors
Four Corners Upper School
Davenport, Florida

Report on the Financial Statements

We have audited the financial statements of the governmental activities and each major fund of Four Corners Upper School, Florida (the "School"), as of and for the fiscal year ended June 30, 2025, and have issued our report thereon dated September 17, 2025.

Auditor's 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 Requirements

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 that report, which is dated September 17, 2025, 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. There were no findings or recommendations made in the preceding annual financial audit report.

Official Title

Section 10.854(1)(e)5., Rules of the Auditor General, requires that the name or official title of the entity and the school code assigned by the Florida Department of Education be disclosed in this management letter. The official title and the school code assigned by the Florida Department of Education of the School are Four Corners Upper School and 490152.

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Financial Condition and Management

Sections 10.854(1)(e)2. and 10.855(11), Rules of the Auditor General, require us to apply appropriate procedures and communicate whether or not the School has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the 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 the same.

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

Transparency

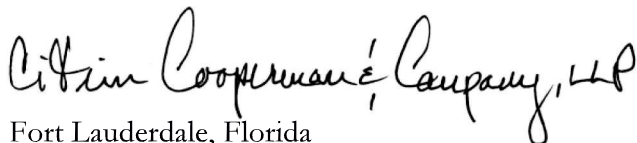
Sections 10.854(1)(e)7. and 10.855(13), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether the School maintained on its website the information specified in Section 1002.33(9)(p), Florida Statutes. In connection with our audit, we determined that the School maintained on its website the information specified in Section 1002.33(9)(p), Florida Statutes.

Additional Matters

Section 10.854(1)(e)4., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or fraud, waste, 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 warrants the attention of those charged with governance. In connection with our audit, we did not note 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, the Board of Directors, 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.



Fort Lauderdale, Florida
September 17, 2025