

# Arizona State Board for Charter Schools

1700 W. Washington St., Room 164, Phoenix, AZ 85007

(602) 364-3080 Fax (602) 364-3089

[www.asbcs.az.gov](http://www.asbcs.az.gov)

## USFRCS EXCEPTION AMENDMENT REQUEST

(Charter Holder Name) Candeo Schools, Inc. (CTDS) 078534000

(Charter Holder Mailing Address) 9965 W. Calle Lejos

(City, State) Peoria (Zip) 85383

(Charter Representative's Name) Stephanie Musser

(Phone Number) 623.979.6500 (Fax Number) 623.979.6510

**Failure to submit all required documentation will result in the Amendment Request being returned without being processed. Faxed copies will not be accepted. Please send originals.**

- ⚡ Exception to the USFRCS – (This exception will not be granted to State Board of Education sponsored charter schools)

Included are the following:

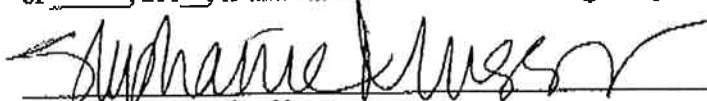
- Board minutes approving the change (minutes must comply with Open Meeting Law ARS §38-431.01)
- Complete policy for accounting (sample policy available on the ASBCS website)

All exceptions to the USFRCS will include:

- Charter Holder must utilize Generally Accepted Accounting Principles
- The Charter Holder is **NOT** exempt from filing the Annual Financial Report, the school report card data, annual auditing requirements, or any financial report request from the Arizona State Board for Charter Schools, the Auditor General, and the Arizona Department of Education
- The Charter Holder is responsible for any "cross-walks" necessary to complete reporting requirements

The Arizona State Board for Charter Schools and Candeo Schools, Inc. Charter Holder), herein agree to amend the terms of the charter contract as follows:

In witness whereof, Charter Holder has signed this contract amendment as of this 30th day of May, 2008, and the State Board for Charter Schools has signed this contract amendment as of this \_\_\_\_ day of \_\_\_\_\_, 200\_\_, to take effect at such time as it is signed by both parties.

  
\_\_\_\_\_  
Charter Representative Signature

\_\_\_\_\_  
Representative Signature for the Arizona State Board for Charter Schools


9/10/07

Candeo Schools, Inc.

## Accounting Policy

Candeo Schools, Inc. will follow accounting procedures and policies that conform to generally accepted accounting principles (GAAP). This includes using an accounting system that provides for the proper recording and reporting of financial data and following standard internal control procedures. This school will utilize a chart of accounts, that has been designed to align with the chart of accounts found in the Uniform System of Financial Records for Charter Schools (USFRCS) for the purposes of complying with the budgeting and annual financial reporting. Revisions will be made periodically for changes in laws, regulations and accounting pronouncements that cover charter school accounting, financial reporting and compliance with state and federal laws.

Approved by Candeo Board this 2 day of July 2008.

A handwritten signature in black ink that reads "Stephanie Musser". The signature is written in a cursive style with a large initial 'S'.

Stephanie Musser

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RECEIVED JUN 17 2009

## PROCUREMENT LAWS EXCEPTION AMENDMENT REQUEST

Candoo Schools Inc  
(Charter Holder Name)

678534099  
(CTDS)



P.O. Box 12384  
(Charter Holder Mailing Address)

Glendale, AZ  
(City, State)

85318  
(Zip)

Stephanie Messer  
(Charter Representative's Name)

623-977-6500  
(Phone Number)

623-979-6800  
(Fax Number)

**Failure to submit all required documentation will result in the Amendment Request being returned without being processed. Faxed copies will not be accepted. Please send originals.**

1. Exception to the Procurement Laws - (This exception will not be granted to State Board of Education sponsored charter schools)

Included are the following:

- Board minutes approving the change (minutes must comply with Open Meeting Law ARS §38-431.01)
- Complete policy for procuring goods and services (sample policy available on the ASBCS website)

**PLEASE NOTE:** Charter operators granted an exception to local and state procurement regulations under ARS §15-183(E)(6) are still required to satisfy the federal procurement requirements as a condition to the receipt of certain federal funds

The Arizona State Board for Charter Schools and Candoo Schools Inc (Charter Holder), herein agree to amend the terms of the charter contract as follows:

In witness whereof, Charter Holder has signed this contract amendment as of this 30<sup>th</sup> day of May, 2008, and the State Board for Charter Schools has signed this contract amendment as of this \_\_\_\_\_ day of \_\_\_\_\_, 200\_\_\_\_, to take effect at such time as it is signed by both parties.

Stephanie Messer  
Charter Representative Signature

Stephanie Messer

\_\_\_\_\_  
Representative Signature for the Arizona State Board for Charter Schools

Candeo Schools, Inc.

## Procurement Policy

Candeo Schools, Inc. will follow accounting procedures and policies that comply with generally accepted accounting policies (GAAP). Any procurement of goods and services shall be made by the authorized agent, in the best interest of the school, upon considering the totality of the circumstances surrounding the procurement, which may include but not be limited to, price, quality, availability, timeliness, reputation and prior dealings.

Candeo Schools, Inc. shall not purchase any goods or services from any member of the governing board, an immediate member of the family of any member of the governing board nor from any entity in which any member of the governing board or an immediate family member of a governing board member may benefit from such a procurement unless authorized by the governing board after a full disclosure of the potential benefits and after the consideration set forth in paragraph 1 above.

Candeo Schools, Inc. understands that the policy cited above applies to purchases made using non-federal funds. As a condition of the receipt of certain federal funds, federal procurement requirements still apply.

Approved by the Governing Board of Candeo School, Inc. this 2 day of JULY 2008.



Stephanie Musser



CANDEO SCHOOLS  
Growing Brilliance

September 18, 2009

Arizona State Board for Charter Schools  
1700 West Washington Street, Room 164  
Phoenix, AZ 85007

Dear Ms. Rowe,

This letter is to clarify the document confusion with regard to the corporate and governing boards at Candeo and the approval of accounting and procurement policies and the USFRCS exemption.

The Candeo Corporate Board served as our founding board and as such, created and approved policy during our pre-opening year. The first meeting for the Corporate Board was held July of 2007. During this formative year, this board approved the USFRCS exemption in May of 2008. In July of 2008, the first official meeting of the Governing Board met and approved the accounting and procurement policies.

In short, the apparent discrepancy is due to the transition of the Corporate Board to the Governing Board.

Please let me know if you have any further questions or needs.

Sincerely,

Stephanie Musser, MA.Ed.  
Executive Director

## Meeting Agenda:

MEETING CALLED BY: Stephanie Musser  
TYPE OF MEETING: Corporate Board Meeting  
FACILITATOR: Stephanie Musser  
NOTE TAKER: Kevin Gintz  
AGENDA: Kevin Gintz  
ATTENDEES: Stephanie Musser, Kevin Gintz, Andi Beckham

### AGENDA

- I. *Call to order: at 2:00pm by Stephanie*
- II. *Roll call: Stephanie, Andi, & Kevin*
- III. *Issues & Action Items (see below)*
- IV. *Topics to cover:*
  - a) *Set and approve pay for Bob, Kristy, and me, (Darrell? Randy?) for the work performed in settling up the school over the past year and a half.*
  - b) *Discuss possible charter amendment (72 cap per grade level, 504 total enrollment cap), with the following grade level classroom caps*
  - c) *Approve USFRCS exemption*
  - d) *Establish all governing board members and schedule for meetings (have 2 spots to fill)*
  - e) *Authorize Kevin for signor on main account.*
  - f) *Authorize Kristy for signor on activities account.*
  - g) *Authorize for purchasing authority up to \$50,000.*
  - h) *Authorize Stephanie to negotiate pay rates for new employees.*
  - i) *Additional Discussion Points*
- V. *Adjournment*

## OPEN ISSUES:

DESCRIPTION	OWNER	STATUS/ACTIVITY	DEADLINE
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## OPEN ACTION ITEMS:

DESCRIPTION	OWNER	STATUS/ACTIVITY	DEADLINE
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## AGENDA TOPICS:

TIME ALLOTTED:

- a) **Set and approve pay for Bob, Kristy, and me, (Darrell? Randy?) for the work performed in setting up the school over the past year and a half.** PRESENTER

DISCUSSION:

- Stephanie to confirm whether back pay is permitted within the guidelines of the charter.
- Randy – Overseeing the project to make sure that our best interests are being considered. (20 hours per week). Will pay him back after state funds are received. This is not a payroll fee it's a flat rate (pro-rated per month). ¼ time or ½ time.
- Payments to listed resources should be paid out over time. Stephanie to confirm.
- Need to look into Stephanie's, Kristy's, and Darrell's back pay.

CONCLUSIONS:

Assuming back pay is permitted within the guidelines of the charter the follow individuals are approved for pay:

- Approved back pay (past 1 ½ years) for Bob for negotiated rate.
- Approved Randy for one month (June) at flat rate of \$1875.

Kevin motions to approve as written. Andi seconds the motion.  
Approved unanimously.

ACTION ITEM

OWNER

DEADLINE

TIME ALLOTTED:

- b) **Discuss possible charter amendment (72 cap per grade level, 504 total enrollment cap), with the following grade level classroom caps** PRESENTER

DISCUSSION:

- Tabling this until next meeting.

CONCLUSIONS:

ACTION ITEM OWNER DEADLINE

TIME ALLOTTED: **c) Approve USFRCS exemption** PRESENTER

DISCUSSION:

CONCLUSIONS: Kevin motions to approve as written. Andi seconds the motion. Approved unanimously.

ACTION ITEM OWNER DEADLINE

TIME ALLOTTED: **d) Establish all governing board members and schedule for meetings (have 2 spots to fill)** PRESENTER

DISCUSSION:

- Stephanie to verify if we can operate with 5 members.
- The next 2 members cannot be parents.
- Stephanie is approaching Dr. Chat and a teacher from Great Hearts as potential members.

CONCLUSIONS: The board approves for Stephanie to engage Dr. Chat and the teacher from Great Hearts to invite them to serve as board members.

CONCLUSIONS: Kevin motions to approve as written. Andi seconds the motion. Approved unanimously.

ACTION ITEM OWNER DEADLINE

TIME ALLOTTED: **e) Authorize Kevin for signor on main account.** PRESENTER

DISCUSSION:



CONCLUSIONS: Andi motions to approve as written. Stephanie seconds the motion.  
Approved unanimously.

ACTION ITEM

OWNER

DEADLINE

**TIME ALLOTTED:** f) **Authorize Kristy for signor on activities account.** PRESENTER

DISCUSSION:

CONCLUSIONS: Andi motions to approve as written. Stephanie seconds the motion.  
Approved unanimously.

ACTION ITEM

OWNER

DEADLINE

**TIME ALLOTTED:** g) **Authorize for purchasing authority up to \$50,000.** PRESENTER

DISCUSSION:

CONCLUSIONS: Kevin motions to approve as written. Andi seconds the motion.  
Approved unanimously.

ACTION ITEM

OWNER

DEADLINE

**TIME ALLOTTED:** h) **Authorize Stephanie to negotiate pay rates for new employees.** PRESENTER

DISCUSSION:

CONCLUSIONS: Kevin motions to approve as written. Andi seconds the motion.  
Approved unanimously.

ACTION ITEM OWNER DEADLINE

**TIME ALLOCATION: I) Additional Discussion Points PRESENTED**

- DISCUSSION:
- Need to have a governing board meeting before 7/1 with the whole governing board.
  - Would like to have the governing board introduced to the staff the week of June 23rd.

CONCLUSIONS:

ACTION ITEM OWNER DEADLINE

**Candeo Schools, Inc**  
**Governing Board**

**Meeting Minutes**

July 2, 2008

**I. Call to order**

**Kevin Gintz** called to order the first board meeting of the **Candeo Schools, Inc Governing Board** at **6:05 p.m.** on **July 2, 2008** at the **Cathedral Christian Academy, 16635 N 51<sup>st</sup> Ave, Glendale, AZ 85306.**

**II. Roll call**

Kevin Gintz conducted a roll call. The following persons were present:  
Andi Beckham  
Stephanie Musser  
Kevin Gintz  
Julie Waskow via Phone  
Bob Brown-entered late at 6:30

**III. Approval of minutes from last meeting**

First meeting of the Governing Board, therefore no meeting minutes available to approve.

**IV. Agenda Items**

3. Margaret Anne Crites as scribe for the Governing Board.  
Motion by Kevin, 2<sup>nd</sup> by Andi, unanimously approved.
4. Elect Dr. Julie Waskow as a governing board.  
Motion by Kevin, 2<sup>nd</sup> by Andi, unanimously approved.
5. Elect Dr. Jerilyn Coles as a governing board director.  
Motion by Kevin, 2<sup>nd</sup> by Andi, unanimously approved.
6. Discussion and approval of the proposed school budget.  
Motion by Stephanie, 2<sup>nd</sup> by Andi, unanimously approved.
7. Discussion and approval of procurement policy.  
Motion by Kevin, 2<sup>nd</sup> by Andi, unanimously approved.
8. Discussion and approval of accounting policy.  
Motion by Kevin, 2<sup>nd</sup> by Andi, unanimously approved.
9. Discussion and approval of procurement laws exception.  
Motion by Stephanie, 2<sup>nd</sup> by Kevin, unanimously approved.
10. Discussion and approval of Dan and Stephanie Musser as vendors to supply school furniture.  
Monies needed above our current grant level. All resources were exhausted by Stephanie. The Musser's to retain ownership as well as maintain title of the assets, until said loan is paid off. Amount of loan, \$100,000.00, and

repayment terms as follows: \$50,000.00 on or before 10/15/08, and complete payoff by 10/15/09. Loan document attached.

Motion by Kevin, 2<sup>nd</sup> by Andi, unanimously approved.

11. Margaret Anne Crites as signer on the Candeo checking acct, \$1,000.00 limit.

Motion by Kevin, 2<sup>nd</sup> by Andi, unanimously approved.

12. Approval of teacher contracts: Nicole Duggan, Cherie Chavez and Sara Senters.

Motion by Kevin, 2<sup>nd</sup> by Andi, unanimously approved.

13. Approval of amendment to Tiffany Cameron.

a. Motion by Kevin, 2<sup>nd</sup> by Andi, unanimously approved.

14. Discussion and approval of the school calendar.

a. Motion by Kevin, 2<sup>nd</sup> by Andi, unanimously approved.

15. Workshop to discuss board objectives

a. Stephanie requested that the governing board read The Schools We Need and Why We Don't Have Them, by E.D. Hirsch, Jr.

b. July 24, 2008 is an invitation to an Open Meeting Law Seminar put on by the ASCA.

16. Call to the Public

a. No response.

b.

## V. Adjournment

**Kevin Gintz** adjourned the meeting at **6:55 p.m.**

Minutes submitted by: Margaret Anne Crites

Minutes approved by: