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March 6, 2012

Mr. Steve McClenning
Director
E.Q. Scholars, Inc.
P.O. Box 3475
Quartzsite, AZ 85359

Dear Steve:

At your request, and in accordance with Statements on Consulting Service Standards issued by the American Institute of Certified Public Accountants, this letter serves to address the Arizona State Board for Charter Schools' ("ASBCS") assertion that E.Q. Scholars, Inc. ("Scholars") failed to comply with generally accepted accounting principles ("GAAP").

I am an Arizona certified public accountant and I have been the president and managing partner of John C. Todd II, P.C. since the firm's inception in 1988. I served on the Accounting and Auditing Standards Committee for the Arizona State Board of Accountancy from 1996 through 2007 and I am currently an investigative reviewer for the Arizona State Board of Accountancy. Our firm's primary focus has been audits and single audits of Arizona school districts and charter schools. We have performed more than 700 Arizona charter school audits, including all audits of Scholars from 1999 through 2011.

GAAP are the underlying fundamentals of financial accounting and reporting. Financial statements are the end product of the financial accounting process. This process is governed by GAAP, which determine the information that is included, how it is organized, measured, combined, and adjusted, and finally how it is presented in the financial statements. GAAP reflect the objectives and the basic features of financial accounting.

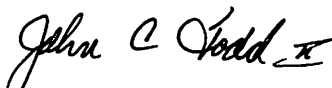
I have reviewed all Independent Auditors' Reports for Scholars from 1999 through 2011 issued by our firm. All our Independent Auditors' Reports contained unqualified opinions substantially stating that:

In our opinion, the financial statements of E.Q. Scholars, Inc. present fairly, in all material respects, the financial position as of June 30, 20XX, and the changes in its net assets and its cash flows for the years then ended ***in conformity with accounting principles generally accepted in the United States of America.***

In conclusion, it is my opinion based on our Independent Auditors' Reports from 1999 through 2011, Scholars complied with generally accepted accounting principles and ASBCS' assertion that Scholars failed to comply with GAAP is unsubstantiated.

Sincerely,

JOHN C. TODD II, P.C.



John C. Todd II
Managing Partner