
John H. Dietershagen, C.P.A.
Jerry E. Mickelson, C.P.A.
Thomas K. Van Derzee, C.P.A.
Debbie Conley Jordan, C.P.A.
Patrick S. Jordan, C.P.A.
Duane R. Shoen, C.P.A.
Lesley L. Horner, C.P.A.
D. Leslie Spurgin, C.P.A.



Ciaschi • Dietershagen • Little • Mickelson & Company, LLP

Certified Public Accountants and Consultants

Frederick J. Ciaschi, C.P.A.

MANAGEMENT COMMENT LETTER

Board of Trustees
New Roots Charter School
Ithaca, New York

In planning and performing our audit of the financial statements of New Roots Charter School (the School) for the year ended June 30, 2012, in accordance with auditing standards generally accepted in the United States of America, we considered the School's internal control over financial reporting as a basis for designing our audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion 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.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. 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.

However, during our audit, we noted other matters that were opportunities for strengthening internal controls and operating efficiency. This letter does not affect our report dated October 9, 2012 on the financial statements of the School.

Current Year Comment

Purchasing Policy - Quotes

Finding:

The School's purchasing policy requires quotes be solicited for purchases over a certain threshold. During our current year audit, for seven of the eight purchases we examined which required quotes, no quotes were solicited.

Recommendation:

We recommend the Board review the current purchasing policy and consider implementing a process of obtaining quotes as detailed in the policy or amending the policy as the Board deems appropriate.

CORTLAND

39 Church Street
Cortland, New York 13045
607-753-7439
fax 607-753-7874

ITHACA

401 East State Street ~ Suite 500
Ithaca, New York 14850
607-272-4444
fax 607-273-8372
www.cdlim.com

WATKINS GLEN

108 West Fourth Street
Watkins Glen, New York 14891
607-535-4443
fax 607-535-6220

Prior Year Comments - Resolved

Leasehold Improvement Obligation

Finding:

During our prior year audits, we noted no formal contract or note payable for repayment of leasehold improvements, though terms of the repayment were outlined in an email.

Resolution:

During our current year audit, we noted a formal repayment schedule was created and adhered to.

Travel Expenses

Finding:

During our prior year audit, one of 15 travel expenses examined lacked documentation demonstrating pre-approval and five lacked a request or authorization for overnight travel.

Resolution:

During our current year audit, all travel expense disbursements examined were supported by authorizations and adequate supporting documentation.

We will review the status of these comments during our next audit engagement. Our comments and recommendations are intended to improve the internal control structure or result in other operating efficiencies. We will be pleased to discuss these comments in further detail at your convenience, to perform additional study of these matters, or to assist you in implementing the recommendations.

This communication is intended solely for the information and use of management, the Audit Committee and Board of Trustees, and others within the School, and is not intended to be and should not be used by anyone other than these specified parties.

Cinchi, Dittulyn, Little, Mickelson & Co., LLP

October 9, 2012
Ithaca, New York