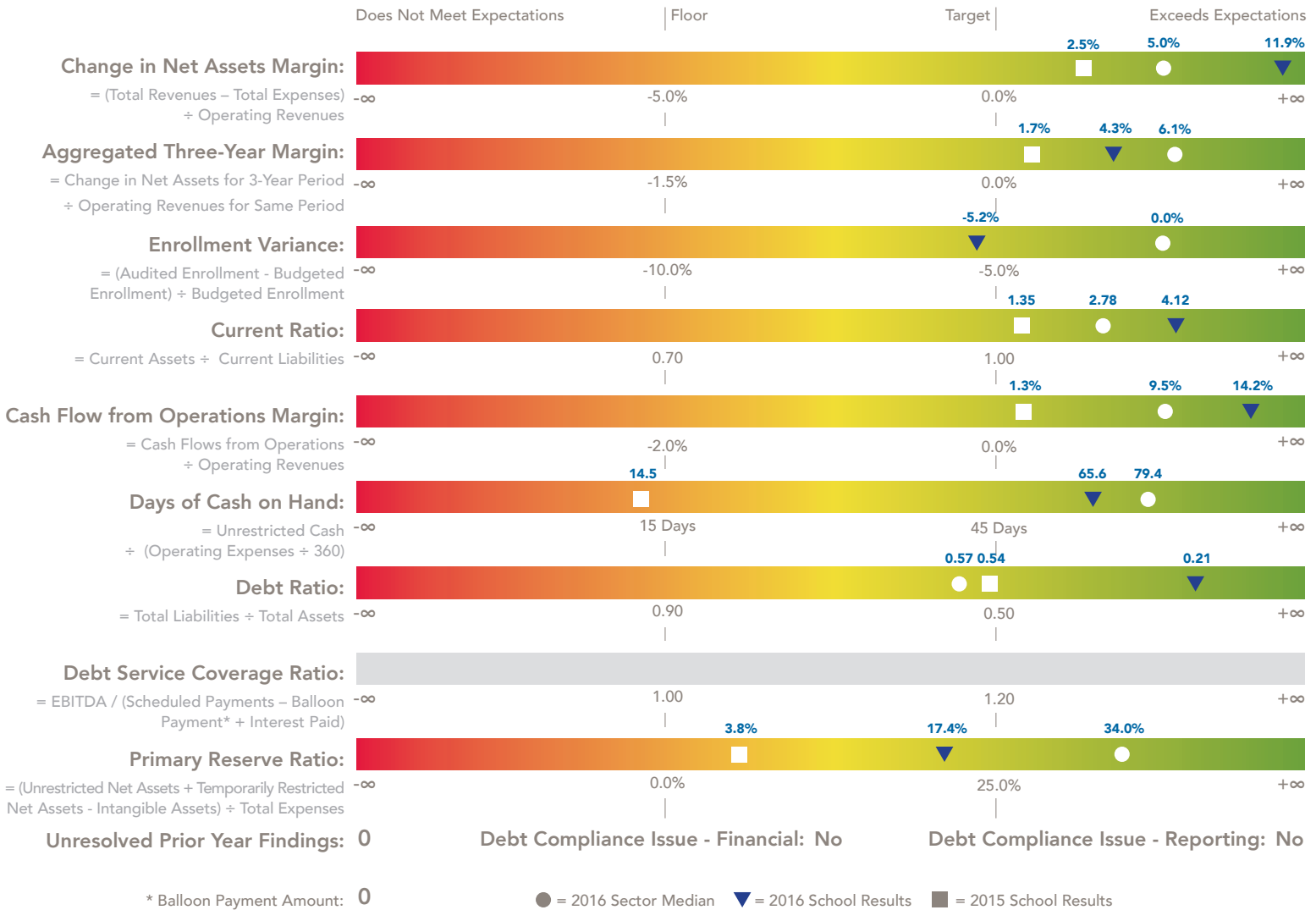


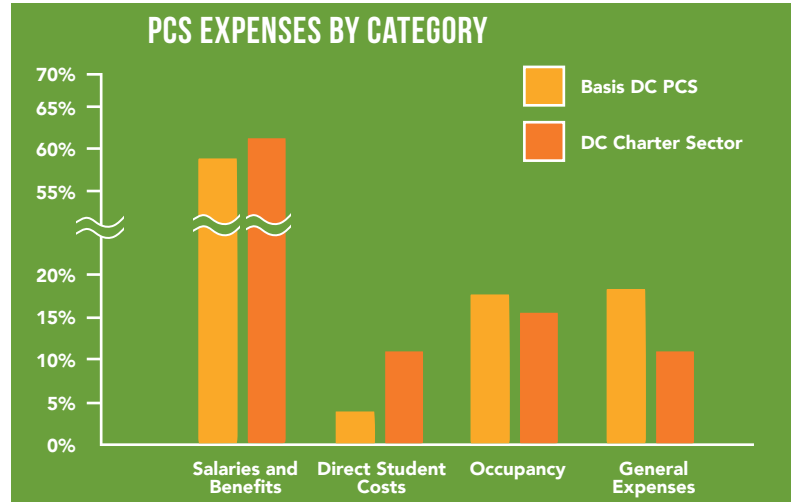
Opened:  
**2012 - 2013**

Audited Enrollment:  
**599**

### KEY FINANCIAL INDICATORS



#### Comments from the School



# BASIS DC PCS

## FY2016 Financial Report Card

### FINANCIAL POSITION

	2016	2015
Total Assets	\$1,769,806	\$673,700
Current Assets	\$1,552,209	\$492,218
Total Liabilities	\$376,710	\$363,407
Current Liabilities	\$376,710	\$363,407
Net Asset Position	\$1,393,096	\$310,293

### FINANCIAL ACTIVITIES

	2016	2015
Revenues and Support	\$9,097,704	\$8,320,915
Expenses	\$8,014,901	\$8,114,592
Non-operating Revenues (Expenses)	\$-	\$-
Surplus (Deficit)	\$1,082,803	\$206,323

### AUDIT FINDINGS

	2016	2015
Qualified/Modified/Adverse Opinion on the Financial Statements	No	No
Material Weakness in Internal Control over Financial Reporting (GAS)	No	No
Non-compliance Material to the Financial Statements (GAS)	No	No
Modified Opinion on Major Federal Award Programs (Uniform Guidance)	No	No
Material Weaknesses in the Internal Control over Compliance with Major Federal Programs (Uniform Guidance)	No	No
Findings and Questioned Costs	0	0
Going-Concern Issue	No	No

### REVENUES/EXPENSES PER STUDENT

	2016	2015	2016 Sector Median
DC Funding per Student	\$14,250	\$14,028	\$17,657
Philanthropic Funding per Student	\$366	\$362	\$581
Total Revenues per Student	\$15,188	\$15,102	\$20,775
Expenses per Student	\$13,381	\$14,727	\$19,644

### PCSB OBSERVATIONS

#### RELATED PARTY:

See the following pages for information about the School's relationship with BASIS Schools, Inc. and BASIS Educational Group.

#### DEBT:

On January 1, 2016, BASIS Schools Inc [BSI], the School's sole member and the owner of the School's building, refinanced existing debt through the issue of Education Facility Bonds (BASIS Schools Project, Series 2016A) by the Industrial Development Authority of the City of Phoenix, Arizona, in the aggregate principal of \$84.2M. The loan matures over 30 years with interest rates between 3.00% and 5.00%. The proceeds of the loan are to refinance the costs of acquiring and construction on the BASIS DC PCS facility, as well as five other BASIS schools. BASIS DC PCS's loan obligation is secured by its lease agreement and a deed of trust granting a first lien on the BASIS DC PCS facility. BASIS DC PCS, along with 13 other BASIS schools, is part of an "obligated group" to support debt service on these bonds. All members of the obligated group pledge their property and income as security for payment of the loan.

School Name	FY16 Revenues	FY16 Operating Result
BASIS DC PCS	\$9,097,704	\$1,082,803
Management Organization ("MO") / Related Party ("RP")	MO/RP Tax Status	Most Recent Public Financials
BASIS Educational Group (d.b.a. BASIS.ed)	For Profit	None
Highest Paid Employee / Head of MO / RP	Title	Total Compensation
Peter Bezanson	CEO	Unknown
Services Provided	FY16 Payment	% of School Revenue
Leased employees	\$4,713,333	51.8%
Management fees	\$976,962	10.7%
<b>Total</b>	<b>\$5,690,295</b>	<b>62.5%</b>
DC PCSB Comments		
<p>BASIS Educational Group (BASIS.ed), a for-profit organization that provides comprehensive educational and support services to charter and independent schools, is the School's management organization. Michael Block, a former member of the board of directors of BASIS Schools, Inc., is a shareholder of BASIS.ed. Mr. Block elected to resign from the board of directors of BASIS Schools, Inc. in November 2015.</p> <p>The employees of BASIS DC PCS are considered "leased employees", meaning they are employees of BASIS.ed who are assigned to BASIS DC PCS; BASIS.ed administers their employment records, payroll, and benefits.</p>		
School Comments		

School Name	FY16 Revenues	FY16 Operating Result
BASIS DC PCS	\$9,097,704	\$1,082,803
Management Organization ("MO") / Related Party ("RP")	MO/RP Tax Status	Most Recent Public Financials
BASIS Schools, Inc.	Non-Profit	<a href="http://www.guidestar.org/FinDocuments/2015/860/908/2015-860908854-0cc0c879-9.pdf">http://www.guidestar.org/FinDocuments/2015/860/908/2015-860908854-0cc0c879-9.pdf</a>
Highest Paid Employee / Head of MO / RP	Title	Total Compensation
None	None	None
Services Provided	FY16 Payment	% of School Revenue
Rent	\$1,129,685	12%
<b>Total</b>	<b>\$1,129,685</b>	<b>12%</b>
DC PCSB Comments		
<p>BASIS Schools, Inc. (BSI), an Arizona nonprofit organization that operates multiple charter schools, is the sole member of BASIS DC PCS. BSI acquired and financed the School's facility. BASIS DC PCS pays rent to BSI for the amount BSI is obligated to pay for the debt service of loans and other costs on the leased property. BASIS DC PCS incurred rent expenses payable to BSI for the facility located at 410-412 Eighth St, NW, and the lease expires June 30, 2042. BASIS DC PCS is part of an "obligated group" of BASIS schools in DC and in Arizona which have pledged their revenue in support of BSI bonds. While this obligation reduces the cost of debt in the School's loan payments, it potentially exposes it to risk if other BSI-managed schools close or face severe financial hardship.</p> <p>Michael Block, a former member of the board of directors of BSI, is a shareholder of BASIS.ed. Mr. Block elected to resign from the board of directors of BSI in November 2015.</p>		
School Comments		