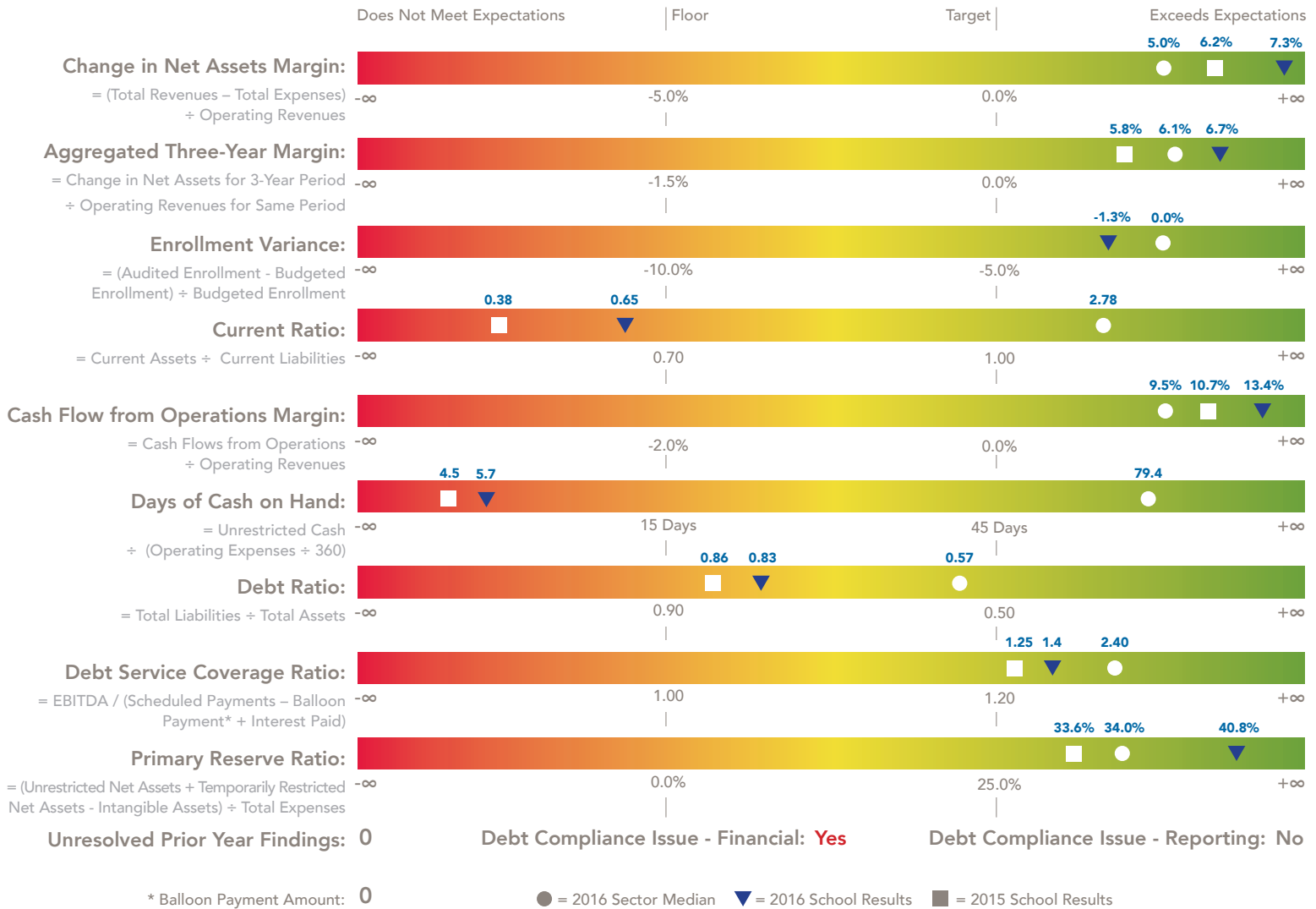


Opened:
1999 - 2000

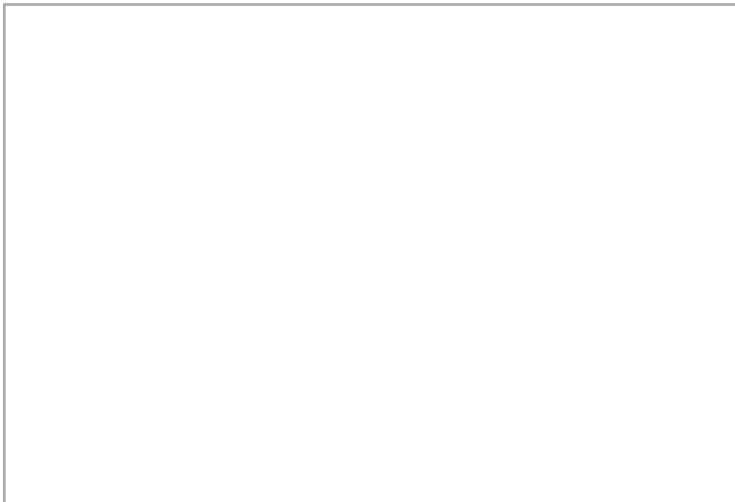
Audited Enrollment:
296

KEY FINANCIAL INDICATORS

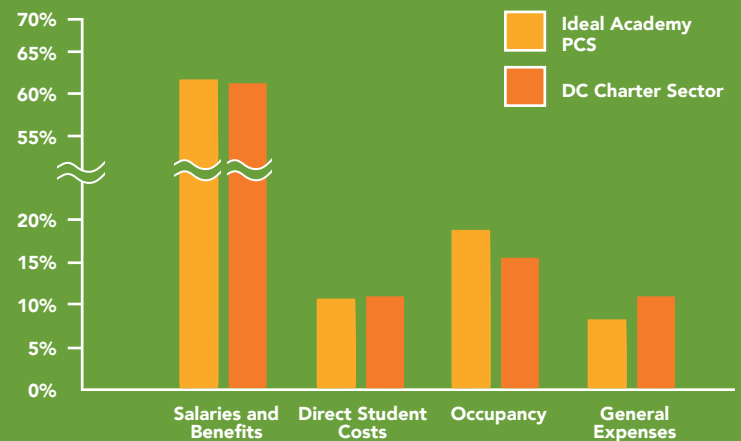


Unresolved Prior Year Findings: 0 Debt Compliance Issue - Financial: **Yes** Debt Compliance Issue - Reporting: No

Comments from the School



PCS EXPENSES BY CATEGORY



IDEAL ACADEMY PCS

FY2016 Financial Report Card

FINANCIAL POSITION

	2016	2015
Total Assets	\$12,815,807	\$12,638,734
Current Assets	\$753,105	\$312,648
Total Liabilities	\$10,679,529	\$10,914,712
Current Liabilities	\$1,160,350	\$824,009
Net Asset Position	\$2,136,278	\$1,724,022

FINANCIAL ACTIVITIES

	2016	2015
Revenues and Support	\$5,648,709	\$5,466,531
Expenses	\$5,236,453	\$5,129,044
Non-operating Revenues (Expenses)	\$-	\$-
Surplus (Deficit)	\$412,256	\$337,487

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	1	1
Going-Concern Issue	No	No

REVENUES/EXPENSES PER STUDENT

	2016	2015	2016 Sector Median
DC Funding per Student	\$16,581	\$16,476	\$17,657
Philanthropic Funding per Student	\$744	\$93	\$581
Total Revenues per Student	\$19,084	\$18,406	\$20,775
Expenses per Student	\$17,691	\$17,270	\$19,644

PCSB OBSERVATIONS

DEBT:

\$8.3M balance from a \$10.6M January 2008 DC Revenue Bond/United Bank financing; interest rate of 3.206% per annum, matures 2031. Proceeds were used to purchase land and building.

\$1.6M balance from \$2M 2008 Office of Public Charter School Financing and Support (OPCSFS) loan for land and building. Loan was modified in 2016; interest rate of 4.0%, matures January 2018.

\$542,575 restricted cash for debt service reserve. The School is required to make monthly deposits of \$14,600 into a reserve account until the loan matures.

The School obtained a line of credit for \$200,000 from Premier Bank on June 29, 2016 which was outstanding at year-end. The line matured on November 1, 2016 and had an interest of 4.5%. Including draws on the line of credit, the school had unrestricted cash of \$83,172 at year-end.

The School is subject to certain debt covenants under each note. At June 30, 2016, the School was in compliance with the covenant related to its DC Revenue bonds. However, the School was in violation of debt covenants on its loan from OPCSFS including covenants related to current liquidity, minimum net asset value, and balance sheet leverage requirements. The School received a waiver from OPCSFS for the debt covenants.

FACILITIES:

Assets of \$14M in building and improvements, and \$858,280 in land.

SUBSEQUENT EVENTS:

In Fiscal Year 2016, the School was cited by the DC Public Charter School Board for an instance of fiscal mismanagement and the parties, along with OPCSFS, agreed to a Financial Corrective Action Plan, requiring the School to meet certain financial targets for liquidity and other financial indicators. The DC Public Charter School Board will review the School's compliance with these targets through Fiscal Year 2019 and take subsequent action as appropriate.