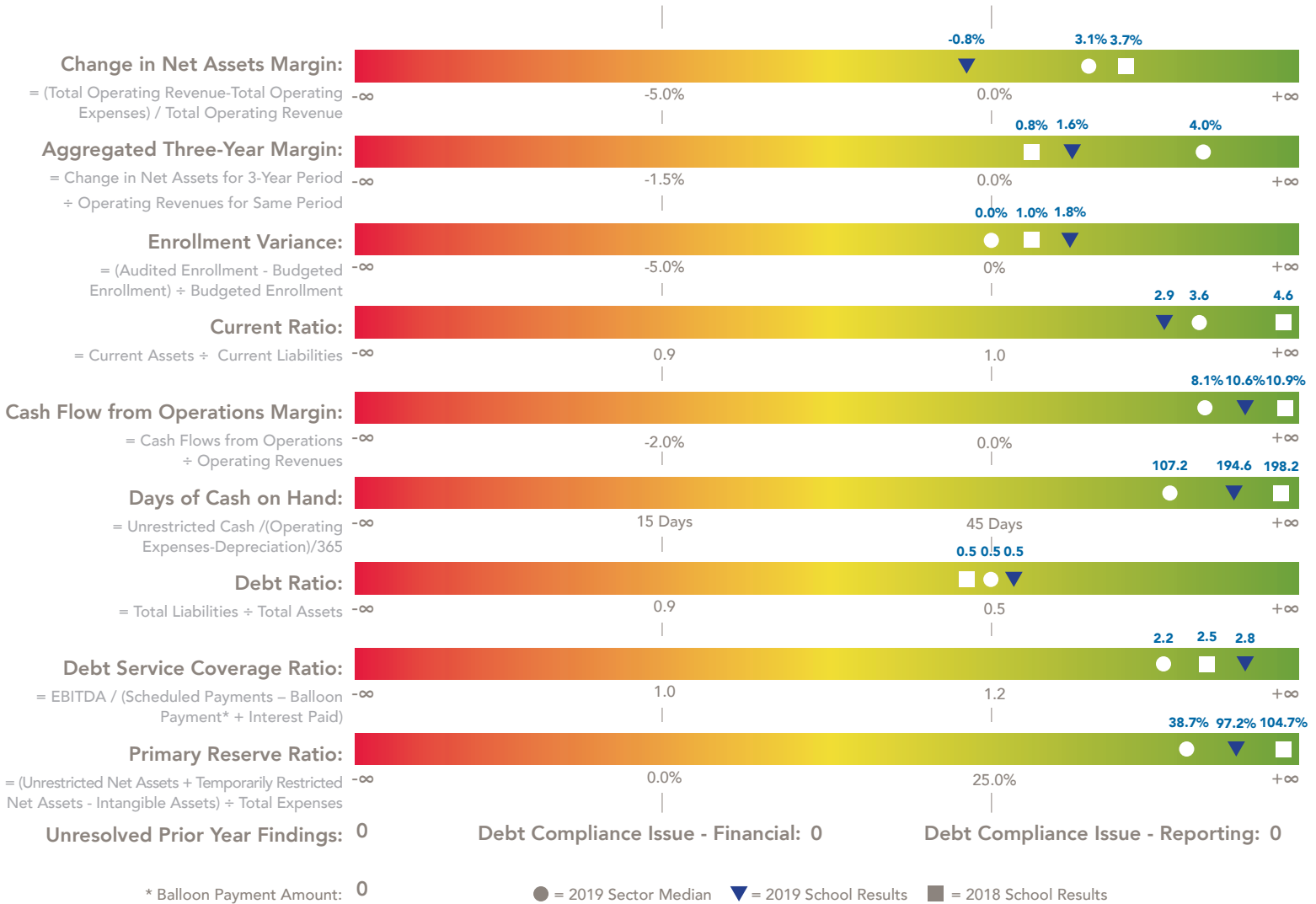


Opened:
1998-1999

Audited Enrollment:
2137

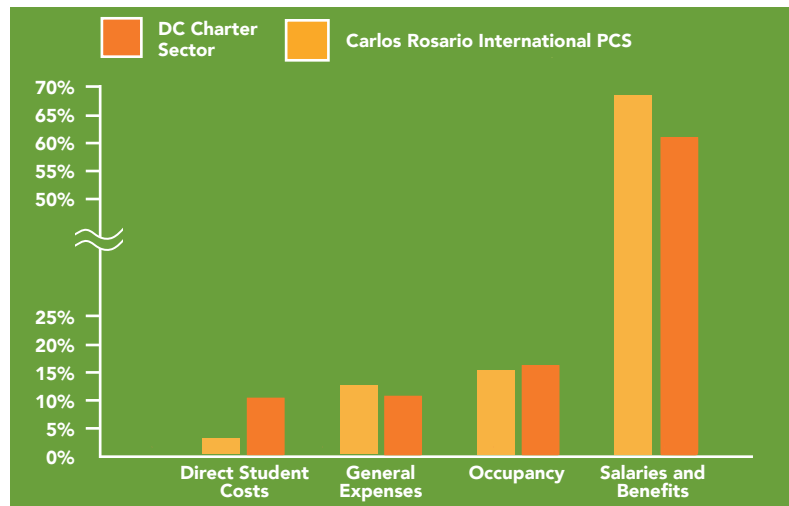
KEY FINANCIAL INDICATORS



Comments from the School

The audit did find a significant deficiency relating to the accrual of teacher salaries for the period from July 1, 2018, through August 10, 2018. Under our previous audit firm, we were directed to expense payroll as processed. The school implemented a corrective action plan that includes process changes to prevent this issue in the future.

PCS EXPENSES BY CATEGORY



CARLOS ROSARIO INTERNATIONAL PCS

FY2019 Financial Analysis Report

FINANCIAL POSITION

| | 2019 | 2018 |
|---------------------|--------------|--------------|
| Total Assets | \$57,540,815 | \$57,044,987 |
| Current Assets | \$15,827,389 | \$14,526,393 |
| Total Liabilities | \$28,281,638 | \$28,107,353 |
| Current Liabilities | \$5,435,498 | \$3,182,383 |
| Net Asset Position | \$29,259,177 | \$28,937,634 |

FINANCIAL ACTIVITIES

| | 2019 | 2018 |
|-----------------------------------|--------------|--------------|
| Revenues and Support | \$29,838,826 | \$28,716,816 |
| Expenses | \$30,091,943 | \$27,641,267 |
| Non-operating Revenues (Expenses) | \$574,660 | \$191,762 |
| Surplus (Deficit) | \$321,543 | \$1,267,311 |

AUDIT FINDINGS

| | 2019 | 2018 |
|--|------|------|
| 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

| | 2019 | 2018 | 2019 Sector Median |
|--------------------------------------|----------|----------|--------------------|
| DC Funding per Student | \$13,017 | \$12,692 | \$19,863 |
| Grants and Contributions Per Student | \$136 | \$120 | \$346 |
| Total Revenues per Student | \$13,963 | \$13,539 | \$23,270 |
| Expenses per Student | \$14,081 | \$13,032 | \$22,981 |

PCSB OBSERVATIONS

The school had an exceptionally strong financial position. It had 194 days of cash on hand, a cash flow from operations margin of 10.6% and a current ratio of 2.9. This level of liquidity reduces the risk of unexpected expenses or delays in cash receipts. While the school had a modest decline in net assets, this is not an area of concern in light of strong liquidity and a primary reserve ratio of 97%.

The audit did find a significant deficiency relating to the accrual of teacher salaries for the period from July 1, 2018, through August 10, 2018. The school has begun implementing a corrective action plan that includes process changes to prevent this issue in the future.

Debt :

1. New Markets Tax Credit (NMTC) Program: The school has three loans with Bank of America (BOA), all of which mature in 2044. The total outstanding balance on these is nearly \$17.0MM. There are two additional loans with Merrill Lynch for a total of \$3.5M, all due in 2044.
2. Loans that are not part of the NMTC program include \$1.3M in loans from the Charger School Facilities Fund and Building Hope which matured in October 2019 (after the end of the fiscal year), and a \$3M loan from Bank of America which matures in 2023.