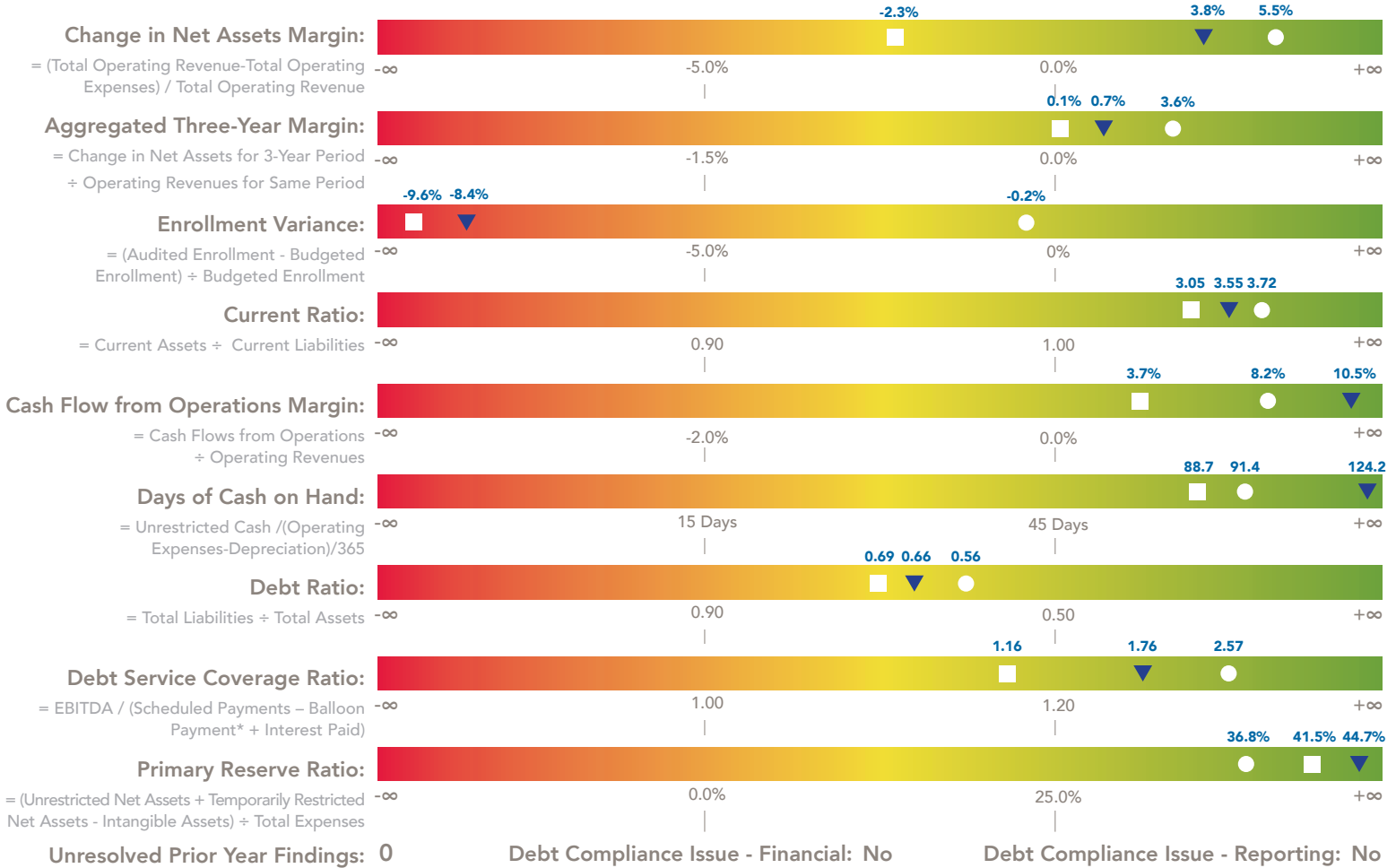


Opened:
1998 - 1999

Audited Enrollment:
1,177

KEY FINANCIAL INDICATORS

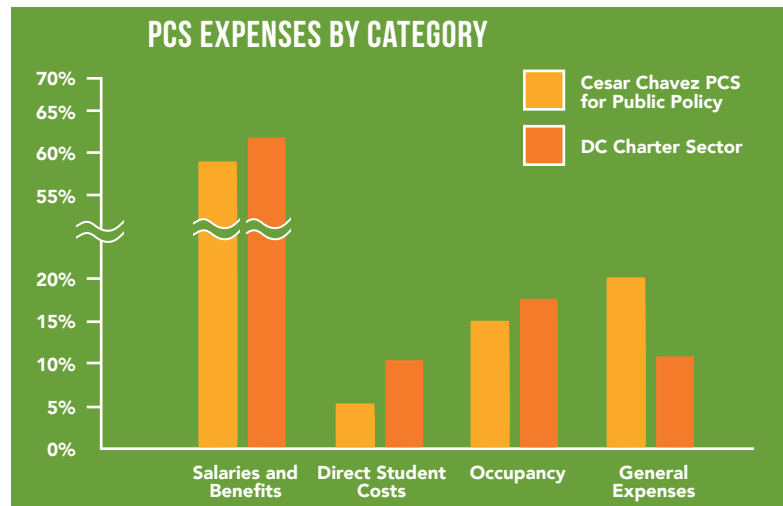


* Balloon Payment Amount: 0

● = 2018 Sector Median ▼ = 2018 School Results ■ = 2017 School Results

Comments from the School

[Empty box for school comments]



CESAR CHAVEZ PCS FOR PUBLIC POLICY

FY2018 Financial Analysis Report

FINANCIAL POSITION

	2018	2017
Total Assets	\$37,778,533	\$37,332,239
Current Assets	\$8,965,214	\$7,469,193
Total Liabilities	\$25,104,619	\$25,658,588
Current Liabilities	\$2,524,259	\$2,448,864
Net Asset Position	\$12,673,914	\$11,673,651

FINANCIAL ACTIVITIES

	2018	2017
Revenues and Support	\$26,329,562	\$27,473,367
Expenses	\$25,329,299	\$28,097,424
Non-operating Revenues (Expenses)	\$0	\$0
Surplus (Deficit)	\$1,000,263	-\$624,057

AUDIT FINDINGS

	2018	2017
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

	2018	2017	2018 Sector Median
DC Funding per Student	\$20,354	\$18,705	\$19,243
Grants and Contributions Per Student	\$182	\$371	\$492
Total Revenues per Student	\$22,370	\$21,548	\$22,382
Expenses per Student	\$21,520	\$22,037	\$21,375

PCSB OBSERVATIONS

All the school's financial metrics improved in FY 2018. The school had an operating surplus of \$1.0M in FY 2018, compared with a deficit of (\$624K) in FY 2017. The school has been working with an external consultant on overall improvement. The school's liquidity was strong, with a cash flow from operations margin of 10.5%, a current ratio of 3.55, and 125 days of cash on hand. The debt ratio improved to 0.66 in FY 2018 as the school paid down over \$500K in outstanding long-term debt.

On March 1, 2011, the school entered into a financing agreement with Wells Fargo Bank, as trustee of newly issued District of Columbia revenue bonds with proceeds of \$27.2M (the Series 2011 bonds). The proceeds were used to refinance the entire outstanding balance of the school's previous loans and to purchase the facility that the school had been leasing. The proceeds were also used for renovations of the purchased building as well as the buildings at the two leased campus locations. The Series 2011 bonds mature on November 15, 2040, and are collateralized by the first priority deed of trust lien on the school's property and equipment, per-pupil revenues, and restricted cash and cash equivalents. In addition to this purchase, the school entered into a 30-year ground lease agreement for a permanent additional operating location within the District of Columbia. The lease expires in 2038. Furthermore, the school had a sublease agreement with another District of Columbia public charter school for office space at 525 School Street, SW. The initial sublease term was scheduled to expire in 2021; however, the school terminated this lease effective June 30, 2018. Lastly, the school has a lease agreement with ESP Warehouse LLC. The school is responsible for payment of a proportionate share of real estate assessments, as well as a proportionate share of the landlord's insurance costs for extended risk insurance and public liability insurance. This lease expires on November 1, 2020. Facility rent expense totaled \$627K, and the debt service coverage ratio was 1.76 in FY 2018.

In January 2019, the school's board notified DC PCSB of its intent to reconfigure by consolidating its Capitol Hill High School with Parkside High School and closing its Chavez Prep Middle School, effective at the end of SY 2018 - 19.