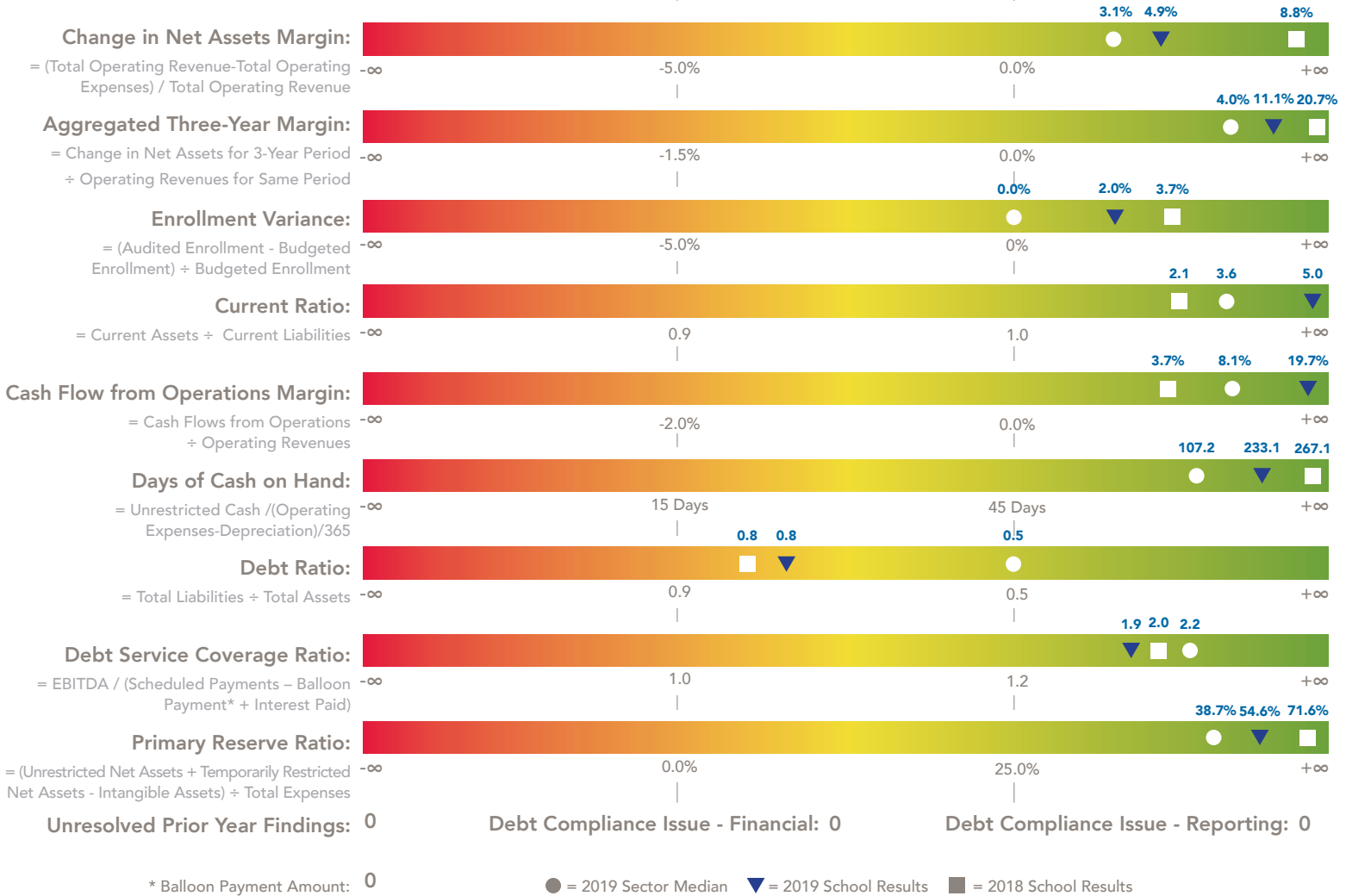


Opened:  
2014-2015

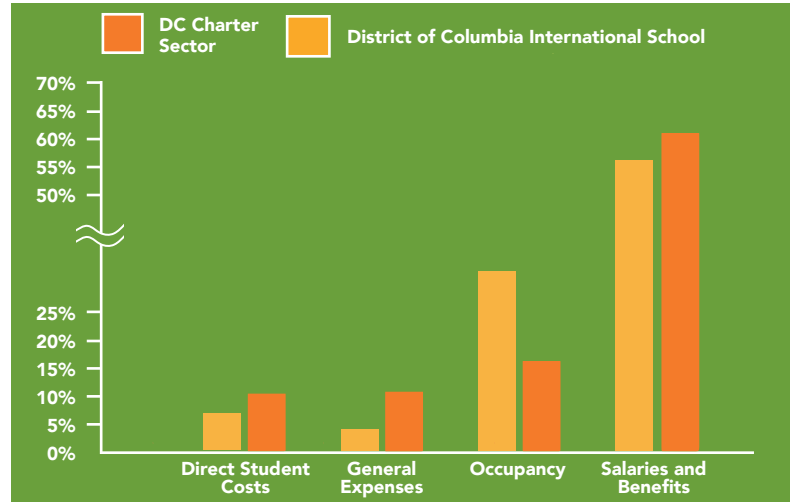
Audited Enrollment:  
1061

### KEY FINANCIAL INDICATORS



#### Comments from the School

#### PCS EXPENSES BY CATEGORY



# DISTRICT OF COLUMBIA INTERNATIONAL SCHOOL

## FY2019 Financial Analysis Report

### FINANCIAL POSITION

	2019	2018
<b>Total Assets</b>	<b>\$67,847,667</b>	<b>\$67,161,899</b>
<b>Current Assets</b>	<b>\$13,119,253</b>	<b>\$10,988,440</b>
<b>Total Liabilities</b>	<b>\$56,015,599</b>	<b>\$56,314,802</b>
<b>Current Liabilities</b>	<b>\$2,623,313</b>	<b>\$5,352,657</b>
<b>Net Asset Position</b>	<b>\$11,832,068</b>	<b>\$10,847,097</b>

### FINANCIAL ACTIVITIES

	2019	2018
<b>Revenues and Support</b>	<b>\$22,809,176</b>	<b>\$16,599,073</b>
<b>Expenses</b>	<b>\$21,683,794</b>	<b>\$15,142,668</b>
<b>Non-operating Revenues (Expenses)</b>	<b>-\$140,411</b>	<b>\$1,782,955</b>
<b>Surplus (Deficit)</b>	<b>\$984,971</b>	<b>\$3,239,360</b>

### AUDIT FINDINGS

	2019	2018
<b>Qualified/Modified/Adverse Opinion on the Financial Statements</b>	<b>No</b>	<b>No</b>
<b>Material Weakness in Internal Control over Financial Reporting (GAS)</b>	<b>No</b>	<b>No</b>
<b>Non-compliance Material to the Financial Statements (GAS)</b>	<b>No</b>	<b>No</b>
<b>Modified Opinion on Major Federal Award Programs (Uniform Guidance)</b>	<b>No</b>	<b>No</b>
<b>Material Weaknesses in the Internal Control over Compliance with Major Federal Programs (Uniform Guidance)</b>	<b>No</b>	<b>No</b>
<b>Findings and Questioned Costs</b>	<b>0</b>	<b>0</b>
<b>Going-Concern Issue</b>	<b>No</b>	<b>No</b>

### REVENUES/EXPENSES PER STUDENT

	2019	2018	2019 Sector Median
<b>DC Funding per Student</b>	<b>\$18,662</b>	<b>\$17,963</b>	<b>\$19,863</b>
<b>Grants and Contributions Per Student</b>	<b>\$686</b>	<b>\$260</b>	<b>\$346</b>
<b>Total Revenues per Student</b>	<b>\$21,498</b>	<b>\$20,646</b>	<b>\$23,270</b>
<b>Expenses per Student</b>	<b>\$20,437</b>	<b>\$18,834</b>	<b>\$22,981</b>

### PCSB OBSERVATIONS

The school's financial position was strong. The school had a change in net assets margin of 4.9% and a cash flow from operations margin of 19.7%. The change in net asset margin declined from 8.8% in 2018, however, as the school's occupancy expenses increased from \$3.1M in 2018 to \$5.0M in 2019 driven by an increase in interest-rate expense on loans used for school renovations. Liquidity is strong with 233 days of cash on hand and a current ratio of 5.0. This level of liquidity reduces any the risk of unexpected expenses or delays in cash receipts. While the school's debt ratio is relatively high, this is not an area of concern considering strong liquidity and a primary reserve ratio of 54.6%.

#### Debt:

On December 14, 2016, the school entered into five loan agreements to be used to renovate its former Walter Reed campus, or Delano Hall, at 1400 Main Drive, NW. The loan with Bank of America is treated as senior debt in all respects to payment and performance over the others. The remaining four subordinate loans are with Building Hope, Local Initiatives Support Corp., the Office of Public Charter School Financing and Support, and the Reinvestment Fund. During the year ended June 30, 2019, the school entered into two additional notes payable with City First Enterprises and City First Bank. The total outstanding principal balance on notes payable for FY 2019 was \$55.1M.

#### Subsequent Event:

On July 23, 2019, \$51,365,000 in District of Columbia Revenue Bonds – Series 2019 were issued with a 5% coupon rate to refinance the debt on the balance sheet at June 30, 2019 discussed above.

#### Property Lease:

In November 2016 DCI entered into a lease for property located at 1400 Main Drive NW, the former Walter Reed property, in order to renovate it for a school building. DCI obtained this lease from a development company which in turn has leased the property from the District of Columbia. The lease end on October 10, 2046 with annual lease payments of \$50. The lease has been recognized as a contributed land lease on the school's statement of financial position and each year the value of the space is recognized as in-kind rent expense. In 2019, in-kind rent was \$61K.