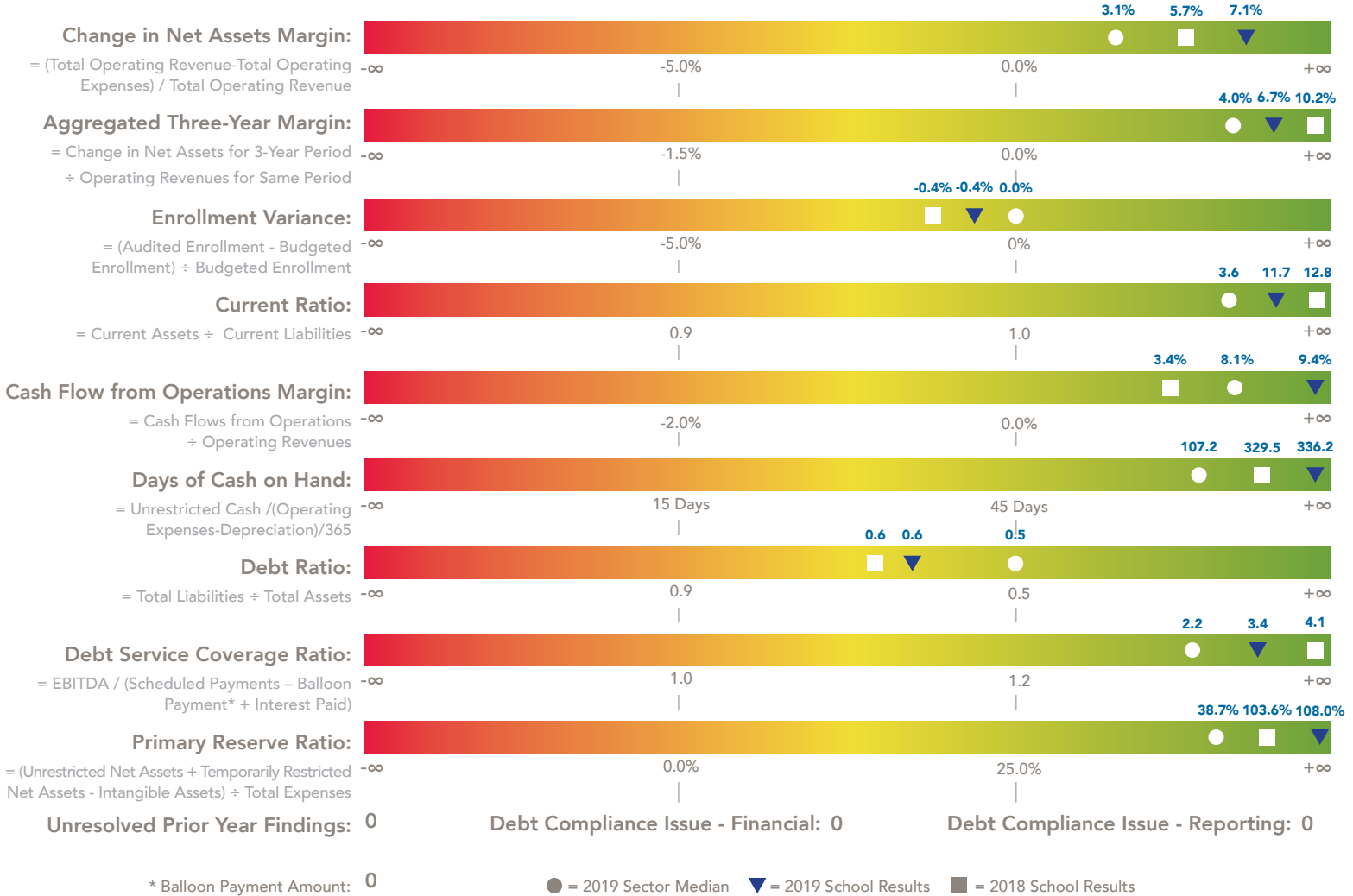


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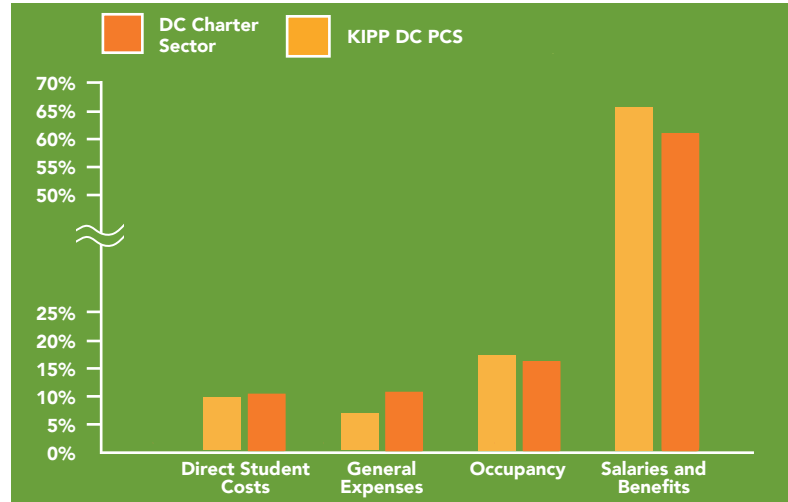
Audited Enrollment:  
6264

### KEY FINANCIAL INDICATORS



#### Comments from the School

#### PCS EXPENSES BY CATEGORY



# KIPP DC PCS

## FY2019 Financial Analysis Report

### FINANCIAL POSITION

	2019	2018
Total Assets	\$347,217,781	\$328,800,567
Current Assets	\$129,243,368	\$115,180,223
Total Liabilities	\$197,730,525	\$195,422,253
Current Liabilities	\$11,048,728	\$8,967,346
Net Asset Position	\$149,487,256	\$133,378,314

### FINANCIAL ACTIVITIES

	2019	2018
Revenues and Support	\$149,026,450	\$136,582,356
Expenses	\$138,390,633	\$128,762,463
Non-operating Revenues (Expenses)	\$5,473,125	-\$12,782,658
Surplus (Deficit)	\$16,108,942	-\$4,962,765

### 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	\$19,801	\$19,269	\$19,863
Grants and Contributions Per Student	\$1,235	\$781	\$346
Total Revenues per Student	\$23,791	\$22,336	\$23,270
Expenses per Student	\$22,093	\$21,057	\$22,981

### PCSB OBSERVATIONS

The school had an exceptionally strong financial performance in FY 2019. The school showed strong and sustained growth by achieving 7.1% change in net assets margin and 6.7% aggregated three-year margin. Liquidity overall was strong, with 336 days of cash on hand and a current ratio of 11.7, minimizing short-term risks due to unexpected expenses. The school had a Primary Reserve Ratio of 108%, reflective of its strong financial position.

#### Debt:

The School had notes payable totaling \$182.6M at year-end 2019 with maturities ranging from February 2034 to December 2049 and interest rates ranging from 1% to 3.9%. These notes payable are collateralized by cash, pledges, per pupil funding, liens on net revenues, deeds of trust on land and improvements and on ground leases, and leasehold improvements and guarantees from KIPP DC.

Subsequent Event: In October 2019 the school issued \$61.3M in DC Revenue Bonds to refinance existing debt, renovate and upgrade an existing campus and expand an existing campus.

#### Property Lease:

The school has several lease obligations for its various campuses, mostly in the 30- to 35-year range, and one 10-year lease for KIPP DC's headquarters. Total rent expense for FY 2019 was \$1.8M.