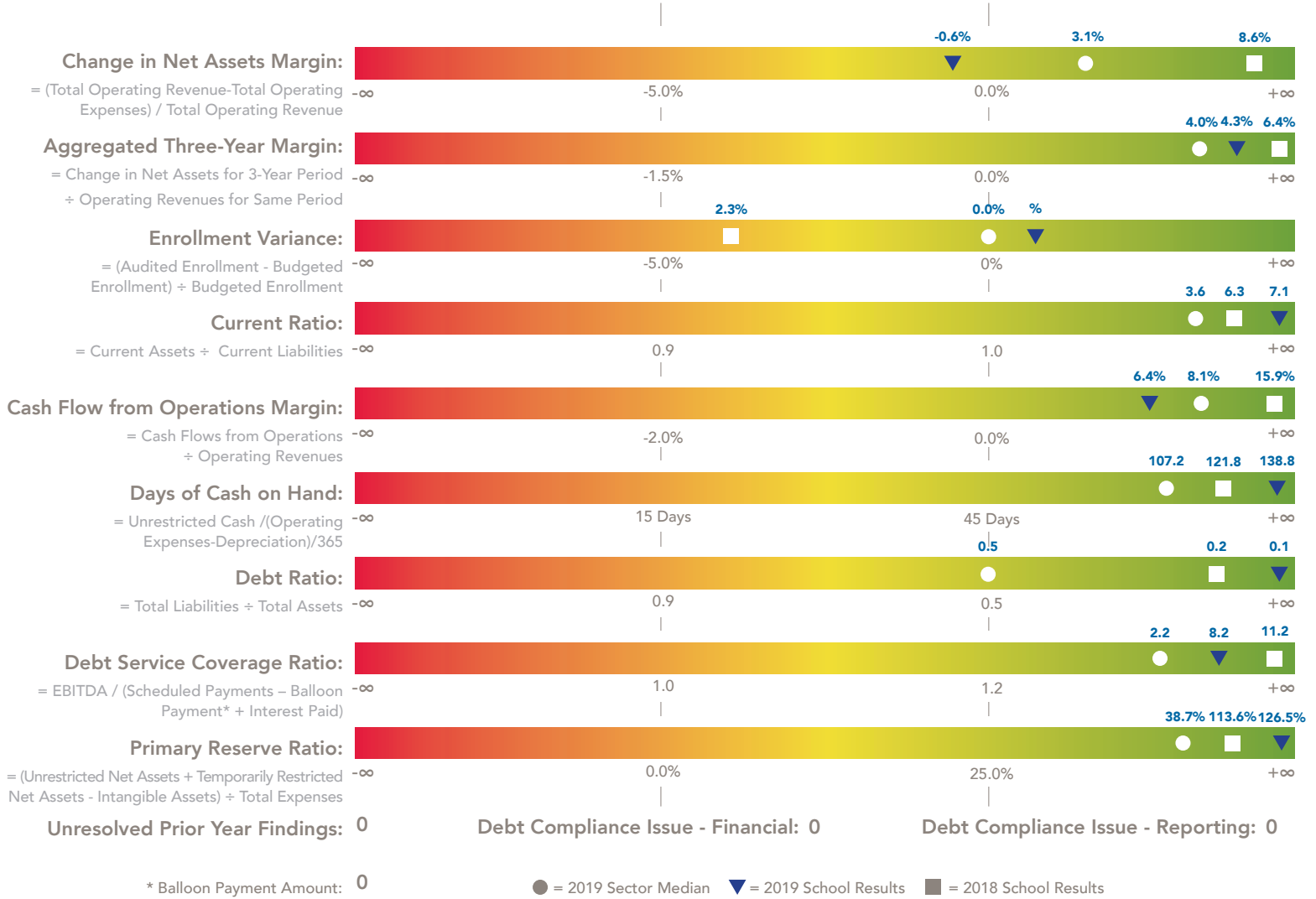


Opened:
1998-1999

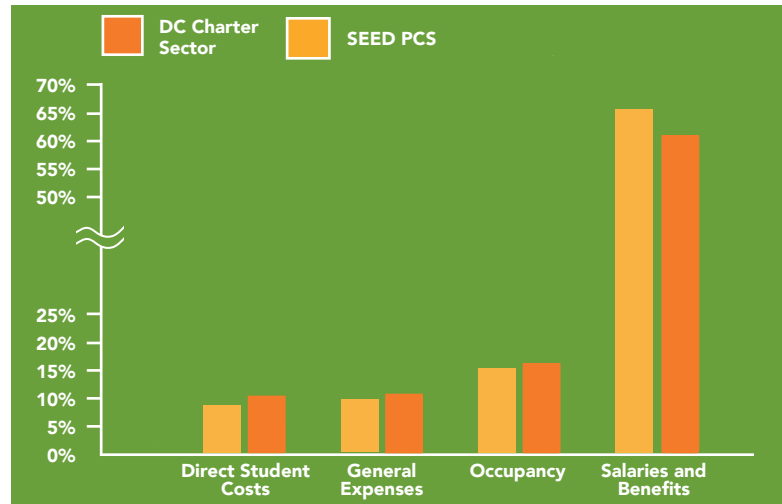
Audited Enrollment:
284

KEY FINANCIAL INDICATORS



Comments from the School

PCS EXPENSES BY CATEGORY



SEED PCS

FY2019 Financial Analysis Report

FINANCIAL POSITION

	2019	2018
Total Assets	\$22,148,238	\$22,447,534
Current Assets	\$7,083,629	\$5,730,978
Total Liabilities	\$3,223,871	\$3,434,073
Current Liabilities	\$998,871	\$909,073
Net Asset Position	\$18,924,367	\$19,013,461

FINANCIAL ACTIVITIES

	2019	2018
Revenues and Support	\$14,874,693	\$18,209,820
Expenses	\$14,963,787	\$16,651,209
Non-operating Revenues (Expenses)	\$0	\$0
Surplus (Deficit)	-\$89,094	\$1,558,611

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	\$48,510	\$46,752	\$19,863
Grants and Contributions Per Student	\$866	\$157	\$346
Total Revenues per Student	\$52,376	\$50,165	\$23,270
Expenses per Student	\$52,689	\$45,871	\$22,981

PCSB OBSERVATIONS

The school's financial position was strong. Seed PCS' enrollment declined by 22% (from 363 to 284) as middle school grades are being eliminated. The school had a deficit of (\$89K) in 2019 compared to a surplus of \$1.6M in 2018. The school had strong cash flow and liquidity with a cash flow from operations margin of 6.4%, a current ratio of 7.1, and 139 days of cash on hand. The school has an exceptionally strong primary reserve ratio of 126.5%, ensuring adequate reserves to transition to lower enrollment levels.

The auditor identified two deficiencies in internal controls which were not determined to constitute significant deficiencies or material weaknesses in internal controls. First, the auditor discovered that audit schedules and support provided by management did not reconcile with what was recorded in the general ledger. The second was that the school had issued stale checks that appeared to be over three years old.

Debt:

In 2017, the school refinanced bonds issued by the DC Pooled Loan Program Revenue payable in 2021, a portion of which was scheduled to mature in January 2021. The new bonds are a delayed draw-down term loan with a maximum borrowing capacity of \$6.0M. After paying off the bonds, the school may utilize the additional borrowing capacity to finance future capital expenditures. Note payable as of June 30, 2019, was \$2.5M.

Property Lease:

In February 2000, the school entered into a 15-year operating lease for land use with the District of Columbia. The school has the right to renew the lease for three additional 15-year terms. In FY 2015, the school exercised its first renewal option. The rent expense in 2019 was \$12K.

School Name	FY19 Revenues	FY19 Operating Result
SEED PCS	\$14,874,693	-\$89,094
Management Organization ("MO") / Related Party ("RP")	MO/RP Tax Status	
The SEED Foundation, Inc.	Non-Profit	
Highest Paid Employee / Head of MO / RP	Title	Total Compensation
Lesley Poole	CEO	\$223,437
Services Provided	FY19 Payment	% of School Revenue
Management and Educational Services	\$446,084	3%
Total	\$446,084	3%
DC PCSB Comments		
<p>The SEED Foundation Inc. provides management and support services to SEED PCS. SEED Foundation has an economic interest in the school and controls membership of the school's board of trustees.</p> <p>The school paid the foundation \$446k for management and other services in 2019.</p> <p>Please note that the highest paid employee above was taken from the most recent 990 available at the time this report was produced.</p>		
School Comments		