

DC PCSB LEA Citations of Fiscal Concern

Abbreviations : *Fiscal Year (FY); FY End (FYE); Key Financial Indicators (KFIs); Public Charter School (PCS); Not Applicable (NA)*

Latest Update: **6/29/2026**

(A) The date DC PCSB issued a Citation of Fiscal Concern to the LEA

LEA Receiving Citation of Fiscal Concern, Reason, and <i>Remediation</i> Status	Date
	Citation of Fiscal Concern Issued (A)
<p>Capital Village PCS</p> <p>Based on the revised fiscal year (FY) 2025 forecast submitted on April 8, the LEA reflected 30 days of cash on hand as of March 31, 2025, which is 5 days below the 35-day FCAP minimum requirement as of that date. The primary reason for this is that the LEA incurred approximately \$145K more in personnel salaries and benefits and incurred significantly more contracted instruction fees than were budgeted.</p> <p><i>The LEA indicated that the Shared Work Program would take effect on April 14; however, it was not implemented and is now obsolete.</i></p>	4/14/2025
<p>Capital Village PCS</p> <p>Based on the revised fiscal year (FY 2025) forecast submitted on June 27, the LEA reflected 23 days of cash on hand as of June 30, 2025, which is 7 days below the 30-day FCAP minimum requirement as of that date. The primary reason for this is that the LEA incurred more in personnel salaries and benefits and contracted instruction fees than were budgeted. The additional personnel salaries and benefits resulted primarily from the LEA's failure to reduce staff as agreed in the FCAP Proposal approved by the DC PCSB Board on October 28, 2024.</p>	8/13/2025

DC PCSB LEA Citations of Fiscal Concern

Abbreviations : *Fiscal Year (FY); FY End (FYE); Key Financial Indicators (KFIs); Public Charter School (PCS); Not Applicable (NA)*

Latest Update: **6/29/2026**

(A) The date DC PCSB issued a Citation of Fiscal Concern to the LEA

LEA Receiving Citation of Fiscal Concern, Reason, and <i>Remediation</i> Status	Date Citation of Fiscal Concern Issued (A)
<p>IDEA PCS</p> <p>Cash was not timely transferred from a restricted cash account to an unrestricted cash account, resulting in the need to revise the LEA's fiscal year (FY) 2024 and FY 2022 audited financial statements to appropriately disclose the portion of cash available for operations at the end of the fiscal year.</p> <p><i>The LEA updated its Escrow Account policy effective April 1, 2025 to ensure this does not happen again by requiring transfers be made within five business days and monitored by its accounting contractor and staff. Additionally, the LEA is working with its bank to automate the transfers.</i></p>	2/18/2025
<p>LEARN DC PCS</p> <p>The LEA did not timely provide certain student documentation necessary for the Office of the State Superintendent of Education (OSSE) to include 20 students in the LEA's FY 2025 Uniform Per Student Funding Formula (UPSFF) enrollment count. As a result, the LEA's FY 2025 UPSFF-funded enrollment declined by 20 (7%) students, or \$0.5M less funding.</p> <p><i>Shortly after becoming aware of this issue in January 2025, the LEA began to retrain its staff on the proper procedures to submit complete and accurate information to OSSE to ensure this will not happen in the future.</i></p>	3/4/2025

DC PCSB LEA Citations of Fiscal Concern

Abbreviations : Fiscal Year (FY); FY End (FYE); Key Financial Indicators (KFIs); Public Charter School (PCS); Not Applicable (NA)	Latest Update:	6/29/2026
(A) The date DC PCSB issued a Citation of Fiscal Concern to the LEA		
LEA Receiving Citation of Fiscal Concern, Reason, and Remediation Status		Date Citation of Fiscal Concern Issued (A)
<p>Mary McLeod Bethune Academy PCS</p> <p><i>Mary McLeod Bethune Day Academy PCS spent approximately \$2M (200%) in excess of its January 2024 \$1M construction budget included in its facility amendment application to DC PCSB.</i></p> <p><i>Although the LEA reflected 41 days of cash on hand at June 30, 2025 in its revised FY 2024 budget submitted in December 2024, DC PCSB found after reviewing the LEA's FY 2024 audited financial statements that its budget did not disaggregate restricted cash from unrestricted cash. By excluding the restricted cash, the LEA would have reflected only 9 days of cash on hand at June 30, 2025—below DC PCSB's 30-day floor.</i></p> <p><i>Additionally, construction financing was not fully secured until March 2025. These actions in the aggregate exposed the LEA to significant financial risk.</i></p> <p><i>In June 2025, the LEA informed DC PCSB that it had received a significant portion of its Employee Retention Tax Credit receivable not previously budgeted and reflected anticipated cost savings, resulting in an update in May 2025 in its forecasted days of cash on hand at June 30, 2025 to 91 days.</i></p>		6/13/2025

DC PCSB LEA Citations of Fiscal Concern

Abbreviations : *Fiscal Year (FY); FY End (FYE); Key Financial Indicators (KFIs); Public Charter School (PCS); Not Applicable (NA)*

Latest Update: **6/29/2026**

(A) The date DC PCSB issued a Citation of Fiscal Concern to the LEA

LEA Receiving Citation of Fiscal Concern, Reason, and <i>Remediation</i> Status	Date Citation of Fiscal Concern Issued (A)
<p>Roots PCS</p> <p>Roots PCS finalized its fiscal year (FY) 2025 audit on February 18, 2026, missing both the December 10, 2025 deadline and the January 12, 2026 extension granted by DC PCSB. DC PCSB issued an Early Warning Notice on December 15, 2025 and an Out of Compliance Notice on January 22, 2026. Multiple versions of the audit submitted between December 2025 and February 2026 contained recurring accounting inconsistencies that required extensive revisions. These delays stemmed from late auditor engagement and insufficient internal review by the local education agency (LEA) and its Board.</p> <p><i>To ensure timely future filings, we expect the LEA to implement the following by the issuance of the FY 2026 Audited Financial Statements:</i></p> <ul style="list-style-type: none"> <i>- Early Auditor Engagement: Beginning the auditor selection for the FY 2026 audit cycle early and provide a compliant audit engagement letter by the June 2, 2026 due date.</i> <i>- Strengthened Internal Controls: Reviewing internal financial reporting policies and revising them as needed to enhance quality assurance.</i> <i>- Fidelity of Implementation: Prioritizing the consistent application of these updated protocols to mitigate the risk of submission inaccuracies.</i> <p><i>We will confirm the LEA's progress and update the remediation status of the Citation of Fiscal Concern upon review of the LEA's FY 2026 audited financial statements.</i></p>	3/17/2026
<p>St. Coletta Special Education PCS</p> <p><i>According to the LEA's FY 2024 audited financial statements, it did not follow its revenue recognition policy for FY 2022 and FY 2023, resulting in a material adjustment needed to the financial statements. The auditor reported this as a material weakness.</i></p> <p><i>The LEA and DC PCSB staff met with the LEA's auditor in February 2025 to ensure that the LEA recognizes its revenues in accordance with its policy.</i></p>	3/4/2025