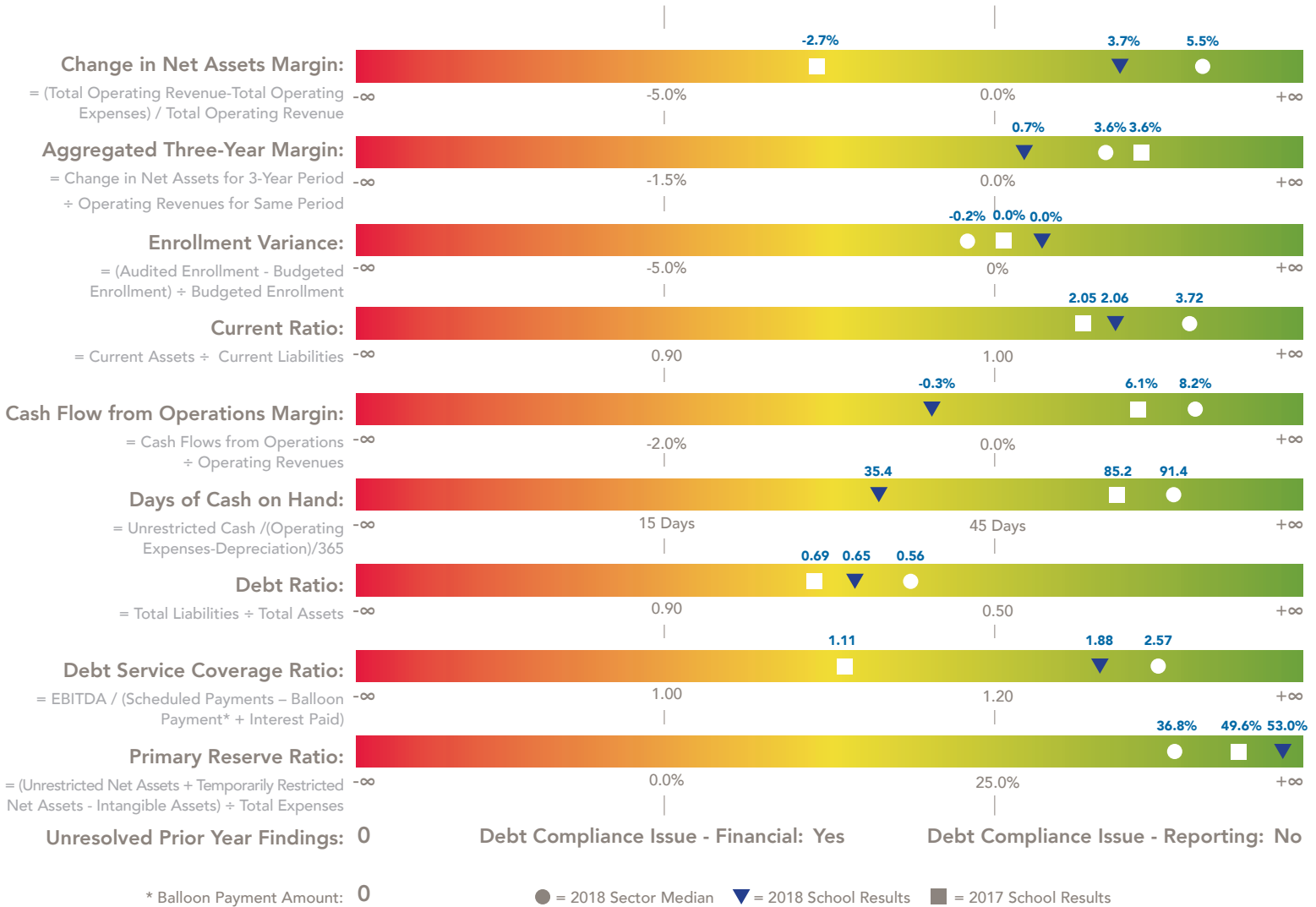


Opened:
1998 - 1999

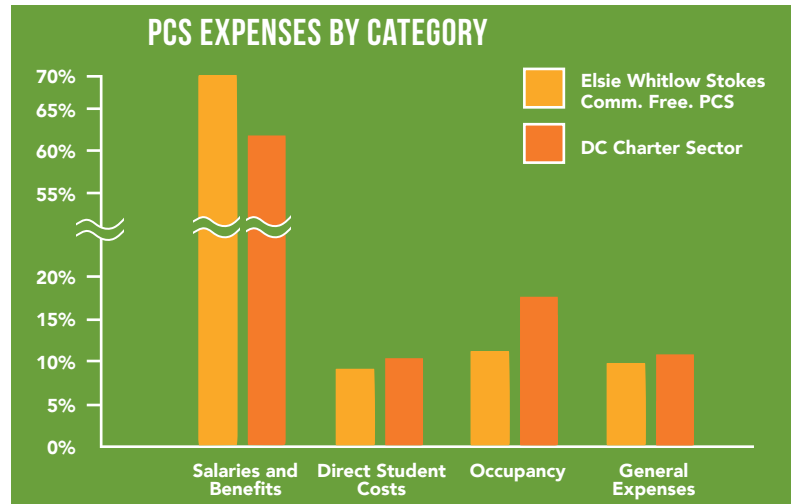
Audited Enrollment:
350

KEY FINANCIAL INDICATORS



Unresolved Prior Year Findings: 0 Debt Compliance Issue - Financial: Yes Debt Compliance Issue - Reporting: No

Comments from the School



ELSIE WHITLOW STOKES COMMUNITY FREEDOM PCS

FY2018 Financial Analysis Report

FINANCIAL POSITION

	2018	2017
Total Assets	\$12,456,004	\$11,996,260
Current Assets	\$2,142,129	\$1,965,046
Total Liabilities	\$8,116,743	\$8,312,412
Current Liabilities	\$1,041,050	\$958,043
Net Asset Position	\$4,339,261	\$3,683,848

FINANCIAL ACTIVITIES

	2018	2017
Revenues and Support	\$8,503,295	\$7,232,053
Expenses	\$8,184,605	\$7,428,934
Non-operating Revenues (Expenses)	\$336,723	\$228,509
Surplus (Deficit)	\$655,413	\$31,628

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	\$17,185	\$16,200	\$19,243
Grants and Contributions Per Student	\$2,147	\$785	\$492
Total Revenues per Student	\$24,295	\$20,663	\$22,382
Expenses per Student	\$23,385	\$21,226	\$21,375

PCSB OBSERVATIONS

The school's financial condition did not present an immediate concern. Days of cash on hand decreased from the prior year to 35 in FY 2018, largely a result of investments in property plant and equipment; DC PCSB determines a ratio of 15 to 45 to be sufficient. Overall, the school's current ratio remained consistent from FY 2017, with a ratio of 2.06 in FY 2018; a current ratio above 1.0 is sufficient as it indicates that for every liability coming due in the current year, there is an asset expected to convert to cash that will meet the obligation. Moreover, the school's primary reserve ratio was 53%, well above DC PCSB's standard.

The school's debt ratio improved to 0.65 from the prior year as the school paid down portions of its long-term debt. The school's debt service coverage, or ratio of surplus available for debt servicing to interest and principal, increased to 1.9 in FY 2018. A portion of this was due to a change in the formula, but a significant portion was also due to a smaller note payable in the current year of more than \$60K less than FY 2017. The school did, however, breach its reporting covenants with the bank, as it exceeded the reporting deadline; the school received a waiver for this breach.

In January 2013, the school signed an agreement to refinance its DC Office of Public Charter School Financing and Support note payable and its United Bank construction note payable. The loan has a principal balance of \$5.9M as of June 30, 2018. In July 2016, the school entered into a financing agreement with the District of Columbia and Greenworks Lending LLC to obtain a loan of \$1.4M for the installation of energy improvements; this loan matures in 2036.