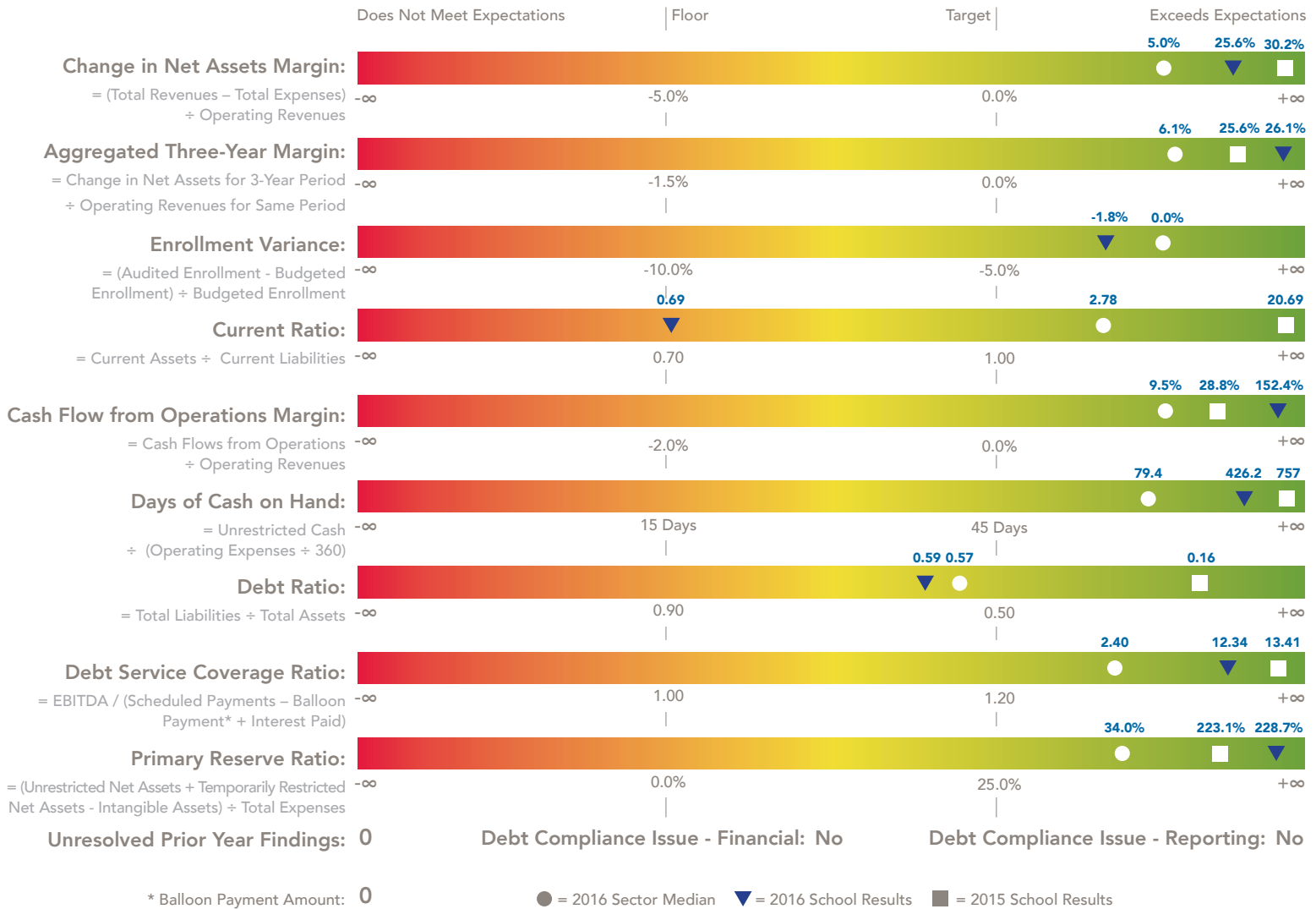


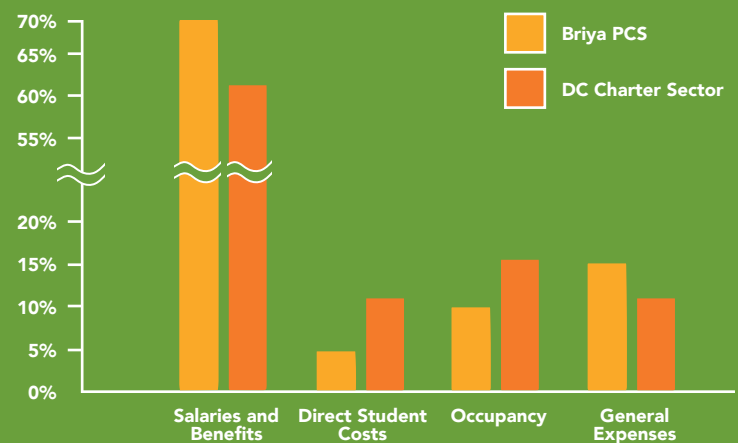
KEY FINANCIAL INDICATORS



Comments from the School

Briya's current ratio (CR) is distorted in the FAR report due to construction payables in the calculation. The CR is meant to convey the ability to pay current payables with current assets. Construction payables are not meant to be covered with current assets, but rather with debt from a loan draw. By including them in the ratio calculation yields an inaccurate view of Briya's ability to cover its obligations. By excluding ~\$10m of construction payables, Briya's CR would have been 14.9. Also, consolidating the results of MDL, LLC into Briya's results, skews Briya's debt ratio. The LLC is formed by Briya and Bridges PCS, each of whom guarantees 50% of the outstanding principal balance of the debt. However, since GAAP requires the LLC's financial stmts. to be consolidated into Briya's stmts. as the majority owner, the amount of debt on Briya's books is materially overstated, thus elevating the debt ratio.

PCS EXPENSES BY CATEGORY



BRIYA PCS

FY2016 Financial Report Card

FINANCIAL POSITION

	2016	2015
Total Assets	\$33,918,065	\$13,573,767
Current Assets	\$7,343,759	\$11,139,413
Total Liabilities	\$19,992,522	\$2,136,849
Current Liabilities	\$10,607,832	\$538,363
Net Asset Position	\$13,925,543	\$11,436,918

FINANCIAL ACTIVITIES

	2016	2015
Revenues and Support	\$7,924,111	\$7,343,910
Expenses	\$5,894,486	\$5,125,941
Non-operating Revenues (Expenses)	\$-	\$-
Surplus (Deficit)	\$2,029,625	\$2,217,969

AUDIT FINDINGS

	2016	2015
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

	2016	2015	2016 Sector Median
DC Funding per Student	\$12,725	\$13,235	\$17,657
Philanthropic Funding per Student	\$988	\$593	\$581
Total Revenues per Student	\$15,944	\$14,927	\$20,775
Expenses per Student	\$11,860	\$10,419	\$19,644

PCSB OBSERVATIONS

FACILITIES:

Gallatin St Facility: With Bridges PCS and Mary's Center, the School was awarded a 30-year lease for the Mamie D. Lee school building on Gallatin St NW, commencing July 1, 2016. In February 2015, the School formed Marnie D. Lee, LLC (the LLC) to hold the lease. This building has been renovated by the LLC and subleased to Briya PCS and Bridges PCS for the 2016-17 school year. These two schools are the only members of the LLC. During 2016, Bridges PCS made a capital contribution of \$459,000 to the LLC. All transactions of the LLC are consolidated into Briya PCS's financial statements.

\$169,393 rent expense under operating leases with Mary's Center for Ontario Rd and Kalorama Rd facilities.

\$29,107 rent for storage space and internship housing at 1726 Newton St.

\$81,762 in donated office space from Bancroft Elementary School.

DEBT:

\$1.6M balance from July 2011 Mary's Center 30-year capital lease for Georgia Ave facility; the School makes monthly payments with a partial rent abatement.

\$5.8M balance on \$24.2M Bank of American loan to fund construction of a building located at 100 Gallatin St, NE. The loan bears interest based on the LIBOR Daily Floating Rate (3.96% at year-end).

\$2M balance on Low Income Investment Fund loan agreement with the LLC. Interest of 5.88%. Monthly principal payments begin in October 2017 and continue until the loan is paid in full.

School Name	FY16 Revenues	FY16 Operating Result
Briya PCS	\$7,924,111	\$2,029,625
Management Organization ("MO") / Related Party ("RP")	MO/RP Tax Status	Most Recent Public Financials
Mary's Center for Maternal and Childcare, Inc.	Non-Profit	http://www.guidestar.org/FinDocuments/2015/521/594/2015-521594116-0d637504-9.pdf
Highest Paid Employee / Head of MO / RP	Title	Total Compensation
Maria Gomez	Chief Executive Officer	\$244,625
Services Provided	FY16 Payment	% of School Revenue
Contracted employees	\$3,563,925	45.0%
Human resource services management fee	\$100,000	1.3%
Rent - Ontario Road/Kalorama Road	\$169,393	2.1%
Capital lease payments - Georgia Avenue	\$101,771	1.3%
Total	\$3,935,089	49.7%
DC PCSB Comments		
<p>Mary's Center for Maternal and Childcare, Inc. (Mary's Center) provides contracted employees, facilities, and HR and payroll services to Briya PCS. The school also leases three facilities from Mary's Center, detailed above. DC PCSB has determined that Mary's Center acts as a school management organization for Briya PCS because the school's management, including the executive director, are employees of Mary's Center.</p> <p>\$3,563,925 paid to Mary's Center for contracted employees. The employees of Briya PCS are considered "leased employees"; they are employees of Mary's Center who are assigned to Briya PCS; Mary's Center administers their employment records, payroll, and benefits.</p> <p>\$100,000 paid to Mary's Center for HR services fee.</p> <p>\$169,393 paid to Mary's Center for the Ontario Road & Kalorama Road properties.</p> <p>\$101,771 paid to Mary's Center for the Georgia Avenue property.</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		