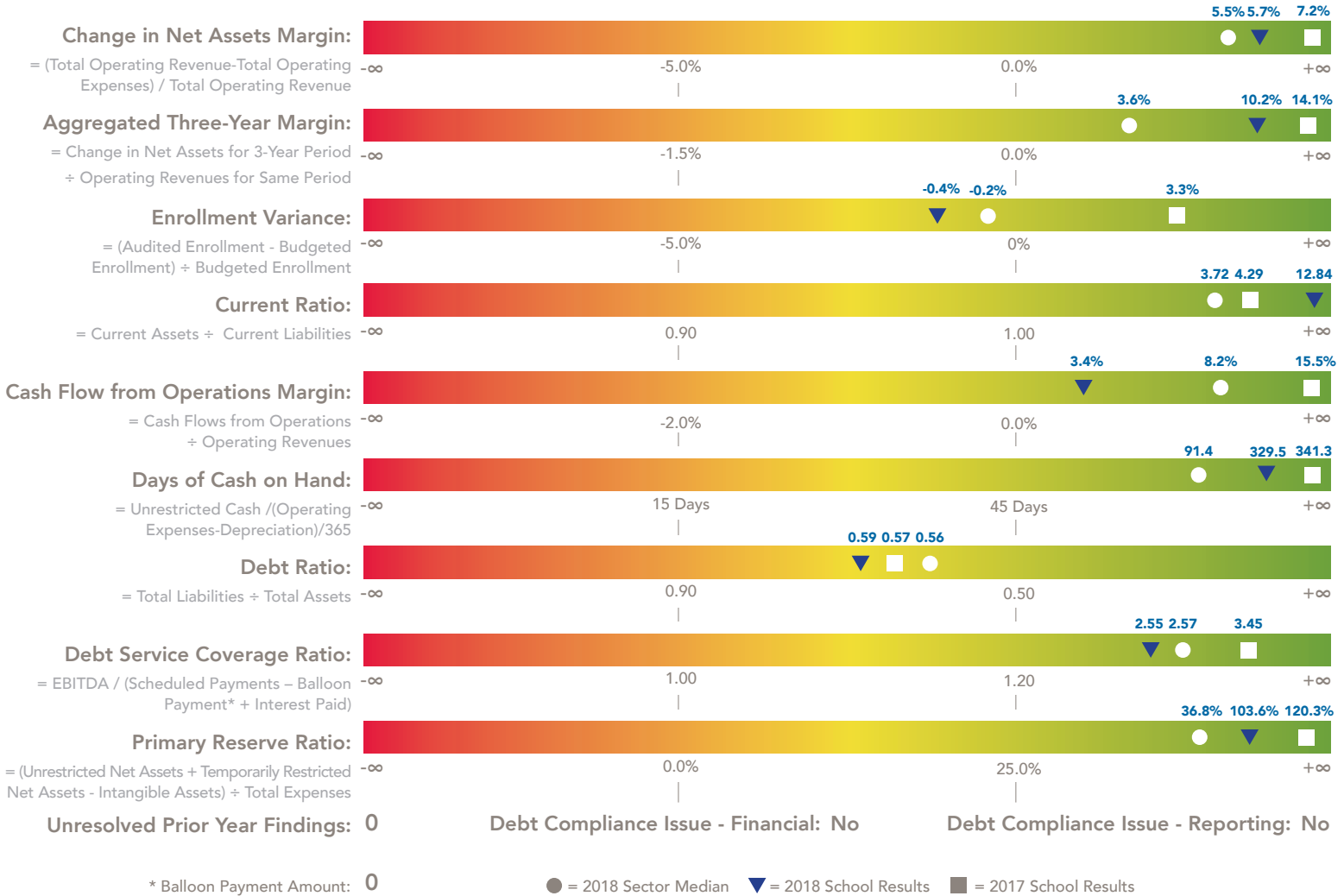


Opened:
2001 - 2002

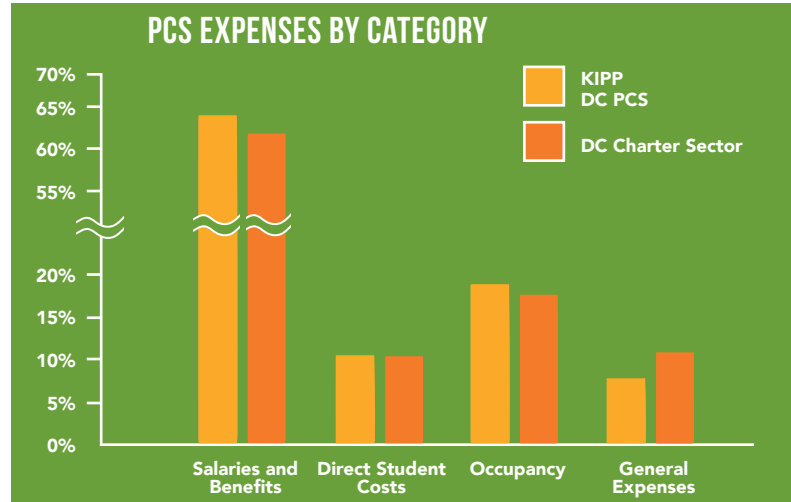
Audited Enrollment:
6,115

KEY FINANCIAL INDICATORS



Comments from the School

[Empty box for school comments]



KIPP DC PCS

FY2018 Financial Analysis Report

FINANCIAL POSITION

| | 2018 | 2017 |
|---------------------|---------------|---------------|
| Total Assets | \$328,800,567 | \$322,526,072 |
| Current Assets | \$115,180,223 | \$107,312,202 |
| Total Liabilities | \$195,422,253 | \$184,184,993 |
| Current Liabilities | \$8,967,346 | \$25,028,234 |
| Net Asset Position | \$133,378,314 | \$138,341,079 |

FINANCIAL ACTIVITIES

| | 2018 | 2017 |
|-----------------------------------|---------------|---------------|
| Revenues and Support | \$136,582,356 | \$123,965,399 |
| Expenses | \$128,762,463 | \$114,978,350 |
| Non-operating Revenues (Expenses) | -\$12,782,658 | \$2,822,495 |
| Surplus (Deficit) | -\$4,962,765 | \$11,809,544 |

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 | \$19,269 | \$18,096 | \$19,243 |
| Grants and Contributions Per Student | \$781 | \$767 | \$492 |
| Total Revenues per Student | \$22,336 | \$21,436 | \$22,382 |
| Expenses per Student | \$21,057 | \$19,882 | \$21,375 |

PCSB OBSERVATIONS

The school's condition was healthy, as evidenced by many of its indicators above DC PCSB's standards in FY 2018. Specifically, the school's liquidity was strong, with a current ratio of 12.84 and 330 days of cash on hand, indicating that the school had sufficient financial resources to meet its short-term obligations. Although the school generated an operating gain of \$8.4M, the school experienced a loss of (\$13.3M) on the extinguishment of debt, for a total change of (\$5.0M) in the current year. The school's net asset position remained strong at \$133.3M in total net assets. Further, the primary reserve ratio of 103.6% is an indication of the school's long-term health.

The school had a debt ratio of 0.59, and its debt service coverage ratio was 2.55 for FY 2018. 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 2018 was \$1.7M.