

EXHIBIT 4



June 30, 2014

Study of FY2013 PCS Fiscal Audits

by OSSE/PCSB/OCFO
Audit Management Unit
bearsolutions, LLC

D.C. Public Charter
School Board

John "Skip" McKoy, Board Chairman
Scott Pearson, Executive Director



CHARTER AUDIT RESOURCE MANAGEMENT (CHARM™)
DC Public Charter Schools All-School Summary
June 30, 2013 and June 30, 2012

| FINANCIAL SNAPSHOT | <u>2013 Total</u> | <u>2012 Total</u> |
|--|--------------------------|--------------------------|
| <u>FINANCIAL POSITION</u> | | |
| Total Assets | 883,372,121 | 788,694,993 |
| Current Assets | 236,448,844 | 205,536,079 |
| Total Liabilities | 599,538,564 | 537,408,223 |
| Current Liabilities | 100,795,587 | 98,789,532 |
| Net Asset Position | <u>283,833,557</u> | <u>251,286,770</u> |
| <u>ACTIVITIES</u> | | |
| Support and Revenues | <u>670,068,694</u> | <u>612,071,243</u> |
| DC Funding Allocation | 557,908,020 | 502,283,933 |
| Federal Entitlements and Other Federal Funds | 69,773,905 | 71,254,080 |
| Other Grants and Contributions | 25,980,883 | 20,816,363 |
| Other Income | 16,405,886 | 17,716,867 |
| Expenses | <u>637,999,197</u> | <u>565,120,476</u> |
| Nonoperating Revenue (Expense) | <u>323,549</u> | <u>N/A</u> |
| Surplus (Deficit) | 32,393,046 | 46,950,767 |
| <u>CASH FLOW</u> | | |
| Unrestricted Cash, end of year | 197,652,883 | 154,991,538 |

| FINANCIAL DASHBOARD | <u>2013 Median</u> | <u>2012 Median</u> |
|-------------------------------------|---------------------------|---------------------------|
| <u>FINANCIAL PERFORMANCE</u> | | |
| Operating Surplus (Deficit) | 306,385 | 349,943 |
| Earnings Before Depreciation | 661,081 | 638,842 |
| Aggregated 3-Year Total Margin | 4.6% | 3.6% |
| <u>LIQUIDITY</u> | | |
| Current Ratio | 2.2 | 1.9 |
| Days of Cash On Hand | 70 | 59 |
| Cash Flow from Operations | 578,525 | 729,610 |
| Multi-Year Cumulative Cash Flow | 847,402 | 430,174 |

CHARTER AUDIT RESOURCE MANAGEMENT (CHARM™)
DC Public Charter Schools All-School Summary
June 30, 2013 and June 30, 2012

| FINANCIAL DASHBOARD | <u>2013 Median</u> | <u>2012 Median</u> |
|---------------------------------|--------------------|--------------------|
| <u>DEBT BURDEN</u> | | |
| Debt Ratio | 0.62 | 0.66 |
| Debt Service Ratio | 1.8% | 1.1% |
| <u>SUSTAINABILITY</u> | | |
| Net Asset Position | 1,691,177 | 1,995,012 |
| Primary Reserve Ratio | 0.28 | 0.31 |
| <u>TRENDING MEASURES</u> | | |
| Audited Enrollment | 397 | 359 |
| Total Revenues per Student | 18,885 | 18,423 |
| DC Funding per Student | 15,606 | 15,648 |
| Expenses per Student | 17,848 | 17,654 |
| Program Expenses per Student | 15,242 | 14,858 |
| G&A Expense Ratio | 14% | 14% |
| Personnel Expense Ratio | 58% | 57% |
| Occupancy Expense Ratio | 15% | 15% |

CHARTER AUDIT RESOURCE MANAGEMENT (CHARM™)
DC-PCSB AUDIT MANAGEMENT UNIT
Net Assets at June 30, 2010 - 2013 by School

| School Name | First Year of Operation | 2010 | 2011 | 2012 | 2013 |
|--|-------------------------|-------------|-------------|-------------|-------------|
| Achievement Preparatory Academy Public Charter School | 2008-09 | 260,777 | 464,927 | 602,834 | 1,691,777 |
| AppleTree Early Learning Public Charter School | 2005-06 | 457,514 | 1,688,820 | 1,995,012 | 2,599,161 |
| Arts and Technology Academy Public Charter School | 1999-00 | 5,011,898 | 5,041,641 | 4,916,328 | 4,989,020 |
| BDC, A Public Charter School, Inc. (BASIS DC) | 2012-13 | N/A | N/A | N/A | 320,581 |
| Booker T. Washington Public Charter School | 1999-00 | 133,942 | (87,187) | 185,772 | (365,748) |
| Bridges Public Charter School | 2005-06 | 241,549 | 266,988 | 296,393 | 704,770 |
| Briya Public Charter School | 2006-07 | 4,219,375 | 5,410,533 | 6,656,046 | 7,980,584 |
| Capital City Public Charter School | 2000-01 | 4,292,756 | 4,851,527 | 8,246,144 | 9,099,929 |
| Carlos Rosario International Public Charter School | 1998-99 | 12,014,382 | 13,071,747 | 19,674,042 | 21,284,737 |
| Center City Public Charter Schools, Inc. | 2008-09 | 3,419,718 | 2,472,457 | 2,560,595 | 2,290,829 |
| Cesar Chavez Public Charter Schools for Public Policy | 1998-99 | 10,582,868 | 11,988,937 | 12,662,866 | 12,667,205 |
| Community Academy Public Charter School | 1997-98 | 4,295,626 | 5,038,802 | 6,416,594 | 3,645,791 |
| Creative Minds Public Charter School | 2012-13 | N/A | N/A | N/A | 256,488 |
| DC Bilingual Public Charter School, Inc. | 2004-05 | 1,069,641 | 1,050,210 | 539,751 | 456,334 |
| DC Preparatory Academy | 2003-04 | 7,229,741 | 9,147,021 | 11,272,018 | 12,722,313 |
| DC Scholars Public Charter School, Inc. | 2012-13 | N/A | N/A | N/A | 555,257 |
| Eagle Academy Public Charter School | 2003-04 | 1,690,907 | 2,350,519 | 3,486,345 | 3,571,836 |
| Early Childhood Academy Public Charter School | 2005-06 | 1,786,445 | 2,176,477 | 2,634,090 | 3,174,242 |
| Elsie Whitlow Stokes Community Freedom Public Charter School | 1998-99 | 1,297,543 | 2,102,256 | 2,353,371 | 2,420,075 |
| Euphemia L. Haynes Public Charter School, Inc. And Subsidiaries | 2004-05 | 2,311,291 | (217,837) | (2,306,714) | (5,289,642) |
| Excel Academy Public Charter School | 2008-09 | 655,319 | 1,138,898 | 1,438,649 | 2,103,068 |
| Friendship Public Charter School, Inc. | 1998-99 | 14,503,419 | 17,923,211 | 20,464,718 | 23,154,991 |
| Hope Community Charter School | 2005-06 | (828,252) | (940,261) | (69,837) | 1,257,655 |
| Hospitality High School of Washington DC | 1999-00 | 1,326,649 | 934,962 | 2,668,408 | 3,760,374 |
| Howard Road Academy Public Charter School | 2001-02 | 7,437,399 | 8,039,379 | 10,026,965 | 10,554,359 |
| Howard University Public Charter Middle School | 2005-06 | 1,429,222 | 1,469,935 | 915,895 | 1,009,710 |
| Ideal Academy Public Charter School | 1999-00 | 997,846 | 947,771 | 1,008,468 | 1,288,311 |
| Imagine Southeast Public Charter School | 2008-09 | 154,092 | 486,761 | 732,074 | 1,367,471 |
| Inspired Teaching Demonstration Public Charter School | 2011-12 | N/A | N/A | 679,626 | 817,829 |
| Integrated Design and Electronics Academy Public Charter School | 1998-99 | 4,594,739 | 4,621,027 | 4,523,060 | 3,651,035 |
| KIPP DC and Affiliates | 2001-02 | 35,430,175 | 49,000,124 | 61,161,034 | 74,400,047 |
| Latin American Montessori Bilingual Public Charter School | 2003-04 | 2,455,275 | 2,552,425 | 3,375,256 | 3,827,464 |
| Latin American Youth Center Youthbuild Public Charter School, Inc. | 2005-06 | 1,182,464 | 929,970 | 955,528 | 1,004,959 |
| LAYC Career Academy Public Charter School | 2012-13 | N/A | N/A | N/A | 833,548 |
| Mary McLeod Bethune Day Academy Public Charter School | 2004-05 | 83,454 | 172,951 | 687,178 | 1,037,919 |
| Maya Angelou Public Charter School | 2004-05 | (277,984) | (268,212) | 81,731 | 422,535 |
| Meridian Public Charter School | 1999-00 | 3,385,229 | 4,243,984 | 6,559,179 | 6,563,082 |
| Mundo Verde Bilingual Public Charter School | 2011-12 | N/A | N/A | 943,426 | 1,477,512 |
| National Collegiate Preparatory Public Charter High School | 2009-10 | 158,844 | 223,636 | 32,959 | 339,344 |
| Next Step Public Charter School | 1998-99 | 815,199 | 1,302,755 | 2,188,801 | 4,179,579 |
| Options Public Charter School | 1996-97 | 4,098,619 | 4,285,113 | 4,689,869 | 6,114,925 |
| Paul Public Charter School | 2000-01 | 5,916,998 | 5,767,868 | 6,398,873 | 6,165,145 |
| Perry Street Preparatory Public Charter School | 1998-99 | 6,191,263 | 4,498,645 | 6,845,921 | 8,603,107 |
| Potomac Lighthouse Public Charter School | 2008-09 | (163,273) | (171,506) | 259,019 | 221,524 |
| Richard Wright Public Charter School for Journalism and Media Arts | 2011-12 | N/A | N/A | 716,932 | 767,217 |
| Roots Public Charter School, Inc. | 1999-00 | 1,084,230 | 1,037,613 | 1,120,917 | 1,184,961 |
| SEED Public Charter School of Washington DC | 1998-99 | 15,642,080 | 15,776,913 | 15,751,714 | 15,803,984 |
| Septima Clark Public Charter School | 2005-06 | 1,080,631 | 1,339,912 | 1,414,380 | 288,525 |
| Shining Stars Montessori Academy Public Charter School | 2011-12 | N/A | N/A | 407,766 | 499,852 |
| St. Coletta Special Education Public Charter School, Inc. | 2006-07 | 0 | 0 | 0 | 0 |
| Thurgood Marshall Academy and Subsidiary | 2001-02 | 3,604,713 | 3,131,167 | 2,008,541 | 761,158 |
| Tree of Life Community Public Charter School | 2000-01 | 1,414,061 | 1,403,098 | 1,375,477 | 1,572,966 |
| Two Rivers Public Charter School | 2004-05 | 4,222,365 | 4,491,479 | 4,927,184 | 5,261,236 |
| Washington Latin Public Charter School | 2006-07 | (852,668) | (27,795) | 817,094 | 2,825,622 |
| Washington Math Science Technology Public Charter High School | 2004-05 | 736,176 | (8,517) | 71,202 | 91,095 |
| Washington Yu Ying Public Charter School | 2008-09 | 1,594,792 | 3,408,790 | 4,801,996 | 5,919,474 |
| William E. Doar Jr. Public Charter School for the Performing Arts | 2004-05 | (1,890,663) | (917,223) | (884,720) | (73,565) |
| TOTALS: | | 176,498,386 | 203,612,711 | 251,286,770 | 283,833,557 |

CHARTER AUDIT RESOURCE MANAGEMENT (CHARM™)
DC-PCSB AUDIT MANAGEMENT UNIT
Cash, Current Assets & Liabilities, Net Assets at June 30, 2013 by School

| School Name | Unrestricted Cash | Days of Cash On Hand | Total Current Assets | Total Current Liabilities | Net Current Assets | Net Assets |
|--|-------------------|----------------------|----------------------|---------------------------|--------------------|-------------|
| Achievement Preparatory Academy Public Charter School | 1,124,905 | 81 | 1,400,539 | 117,214 | 1,283,325 | 1,691,777 |
| AppleTree Early Learning Public Charter School | 1,576,777 | 50 | 1,976,833 | 1,138,411 | 838,422 | 2,599,161 |
| Arts and Technology Academy Public Charter School | 2,714,850 | 89 | 3,776,326 | 1,690,357 | 2,085,969 | 4,989,020 |
| BDC, A Public Charter School, Inc. (BASIS DC) | 542,731 | 32 | 765,800 | 553,282 | 212,518 | 320,581 |
| Booker T. Washington Public Charter School | 26,515 | 2 | 255,869 | 780,035 | (524,166) | (365,748) |
| Bridges Public Charter School | 690,139 | 72 | 898,025 | 356,463 | 541,562 | 704,770 |
| Briya Public Charter School | 7,686,299 | 660 | 7,720,120 | 493,363 | 7,226,757 | 7,980,584 |
| Capital City Public Charter School | 5,765,546 | 116 | 6,790,024 | 2,739,087 | 4,050,937 | 9,099,929 |
| Carlos Rosario International Public Charter School | 8,416,942 | 181 | 8,746,667 | 1,164,458 | 7,582,209 | 21,284,737 |
| Center City Public Charter Schools, Inc. | 2,017,366 | 29 | 3,452,360 | 2,812,252 | 640,108 | 2,290,829 |
| Cesar Chavez Public Charter Schools for Public Policy | 7,048,059 | 98 | 8,949,832 | 2,622,754 | 6,327,078 | 12,667,205 |
| Community Academy Public Charter School | 99,736 | 1 | 2,347,205 | 4,617,541 | (2,270,336) | 3,645,791 |
| Creative Minds Public Charter School | 290,174 | 45 | 383,540 | 307,844 | 75,696 | 256,488 |
| DC Bilingual Public Charter School, Inc. | 327,970 | 16 | 772,702 | 394,194 | 378,508 | 456,334 |
| DC Preparatory Academy | 7,648,771 | 138 | 9,543,439 | 2,261,168 | 7,282,271 | 12,722,313 |
| DC Scholars Public Charter School, Inc. | 327,139 | 33 | 632,290 | 268,529 | 363,761 | 555,257 |
| Eagle Academy Public Charter School | 1,754,361 | 44 | 2,532,363 | 3,762,285 | (1,229,922) | 3,571,836 |
| Early Childhood Academy Public Charter School | 3,042,507 | 281 | 3,216,181 | 210,111 | 3,006,070 | 3,174,242 |
| Elsie Whitlow Stokes Community Freedom Public Charter School | 633,686 | 34 | 840,349 | 956,275 | (115,926) | 2,420,075 |
| Euphemia L. Haynes Public Charter School, Inc. And Subsidiaries | 3,288,381 | 46 | 5,105,408 | 2,509,340 | 2,596,068 | (5,289,642) |
| Excel Academy Public Charter School | 1,847,058 | 85 | 2,200,632 | 617,921 | 1,582,711 | 2,103,068 |
| Friendship Public Charter School, Inc. | 20,014,699 | 102 | 24,783,019 | 10,112,105 | 14,670,914 | 23,154,991 |
| Hope Community Charter School | 2,047,570 | 55 | 3,171,195 | 2,013,377 | 1,157,818 | 1,257,655 |
| Hospitality High School of Washington DC | 0 | 0 | 903,704 | 476,165 | 427,539 | 3,760,374 |
| Howard Road Academy Public Charter School | 8,277,840 | 254 | 9,374,210 | 1,181,115 | 8,193,095 | 10,554,359 |
| Howard University Public Charter Middle School | 692,768 | 37 | 1,045,241 | 496,189 | 549,052 | 1,009,710 |
| Ideal Academy Public Charter School | 42,901 | 3 | 332,192 | 891,046 | (558,854) | 1,288,311 |
| Imagine Southeast Public Charter School | 2,069,325 | 74 | 2,770,302 | 1,103,800 | 1,666,502 | 1,367,471 |
| Inspired Teaching Demonstration Public Charter School | 576,859 | 62 | 745,165 | 236,726 | 508,439 | 817,829 |
| Integrated Design and Electronics Academy Public Charter School | 634,237 | 31 | 1,478,146 | 9,635,040 | (8,156,894) | 3,651,035 |
| KIPP DC and Affiliates | 56,025,254 | 406 | 60,092,086 | 11,178,177 | 48,913,909 | 74,400,047 |
| Latin American Montessori Bilingual Public Charter School | 966,858 | 71 | 1,184,441 | 812,308 | 372,133 | 3,827,464 |
| Latin American Youth Center Youthbuild Public Charter School, Inc. | 591,808 | 80 | 983,692 | 102,201 | 881,491 | 1,004,959 |
| LAYC Career Academy Public Charter School | 75,140 | 16 | 713,398 | 85,009 | 628,389 | 833,548 |
| Mary McLeod Bethune Day Academy Public Charter School | 1,264,677 | 77 | 1,536,958 | 615,140 | 921,818 | 1,037,919 |
| Maya Angelou Public Charter School | 288,429 | 8 | 784,776 | 782,428 | 2,348 | 422,535 |
| Meridian Public Charter School | 3,522,807 | 114 | 4,051,938 | 1,293,303 | 2,758,635 | 6,563,082 |
| Mundo Verde Bilingual Public Charter School | 1,759,977 | 145 | 1,855,809 | 711,655 | 1,144,154 | 1,477,512 |
| National Collegiate Preparatory Public Charter High School | 145,021 | 10 | 348,386 | 325,640 | 22,746 | 339,344 |
| Next Step Public Charter School | 2,191,156 | 205 | 2,553,462 | 578,492 | 1,974,970 | 4,179,579 |
| Options Public Charter School | 4,111,685 | 92 | 4,891,872 | 11,213,336 | (6,321,464) | 6,114,925 |
| Paul Public Charter School | 101,850 | 4 | 429,398 | 1,740,966 | (1,311,568) | 6,165,145 |
| Perry Street Preparatory Public Charter School | 3,115,199 | 75 | 3,762,260 | 1,957,359 | 1,804,901 | 8,603,107 |
| Potomac Lighthouse Public Charter School | 199,678 | 11 | 556,622 | 388,735 | 167,887 | 221,524 |
| Richard Wright Public Charter School for Journalism and Media Arts | 374,560 | 34 | 762,919 | 395,354 | 367,565 | 767,217 |
| Roots Public Charter School, Inc. | 1,214,204 | 235 | 1,266,151 | 230,940 | 1,035,211 | 1,184,961 |
| SEED Public Charter School of Washington DC | 1,918,263 | 48 | 2,405,423 | 1,714,852 | 690,571 | 15,803,984 |
| Septima Clark Public Charter School | 187,086 | 11 | 332,138 | 43,613 | 288,525 | 288,525 |
| Shining Stars Montessori Academy Public Charter School | 373,013 | 111 | 490,279 | 135,931 | 354,348 | 499,852 |
| St. Coletta Special Education Public Charter School, Inc. | 0 | 0 | 290,824 | 290,824 | 0 | 0 |
| Thurgood Marshall Academy and Subsidiary | 4,454,375 | 165 | 5,107,315 | 723,829 | 4,383,486 | 761,158 |
| Tree of Life Community Public Charter School | 684,009 | 44 | 908,794 | 815,548 | 93,246 | 1,572,966 |
| Two Rivers Public Charter School | 4,744,789 | 205 | 5,014,518 | 1,056,386 | 3,958,132 | 5,261,236 |
| Washington Latin Public Charter School | 12,505,679 | 430 | 12,644,828 | 4,337,160 | 8,307,668 | 2,825,622 |
| Washington Math Science Technology Public Charter High School | 192,237 | 11 | 345,166 | 447,312 | (102,146) | 91,095 |
| Washington Yu Ying Public Charter School | 4,106,035 | 213 | 4,532,731 | 1,007,900 | 3,524,831 | 5,919,474 |
| William E. Doar Jr. Public Charter School for the Performing Arts | 1,312,983 | 70 | 1,692,982 | 1,292,743 | 400,239 | (73,565) |
| | 197,652,883 | 99 | 236,448,844 | 100,795,588 | 135,653,256 | 283,833,557 |