Office of the Washington State Auditor
Pat McCarthy

May 18, 2020

Board of Directors
Excel Public Charter School
Los Angeles, Washington

Contracted CPA Firm's Audit Report on Financial Statements and Federal Single Audit

We have reviewed the audit report issued by a certified public accounting (CPA) firm on the financial statements and compliance with federal grant requirements of the Excel Public Charter School for the fiscal year ended August 31, 2019. The Public Charter School contracted with the CPA firm for this audit and requested that we accept it in lieu of performing our own audit.

Based on this review, we have accepted this report in lieu of the audit required by RCW 43.09.260. The Office of the Washington State Auditor did not audit the accompanying financial statements or the Excel Public Charter School's compliance with federal grant agreements and, accordingly, we do not express an opinion on those financial statements or on compliance.

This report is being published on the Office of the Washington State Auditor website as a matter of public record.

Sincerely,

Pat McCarthy

Pat McCarthy
State Auditor
Olympia, WA

Insurance Building, P.O. Box 40021 • Olympia, Washington 98504-0021 • (564) 999-0950 • Pat.McCarthy@sao.wa.gov

Annual Financial Report
August 31, 2019

Green Dot Public Schools Washington State

eidebailly.com

GREEN DOT PUBLIC SCHOOLS WASHINGTON STATE

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FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Green Dot Public Schools Washington State
Tacoma, Washington

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the major fund information of the Green Dot Public Schools Washington State (GDPS WS) as of and for the year ended August 31, 2019, and the related notes to the financial statements, which collectively comprise GDPS WS' basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to GDPS WS' preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of GDPS WS' internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund information of GDPS WS, as of August 31, 2019, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter - Change in Accounting Principles

As discussed in Note 13 to the financial statements, in 2019, the GDPS WS, included the regional office financial information in the current year. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 10, budgetary comparison schedule on page 44, schedule of GDPS WS' proportionate share of net pension liability on pages 45 through 46, and the schedule of contributions on pages 47 through 48, , be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise GDPS WS' basic financial statements. The accompanying supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The accompanying supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 27, 2020, on our consideration of GDPS WS' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of GDPS WS' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering GDPS WS' internal control over financial reporting and compliance.

Eide Bailly LLP

Rancho Cucamonga, California
February 27, 2020

This section of Green Dot Public Schools Washington State's (GDPS WS) annual financial report presents our discussion and analysis of GDPS WS' financial performance during the fiscal year that ended on August 31, 2019. Please read it in conjunction with GDPS WS' financial statements, which immediately follow this section.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Financial Statements

The financial statements presented herein include all the activities of GDPS WS using the integrated approach as prescribed by Governmental Accounting Standards Board (GASB) Statement No. 34.

The *Government-Wide Financial Statements* present the financial picture of GDPS WS from the economic resources measurement focus using the accrual basis of accounting. They present governmental activities. These statements (Statement of Net Position and Statement of Activities) include all assets of GDPS WS, as well as all liabilities (including long-term obligations).

The *Fund Financial Statements* include statements (Balance Sheet and Statement of Revenues, Expenditures, and Change in Fund Balance) for one category of activities: governmental activities.

The *Governmental Activities* are prepared using the current financial resources measurement focus and modified accrual basis of accounting.

The *Reconciliations of the Fund Financial Statements to the Government-Wide Financial Statements* is provided to explain the differences created by the integrated approach.

The primary unit of the government is GDPS WS.

REPORTING GDPS WS AS A WHOLE

The Statement of Net Position and the Statement of Activities

The *Statement of Net Position* and the *Statement of Activities* report information about GDPS WS as a whole and about its activities. These statements include all assets and liabilities of GDPS WS using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report GDPS WS' net position and changes in them. Net position is the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources, which is one way to measure GDPS WS' financial health, or financial position. Over time, increases or decreases in GDPS WS' net position will serve as a useful indicator of whether the financial position of GDPS WS is improving or deteriorating.

The difference between revenues and expenses is GDPS WS' *operating results.* Since the governing board's responsibility is to provide services to our students and create a sustainable organization, one must consider other factors when evaluating the overall health of GDPS WS. The quality of the education and the safety of our schools will likely be an important component in this evaluation.

In the *Statement of Net Position* and the *Statement of Activities*, we separate GDPS WS activities as follows:

Governmental Activities - All of GDPS WS' services are reported in this category. This includes the education of grade six and grade nine students, the operation of child development activities, and the on-going effort to improve and maintain buildings and sites. State income taxes, federal grants, state grants, and local grants finance these activities.

REPORTING GDPS WS' MOST SIGNIFICANT FUNDS

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds - not GDPS WS as a whole. Some funds are required to be established by state law.

***Governmental Funds* -** Most of GDPS WS' basic services are reported in governmental funds, which focus on inflows and outflows of funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of GDPS WS' general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance GDPS WS' programs. The differences of results in the governmental fund financial statements to those in the government-wide financial statements are explained in a reconciliation following each governmental fund financial statement.

FINANCIAL HIGHLIGHTS

During the fiscal year ended August 31, 2019, GDPS WS welcomed its 10th grade class of students, in addition to its 6th- 9th grade classes. Due to increased enrollment, GDPS WS saw increases in funding from various sources, including general apportionment, state grants, and federal grants. General apportionment includes funds for the Basic Education Program and Special Education. State grants include funds received by state agencies for the Special Education Program, Learning Assistance Program, Transitional Bilingual Instruction Program, Highly Capable Program, Child Nutrition Program, and Transportation. Federal grants include funding received from federal agencies for the Replication and Expansion Program, Special Education and Disadvantaged Programs under the Elementary and Secondary Education Act, School Breakfast Program and National School Lunch Program.

GDPS WS AS A WHOLE

Net Position

GDPS WS' net position (deficit) was ($1,804,756) for the fiscal year ended August 31, 2019. Of this amount, ($2,037,848) was unrestricted. Our analysis below, in summary form, focuses on the net position (Table 1) and change in net position (Table 2) of GDPS WS' governmental activities.

Table 1

	Governmental Activities	
	2019	2018
Assets		
Current and other assets	$ 4,011,135	$ 5,433,569
Capital assets	381,001	-
Total Assets	**4,392,136**	**5,433,569**
Deferred Outflows of Resources	**1,080,168**	**996,702**
Liabilities		
Current liabilities	3,955,446	5,219,285
Long-term obligations	185,948	389,909
Aggregate net pension liability	2,375,732	2,844,395
Total Liabilities	**6,517,126**	**8,453,589**
Deferred Inflows of Resources	**759,934**	**796,433**
Net Position (Deficit)		
Net investment in capital assets	233,092	-
Unrestricted	(2,037,848)	(2,819,751)
Total Net Position (Deficit)	**$ (1,804,756)**	**$ (2,819,751)**

The ($2,037,848) in unrestricted net position deficit of governmental activities represents the accumulated results of all past years' operations. Unrestricted net position deficit is the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements. The net position deficit is primarily the result of the aggregate net pension liability as well as the deferred outflow and inflow of resources related to the pension liability.

Change in Net Position

The results of this year's operations for GDPS WS as a whole are reported in the *Statement of Activities* on page 12.

Table 2

	Governmental Activities	
	2019	2018
Revenues		
Program revenues:		
Charges for services	$ 214,620	$ 145,036
Operating grants and contributions	2,507,997	2,585,144
General revenues:		
Unallocated state apportionment and other	11,657,563	11,493,907
Total Revenues	**14,380,180**	**14,224,087**
Expenses		
Regular instruction	4,844,017	7,450,461
Special instruction	1,544,294	1,724,487
Compensatory education	649,165	533,462
Other instructional program	17,435	13,007
Community services	263,843	-
Support services	6,046,431	6,036,278
Total Expenses	**13,365,185**	**15,757,695**
Change in Net Position (Deficit)	**$ 1,014,995**	**$ (1,533,608)**

Governmental Activities

As reported in the *Statement of Activities* on page 12, the cost of all of our governmental activities this year was $13,365,185. However, the cost was paid by those who benefited from the programs ($214,620) or by other governments and organizations who subsidized certain programs with grants and contributions ($2,507,997) We paid for the remaining "public benefit" portion of our governmental activities with $11,657,563 in state funds, and with other revenues, such as interest and general entitlements.

In Table 3, we have presented the cost and net cost of each of GDPS WS' largest functions: regular program instruction, special instruction programs, compensatory education, community services, and support services. Net cost shows the financial burden that was placed on GDPS WS' taxpayers by each of these functions. Providing this information allows our citizens to consider the cost of each function in comparison to the benefits they believe are provided by that function.

Table 3

	Total Cost of Services		Net Cost of Services	
	2019	2018	2019	2018
Regular instruction	$ 4,844,017	$ 7,450,461	$ 4,589,980	$ 6,991,996
Special instruction	1,544,294	1,724,487	12,394	300,975
Compensatory education	649,165	533,462	-	-
Other instructional program	17,435	13,007	-	-
Community services	263,843	-	263,843	-
Support services	6,046,431	6,036,278	5,776,351	5,734,544
Total	**$ 13,365,185**	**$ 15,757,695**	**$ 10,642,568**	**$ 13,027,515**

GDPS WS' FUNDS

As GDPS WS completed this year, our governmental fund reported $55,689 fund balance, which is a decrease of $158,595 from last year (Table 4).

Table 4

	Balances and Activity			
	September 1, 2018	Revenues	Expenditures	August 31, 2019
General Fund	$ 214,284	$ 14,380,180	$ 14,538,775	$ 55,689

CAPITAL ASSETS AND DEBT

Capital Assets

At year-end, GDPS WS had $381,001, in lease hold improvements (net of depreciation).

	Total	
	2019	2018
Buildings and improvements, net	$ 381,001	$ -

Long-Term Obligations

At year-end, GDPS WS' debt was $185,948, in loans payable and compensated absences.

	2019	2018
Loan payable	$ 147,909	$ 340,186
Compensated absence	38,039	49,723
Total	$ 185,948	$ 389,909

Net Pension Liability (NPL)

At year-end, GDPS WS had a net pension liability of $2,375,732 versus $2,844,395 last year, a decrease of $468,663, or 19.73 percent.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

In preparing the GDPS WS budget for the 2019-2020 year, the governing board and management used the following criteria. The assumptions were made in August of the previous year.

The key assumptions in our revenue forecast were:

- Updated state apportionment based on legislature approval of the state budget
- Changes to the state categorical funds based on up to date student demographics (i.e., special education, poverty) and legislature approval of the state budget
- Updated philanthropy revenue assumptions

The key assumptions in our expenditure forecasts were:

- Grades six through twelve enrollment of 360 students
- Staffed schools as needed per the number of students at each site
- Fixed facility expense payment based on lease schedule
- Optimal per student spending on variable categories

CONTACTING GDPS WS' FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, students, and investors and creditors with a general overview of GDPS WS' finances and to show GDPS WS' accountability for the money it receives. If you have questions about this report or need any additional financial information, contact Chastity Catchings at chastity.catchings@myrvla.org.

GREEN DOT PUBLIC SCHOOLS WASHINGTON STATE

STATEMENT OF NET POSITION
AUGUST 31, 2019

	Governmental Activities
ASSETS	
Deposits and investments	$ 3,390,828
Accounts receivable	141,119
Prepaid expenses and other assets	479,188
Capital assets, net of accumulated depreciation	381,001
Total Assets	4,392,136
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows of resources related to pensions	1,080,168
LIABILITIES	
Accounts payable	513,854
Unearned revenue	3,441,592
Long-term obligations:	
Current portion of long-term obligations other than pensions	147,909
Noncurrent portion of long-term obligations other than pensions	38,039
Total	4,141,394
Aggregate net pension liability	2,375,732
Total Liabilities	6,517,126
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows of resources related to pensions	759,934
NET POSITION (DEFICIT)	
Net investment in capital assets	233,092
Unrestricted	(2,037,848)
Total Net Position (Deficit)	$ (1,804,756)

The accompanying notes are an integral part of these financial statements.

GREEN DOT PUBLIC SCHOOLS WASHINGTON STATE

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED AUGUST 31, 2019

Functions/Programs	Expenses	Program Revenues: Charges for Services and Sales	Program Revenues: Operating Grants and Contributions	Net (Expenses) Revenues and Changes in Net Position: Total
Governmental Activities:				
Regular instruction	$ 4,844,017	$ -	$ 254,037	$ (4,589,980)
Special instruction	1,544,294	-	1,531,900	(12,394)
Compensatory education	649,165	-	649,165	-
Other instructional programs	17,435	-	17,435	-
Community services	263,843	-	-	(263,843)
Support services	6,046,431	214,620	55,460	(5,776,351)
Total Governmental Activities	13,365,185	214,620	2,507,997	(10,642,568)
	General revenues and subventions:			
	Unallocated state apportionment and other			3,607,834
	Interest and investment earnings			8,049,729
	Subtotal, General Revenues			11,657,563
	Change in Net Position			1,014,995
	Net Position (Deficit) - Beginning			(2,819,751)
	Net Position (Deficit) - Ending			$ (1,804,756)

The accompanying notes are an integral part of these financial statements.

GREEN DOT PUBLIC SCHOOLS WASHINGTON STATE

GOVERNMENTAL FUNDS
BALANCE SHEET
AUGUST 31, 2019

	General Fund	Reconciliation of the Governmental Fund Balance Sheet (Page 14)	Statement of Net Position
ASSETS			
Deposits and investments	$ 3,390,828	$ -	$ 3,390,828
Accounts receivable	141,119	-	141,119
Prepaid expenses and other assets	479,188	-	479,188
Capital assets, net of accumulated depreciation	-	381,001	381,001
Total Assets	4,011,135	381,001	4,392,136
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources related to pensions	-	1,080,168	1,080,168
Total Assets and Deferred Outflows of Resources	$ 4,011,135	$ 1,461,169	$ 5,472,304
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts payable	$ 513,854	$ -	$ 513,854
Unearned revenue	3,441,592	-	3,441,592
Long-term obligations:			
Current portion of long-term obligations other than pensions	-	147,909	147,909
Noncurrent portion of long-term obligations other than pensions	-	38,039	38,039
Total Long-Term Obligations	3,955,446	185,948	4,141,394
Aggregate net pension liability	-	2,375,732	2,375,732
Total Liabilities	3,955,446	2,561,680	6,517,126
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources related to pensions	-	759,934	759,934
Fund Balance			
Nonspendable	479,188	(479,188)	-
Unassigned	(423,499)	423,499	-
Total Fund Balance	55,689	(55,689)	-
NET POSITION (DEFICIT)			
Net investment in capital assets	-	233,092	233,092
Unrestricted	-	(2,037,848)	(2,037,848)
Total Net Position (Deficit)	-	(1,804,756)	(1,804,756)
Total Liabilities, Deferred Inflows of Resources, and Fund Balance/ Net Position	$ 4,011,135	$ 1,461,169	$ 5,472,304

The accompanying notes are an integral part of these financial statements.

GREEN DOT PUBLIC SCHOOLS WASHINGTON STATE

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION
AUGUST 31, 2019

Total Fund Balance - Governmental Funds		**$ 55,689**
Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds.		
The cost of capital assets is	$ 673,529	
Accumulated depreciation is	(292,528)	
Net Capital Assets		381,001
Deferred outflows of resources related to pensions represent a consumption of net position in a future period and is not reported in the Charter's funds. Deferred outflows of resources related to pensions at year end consist of:		
Difference between expected and actual experiences	$ 344,429	
Change in assumptions or other inputs	132,825	
Changes in proportion and difference between contributions and proportionate share of contributions	542,770	
Contributions subsequent to the measurement date	60,144	
Total deferred outflows of resources related to pensions		1,080,168
Deferred inflows of resources related to pensions represent an acquisition of net position that applies to a future period and is not reported in the Charter's funds. Deferred inflows of resources related to pensions at year end consist of:		
Difference between expected and actual experiences	(10,883)	
Net difference between projected and actual earnings on pension plan investment	(577,546)	
Change in assumptions or other inputs	(126,744)	
Changes in proportion and difference between contributions and proportionate share of contributions	(44,761)	
Total deferred inflows of resources related to pensions		(759,934)
Net pension liability is not due and payable in the current period, and is not reported as a liability in the funds.		(2,375,732)
Long-term obligations at year-end consist of:		
Loan payable	$ 147,909	
Compensated absences (vacations and sick time)	38,039	
Total Long-Term Obligations		(185,948)
Total Net Position - Governmental Activities		**$ (1,804,756)**

The accompanying notes are an integral part of these financial statements.

GREEN DOT PUBLIC SCHOOLS WASHINGTON STATE

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED AUGUST 31, 2019

	General Fund	Reconciliation of the Governmental Fund Balance Sheet (Page 14)	Statement of Net Position
REVENUES			
State apportionment sources	$ 6,330,451	$ -	$ 6,330,451
Federal sources	890,510	-	890,510
Other state sources	913,217	-	913,217
Other local sources	6,246,002	-	6,246,002
Total Revenues	14,380,180	-	14,380,180
EXPENDITURES			
Current			
Regular instruction	5,444,329	(600,312)	4,844,017
Special instruction	1,544,294	-	1,544,294
Compensatory education	649,165	-	649,165
Other instructional programs	17,435	-	17,435
Community services	263,843	-	263,843
Support services	6,619,709	(573,278)	6,046,431
Total Expenditures	14,538,775	(1,173,590)	13,365,185
NET CHANGE IN FUND BALANCE/ NET POSITION	(158,595)	1,173,590	1,014,995
Fund Balance/ Net Position (Deficit) - Beginning	214,284	(3,034,035)	(2,819,751)
Fund Balance/ Net Position (Deficit) - Ending	$ 55,689	$ (1,860,445)	$ (1,804,756)

The accompanying notes are an integral part of these financial statements.

GREEN DOT PUBLIC SCHOOL WASHINGTON STATE

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED AUGUST 31, 2019

Total Net Change in Fund Balance - Governmental Funds		**$ (158,595)**
Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:		
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures; however, for governmental activities, those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities.		
This is the amount by which capital outlays exceeds depreciation in the period.		
Capital outlays	$ 673,529	
Depreciation expense	(292,528)	
Net Expense Adjustment		381,001
In the Statement of Activities, certain operating expenses, such as compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). Vacation used was more than the amounts earned by $11,684.		11,684
In the governmental funds, pension costs are based on employer contributions made to pension plans during the year. However, in the Statement of Activities, pension expense is the net effect of all changes in the deferred outflows, deferred inflows and net pension liability during the year.		588,628
Payment of principal on long-term obligations is an expenditure in the governmental funds, but it reduces long-term obligations in the Statement of Net Position and does not affect the Statement of Activities.		192,277
Change in Net Position of Governmental Activities		**$ 1,014,995**

The accompanying notes are an integral part of these financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

Pursuant to the Charter Schools Act, the State of Washington provided for the establishment of charter public schools in the State of Washington. During the fiscal year ended August 31, 2019, GDPS WS operated three charters, Destiny Charter Middle School (Destiny), Rainier Valley Leadership Academy (Rainier), and Excel Public Charter School (Excel) (the Charters). GDPS WS manages the Charters, which provides educational services to grades six and seven. Next year and beyond, GDPS WS will provide services to grades six, seven and eight.

GDPS WS is a non-profit organization whose mission is to help transform public education so all students graduate prepared for college, leadership and life. Unique in the nation for a major non-profit charter management organization, GDPS WS is proving it can achieve better student outcomes with the same student population, lower per pupil funding than the district and a unionized workforce.

A reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure the financial statements are not misleading. The primary government of GDPS WS consists of all funds, departments, boards, and agencies that are not legally separate from GDPS WS. For GDPS WS, this includes general operations, food service, and student related activities of the Charters.

Other Related Entities

Green Dot Public Schools National’s (GDPS National) mission is to promote the advancement of education and to lessen the burdens of government by managing the development and operation of public charter schools by Green Dot Public Schools California, a California nonprofit public benefit corporation, and such other nonprofit organizations that hereafter: (i) operate public charter schools; (ii) are organizations described in Section 170(b)(1)(A) (other than in clauses vii and viii) of the Internal Revenue Code (the “Code”); (iii) are organizations described in Section 501(c)(3) of the Code; and (iv) are controlled by or are an integral part of the corporation, including by obtaining and distributing philanthropic support, providing charter school facilities, providing charter school financing, providing operational or other support, designing curriculum, training and developing charter school staff, and assisting the organizations in obtaining philanthropic support, charter school facilities and charter school financing. Additionally, the corporation may engage in any activities that are reasonably related to or in furtherance of its stated public and charitable purposes, or in any other charitable activities.

GDPS National grants GDPS WS a non-transferable, non-sub-licensable, and non-exclusive license to use, reproduce, and display the Green Dot brand, which includes, but is not limited to: trademarks, service marks, design marks, trade names, domain names, registrations in connection with GDPS WS’ oversight, support activities, and related educational activities of the schools in its region.

Basis of Presentation - Fund Accounting

The accounting system is organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. GDPS WS' funds are grouped into one broad fund category: governmental.

Governmental Funds Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. GDPS WS' major governmental fund is the General Fund.

Major Governmental Funds

General Fund The General Fund is the chief operating fund for GDPS WS. It is used to account for the ordinary operations of GDPS WS. All transactions are accounted for in this fund.

Basis of Accounting - Measurement Focus

Government-Wide Financial Statements The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. This is the same approach used in the preparation of the proprietary fund financial statements, but differs from the manner in which governmental fund financial statements are prepared.

The government-wide statement of activities presents a comparison between expenses, both direct and indirect, of GDPS WS and for each governmental function. Direct expenses are those that are specifically associated with a service, program, or department and are therefore, clearly identifiable to a particular function. GDPS WS does not allocate indirect expenses to functions in the *Statement of Activities*. Program revenues include charges paid by the recipients of the goods or services offered by the programs and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each program or business segment is self-financing or draws from the general revenues of GDPS WS.

Net position should be reported as restricted when constraints placed on the net position are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The net position restricted for other activities results from special revenue funds and the restrictions on their use.

Fund Financial Statements Fund financial statements report detailed information about GDPS WS. The focus of governmental financial statements is on the major fund rather than reporting funds by type.

Governmental Funds All governmental funds are accounted for using the flow of current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reports on the sources (revenues and other financing sources) and uses (expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include reconciliations with brief explanations to better identify the relationship between the government-wide financial statements, prepared using the economic resources measurement focus and the accrual basis of accounting, and the governmental fund financial statements, prepared using the flow of current financial resources measurement focus and the modified accrual basis of accounting.

Revenues – Exchange and Non-Exchange Transactions Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter, to be used to pay liabilities of the current fiscal year. Generally, available is defined as collectible within 60 days. However, to achieve comparability of reporting among Washington charters and so as not to distort normal revenue patterns, with specific respect to reimbursement grants and corrections to state-aid apportionments, the State of Washington Office of Superintendent of Public Instruction has defined available for charters as collectible within one year. The following revenue sources are considered to be both measurable and available at fiscal year-end: state apportionments, interest, certain grants, and other local sources.

Non-exchange transactions, in which GDPS WS receives value without directly giving equal value in return, include property taxes, certain grants, entitlements, and donations. Revenue from property taxes is recognized in the fiscal year in which the taxes are received. Revenue from certain grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include time and purpose restrictions. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Unearned Revenue Unearned revenue arises when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period or when resources are received by GDPS WS prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when GDPS WS has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheet and revenue is recognized.

Certain grants received before the eligibility requirements are met are recorded as unearned revenue. On the governmental fund financial statements, accounts receivable that will not be collected within the available period are also recorded as unearned revenue.

Expenses/Expenditures On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable, and typically paid within 90 days.

Cash and Cash Equivalents

GDPS WS' cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Restricted Assets

Restricted assets arise when restrictions on their use change the normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, or laws of other governments or imposed by enabling legislation. No restricted assets are noted as of August 31, 2019.

Prepaid Expenditures

Prepaid expenditures (expenses) represent amounts paid in advance of receiving goods or services. GDPS WS has the option of reporting an expenditure in governmental funds for prepaid items either when purchased or during the benefiting period. GDPS WS has chosen to report the expenditures when incurred during the benefiting period.

Compensated Absences

Compensated absences are accrued as a liability as the benefits are earned. The entire compensated absence liability is reported on the government-wide statement of net position. For governmental funds, the current portion of unpaid compensated absences is recognized upon the occurrence of relevant events such as employee resignations and retirements that occur prior to year-end that have not yet been paid with expendable available financial resources. These amounts are reported in the fund from which the employees who have accumulated leave are paid.

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the governmental funds.

However, compensated absences and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the governmental fund financial statements only to the extent that they are due for payment during the current year.

Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position also reports deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. GDPS WS reports deferred out-flows of resources for pension related items.

In addition to liabilities, the Statement of Net Position reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. GDPS WS reports deferred in-flows of resources for pension related items.

Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Teachers' Retirement System (TRS), Public Employees' Retirement System (PERS) and School Employees' Retirement System (SERS) plan for schools (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by TRS, PERS, and SERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Member contributions are recognized in the period in which they are earned. Investments are reported at fair value.

Fund Balances - Governmental Funds

As of August 31, 2019, fund balances of the governmental funds are classified as follows:

Nonspendable - amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted - amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments. GDPS WS currently does not have any restricted funds.

Committed - amounts that can be used only for specific purposes determined by a formal action of the governing board. The governing board is the highest level of decision-making authority for GDPS WS. Commitments may be established, modified, or rescinded only through resolutions or other action as approved by the governing board. GDPS WS currently does not have any committed funds.

Assigned - amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under GDPS WS' adopted policy, only the Board of Directors or Chief Financial Officer or Executive Director may assign amounts for specific purposes. GDPS WS currently does not have any assigned funds.

Unassigned - all other spendable amounts.

Spending Order Policy

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, GDPS WS considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, GDPS WS considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board of Director has provided otherwise in its commitment or assignment actions.

Net Position

Net position represents the difference between assets and liabilities. Net position net of investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. GDPS WS has no related debt outstanding as of August 31, 2019. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by GDPS WS or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. GDPS WS first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Budgetary Data

The budgetary process is prescribed by provisions of the Washington State *Education Code* and requires the Board of Directors to hold a public hearing and adopt an operating budget no later than July 1 of each year. The Board of Directors satisfied these requirements. The adopted budget is subject to amendment throughout the year to give consideration to unanticipated revenue and expenditures primarily resulting from events unknown at the time of budget adoption with the legal restriction that expenditures cannot exceed appropriations by major object account.

The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts after all budget amendments have been accounted for.

Change in Accounting Principles

In November 2016, the GASB issued Statement No. 83, Certain Asset Retirement Obligations. This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement.

This Statement establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for AROs. This Statement requires that recognition occur when the liability is both incurred and reasonably estimable. The determination of when the liability is incurred should be based on the occurrence of external laws, regulations, contracts, or court judgments, together with the occurrence of an internal event that obligates a government to perform asset retirement activities. Laws and regulations may require governments to take specific actions to retire certain tangible capital assets at the end of the useful lives of those capital assets, such as decommissioning nuclear reactors and dismantling and removing sewage treatment plants. Other obligations to retire tangible capital assets may arise from contracts or court judgments. Internal obligating events include the occurrence of contamination, placing into operation a tangible capital asset that is required to be retired, abandoning a tangible capital asset before it is placed into operation, or acquiring a tangible capital asset that has an existing ARO.

GDPS WS has implemented the provisions of this Statement as of August 31, 2019.

In April 2018, the GASB issued Statement No. 88, Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements. The primary objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt.

This Statement defines debt for purposes of disclosure in notes to financial statements as a liability that arises from a contractual obligation to pay cash (or other assets that may be used in lieu of cash) in one or more payments to settle an amount that is fixed at the date the contractual obligation is established.

This Statement requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses.

For notes to financial statements related to debt, this Statement also requires that existing and additional information be provided for direct borrowings and direct placements of debt separately from other debt.

GDPS WS has implemented the provisions of this Statement as of August 31, 2019.

New Accounting Pronouncements

In January 2017, the GASB issued Statement No. 84, Fiduciary Activities. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported.

This Statement establishes criteria for identifying fiduciary activities of all State and local governments. The focus of the criteria generally is on: (1) whether a government is controlling the assets of the fiduciary activity; and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities.

The requirements of this Statement are effective for the reporting periods beginning after December 15, 2018. Early implementation is encouraged.

In June 2017, the GASB issued Statement No. 87, Leases. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

The requirements of this Statement are effective for the reporting periods beginning after December 15, 2019. Early implementation is encouraged.

In June 2018, the GASB issued Statement No. 89, Accounting for Interest Cost Incurred Before the End of a Construction Period. The objectives of this Statement are: (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period; and (2) to simplify accounting for interest cost incurred before the end of a construction period.

This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5–22 of Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund.

This Statement also reiterates that in financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles.

The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged. The requirements of this Statement should be applied prospectively.

In August 2018, the GASB issued Statement No. 90, Majority Equity Interests – An Amendment of GASB Statements No. 14 and No. 60. The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value.

For all other holdings of a majority equity interest in a legally separate organization, a government should report the legally separate organization as a component unit, and the government or fund that holds the equity interest should report an asset related to the majority equity interest using the equity method. This Statement establishes that ownership of a majority equity interest in a legally separate organization results in the government being financially accountable for the legally separate organization and, therefore, the government should report that organization as a component unit.

This Statement also requires that a component unit in which a government has a 100 percent equity interest account for its assets, deferred outflows of resources, liabilities, and deferred inflows of resources at acquisition value at the date the government acquired a 100 percent equity interest in the component unit. Transactions presented in flows statements of the component unit in that circumstance should include only transactions that occurred subsequent to the acquisition.

The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. Earlier application is encouraged. The requirements of this Statement should be applied prospectively.

In May 2019, the GASB issued Statement No. 91, Conduit Debt Obligations. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with: (1) commitments extended by issuers; (2) arrangements associated with conduit debt obligations; and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures.

A conduit debt obligation is defined as a debt instrument having all of the following characteristics:

- There are at least three parties involved: (1) an issuer; (2) a third-party obligor; and (3) a debt holder or a debt trustee.
- The issuer and the third-party obligor are not within the same financial reporting entity.
- The debt obligation is not a parity bond of the issuer, nor is it cross-collateralized with other debt of the issuer.
- The third-party obligor or its agent, not the issuer, ultimately receives the proceeds from the debt issuance.
- The third-party obligor, not the issuer, is primarily obligated for the payment of all amounts associated with the debt obligation (debt service payments).

All conduit debt obligations involve the issuer making a limited commitment. Some issuers extend additional commitments or voluntary commitments to support debt service in the event the third party is, or will be, unable to do so.

An issuer should not recognize a conduit debt obligation as a liability. However, an issuer should recognize a liability associated with an additional commitment or a voluntary commitment to support debt service if certain recognition criteria are met. As long as a conduit debt obligation is outstanding, an issuer that has made an additional commitment should evaluate at least annually whether those criteria are met. An issuer that has made only a limited commitment should evaluate whether those criteria are met when an event occurs that causes the issuer to reevaluate its willingness or ability to support the obligor's debt service through a voluntary commitment.

This Statement also addresses arrangements—often characterized as leases—that are associated with conduit debt obligations. In those arrangements, capital assets are constructed or acquired with the proceeds of a conduit debt obligation and used by third-party obligors in the course of their activities. Payments from third-party obligors are intended to cover and coincide with debt service payments. During those arrangements, issuers retain the titles to the capital assets. Those titles may or may not pass to the obligors at the end of the arrangements.

Issuers should not report those arrangements as leases, nor should they recognize a liability for the related conduit debt obligations or a receivable for the payments related to those arrangements. In addition, the following provisions apply:

- If the title passes to the third-party obligor at the end of the arrangement, an issuer should not recognize a capital asset.
- If the title does not pass to the third-party obligor and the third party has exclusive use of the entire capital asset during the arrangement, the issuer should not recognize a capital asset until the arrangement ends.
- If the title does not pass to the third-party obligor and the third party has exclusive use of only portions of the capital asset during the arrangement, the issuer, at the inception of the arrangement, should recognize the entire capital asset and a deferred inflow of resources. The deferred inflow of resources should be reduced, and an inflow recognized, in a systematic and rational manner over the term of the arrangement.

This Statement requires issuers to disclose general information about their conduit debt obligations, organized by type of commitment, including the aggregate outstanding principal amount of the issuers' conduit debt obligations and a description of each type of commitment. Issuers that recognize liabilities related to supporting the debt service of conduit debt obligations also should disclose information about the amount recognized and how the liabilities changed during the reporting period.

The requirements of this Statement are effective for the reporting periods beginning after December 15, 2020. Early implementation is encouraged.

NOTE 2 - DEPOSITS AND INVESTMENTS

Summary of Deposits and Investments

Deposits and investments as of August 31, 2019, are classified in the accompanying financial statements as follows:

Governmental activities	$ 3,390,828

Deposits and investments as of August 31, 2019, consist of the following:

Cash on hand and in banks	$ 3,390,828

Policies and Practices

GDPS WS is not authorized to make direct investments in local agency bonds, notes, or warrants within the state; U.S. Treasury instruments; registered state warrants or treasury notes; securities of the U.S. Government, or its agencies; bankers acceptances; commercial paper; certificates of deposit placed with commercial banks and/or savings and loan companies; repurchase or reverse repurchase agreements; medium term corporate notes; shares of beneficial interest issued by diversified management companies, certificates of participation, obligations with first priority security; and collateralized mortgage obligations.

Custodial Credit Risk - Deposits

This is the risk that in the event of a bank failure, GDPS WS' deposits may not be returned to it. GDPS WS does not have a policy for custodial credit risk for deposits. As of August 31, 2019, GDPS WS' bank balance of $3,388,318 was exposed to custodial credit risk because it was uninsured and not collateralized with securities held by the pledging financial institution's trust department or agent, but not in the name of GDPS WS.

NOTE 3 – ACCOUNTS RECEIVABLE

Accounts receivable at August 31, 2019, consisted of inter-governmental grants, entitlements, interest and other local sources. All accounts receivable are considered collectible in full.

	General Fund
Federal Government	
Categorical aid	$ 90,960
State Government	
Categorical aid	3,050
Other Local Sources	47,109
Total	$ 141,119

NOTE 4 – PREPAID EXPENSES AND OTHER ASSETS

Prepared expenses and other assets at August 31, 2019, consisted of the following:

	General Fund
Security deposit	$ 85,025
Other	394,163
Total	$ 479,188

NOTE 5 – CAPITAL ASSETS

Capital asset activity for the fiscal year ended August 31, 2019, was as follows:

	Balance September 1, 2018	Additions	Deductions	Balance August 31, 2019
Governmental Activities				
Capital Assets Being Depreciated:				
Leasehold Improvements	$ -	$ 673,529	$ -	$ 673,529
Less Accumulated Depreciation:				
Leasehold Improvements	-	292,528	-	292,528
Governmental Activities Capital Assets, Net	$ -	$ 381,001	$ -	$ 381,001

Governmental Activities	
Unallocated	$ 292,528

NOTE 6 - ACCOUNTS PAYABLE

Accounts payable at August 31, 2019, consisted of the following:

	General Fund
Salaries and benefits	$ 295,254
Other accounts payable	122,964
Accruals	95,636
Total	$ 513,854

NOTE 7 - UNEARNED REVENUE

Unearned revenue at August 31, 2019, consisted of the following:

	General Fund
Local sources	$ 3,441,592

NOTE 8 – LONG TERM DEBT

On March 29, 2018, GDPS WS assumed a loan from Excel in the amount of $404,354. The loan was initially contracted between Excel and Raza Development Fund, Inc., a District of Columbia nonprofit corporation on May 20, 2015 before GDPS WS' operation of Excel began in 2017-18 year. Monthly payments total $17,450, including principal and interest, and the loan will be paid off by May 2020. At August 31, 2019, the outstanding amount was $147,909.

Future payments are as follows:

Year Ending August 31,	Principal	Interest to Maturity	Total
2020	$ 147,909	$ 4,223	$ 152,132

Compensated absences

The long-term portion of accumulated unpaid employee vacation for GDPS WS at August 31, 2019, amounted to $38,039.

NOTE 9 - FUND BALANCES

The fund balance is composed of the following elements:

	General Fund
Nonspendable	
Prepaid expenditures	$ 479,188
Total Nonspendable	479,188
Unassigned	
Remaining unassigned	(423,499)
Total Unassigned	(423,499)
Total	$ 55,689

NOTE 10 - RISK MANAGEMENT

GDPS WS is exposed to various risks of loss related to torts; theft, damage and destruction of assets; errors and omissions; injuries to employees; life and health of employees; and natural disasters. GDPS WS purchases commercial insurance for property damage with coverage of $145 million, subject to various policy sub-limits generally ranging from $1 million to $50 million and a deductible of $10,000 per occurrence. GDPS WS also purchases commercial insurance for general liability claims with coverage up to $1 million per occurrence and $3 million aggregate, with excess liability coverage over $23 million, subject to a deductible of $10,000 per occurrence and a per employee policy limit, subject to a deductible of $100,000 per occurrence per claim, up to a maximum of $1.5 million.

Property and Liability

GDPS WS is exposed to various risks of loss. During fiscal year ended August 31, 2019, GDPS WS contracted with Bolton & Company for property and liability insurance coverage. Settled claims have not exceeded this commercial coverage in any of the past three years. There has not been a significant reduction in coverage from the prior year.

Workers' Compensation

GDPS WS purchases coverage through the Department of Labor & Industries. The Department of Labor & Industries manages all claims and pays benefits out of an insurance pool called the Washington State Fund. The fund is financed by premiums paid by employers and employees, not by general revenue taxes.

Employee Medical Benefits

GDPS WS has contracted with Aetna, VSP, and Liberty Mutual to provide employee health benefits. Periodically, GDPS WS seeks competitive bids to provide this service. Premiums are paid monthly to the carriers who are responsible for providing benefits.

NOTE 11 - EMPLOYEE RETIREMENT SYSTEMS

General Information

The Washington State Department of Retirement Systems (DRS), a department within the primary government of the state of Washington, prepares a stand-alone comprehensive annual financial report (CAFR) that includes financial statements and required supplementary information for each pension plan. The pension plan's basic financial statement is accounted for using the accrual basis of accounting. The measurement date of the pension plans is June 30. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

For the purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of pension plans administered by DRS and additions to/deductions from the plans' net position have been determined on the same basis as they are reported by the plans.

Detailed information about the pension plans' fiduciary net position is available in the separately issued DRS CAFR. Copies of the report may be obtained by contacting the Washington State Department of Retirement Systems, P.O. Box 48380, Olympia, WA 98504-8380; or online at http://www.drs.wa.gov./administrations/annual-report.

Membership Participation

Substantially all full-time and qualifying part-time employees participate in one of the following three contributory, multi-employer, cost-sharing statewide retirement systems managed by DRS: TRS, PERS and SERS.

Membership participation by retirement plan for the entire state as of June 30, 2019, was as follows:

Plan	Retirees and Beneficiaries Receiving Benefits	Inactive Plan Members Entitled to but not yet Receiving Benefits	Active Plan Members
PERS 1	45,792	401	1,535
SERS 2	10,072	6,175	28,494
SERS 3	10,007	8,983	35,746
TRS 1	32,645	120	349
TRS 2	5,874	2,779	21,788
TRS 3	13,745	8,675	55,733

Membership & Plan Benefits

Certificated employees are members of TRS. Classified employees are members of PERS (if Plan 1) or SERS. Plan 1 under the TRS and PERS programs are defined benefit pension plans whose members joined the system on or before September 30, 1977. TRS 1 and PERS 1 are closed to new entrants.

TRS is a cost-sharing multiple-employer retirement system comprised of three separate plans for membership purposes: Plans 1 and 2 are defined benefit plans and Plan 3 is a defined benefit plan with a defined contribution component. TRS eligibility for membership requires service as a certificated public school employee working in an instructional, administrative or supervisory capacity.

TRS is comprised of three separate plans for accounting purposes: Plan 1, Plan 2/3, and Plan 3. Plan 1 accounts for the defined benefits of Plan 1 members. Plan 2/3 accounts for the defined benefits of Plan 2 members and the defined benefit portion of benefits for Plan 3 members. Plan 3 accounts for the defined contribution portion of benefits for Plan 3 members. Although members can only be a member of either Plan 2 or Plan 3, the defined benefit portions of Plan 2 and Plan 3 are accounted for in the same pension trust fund. All assets of this Plan 2/3 defined benefit plan may legally be used to pay the defined benefits of any of the Plan 2 or Plan 3 members or beneficiaries, as defined by the terms of the plan. Therefore, Plan 2/3 is considered to be a single plan for accounting purposes.

TRS Plan 1 provides retirement, disability and death benefits. TRS 1 members were vested after the completion of five years of eligible service. Retirement benefits are determined as two percent of the average final compensation (AFC), for each year of service credit, up to a maximum of 60 percent, divided by twelve. The AFC is the total earnable compensation for the two consecutive highest-paid fiscal years, divided by two. Members are eligible for retirement at any age after 30 years of service, or at the age of 60 with five years of service, or at the age of 55 with 25 years of service. Other benefits include temporary and permanent disability payments, an optional cost-of-living adjustment (COLA), and a one-time duty-related death benefit, if found eligible by the Department of Labor and Industries.

TRS Plan 2/3 provides retirement, disability and death benefits. Retirement benefits are determined as two percent of the AFC per year of service for Plan 2 members and one percent of AFC for Plan 3 members. The AFC is the monthly average of the 60 consecutive highest-paid service credit months. There is no cap on years of service credit. Members are eligible for normal retirement at the age of 65 with at least five years of service credit. Retirement before age 65 is considered an early retirement. TRS Plan 2/3 members, who have at least 20 years of service credit and are 55 years of age or older, are eligible for early retirement with a reduced benefit.

The benefit is reduced by a factor that varies according to age, for each year before age 65. TRS Plan 2/3 members who have 30 or more years of service credit, were hired prior to May 1, 2013, and are at least 55 years old, can retire under one of two provisions: With a benefit that is reduced by three percent for each year before age 65; or with a benefit that has a smaller (or no) reduction (depending on age) that imposes stricter return-to-work rules.

TRS Plan 2/3 members hired on or after May 1, 2013, have the option to retire early by accepting a reduction of five percent for each year of retirement before age 65. This option is available only to those who are age 55 or older and have at least 30 years of service. TRS Plan 2/3 retirement benefits are also actuarially reduced to reflect the choice of a survivor benefit.

Other benefits include duty and non-duty disability payments, a cost-of-living allowance (based on the Consumer Price Index), capped at three percent annually and a one-time duty-related death benefit, if found eligible by the Department of Labor and Industries.

PERS Plan 1 provides retirement, disability and death benefits. PERS 1 members were vested after the completion of five years of eligible service. Retirement benefits are determined as two percent of the member's AFC times the member's years of service. The AFC is the average of the member's 24 highest consecutive service months. Members are eligible for retirement from active status at any age with at least 30 years of service, at age 55 with at least 25 years of service, or at age 60 with at least five years of service.

Members retiring from inactive status prior to the age of 65 may receive actuarially reduced benefits. PERS Plan 1 retirement benefits are actuarially reduced to reflect the choice of a survivor benefit. Other benefits include duty and non-duty disability payments, an optional COLA, and a one-time duty-related death benefit, if found eligible by the Department of Labor and Industries.

SERS is a cost-sharing multiple-employer retirement system comprised of two separate plans for membership purposes. SERS Plan 2 is a defined benefit plan and SERS Plan 3 is a defined benefit plan with a defined contribution component. SERS members include classified employees of school districts, charter schools, and educational service districts.

SERS is reported as two separate plans for accounting purposes: Plan 2/3 and Plan 3. Plan 2/3 accounts for the defined benefits of Plan 2 members and the defined benefit portion of benefits for Plan 3 members. Plan 3 accounts for the defined contribution portion of benefits for Plan 3 members.

Although members can only be a member of either Plan 2 or Plan 3, the defined benefit portions of Plan 2 and Plan 3 are accounted for in the same pension trust fund. All assets of this Plan 2/3 defined benefit plan may legally be used to pay the defined benefits of any of the Plan 2 or Plan 3 members or beneficiaries. Therefore, Plan 2/3 is considered to be a single plan for accounting purposes.

SERS provides retirement, disability and death benefits. Retirement benefits are determined as two percent of the member's AFC times the member's years of service for Plan 2 and one percent of AFC for Plan 3. The AFC is the monthly average of the member's 60 highest-paid consecutive service months before retirement, termination or death. There is no cap on years of service credit. Members are eligible for retirement with a full benefit at 65 with at least five years of service credit. Retirement before age 65 is considered an early retirement. SERS members, who have at least 20 years of service credit and are 55 years of age or older, are eligible for early retirement with a reduced benefit.

The benefit is reduced by a factor that varies according to age, for each year before age 65. SERS members who have 30 or more years of service credit and are at least 55 years old can retire under one of two provisions. If hired prior to May 1, 2013, with a benefit that is reduced by three percent for each year before age 65; or with a benefit that has a smaller (or no) reduction (depending on age) that imposes stricter return-to-work rules.

SERS members hired on or after May 1, 2013, have the option to retire early by accepting a reduction of five percent for each year of retirement before age 65. This option is available only to those who are age 55 or older and have at least 30 years of service. SERS retirement benefits are also actuarially reduced to reflect the choice of a survivor benefit. Other benefits include duty and non-duty disability payments, a cost- of-living allowance (based on the Consumer Price Index), capped at three percent annually and a one-time duty-related death benefit, if found eligible by the Department of Labor and Industries.

Plan Contributions

The employer contribution rates for PERS, TRS, and SERS (Plans 1, 2, and 3) and the TRS and SERS Plan 2 employee contribution rates are established by the Pension Funding Council based upon the rates set by the Legislature. The methods used to determine the contribution requirements are established under chapters 41.34 and 41.40 RCW for PERS, 41.34 and 41.35 RCW for SERS, and 41.32 and 41.34 RCW for TRS. Employers do not contribute to the defined contribution portions of TRS Plan 3 or SERS Plan 3. Under current law the employer must contribute 100 percent of the employer-required contribution. The employee contribution rate for Plan 1 in PERS and TRS is set by statute at six percent and does not vary from year to year.

The Employer and employee contribution rates for the PERS plan are effective as of July 1. SERS and TRS contribution rates are effective as of September 1. The pension plan contribution rates (expressed as a percentage of covered payroll) for 2019 and 2018 were as follows:

Pension Rates		
	9/1/18 Rate	9/1/19 Rate
PERS 1		
Member Contribution Rate	6.00%	6.00%
Employer Contribution Rate	12.83%	12.86%

Pension Rates		
	9/1/18 Rate	9/1/17 Rate
TRS 1		
Member Contribution Rate	6.00%	6.00%
Employer Contribution Rate	15.41%	15.51%
TRS 2		
Member Contribution Rate	7.06%	7.77%
Employer Contribution Rate	15.41%	15.51%
TRS 3		
Member Contribution Rate	varies*	varies*
Employer Contribution Rate	15.41%	15.51%
SERS 2		
Member Contribution Rate	7.27%	8.25%
Employer Contribution Rate	13.58%	13.19%
SERS 3		
Member Contribution Rate	varies*	varies*
Employer Contribution Rate	13.58%	13.19%

Note: The DRS administrative rate of .0018 is included in the employer rate.

* = Variable from 5% to 15% based on rate selected by the member.

** = Defined benefit portion only.

The Collective Net Pension Liability

The collective net pension liabilities for the pension plans school districts and charter school participated in are reported in the following tables.

The Net Pension Liability as of June 30, 2018 (dollars in thousands):

	PERS 1	SERS 2/3	TRS 1	TRS 2/3
Total Pension Liability	$ 11,696,634	$ 6,352,843	$ 8,355,496	$ 16,545,194
Plan fiduciary net position	$ (7,851,279)	$ (6,118,345)	$ (5,879,693)	$ (15,942,660)
Participating employers' net pension liability	$ 3,845,355	$ 234,498	$ 2,475,803	$ 602,534
Plan fiduciary net position as a percentage of the total pension liability	67.12%	96.31%	70.37%	96.36%

The School Charter's Proportionate Share of the Net Pension Liability (NPL)

At August 31, 2019, GDPS WS reported a total liability of $2,375,732 for its proportionate share of the individual plans' collective net pension liability. GDPS WS' proportionate share of the collective net pension liability is based on annual contributions for each of the employers participating in the DRS administered plans. At August 31, 2019, GDPS WS' proportionate share of each plan's net pension liability is reported below:

August 31, 2018	PERS 1	SERS 2/3	TRS 1	TRS 2/3
GDPS WS' Annual Contributions	$ 91,529	$ 148,203	$ 275,418	$ 293,408
Proportionate Share of the Net Pension Liability	$ 490,853	$ 173,623	$ 1,373,026	$ 338,230

At August 31, 2019, GDPS WS' percentage of the proportionate share of the collective net pension liability and the change in the allocation percentage from the prior period is illustrated below.

Allocation percentages	PERS 1	SERS 2/3	TRS 1	TRS 2/3
Current year proportionate share of the Net Pension Liability	0.012765%	0.074040%	0.055458%	0.056135%
Prior year proportionate share of the Net Pension Liability	0.014270%	0.086715%	0.054828%	0.055768%
Net difference percentage	-0.001505%	-0.012675%	0.000630%	0.000366%

Actuarial Assumptions

Capital Market Assumptions (CMAs) and expected rates of return by asset class are provided by the Washington State Investment Board. The Office of the State Actuary relied on the CMAs in the selection of the long-term expected rate of return for reporting purposes.

The total pension liabilities for TRS 1, TRS 2/3, PERS 1 and SERS 2/3 were determined by actuarial valuation as of June 30, 2018, with the results rolled forward to June 30, 2019, using the following actuarial assumptions, applied to all prior periods included in the measurement:

Inflation	2.75% total economic inflation, 3.50% salary inflation
Salary increases	In addition to the base 3.50% salary inflation assumption, salaries are also expected to grow by promotions and longevity
Investment rate of return	7.40%

Mortality Rates

Mortality rates used in the plans were based on the RP-2000 Combined Healthy Table and Combined Disabled Table published by the Society of Actuaries. The Office of the State Actuary applied offsets to the base table and recognized future improvements in mortality by projecting the mortality rates using 100 percent Scale BB. Mortality rates are applied on a generational basis, meaning members are assumed to receive additional mortality improvements in each future year, throughout their lifetime. The actuarial assumptions used in the June 30, 2018, valuation were based on the results of the *2007–2012 Experience Study Report and the 2017 Economic Experience Study*. Additional assumptions for subsequent events and law changes are current as of the 2018 actuarial valuation report.

Long-term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which a best-estimate of expected future rates of return (expected returns, net of pension plan investment expense, but including inflation) are developed for each major asset class by the Washington State Investment Board (WSIB). Those expected returns make up one component of WSIB's CMAs. The CMAs contain three pieces of information for each class of assets the WSIB currently invest in:

- Expected annual return
- Standard deviation of the annual return
- Correlations between the annual returns of each asset class with every other asset class

WSIB uses the CMAs and their target asset allocation to simulate future investment returns over various time horizons.

The long-term expected rate of return of 7.40% percent approximately equals the median of the simulated investment returns over a fifty-year time horizon, increased slightly to remove WSIB's implicit and small short-term downward adjustment due to assumed mean reversion. WSIB's implicit short-term adjustment, while small and appropriate over a ten to fifteen-year period, becomes amplified over a fifty-year measurement period. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target asset allocations as of June 30, 2019, are summarized in the following table:

TRS 1, TRS 2/3, PERS 1, and SERS 2/3

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Fixed Income	20.00%	2.20%
Tangible Assets	7.00%	5.10%
Real Estate	18.00%	5.80%
Global Equity	32.00%	6.30%
Private Equity	23.00%	9.30%

The inflation component used to create the above table is 2.20 percent, and represents WSIB's most recent long-term estimate of broad economic inflation.

Discount Rate

The discount rate used to measure the total pension liability was 7.40 percent. To determine the discount rate, an asset sufficiency test was completed to test whether the pension plan's fiduciary net position was sufficient to make all projected future benefit payments of current plan members. Consistent with current law, the completed asset sufficiency test included an assumed 7.70 percent long-term discount rate to determine funding liabilities for calculating future contributions rate requirements. Consistent with the long-term expected rate of return, a 7.40 percent future investment rate of return on invested assets was assumed for the test. Contributions from plan members and employers are assumed to continue to be made at contractually required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return of 7.40 percent on pension plan investments was applied to determine the total pension liability.

Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The Pension Plans reported collective Deferred Outflows of Resources and collective Deferred Inflows of resources related to the individual plans. At August 31, 2019, GDPS WS reported Deferred Outflows of Resources and Deferred Inflows of Resources related to pensions from the following sources:

PERS 1	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experiences	$ -	$ -
Net difference between projected and actual earnings on pension plan investment	-	(32,793)
Change in assumptions or other inputs	-	-
Changes in proportion and difference between contributions and proportionate share of contributions	-	-
Contributions subsequent to the measurement date	-	-
Total	$ -	$ (32,793)

SERS 2/3	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experiences	$ 109,252	$ -
Net difference between projected and actual earnings on pension plan investment	-	(147,442)
Change in assumptions or other inputs	5,314	(36,876)
Changes in proportion and difference between contributions and proportionate share of contributions	168,923	(44,761)
Contributions subsequent to the measurement date	25,938	-
Total	$ 309,427	$ (229,079)

TRS 1	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experiences	$ -	$ -
Net difference between projected and actual earnings on pension plan investment	-	(105,300)
Change in assumptions or other inputs	-	-
Changes in proportion and difference between contributions and proportionate share of contributions	-	-
Contributions subsequent to the measurement date	-	-
Total	$ -	$ (105,300)

TRS 2/3	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experiences	$ 235,177	$ (10,883)
Net difference between projected and actual earnings on pension plan investment	-	(292,011)
Change in assumptions or other inputs	127,511	(89,868)
Changes in proportion and difference between contributions and proportionate share of contributions	373,847	-
Contributions subsequent to the measurement date	34,206	-
Total	$ 770,741	$ (392,762)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended August 31,	PERS 1	SERS 2/3	TRS 1	TRS 2/3
2020	$ (7,239)	$ 11,736	$ (21,615)	$ 31,892
2021	(17,148)	(18,851)	(56,531)	(50,422)
2022	(6,119)	22,605	(19,878)	20,744
2023	(2,287)	25,699	(7,276)	50,820
2024	-	12,278	-	75,441
Thereafter	-	943	-	215,298
Total	$ (32,793)	$ 54,410	$ (105,300)	$ 343,773

Pension Expense

GDPS WS recognizes a pension expense for its proportionate share of the collective pension expense. This is determined by using GDPS WS' proportion share of the collective net pension liability. For the year ended August 31, 2019, GDPS WS recognized a total pension expense as follows:

		Pension Expense
PERS 1		$ (138,981)
SERS 2/3		4,884
TRS 1		191,439
TRS 2/3		20,313
	TOTAL	$ 77,655

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The table below presents GDPS WS' proportionate share of the net pension liability calculated using the discount rate of 7.40%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.40%) or one percentage point higher (8.40%) than the current rate. Amounts are calculated by plan using GDPS WS' allocation percentage.

	1% Decrease (6.40%)	Current Discount Rate (7.40%)	1% Increase (8.40%)
PERS 1 NPL	$ 4,815,609,000	$ 3,845,355	$ 3,003,532
Allocation Percentage	0.012765%	0.012765%	0.012765%
Proportionate Share of Collective NPL	$ 614,704	$ 490,853	$ 383,395
SERS 2/3 NPL	$1,141,883,000	$234,498,000	($513,722,000)
Allocation Percentage	0.074040%	0.074040%	0.074040%
Proportionate Share of Collective NPL	$ 845,451	$ 173,623	$ (380,360)
TRS 1 NPL	$3,164,358,000	$2,475,803,000	$1,878,531,000
Allocation Percentage	0.055458%	0.055458%	0.055458%
Proportionate Share of Collective NPL	$ 1,754,883	$ 1,373,026	$ 1,041,792
TRS 2/3 NPL	$3,283,747,000	$602,534,000	($1,577,475,000)
Allocation Percentage	0.056135%	0.056135%	0.056135%
Proportionate Share of Collective NPL	$ 1,843,320	$ 338,230	$ (885,510)

NOTE 12 - COMMITMENTS AND CONTINGENCIES

Grants

GDPS WS received financial assistance from Federal and State agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of GDPS WS at August 31, 2019.

Litigation

GDPS WS has outstanding claims or litigation. However, based on consultation with legal counsel, management believes that the ultimate resolution of these matters will not have a material adverse effect on GDPS WS' financial position or result of operations.

Operating Leases

Green Dot Public Schools Washington State (Regional Office)

GDPS WA entered into an agreement on August 9, 2017 with the City of SeaTac to lease the premises at 4800 South 188th Street, Suite 250, SeaTac, Washington. The term of the lease commences on September 1, 2017, and ends on August 31, 2020. The City of SeaTac agreed to early termination of the lease with no penalty effective August 31, 2019.

Destiny

GDPS WS entered into a lease agreement on behalf of Destiny on January 15, 2015, with PCSD Tacoma Facilities II LLC to lease the premises at 1301 East 34th Street, Tacoma, Washington. The term of the lease commences on August 1, 2015, and ends on June 30, 2024.

Future payments are as follows:

Year Ending August 31,	Lease Payment
2020	$ 541,216
2021	605,604
2022	617,716
2023	630,070
2024	642,672
Total	$ 3,037,278

Rainier

GDPS WS entered into a lease agreement in March 2017, with WCSD MLK & Othello LLC to lease the premises at 3900 South Holly Park Drive, Seattle, Washington. The term of the lease commences on August 15, 2017, and ends on October 31, 2018.

GDPS WS entered into a lease agreement on February 21, 2017, with WCSD 6020 Rainier Ave S LLC to lease the premises at 6020 Rainier Avenue South, Seattle, Washington. The term of the lease commences on July 1, 2017, and ends on June 30, 2048.

Future payments are as follows:

Year Ending August 31,	Lease Payment
2020	$ 511,700
2021	521,934
2022	532,373
2023	543,020
2024	553,881
Thereafter	17,036,132
Total	$ 19,699,040

Excel

GDPS WS entered into a lease agreement on March 12, 2015, with New Beginnings Christian Fellowship to lease the premises at 19300 108th Avenue, Kent, Washington. The term of the lease commences on July 1, 2015, ends on July 31, 2020. During July 2019, GDPS WS subleased the facility to Ashe Preparatory Academy for the remaining terms of the lease.

Future payments are as follows:

Year Ending August 31,	Lease Payment
2020	$ 107,689
2021	110,381
Total	$ 218,070

NOTE 13 - OTHER RELATED PARTY TRANSACTIONS

Related Organizations

GDPS WS regional office ensures that legal requirements, and all such conditions as may have been imposed by the Washington State Charter School Commission or other appropriate authorizer are fully complied with at all times. Destiny, Excel, and Rainier (the Charters) paid $1,053,321 in fees to GDPS WS regional office during the year. In addition, the Charters reimburse GDPS WS regional for costs paid on their behalf.

NOTE 14 - SUBSEQUENT EVENTS

GDPS WS' management has evaluated events or transactions that may occur for potential recognition or disclosure in the financial statements from the balance sheet date through February 27, 2020, which is the date the financial statements were available to be issued. Management has determined that there were no subsequent events or transactions that would have a material impact on the current year's financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

GREEN DOT PUBLIC SCHOOLS WASHINGTON STATE

GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED AUGUST 31, 2019

	Budgeted Amounts			Variances - Positive (Negative)
	Original	Final	Actual (GAAP Basis)	Final to Actual
REVENUES				
State apportionment sources	$ 6,549,543	$ 6,549,543	$ 6,330,451	$ (219,092)
Federal sources	1,492,319	1,492,319	890,510	(601,809)
Other state sources	1,687,714	1,687,714	913,217	(774,497)
Other local sources	5,332,234	5,332,234	6,246,002	913,768
Total Revenues	15,061,810	15,061,810	14,380,180	(681,630)
EXPENDITURES				
Regular instruction	7,792,614	7,792,614	5,444,329	2,348,285
Special instruction	1,054,200	1,054,200	1,544,294	(490,094)
Compensatory education	-	-	649,165	(649,165)
Other instructional programs	-	-	17,435	(17,435)
Community services	246,233	246,233	263,843	(17,610)
Support services	5,968,763	5,968,763	6,619,709	(650,946)
Total Expenditures	15,061,810	15,061,810	14,538,775	523,035
NET CHANGE IN FUND BALANCES	-	-	(158,595)	(158,595)
Fund Balance - Beginning	214,284	214,284	214,284	-
Fund Balance - Ending	$ 214,284	$ 214,284	$ 55,689	$ (158,595)

See accompanying note to required supplementary information.

GREEN DOT PUBLIC SCHOOLS WASHINGTON STATE

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY FOR THE YEAR ENDED AUGUST 31, 2019

The required supplementary information identified below is presented separately for each plan GDPS WS participates in. The amounts reported in the Schedules of Proportionate Share of the Net Pension Liability are determined as of the August 31 measurement date of the collective net pension liability.

Schedule of the Charter's Proportionate Share of the Net Pension Liability

PERS1

Last 10 Fiscal Years*

	2019	2018	2017	2016
Charter's Proportion of the net pension liability	0.012765%	0.014270%	0.007923%	0.005463%
Charter's proportionate share of the net pension liability	$ 490,853	$ 637,301	$ 375,953	$ 293,381
Charter's covered-employee payroll	$ 1,792,055	$ 1,918,143	$ 999,138	$ 666,377
Charter's proportionate share of the net pension liability as a percentage of its covered payroll	27.39%	33.22%	37.63%	44.03%
Plan fiduciary net position as a percentage of the total pension liability	67.12%	61.24%	61.24%	57.03%

SERS 2/3

Last 10 Fiscal Years*

	2019	2018	2017	2016
Charter's Proportion of the net pension liability	0.074040%	0.086715%	0.048907%	0.036063%
Charter's proportionate share of the net pension liability	$ 173,623	$ 259,331	$ 241,342	$ 236,851
Charter's covered-employee payroll	$ 1,792,055	$ 1,918,143	$ 999,138	$ 666,377
Charter's proportionate share of the net pension liability as a percentage of its covered payroll	9.69%	13.52%	24.16%	35.54%
Plan fiduciary net position as a percentage of the total pension liability	96.31%	94.77%	90.79%	86.52%

TRS 1

Last 10 Fiscal Years*

	2019	2018	2017	2016
Charter's Proportion of the net pension liability	0.055458%	0.054828%	0.023486%	0.015747%
Charter's proportionate share of the net pension liability	$ 1,373,026	$ 1,601,288	$ 710,044	$ 537,640
Charter's covered-employee payroll	$ 3,747,222	$ 3,271,950	$ 710,044	$ 537,640
Charter's proportionate share of the net pension liability as a percentage of its covered payroll	36.64%	48.94%	53.82%	67.08%
Plan fiduciary net position as a percentage of the total pension liability	70.37%	66.52%	65.58%	62.07%

See accompanying note to required supplementary information.

GREEN DOT PUBLIC SCHOOLS WASHINGTON STATE

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY FOR THE YEAR ENDED AUGUST 31, 2019

TRS 2/3
Last 10 Fiscal Years*

	2019	2018	2017	2016
Charter's Proportion of the net pension liability	0.056135%	0.055768%	0.024060%	0.016142%
Charter's proportionate share of the net pension liability	$ 338,230	$ 251,021	$ 222,061	$ 221,673
Charter's covered-employee payroll	$ 3,747,222	$ 3,271,950	$ 1,319,194	$ 801,524
Charter's proportionate share of the net pension liability as a percentage of its covered payroll	9.03%	7.67%	16.83%	27.66%
Plan fiduciary net position as a percentage of the total pension liability	96.36%	96.88%	93.14%	88.72%

See accompanying note to required supplementary information.

GREEN DOT PUBLIC SCHOOLS WASHINGTON STATE

SCHEDULE OF CONTRIBUTION
FOR THE YEAR ENDED AUGUST 31, 2019

The information identified below is the Schedule of Contributions, by Plan. The amounts reported in the Schedules of Contributions are determined as of GDPS WS' fiscal year ended August 31, 2018.

Schedule of Contributions

PERS 1
Last 10 Fiscal Years*

	2019	2018	2017	2016
Contractually required contribution	$ 91,529	$ 95,384	$ 47,659	$ 30,980
Contributions in relation to the contractually required contributions	$ 91,529	$ 95,384	$ 47,659	$ 30,980
Contribution deficiency (excess)	-	-	-	-
Charter's covered-employee payroll	$ 1,792,055	$ 1,918,143	$ 999,138	$ 666,377
Contribution as a percentage of covered-employee payroll	5.11%	4.97%	4.77%	4.65%

SERS 2/3
Last 10 Fiscal Years*

	2019	2018	2017	2016
Contractually required contribution	$ 232,472	$ 151,700	$ 66,243	$ 43,144
Contributions in relation to the contractually required contributions	$ 232,472	$ 151,700	$ 66,243	$ 43,144
Contribution deficiency (excess)	-	-	-	-
Charter's covered-employee payroll	$ 1,792,055	$ 1,918,143	$ 999,138	$ 666,377
Contribution as a percentage of covered-employee payroll	12.97%	7.91%	6.63%	6.47%

See accompanying note to required supplementary information.

GREEN DOT PUBLIC SCHOOLS WASHINGTON STATE

SCHEDULE OF CONTRIBUTION
FOR THE YEAR ENDED AUGUST 31, 2019

TRS 1
Last 10 Fiscal Years*

	2019	2018	2017	2016
Contractually required contribution	$ 275,418	$ 228,024	$ 82,186	$ 47,857
Contributions in relation to the contractually required contributions	$ 275,418	$ 228,024	$ 82,186	$ 47,857
Contribution deficiency (excess)	-	-	-	-
Charter’s covered-employee payroll	$ 3,747,222	$ 3,271,950	$ 710,044	$ 537,640
Contribution as a percentage of covered-employee payroll	7.35%	6.97%	11.57%	8.90%

TRS 2/3
Last 10 Fiscal Years*

	2019	2018	2017	2016
Contractually required contribution	$ 293,408	$ 247,935	$ 88,650	$ 52,687
Contributions in relation to the contractually required contributions	$ 293,408	$ 247,935	$ 88,650	$ 52,687
Contribution deficiency (excess)	-	-	-	-
Charter’s covered-employee payroll	$ 3,747,222	$ 3,271,950	$ 1,319,194	$ 801,524
Contribution as a percentage of covered-employee payroll	7.83%	7.58%	6.72%	6.57%

See accompanying note to required supplementary information.

NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
AUGUST 31, 2019

PURPOSE OF SCHEDULES

Budgetary Comparison Schedule

This schedule presents information for the original and final budgets and actual results of operations, as well as the variances from the final budget to actual results of operations.

Schedule of Proportionate Share of the Net Pension Liability

This schedule presents information on GDPS WS' proportionate share of the net pension liability (NPL), the plans' fiduciary net position and, when applicable, the State's proportionate share of the NPL associated with GDPS WS. In the future, as data becomes available, ten years of information will be presented.

Changes in Benefit Terms – There were no changes in benefit terms since the previous valuations for PERS, SERS, and TRS.

Changes of Assumptions – There were no changes in economic assumptions for the PERS, SERS, and TRS plans from the previous valuations.

Schedule of Contributions

This schedule presents information on GDPS WS' required contribution, the amounts actually contributed, and any excess or deficiency related to the required contribution. In the future, as data becomes available, ten years of information will be presented.

SUPPLEMENTARY INFORMATION

GREEN DOT PUBLIC SCHOOLS WASHINGTON STATE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AUGUST 31, 2019

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	CFDA Number	Pass-Through Entity Identifying Number	Destiny	Rainier	Excel	Total Federal Expenditures
U.S. DEPARTMENT OF EDUCATION						
Passed through Office of Superintendent of Public Instruction:						
Title I, Part A, Basic Grants Low-Income and Neglected	84.010	[1]	$ 122,252	$ 42,352	$ 49,037	$ 213,641
Title II, Part A, Improving Teacher Quality	84.367	[1]	25,973	16,258	17,306	59,537
Basic Local Assistance Entitlement, Part B, Section 611	84.027	[1]	70,250	21,753	34,860	126,863
Replication & Expansion	84.282M	[1]	-	268,127	33,472	301,599
Total U.S. Department of Education			218,475	348,490	134,675	701,640
U.S. DEPARTMENT OF AGRICULTURE						
Passed through Office of Superintendent of Public Instruction:						
Child Nutrition Cluster:						
Basic School Breakfast Program	10.553	[1]	17,565	24,468	9,590	51,623
National School Lunch	10.555	[1]	39,169	70,096	27,362	136,627
Total Child Nutrition Cluster			56,734	94,564	36,952	188,250
Child and Adult Care Food Program	10.558	[1]	-	-	620	620
Total U.S. Department of Agriculture			56,734	94,564	37,572	188,870
Total Expenditures of Federal Awards			$ 275,209	$ 443,054	$ 172,247	$ 890,510

[1] Pass-Through Entity Identifying Number not available

GREEN DOT PUBLIC SCHOOLS WASHINGTON STATE

LOCAL EDUCATION AGENCY ORGANIZATION STRUCTURE
AUGUST 31, 2019

ORGANIZATION

GDPS WS operates two middle schools and one high school authorized by the Washington State Charter School Commission. The Charters are managed by GDPS WS.

GDPS WS GOVERNING BOARD

MEMBER	OFFICE	TERM EXPIRES
Joe Hailey	Board Chair	December 31, 2021
William Wang	Board Secretary	December 31, 2021
Jeff Thiel	Member	December 31, 2021
Jess Peet	Member	December 31, 2020
Julia Warth	Member	December 31, 2020
Vivian Hsu	Member	December 31, 2020
Natalie Hester	Member	December 31, 2020 (started October 15, 2019)
Maryam Mason	Member	December 31, 2020 (started November 19, 2019)
Charmane Marshall	Member	December 31, 2020 (started January 21, 2020)

ADMINISTRATION

NAME	TITLE
Bree Dusseault	Executive Director
Blake Herrera	Director of Finance and Operations

GREEN DOT PUBLIC SCHOOLS WASHINGTON STATE

COMBINING BALANCE SHEET
FOR THE YEAR ENDED AUGUST 31, 2019

	Destiny	Rainier	Excel
ASSETS			
Deposits and investments	$ 110,000	$ 173,000	$ 218,000
Receivables	21,801	67,092	46,797
Due from other funds	-	-	-
Prepaid expenses and other assets	88,517	349,230	17,500
Total Assets	$ 220,318	$ 589,322	$ 282,297
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	$ 70,169	$ 151,088	$ 29,543
Due to other funds	142,146	427,443	252,754
Unearned revenue	4,978	-	-
Total Liabilities	217,293	578,531	282,297
Fund Balances:			
Nonspendable	88,517	349,230	17,500
Unassigned	(85,492)	(338,439)	(17,500)
Total Fund Balances	3,025	10,791	-
Total Liabilities and Fund Balances	$ 220,318	$ 589,322	$ 282,297

Regional Office	Total Governmental Funds
$ 2,889,828	$ 3,390,828
5,429	141,119
833,134	833,134
23,941	479,188
$ 3,752,332	$ 4,844,269
$ 263,054	$ 513,854
10,791	833,134
3,436,614	3,441,592
3,710,459	4,788,580
23,941	479,188
17,932	(423,499)
41,873	55,689
$ 3,752,332	$ 4,844,269

GREEN DOT PUBLIC SCHOOLS WASHINGTON STATE

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED AUGUST 31, 2019

	Destiny	Rainier	Excel
REVENUES			
State apportionment sources	$ 1,131,586	$ 2,659,862	$ 2,539,003
Federal sources	275,209	443,054	172,247
Other State sources	222,919	429,887	260,411
Other local sources	1,967,114	1,805,773	524,150
Total Revenues	3,596,828	5,338,576	3,495,811
EXPENDITURES			
Current			
Regular instruction	1,287,766	2,395,172	1,550,715
Special instruction	514,040	640,557	383,175
Compensatory education	346,297	167,688	135,180
Other instructional programs	4,537	7,612	5,286
Community services	55,074	116,001	92,768
Support services	1,388,165	2,011,536	1,733,042
Total Expenditures	3,595,879	5,338,566	3,900,166
NET CHANGE IN FUND BALANCES	949	10	(404,355)
Fund Balance - Beginning	2,076	10,781	404,355
Fund Balance - Ending	$ 3,025	$ 10,791	$ -

Regional Office	Total Non-Major Governmental Funds
$ -	$ 6,330,451
-	890,510
-	913,217
1,948,965	6,246,002
1,948,965	14,380,180
210,676	5,444,329
6,522	1,544,294
-	649,165
-	17,435
-	263,843
1,486,966	6,619,709
1,704,164	14,538,775
244,801	(158,595)
(202,928)	214,284
$ 41,873	$ 55,689

GREEN DOT PUBLIC SCHOOLS WASHINGTON STATE

SCHEDULE OF FINANCIAL TRENDS AND ANALYSIS
FOR THE YEAR ENDED AUGUST 31, 2019

	(Budget) 2020 [1]	2019	2018
GENERAL FUND			
Revenues	$ 9,166,618	$ 14,380,180	$ 14,224,087
Other sources	-	-	404,354
Total Revenues and Other Sources	9,166,618	14,380,180	14,628,441
Expenditures	9,166,618	14,538,775	14,442,903
INCREASE (DECREASE) IN FUND BALANCE	$ -	$ (158,595)	$ 185,538
ENDING FUND BALANCE [3]	$ 55,689	$ 55,689	$ 214,284
AVAILABLE RESERVES [2]	$ -	$ -	$ -
AVAILABLE RESERVES AS A PERCENTAGE OF TOTAL EXPENDITURES	0.00%	0.00%	0.00%

The General Fund balance has decreased by $158,595 in the current year.

GDPS WS anticipates incurring no additional change during the 2019-2020 fiscal year.

[1] Budget 2020 is included for analytical purposes only and has not been subjected to audit.

[2] Available reserves consist of all unassigned fund balances including all amounts reserved for economic uncertainties contained with the General Fund.

NOTE TO SUPPLEMENTARY INFORMATION
AUGUST 31, 2019

NOTE 1 - PURPOSE OF SCHEDULES

Schedule of Expenditures of Federal Awards

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of GDPS WS and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements. GDPS WS has not elected to use the ten percent de minimis cost rate as covered in Section 200.414 Indirect (F&A) costs of the Uniform Guidance.

Local Education Agency Organization Structure

This schedule provides information about the school operated, members of the governing board, and members of the administration.

Schedule of Combining Statements

The accompanying combining financial statements report the individual programs of GDPS WS and are presented on the modified accrual basis of accounting.

Schedule of Financial Trends and Analysis

This schedule discloses the GDPS WS' financial trends by displaying past years' data along with current year budget information. These financial trend disclosures are used to evaluate the GDPS WS' ability to continue as a going concern for a reasonable period of time.

INDEPENDENT AUDITOR'S REPORTS

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Governing Board
Green Dot Public Schools Washington State
Tacoma, Washington

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Green Dot Public Schools Washington State (GDPS WS) as of and for the year ended August 31, 2019, and the related notes to the financial statements, which collectively comprise the GDPS WS' basic financial statements, and have issued our report thereon dated February 27, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the GDPS WS' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the GDPS WS' internal controls. Accordingly, we do not express an opinion on the effectiveness of the GDPS WS' internal controls.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the GDPS WS' financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether the GDPS WS' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the GDPS WS' internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the GDPS WS' internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Eide Bailly LLP

Rancho Cucamonga, California
February 27, 2020

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Board of Directors
Green Dot Public Schools Washington
(A Washington Nonprofit Public Benefit Corporation)
Tacoma, Washington

Report on Compliance for Each Major Federal Program

We have audited Green Dot Public Schools Washington's (GDPS WS) compliance with the types of compliance requirements described in the OMB Compliance Supplement that could have a direct and material effect on each of GDPS WS' major federal programs for the year ended August 31, 2019. GDPS WS' major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of GDPS WS' major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about GDPS WS' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of GDPS WS' compliance.

Opinion on Each Major Federal Program

In our opinion, GDPS WS complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended August 31, 2019.

Report on Internal Control Over Compliance

Management of GDPS WS is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered GDPS WS' internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of GDPS WS' internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Eide Bailly LLP

Rancho Cucamonga, California
February 27, 2020

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

SUMMARY OF AUDITOR'S RESULTS
FOR THE YEAR ENDED AUGUST 31, 2019

FINANCIAL STATEMENTS

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weakness identified?	No
Significant deficiency identified?	None Reported
Noncompliance material to financial statements noted?	No

FEDERAL AWARDS

Internal control over major Federal programs:	
Material weakness identified?	No
Significant deficiency identified?	None reported
Type of auditor's report issued on compliance for major Federal programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Section 200.516(a) of the Uniform Guidance?	No

Identification of major Federal programs:

CFDA Number	Name of Federal Program or Cluster
84.010	Title I, Part A, Basic Grants Low Income and Nelected
84.282M	Replication & Expansion

Dollar threshold used to distinguish between Type A and Type B programs:	$ 750,000
Auditee qualified as low-risk auditee?	No

GREEN DOT PUBLIC SCHOOLS WASHINGTON STATE

FINANCIAL STATEMENT FINDINGS
FOR THE YEAR ENDED AUGUST 31, 2019

None reported.

GREEN DOT PUBLIC SCHOOLS WASHINGTON STATE

FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED AUGUST 31, 2019

None reported

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED AUGUST 31, 2019

There were no audit findings reported in the prior year.