



Annual Financial Report  
June 30, 2019

# Green Dot Public Schools – National



**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**(A California Nonprofit Public Benefit Corporation)**

**TABLE OF CONTENTS**  
**JUNE 30, 2019**

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<b><i>INDEPENDENT AUDITOR'S REPORT</i></b>	1
<b><i>FINANCIAL STATEMENTS</i></b>	
Consolidated Statement of Financial Position	3
Consolidated Statement of Activities	4
Consolidated Statement of Cash Flows	5
Notes to the Consolidated Financial Statements	6
<b><i>SUPPLEMENTARY INFORMATION</i></b>	
Green Dot Public Schools National – Statement of Financial Position	41
Green Dot Public Schools National – Statement of Activities	42
Green Dot Public Schools National – Statement of Cash Flows	43
Green Dot Public Schools California – Statement of Financial Position	44
Green Dot Public Schools California – Statement of Activities	45
Green Dot Public Schools California – Statement of Cash Flows	46
Green Dot Public Schools Tennessee – Statement of Financial Position	47
Green Dot Public Schools Tennessee – Statement of Activities	48
Green Dot Public Schools Tennessee – Statement of Cash Flows	49
Green Dot Public Schools Washington State – Statement of Financial Position	50
Green Dot Public Schools Washington State – Statement of Activities	51
Green Dot Public Schools Washington State – Statement of Cash Flows	52
United Parents and Students – Statement of Financial Position	53
United Parents and Students – Statement of Activities	54
United Parents and Students – Statement of Cash Flows	55
Green Dot Public Schools Consolidating Statement of Financial Position	56
Green Dot Public Schools Consolidating Statement of Activities	57
Green Dot Public Schools Consolidating Statement of Cash Flows	58
Note to Supplementary Information	59



## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Green Dot Public Schools National  
(A California Nonprofit Public Benefit Corporation)  
Los Angeles, California

### Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Green Dot Public Schools National (GDPS National) (A California Nonprofit Public Benefit Corporation) and Affiliates, which are comprised of the consolidated statement of financial position as of June 30, 2019, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

### Management's Responsibility for the Consolidated Financial Statements

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

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to GDPS National's preparation and fair presentation of the consolidated 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 National's 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 consolidated financial statements.

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

## **Opinion**

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of GDPS National as of June 30, 2019, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Report on Summarized Comparative Information**

### *Prior Period Financial Statements*

The financial statements of GDPS NA as of June 30, 2018, were audited by other auditors who joined Eide Bailly LLP on July 22, 2019, and whose report dated January 11, 2019 expressed an unmodified opinion on those statements.

## **Other Matters**

### *Other Information*

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements.

The 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 consolidated financial statements. Such information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information as listed in the table of contents is fairly stated, in all material respects, in relation to the consolidated 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 March 5, 2020, on our consideration of GDPS National's 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 National's 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 National's internal control over financial reporting and compliance.

The image shows a handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Rancho Cucamonga, California  
March 5, 2020



## **FINANCIAL STATEMENTS**

**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**(A California Nonprofit Public Benefit Corporation)**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**(With comparative financial information at June 30, 2018)**

**JUNE 30, 2019**

	2019	2018
<b>ASSETS</b>		
Current Assets:		
Cash and cash equivalents	\$ 56,391,901	\$ 47,795,480
Restricted cash and investments	16,746,804	4,234,896
Accounts receivable	18,609,174	16,060,976
Accounts receivable - related party	1,301	-
Prepaid expenses and other current assets	2,550,051	1,450,999
Total Current Assets	<u>94,299,231</u>	<u>69,542,351</u>
Non-Current Assets:		
Restricted cash and investments	41,358,582	33,613,645
Debt issue costs, net	4,117,015	2,589,287
Security deposits	559,573	704,351
Property and equipment	152,858,417	135,940,827
Less: accumulated depreciation	36,971,524	34,355,749
Total Non-Current Assets	<u>161,922,063</u>	<u>138,492,361</u>
Total Assets	<u>\$ 256,221,294</u>	<u>\$ 208,034,712</u>
<b>LIABILITIES</b>		
Current Liabilities:		
Accounts payable and accruals	\$ 15,950,083	\$ 16,753,636
Accounts payable - related party	-	6,445
Interest payable	2,050,303	1,068,828
Deferred revenue	6,652,166	9,765,876
Current portion of long-term obligations	2,419,120	19,256,980
Total Current Liabilities	<u>27,071,672</u>	<u>46,851,765</u>
Other Liabilities:		
Deferred revenue - proposition funding	29,706,102	29,610,492
Total Other Liabilities	<u>29,706,102</u>	<u>29,610,492</u>
Long-Term Obligations:		
Non-current portion of long-term obligations	129,307,224	73,349,088
Total Liabilities	<u>186,084,998</u>	<u>149,811,345</u>
<b>NET ASSETS</b>		
Without donor restriction	69,998,043	57,934,689
With donor restriction	138,253	305,111
Total Net Assets	<u>70,136,296</u>	<u>58,239,800</u>
Total Liabilities and Net Assets	<u>\$ 256,221,294</u>	<u>\$ 208,051,145</u>

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

**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**(A California Nonprofit Public Benefit Corporation)**

**CONSOLIDATED STATEMENT OF ACTIVITIES**  
**(With comparative financial information for the year ended June 30, 2018)**

**FOR THE YEAR ENDED JUNE 30, 2019**

	<u>2019</u>	<u>2018</u>
<b>NET ASSETS WITHOUT DONOR RESTRICTION</b>		
<b>REVENUES</b>		
State apportionments	\$ 153,023,564	\$ 141,278,138
Federal revenue	20,268,926	18,969,626
Other State revenue	20,408,734	18,725,195
Contributions and grants	6,802,407	13,169,248
Donated services and property	-	79,385
Local revenue	9,632,829	4,495,854
Net assets released from restrictions	341,677	350,575
Total Revenues	<u>210,478,137</u>	<u>197,068,021</u>
<b>EXPENSES</b>		
Program Services:		
Salaries and benefits	116,445,516	113,555,677
Student services	25,593,160	24,609,918
Materials and supplies	4,956,130	4,893,038
Student nutrition	4,313,046	3,907,279
Other expenses	11,191,022	10,959,787
Depreciation and amortization	5,911,723	5,001,322
Occupancy	15,590,332	13,765,927
Interest	5,004,380	4,026,541
Subtotal	<u>189,005,309</u>	<u>180,719,489</u>
Fund Development:	<u>809,397</u>	<u>743,865</u>
Management and General:		
Salaries and benefits	5,057,417	4,155,710
Depreciation	174,350	156,966
Occupancy	632,939	653,908
Operating expenses	2,718,938	3,761,088
Subtotal	<u>8,583,644</u>	<u>8,727,672</u>
Total Unrestricted Expenses	<u>198,398,350</u>	<u>190,191,026</u>
<b>CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTION</b>	12,079,787	6,876,995
<b>NET ASSETS WITH DONOR RESTRICTION</b>		
Contributions and grants, net	174,819	206,245
Net assets released from restrictions	(341,677)	(350,575)
<b>CHANGE IN NET ASSETS WITH DONOR RESTRICTION</b>	<u>(166,858)</u>	<u>(144,330)</u>
<b>CHANGE IN NET ASSETS</b>	11,912,929	6,732,665
<b>NET ASSETS, BEGINNING OF YEAR</b>	<u>58,223,367</u>	<u>51,507,135</u>
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 70,136,296</u>	<u>\$ 58,239,800</u>

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

**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**(A California Nonprofit Public Benefit Corporation)**

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**(With comparative financial information for the year ended June 30, 2018)**

**FOR THE YEAR ENDED JUNE 30, 2019**

	<u>2019</u>	<u>2018</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Change in net assets</b>	\$ 11,912,929	\$ 6,732,665
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation expense	5,800,216	5,057,067
Amortization expense (including bond discount)	285,855	109,139
Cash restricted for interest/ Debt Obligation Stipulations	(15,588,189)	2,672,659
Changes in operating assets and liabilities:		
(Increase) decrease in assets:		
Accounts receivable	(2,548,198)	(644,318)
Prepaid expenses and other current assets	(1,099,052)	(707,121)
Security deposits	144,778	(33,084)
Note receivable - related party	-	100,000
Increase (decrease) in liabilities:		
Accounts payable and accruals	(803,553)	40,877
Accounts payable - related party	(7,746)	6,445
Interest payable	981,475	(12,515)
Deferred revenue	(3,018,100)	(4,612,767)
Net Cash Provided by Operating Activities	<u>(3,939,585)</u>	<u>8,709,047</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Restricted cash (received) used for construction	(4,668,656)	2,372,670
Capital expenditures	(20,102,031)	(8,179,320)
Net Cash Used by Investing Activities	<u>(24,770,687)</u>	<u>(5,806,650)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Amounts incurred for debt issuance	(1,807,395)	-
Loan proceeds, net	62,654,990	1,998,971
Loan principal payments	(23,540,902)	(3,108,128)
Net Cash Used By Financing Activities	<u>37,306,693</u>	<u>(1,109,157)</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	8,596,421	1,793,240
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	47,795,480	46,018,673
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 56,391,901</u>	<u>\$ 47,811,913</u>
<b>Supplemental cash flow disclosure:</b>		
Cash paid during the period for interest	<u>\$ 5,860,631</u>	<u>\$ 4,201,431</u>

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



**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**(A California Nonprofit Public Benefit Corporation)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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***NOTE 1 - PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES***

Green Dot Public Schools National (GDPS National) (A California Nonprofit Public Benefit Organization) was organized on May 22, 2014. Financial activity began in July 2014. GDPS National was created to provide services to Green Dot Public Schools California (GDPS CA), Green Dot Public Schools Tennessee (GDPS TN), Green Dot Public Schools Washington State (GDPS WA), collectively referred to as Green Dot Regions, and United Parents and Students (UP&S). Related party transactions between GDPS National, GDPS CA, GDPS TN, GDPS WA, and UP&S have been identified on the face of the financial statements. See Note 2 for additional details regarding related party relationships and transactions.

GDPS National's 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 CA (A California Nonprofit Public Benefit Organization) was organized in 1999. During the fiscal year ended June 30, 2019, GDPS CA operated twenty (21) charter schools. The charter schools operate under the approval of the California State Board of Education and the Inglewood Unified School District, Lennox School District, Los Angeles County office of Education, Compton Unified School District, and Los Angeles Unified School District. The charter schools receive per-pupil funding to help support operations. GDPS CA plans to open other charter schools in the future.

Delta Properties, Inc. (Delta) (A California Nonprofit Public Benefit Corporation) was formed in 2008 to support GDPS CA. Together with its subsidiaries, 111th Place, LLC (111th), 8255 Beach, LLC (Beach), 12628 S. Avalon, LLC (Avalon), Manchester & 27th, LLC (Manchester), 1655 27th Street Facilities, LLC (27th Street), 8205 Beach, LLC (8205 LLC), 810 East 111<sup>th</sup>, LLC, 12700 S. Avalon, LLC, and 11044 S. Freeman, LLC, its primary purpose is to finance, develop, lease, and maintain certain school facilities for the exclusive use of GDPS CA. GDPS CA is the sole member of Delta. Delta has a separate Board of Directors, approved by GDPS CA Board of Directors.

During the fiscal year ended June 30, 2019, GDPS TN operated five charters, Fairley High School (Fairley HS), Wooddale Middle School (Wooddale MS), Kirby Middle School (Kirby MS) and Hillcrest High School were opened during the fiscal year ended June 30, 2017. Fairley High School, Hillcrest High School, Kirby Middle School, and Wooddale Middle School operate under the approval of the Tennessee Department of Education (TDOE) and are part of the Achievement School District. During the fiscal year ended June 30, 2018, Bluff City High School was opened under the approval of the TDOE. Fairley High School, Hillcrest High School, Kirby Middle School, Wooddale Middle School, and Bluff City High School receive per-pupil funding to help support operations. GDPS TN plans to open other charter schools in the future.

**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**(A California Nonprofit Public Benefit Corporation)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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***NOTE 1 - PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES, continued***

GDPS WA (A Washington State Nonprofit Public Benefit Organization) was organized on November 14, 2013. During the fiscal year ended June 30, 2019, GDPS WA operated three charters. Destiny Charter Middle School (Destiny) operates under the authorization of the Washington State Charter School Commission. In 2017-18 School year, GDPS WA assumed the operations of Excel Public Charter School in Kent, Washington. Washington State Charter School Commission approved the charter contract transfer of Excel Public Charter School (Excel) to GDPS WA. GDPS WA opened Rainier Valley Leadership Academy (Rainier) in July 2017, which was authorized by the Washington State Charter School Commission. GDPS WA decided to close Excel and Destiny. Their final school year was the 2018-2019 school year.

United Parents and Students (UP&S) was formed in July 2016 as a nonprofit public benefit corporation. Financial activity began in December 2016. UP&S receives services from GDPS National. Members of UP&S currently serve schools in California, Washington, and Tennessee.

The accompanying consolidated financial statements include the accounts of GDPS National, GDPS CA, Delta, GDPS TN, GDPS WA, and UP&S, collectively referred as Consolidated GDPS. Significant inter-company transactions and balances have been eliminated in the consolidated financial statements.

**Related Parties**

Transactions between GDPS National, GDPS CA, GDPS TN, GDPS WA, and UP&S have been identified on the face of the financial statements.

GDPS National is a national organization providing services to GDPS schools in California, Tennessee, Washington State, and UP&S. These services include, but are not limited to, Human Resources, Legal, Finance and Accounting, Information Technology, Knowledge Management, Development, Communication, Strategic Planning, and National Expansion. In exchange, the schools pay a service fee to GDPS National. Each of the regional offices operates their schools and oversees educational services in their region. In addition, GDPS National reserves the right to determine whether separate fees associated with a regional launch and new school start-up are required.

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

Refer to the table below for related party transactions between GDPS National and GDPS CA, GDPS TN, and GDPS WA as of June 30, 2019:

**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**(A California Nonprofit Public Benefit Corporation)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**NOTE 1 - PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES, continued**

	<u>Accounts Receivable - Related Party</u>	<u>Contracted Service Revenue</u>	<u>Contracted Service Expense</u>	<u>Shared Service Fee Revenue - National</u>	<u>Shared Service Fee Expense - National</u>
GDPS National	\$ 541,109	\$ 468,085	\$ 828,941	\$ 12,603,635	\$ -

	<u>Accounts Receivable - (Payable) Related Party</u>	<u>Contracted Service Revenue</u>	<u>Contracted Service Expense</u>	<u>Shared Service Fee Revenue - (Expense) National</u>	<u>Shared Service Fee Revenue - (Expense) - Reginal</u>
GDPS CA Reginal Office	\$ (365,297)	\$ 56,168	\$ 2,297,913	\$ 10,493,026	\$ 20,740,295
GDPS CA Schools	-	-	-	-	(20,740,295)
GDPS TN Reginal Office	(122,704)	270,478	30,000	1,493,437	2,880,200
GDPS TN Schools	-	-	-	-	(2,880,200)
GDPS WA Reginal Office	31,123	202,295	-	567,172	1,053,321
GDPS WA Schools	-	-	-	-	(1,053,321)
UP&S	(82,931)	1,330,887	-	126,397	-
Total	<u>\$ (539,809)</u>	<u>\$ 1,859,828</u>	<u>\$ 2,327,913</u>	<u>\$ 12,680,032</u>	<u>\$ -</u>

**Principles of Consolidation**

The consolidated financial statements include the accounts of GDPS National, GDPS CA, GDPS TN, GDPS WA, and UP&S. All material inter-company transactions have been eliminated. The accounts of GDPS WA are included in the June 30, 2019, consolidated financial statements of GDPS National as of its fiscal year end of August 31, 2019. Unless otherwise noted, these consolidated entities are hereinafter referred to as GDPS. During July and August 2019, GDPS WA recognized revenue in the amount of \$1,270,979 from a deferred private grant. The purpose of the grant is to cover future operating costs.

**Comparative Financial Information**

The consolidated financial statements include certain prior-year comparative information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with GDPS' consolidated financial statements for the year ended June 30, 2018, from which the comparative information was derived.

**Cash and Cash Equivalents**

GDPS considers all cash and highly liquid financial instruments with original maturities of three months or less, and which are neither held for nor restricted by donors for long-term purposes, to be cash and cash equivalents.

**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**(A California Nonprofit Public Benefit Corporation)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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*NOTE 1 - PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES, continued*

**Receivables and Credit Policies**

Accounts receivable consist primarily of noninterest-bearing amounts due for educational programs. Management determines the allowance for uncollectable accounts receivable based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Accounts receivable are written off when deemed uncollectable. At June 30, 2019, management has determined all accounts receivable are fully collectible and no allowance for bad debts has been established.

**Conditional Promises**

Conditional promises to give, which depend on the occurrence of specified future and uncertain events, are not recorded until the conditions are met.

**Property and Equipment**

It is GDPS policy to capitalize individual property and equipment purchases over \$5,000. Lesser amounts are expensed. Purchased property and equipment is capitalized at cost. Donations of property and equipment are recorded as contributions at their estimated fair value. Such donations are reported as unrestricted contributions unless the donor has restricted the donated asset to a specific purpose. Depreciation and amortization are computed using the straight-line method over the estimated useful lives of the assets ranging from 3 to 30 years, or in the case of capitalized leased assets or leasehold improvements, the lesser of the useful life of the asset or the lease term. When assets are sold or otherwise disposed of, the cost and related depreciation or amortization are removed from the accounts, and any remaining gain or loss is included in the statement of activities. Cost of maintenance and repairs that do not improve or extend the useful lives of the respective assets are expensed currently.

GDPS' reviews the carrying values of fixed assets for impairment whenever events or circumstances indicate that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. When considered impaired, an impairment loss is recognized to the extent carrying value exceeds the fair value of the asset. There were no indicators of asset impairment during the year ended June 30, 2019.

**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**(A California Nonprofit Public Benefit Corporation)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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*NOTE 1 - PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES, continued*

**Net Assets**

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor or grantor restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

*Net Assets Without Donor Restrictions* – Net assets available for use in general operations and not subject to donor restrictions.

*Net Assets With Donor Restrictions* – Net assets subject to donor (or certain grantor) restrictions. Some donor imposed (or grantor) restrictions are temporarily in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. GDPS reports contributions restricted by donors as increases in net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends, or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions. As of June 30, 2019, GDPS has \$138,253 net assets with donor restrictions.

**Designated Net Asset Without Donor Restriction**

Designations of the ending net assets indicate tentative plans for financial resource utilization in a future period. GDPS had designated net assets without donor restriction of \$250,000 at June 30, 2019.

**Revenue and Revenue Recognition**

Revenue is recognized when earned. Operating funds for GDPS CA, GDPS WA, and GDPS TN are derived principally from state and federal sources. Revenues related to these federal grants are recognized when qualifying expenses have been incurred and when all other grant requirements have been met. Unrestricted support given by the state is recognized as revenue when received. Any such funds received in advance are deferred to the applicable period in which the related services are performed, or expenditures are incurred, respectively.

Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met. GDPS records special events revenue equal to the cost of direct benefits to donors, and contribution income for the difference.

**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**(A California Nonprofit Public Benefit Corporation)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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*NOTE 1 - PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES, continued*

**Donated Services and In-Kind Contributions**

Volunteers contribute significant amounts of time to program services, administration, and fundraising and development activities; however, the financial statements do not reflect the value of these contributed services because they do not meet recognition criteria prescribed by generally accepted accounting principles. Contributed goods are recorded at fair value at the date of donation. Donated professional services are recorded at the respective fair values of the services received.

**Functional Allocation of Expenses**

The costs of program and supporting services activities have been summarized on a functional basis in the statements of activities. The statements of activities present the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. All expenses, excluding depreciation and grant disbursements are allocated on the basis of estimates of time and effort.

The financial statements report categories of expenses that are attributed to program service activities or supporting service activities. The expenses are generally directly attributable to a functional category with no significant allocations between program service activities and supporting service activities occurring.

**Income Taxes**

GDPS National is a nonprofit public benefit corporation that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation under Section 509(a)(3) and qualifies for deductible contributions as a public charity described in Section 170(b)(1)(A)(viii) and is exempt from state franchise and income taxes under Section 23701(d) of the California Revenue and Taxation Code. Accordingly, no provision for income taxes has been reflected in these financial statements. The statute of limitations for federal and California state purposes is generally three and four years, respectively.

GDPS National has adopted Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 740 that clarifies the accounting for uncertainty in tax positions taken or expected to be taken on a tax return and provides that the tax effects from an uncertain tax position can be recognized in the consolidated financial statements only if, based on its merits, the position is more likely than not to be sustained on audit by the taxing authorities. GDPS National management has determined that all income tax positions are more likely than not of being sustained upon potential audit or examination; therefore, no disclosures of uncertain income tax positions are required.

**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**(A California Nonprofit Public Benefit Corporation)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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***NOTE 1 - PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES, continued***

**Estimates**

The preparation of consolidated financial statements in conformity with generally accepted accounting principles requires GDPS to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates, and those differences could be material.

**Reclassification of Comparative Statements**

GDPS reclassified certain expenses as program service or management and general as well as certain assets and liabilities on the Statement of Financial Position for the 2019 fiscal year. Accordingly, these reclassifications have been revised for the presentation of 2018 fiscal year.

**Recent Accounting Pronouncements**

On June 21, 2018, the FASB completed its project on revenue-recognition of grants and contracts by not-for-profit entities by issuing Accounting Standards Update (ASU) No. 2018-08, *Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*. The amendments in the Update provide a more robust framework for determining whether a transaction should be accounted for as a contribution or as an exchange transaction.

Specifically, the amendments in the Update:

- Clarify how a not-for-profit entity determines whether a resource provider is participating in an exchange transaction or a contribution
- Help an entity to evaluate whether contributions are conditional or unconditional by stating that a conditional contribution must have (1) a barrier that must be overcome and (2) a right of return or release of obligation
- Modify the simultaneous release option currently in generally accepted accounting principles (GAAP), which allows a not-for-profit entity to recognize a restricted contribution directly in unrestricted net assets/net assets without donor restrictions if the restriction is not in the same period that revenue is recognized.

The ASU is effective for GDPS for the year ended June 30, 2020. Management is evaluating the impact of the adoption of this standard.

**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**(A California Nonprofit Public Benefit Corporation)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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***NOTE 1 - PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES, continued***

**Change in Accounting Principle**

As of July 1, 2018, GDPS adopted the provisions of Accounting Standards Update (ASU) 2016-14, *Presentation of Financial Statements for Not-For-Profit Entities*. The provisions of the ASU replace the existing three classes of net assets with two new classes (net assets without donor restrictions and net assets with donor restrictions) and enhance the disclosure requirements for GDPS' donor restricted endowment funds and underwater endowments. The ASU introduces new disclosure requirements to provide information about what is included or excluded from GDPS' intermediate measure of operations as well as disclosures to improve a financial statement user's ability to assess GDPS' liquidity and exposure to risk. The ASU also introduces new reporting requirements to present expenses by both function and natural classification in a single location and to present investment returns on the statements of activities net of external and direct internal investment expenses.

The amendments should be applied on a retrospective basis; however, if presenting comparative financial statements, the ASU allows for the option to omit, for any periods presented before the period of adoption, the analysis of expenses by both natural classification and functional classification (the separate presentation of expenses by functional classification and expenses by natural classification is still required), and the disclosure about liquidity and availability of resources. GDPS has elected not to present comparative information for these amendments.

GDPS has adopted this standard as management believes the standard improves the usefulness and understandability of GDPS' financial reporting.

**Adjustments Resulting from Change in Accounting Policy**

As disclosed above, GDPS adopted the provisions of ASU 2016-14, *Presentation of Financial Statements for Not-For-Profit Entities* as of June 30, 2019. As a part of the adoption, changes were made to the presentation of the financial statements and the classification of net assets. Following is a summary of the effects of the change in accounting policy in GDPS' June 30, 2018, net assets.



**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**(A California Nonprofit Public Benefit Corporation)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**NOTE 1 - PRINCIPAL ACTIVITY AND SIGNIFICANT ACCOUNTING POLICIES, continued**

	As Previously Reported	Adoption of ASU 2016-14	As Adjusted
Net Assets, July 1, 2017			
Unrestricted	\$ 51,105,694	\$ (51,105,694)	\$ -
Temporarily restricted net assets	401,441	(401,441)	-
Net assets without donor restrictions	-	51,105,694	51,105,694
Net assets with donor restrictions	-	401,441	401,441
	<u>\$ 51,507,135</u>	<u>\$ -</u>	<u>\$ 51,507,135</u>
Net Assets, June 30, 2018			
Unrestricted	\$ 57,918,256	\$ (57,918,256)	\$ -
Temporarily restricted net assets	305,111	(305,111)	-
Net assets without donor restrictions	-	57,918,256	57,918,256
Net assets with donor restrictions	-	305,111	305,111
	<u>\$ 58,223,367</u>	<u>\$ -</u>	<u>\$ 58,223,367</u>

**NOTE 2 – LIQUIDITY AND AVAILABILITY**

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the statement of financial position date, comprise of the following:

Financial Assets:		
Cash and cash equivalents		\$ 56,391,901
Accounts receivable		18,609,174
Prepaid and other assets		<u>2,550,051</u>
Financial Assets, at year-end		<u>77,551,126</u>
Less those unavailable for general expenditures without one year, due to:		
Donor-imposed restriction:		
Restrictions by donor with purpose restrictions		(138,253)
Designations:		
Broad Foundation		<u>(250,000)</u>
		<u>(388,253)</u>
Financial assets available to meet cash needs for general expenditures within one year		<u>\$ 77,162,873</u>

**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**(A California Nonprofit Public Benefit Corporation)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**NOTE 3 - CASH AND CASH EQUIVALENTS**

Cash and cash equivalents consist of the following at June 30, 2019, and 2018:

	2019					Consolidated Reported Amounts	Bank Balance
	GDPS National	GDPS CA	GDPS TN	GDPS WA	UP&S		
Cash on hand and in banks	<u>\$ 4,486,396</u>	<u>\$ 46,186,682</u>	<u>\$ 1,062,840</u>	<u>\$ 3,390,828</u>	<u>\$ 1,265,155</u>	<u>\$ 56,391,901</u>	<u>\$ 59,129,440</u>

  

	2018					Consolidated Reported Amounts	Bank Balance
	GDPS National	GDPS CA	GDPS TN	GDPS WA	UP&S		
Cash on hand and in banks	<u>\$ 1,895,833</u>	<u>\$ 38,949,755</u>	<u>\$ 1,793,438</u>	<u>\$ 4,677,458</u>	<u>\$ 478,996</u>	<u>\$ 47,795,480</u>	<u>\$ 48,869,077</u>

The majority of Consolidated GDPS' cash is held in non-interest bearing accounts, which are subject to federally insured limits. Consolidated GDPS has not experienced any losses in such accounts. At June 30, 2019, consolidated GDPS had \$49,589,279 in excess of FDIC insured limits in non-interest bearing accounts.

**NOTE 4 - RESTRICTED CASH AND INVESTMENTS**

Restricted cash and investment consist of the following at June 30, 2019, and 2018:

	2019		2018	
	Reported Amount	Bank Balance	Reported Amount	Bank Balance
GDPS CA Current Restricted Cash and Investment	<u>\$ 16,746,804</u>	<u>\$ 16,746,804</u>	<u>\$ 4,234,896</u>	<u>\$ 4,234,896</u>
GDPS CA Non-Current Restricted Cash and Investment	<u>\$ 41,358,582</u>	<u>\$ 41,358,582</u>	<u>\$ 33,613,645</u>	<u>\$ 33,613,645</u>

GDPS CA and Delta's restricted cash and investments balance held in interest bearing accounts are insured up to \$250,000. At June 30, 2019, GDPS CA and Delta had \$57,105,386 in excess of FDIC insured limits. Delta has restricted cash and investments balance held in money market accounts that are not protected against loss; however, Delta's money market accounts are held in AAA rated investments. At June 30, 2019, Delta held \$28,170,595 in money market funds. Management believes GDPS CA and Delta are not exposed to any significant risk related to restricted cash and investments. Note that the \$57,105,386 in excess of FDIC insured limits includes the \$499,877 in Delta money market funds.

**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**(A California Nonprofit Public Benefit Corporation)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

Proposition 47, 55, and 1D

Restricted cash and investments in the amount of \$29,934,791 represents the remaining balance of funds received which are limited in use for the payment of costs of constructing and operating new facilities. Ánimo Leadership Charter High School (“CHS”), Oscar de la Hoya Ánimo CHS, and Ánimo Pat Brown Charter Middle School (“CMS”) were awarded funds under Proposition 47, Proposition 55, and Proposition 1D.

Restricted cash and investments in the amount of \$4,577,867 arise from conditions required by various financing arrangements, held to satisfy current obligations and long-term obligations. Financial statement classification is based on whether the restricted cash and investments are held to satisfy current or long-term obligations.

Delta's restricted cash and investments in the amount of \$23,592,728 arise from conditions required by various financing arrangements, with \$16,746,804 held to satisfy current obligations and \$6,845,924 held to satisfy long-term obligations. Financial statement classification is based on whether the restricted cash and investments are held to satisfy current or long-term obligations.

**NOTE 5 - ACCOUNTS RECEIVABLE**

Accounts receivable consist of the following at June 30, 2019, and 2018:

	2019					
	GDPS National	GDPS CA	GDPS TN	GDPS WA	UP&S	Total
Apportionment	\$ -	\$ 10,727,719	\$ 490,312	\$ -	\$ -	\$ 11,218,031
Federal receivable	-	1,360,916	576,602	90,912	-	2,028,430
Other State receivable	-	3,716,181	123,596	207,246	-	4,047,023
Other receivable	114,324	894,088	253,988	52,990	300	1,315,690
Total Accounts Receivable	<u>\$ 114,324</u>	<u>\$ 16,698,904</u>	<u>\$ 1,444,498</u>	<u>\$ 351,148</u>	<u>\$ 300</u>	<u>\$ 18,609,174</u>

	2018					
	GDPS National	GDPS CA	GDPS TN	GDPS WA	UP&S	Total
Apportionment	\$ -	\$ 6,322,436	\$ 489,762	\$ -	\$ -	\$ 6,812,198
Federal receivable	-	3,206,609	730,364	223,599	-	4,160,572
Other State receivable	-	3,504,482	489,938	62,109	-	4,056,529
Other receivable	298,753	347,360	177,229	7,435	200,900	1,031,677
Total Accounts Receivable	<u>\$ 298,753</u>	<u>\$ 13,380,887</u>	<u>\$ 1,887,293</u>	<u>\$ 293,143</u>	<u>\$ 200,900</u>	<u>\$ 16,060,976</u>

**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**(A California Nonprofit Public Benefit Corporation)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**NOTE 6 - CONDITIONAL PROMISES**

On February 25, 2013, GDPS CA received an amendment to a promise from a private foundation conditioned upon opening new charter schools from December 1, 2006, to November 30, 2020. GDPS CA may receive \$250,000 in the first year of school operations, \$175,000 in the second year of school operations, and \$75,000 in the third year of school operations for a total of \$10,542,000 for 21 new schools opening. As of June 30, 2019, GDPS CA may receive \$325,000 over the next two years.

**NOTE 7 – PROPERTY AND EQUIPMENT**

Property and equipment consist of the following at June 30, 2019, and 2018:

	2019					
	GDPS National	GDPS CA	GDPS TN	GDPS WA	UP&S	Total
Land	\$ -	\$ 21,500,881	\$ -	\$ -	\$ -	\$ 21,500,881
Building and improvements	-	58,915,931	341,890	673,529	-	59,931,350
Leasehold improvements	831,519	50,656,060	3,893,099	-	-	55,380,678
Computer and equipment	1,844,914	4,787,700	-	-	59,424	6,692,038
Construction in progress	-	8,040,692	1,312,778	-	-	9,353,470
Subtotal	2,676,433	143,901,264	5,547,767	673,529	59,424	152,858,417
Less: accumulated depreciation	(1,146,073)	(34,704,507)	(805,264)	(292,528)	(23,152)	(36,971,524)
Total Property and Equipment	\$ 1,530,360	\$ 109,196,757	\$ 4,742,503	\$ 381,001	\$ 36,272	\$ 115,886,893

	2018					
	GDPS National	GDPS CA	GDPS TN	GDPS WA	UP&S	Total
Land	\$ -	\$ 18,414,559	\$ -	\$ -	\$ -	\$ 18,414,559
Building and improvements	-	37,842,490	341,890	-	-	38,184,380
Leasehold improvements	831,519	60,691,173	2,525,145	404,354	-	64,452,191
Computer and equipment	1,689,587	4,658,493	-	-	59,424	6,407,504
Construction in progress	-	7,490,900	733,213	258,080	-	8,482,193
Subtotal	2,521,106	129,097,615	3,600,248	662,434	59,424	135,940,827
Less: accumulated depreciation	(742,762)	(32,960,077)	(579,115)	(59,904)	(13,891)	(34,355,749)
Total Property and Equipment	\$ 1,778,344	\$ 96,137,538	\$ 3,021,133	\$ 602,530	\$ 45,533	\$ 101,585,078

Certain properties financed by new market tax credit transactions are restricted for use as outlined in the finance agreements.

**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**(A California Nonprofit Public Benefit Corporation)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**NOTE 8 - ACCOUNTS PAYABLE AND ACCRUALS**

Accounts payable and accruals consist of the following at June 30, 2019, and 2018:

	2019					Total
	GDPS National	GDPS CA	GDPS TN	GDPS WA	UP&S	
Salaries and benefits	\$ 918,961	\$ 4,019,221	\$ 880,305	\$ 295,254	\$ 85,801	\$ 6,199,542
Other accounts payable	557,652	8,047,221	642,612	498,469	4,587	9,750,541
Total Accounts Payable and Accruals	\$ 1,476,613	\$ 12,066,442	\$ 1,522,917	\$ 793,723	\$ 90,388	\$ 15,950,083

	2018					Total
	GDPS National	GDPS CA	GDPS TN	GDPS WA	UP&S	
Salaries and benefits	\$ 1,091,526	\$ 4,948,159	\$ 1,316,777	\$ 415,652	\$ 106,480	\$ 7,878,594
Other accounts payable	308,149	7,072,401	1,060,331	425,697	8,464	8,875,042
Total Accounts Payable and Accruals	\$ 1,399,675	\$ 12,020,560	\$ 2,377,108	\$ 841,349	\$ 114,944	\$ 16,753,636

**NOTE 9 - DEFERRED REVENUE**

Deferred revenue consist of the following at June 30, 2019, and 2018:

	2019				
	GDPS CA	GDPS TN	GDPS WA	UP&S	Total
Proposition 47, 55, and 1D	\$ 29,706,102	\$ -	\$ -	\$ -	\$ 29,706,102
Federal sources	82,231	3,344	-	-	85,575
State sources	2,339,749	-	-	-	2,339,749
Other	538,821	-	3,399,166	288,855	4,226,842
Total Deferred Revenue	\$ 32,666,903	\$ 3,344	\$ 3,399,166	\$ 288,855	\$ 36,358,268

	2018				
	GDPS CA	GDPS TN	GDPS WA	UP&S	Total
Proposition 47, 55, and 1D	\$ 29,610,492	\$ -	\$ -	\$ -	\$ 29,610,492
Federal sources	4,873,796	-	-	-	4,873,796
Other	-	-	4,780,241	111,839	4,892,080
Total Deferred Revenue	\$ 34,484,288	\$ -	\$ 4,780,241	\$ 111,839	\$ 39,376,368

**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**(A California Nonprofit Public Benefit Corporation)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**NOTE 10 - LONG-TERM OBLIGATIONS**

At June 30, 2019, long-term obligations are summarized as follows:

	Balance July 01, 2018	Additions	Deductions	Balance June 30, 2019	Due in One Year
GDPS CA	\$ 89,202,097	\$ 60,502,171	\$ 23,348,625	\$ 126,355,643	\$ 2,043,462
GDPS TN	3,063,785	2,159,007	-	5,222,792	227,749
GDPS WA	340,186	-	192,277	147,909	147,909
Total	<u>\$ 92,606,068</u>	<u>\$ 62,661,178</u>	<u>\$ 23,540,902</u>	<u>\$ 131,726,344</u>	<u>\$ 2,419,120</u>

**GDPS CA**

At June 30, 2019, GDPS CA's long-term obligations summary is as follows:

	Balance July 1, 2018	Additions	Deductions	Balance June 30, 2019	Due in One Year
Proposition construction loans	\$ 29,075,617	\$ -	\$ 1,091,392	\$ 27,984,225	\$ 1,168,622
Notes payable	21,446,516	-	21,446,516	-	-
Bonds payable	38,437,531	60,502,171	799,446	98,140,256	695,000
Settlement agreements	242,433	-	11,271	231,162	179,840
Total	<u>\$ 89,202,097</u>	<u>\$ 60,502,171</u>	<u>\$ 23,348,625</u>	<u>\$ 126,355,643</u>	<u>\$ 2,043,462</u>

On September 29, 2015, GDPS CA entered into a loan agreement with 810 East 111<sup>th</sup>, LLC for the benefit of Ánimo James B. Taylor Charter Middle School. 810 East 111<sup>th</sup>, LLC, agreed to lend the principal sum of \$3,320,000 with no accrued interest on the principal sum outstanding with a maturity date of August 1, 2022. Monthly principal payments of \$45,000 are payable to 810 East 111<sup>th</sup>, LLC, commencing on October 25, 2015. As of June 30, 2019, no remaining balance was outstanding.

On October 1, 2018, GDPS CA entered into a loan agreement with 11044 S. Freeman LLC for the purpose of building a gym for the use by Ánimo Leadership Charter High School. 11044 S. Freeman LLC agreed to lend the principal sum of \$4,760,475 with accrued interest on the principal sum outstanding with a maturity date of June 25, 2048. A portion of the principal was used to pay an allocated share of all costs of issuance of the bonds and other expenses. Interest only payments were made through June 30, 2019. Principal payments for the loan commence July 25, 2019, and change annually, but are approximately \$26,195 per month. As of June 30, 2019, the remaining balance outstanding was \$4,760,475. Inter-company loans have been eliminated in the consolidated financial statements.

**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**(A California Nonprofit Public Benefit Corporation)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

*NOTE 10 - LONG-TERM OBLIGATIONS, continued*

**Proposition Construction Loans**

At June 30, 2019, GDPS CA's proposition construction loans summary is as follows:

	Balance July 1, 2018	Additions	Deductions	Balance June 30, 2019	Due in One Year
Ánimo Leadership CHS	\$ 10,406,463	\$ -	\$ 432,259	\$ 9,974,204	\$ 440,904
Oscar De La Hoya Ánimo CHS	11,151,263	-	401,007	10,750,256	463,036
Ánimo Venice CHS	6,620,348	-	258,126	6,362,222	264,682
Ánimo Pat Brown CHS	897,543	-	-	897,543	-
Total	<u>\$ 29,075,617</u>	<u>\$ -</u>	<u>\$ 1,091,392</u>	<u>\$ 27,984,225</u>	<u>\$ 1,168,622</u>

**Ánimo Leadership CHS**

Per Proposition 47 and 1D, one-half of the approved project costs paid under the award are reimbursed in the form of a State grant (recorded as proposition construction revenue and expense on the Statement of Activities). One-half of the approved project costs paid under the award are required to be remitted back to the State in the form of loan payments over a period not to exceed 30 years.

The original proposition construction loan obligation of \$12,071,778 for building improvements represents one-half of the costs incurred for Ánimo Leadership CHS' approved Proposition 47 and 1D project. The site improvements made under the guidelines of the Proposition 47 and 1D awards are being accounted for as capital leases because the term of the lease exceeds 75 percent of the economic life of the leased property. At June 30, 2019, the proposition construction loan obligation is \$9,974,204.

Future payments are as follows:

Repayment Year	Principal *	Interest to Maturity	Total
2020	\$ 440,904	\$ 240,725	\$ 681,629
2021	449,722	231,907	681,629
2022	458,717	222,912	681,629
2023	467,891	213,738	681,629
2024	477,249	204,380	681,629
2025-2029	2,533,295	874,850	3,408,145
2030-2034	2,796,962	611,182	3,408,144
2035-2039	3,088,072	320,072	3,408,144
2040-2041	1,323,424	39,834	1,363,258
Total	<u>\$ 12,036,236</u>	<u>\$ 2,959,600</u>	<u>\$ 14,995,836</u>

\* Total principal payment will be reduced by cash proceeds that are not utilized by the end of construction. As of June 30, 2019, \$4,216,604 was not utilized.

**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**(A California Nonprofit Public Benefit Corporation)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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*NOTE 10 - LONG-TERM OBLIGATIONS, continued*

**Ánimo Oscar De La Hoya CHS**

Per Proposition 55 and 1D, one-half of the approved project costs paid under the award are reimbursed in the form of a State grant (recorded as proposition construction revenue and expense on the Statement of Activities and Changes in Net Assets). One-half of the approved project costs paid under the award are required to be remitted back to the State in the form of loan payments over a period not to exceed 30 years.

The original proposition construction loan obligation of \$13,892,600 for building improvements represents one-half of the costs incurred for Ánimo Oscar De La Hoya CHS' approved Proposition 55 project. The site improvements made under the guidelines of the Proposition 55 award are being accounted for as a capital lease because the term of the lease exceeds 75 percent of the economic life of the leased property. At June 30, 2019, the proposition construction loan obligation is \$10,750,256.

Future payments are as follows:

Repayment Year	Principal	Interest to Maturity	Total
2020	\$ 463,036	\$ 285,662	\$ 748,698
2021	422,706	274,669	697,375
2022	433,993	263,383	697,376
2023	445,580	251,795	697,375
2024	457,477	239,898	697,375
2025-2029	2,477,260	1,009,615	3,486,875
2030-2034	2,826,113	660,762	3,486,875
2035-2039	3,224,091	262,785	3,486,876
Total	\$ 10,750,256	\$ 3,248,569	\$ 13,998,825

**Ánimo Venice CHS**

Per Proposition 55, one-half of the approved project costs paid under the award are reimbursed in the form of a State grant (recorded as earned revenue and proposition expense on the Statement of Activities). One-half of the approved project costs paid under the award are required to be remitted back to the State of California in the form of lease payments over a period not to exceed 30 years.

The original capital lease obligation of \$8,256,797 for building improvements represents one-half of the costs incurred for Ánimo Venice CHS' approved Proposition 55. The site improvements made under the guidelines of the Proposition 55 award is being accounted for as a capital lease because the term of the lease with the State of California exceeds 75 percent of the economic life of the leased property. At June 30, 2019, the capital lease obligation is \$6,362,222.



**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**(A California Nonprofit Public Benefit Corporation)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**NOTE 10 - LONG-TERM OBLIGATIONS, continued**

Future payments are as follows:

Repayment Year	Principal	Interest to Maturity	Total
2020	\$ 264,682	\$ 161,600	\$ 426,282
2021	271,405	154,878	426,283
2022	278,299	147,984	426,283
2023	285,367	140,915	426,282
2024	292,616	133,667	426,283
2025-2029	1,578,414	552,999	2,131,413
2030-2034	1,789,319	342,095	2,131,414
2035-2038	1,602,120	103,010	1,705,130
Total	\$ 6,362,222	\$ 1,737,148	\$ 8,099,370

**Ánimo Pat Brown CHS**

Per Proposition 55 and 1D, one-half of the approved project costs paid under the award are reimbursed in the form of a State grant (recorded as earned revenue and proposition expense on the Statement of Activities and Changes in Net Assets). One-half of the approved project costs paid under the award are required to be remitted back to the State of California in the form of lease payments over a period not to exceed 30 years.

The June 30, 2019, capital lease obligation of \$897,543 for building improvements represents one-half of the costs incurred for Ánimo Pat Brown CHS' approved Proposition 55 and 1D project. The site improvements made under the guidelines of the Proposition 55 and 1D awards are being accounted for as capital leases because the term of the lease with the State of California exceeds 75 percent of the economic life of the leased property. At June 30, 2019, the project is incomplete. A payment schedule will not be provided until the project is complete.

**Notes Payable**

At June 30, 2019, GDPS CA's and Delta's notes payable summary is as follows:

	Balance July 1, 2018	Additions	Deductions	Balance June 30, 2019	Due in One Year
Delta	\$ 21,446,516	\$ -	\$ 21,446,516	\$ -	\$ -

In September 2011, Delta obtained several new market tax credit loans in total amount of \$21,200,000. Proceeds from the loans were to be used for the purpose of construction and acquisition of certain real property and improvements for school facilities. The loans maturity dates range from October 12, 2018, through October 12, 2041, and yielded interest ranging from 4.27 to 4.82 percent. On October 18, 2018, Delta issued School Facility Revenue Bonds to pay off the outstanding portion of the loans. At June 30, 2019, there was no remaining balance outstanding.

**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**(A California Nonprofit Public Benefit Corporation)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

*NOTE 10 - LONG-TERM OBLIGATIONS, continued*

**Bonds Payable**

At June 30, 2019, Delta's bonds payable summary is as follows:

	Balance July 1, 2018	Additions	Deductions	Balance June 30, 2019	Due in One Year
Delta - bonds payable	\$ 37,875,000	\$ 56,155,000	\$ 655,000	\$ 93,375,000	\$ 695,000
Delta - bonds discount	(110,436)	-	(6,188)	(104,248)	-
Delta - premium	672,967	4,327,263	130,726	4,869,504	-
Total	<u>\$ 38,437,531</u>	<u>\$ 60,482,263</u>	<u>\$ 779,538</u>	<u>\$ 98,140,256</u>	<u>\$ 695,000</u>

*Charter Revenue Bonds Series 2011A and 2011B*

In July 2011, Manchester obtained bond financing through the California Statewide Community Development Authority. Details of these bonds are as follows:

Issuance	Description	Interest Rate	Maturity Date	Optional Redemption	Payment Terms	Balance June 30, 2019
Series 2011 A-1 & Series 2011 A-2	Tax exempt bond issues at an underwriter's discount utilized to acquire school facilities for use by GDPS CA. Issuance secured by deed of trust on those school facilities.	6.90-7.25%	8/1/31- 8/1/41	8/1/2021	Bond 1: Beginning February 1, 2012, interest coupon payments due semi-annually on February and August 1. Bond principal payments due annually August 1, beginning August 1, 2018. Bond 2: Beginning February 1, 2012, interest coupon payments due semi-annually on February and August 1. Bond principal payments due annually August 1, beginning August 1, 2032.	
						\$ 7,545,000
					<b>Subtotal Series 2011 A</b>	<u>\$ 7,545,000</u>
					<b>Less: unamortized discount</b>	(104,248)
					<b>Subtotal Series 2011</b>	<u>\$ 7,440,752</u>

The bond agreement requires Manchester to comply with various covenants, conditions and restrictions including maintaining certain financial ratios. Manchester is required to maintain a bond reserve cash account in an amount equal to the lesser: of (a) ten percent of the proceeds of the bonds; (b) maximum annual debt service with respect to the Series 2011A and Series 2011B bonds outstanding; or (c) 125 percent of average annual debt service with respect to the bonds. As of June 30, 2019, the reserve requirement amounted to \$761,450 and is reported as restricted cash and investments on the statement of financial position.

**GREEN DOT PUBLIC SCHOOLS NATIONAL  
(A California Nonprofit Public Benefit Corporation)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
JUNE 30, 2019**

**NOTE 10 - LONG-TERM OBLIGATIONS, continued**

Costs associated with the issuance of these bonds payable have been capitalized as debt issue costs. These costs are amortized over the term of the notes. Amortization of the issuance costs for the year ended June 30, 2019, amounted to \$23,769.

Bonds payable are reported on the balance sheet net of a \$104,248 bond discount. The discount is being amortized to interest expense over the life of the bonds. The amortized bond discount charged to interest expense for the year ended June 30, 2019, was \$6,188.

**School Facility Revenue Bonds Series 2015A and 2015B**

Due diligence was performed by Standard & Poor's and an investment grade rating of BBB- was assigned to GDPS CA. The bonds were priced on September 14, 2015 at a 4.6 percent weighted interest rate on a par amount of \$31,105,000. The bond transaction closed on September 29, 2015. Details of these bonds are as follows:

<u>Issuance</u>	<u>Description</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Optional Redemption</u>	<u>Payment Terms</u>	<u>Balance June 30, 2019</u>
Series 2015 A	Tax-exempt bond issued at an underwriter's discount utilized to acquire, construct, expand, remodel, renovate, improve, furnish and equip school facilities for use by GDPS CA. Issuance secured by deed of trust on those school facilities.	4.00-4.70%	8/1/25-8/1/45	N/A	Beginning February 1, 2016, interest coupon payments due semi-annually on February 1 and August 1. Bond principal payments due annually August 1, beginning August 1, 2023.	
					<b>Subtotal Series 2015 A</b>	<u>\$ 26,710,000</u> <u>\$ 26,710,000</u>
Series 2015 B	Taxable bond issued at an underwriter's discount utilized to acquire, construct, expand, remodel, renovate, improve, furnish and equip school facilities for use by GDPS CA. Issuance secured by deed of trust on those school facilities.	5.00%	8/1/23	N/A	Beginning February 1, 2016, interest coupon payments due semi-annually on February 1 and August 1. Bond principal payments due annually August 1, beginning August 1, 2016.	
					<b>Subtotal Series 2015 B</b>	<u>\$ 2,965,000</u> <u>2,965,000</u>
					<b>Plus: Premium</b>	<u>661,992</u>
					<b>Subtotal Series 2015</b>	<u>\$ 30,336,992</u>

Costs associated with the issuance of these bonds payable have been capitalized as debt issue costs. These costs are amortized over the term of the notes. Amortization of the issuance costs for the year ended June 30, 2019, amounted to \$135,463.

Bonds payable are reported on the balance sheet net of a \$661,992 bond premium. The premium is being amortized to interest expense over the life of the bonds. The amortized premium charged to interest expense for the year ended June 30, 2019, was \$10,975.

**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**(A California Nonprofit Public Benefit Corporation)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

**NOTE 10 - LONG-TERM OBLIGATIONS, continued**

With the issuance of bonds in October 2018, Delta reallocated the bond payable for the 2015 series bonds. Bond payable at 810 E. 111<sup>th</sup> LLC was reduced by \$1,705,000; bond payable at 111<sup>th</sup> Place LLC was increased by \$568,333; bond payable at 8255 Beach LLC was increased by \$568,333; and bond payable at 12628 S. Avalon LLC was increased by \$568,333.

**School Facility Revenue Bonds Series 2018A and 2018B**

Due diligence was performed by Standard & Poor and an investment grade rating of BBB- was assigned to GDPS CA. The bonds were priced on September 27, 2018, at a 4.45 percent weighted interest rate on a par amount of \$56,155,000. The bond transaction closed on October 11, 2018. Details of these bonds are as follows:

<b>Issuance</b>	<b>Description</b>	<b>Interest Rate</b>	<b>Maturity Date</b>	<b>Optional Redemption</b>	<b>Payment Terms</b>	<b>Balance June 30, 2019</b>
Series 2018A	Tax exempt bond issued at an underwriter's discount utilized to acquire, construct, expand, remodel, renovate, improve, furnish and equip school facilities for use by GDPS CA. Issuance secured by deed of trust on those school facilities.	5.00%	08/01/20-08/01/48	N/A	Beginning February 1, 2019, interest coupon payments due semi-annually on February 1 and August 1. Bond principal payments due annually August 1, beginning August 1, 2020.	\$ 55,570,000
<b>Subtotal Series 2018A</b>						<u>\$ 55,570,000</u>
Series 2018B	Taxable bond issued at an underwriter's discount utilized to acquire, construct, expand, remodel, renovate, improve, furnish and equip school facilities for use by GDPS CA. Issuance secured by deed of trust on those school facilities.	5.00%	8/1/20	N/A	Beginning February 1, 2019, interest coupon payments due semi-annually on February 1 and August 1. Bond principal payment due August 1, 2020.	\$ 585,000
<b>Subtotal Series 2018B</b>						<u>\$ 585,000</u>
<b>Plus: Premium</b>						<u>4,207,512</u>
<b>Subtotal Series 2018</b>						<u>\$ 60,362,512</u>
<b>Subtotal Series 2011</b>						7,440,752
<b>Subtotal Series 2015</b>						30,336,992
<b>Total Bonds Payable</b>						<u><u>\$ 98,140,256</u></u>

Costs associated with the issuance of these bonds payable have been capitalized as debt issue costs. These costs are amortized over the term of the notes. Amortization of the issuance costs for the year ended June 30, 2019, amounted to \$99,765.

Bonds payable are reported on the balance sheet net of a \$4,207,512 bond premium. The premium is being amortized to interest expense over the life of the bonds. The amortized premium charged to interest expense for the year ended June 30, 2019, was \$119,751.

**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**(A California Nonprofit Public Benefit Corporation)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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*NOTE 10 - LONG-TERM OBLIGATIONS, continued*

Future maturities of bonds payable are as follows:

Fiscal Year Ending June 30,	
2020	\$ 695,000
2021	1,630,000
2022	1,715,000
2023	1,810,000
2024	1,900,000
Thereafter	<u>85,625,000</u>
Total future maturities	93,375,000
Plus: unamortized premium	4,869,504
Less: unamortized discount	<u>(104,248)</u>
Total	<u><u>\$ 98,140,256</u></u>

*Settlement Agreements*

**Alain Leroy Locke 3 CPA EAAP Case No. 11-7**

On September 8, 2011, Alain Leroy Locke 3 College Preparatory Academy (Alain Leroy Locke 3 CPA) received a summary review determination letter from the Education Audit Appeals Panel (EAAP) regarding an audit finding from 2008-2009.

Alain Leroy Locke 3 CPA and the California State Controller's Office agreed to complete resolution of Audit Finding 2009-1 for the fiscal year 2008-2009 and determined that the questioned costs were \$338,181. At June 30, 2019, the balance was \$67,634. Though Alain Leroy Locke 3 CPA is now closed, payments will continue to be made by the GDPS CA Regional Office.

On September 12, 2011, the California Department of Education requested additional clarification for Alain Leroy Locke 3 CPA's June 30, 2010, audit finding 2010-1. According to the audit finding revision, Alain Leroy Locke 3 CPA has questioned costs in the amount of \$893,556 for an attendance compliance deficiency for 124 students exactly as noted in the above EAAP Case No. 11-7. As of June 30, 2019, GDPS CA has not settled with EAAP but has accrued the potential liability in accordance with the settlement calculation used on Case No. 11-7. At June 30, 2019, the estimated accrued balance was \$163,528.

**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**(A California Nonprofit Public Benefit Corporation)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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*NOTE 10 - LONG-TERM OBLIGATIONS, continued*

**GDPS TN**

On August 7, 2015, GDPS TN entered into a loan agreement with CSGF Memphis, LLC. CSGF Memphis agreed to lend the principal sum of \$585,000 with an interest rate of 1.00 percent per annum on the principal sum outstanding. The first principal payment of \$285,000 is due on December 31, 2021, and the entire unpaid principal amount of the note, together with all accrued unpaid interest is due on December 31, 2022. Upon successful accomplishment of the milestones outlined in the loan, certain of the amounts due under the loan may be forgiven and treated as a charitable grant. At June 30, 2019, the balance was \$585,000.

On October 5, 2016, GDPS TN entered into a loan agreement with CSGF Memphis, LLC. CSGF Memphis agreed to lend the principal sum of \$820,000 with an interest rate of 2.00 percent per annum on the principal sum outstanding. \$420,000 of the principal was to be used by Hillcrest High School and \$400,000 by Kirby Middle School. The first principal payment of \$38,415 for Hillcrest and \$36,585 for Kirby, respectively, is due on August 1, 2019. At June 30, 2019, the balance was \$820,000.

Future payments are as follows:

Fiscal Year Ending June 30,	Hillcrest HS	Kirby MS	Total
2020	\$ 38,415	\$ 36,585	\$ 75,000
2021	76,317	72,683	149,000
2022	76,317	72,683	149,000
2023	76,317	72,683	149,000
2024	76,317	72,683	149,000
2025	76,317	72,683	149,000
Total	<u>\$ 420,000</u>	<u>\$ 400,000</u>	<u>\$ 820,000</u>

On April 4, 2018, GDPS TN entered into a construction loan agreement with Nonprofit Finance Fund. Nonprofit Finance Fund lent the principal sum of \$2,740,083 with an interest rate of 5.75 percent per annum on the principal sum outstanding. As of June 30, 2019, GDPS TN has paid \$143,219 in interest. The first principal repayment of \$12,245 will commence on May 1, 2020, and the loan will be paid in full by April 1, 2025.

**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**(A California Nonprofit Public Benefit Corporation)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

---

*NOTE 10 - LONG-TERM OBLIGATIONS, continued*

Future payments are as follows:

Fiscal Year Ending June 30,	Bluff
2020	\$ 12,245
2021	75,983
2022	80,469
2023	85,220
2024	90,251
2025	2,395,915
Total	<u>\$ 2,740,083</u>

On May 17, 2019, GDPS TN entered into a construction loan agreement with Nonprofit Finance Fund. Nonprofit Finance agreed to lend the principal sum of \$3,300,000 with an interest rate of 6.50 percent per annum on the principal outstanding per the modified loan agreement. GDPS will be drawing down on the principal amount until January 31, 2020, and paying the interest. As of June 30, 2019, GDPS TN has drawn down \$1,077,709 and has paid \$2,919 in interest. A payment schedule will be provided when the construction loan is closed.

**GDPS WA**

On March 29, 2018, GDPS WA 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 WA's 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:

Repayment Year	Principal	Interest to Maturity	Total
2020	\$ 147,909	\$ 4,223	\$ 152,132

**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**(A California Nonprofit Public Benefit Corporation)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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**NOTE 11 - FAIR VALUE FINANCIAL INSTRUMENTS**

The carrying amounts and estimated fair values of Consolidated GDPS financial instruments as of June 30, 2019 are as follows:

	Carrying Amount	Fair Value
Cash and cash equivalents	\$ 56,391,901	\$ 56,391,901
Restricted cash and cash equivalents	\$ 58,105,386	\$ 58,105,386
Proposition construction loans	\$ 27,984,225	\$ 27,590,185
Notes payable	\$ 5,370,701	\$ 5,320,602
Bonds payable	\$ 93,375,000	\$ 95,616,043
Settlement agreements	\$ 231,162	\$ 231,162

The following methods and assumptions were used to estimate the fair value of each class of financial instruments:

Cash and cash equivalents—The carrying amount reported in the statement of financial position approximates fair value because of the short maturity of those instruments.

Restricted cash and investments—The carrying amount reported in the statement of financial position approximates fair value from quoted prices in active markets for identical assets.

Construction loans—The fair value of construction loans is estimated by discounting the future cash flows using the current rates at which similar loans would be made to borrowers with similar credit ratings and for the same remaining maturities.

Notes payable—The fair value of notes payable is estimated by discounting the future cash flows using the current rates at which similar loans would be made to borrowers with similar credit ratings and for the same remaining maturities.

Bonds payable—The fair value of bonds payable is based on quoted market prices for the same issues. The carrying amount reported in the statement of financial position approximates fair value.

Settlement agreements—The carrying amount reported in the statement of financial position approximates fair value because no interest is charged on future payments for these instruments.

Per ASC 825-10-50, Delta must disclose the fair market value of its financial instruments despite being a nonprofit corporation as Delta does not meet the definition of a "nonpublic entity". Delta qualifies as a publicly traded company due to the Manchester Bond Payable, which makes Delta a conduit bond obligor for conduit debt securities that are traded in a public market. Please note that the holder of the note is not Delta. In addition, Consolidated GDPS is not exempt from the disclosure as the entity's total assets are more than \$100 million on the date of the consolidated financial statements.



**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**(A California Nonprofit Public Benefit Corporation)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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**NOTE 12 - OPERATING LEASES**

**GDPS National and GDPS CA**

GDPS National and GDPS CA entered into an agreement in January 2010, with LBA Realty Fund – Holding Co. VI, LLC, and LBA Realty Fund II Holding Co. I, LLC, to lease the premises on 1149 South Hill Street, Suite 600, Los Angeles, California. The term of the lease commences on September 1, 2010, and ends on December 31, 2024.

Future payments are as follows:

<u>Fiscal Year</u>	<u>Payment</u>
2020	\$ 1,025,470
2021	1,069,578
2022	1,133,488
2023	1,167,492
2024	599,796
Total	<u>\$ 4,995,824</u>

**GDPS CA**

**Ánimo Inglewood CHS**

GDPS CA entered into a lease agreement on behalf of Ánimo Inglewood CHS on July 18, 2011, with Manchester & 27<sup>th</sup> LLC, to lease the premises on 3348 W. 85<sup>th</sup> Street and 3425 W. Manchester Boulevard, Inglewood, California. The term of the lease commenced upon the date the lessor acquired the property and ends June 30, 2041. The base rent shall be paid in monthly installments equal to the principal and interest under the lessor's loan agreement dated February 1, 2011.

Future payments are as follows:

<u>Fiscal Year</u>	<u>Payment</u>
2020	\$ 677,448
2021	677,097
2022	681,057
2023	678,983
2024	681,218
Thereafter	14,946,668
Total	<u>\$ 18,342,471</u>

**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**(A California Nonprofit Public Benefit Corporation)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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**NOTE 12 - OPERATING LEASES**

**Ánimo Ellen Ochoa CMS**

On April 1, 2018, GDPS CA entered into a lease agreement with LAUSD on behalf of Ánimo Ellen Ochoa for the use of one of LAUSD's school sites for its main campus location. The location is at Robert Louis Stevenson Middle School. The term of the lease ended February 28, 2019, with a monthly rate of \$17,337.

GDPS CA entered into a lease agreement with 4360 Dozier Avenue LLC., on behalf of Ánimo Ellen Ochoa CMS on July 29, 2016, to lease the land on 4360 Dozier Ave, Los Angeles, 90022, Los Angeles, California. The term of the lease commenced January 1, 2019, and ends on June 30, 2027, with a monthly rate of \$53,910.

Future payments are as follows:

<u>Fiscal Year</u>	<u>Payment</u>
2020	\$ 646,903
2021	659,841
2022	725,825
2023	798,408
2024	878,249
Thereafter	3,197,703
Total	<u>\$ 6,906,929</u>

**Ánimo South Los Angeles CHS**

GDPS CA entered into a lease agreement on behalf of Ánimo South Los Angeles CHS on July 18, 2008, and amended and restated on October 1, 2018, with 111<sup>th</sup> Place LLC, to lease the premises on 11100 and 11130 South Western Avenue, Los Angeles, California. The term of the lease commenced on November 1, 2018, and ends on June 30, 2045.

Future payments are as follows:

<u>Fiscal Year</u>	<u>Payment</u>
2020	\$ 741,227
2021	741,530
2022	741,331
2023	767,298
2024	770,062
Thereafter	16,084,139
Total	<u>\$ 19,845,587</u>

**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**(A California Nonprofit Public Benefit Corporation)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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*NOTE 12 - OPERATING LEASES, continued*

**Ánimo Westside CMS**

GDPS CA entered into a lease agreement on behalf of Ánimo Westside CMS on September 20, 2012, with Playa Vista LLC, to lease the premises on 5456 McConnell Street, Los Angeles, California. The term of the lease commenced on April 1, 2013, and ends on June 30, 2028.

Future payments are as follows:

<u>Fiscal Year</u>	<u>Payment</u>
2020	\$ 727,152
2021	745,331
2022	763,964
2023	783,063
2024	802,640
Thereafter	3,416,298
Total	<u>\$ 7,238,448</u>

**Ánimo Jefferson CMS and Ánimo Ralph Bunche CHS**

GDPS CA entered into a lease agreement with 1655 27<sup>th</sup> Street Facilities LLC, on behalf of Ánimo Ralph Bunche CHS and Ánimo Jefferson CMS on October 1, 2018, to lease the premises on 1655 E. 27<sup>th</sup> Street, Los Angeles, California. The term of the lease commenced on November 1, 2018, and ends in June 30, 2048.

Future payments are as follows:

<u>Fiscal Year</u>	<u>Payment</u>
2020	\$ 1,075,202
2021	1,075,164
2022	1,075,858
2023	995,884
2024	995,238
Thereafter	23,862,826
Total	<u>\$ 29,080,172</u>

**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**(A California Nonprofit Public Benefit Corporation)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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*NOTE 12 - OPERATING LEASES, continued*

**Ánimo Pat Brown CHS**

GDPS CA entered into a lease agreement with 8255 Beach LLC, on behalf of Ánimo Pat Brown CHS on March 25, 2009, and amended and restated on October 1, 2018, to lease the premises on 8255 Beach Street, Los Angeles, California. The term of the lease commenced on November 1, 2018, and ends on June 30, 2048.

Future payments are as follows:

<u>Fiscal Year</u>	<u>Payment</u>
2020	\$ 1,124,533
2021	1,222,863
2022	1,223,717
2023	1,223,748
2024	1,222,955
Thereafter	29,322,799
Total	<u>\$ 35,340,615</u>

**Ánimo Mae Jemison CMS**

GDPS CA entered into a lease agreement with 12700 S. Avalon LLC, on behalf of Ánimo Mae Jemison CMS on October 1, 2018, to lease the land on 12700 S Avalon Boulevard, Los Angeles, California. The term of the lease commenced on November 1, 2018, and ends June 30, 2048. The base rent shall be paid in monthly installments.

Future payments are as follows:

<u>Fiscal Year</u>	<u>Payment</u>
2020	\$ 583,637
2021	583,614
2022	584,022
2023	584,037
2024	583,659
Thereafter	13,994,385
Total	<u>\$ 16,913,354</u>

**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**(A California Nonprofit Public Benefit Corporation)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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*NOTE 12 - OPERATING LEASES, continued*

**Ánimo Watts CPA**

GDPS CA entered into a lease agreement with 12628 S. Avalon LLC, on behalf of Ánimo Watts CPA on December 15, 2009, and amended and restated on October 1, 2018, to lease the land on 12628 South Avalon Boulevard, Los Angeles, California. The term of the lease commenced November 1, 2018, and ends on June 30, 2048.

Future payments are as follows:

<u>Fiscal Year</u>	<u>Payment</u>
2020	\$ 662,377
2021	662,680
2022	662,481
2023	648,448
2024	648,212
Thereafter	13,610,089
Total	<u><u>\$ 16,894,287</u></u>

**Ánimo James B. Taylor CMS**

GDPS CA entered into a lease agreement on October 1, 2018, with 810 E. 111<sup>th</sup> LLC to lease the land on 810 and 820 East 111<sup>th</sup> Place, Los Angeles, California. The term of the lease commenced on November 1, 2018, and ends June 30, 2048. The base rent shall be paid in monthly installments.

Future payments are as follows:

<u>Fiscal Year</u>	<u>Payment</u>
2020	\$ 607,047
2021	607,023
2022	607,447
2023	607,462
2024	607,069
Thereafter	14,555,696
Total	<u><u>\$ 17,591,744</u></u>

***Agreements With Los Angeles Unified School District (LAUSD)***

**Ánimo Western CMS and Ánimo Phillis Wheatley CMS**

On June 22, 2010, GDPS CA entered into a lease agreement with LAUSD on behalf of Ánimo Western CMS and Ánimo Phillis Wheatley CMS in accordance with the Public Choice Facilities Agreement. The location is Henry Clay Middle School. The term of the lease commenced on the first day of school operation and ends upon the expiration date of the schools' charter petitions.

**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**(A California Nonprofit Public Benefit Corporation)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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*NOTE 12 - OPERATING LEASES, continued*

**Ánimo Jackie Robinson CHS**

On April 1, 2011, GDPS CA entered into a lease agreement with LAUSD on behalf of Ánimo Jackie Robinson CHS for the use of one of LAUSD's school sites for its main campus location. The location is at William Clinton Middle School. The term of the lease expires on June 30 of each year and is renewed annually.

**Ánimo Florence-Firestone CMS**

On April 1, 2016, GDPS CA entered into a lease agreement with LAUSD on behalf of Ánimo Florence-Firestone CMS for the use of one of LAUSD's school sites for its main campus location. The location is at Mary McLeod Bethune Middle School. The term of the lease expires on June 30 of each year and is renewed annually.

**Alain Leroy Locke CPA**

On September 11, 2007, GDPS CA entered into a lease agreement with LAUSD on behalf of Alain Leroy Locke CPA for the use of one of LAUSD's school site for its main campus location. The location is at Locke High School. The term of the lease commenced on the first day of school operations and ends upon the expiration date of the school's charter petition. The monthly payments will be withheld from the apportionment payments due to the school.

**Ánimo CPA**

On May 24, 2011, GDPS CA entered into a lease agreement with LAUSD on behalf of Ánimo CPA for the use of one of LAUSD's school sites for its main campus location. The location is at Jordan Senior High School. The term of the lease expires on June 30 of each year and is renewed annually.

*Agreements With Inglewood Unified School District (IUSD)*

**Ánimo City of Champions CHS**

On February 20, 2019, GDPS CA entered into a lease agreement with IUSD on behalf of Ánimo City of Champions CHS for the use of one of IUSD's sites for its main campus location. The location is at Inglewood Unified Special Ed. The term of the lease expires on June 30 of each year and is renewed annually.

*Agreements With Compton Unified School District (CUSD)*

**Ánimo Compton CMS**

On January 10, 2019, GDPS CA entered into a lease agreement with CUSD on behalf of Ánimo Compton CMS for the use of one of CUSD's sites for its main campus location. The location is at 13305 S. San Pedro St. The term of the lease expires on June 30 of each year and is renewed annually.

**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**(A California Nonprofit Public Benefit Corporation)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

---

*NOTE 12 - OPERATING LEASES, continued*

**GDPS TN**

GDPS TN entered into an agreement on May 17, 2019, between GDPS TN, a Tennessee nonprofit public benefit corporation and Nonprofit Finance Fund, a New York not for profit corporation to secure a loan for the renovation and improvement of certain real property and improvements known as “Bluff City High School” leased by Borrower and located at and commonly known as 4100 Ross Road, Memphis, Tennessee in the amount of \$3,300,000. The term of the lease commences on May 1, 2020, and ends on March 1, 2025, with an additional 2 renewal terms ending in May 1, 2052.

Future payments are as follows:

<u>Fiscal Year</u>	<u>Payment</u>
2020	\$ 168,000
2021	168,000
2022	168,280
2023	171,646
2024	175,079
Thereafter	<u>13,712,967</u>
Total	<u><u>\$ 14,563,972</u></u>

**GDPS WA**

**Green Dot Public Schools Washington (Home 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.

**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**(A California Nonprofit Public Benefit Corporation)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

---

*NOTE 12 - OPERATING LEASES, continued*

**Destiny**

GDPS WA 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, 2045.

Future payments are as follows:

<u>Fiscal Year</u>	<u>Payment</u>
2020	\$ 541,216
2021	605,604
2022	617,716
2023	630,070
2024	642,672
Total	<u>\$ 3,037,278</u>

**Rainier**

GDPS WA entered into a lease agreement in March 2017 with WCSO 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 WA entered into a lease agreement on February 21, 2017 with WCSO 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:

<u>Fiscal Year</u>	<u>Payment</u>
2020	\$ 511,700
2021	521,934
2022	532,373
2023	543,020
2024	553,881
Thereafter	17,036,132
Total	<u>\$ 19,699,040</u>



**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**(A California Nonprofit Public Benefit Corporation)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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***NOTE 12 - OPERATING LEASES, continued***

**Excel**

GDPS WA 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, end on July 31, 2020. During July 2019, GDPS WA subleased the facility to Ashe Preparatory Academy for the remaining terms of the lease.

Future payments are as follows:

<u>Fiscal Year</u>	<u>Payment</u>
2020	\$ 107,689
2021	110,381
Total	<u>\$ 218,070</u>

***NOTE 13 - CONTINGENCIES***

Consolidated GDPS has received State and Federal funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate disallowances under terms of the grants, it is believed that any reimbursement, if required, would not be material.

**Litigation**

GDPS National has various 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 National's financial position or result of operations.

***NOTE 14 - RETIREMENT PLAN***

**401K**

Effective January 1, 2016, GDPS National established a defined contribution plan (the Plan) covering all eligible employees 21 years or older and with one year of eligibility service. GDPS National makes a matching contribution equal to participants' contributions to the Plan up to 4.00 percent of the participant's compensation. Total expense for the year ended June 30, 2019, was \$ 190,821.

**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**(A California Nonprofit Public Benefit Corporation)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**JUNE 30, 2019**

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***NOTE 15 - SUBSEQUENT EVENTS***

GDPS National's management has evaluated events or transactions that may occur for potential recognition or disclosure in the consolidated financial statements from the balance sheet date through March 5, 2020, which is the date the consolidated financial statements were available to be issued. Management has determined that there were no subsequent events or transactions, other than those noted below, that would have a material impact on the current year consolidated financial statements.

**GDPS TN**

In May 2019, GDPS TN entered into a loan agreement for \$3,300,000 to build Phase II of the Bluff City High School. This loan would allow the school to build capacity to serve the 11th and 12th grades. Phase II of construction is anticipated to be completed in January 2020.

**GDPS WA**

On May 2, 2019, the GDPS WA Board of Directors voted to close Destiny Middle School and Excel Public Charter School. GDPS WA continues to operate Rainier Valley Leadership Academy Middle and High schools on a shared campus. On September 1, 2019, GDPS WA commenced their agreement with the Spokane ESD to provide the back office services of Finance and Accounting, Student Data and Information Systems and some Human Resources.



**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**(A California Nonprofit Public Benefit Corporation)**

**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**STATEMENT OF FINANCIAL POSITION**  
**(With comparative financial information at June 30, 2018)**

**JUNE 30, 2019**

	<u>2019</u>	<u>2018</u>
<b>ASSETS</b>		
Current Assets:		
Cash and cash equivalents	\$ 4,486,396	\$ 1,895,833
Accounts receivable	114,324	298,753
Accounts receivable - related party	570,931	1,521,046
Prepaid expenses and other current assets	432,608	791,926
Total Current Assets	<u>5,604,259</u>	<u>4,507,558</u>
Non-Current Assets:		
Security deposits	36,034	36,034
Property and equipment	2,676,433	2,521,106
Less: accumulated depreciation	1,146,073	742,762
Total Non-Current Assets	<u>1,566,394</u>	<u>1,814,378</u>
Total Assets	<u>\$ 7,170,653</u>	<u>\$ 6,321,936</u>
<b>LIABILITIES</b>		
Current Liabilities:		
Accounts payable and accruals	\$ 1,476,613	\$ 1,399,675
Accounts payable - related party	29,822	-
Total Current Liabilities	<u>1,506,435</u>	<u>1,399,675</u>
<b>NET ASSETS</b>		
Without donor restriction	<u>5,664,218</u>	<u>4,922,261</u>
Total Net Assets	<u>5,664,218</u>	<u>4,922,261</u>
Total Liabilities and Net Assets	<u>\$ 7,170,653</u>	<u>\$ 6,321,936</u>

**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**(A California Nonprofit Public Benefit Corporation)**

**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**STATEMENT OF ACTIVITIES**

(With comparative financial information for the year ended June 30, 2018)

**FOR THE YEAR ENDED JUNE 30, 2019**

	2019	2018
<b>NET ASSETS WITHOUT DONOR RESTRICTION</b>		
<b>REVENUES</b>		
Contributions and grants	\$ 85,324	\$ 386,165
Local revenue	13,860,237	14,179,477
Total Revenues	<u>13,945,561</u>	<u>14,565,642</u>
<b>EXPENSES</b>		
Program Services:		
Salaries and benefits	7,129,882	8,041,624
Student services	543,121	691,009
Materials and supplies	58,872	43,904
Other expenses	2,291,583	2,039,896
Depreciation and amortization	403,313	368,631
Occupancy	520,122	524,440
Subtotal	<u>10,946,893</u>	<u>11,709,504</u>
Fund development	<u>809,397</u>	<u>743,865</u>
Management and General:		
Salaries and benefits	418,162	513,295
Shared services – related party	828,941	611,061
Operating expenses	200,211	210,590
Subtotal	<u>1,447,314</u>	<u>1,334,946</u>
Total Expenses	<u>13,203,604</u>	<u>13,788,315</u>
<b>CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTION</b>	741,957	777,327
<b>NET ASSETS, BEGINNING OF YEAR</b>	<u>4,922,261</u>	<u>4,144,934</u>
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 5,664,218</u>	<u>\$ 4,922,261</u>

**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**(A California Nonprofit Public Benefit Corporation)**

**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**STATEMENT OF CASH FLOWS**

**(With comparative financial information for the year ended June 30, 2018)**

**FOR THE YEAR ENDED JUNE 30, 2019**

	2019	2018
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Change in unrestricted net assets</b>	\$ 741,957	\$ 777,327
Adjustments to reconcile change in unrestricted net assets to net cash provided (used) by operating activities:		
Depreciation expense	403,311	368,631
Changes in operating assets and liabilities:		
(Increase) decrease in assets:		
Accounts receivable	184,429	(293,312)
Accounts receivable - related party	950,115	(1,283,579)
Prepaid expenses and other current assets	359,318	(333,469)
Note receivable - related party	-	100,000
Increase (decrease) in liabilities:		
Accounts payable and accruals	76,938	104,797
Accounts payable - related party	29,822	-
Net Cash Provided (Used) by Operating Activities	2,745,890	(559,605)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Capital expenditures	(155,327)	(164,408)
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	2,590,563	(724,013)
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	1,895,833	2,619,846
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	\$ 4,486,396	\$ 1,895,833
<b>Supplemental cash flow disclosure:</b>		
Cash paid during the period for interest	\$ -	\$ -

See accompanying note to supplementary information.

**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**(A California Nonprofit Public Benefit Corporation)**

**GREEN DOT PUBLIC SCHOOLS CALIFORNIA**  
**STATEMENT OF FINANCIAL POSITION**  
**(With comparative financial information at June 30, 2018)**

**JUNE 30, 2019**

	2019	2018
<b>ASSETS</b>		
Current Assets:		
Cash and cash equivalents	\$ 46,186,682	\$ 38,949,755
Restricted cash and investments	16,746,804	4,234,896
Accounts receivable	16,698,904	13,380,887
Prepaid expenses and other current assets	1,720,280	277,463
Total Current Assets	81,352,670	56,843,001
Non-Current Assets:		
Restricted cash and investments	41,358,582	33,613,645
Debt issue costs, net	4,009,326	2,525,299
Security deposits	424,514	569,292
Property and equipment	143,901,264	129,097,615
Less: accumulated depreciation	34,704,507	32,960,077
Total Non-Current Assets	154,989,179	132,845,774
Total Assets	\$ 236,341,849	\$ 189,688,775
<b>LIABILITIES</b>		
Current Liabilities:		
Accounts payable and accruals	\$ 12,066,442	\$ 12,020,560
Accounts payable - related party	365,296	1,362,500
Interest payable	2,050,303	1,068,828
Deferred revenue	2,960,801	4,873,796
Current portion of long-term obligations	2,043,462	18,795,609
Total Current Liabilities	19,486,304	38,121,293
Other Liabilities:		
Deferred revenue - proposition funding	29,706,102	29,610,492
Total Other Liabilities	29,706,102	29,610,492
Long-Term Obligations:		
Non-current portion of long-term obligations	124,312,181	70,406,488
Total Liabilities	173,504,587	138,138,273
<b>NET ASSETS</b>		
Without donor restriction	62,823,935	51,445,391
With donor restriction	13,327	105,111
Total Net Assets	62,837,262	51,550,502
Total Liabilities and Net Assets	\$ 236,341,849	\$ 189,688,775

See accompanying note to supplementary information.

**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**(A California Nonprofit Public Benefit Corporation)**

**GREEN DOT PUBLIC SCHOOLS CALIFORNIA**  
**STATEMENT OF ACTIVITIES**

(With comparative financial information for the year ended June 30, 2018)

**FOR THE YEAR ENDED JUNE 30, 2019**

	2019	2018
<b>NET ASSETS WITHOUT DONOR RESTRICTION</b>		
<b>REVENUES</b>		
State apportionments	\$ 127,167,331	\$ 119,054,291
Federal revenue	16,118,140	14,910,262
Other State revenue	19,013,219	17,421,781
Contributions and grants	2,152,577	2,109,374
Donated services and property	-	79,385
Local revenue	8,081,775	3,274,213
Net assets released from restrictions	166,603	350,575
Total Revenues	<u>172,699,645</u>	<u>157,199,881</u>
<b>EXPENSES</b>		
Program Services:		
Salaries and benefits	86,541,003	82,366,042
Student services	20,353,950	18,502,642
Materials and supplies	4,181,850	4,027,400
Student nutrition	4,313,046	3,907,279
Other expenses	6,740,314	5,923,098
Depreciation and amortization	5,018,978	4,390,379
Occupancy	11,425,133	9,877,103
Interest	4,911,014	3,919,067
Subtotal	<u>143,485,288</u>	<u>132,913,010</u>
Management and General:		
Salaries and benefits	2,493,215	1,324,065
Depreciation	174,350	156,966
Shared services – related party	12,790,939	13,105,417
Occupancy	589,535	609,374
Operating expenses	1,787,774	2,392,105
Subtotal	<u>17,835,813</u>	<u>17,587,927</u>
Total Expenses	<u>161,321,101</u>	<u>150,500,937</u>
<b>CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTION</b>	<u>11,378,544</u>	<u>6,698,944</u>
<b>NET ASSETS WITH DONOR RESTRICTION</b>		
Contributions and grants, net	74,819	6,245
Net assets released from restrictions	(166,603)	(350,575)
<b>CHANGE IN NET ASSETS WITH DONOR RESTRICTION</b>	<u>(91,784)</u>	<u>(344,330)</u>
<b>CHANGE IN NET ASSETS</b>	11,286,760	6,354,614
<b>NET ASSETS, BEGINNING OF YEAR</b>	51,550,502	45,195,888
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 62,837,262</u>	<u>\$ 51,550,502</u>

See accompanying note to supplementary information.



**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**(A California Nonprofit Public Benefit Corporation)**

**GREEN DOT PUBLIC SCHOOLS CALIFORNIA**  
**STATEMENT OF CASH FLOWS**

(With comparative financial information for the year ended June 30, 2018)

**FOR THE YEAR ENDED JUNE 30, 2019**

	<u>2019</u>	<u>2018</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Change in net assets</b>	\$ 11,286,760	\$ 6,354,614
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation expense	4,928,871	4,446,124
Amortization expense (including bond discount)	264,457	109,139
Cash restricted for interest/ Debt Obligation Stipulations	(15,588,189)	2,672,659
Changes in operating assets and liabilities:		
(Increase) decrease in assets:		
Accounts receivable	(3,318,017)	(315,311)
Prepaid expenses and other current assets	(1,442,817)	(52,068)
Security deposits	144,778	13,891
Increase (decrease) in liabilities:		
Accounts payable and accruals	45,882	(208,210)
Accounts payable - related party	(997,204)	1,234,027
Interest payable	981,475	(12,515)
Deferred revenue	(1,817,385)	(2,217,717)
Net Cash Provided by Operating Activities	<u>(5,511,389)</u>	<u>12,024,633</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Restricted cash (received) used for construction	(4,668,656)	2,372,670
Capital expenditures, net	(17,988,090)	(5,957,612)
Net Cash Used by Investing Activities	<u>(22,656,746)</u>	<u>(3,584,942)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Amounts incurred for debt issuance	(1,742,296)	-
Loan proceeds, net	60,495,983	-
Loan principal payments	(23,348,625)	(3,041,272)
Net Cash Used by Financing Activities	<u>35,405,062</u>	<u>(3,041,272)</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	7,236,927	5,398,419
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	38,949,755	33,551,336
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 46,186,682</u>	<u>\$ 38,949,755</u>
<b>Supplemental cash flow disclosure:</b>		
Cash paid during the period for interest	<u>\$ 5,767,265</u>	<u>\$ 3,919,067</u>

See accompanying note to supplementary information.

**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**(A California Nonprofit Public Benefit Corporation)**

**GREEN DOT PUBLIC SCHOOLS TENNESSEE**  
**STATEMENT OF FINANCIAL POSITION**  
**(With comparative financial information at June 30, 2018)**

**JUNE 30, 2019**

	2019	2018
<b>ASSETS</b>		
Current Assets:		
Cash and cash equivalents	\$ 1,062,840	\$ 1,793,438
Accounts receivable	1,444,498	1,887,293
Prepaid expenses and other current assets	3,000	-
Total Current Assets	<u>2,510,338</u>	<u>3,680,731</u>
Non-Current Assets:		
Debt issue costs, net	107,689	63,988
Security deposits	14,000	14,000
Property and equipment	5,547,767	3,600,248
Less: accumulated depreciation	805,264	579,115
Total Non-Current Assets	<u>4,864,192</u>	<u>3,099,121</u>
Total Assets	<u>\$ 7,374,530</u>	<u>\$ 6,779,852</u>
<b>LIABILITIES</b>		
Current Liabilities:		
Accounts payable and accruals	\$ 1,522,917	\$ 2,377,108
Accounts payable - related party	122,704	103,281
Deferred revenue	3,344	-
Current portion of long-term obligations	227,749	269,094
Total Current Liabilities	<u>1,876,714</u>	<u>2,749,483</u>
Long-Term Obligations:		
Non-current portion of long-term obligations	4,995,043	2,794,691
Total Liabilities	<u>6,871,757</u>	<u>5,544,174</u>
<b>NET ASSETS</b>		
Without donor restriction	402,773	1,235,678
With donor restriction	100,000	-
Total Net Assets	<u>502,773</u>	<u>1,235,678</u>
Total Liabilities and Net Assets	<u>\$ 7,374,530</u>	<u>\$ 6,779,852</u>

See accompanying note to supplementary information.

**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**(A California Nonprofit Public Benefit Corporation)**

**GREEN DOT PUBLIC SCHOOLS TENNESSEE**  
**STATEMENT OF ACTIVITIES**

**(With comparative financial information for the year ended June 30, 2018)**

**FOR THE YEAR ENDED JUNE 30, 2019**

	2019	2018
<b>NET ASSETS WITHOUT DONOR RESTRICTION</b>		
<b>REVENUES</b>		
State apportionments	\$ 19,525,782	\$ 17,801,752
Federal revenue	3,260,276	2,719,229
Other State revenue	482,298	675,635
Contributions and grants	437,228	2,740,718
Local revenue	677,315	604,296
Total Revenues	24,382,899	24,541,630
<b>EXPENSES</b>		
Program Services:		
Salaries and benefits	15,231,787	14,875,096
Student services	2,787,580	2,884,832
Materials and supplies	472,684	534,774
Student nutrition	-	-
Other expenses	871,272	989,042
Depreciation and amortization	247,547	173,147
Occupancy	2,260,843	2,451,193
Interest	75,644	98,725
Subtotal	21,947,357	22,006,809
Management and General:		
Salaries and benefits	1,078,343	1,131,517
Occupancy	-	2,390
Operating expenses	666,667	708,713
Shared services – related party	1,523,437	1,540,053
Subtotal	3,268,447	3,382,673
Total Expenses	25,215,804	25,389,482
<b>CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTION</b>	(832,905)	(847,852)
<b>NET ASSETS WITH DONOR RESTRICTION</b>		
Contributions and grants, net	100,000	-
<b>CHANGE IN NET ASSETS</b>	(732,905)	(847,852)
<b>NET ASSETS, BEGINNING OF YEAR</b>	1,235,678	2,083,530
<b>NET ASSETS, END OF YEAR</b>	\$ 502,773	\$ 1,235,678

See accompanying note to supplementary information.

**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**(A California Nonprofit Public Benefit Corporation)**

**GREEN DOT PUBLIC SCHOOLS TENNESSEE**  
**STATEMENT OF CASH FLOWS**

(With comparative financial information for the year ended June 30, 2018)

**FOR THE YEAR ENDED JUNE 30, 2019**

	<u>2019</u>	<u>2018</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Change in Unrestricted Net Assets</b>	\$ (732,905)	\$ (847,852)
Adjustments to reconcile change in unrestricted net assets to net cash provided (used) by operating activities:		
Depreciation expense	226,149	170,279
Amortization expense	21,398	2,868
Changes in operating assets and liabilities:		
(Increase) decrease in assets:		
Accounts receivable	442,795	(389,000)
Prepaid expenses and other current assets	(3,000)	989
Increase (decrease) in liabilities:		
Accounts payable and accruals	(854,191)	(338,998)
Accounts payable - related party	19,423	(13,351)
Deferred revenue	3,344	(1,378,931)
Net Cash Provided (Used) by Operating Activities	<u>(876,987)</u>	<u>(2,793,996)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Capital expenditures	<u>(1,947,519)</u>	<u>(1,394,866)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Amounts incurred for debt issuance	(65,099)	(66,856)
Loan proceeds, net	<u>2,159,007</u>	<u>1,658,785</u>
Net Cash Provided by Financing Activities	<u>2,093,908</u>	<u>1,591,929</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	(730,598)	(2,596,933)
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u>1,793,438</u>	<u>4,390,371</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 1,062,840</u>	<u>\$ 1,793,438</u>
<b>Supplemental cash flow disclosure:</b>		
Cash paid during the period for interest	<u>\$ 75,644</u>	<u>\$ 98,725</u>

See accompanying note to supplementary information.

**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**(A California Nonprofit Public Benefit Corporation)**

**GREEN DOT PUBLIC SCHOOLS WASHINGTON STATE**  
**STATEMENT OF FINANCIAL POSITION**  
**(With comparative financial information at June 30, 2018)**

**JUNE 30, 2019**

	2019	2018
<b>ASSETS</b>		
Current Assets:		
Cash and cash equivalents	\$ 3,390,828	\$ 4,677,458
Accounts receivable	351,148	293,143
Accounts receivable - related party	31,123	-
Prepaid expenses and other current assets	394,163	381,610
Total Current Assets	4,167,262	5,352,211
Non-Current Assets:		
Security deposits	85,025	85,025
Property and equipment	673,529	662,434
Less: accumulated depreciation	292,528	59,904
Total Non-Current Assets	466,026	687,555
Total Assets	\$ 4,633,288	\$ 6,039,766
<b>LIABILITIES</b>		
Current Liabilities:		
Accounts payable and accruals	\$ 793,723	\$ 841,349
Accounts payable - related party	-	49,240
Deferred revenue	3,399,166	4,780,241
Current portion of long-term obligations	147,909	192,277
Total Current Liabilities	4,340,798	5,863,107
Long-Term Obligation		
Non-current portion of long-term obligations	-	147,909
Total Liabilities	4,340,798	6,011,016
<b>NET ASSETS</b>		
Without donor restriction	292,490	28,750
Total Net Assets	292,490	28,750
Total Liabilities and Net Assets	\$ 4,633,288	\$ 6,039,766

See accompanying note to supplementary information.

**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**(A California Nonprofit Public Benefit Corporation)**

**GREEN DOT PUBLIC SCHOOLS WASHINGTON STATE**  
**STATEMENT OF ACTIVITIES**  
**(With comparative financial information for the year ended June 30, 2018)**

**FOR THE YEAR ENDED JUNE 30, 2019**

	<u>2019</u>	<u>2018</u>
<b>NET ASSETS WITHOUT DONOR RESTRICTION</b>		
<b>REVENUES</b>		
State apportionments	\$ 6,330,451	\$ 4,422,095
Federal revenue	890,510	1,340,135
Other State revenue	913,217	627,779
Contributions and grants	3,723,234	7,736,108
Local revenue	1,504,866	909,631
Total Revenues	<u>13,362,278</u>	<u>15,035,748</u>
<b>EXPENSES</b>		
Program Services:		
Salaries and benefits	6,456,537	7,257,174
Student services	1,810,719	2,433,541
Materials and supplies	221,336	278,444
Other expenses	1,247,661	1,963,844
Depreciation	232,624	59,904
Occupancy	1,369,380	903,128
Interest	17,722	8,749
Subtotal	<u>11,355,979</u>	<u>12,904,784</u>
Management and General:		
Salaries and benefits	1,067,697	1,186,833
Shared services – related party	567,172	452,303
Occupancy	43,404	42,144
Operating expenses	64,286	449,680
Subtotal	<u>1,742,559</u>	<u>2,130,960</u>
Total Expenses	<u>13,098,538</u>	<u>15,035,744</u>
<b>CHANGE IN NET ASSETS</b>	263,740	4
<b>NET ASSETS, BEGINNING OF YEAR</b>	<u>28,750</u>	<u>28,746</u>
<b>NET ASSETS, END OF YEAR</b>	<u><u>\$ 292,490</u></u>	<u><u>\$ 28,750</u></u>

See accompanying note to supplementary information.

**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**(A California Nonprofit Public Benefit Corporation)**

**GREEN DOT PUBLIC SCHOOLS WASHINGTON STATE**  
**STATEMENT OF CASH FLOWS**  
**(With comparative financial information for the year ended June 30, 2018)**

**FOR THE YEAR ENDED JUNE 30, 2019**

	<u>2019</u>	<u>2018</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Change in unrestricted net assets</b>	\$ 263,740	\$ 4
Adjustments to reconcile change in unrestricted net assets to net cash provided (used) by operating activities:		
Depreciation expense	232,624	59,904
Changes in operating assets and liabilities:		
(Increase) decrease in assets:		
Accounts receivable	(58,005)	554,205
Accounts receivable - related party	(31,123)	9,107
Prepaid expenses and other current assets	(12,553)	(322,573)
Cash received (paid) for security deposits, net	-	(46,975)
Increase (decrease) in liabilities:		
Accounts payable and accruals	(47,626)	517,338
Accounts payable - related party	(49,240)	49,240
Deferred revenue	(1,381,075)	(1,127,958)
Net Cash Provided (Used) by Operating Activities	<u>(1,083,258)</u>	<u>(307,708)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Capital expenditures	<u>(11,095)</u>	<u>(662,434)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Loan proceeds, net	-	404,354
Loan principal payments	(192,277)	(64,168)
Net Cash Provided by Investing Activities	<u>(192,277)</u>	<u>340,186</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	(1,286,630)	(629,956)
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u>4,677,458</u>	<u>5,307,414</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 3,390,828</u>	<u>\$ 4,677,458</u>
<b>Supplemental cash flow disclosure:</b>		
Cash paid during the period for interest	<u>\$ 17,722</u>	<u>\$ 8,749</u>

See accompanying note to supplementary information.

**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**(A California Nonprofit Public Benefit Corporation)**

**UNITED PARENTS AND STUDENTS**  
**STATEMENT OF FINANCIAL POSITION**  
**(With comparative financial information at June 30, 2018)**

**JUNE 30, 2019**

	<u>2019</u>	<u>2018</u>
<b>ASSETS</b>		
Current Assets:		
Cash and cash equivalents	\$ 1,265,155	\$ 478,996
Accounts receivable	300	200,900
Total Current Assets	<u>1,265,455</u>	<u>679,896</u>
Non-Current Assets:		
Property and equipment	59,424	59,424
Less: accumulated depreciation	<u>23,152</u>	<u>13,891</u>
Total Non-Current Assets	<u>36,272</u>	<u>45,533</u>
Total Assets	<u>\$ 1,301,727</u>	<u>\$ 725,429</u>
<b>LIABILITIES</b>		
Current Liabilities:		
Accounts payable and accruals	\$ 90,388	\$ 114,944
Accounts payable - related party	82,931	12,470
Deferred revenue	<u>288,855</u>	<u>111,839</u>
Total Current Liabilities	<u>462,174</u>	<u>239,253</u>
<b>NET ASSETS</b>		
Without donor restriction	814,627	286,176
With donor restriction	<u>24,926</u>	<u>200,000</u>
Total Net Assets	<u>839,553</u>	<u>486,176</u>
Total Liabilities and Net Assets	<u>\$ 1,301,727</u>	<u>\$ 725,429</u>

See accompanying note to supplementary information.



**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**(A California Nonprofit Public Benefit Corporation)**

**UNITED PARENTS AND STUDENTS**  
**STATEMENT OF ACTIVITIES**

(With comparative financial information for the year ended June 30, 2018)

**FOR THE YEAR ENDED JUNE 30, 2019**

	2019	2018
<b>NET ASSETS WITHOUT DONOR RESTRICTION</b>		
<b>REVENUES</b>		
Contributions and grants	\$ 404,044	196,883
Local revenue	1,345,522	1,270,638
Net assets released from restrictions	175,074	-
Total Revenues	<u>1,924,640</u>	<u>1,467,521</u>
<b>EXPENSES</b>		
Program Services:		
Salaries and benefits	1,086,307	1,015,741
Student services	97,790	97,894
Materials and supplies	21,388	8,516
Other expenses	40,192	43,907
Depreciation	9,261	9,261
Occupancy	14,854	10,063
Subtotal	<u>1,269,792</u>	<u>1,185,382</u>
Management and General:		
Shared services – related party	126,397	50,000
Total Unrestricted Expenses	<u>1,396,189</u>	<u>1,235,382</u>
<b>CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTION</b>	528,451	232,139
<b>NET ASSETS WITH DONOR RESTRICTION</b>		
Contributions and grants, net	-	200,000
Net assets released from restrictions	(175,074)	-
<b>CHANGE IN NET ASSETS WITH DONOR RESTRICTION</b>	<u>(175,074)</u>	<u>200,000</u>
<b>CHANGE IN NET ASSETS</b>	353,377	432,139
<b>NET ASSETS, BEGINNING OF YEAR</b>	486,176	54,037
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 839,553</u>	<u>\$ 486,176</u>

See accompanying note to supplementary information.

**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**(A California Nonprofit Public Benefit Corporation)**

**UNITED PARENTS AND STUDENTS**  
**STATEMENT OF CASH FLOWS**

**(With comparative financial information for the year ended June 30, 2018)**

**FOR THE YEAR ENDED JUNE 30, 2019**

	2019	2018
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Change in unrestricted net assets</b>	\$ 353,377	\$ 432,139
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation expense	9,261	9,261
Changes in operating assets and liabilities:		
(Increase) decrease in assets:		
Accounts receivable	200,600	(200,900)
Increase (decrease) in liabilities:		
Accounts payable and accruals	(24,556)	(34,050)
Accounts payable - related party	70,461	11,001
Deferred revenue	177,016	111,839
Net Cash Provided by Operating Activities	<u>786,159</u>	<u>329,290</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Capital expenditures	<u>-</u>	<u>-</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	786,159	329,290
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	478,996	149,706
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 1,265,155</u>	<u>\$ 478,996</u>
<b>Supplemental cash flow disclosure:</b>		
Cash paid during the period for interest	<u>\$ -</u>	<u>\$ -</u>

See accompanying note to supplementary information.

**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**(A California Nonprofit Public Benefit Corporation)**

**CONSOLIDATING STATEMENT OF FINANCIAL POSITION**  
**JUNE 30, 2019**

	GDPS National	GDPS CA	GDPS TN	GDPS WA
<b>ASSETS</b>				
Current Assets:				
Cash and cash equivalents	\$ 4,486,396	\$ 46,186,682	\$ 1,062,840	\$ 3,390,828
Restricted cash and investments	-	16,746,804	-	-
Accounts receivable	114,324	16,698,904	1,444,498	351,148
Accounts receivable - related party	570,931	-	-	31,123
Prepaid expenses and other current assets	432,608	1,720,280	3,000	394,163
Total Current Assets	<u>5,604,259</u>	<u>81,352,670</u>	<u>2,510,338</u>	<u>4,167,262</u>
Non-Current Assets:				
Restricted cash and cash equivalents	-	41,358,582	-	-
Debt issue cost, net	-	4,009,326	107,689	-
Security deposits	36,034	424,514	14,000	85,025
Property and equipment	2,676,433	143,901,264	5,547,767	673,529
Less: accumulated depreciation	1,146,073	34,704,507	805,264	292,528
Total Non-Current Assets	<u>1,566,394</u>	<u>154,989,179</u>	<u>4,864,192</u>	<u>466,026</u>
Total Assets	<u>\$ 7,170,653</u>	<u>\$ 236,341,849</u>	<u>\$ 7,374,530</u>	<u>\$ 4,633,288</u>
<b>LIABILITIES</b>				
Current Liabilities:				
Accounts payable and accruals	\$ 1,476,613	\$ 12,066,442	\$ 1,522,917	\$ 793,723
Accounts payable - related party	29,822	365,296	122,704	-
Interest payable	-	2,050,303	-	-
Deferred revenue	-	2,960,801	3,344	3,399,166
Current portion of long-term obligations	-	2,043,462	227,749	147,909
Total Current Liabilities	<u>1,506,435</u>	<u>19,486,304</u>	<u>1,876,714</u>	<u>4,340,798</u>
Other Liabilities:				
Deferred revenue - proposition funding	-	29,706,102	-	-
Total Other Liabilities	<u>-</u>	<u>29,706,102</u>	<u>-</u>	<u>-</u>
Long-Term Obligations:				
Non-current portion of long-term obligations	-	124,312,181	4,995,043	-
Total Liabilities	<u>1,506,435</u>	<u>173,504,587</u>	<u>6,871,757</u>	<u>4,340,798</u>
<b>NET ASSETS</b>				
Without donor restriction	5,664,218	62,823,935	402,773	292,490
With donor restriction	-	13,327	100,000	-
Total Net Assets	<u>5,664,218</u>	<u>62,837,262</u>	<u>502,773</u>	<u>292,490</u>
Total Liabilities and Net Assets	<u>\$ 7,170,653</u>	<u>\$ 236,341,849</u>	<u>\$ 7,374,530</u>	<u>\$ 4,633,288</u>

See accompanying note to supplementary information.

UP&S	Eliminations	Total
\$ 1,265,155	\$ -	\$ 56,391,901
-	-	16,746,804
300	-	18,609,174
-	(600,753)	1,301
-	-	2,550,051
<u>1,265,455</u>	<u>(600,753)</u>	<u>94,299,231</u>
-	-	41,358,582
-	-	4,117,015
-	-	559,573
59,424	-	152,858,417
23,152	-	36,971,524
<u>36,272</u>	<u>-</u>	<u>161,922,063</u>
<u>\$ 1,301,727</u>	<u>\$ (600,753)</u>	<u>\$ 256,221,294</u>
\$ 90,388	\$ -	\$ 15,950,083
82,931	(600,753)	-
-	-	2,050,303
288,855	-	6,652,166
-	-	2,419,120
<u>462,174</u>	<u>(600,753)</u>	<u>27,071,672</u>
-	-	29,706,102
-	-	29,706,102
-	-	129,307,224
<u>462,174</u>	<u>(600,753)</u>	<u>186,084,998</u>
814,627	-	69,998,043
24,926	-	138,253
839,553	-	70,136,296
<u>\$ 1,301,727</u>	<u>\$ (600,753)</u>	<u>\$ 256,221,294</u>

**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**(A California Nonprofit Public Benefit Corporation)**

**CONSOLIDATING STATEMENT OF ACTIVITIES**  
**FOR THE YEAR ENDED JUNE 30, 2019**

	<u>GDPS National</u>	<u>GDPS CA</u>	<u>GDPS TN</u>
<b>NET ASSETS WITHOUT DONOR RESTRICTION</b>			
<b>REVENUES</b>			
State apportionments	\$ -	\$ 127,167,331	\$ 19,525,782
Federal revenue	-	16,118,140	3,260,276
Other State revenue	-	19,013,219	482,298
Contributions and grants	85,324	2,152,577	437,228
Donated services and property	-	-	-
Local revenue	13,860,237	8,081,775	677,315
Net assets released from restrictions	-	166,603	-
Total Revenues	<u>13,945,561</u>	<u>172,699,645</u>	<u>24,382,899</u>
<b>EXPENSES</b>			
Program Services:			
Salaries and benefits	7,129,882	86,541,003	15,231,787
Student services	543,121	20,353,950	2,787,580
Materials and supplies	58,872	4,181,850	472,684
Student nutrition	-	4,313,046	-
Other expenses	2,291,583	6,740,314	871,272
Depreciation and amortization	403,313	5,018,978	247,547
Occupancy	520,122	11,425,133	2,260,843
Interest	-	4,911,014	75,644
Subtotal	<u>10,946,893</u>	<u>143,485,288</u>	<u>21,947,357</u>
Fund Development	<u>809,397</u>	<u>-</u>	<u>-</u>
Management and General:			
Salaries and benefits	418,162	2,493,215	1,078,343
Depreciation	-	174,350	-
Shared services – related party	828,941	12,790,939	1,523,437
Occupancy	-	589,535	-
Operating expenses	200,211	1,787,774	666,667
Subtotal	<u>1,447,314</u>	<u>17,835,813</u>	<u>3,268,447</u>
Total Expenses	<u>13,203,604</u>	<u>161,321,101</u>	<u>25,215,804</u>
<b>CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTION</b>	<u>741,957</u>	<u>11,378,544</u>	<u>(832,905)</u>
<b>NET ASSETS WITH DONOR RESTRICTION</b>			
Contributions and grants, net	-	74,819	100,000
Net assets released from restrictions	-	(166,603)	-
<b>CHANGE IN NET ASSETS WITH DONOR RESTRICTION</b>	<u>-</u>	<u>(91,784)</u>	<u>100,000</u>
<b>CHANGE IN NET ASSETS</b>	741,957	11,286,760	(732,905)
<b>NET ASSETS, BEGINNING OF YEAR</b>	4,922,261	51,550,502	1,235,678
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 5,664,218</u>	<u>\$ 62,837,262</u>	<u>\$ 502,773</u>

See accompanying note to supplementary information.

GDPS WA	UP&S	Eliminations	Total
\$ 6,330,451	\$ -	\$ -	\$ 153,023,564
890,510	-	-	20,268,926
913,217	-	-	20,408,734
3,723,234	404,044	-	6,802,407
-	-	-	-
1,504,866	1,345,522	(15,836,886)	9,632,829
-	175,074	-	341,677
<u>13,362,278</u>	<u>1,924,640</u>	<u>(15,836,886)</u>	<u>210,478,137</u>
6,456,537	1,086,307	-	116,445,516
1,810,719	97,790	-	25,593,160
221,336	21,388	-	4,956,130
-	-	-	4,313,046
1,247,661	40,192	-	11,191,022
232,624	9,261	-	5,911,723
1,369,380	14,854	-	15,590,332
17,722	-	-	5,004,380
<u>11,355,979</u>	<u>1,269,792</u>	<u>-</u>	<u>189,005,309</u>
-	-	-	809,397
1,067,697	-	-	5,057,417
-	-	-	174,350
567,172	126,397	(15,836,886)	-
43,404	-	-	632,939
64,286	-	-	2,718,938
<u>1,742,559</u>	<u>126,397</u>	<u>(15,836,886)</u>	<u>8,583,644</u>
<u>13,098,538</u>	<u>1,396,189</u>	<u>(15,836,886)</u>	<u>198,398,350</u>
263,740	528,451	-	12,079,787
-	-	-	174,819
-	(175,074)	-	(341,677)
-	(175,074)	-	(166,858)
263,740	353,377	-	11,912,929
28,750	486,176	-	58,223,367
<u>\$ 292,490</u>	<u>\$ 839,553</u>	<u>\$ -</u>	<u>\$ 70,136,296</u>

**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**(A California Nonprofit Public Benefit Corporation)**

**CONSOLIDATING STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED JUNE 30, 2019**

	<u>GDPS National</u>	<u>GDPS CA</u>	<u>GDPS TN</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Changes in net assets</b>	\$ 741,957	\$ 11,286,760	\$ (732,905)
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:			
Depreciation expense	403,311	4,928,871	226,149
Amortization expense (including bond discount)	-	264,457	21,398
Cash restricted for interest/ Debt Obligation Stipulations	-	(15,588,189)	-
Changes in operating assets and liabilities:			
(Increase) decrease in assets:			
Accounts receivable	184,429	(3,318,017)	442,795
Accounts receivable - related party	950,115	-	-
Prepaid expenses and other current assets	359,318	(1,442,817)	(3,000)
Security deposits	-	144,778	-
Increase (decrease) in liabilities:			
Accounts payable and accruals	76,938	45,882	(854,191)
Accounts payable - related party	29,822	(997,204)	19,423
Interest payable	-	981,475	-
Deferred revenue	-	(1,817,385)	3,344
Net Cash Provided (Used) by Operating Activities	<u>2,745,890</u>	<u>(5,511,389)</u>	<u>(876,987)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Restricted cash (received) used for construction	-	(4,668,656)	-
Capital expenditures	(155,327)	(17,988,090)	(1,947,519)
Net Cash Used by Investing Activities	<u>(155,327)</u>	<u>(22,656,746)</u>	<u>(1,947,519)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Amounts incurred for debt issuance	-	(1,742,296)	(65,099)
Loan proceeds, net	-	60,495,983	2,159,007
Loan principal payments	-	(23,348,625)	-
Net Cash Provided (Used) by Financing Activities	<u>-</u>	<u>35,405,062</u>	<u>2,093,908</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	2,590,563	7,236,927	(730,598)
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	1,895,833	38,949,755	1,793,438
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 4,486,396</u>	<u>\$ 46,186,682</u>	<u>\$ 1,062,840</u>
<b>Supplemental cash flow disclosure:</b>			
Cash paid during the period for interest	<u>\$ -</u>	<u>\$ 5,767,265</u>	<u>\$ 75,644</u>

See accompanying note to supplementary information.

GDPS WA	UP&S	Elimination	Total
\$ 263,740	\$ 353,377	\$ -	\$ 11,912,929
232,624	9,261	-	5,800,216
-	-	-	285,855
-	-	-	(15,588,189)
(58,005)	200,600	-	(2,548,198)
(31,123)	-	(918,992)	-
(12,553)	-	-	(1,099,052)
-	-	-	144,778
(47,626)	(24,556)	-	(803,553)
(49,240)	70,461	918,992	(7,746)
-	-	-	981,475
(1,381,075)	177,016	-	(3,018,100)
(1,083,258)	786,159	-	(3,939,585)
-	-	-	(4,668,656)
(11,095)	-	-	(20,102,031)
(11,095)	-	-	(24,770,687)
-	-	-	(1,807,395)
-	-	-	62,654,990
(192,277)	-	-	(23,540,902)
(192,277)	-	-	37,306,693
(1,286,630)	786,159	-	8,596,421
4,677,458	478,996	-	47,795,480
\$ 3,390,828	\$ 1,265,155	\$ -	\$ 56,391,901
\$ 17,722	\$ -	\$ -	\$ 5,860,631



**GREEN DOT PUBLIC SCHOOLS NATIONAL**  
**(A California Nonprofit Public Benefit Corporation)**

**NOTE TO SUPPLEMENTARY INFORMATION**  
**JUNE 30, 2019**

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***NOTE 1 - PURPOSE OF SUPPLEMENTARY SCHEDULES***

**Supplementary Financial Statements by Region**

These financial statements include an account of each regional office controlled by GDPS National.

**Consolidating Statements**

The accompanying consolidating financial statements report the activities of GDPS National and are presented on the accrual basis of accounting. Eliminating entries in the consolidating financial statements are due to activities between GDPS National and its affiliates.