



# IDAHO'S SUCCESS STORY

*How Idaho is Helping Charter Schools Reduce Facility Costs and Focus Resources on Instruction*

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# Idaho Is A National Success Story

At no cost to state taxpayers, Idaho is providing massive benefit to charter schools, so that they pay less to landlords and private investors and can invest significantly more in instruction.



# Idaho Is A National Success Story

Idaho is highlighting the huge benefit of well-designed facility financing policies that work together to leverage private investment and maximize savings so that charter schools can invest more in instruction.

**“The lower financing costs meant we could provide not only the facilities needed for a college preparatory program but also hire enough teachers and staff to support an International Baccalaureate program.”**

*– Emily Downey, Sage International Network of Schools*

**“We could not have sustained the school financially without the state’s no-interest loan. Not only would we have hired fewer teachers, but we would also have had to pay them significantly lower salaries.”**

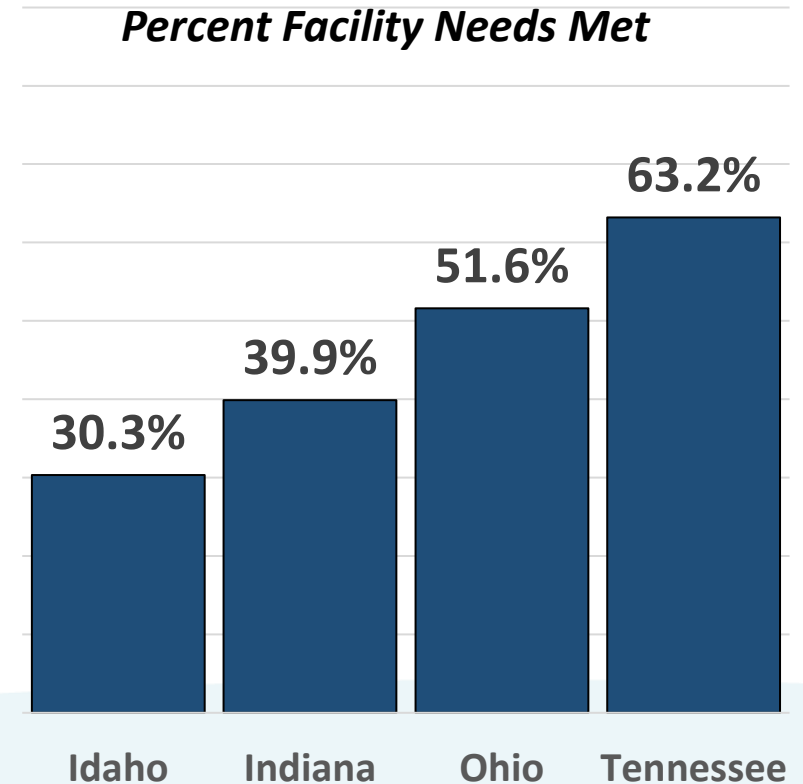
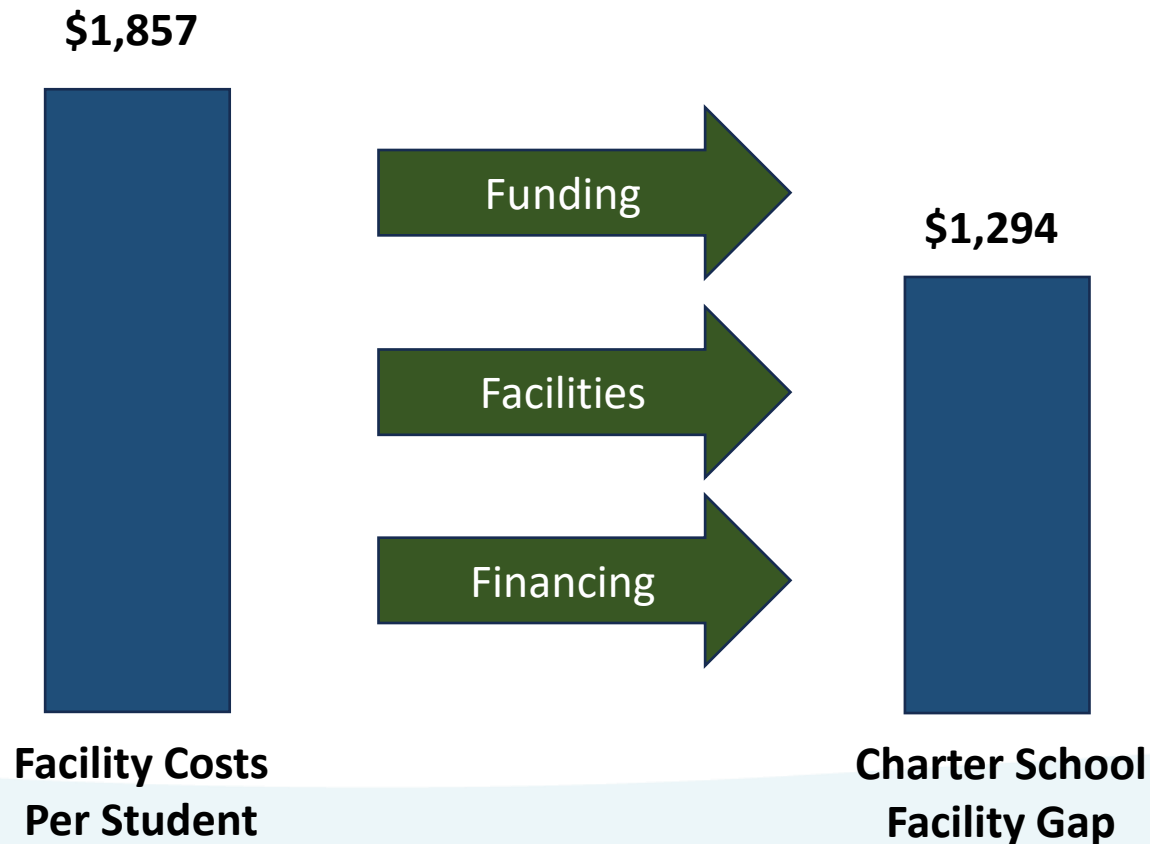
*– Stephen Lambert, American Classical Schools of Idaho*

**“At the high interest rates private investors wanted, we could have not invested in the equipment, or the top-of-the-line faculty needed for our programs to succeed.”**

*– Monica White, Elevate Academy Network*

# Charter Schools Face A Facility Challenge

Idaho's charter schools are redirecting significant funding intended for instruction to pay for their facilities. The charter school facility gap is large compared to other states.



# Idaho Is Greatly Reducing Financing Costs

Idaho is using a revolving loan fund for new charter schools and providing its moral obligation to help more established charter schools secure affordable financing. The savings are substantial and being invested in instruction.

Chart 3 Idaho Novus Classical Academy		
	With State Support	Without State Support
No-Interest State Loan	\$2,500,000	\$0
Matching Low-Interest Loans	\$3,675,000	\$0
Bank Loan	\$5,420,000	\$12,071,032
Total Cost	\$11,595,000	\$12,071,032
Annual Cost	\$778,378	\$1,756,792
Annual Savings	\$978,414	
Teachers Saved	18	

Chart 2 Sage International School Middleton		
	With Support	Without Support
<b>First Five Years</b>		
No-Interest State Loan	\$0	\$0
Private Low-Interest Loans	\$2,640,000	\$0
Bank Loan	\$5,460,000	\$9,005,068
Total Cost	\$8,100,000	\$9,005,068
Annual Cost	\$541,313	\$781,071
<b>After First Five Years</b>		
Long-Term Bond Financing	\$15,215,000	\$20,235,950
Annual Cost	\$918,492	\$1,508,994
<b>Through 15 Years</b>		
Total Cost	\$11,891,890	\$21,928,173
Annual Cost	\$792,793	\$1,461,878
Annual Savings	\$669,086	
Teachers Saved	12	

Chart 4 Elevate Academy, Caldwell		
	With Support	Without Support
<b>First Five Years</b>		
No-Interest State Loan	\$0	\$0
Private Low-Interest Loans	\$2,904,874	\$0
Bank Loan	\$9,378,345	\$13,679,562
Total Cost	\$12,283,219	\$13,679,562
Annual Cost	\$947,837	\$1,213,089
<b>After First Five Years</b>		
Long-Term Bond Financing	\$11,965,000	\$15,913,450
Annual Cost	\$784,266	\$1,219,969
<b>Through 15 Years</b>		
Total Cost	\$12,623,961	\$20,638,865
Annual Cost	\$841,597	\$1,375,924
Annual Savings	\$534,327	
Teachers Saved	10	

# Overall, Idaho Is Producing Major Savings

At no cost to state taxpayers, Idaho is providing massive benefit to charter schools, so that they pay less to landlords and private investors and can invest significantly more in instruction.



# Idaho Has Created A National Model


Idaho is highlighting the huge benefit of well-designed facility financing policies that work together to leverage private investment and maximize savings so that charter schools can invest more in instruction. Idaho can build upon this success.





# Thank you!

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