



Indiana Charter School Board  
Board of Directors  
143 W. Market St. Suite 400  
Indianapolis, IN 46204

September 11, 2023  
Subject: Request for Charter Extensions

Dear Members of the ICSB Board of Directors,

We are writing on behalf of Christel House Academy Inc. to formally request an extension of our charters, from 7 years to 15 years, with the aim of securing more favorable financing rates for a significant building project. As you likely recall, our charters for Christel House Academy South, Christel House Academy West, and Christel House DORS were up for renewal in 2022 for the 2023-2024 academic year and beyond. At that time, the greatest allowable length for a charter renewal was 7 years. During the 2023 legislative session, Senate Bill 391 extended the maximum charter period from 7 years to 15 years. This went into effect on July 1, 2023 and our new charter term commenced in August 2023. We are requesting that since we were granted the maximum charter term in our renewal hearing, that term be extended to the new maximum term of 15 years.

Senate Bill 391 also gave charter schools access to the Indiana Bond Bank and the Common School Fund. As a result of this new access and to assist with long term financial goals, we are pursuing the purchase of the building that houses Christel House Academy West and Christel House DORS West that we currently lease. Purchasing the building gives us significant cost savings annually of around \$250,000 until the building is paid off and then around \$750,000 in savings after it is paid off. (estimated savings were calculated by a 15 year term at 4.5% interest which is the estimated prevailing rate given to us by the Indiana Bond Bank)

To ensure the success of this endeavor, we recognize the critical need for cost-effective financing options. We know that extending our charter will provide us with the necessary flexibility to pursue various financing avenues, negotiate more favorable terms, and ultimately secure the best possible rates for the financing of our project.

The benefits of extending our charter for improved financing rates are:

**Lower Financing Costs:** Extending our charter will allow us to negotiate better interest rates, reducing the overall cost of financing the project.

**Attracting Investors:** A longer charter period demonstrates our commitment to the project, making it more attractive to potential investors and bondholders. We spoke directly to the Indiana Bond Bank and they expressed that the length of our charter would directly correlate with our repayment terms. In speaking to our banking institution, they also conveyed that their rates and guarantees would also correlate with the length of our charter.

**Decreased Facilities Costs/Increased Academic Investment:** An extended charter will enable us to decrease facilities costs and in turn increase funds available for our academic success.

Our Audit Committee of the Board discussed the potential purchase during their August 14, 2023 meeting (minutes available) and supported moving forward with the purchase. They will recommend a Board vote at the November 2023 Board meeting.

We kindly request your support in extending our charters. Thank you for your attention and consideration. We look forward to the opportunity to work together to secure the best possible outcome as a result of the legislative changes.

Sincerely,



Emily Masengale  
CEO



Summer Stone  
CFO

DocuSigned by:  
*Fernando Falcon*  
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Fernando Falcon  
Board Chair