# CHARTER SCHOOL FINANCING

## MYTHS VS. FACTS

1

**MYTH:** Charter schools should use their reserves to finance growth instead of looking for outside financing options.

**FACT:** Using outside financing to facilitate growth can make a charter more financially secure in the long run and pay for continued growth without depleting cash reserves.

2

**MYTH:** Growth capital should only be used in the case of state funding delays or deferrals or as a last resort.

**FACT:** Growth capital is incredibly flexible and can be used for operational growth, program enhancements, technology upgrades, school expansion, etc.

3

**MYTH:** Running a charter school is not like running a business.

**FACT:** A charter school is a business and making smart, informed business decisions will benefit your school's viability, financial health and overall growth.

4

**MYTH:** Bonds are the best way to fund a facility.

12%

**FACT:** Only 12% of charter schools have accessed bond financing. The process of securing a bond is often time-consuming and can incur hidden fees from audits, trustees and rating agencies.

Source: LISC, Charter School Bond Issuance, 2015

5

FOR SALE

**MYTH:** Charter schools should own their facilities.

**FACT:** You're in the business of educating students, not owning and managing real estate. There are many other financing options that will give you control and security over your facility.

WE LOVE CHARTER SCHOOLS

**CHARTER SCHOOL CAPITAL**

We are the nation's leading provider of growth capital and facilities financing to charter schools. Over the last 10 years, we've put more than $1.8 billion to work for 600+ charter schools educating more than 1,000,000 students across the country.

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