



# Workshop One:

## Facilities Development and The Business Plan

*"Building A Foundation for Charter School Success"*

Technical Assistance Project for Charter School Facilities

NCB Development Corporation & Citigroup Foundation



# Facilities Development and The Business Plan

---

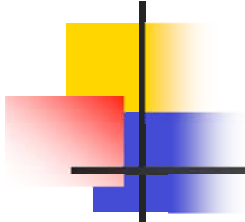
## ■ Objectives

- To emphasize the business aspect of managing a charter school
- To emphasize the purpose of a business plan
- To understand the connection between business planning and facility planning

*"Building A Foundation for Charter School Success"*

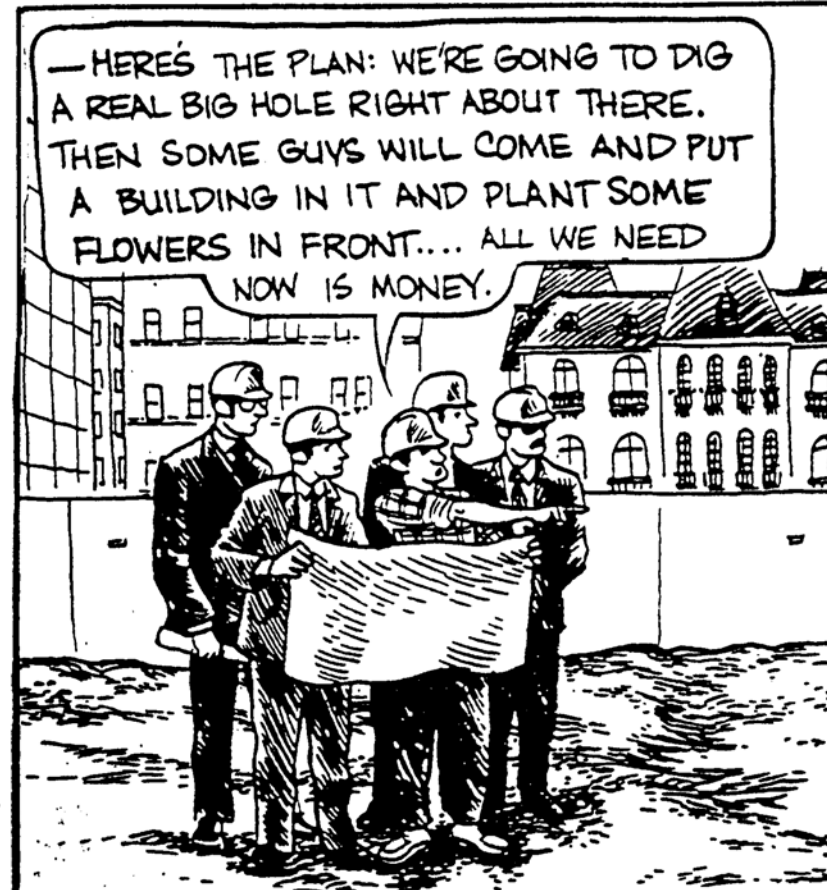
Technical Assistance Project for Charter School Facilities

NCB Development Corporation & Citigroup Foundation



BIZARRO

DAN PIRARU



"Building A Foundation for Charter School Success"

Technical Assistance Project for Charter School Facilities

NCB Development Corporation & Citigroup Foundation



# What is a Business Plan?

---

- A living document
- A road map, that:
  - Evaluates opportunities
  - Establishes goals and standards
  - Creates the structure to implement ideas

*"Building A Foundation for Charter School Success"*

Technical Assistance Project for Charter School Facilities

NCB Development Corporation & Citigroup Foundation



# Vision vs. Reality

---

- Charter school operators are entrepreneurs

Entrepreneurs are:

- Strategists
- Problem Solvers
- Aggressive
- Focused
- Smart
- “Arrogant”

“Building A Foundation for Charter School Success”

Technical Assistance Project for Charter School Facilities

NCB Development Corporation & Citigroup Foundation



# The Vision

---

- Creating a learning environment
- Working towards results
- Creating the cornerstone of the community
- Serve a special population
- Autonomy

*"Building A Foundation for Charter School Success"*

Technical Assistance Project for Charter School Facilities

NCB Development Corporation & Citigroup Foundation



# Reality

---

- Details
- Accountability
  - The curriculum
  - Test results
  - Operations
- Financial planning
- Facility planning

*"Building A Foundation for Charter School Success"*

Technical Assistance Project for Charter School Facilities

NCB Development Corporation & Citigroup Foundation



# Key Components of a Business Plan

---

- Executive Summary
- Description of School
- Market Analysis
- Management Plan
- Operations Plan
- Facility Plan
- Financial Plan
- Supporting Documents

*"Building A Foundation for Charter School Success"*

Technical Assistance Project for Charter School Facilities

NCB Development Corporation & Citigroup Foundation



# The Sorden Charter School

---

Introduction to the Case Study

Review and discussion of the Business Plan

*"Building A Foundation for Charter School Success"*

Technical Assistance Project for Charter School Facilities

NCB Development Corporation & Citigroup Foundation



# Workshop Two:

---

# Needs Assessment

*"Building A Foundation for Charter School Success"*  
Technical Assistance Project for Charter School Facilities  
NCB Development Corporation & Citigroup Foundation

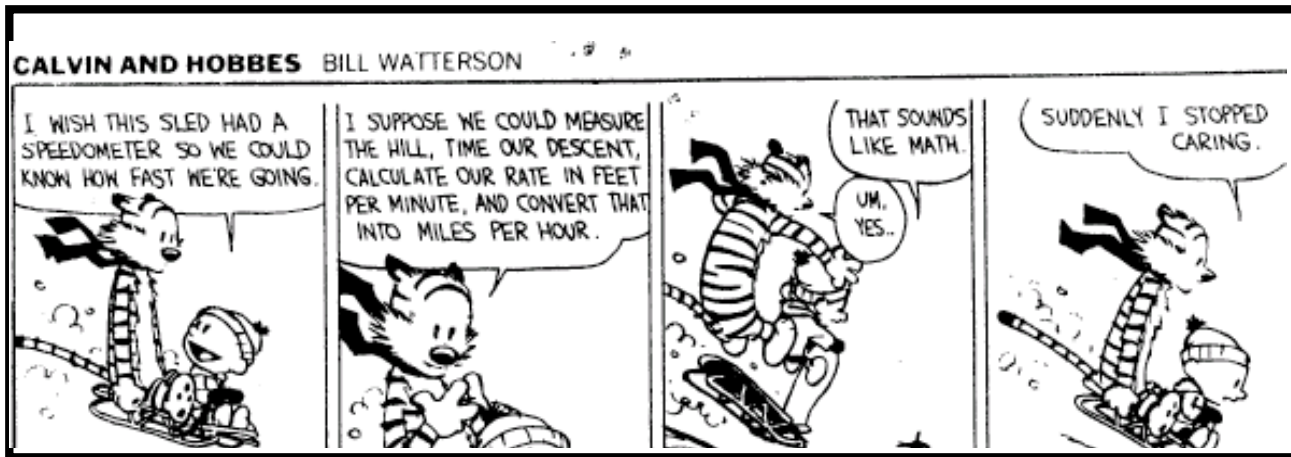
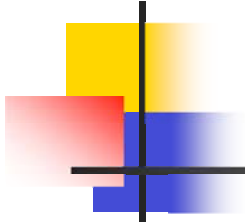


# Needs Assessment

---

## ■ Objectives

- To communicate the importance of the assessment process
- To clarify the steps involved in needs assessment
- To enable participants to make the various calculations and fill out worksheets relevant to needs assessment



"Building A Foundation for Charter School Success"  
Technical Assistance Project for Charter School Facilities  
NCB Development Corporation & Citigroup Foundation



# Needs Assessment Defined

---

- An estimate of the school's physical requirements
  - Be Flexible
  - Set short and long term goals



# Develop a Plan

---

- Start Early
  - Tap into network
    - Review Business Plan
      - Other space requirements



# Tap Into Network

---

- Other charter schools
- Board Members
- The Technical Assistance Resource Specialists



# Review Business Plan

---

- Number of students
- Class size estimation
- Number of subjects
- Number of classrooms
- Curriculum-specific classrooms



# Other Space Requirements

---

- Space for non-academic use
- Number of bathrooms
- Playground
- Parking
- Expansion



# Costs

---

- Availability of start-up funds
- 10 to 25 percent of annual operating budget for facility expenses
- 12 to 20 percent for rental/mortgage expense



# Time

---

- Gaining site control
- Securing financing
- Securing permits
- Construction/Renovation



# Regulations/Requirements

---

- Zoning restrictions
- Building codes
- Charter school regulations
- ADA
  - Universal Design



# Seeking Expertise

---

- Project Manager/Owner's Representative
- Architect



# Workshop Three: Site Selection

---

*"Building A Foundation for Charter School Success"*  
Technical Assistance Project for Charter School Facilities  
NCB Development Corporation & National Charter School Alliance



# Site Selection

---

## ■ Objectives

- To convey the steps involved in site selection
- To communicate the possible road blocks participants may face in the site selection process
- To define technical terms



# Assembling the Team

---

- Representation from the school
- Project Manager
- Architect (if desired)
- Real Estate Agent (Buyer's Agent)



**HAGAR THE HORRIBLE · DIK BROWNE**



“Building A Foundation for Charter School Success”  
Technical Assistance Project for Charter School Facilities  
NCB Development Corporation & National Charter School Alliance



# Reviewing Needs

---

- Safety
- Square feet needed
- Costs per square feet
- Specific curriculum needs



# Site Types

---

- School buildings
- Commercial space
- Office space
- Residential space
- Warehouse space
- Modular units
- Houses of worship
- New construction



# Leasing vs. Purchasing

---

- Options
- Time
- Costs



# Advantages to Leasing

---

- Requires less up-front cash
- Fewer property management obligations
- May offer a wider variety of space
- Flexibility in negotiation



# Disadvantages to Leasing

---

- No equity build-up
- No control over property management
- Lease renewal restrictions
- Limited collateral value



# Advantages to Buying

---

- May be more economical for schools with large enrollments
- Control over physical plant
- Permanence to school
- Gives ability to build wealth



# Disadvantages to Buying

---

- Necessitates up-front cash
- Requires time to negotiate
- May require debt
- Less flexibility



# Other Issues to Consider

---

- Infrastructure
- Soil conditions
- Zoning issues
- Environmental issues

# Charter School Facilities

*Presented by: Dylan Faircloth*



# Qualifications

- C&I Realtor
- Builder
- Designer
- Developer
- Three (3) new charter school projects completed in past three (3) years

# Topics of Discussion



**Needs  
Assessment**



**Site  
Selection**



**Managing  
Construction/  
Renovation**

# Needs Assessment

Defined:

An estimate of the school's physical requirements



# Facility Needs

- Start early
- Be flexible
- Get input
- Think short term and long term

# Review Business Plan

- Number of students
- Class size estimation
- Number of subjects
- Number of classrooms
- Curriculum-specific classrooms

# Other Space Requirements

- Non-academic space (hallways, offices, multi-use room, storage)
- Bathrooms
- Playground
- Parking
- Expansion



# Evaluate Costs

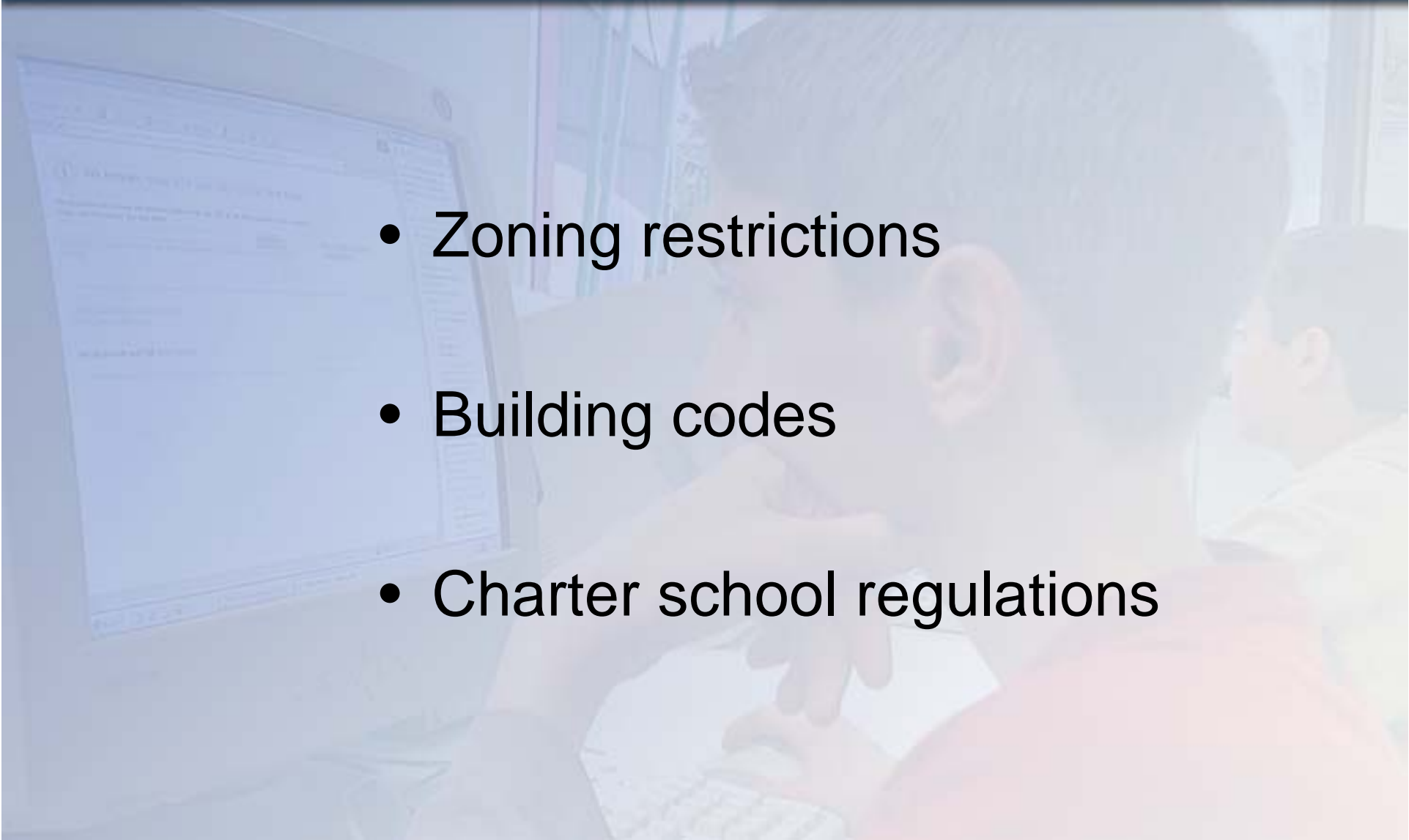
- Availability of start-up funds?
- Develop budget for facility expenses
  - 12% for rent or mortgage payment
  - 25% for total facility expenses
- Explore other sources of funds

# Time Considerations

- Deadlines for opening or obtaining CO?
- Securing financing
- Receiving furniture and equipment



# Rules & Regulations

- Zoning restrictions
  - Building codes
  - Charter school regulations
- 

# Site Selection

- Assemble Search Team
  - School representative(s)
  - Architect
  - Real estate agent (buyer's rep)
  - Builder
  - Civil engineer



# Develop Evaluation Criteria

- Location
- Site
- Building
- Restrictions
- Costs
- Timing


# Types of Space to Consider

- School buildings
- Industrial/warehouse space
- Retail/office space
- Residential space
- Modular units
- Houses of worship
- New construction



# Site Selection

Have a  
contingency plan.

An aerial photograph of a residential development, showing a semi-circular road, several buildings, and green spaces. The image is overlaid with a semi-transparent blue filter.

# Compare Costs

- Acquisition cost
- Cost of improvements

# Leasing vs. Purchasing

- Issues
  - Time
  - Money
  - Control

# Advantages to Leasing

- Less up-front cash
- Less maintenance/management
- Greater flexibility to expand or relocate
- May offer wider variety of spaces

# Disadvantages to Leasing

- Lack of direct control over facility
- Potential uncertainty if lease cannot be renewed
- No equity build-up
- Difficulty financing improvements

# Advantages to Purchasing

- May be more economical for schools with large enrollments
- Ability to build wealth
- Gives school sense of permanence
- School has control of its facility

# Disadvantages to Purchasing

- Necessitates up-front cash
- Usually requires debt
- Takes more time
- Less flexibility to relocate

# New Construction Site Issues

- Infrastructure
- Wetlands / flood plain
- Subsurface conditions
- Zoning
- Environmental

# Managing Construction/Renovation

- Key Points:
  - Value in design
  - Accurate scheduling
  - Accurate cost data
  - Quality workmanship



# Your Construction Team

- Owner's Representative (Project Manager)
- Architect
- Engineer(s)
- Builder
- Attorney



# Planning & Approval Process

- Land Use / Zoning Approvals
- Planning & Design (A&E)
- Contracts & Permitting

# Construction Delivery Methods

- Competitive bid
- Construction management (cost of work plus fee)
- Design-build



# Other Construction Issues

- Bonding
- Contingencies
- Retainage
- Change orders
- Punch list
- Warranty

# Charter School Facilities

*Presented by:*

*Dylan Faircloth*

*(717) 390-4618*

*dfaircloth@high.net*



**GREENFIELD**  
**ARCHITECTS, LTD.**

[www.GreenfieldArchitects.net](http://www.GreenfieldArchitects.net)



[www.HighConstruction.com](http://www.HighConstruction.com)