

Statement of Need

We're excited to reiterate that student enrollment exceeded our designated classroom spaces this year! As this occurred early in the admissions season, we were able to adjust our plan and properly accommodate 405 K-8 students. While we were able to preserve the depth of our program offerings, many of our programs were displaced and pushed into shared spaces.

Early enrollment predictors for 2022-2023 suggest that we will once again exceed projections with an estimated 450 K-8 students! To accommodate this growth, we've reallocated all remaining ancillary spaces to be classrooms in the coming year. We are now out of space, in a market with high demand, and must consider our options for the future.

Proposed Solution

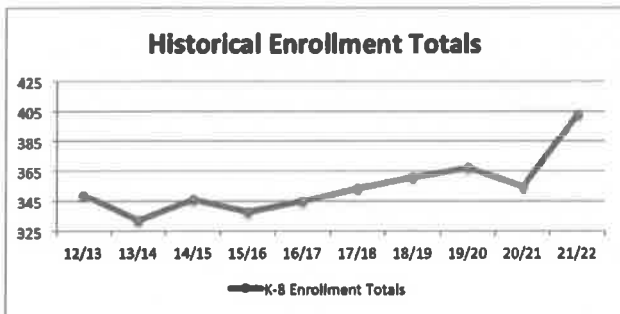
A review of our options led us to conclude that a building expansion best answers this need. The proposed expansion plan allows us to

1. Meet the needs of our current and emerging enrollment
2. Optimize teacher to student ratios
3. Regain learning spaces that have temporarily been reassigned.

The cost of this expansion is projected to be near \$4M based on current market costs and similar local builds. We will have a more specific cost estimate in the coming weeks and will publish this ahead of the vote on May 2.

Sustainability of Enrollment

The strategic decisions, actions, and activities we completed over the past 8 years have reframed Highland Christian School's future. Our course is set, our foundation is strong, and our outlook is bright as we plan for the next generation! Highland Christian School continues to attract high caliber teachers and vision matched families. Our students continue to outperform local and state proficiency levels. Our faculty is well equipped to deliver on our vision and mission, and student needs are being met at higher levels resulting in stronger learning outcomes. With this, retention rates are at an all time high and enrollment continues to grow in response to parent and community referrals.



In addition to these factors, the Indiana Choice Scholarship program has served our community well since 2014. Furthermore, this past fall, legislative action expanded funding for the scholarship, increasing the eligible income levels and the scholarship award for all recipients. This program requires careful navigation but remains

a wonderful blessing for our school community. It contributes positively to the stability of our enrollment, ensuring continuity for currently enrolled Christian school families, and accessibility for new vision matched families.

Sustainability of Funds.

While we are pleased to leverage the benefits of the Choice Scholarship program, we also recognize the risk that it presents. For this reason, Highland Christian's School and Foundation Boards are working collaboratively to develop strategies that maximize our current financial position, ensure continued tuition support for all families, and mitigate loss in the absence of the Choice Scholarship. Of specific note are Highland Christian School's newly established grant program, Choice Contingency Fund, Foundation Fund, and internal cost saving measures.

- Bringing in \$295,000 over the past two years, **renewable and pass through grants** have become a significant source of funding for specialized expenses. These funds have allowed us to expand educational programs without adding to tuition and have also reduced our dependence on private donors.
- Highland Christian School established the **Choice Contingency Fund** for the purpose of supporting families should the State scholarship program, or our involvement in it, cease. To date this fund is valued at \$82,000. We will continue to grow this fund at an aggressive rate until our goal of \$1,000,000 is achieved.

- **HCS's Foundation** serves to provide a permanent source of income for Highland Christian School with the purpose of offsetting operating costs and materially reducing tuition for parents. This restricted fund is currently valued at \$4.6M. Through regular activities and investment growth, we anticipate that our Foundation Fund can grow to \$10M by 2030. Although aggressive, this growth goal is necessary in order to maintain the current level of benefit for parents even as enrollment grows.

People

Expansion subcommittee: Kyle Weener, Principal
 Jodi Lineburg, Development Director/Recruiter
 John Stammers, School Board President
 Gerritt Wieringa, Past Board President, Governance Committee
 Henry Groot, Past Board Member
 Jerry Kuiper, Board Member
 Julie Sitter, Board Member
 Dave Sherwood, Foundation Board Member
 Les Dreischerf, HCS Architect

Process

1. **May 2021** - The School Board established a subcommittee to review enrollment, sustainability, and potential solutions that best supported the future of Highland Christian School. We evaluated the possibilities of limiting enrollment, relocating the school, leasing modular units, and renting space from New Life Church.
2. **Summer 2021** - The Administration, Board and Subcommittee reviewed Highland Christian School's enrollment data, various pieces of scholarly research related to student outcomes, voucher programs in other states, and best practices with regard to enrollment, marketing, and learning environments.
3. **Fall 2021** - The Administrator reviewed the identified issues and potential solutions with the faculty and staff.
4. **October 2021** - Exploration of potential solutions led the subcommittee to a clear decision that an expansion plan was the most efficient and appropriate solution for Highland Christian School.
5. **November 2021** - Initial concept drawings were shared with the School Board. Details of the issues and potential solutions were shared with the Foundation Board.
6. **Winter 2021** - The Administrator and Development Director worked collaboratively to gather necessary supporting data and documents, identify repayment sources, and develop the case for support along with a funding plan. Based on historical support and current financials, we have documented a plan that reasonably supports repayment of projected expansion costs in seven years.
7. **February 2022** - This case for support was presented to the leadership at Highland Christian School and has received 100% support from the Administrative Team, Development Director, School Board, and Foundation Board as demonstrated through lead gifts and pledges.
8. **March 2022** - The case for support was presented to the faculty and staff for their feedback and support. A follow-up survey was shared with 100% of HCS employees. To date we have received 47 of 76 responses. 100% of respondents expressed support. The questions and concerns that were identified in this survey are being addressed.
9. **March 2022** - The School Board voted to approve this Expansion Plan and to move forward with a proposal to the Society at a Special Society Meeting and vote on May 2, 2022.
10. **March 2022** - We identified a Project Manager and confirmed a communications plan with regard to this project.

Thank you for considering this proposal and for standing with us in the vision and mission of our great school. We would not be where we are today if it weren't for the community of believers who so generously support and invest in this work. To God be the glory!

Highland Christian School, Highland, IN
 March 2022

For more information, please contact our Development Team at (219) 838-0356 or visit us online at www.highlandchristian.org