# **MEMORANDUM**

|  |  |
| --- | --- |
| **To:** | Members of the Board of Elementary and Secondary Education |
| **From:** | Pedro Martinez, Commissioner |
| **Date:** | October 21, 2025 |
| **Subject:** | Charter Schools – Approval of Loans beyond Charter Duration (Lowell Community Charter Public School, Pioneer Valley Chinese Immersion Charter School, Cape Cod Lighthouse Charter School, Pioneer Charter School of Science II) |

Under the charter school statute, G.L. c. 71, § 89(k)(6), a charter school may incur temporary debt in anticipation of receipt of funds. The charter school must receive approval of the Board of Elementary and Secondary Education (Board) if it wishes to agree to a term of repayment that exceeds the duration of the school’s charter. At its meeting on October 21, 2008, the Board voted to delegate to the Commissioner of Elementary and Secondary Education (Commissioner) the authority to approve such requests.

I am informing the Board of approvals granted to four charter schools within the past twelve months. This memorandum organizes the approvals chronologically.

These approvals impose no liability on the Commonwealth, the Board, or the Department of Elementary and Secondary Education (Department) and the approvals do not reflect either the accountability status or the potential outcome regarding charter renewal for these charter schools. In each case, after the Department reviewed the request and determined that it was reasonable and consistent with the charter school statute and regulations, approval was explicitly conditioned upon including the language that follows in the loan agreements.

The parties to the loan(s) acknowledge and agree that the Commonwealth of Massachusetts, including but not limited to the Board and the Department of Elementary and Secondary Education, provides no representations or guarantees with respect to these loans and has no liability for any portion of the loans. Furthermore, specifically and without limitation, approval of the loan has no impact on any action that the Massachusetts Board of Elementary and Secondary Education may choose to take in the future with respect to probation, revocation, or renewal of the school's charter.

**Approvals**

In a letter dated January 22, 2025, the board of trustees of **Lowell Community Charter Public School** (LCCPS) requested approval to enter into a loan agreement for $1,840,000 from First Citizens Bank. LCCPS will use the proceeds from the loan to consolidate all programming into a single building under the full ownership and control of LCCPS.

On February 3, 2025, the board of the **Pioneer Valley Chinese Immersion Charter School** (PVCICS) made a second request for approval to enter into a loan agreement to update the terms of a previously approved loan arrangement. On May 24, 2023, the school received approval to enter into a loan agreement as guarantor for $7,650,000 with the United States Department of Agriculture. Since May 2023, the originator, the amount, and the terms of the loan changed; instead, the loan was received from Easthampton Savings Bank for $5,760,000 with a 20-year term. PVCICS, however, failed to seek approval in a timely manner of the material changes to the loan. PVCICS submitted an updated request once the school was aware of its oversight. PVCICS used the loan to purchase an additional building.

In a letter dated March 13, 2025, the board of trustees of **Cape Cod Lighthouse Charter School** (CCLCS) requested approval for a loan executed in May 2024 in the amount of $300,000. CCLCS received the loan from Eastern Bank with a five-year repayment term. CCLCS, however, failed to seek timely approval; the school submitted a request once the school was aware of its oversight. The loan agreement was updated to reflect the language required by the Department. CCLCS used the funds for necessary roof repairs.

In a letter dated May 14, 2025, the board of trustees of **Pioneer Charter School of Science II** (PCSS II)requested approval to enter into a loan agreement in the amount of $29,800,000 from Salem Five Bank. In their request for approval, PCSS II stated that the loan would be obtained through the proceeds of tax-exempt bonds issued by the Massachusetts Development Finance Agency (MDFA). The loan will have a 32-year term. PCSS II will use the loan to acquire and construct an additional property to complete implementation of its expansion from a 7-12 school to a K-12 school serving 858 students.

This memorandum provides written confirmation of my approval, pursuant to G.L. c. 71,

§ 89(k)(6), of the repayment duration for the loans and agreements described above, all of which exceed the length of these schools’ charters. The Department reviewed these requests, and they were reasonable and consistent with the charter school statute and regulations. These approvals in no way reflect either the accountability status or the potential outcome regarding charter renewal for these charter schools. Considering the missteps of two charter schools last year, the Department has strengthened internal processes to ensure that Department staff identify earlier in the process any prospective capital projects that may involve a loan agreement that exceeds a school’s charter term.

If you have any questions regarding this matter or require additional information, please contact Lauren Secatore, Chief of Staff, at [Lauren.Secatore@mass.gov](mailto:Lauren.secatore@mass.gov), or me.