

Are online charter schools good options for families?

No. Online charter schools, also called cyber schools and virtual schools, are a poor choice for students almost every time. They're mostly a way for for-profit education operators to cash in by exploiting the most vulnerable families in the public education system.

This is why

Online schools, in general, don't perform well, but online charters are particularly bad. Overall, online schools serving students K-12 have dramatically negative effects on academic achievement.

Graduation rates for online charters are dreadful. While graduation rates for public schools have been trending up nationally, online schools continue to lag significantly.

The online charter sector is dominated by big, for-profit chains. School districts have been increasingly creating their own virtual schools, but these tend to enroll far fewer students than large online charters. The nation's largest online charter chain is K12 Inc., a for-profit company listed on Wall Street. Outsourcing online schools to private companies opens them up to financial fraud, waste, and abuse.

Online charters often prey on the most vulnerable students. The promise of a stay-at-home school is most tempting to students already struggling, but it's generally a false promise.

Look at the facts

A **comprehensive analysis** of online schools nationwide comparing student

performance on assessments in reading and mathematics found 37.8% of district operated online schools had an acceptable proficiency rating compared to only 20% for online charters. Similarly, 23.1% of district online schools had proficiency rates above the state average, while only 16.8% of online charter schools had above average rates.¹

A study of online charters in **Ohio** found students attending these schools perform worse than their peers in bricks-and-mortar schools in all tested grades and subjects.²

A widely cited **national study** found students enrolled in full-time, online-only schools lost an average of about 72 days of learning in reading and 180 days of learning in math over a 180-day school year – meaning, in math, an entire year of lost instruction.³

An investigation of an online charter school in **Colorado** found fewer than one in four students used the school's software every day and the school's leader directed millions of taxpayer dollars to his for-profit company.⁴

Nationally, online schools, both district and charter operated, have graduation rates of just 40%, less than half the national average. In contrast, regular

public high schools have four-year graduation rates of 85%.⁵

Dropout rates at **North Carolina's** two online charters were 25% and 30%. Both schools received grades of "F" in mathematics and "C" in reading on state ratings.⁶

At **Maine's** online charter, 25% of the students dropped out within the first 90 days of operation.⁷

At a **Kansas** school district, an online charter operated by K12 Inc. posted a graduation rate of just 26.3% compared to 88% and 94% for the district's two high schools.⁸

Ohio's largest online charter had graduation rates of only 39% in 2014.⁹ In that same year, the school paid the companies associated with its founder nearly \$23 million, or about one-fifth of the nearly \$115 million in government funds it took in.¹⁰

Online charters run by private education management organizations (EMOs) account for 74.4% of all enrollments in online schools. Virtual schools operated by for-profit EMOs had 44 students per teacher, more than double the national average of 15.¹¹

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An in-depth investigation of an online charter in **California** found the schools are controlled by a for-profit firm that handles almost every aspect of the school's operations, including curriculum, personnel, and marketing. The company compensation can amount to as much as 75% of the school's public funding.¹²

A nationwide review of hundreds of news stories and dozens of state audits found an overwhelming number of negative accounts about online

charter schools. One **Colorado** online charter had a 19% graduation rate. An **Ohio** online charter inflated student attendance by nearly 500%. A **Pennsylvania** online charter founder siphoned off \$8 million in public money, including \$300,000 to buy his own airplane. And a **Hawaii** online charter founder hired her nephew as the athletic director – for a school with no sports teams.¹³

Another study of **Ohio** online charters found that students with low test scores

who enroll in these schools tend to fall even further behind from their peers. Higher-performing students fare better but still do worse than they would have done if they had not enrolled in an online charter.¹⁴

Online charter schools have made prominent headlines in numerous places, including **California** and **Pennsylvania** for allegedly deceiving prospective students into enrolling and defrauding states of millions of dollars.^{15, 16}

WHAT PRIVATIZERS BELIEVE	WHAT WE BELIEVE
Online charter schools are a good fit for some families.	Online charter schools rarely live up to their promises and open struggling students to exploitation.
Online charter schools belong in the mix of school options available to parents.	Online charter schools siphon precious dollars away from good schools and drag down the performance of the whole system.
Online charter schools are an experiment worth trying.	The track record for online charters is well established and uniformly bad.

Bottom Line

Strong demand for online charters is the result of marketing hype and not evidence of good results. States and school districts continue to adopt these schools believing they can somehow be an exception to their poor track record, but the results are invariably negative, and, in the meantime, more children are cheated out of a quality education while for-private companies add to their profits. Families and communities need high-quality, well-resourced public schools, not false promises.

¹ "Virtual Schools Report 2016," Gary Miron and Charisse Gulosino, National Education Policy Center, April 2016.

² "Enrollment and Achievement in Ohio's Virtual Charter Schools," Thomas B. Fordham Foundation, August 2016.

³ "Online Charter School Study, 2015," James L. Woodworth and Margaret E. Raymond, Center for Research on Education Outcomes at Stanford University.

⁴ "A Virtual Mess: Inside Colorado's Largest Online Charter School," Benjamin Herold and Alex Harwin, Education Week, November 3, 2016.

⁵ "2016 Building a Grad Nation Report: Progress and challenge in raising high school graduation rates," America's Promise Alliance, May 12, 2015.

⁶ "Virtual charters continue to be plagued by high dropout rates, low student performance," Billy Ball, NC Watch, November 17, 2016.

⁶ North Carolina School Report Cards 2015-2016 K-12 Charter School Snapshot.

⁷ "Maine's new virtual charter school sees 25% enrollment drop since opening," Noel K. Gallagher, January 6, 2016.

⁸ "Lawrence prepares for full takeover of troubled virtual high school," Peter Hancock, Lawrence Journal World, March 17, 2014.

⁹ Ohio School Report Cards: 2015 - 2016 Report Card for Electronic Classroom of Tomorrow.

¹⁰ "Online School Enriches Affiliated Companies if Not Its Students," The New York Times, Motoko Rich, May 18, 2016.

¹¹ "Virtual Schools Report 2016," Gary Miron and Charisse Gulosino, National Education Policy Center, April 2016.

¹² "K12 Inc.: California Virtual Academies' operator exploits charter, charity laws for money, records show." Jessica Calefati, The Mercury News, January 11, 2017.

¹³ "Cyber Charters: Widespread Reports of Trouble," Education Week, November 3, 2016.

¹⁴ "Student Enrollment Patterns and Achievement in Ohio's Online Charter Schools," New York University, February 16, 2017.

¹⁵ "Attorney General Kamala D. Harris Announces \$168.5 Million Settlement with K12 Inc., a For-Profit Online Charter School Operator," state of California Department of Justice, Friday, July 8, 2016.

¹⁶ "After three years of fighting charges, PA Cyber founder admits tax fraud," Torsten Ove, Pittsburgh Post-Gazette, August 24, 2016

