

EXECUTIVE SUMMARY

Parents seek a caring, consistent, and dependable learning environment for their children in an increasingly unstable world. At the same time, they are being lured from their neighborhood public school by school choice.

With a carefully crafted marketing campaign, a new charter school offers something different, promising something better than the neighborhood public school down the block.

However, as hundreds of thousands of families have found, enrolling your child in a charter school comes with enormous risk. Charter schools [close at far higher rates](#) than public schools.¹ And, unlike public school districts where infrequent closures are orderly with the district finding a new school for the child, charter school closures are often chaotic and abrupt, taking parents by surprise. As this report shows, that risk is far from negligible.

While research studies of charter closure rates typically measure year-to-year closures, such studies provide little guidance to families seeking to understand the risk of enrolling their child in a charter school. The questions that parents ask are more practical.

Will their kindergartener's school still exist next year or when they are in grade five? Will their high school student's school be offering diplomas come graduation year? Or will it be boarded up?

In short, parents want to know if they can depend on a school being there not only when their children start but also when they finish. Based on a marketplace model with fewer regulations, the charter sector is far more unstable than local public schools. Some schools that close have been open for only a few months, while others close after serving communities for ten years or more. Year-to-year closure rates do not indicate the longevity of schools and, therefore, provide limited information.

While the fate of each school cannot be predicted, we can show trends. What percentage of charter schools survive to the three-year mark? How many make it to year ten? Thirty-two years into the charter school "experiment," the handwriting is on the wall. As this report shows, the results are discouraging for those looking for security and consistency for their children.

As in our [first report on charter closures](#),² Researcher Ryan Pflieger, Ph.D. used the Department of Education's Common Core of Data (CCD), the primary database on non-private elementary and secondary education in the United States, to determine charter school closure rates

for this report. The instability in the sector we found in our first report still exists today, even with additional cohorts of schools in the mix — more than one in four charter schools close by the five-year mark.

By year 10, the failure rate jumps to nearly four in 10; five years later, almost 50 percent have closed. We now have five cohorts at the 20-year mark with an average failure rate of 55 percent.

TABLE 1. SUMMARY OF CHARTER CLOSURES BY OPENING YEAR COHORT

NUMBER OF YEARS OPEN	AVERAGE FAILURE RATE	NUMBER OF COHORTS
Year Three	16%	22
Year Five	26%	20
Year Ten	39%	15
Year Fifteen	49%	10
Year Twenty	55%	5

Although average closure rates provide important information, it is equally important to understand why charter schools close. Such information can inform parents of warning signs, giving them ample time to find another school.

Therefore, we analyzed news stories reporting charter closures during the 2022-2023 and 2023-2024 school years to ascertain the contemporary reasons for closures.

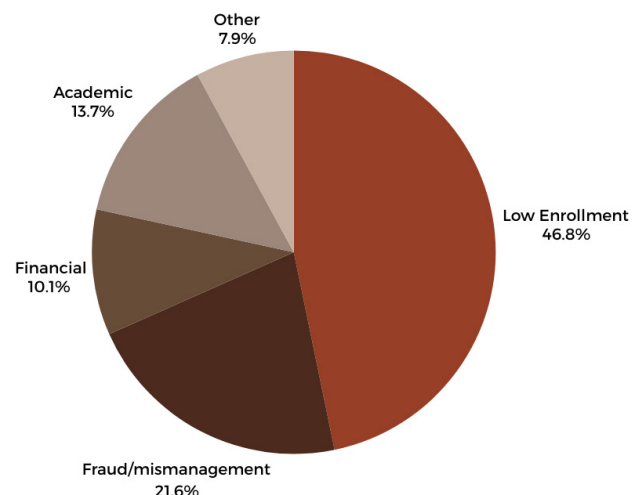
We included only closures reported in professional news services with stories that answered all three of the following questions:

1. Why the charter school closed
2. If the closure was voluntary or mandated by an outside agency
3. Whether the closure was abrupt or phased.

It is important to note that the included closures were not the only closures during those years. Some schools close with little or even no media notice at all. Nevertheless, we found a representative sample of closures across the 31 states represented on which to draw conclusions.

The pie chart below represents our findings.

FIGURE 1. REASONS FOR CHARTER CLOSURES: 2022-2024



How the charter school is closed is of equal interest to parents. Despite commonly held beliefs, we found that most charters do not have an orderly closure initiated by their authorizer based on their inability to meet their academic goals. The process is very often chaotic.

Nearly 65 percent of all closures are undertaken by the schools' operators or board. Forty percent of all charter closures in the years we examined were abrupt, giving parents scant notice to find another school. In nearly all abrupt closures, schools had either watched enrollment drop but waited until they had no choice but to close, or the school closed due to fraud or mismanagement.

Here is the bottom line. Over the years, charter closures have broken their promises to more than one million children whose parents believed they had enrolled their children in a better, stable alternative to their local public school. In the marketplace model of schooling, when it comes to charter schools, it is buyer-beware. And in far too many cases, these schools were doomed to fail from the very beginning.

FIGURE 2. SCHOOL ENROLLMENT PRIOR TO CLOSURE: 1998-2022

