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About 15 Percent of Charter Schools Shut Down, Group Says

By [Sean Cavanagh](#) on December 21, 2011 10:30 AM

About 15 percent of the nation's charter schools close—and that's not a bad thing, according to a [newly released report](#), which argues that those shutdowns are proof that the system weeds out institutions that can't cut it for one reason or another.

Of roughly 6,700 charter schools that have opened in the United States, 1,036 have closed since 1992, says a report unveiled today by the Center for Education Reform, in Washington.

In addition, about 500 other [charter schools](#) opened, but were consolidated back into their school districts—or received charter status, but were unable to open or decided not to do so, the report estimates.

The center, which advocates for charters and school choice, bills its report, "The State of Charter Schools," as the "first-ever national analysis" of the charters that have closed shop over the past two decades.

It says that the numbers should dispel a few myths: that poor-performing or otherwise inept charter schools are allowed to remain open indefinitely, and that the vast majority of charters are poor-quality. In fact, weak charters regularly close their doors, which, in the center's view, shows that they're held to high standards—in many cases, higher than traditional public schools.

"[N]ot only do charters deliver on student achievement, but a substantial percentage of charter schools are closed from year to year for reasons that any school should be closed," the report states. "Far from condemnation, these data points suggest a movement that has been amenable to course correction and closure since its inception."

So why do charter schools close?

The greatest portion of them, 41.7 percent, go under for financial reasons, the center found. Mismanagement—which could be misspending, failure to provide adequate programs or materials, or an overall lack of accountability—is the next most likely reason, at 24 percent, followed by academic problems, at 18.6 percent.

Of the rest, 4.6 percent close because of problems with their facilities. "District obstacles" are another barrier, at 6.3 percent. The report maintains that in those cases, school systems may saddle charters with unrealistic paperwork or regulatory burdens or treat them with outright hostility.

While there are examples of charters that close because of conflicts with local school boards, the report says, many have closed because of their own shortcomings, such as a lack of [oversight](#) by authorizers.

The center's favored method for holding charters to account is to have [strong state laws](#) that have "multiple, independent authorizers" of charters to provide oversight and which are empowered to close poor schools. States with multiple [authorizers](#) are home to nearly 80 percent of the nation's 5,400 charters, according to the report, authored by the center's vice president of research, Alison Consoletti.

School districts and [state departments of education](#) are poorly equipped to serve as authorizers, as the center sees it, because charter duty typically is a secondary duty, handled by staff who are overwhelmed with other responsibilities.

"Performance-based accountability is the cornerstone of charter schools," the report says.

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