

BROKEN PROMISES:

An Analysis of Charter School Closures
From 1999-2017



NETWORK *for*
PUBLIC EDUCATION

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The Network for Public Education (NPE) is an advocacy group whose mission is to preserve, promote, improve and strengthen public schools for both current and future generations of students. The goal of NPE is to connect all those who are passionate about our schools – students, parents, teachers and citizens. We share information and research on vital issues that concern the future of public education at a time when it is under attack. For more information, please visit our website at www.networkforpubliceducation.org.

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EXECUTIVE SUMMARY

Charter schools began in the 1990s as an experimental alternative to public schools. Today charter schools are a multi-billion dollar sector composed of both nonprofit and for-profit corporations that embrace the philosophy of the marketplace. The survival of charter schools, much like the survival of small businesses, depends on their ability to out-compete other schools and to attract new customers. Unlike businesses, however, public tax dollars are used to pay charter operators who personally assume little financial risk. The public places bets on schools in a marketplace model. Too often, it is a losing gamble.

Supporters of charters see school failure as a natural feature of the model. They argue that schools do not fail at the rate of private startups and consider that to be a success. However, there has been, to this point, no comprehensive attempt to track charter closure rates over time, and so the true failure rate of char-

ter schools, along with the costs to students who are displaced when the school closes, was unknown.

THE PURPOSE OF THE STUDY

This report provides the first comprehensive examination of charter failure rates over time—beginning in 1998 and ending in 2017. By following all charter schools, from the year they opened, we were able to determine how long they lasted before closing down. We also determined how many students have been displaced by failing charter schools. Finally, we conducted a geographic analysis focused on three of America’s poorest cities to determine where closures are concentrated.

OVERVIEW OF FINDINGS

The U.S. Department of Education’s [Common Core of Data](#) (CCD) is the primary data-

base on elementary and secondary education in the United States. Using the CCD data, we analyzed cohorts of schools—schools that opened in the same year—over time. Unique school identifiers, school-type designations, and enrollment data allowed us to determine the failure rates for cohorts of charter schools at the three, five, ten, and in some cases, the fifteen-year mark.

Enrollment data in the year before charters closed allowed us to determine how many students were displaced. To analyze the relationship between poverty and charter closures, we used tract-level poverty estimates from the U.S. Census American Community Survey for three of America’s poorest cities: Detroit, Michigan; Tucson, Arizona; and Milwaukee, Wisconsin. All three are cities with substantial numbers of failed charters. Combining the addresses of failed schools with tract-level poverty data, we were able to determine in which neighborhoods, by income, closures were most likely to occur.

We found charter closure rates to be alarmingly high, rising to 50 percent by the 15-year mark.

- **Closures during the first three years:** Our examination of 17 cohorts from 1998 to 2014 found that 18 percent (1,667 of 9,413) of charters closed by the three-year mark. A large proportion of failures occurred by the completion of the first year.
- **Closures in subsequent years:** By the five-year mark, the closure rate increased

to more than one in four charter schools. By year ten, 40 percent of charter schools had closed. In the available data, five cohorts of charter schools reached the fifteen-year mark. At year 15, one in two of those schools were gone. Failure rates ranged from 47 percent to 54 percent.

- **Students displaced by charter closures:** Between 1999 and 2017, over 867,000 students were displaced when their charter school closed. It is reasonable to assume that if more current data were available, as well as data from 1995–1998, we would find more than one million students have found themselves emptying their lockers for the last time—sometimes in the middle of a school year—as their school shuts its door for good.
- **Closures in high-poverty areas:** In three of the poorest cities in America—Detroit, Tucson, and Milwaukee—the rate of charter closures was higher in areas with greater than 30 percent of households in poverty than in areas with less than 20 percent. The gap was largest in Milwaukee—68 percent vs. 54 percent.
- **States with a large charter sector and large failure rate:** Wisconsin, Arizona and Florida had the top failure rates at both the five-year and ten-year mark. Ohio was in the top five at both benchmark years. Our [animated map](#) shows the rapid growth and geographic dispersion of charter closures from 1999–2017.

PRIORITIES IN THE CONTEXT OF CHARTER FAILURE

Federal, state, and local governments should implement a moratorium on the opening of new charter schools, as recommended by the NAACP and the Movement for Black Lives. The high odds of charter school failure, combined with the fiscal constraints we face due to an economic downturn and the novel coronavirus pandemic, means it is too risky for tax dollars to continue to flow into the charter sector. Earlier calls for a moratorium were based in a desire for democratic control of public schools, the frequency of fraud and mismanagement, a lack of transparency, a growing awareness of racial and economic inequalities in charter schooling, the draining of funds from district public schools, and the instability that charter competition creates in communities. The new findings on charter failure in this report further substantiate the need for a moratorium. Although some charters shine, the sector has a systemic failure problem and unless and until such problems are corrected, it should not expand. Funding should instead be dedicated to improving our neighborhood public schools—systems that, however challenged, are the backbone of our historic commitment to serving every child with a free, public education.





INTRODUCTION

“I am a parent of Mary D. Coghill [Charter School]. For the last three years I have had to place my kids at different schools each year because the schools keep closing. My child was attending MCPA, that school closed. He then went to Medard Nelson, that school closed. Now, he is at Coghill and y’all are trying to close that school. I am tired of moving my child every year because y’all are closing schools.”

Those are the words of Coghill parent Elouise Matthews, in [a statement](#) to the Orleans Parish School Board and its Superintendent Henderson Lewis, Jr. In December of 2020, Ms. Matthews learned that once again, the charter school her son attended [was going to close](#) unless a new operator could be found to run it.¹

For Matthews, the option of having her son attend a neighborhood public school that is a permanent, integral part of the community is gone. In a city where charters are now the only non-private schools, “choice” has be-

come synonymous with school closure and churn.²

Because every school in New Orleans is now a charter school, it is likely [this instability](#) will continue in the Coghill family’s life, as it has in the lives of other New Orleans children.³ New Orleans presently [has about 80 charter schools](#)⁴ run by 38 different private, unelected boards.⁵ While the total number of schools in the city may be relatively stable, individual schools are not.

Charter churn is baked into the New Orle-

ans model—more than 35 charter schools in the city shut down between 2006, the year following Hurricane Katrina, and 2017. Surviving schools are frequently taken over by new operators, who often have a very different mission and vision for the school. The days of stable schools rooted in New Orleans’ communities and governed by local elected boards are gone. Charters appear, and then they are gone. The promise of better opportunities for local children has become a promise broken over and over again.

New Orleans is far from the only city with charter churn. Between 1998 and 2015, more than 9,000 charter schools in the United States opened and enrolled students. However, more than 3,700 of those schools closed. Of the 606 charters that began serving students in 1999, only 256 (42 percent) were still open in 2017.

And yet the charter school experiment continues, even as closures displace tens of thousands of students every year.

A HIGH-COST EXPERIMENT

For the past twenty-eight years, our nation has promoted and invested in charter schools as a privately governed alternative to neighborhood public schools. The first charter school opened in Minnesota in 1992 as a district-sanctioned alternative school. Since then, the number of charter schools has exploded. Small, independent charter schools now compete with giant for-profit online charter schools and national charter chains. Although [there are competing accounts](#) of

what drove charter school expansion,⁶ today it is a multi-billion dollar industry composed of both nonprofit and for-profit actors. The industry is built on a model that views closure as a natural process in a competitive marketplace.

The federal government is complicit in this development. Over \$4 billion has been doled out by a U.S. Department of Education program (the Charter Schools Program, or CSP) to create and expand charter schools. Nearly 45 percent of charter schools that are operational today received federal start-up funds from the CSP. As NPE has reported, approximately [one billion of that four billion](#) dollar investment was given to schools that never opened, as well as to many that opened and then closed.⁷ [According to Secretary of Education, Betsy DeVos](#), of the over 5,000 charter schools that received federal start-up funds since 2001, 12 percent (634) never opened and are unlikely to do so.⁸ When combining schools that closed with those that never opened, [the failure rate for CSP-funded charter schools](#) exceeds 40 percent.⁹

The large and growing number of charter schools that fail raises questions about the stability and efficacy of the charter sector. What is the expected life-cycle of a charter school? When a parent enrolls their kindergartner, what is the probability that the school will be there until they graduate to the next level of schooling? How many students are displaced when charter schools close? Which neighborhoods are most affected? Why do so many charter schools fail? Is this merely the result of “accountability” based on academic performance, or are charter school failures

inherent in the competitive, market-based model?

To begin developing evidence-based answers to these questions, the Network for Public Education asked education policy researcher Ryan Pflieger, Ph.D., to analyze the closure of charter schools using the Department of Education's [Common Core of Data](#) (CCD),¹⁰ the primary database on non-private elementary and secondary education in the United States. The CCD is a massive database that includes detailed information on both charter and public schools.

To better understand the extent of charter churn, we analyzed cohorts of schools—schools that opened in the same year—over time. Using unique school identifiers as well as enrollment data, Dr. Pflieger probed the CCD database from 1998-2017 to determine the failure rates for cohorts of schools at the three, five, ten, and in some cases, the fifteen-year mark. That analysis revealed a substantial and stable failure rate of charter schools.

Within five years, the same time that it takes an elementary student to progress from Kindergarten to 5th grade, 27 percent of charters shut down. Forty percent failed by year ten,

and half of all charter schools failed by the fifteen-year mark.

Examining the enrollment figures for the year before these charter schools closed, Dr. Pflieger determined that more than 867,000 students were displaced by charter school failure from 1998–2017. Our analysis of charter closures across two decades finds strong evidence that the charter sector has a systemic problem: charter schools often fail to consistently serve communities because their existence is often short-lived.

Startled by these findings, we decided to take a closer look. We selected three of America's poorest cities that have a mature charter sector in order to analyze where closures occur as well as the reasons that schools shut down.

We found that closures were disproportionately more likely to occur in the poorest parts of cities, in census tracts where poverty rates exceed 30 percent. We also found that the reasons for closures went far beyond academic accountability, with schools shutting down for multiple reasons including mismanagement and fraud. These closures sometimes occur abruptly, leaving families scrambling to find a new school for their child, at times in the middle of the school year.

In light of this report's findings, policymakers must decide whether tax dollars should continue to flow into the creation of more charter schools, given the certainty that many of these schools will fail. Or, limited funding could instead be dedicated to shoring up and reviving our public schools—systems that, however challenged, are the backbone of our historic commitment to serving every child with a free, public education.

A NEW DIRECTION?

As our nation once again finds itself in severe economic distress, this time related to a global pandemic, we are at a crossroads. Public schools will experience deep cuts in funding over the coming years. In light of this report's findings, policymakers must decide whether tax dollars should continue to flow into the creation of more charter schools, given the certainty that many of these schools will fail. Or, limited funding could instead be dedicated to shoring up and reviving our public schools—systems that, however challenged, are the backbone of our historic commitment to serving every child with a free, public education.

It is also critical that we acknowledge in which communities the pain of broken promises has been most acutely felt. We have engaged in decades of neglect and inequity in the funding and stewardship of public schools in our most impoverished neighborhoods. Rather than invest in local public schools, with more experienced teachers, technology, and wrap-around services for students and communities, we instead have shifted the burden to families like the Matthews, forcing them to engage in a nomadic journey of “choice,” relocating from one school to another.



OVERVIEW OF THE ANALYSIS

The U.S. Department of Education's Common Core of Data (CCD) is the most comprehensive and rigorously collected database of public elementary and secondary schools in the United States, including schools in Puerto Rico. Charter school designations appear in that database beginning in 1998.

We used enrollment numbers as an indicator of school status. In short, if a school reported no enrollment, then we categorized it as closed. This is based on several assumptions and facts.

We did not include schools that were listed in the CCD as "open" for a number of years without ever showing any enrolled students. By including only schools that show actual enrollment, we eliminated the possibility of counting schools as closed when in fact, they never opened at all.

Because enrollment determines school fund-

ing, staffing levels and more, we made the assumption that enrollment numbers are not systematically underreported by schools. In rare cases in which schools fail to report actual enrollment, we could wrongly assume these schools had closed, which would overestimate closure rates.

The reverse is also true. If a charter school closes before the date it reports enrollment, that school would not be reported as closed, resulting in an underestimation of closures.

In total, more than 2 million records of enrollment and charter status were reviewed.

This report provides a comprehensive examination of charter closures by exploring the charters' longevity within cohorts based on the year the school first reported enrollment. We examined how long schools remained open by conducting separate analyses of cohorts at the 3-, 5-, 10- and 15-year marks. We

used CCD data to estimate the number of students who were displaced by these closures. We also examined the association between poverty and charter closures by focusing on three of the poorest cities in the United

States. Finally, we compared failure rates across states with the largest charter sectors. Appendices at the end of this report provide definitions of key concepts, our methodology, and detailed data tables.

THE CONFUSING (AND INACCURATE) SCHOOL COUNT OF CHARTERS BY THE NATIONAL ALLIANCE FOR PUBLIC CHARTER SCHOOLS

Every year the National Alliance for Public Charter Schools (NAPCS) reports on the number of charter schools that opened and closed. We decided to compare our numbers to theirs. We used as our source a 2019 Bellweather report entitled [The State of the Charter Movement](#) that has a summary slide on page 11 of charter openings and closings by year. Bellweather states that its source was NAPCS.

Below is a comparison between the Bellweather’s numbers and ours.

Year	Bellweather: Source NAPCS		NPE: Source CCD	
	New	Closed	New	Closed
2009	436	154	454	196
2010	518	170	513	214
2011	549	175	616	221
2012	560	211	574	240
2013	650	278	643	238
2014	497	252	546	236
2015	454	193	429	323
2016	362	233	391	236

Because we used enrollment numbers to determine when a school opened and closed, we expected to see differences between our numbers and Bellweather’s. NAPCS is vague about the criteria they use and when they collect data from state education departments and charter organizations that serve as their sources.

Even so, we were surprised by the significant difference between our 2015 numbers and Bellweather’s. We, therefore, searched for the 2015 NAPCS report, which you can read [here](#).

According to NAPCS, 404 (not 454) charter schools opened, and 272 (not 193) closed—numbers much closer to ours. We noticed other substantial differences among NAPCS and the 2019 Bellweather report, as well as major discrepancies between the 2015 and 2019 Bellweather reports. For example, [in their 2015 report](#), Bellweather claimed 223 schools closed in 2013 and 223 closed in 2014. [In their 2019 report](#), however, they report 278 closures in 2013 and 252 in 2014.

Because Bellweather uses NAPCS as its source, the numbers in all reports should align. They don’t. We believe the best source of data for school openings and closings is the Common Core of Data of the U.S. Department of Education.



FINDINGS BY COHORT

Charter school advocacy groups such as the National Alliance for Public Charter Schools publish estimates of [the number of charter schools](#) that open and close each year.¹¹ Their tallies, however, do not provide insight into the rate of charter closures over time. Charter advocates dodge the question of whether parents who enroll their child in a charter school can depend on that school's existence until graduation. While the fate of any particular school can't be predicted in advance—especially given the charter sector's lack of transparency in governance and finance—knowing the odds of the probable life-cycle of charter schools can help parents and policymakers understand how reliably charter schools serve communities. Such knowledge can also inform taxpayers who make a substantial investment of public dollars whenever a new school opens. That investment no longer provides a return if that school fails.

We decided to examine the question of closure in much the same way that we now examine high school and college graduation rates. We no longer look at a senior class and compute the percentage of those who graduate in a given year. This previously used metric has been widely discredited as giving a false picture of success. Instead, education researchers now look at cohorts of students entering a school and determine four, five, and even six-year graduation rates as part of the data we share about the success (or failure) of American high schools and colleges.

Our analysis of charter schools takes a similar approach. We compared cohorts of charter schools that opened during the same year to determine what percentage survived to benchmark years. Cohorts after 2014 are excluded because not enough time has elapsed in those cohorts to determine even 3-year closure rates with the available data.

To extend the analogy, we are looking for the “dropouts” and determining when they left. We chose three, five, ten, and fifteen as our benchmark years.

This section summarizes charter school closures within and across the cohorts of schools

that “enter” the charter market in a given year. The first year a school reported enrollment determines its cohort. A school was marked closed when it subsequently reported no enrollment (see [Appendix A](#) for additional details).

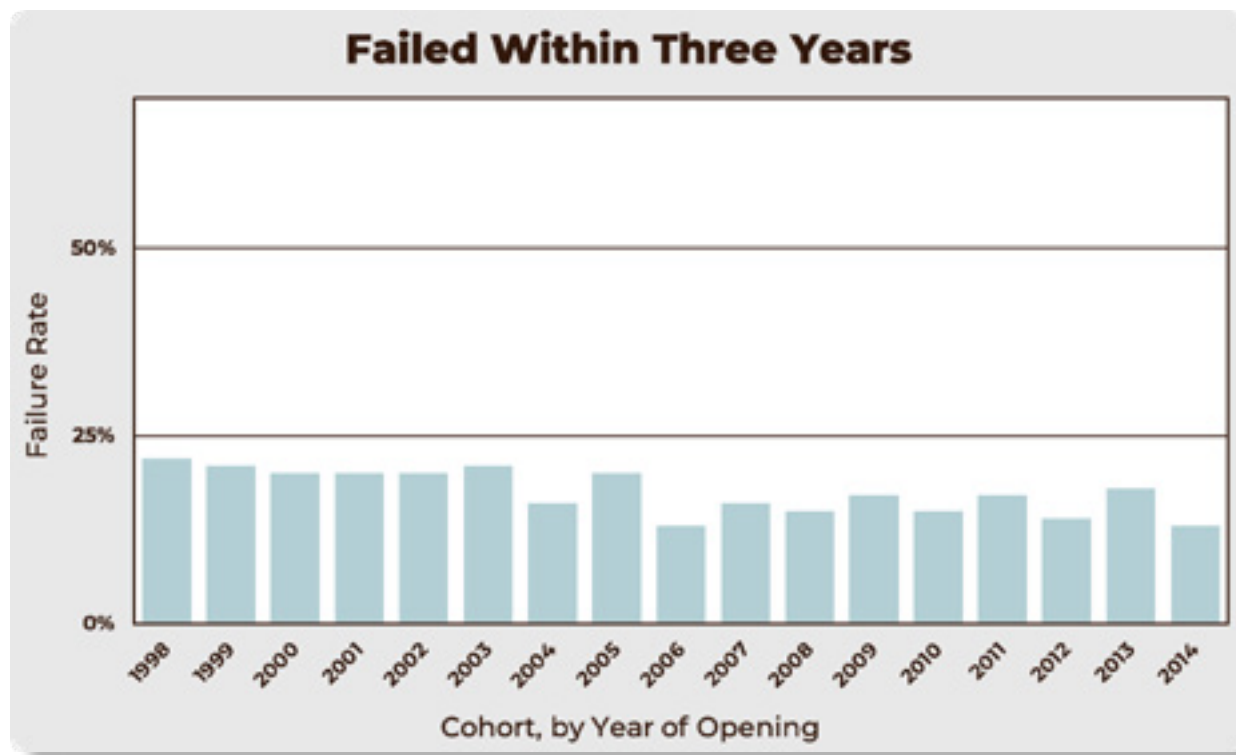
CLOSURES DURING THE FIRST 3 YEARS

Charter Schools Closed During the First Three Years
1,667 out of 9,413
18%
Number of Cohorts Analyzed: 17

Our examination of 17 cohorts from 1998 to 2014 found that 18 percent (1,670 of 9,413) of charters closed by the three-year mark.

A startling number of these schools closed very quickly: 668 (40 percent) closed within one year. [See Table 4](#) in Appendix C for additional detail.

Figure 1. The proportion of charter schools that failed within 3 years of opening



CLOSURES DURING THE FIRST 5 YEARS

Charter Schools Closed During the First Five Years

2,237 out of 8,224
27%

Number of Cohorts Analyzed: 15

By the five-year mark, more than one in four charter schools had closed. The cohort closure rate jumped 9 percentage points to 27 percent.

Across the cohorts, the closure rate ranged from 24 percent to 32 percent (see Fig. 2). The rates were fairly stable over the 15 cohorts we examined. The five-year failure rate for the

first cohort (1998) was 28 percent. The rate for the final cohort (2012) was 27 percent. Additional details are provided in [Appendix C](#).

Figure 2. The proportion of charter schools that failed within 5 years of opening



CLOSURES DURING THE FIRST 10 YEARS

Charter Schools Closed During the First Ten Years

2,255 out of 5,568

40%

Number of Cohorts Analyzed: 10

By the ten-year mark, 40 percent of charter schools had closed.

Schools that opened in 1999 had the highest rate of closure (45 percent) within ten years or fewer, and those that began in 2006 had the lowest closure rate—35 percent.

See Fig. 3. Additional details are provided in [Appendix C](#).

Figure 3. The proportion of charter schools that failed within 10 years of opening



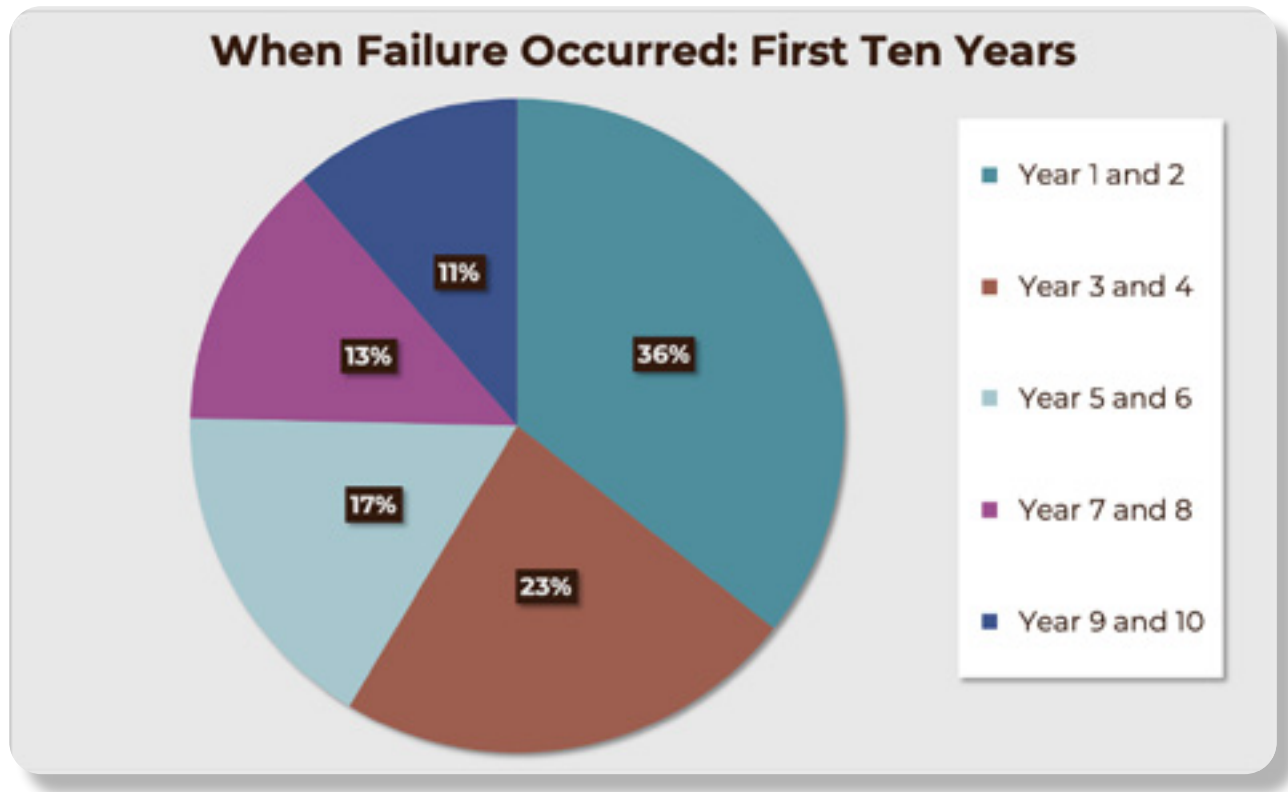
A NEW SCHOOL'S EARLIEST YEARS ARE THE RISKIEST

A majority of charter schools (59 percent) that failed by their tenth year failed early on, during years one through four (see Fig. 4). Thirty-six percent of failures occurred during the first two years. This finding has enormous implications for families who decide to enroll their children in a charter school soon after it opens. Charter schools are at a high risk of closing in the early years, thus increasing the probability that a family will be forced to search for another school before their child completes the final grade level in that school.

Although school closures increase with age, the majority of closures happen during the early years of the charter school's existence. Even when we examine out to the fifteen-year mark, early closures still comprise the majority, although some closures occur even 15 years after opening.

In all cases, closures continued over time but appeared to become less probable. Yet, by the end of fifteen years, half of all charter schools are gone. For those few cohorts for which there are CCD data that exceeded the fifteen-year mark, we observed that the failures continue. For example, of the 606 charters that began serving students in 1999, only 256 (42 percent) are still open today.

Figure 4. When failure occurred during the first ten years



CLOSURES DURING THE FIRST 15 YEARS

Charter Schools Closed During the First Fifteen Years

1,520 out of 3,038

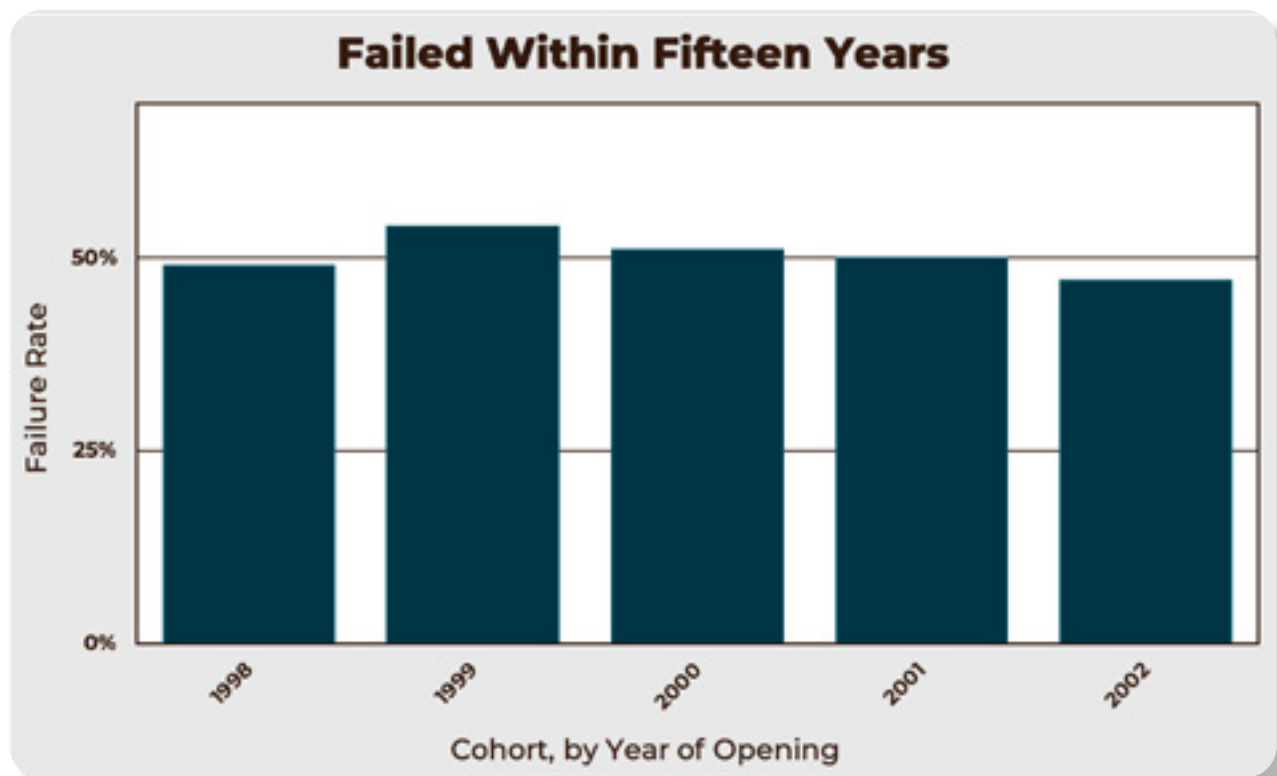
50%

Number of Cohorts Analyzed: 5

Five cohorts of charter schools (1998–2002) reached the fifteen-year mark by 2017. At year 15, one in two of those schools was gone.

Failure rates by the 15-year mark ranged from 47 percent to 54 percent (see Fig. 5).

Figure 5. The proportion of charter schools that failed within 15 years of opening



STABILITY OF CLOSURE RATES ACROSS COHORTS

Failure rates were relatively stable across cohorts (see Fig. 6). Given the maturity of the sector, the growing financial support for charter schools from both philanthropists and the federal government, as well as the expansion of large, well-funded chains, we thought that

we would see substantial gains in longevity in more recent years. We did not. The evidence reviewed suggests charter failure rates stay within a tight range across cohorts. The exception is the three-year failure rate, which appears to show some modest improvement in recent years compared to the first eight years.

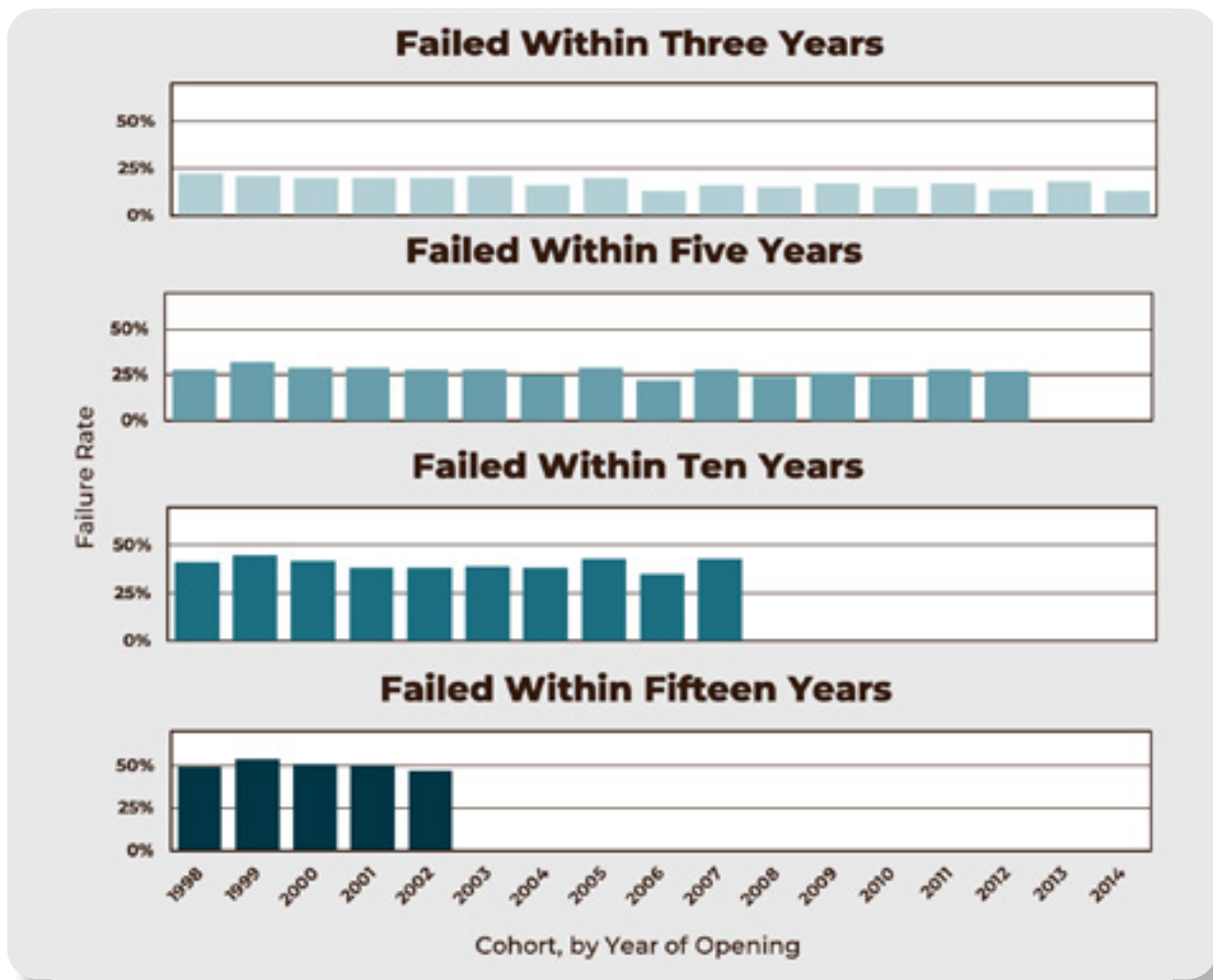
CLOSURES INCREASE AS SCHOOLS AGE WITHIN COHORTS

Figure 6 below includes closure rates by cohort for all four of the timeframes examined. Looking down the panels, we see the percentages of closed charter schools increases as each cohort ages. For example, consider the

448 charter schools that opened in 2000. After three years, 20 percent were closed ($n = 89$), but after 15 years approximately 50 percent were closed ($n = 230$).

Figure 6 allows the reader to see at a glance the percentages of closed charter schools in each cohort as charters age.

Figure 6. Charter Failure Rates Across Cohorts (1998-2014)





STUDENTS DISPLACED BY CLOSED CHARTERS

On a Thursday morning in September of 2014, [parents dropped their children](#) off at the Concrete Roses STEM Academy charter school in Charlotte, North Carolina. Families were handed a notice that the school would close the very next day. The school had claimed (and was funded for) an enrollment of 300 students although actual enrollment was only 126. That misrepresentation resulted in the school facing financial disciplinary charges, which meant that they would no longer receive funding and thus could not remain open.¹²

Concrete Roses STEM Academy was open for only one month. Parents who had spent hundreds of dollars on school uniforms and supplies, and students who had begun to develop relationships with teachers had to scramble to find a new school overnight.

[Ashé Preparatory Academy in Seattle](#) also closed one month after opening, stranding

140 elementary school children.¹³ Teachers had quit and had just stopped coming to work. The charter school founder was disappointed her “dream” did not work out. Her “dream” became a nightmare for the 140 youngsters who had to start over by finding a new school after the semester had started.

In Tennessee, [Nashville’s New Vision Academy Charter School](#) abruptly closed mid-year amid safety violations, overcrowding, and financial issues.¹⁴ The school facility, which was attached to the Olive Branch Baptist Church, never had an occupancy permit. One hundred fifty-eight students scrambled to find a new school.

Abrupt closures are not only limited to independent charter schools. In April of 2020, KIPP, the nation’s largest charter chain, announced the closing of two of its Memphis schools, displacing over 650 students. David Pettiette a KIPP elementary school volunteer wrote a

blistering op ed for the *Daily Memphian*. “In reality, KIPP gave up. They gave up on their students, families, faculty and staff after only a few years of operation. Make no mistake, this was a financial decision that is inequitable to the historic Alcy Ball community in South Memphis.”¹⁵

As *Huffington Post* columnist Peter Greene states in *America’s Charter Schools Have a Commitment Problem*, “Just google ‘charter school closes unexpectedly’ and watch the stories pile up.” Greene continues, “This seems to be a feature of charter schooling that comes as a shock and surprise to parents. I suspect that’s because one of the most basic things we expect from a school, particularly one that tries to bill itself as a public school as many charters do, is that it will be around basically forever.”¹⁶

Success in the prevailing competitive model of education depends on many things, but first and foremost, on filling enrollment goals. If founders are struggling to keep the school afloat, it is in their narrow self-interest to keep staff and families in the dark lest they leave the school, thus accelerating and ensuring its downfall. The promises made to families are broken with little notice—mid-year, at the end of the year, or just days before re-opening.

The cost of those broken promises is acutely felt by the students who are displaced. School mobility, especially during the school year,

is associated with lower levels of achievement¹⁷, increases in suspensions¹⁸ and higher dropout rates¹⁹.

The cost of those broken promises is acutely felt by the students who are displaced. School mobility, especially during the school year, is associated with lower levels of achievement, increases in suspensions and higher dropout rates.

And the pain of broken promises is not equally shared. Children of color and those from the most impoverished homes are most likely to be hurt.

Based on 2000-2012 data from the CCD, an analysis by the National Education Association (NEA) determined that 52 percent of

students displaced by charter closings receive free or reduced-price lunch.²⁰ According to the NEA Charter Taskforce, “Charter closures hit students of color disproportionately, and hardest. Nearly half (45 percent) of students whose charter schools closed between 2000 and 2012 were African American, though African Americans comprised less than 30 percent of students enrolled in charter schools during that time period.” We set out to further explore these inequalities.

QUANTIFYING THE DISPLACEMENT

One way of measuring the burden on students and families that occurs when charters close is to determine how many students were enrolled in charters that shut down. That measurement is somewhat complicated.

Should it be the first-year enrollment, the average enrollment, or the enrollment in the year before the school closed? For example,

one charter school²¹ in Arizona that opened with 122 students in 2011 had 21 students the next year and then never reported enrollment in subsequent years.

We chose to be conservative in our approach and to use the enrollment in the year before the school closed. As the example above illustrates, in which we designated the number of displaced students as just 21, we may underestimate the number of students displaced since drops in enrollment are typical as a school starts to fail.

Using our conservative model, we found the number to be startling. From 1999-2017, more than 867,000 students were enrolled in char-

ter schools immediately before they failed. This number does not include those students

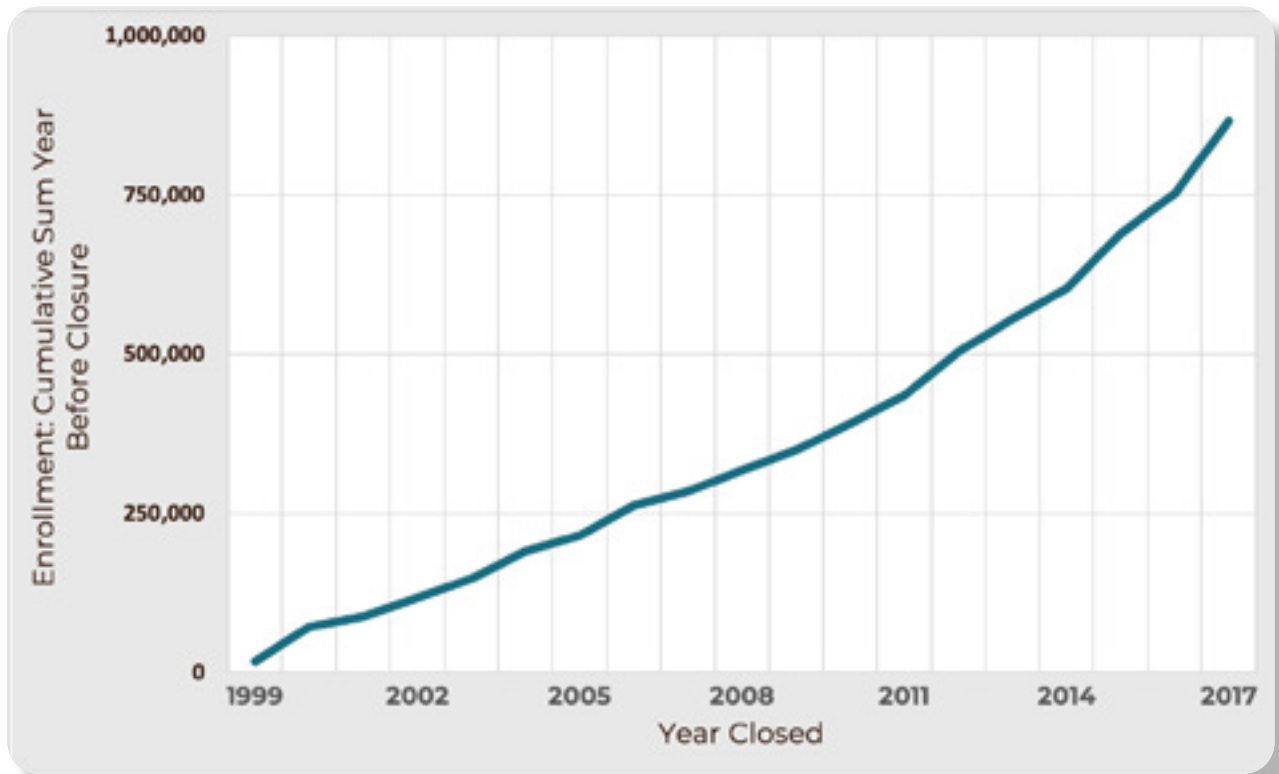
in schools like Concrete Roses STEM Academy that closed prior to ever reporting an enrollment number. Again, our calculations are likely to underestimate the actual number of displaced children.

The number of displaced students is not only increasing with time, but

is increasing slightly faster with time (see the increasing upward slope in Fig. 7). It is reasonable to assume that if more current data were available, as well as data from 1995-1998, we would find more than one million students have been displaced from closed charter schools.

Nearly half (45 percent) of students whose charter schools closed between 2000 and 2012 were African American, though African Americans comprised less than 30 percent of students enrolled in charter schools during that time period.

Figure 7. Sum of Enrollment in Year before Charter Closure





GEOGRAPHIC DISPERSION OF CHARTER CLOSURES

The map below shows charter closures distributed across 44 U.S. states, the District of Columbia and Puerto Rico,²² between 1999–2017. Vermont, Nebraska, North Dakota, South Dakota and Montana do not have charter schools. While Kentucky and West Virginia recently passed charter school laws, there are no charter schools presently in these two states.

The map includes a dot for each closed charter. An animated version of the map can be found [here](#). In the animated map, the color of the dots changes for each year from 1999 to 2017. In dramatic form, the map shows the upward march of closed schools and displaced students. All told, more than 3,700 closures were mapped, which were associated with more than 867,000 displaced students.

Closed Charter Schools, United States (1999–2017)



CHARTER CLOSURES IN THE POOREST METROPOLITAN AREAS IN THE UNITED STATES

Examining the association between household poverty rates and charter closures can illuminate whether the closures have a disparate impact on certain groups of students and communities. The [animated national map](#) shows metropolitan areas contain many charter closures. But even within metropolitan areas, charter closures may not affect all neighborhoods equally. Do the poorest areas of the United States disproportionately bear the burden of charter closures?

To analyze the relationship between poverty and charter closures, we used tract-level poverty estimates from the U.S. Census American Community Survey. A [census tract](#) is a small geographically-bound area created by the Census Bureau “to provide a stable set of geographic units for the presentation of statistical data.”²³ Such tracts cover contiguous areas and vary in physical size depending on population density. Census tract-level estimates are helpful in determining how poverty is dispersed across communities.

We selected three of the poorest cities in the United States that have a mature charter

sector and a substantial number of charter schools and charter closures—Detroit, Michigan; Tucson, Arizona; and Milwaukee, Wisconsin. We then:

- Retrieved poverty data for each tract from the U.S. Census;
- Geocoded charter closure locations;
- Geocoded City Halls to use as a proxy for each city’s center;
- Selected the census tracts within a 20 miles radius of each City Hall;
- Determined the number of open charter schools in each of the focal census tracts;
- Plotted maps and reviewed the relationship between poverty and closure locations;
- Created cross-tabulations of the poverty level and charter closures and calculated closure rates for each poverty level.

The three maps below show all charter school closures between 1999–2017 as black and white dots. The colored polygons represent three economic levels of household poverty (less than 20 percent, 20-30 percent, and greater than 30 percent) for each census tract. For each metropolitan area, we describe the observed relationship between closure and poverty, as well as provide insight into why these schools closed.



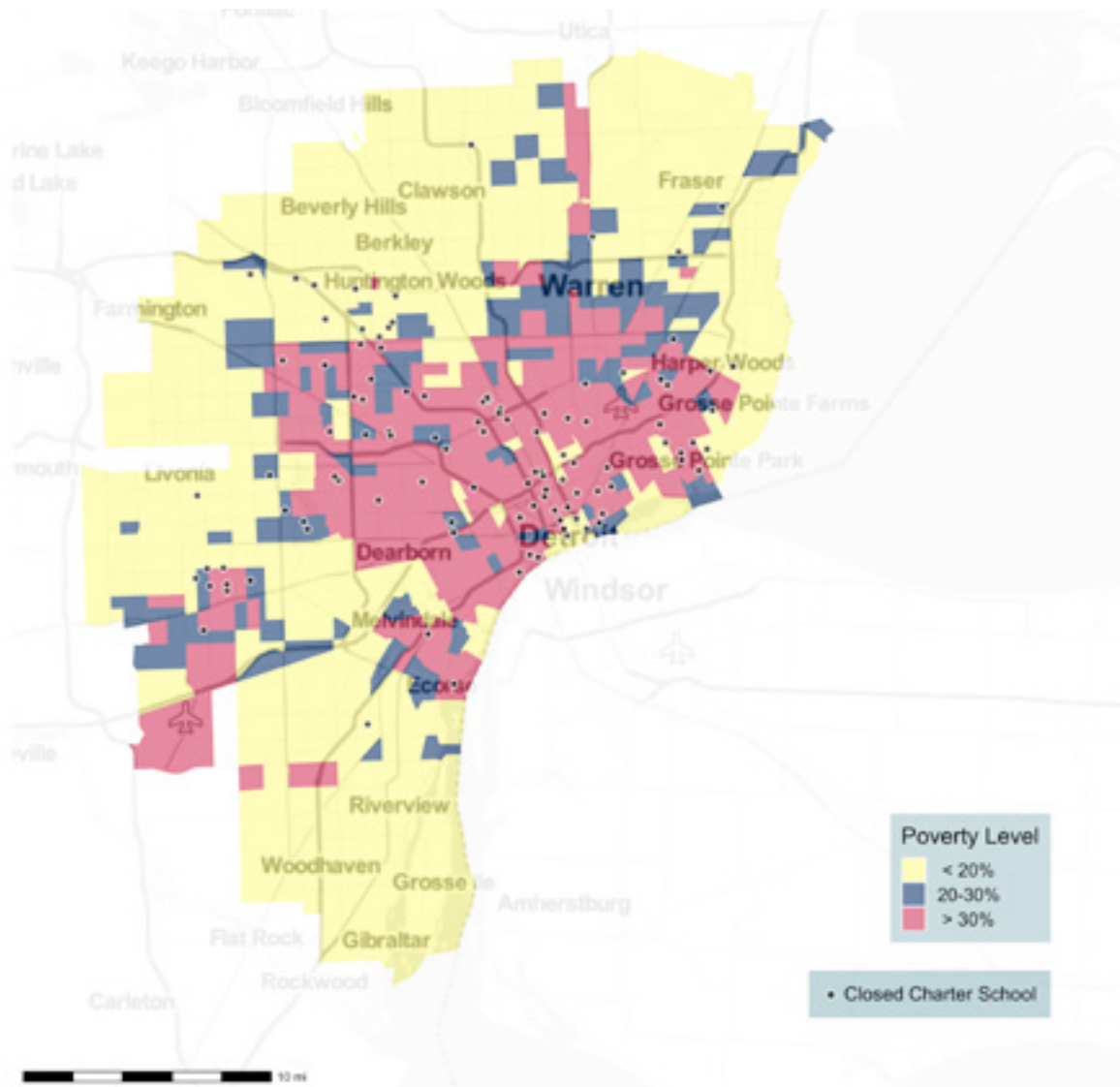
DETROIT, MICHIGAN

According to the 2017 census, 34.5 percent of all Detroit residents have incomes below the poverty line.²⁴ For children, the rate is much higher—48 percent live in poverty. In her investigative piece on Michigan charters in *The New York Times* entitled *A Sea of Charter Schools in Detroit Leaves Students Adrift*, Kate Zernike observed, “Michigan leapt at the promise of charter schools 23 years ago, betting big that choice and competition would

improve public schools. It got competition, and chaos.”²⁵

Zernike explained that charters in the city, the majority of which are run by for-profit management companies, quickly expanded as those management companies became “a major lobbying force.” Between 1998 and 2015, 245 charter schools opened in the metropolitan Detroit area that we explored. One hundred six of those schools (43 percent) had closed by 2017.

Census Tract Map - Detroit



Cohorts: 1998 - 2015
Census Tracts within 20 miles of city center.
Poverty Data: ACS, 2013-2017; Closed Charters: CCD

And those closures add to the startlingly high rates of enrollment instability in Detroit; roughly one in three elementary students changes schools every year. Although 55% of the enrollment instability can be attributed to families moving, [a good part of the blame](#) can be attributed to school closures and the disappearance of the neighborhood school.²⁶

As we examined the greater Detroit area, moving out 20 miles from city hall, we found that the vast majority of the charter school closures were in areas with high rates of poverty. Fifty-nine percent of the failures were located in tracts with 30 percent or above rates of poverty, although there were a far greater number of tracts with lower levels of poverty.

Because charter schools tend to be more prevalent in the poorest sections of metropolitan areas, we calculated the rate of closures in each poverty group, to measure economic inequality in closure rates.

The closure gap remained. The closure rate in the most impoverished areas of the city was ten percentage points higher than in the most affluent tracts (see Table 1).

Both of these high schools left their senior class stranded as twelfth-graders searched for a school from which to graduate.

In some cases, school closures were swift and abrupt. [Two hundred and three Detroit Delta Preparatory Academy students](#) were stranded when that school decided to close with only a few days' notice.²⁷ [University YES Academy](#) notified its families that it would shut down its high school, keeping only the lower grades open, just weeks before the school year was to start.²⁸ Both of these high schools left their senior class stranded as twelfth-graders searched for a school from which to graduate.

Why did so many of Detroit's charters fail? To determine the reasons for charter failure in the Detroit metropolitan area, we consulted [the list of closed academies compiled by the Michigan Department of Education](#).²⁹

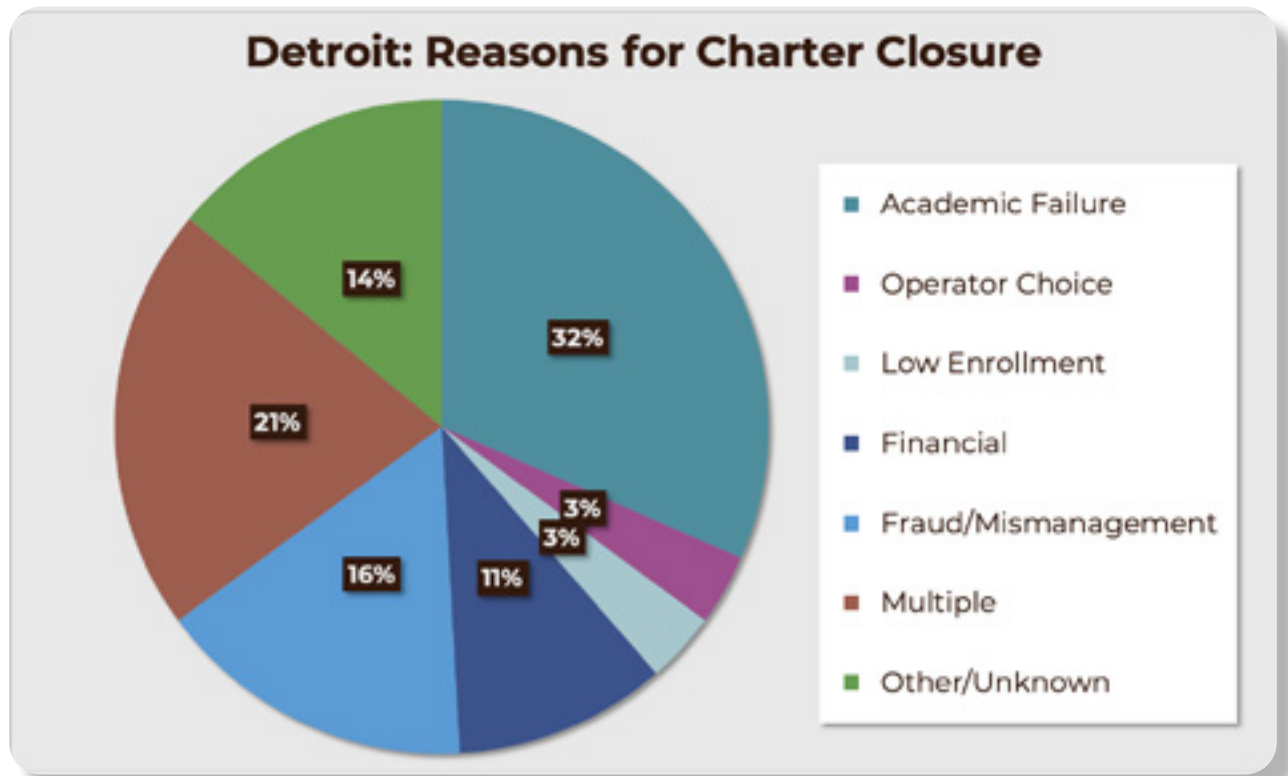
The pie chart on the next page shows the distribution of reasons for closure.

The most commonly cited reason was academic failure (32 percent). More than one in five failed for multiple reasons that included financial collapse, mismanagement, and fraud.

Table 1. Closure Rates by Poverty Level - Detroit

Poverty Level	Closed Charters	Open Charters	Closure Rate
< 20%	21	30	34%
20-30%	22	30	42%
> 30%	63	79	44%

Figure 8. Reasons for Charter Closure in Detroit

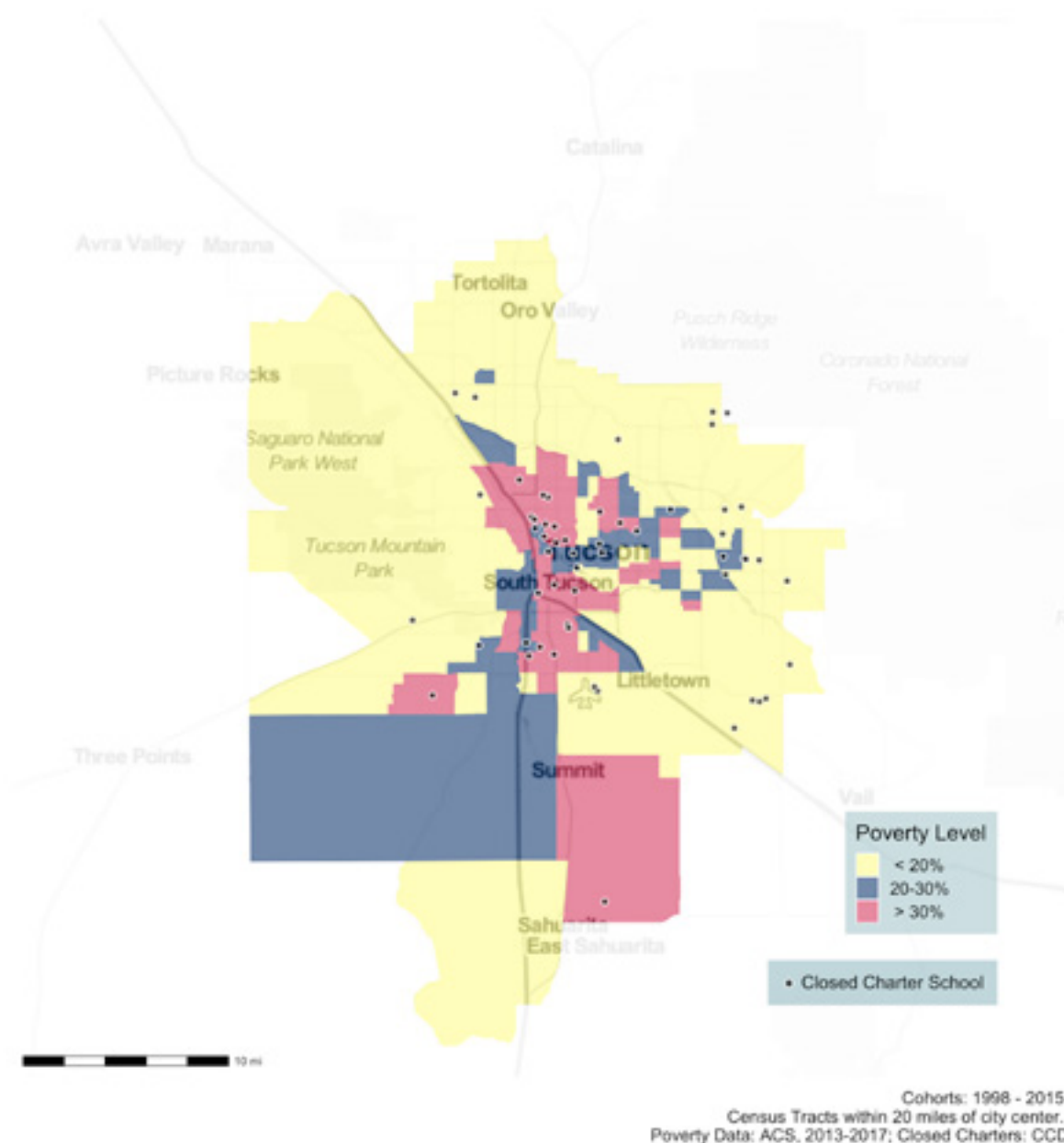


TUCSON, ARIZONA

In 2018, Arizona had the 5th highest poverty rate of any state in the nation.³⁰ It was the 11th state to allow charter schools, with the first schools opening in 1995. And in that relatively poor state, its poorest major city is Tucson. According to the 2017 census, more than one in four Tucson residents lived below the poverty line.

Our analysis of CCD data found that of 124 charter schools within the metropolitan Tucson area that opened between 1998 and 2015, 56 (45 percent) failed by 2017. Tucson is the only city of the three we examined where the greatest proportion of closed schools was located in tracts with poverty rates below 20 percent. This is not a surprise. Arizona's lax laws and weak oversight combine to make charter schools a lucrative business oppor-

Census Tract Map - Tucson



tunity in every community.³¹ And, because Arizona is the only state that allows for-profit schools in addition to for-profit management companies, the industry also thrives on real estate speculation, potentially drawing more charter schools into higher-wealth communities. If the charter fails, the operator gets to keep the property that was acquired with tax dollars.

However, when we looked at closure rates across the three poverty groups (see Table 2), we again found that Tucson’s poorest tracts had similar if not higher rates of closures.

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port issued by the Center for Education Reform (CER) that provided more information regarding the reasons charters close by fleshing out some detail behind general terms, such as mismanagement.³²

For example, META Academy High School, which was open for only one year, was closed according to the State Board for “enrollment and facilities issues.” According to CER, however, the reasons for closure were more serious than that. Their report

states closure was due to “non-compliance with [the] charter contract, failure to provide the required number of days and hours of in-

Table 2. Closure Rates by Poverty Level - Tucson

Poverty Level	Closed Charters	Open Charters	Closure Rate
< 20%	24	31	44%
20-30%	11	13	46%
> 30%	21	24	46%

Why did the Tucson area charter schools close? To answer that question, we analyzed the data provided by the Arizona State Board of Charter Schools for schools that closed between 1999 and 2017 and were included in the census tracts we examined above.

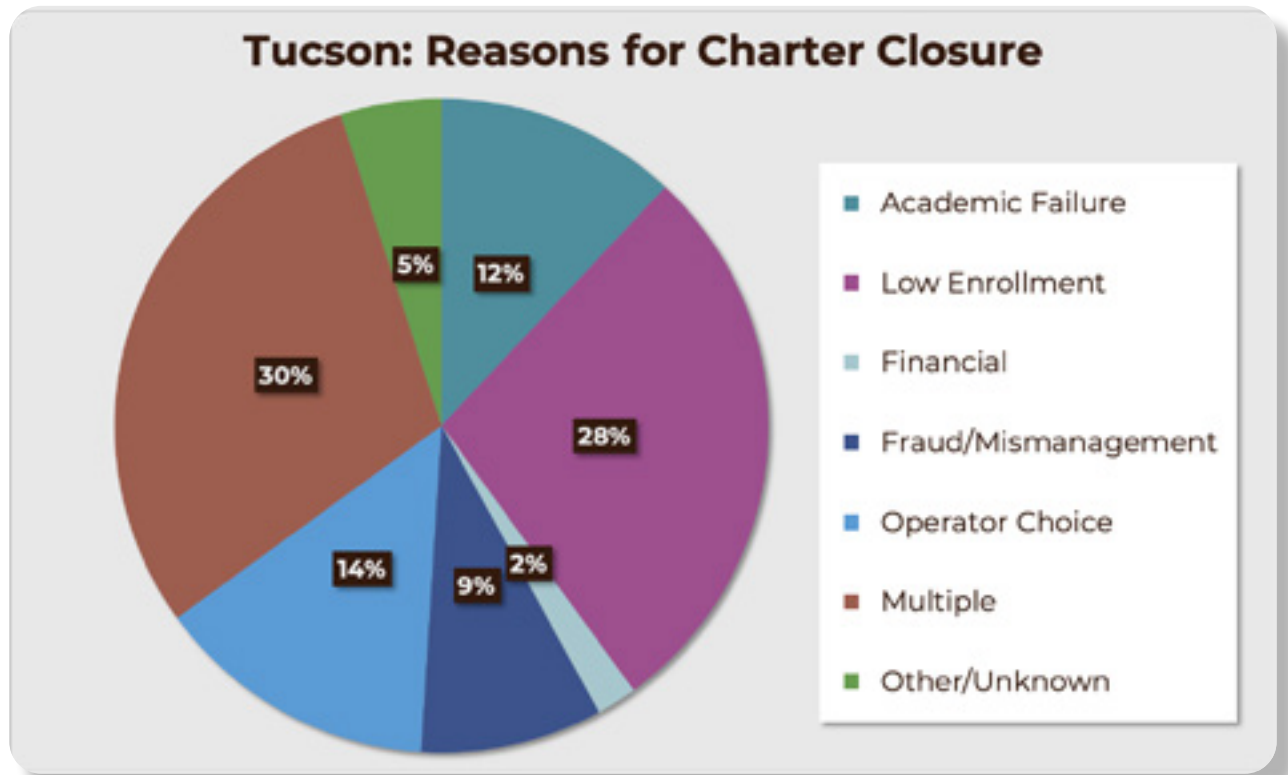
We supplemented that information, which we found to be incomplete, with a [2011 re-](#)

struction and failure to timely submit audits.” The Star Academy Charter School, which was open for three years, is not even listed in the State Board’s database. The school closed, according to CER, because the “director inflated enrollment numbers, misused funds for personal expenses, and was accused of falsifying board minutes.”

According to the documents cited above, the major reasons that Tucson charter schools failed included under-enrollment, operator choice, academic, financial, and mismanagement (see Fig. 9). Unfortunately, in some cas-

es, no reason for the closure was given, or it was listed as “unknown.” Unknown cases are grouped with “other”—those being unusual reasons instead of the more typical categories.

Figure 9. Reasons for Charter Closure in Tucson

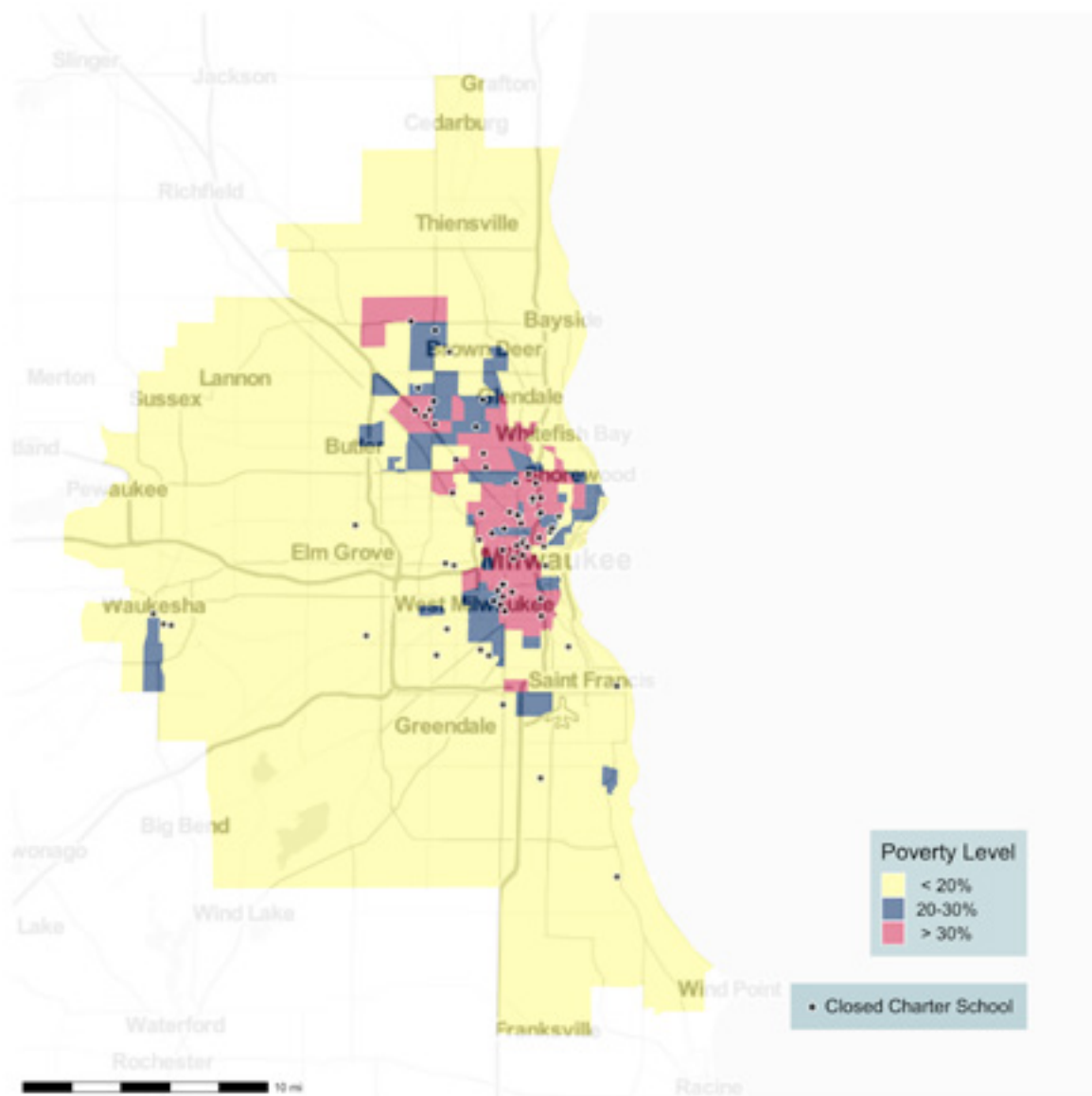


MILWAUKEE, WISCONSIN

Census data from 2017 suggests that Milwaukee's poverty rate, at 29 percent, is nearly twice the national rate.³³ As in many of the nation's poorest cities, the rate for Milwaukee's children is higher—more than 40 percent live in households with incomes below the poverty line.

Our analysis of CCD data shows that of 119 schools in the greater Milwaukee area that opened between 1998 and 2015, 72 (60 percent) failed by 2017. Like Detroit, most charter failures occurred in high poverty areas—57 percent (41 of 72) of charter failures occurred in census tracts with poverty rates that exceeded 30 percent.

Census Tract Map - Milwaukee



Cohorts: 1998 - 2015
Census Tracts within 20 miles of city center.
Poverty Data: ACS, 2013-2017; Closed Charters: CCD

Table 3. Closure Rates by Poverty Level - Milwaukee

Poverty Level	Closed Charters	Open Charters	Closure Rate
< 20%	22	19	54%
20-30%	9	9	50%
> 30%	41	19	68%

When we compared the rate of closures across the three focal poverty groups, we again observed a closure gap (see Table 3).

Like Detroit, the closure rates in the most impoverished areas of the city exceeded closure rates in more affluent areas. The charter closure rate was 14 percentage points higher in the high-poverty tracts compared to the low-poverty tracts.

Each year, the State of Wisconsin publishes a Charter School Yearbook. It provides information on active charters, as well as those that have closed, including a detailed description of the reasons for closure. [Using the 2019 yearbook](#),³⁴ we categorized the listed reasons for charter school closures to report out the most common reasons.

Over one-third of the closures occurred due to poor academic performance or a lack of sufficient enrollment. In 14 percent of the closures, the school voluntarily, or through mandate, abandoned charter status and became

a private school, a program within a public school, or a district public school. In some instances, the district was forced to manage a dysfunctional or financially unstable school when its operators pulled out. Such was the case with the three Universal Academies for the College Bound.

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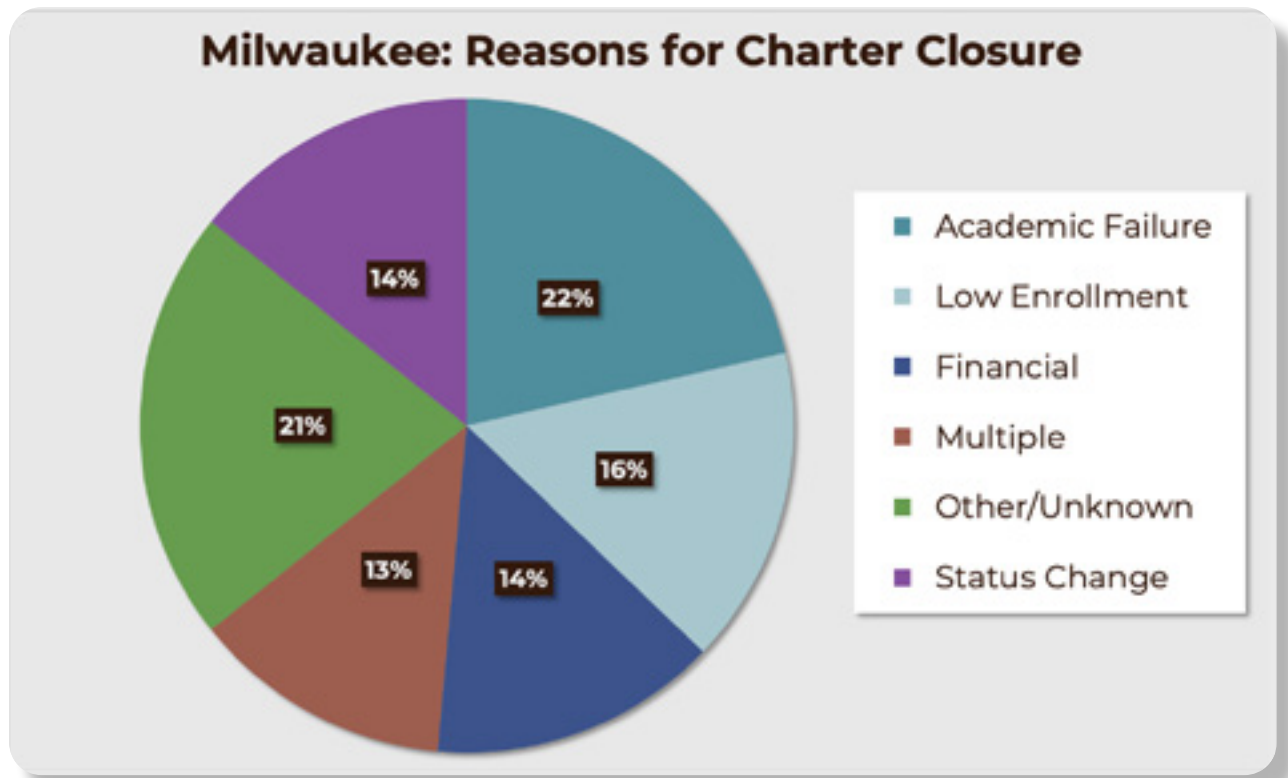
In 2017, during a six-month period, a Philadelphia-nonprofit charter management company founded by music producer Kenny Gamble, called Universal Companies, notified the Milwaukee School District that it was no longer interested in running Universal Academies for the College Bound.³⁵ All three schools were returned to the Milwaukee School District to run and manage, along with the financial debt they left behind.

In 2019, evidence revealed that former Milwaukee School District Board President Michael Bonds was getting kickbacks in return for voting to benefit Universal Companies.³⁶ Employees had created fake invoices to pay thousands of dollars to a company creat-

ed by Bonds. As the chain's Philadelphia schools ran into financial difficulties, former CEO Rahim Islam began to expand in Wisconsin, allegedly bribing Bonds to take actions that would allow Universal to defer payment of \$1 million it owed to Milwaukee Public Schools.³⁷

There is no public record or news report that we could find that describes what happened to the students who attended these three tumultuous schools.

Figure 10. Reasons for Charter Closure in Milwaukee



HOW MUCH DOES ACCOUNTABILITY HAVE TO DO WITH CHARTER CLOSURES?

The grand bargain of charter schools is that if schools do not perform academically, they will be shut down. However, there is no national database that tracks whether schools are shut down by their authorizers or shut their doors because they cannot continue to operate.

The charter renewal process is the primary vehicle to implement accountability. The most common length of the contract is five years. A few states have a first renewal period as short as three years. Nevertheless, other states allow renewal terms to be ten years or more.

According to the National Alliance for Public Charter Schools:

- Charter contracts in Utah never expire.
- Michigan allows authorizers to determine the renewal process, as does Ohio. In the case of Ohio, there are triggers that mandate the closing of the school.
- Arizona and Arkansas allow for twenty-year charter renewals.
- Florida, the District of Columbia, and Maine permit fifteen-year renewals.
- Twelve states, in at least some cases, allow the renewal period to be ten years.

Given that the majority of failures occur in the first four years, it is doubtful that non-renewal is a significant factor in charter closures. We call on each state to annually report all charter failures along with specific reasons for the closure. While some states such as Wisconsin do an outstanding job, most states report little or no data about why charter schools close. A national database that lists the school, its operators, charter management company, and the reason could prevent failed operators from opening charter schools in other states.

COMPARING CLOSURE RATES ACROSS STATES

The national and city maps above tell a story of closures across the United States and in the poorest neighborhoods in three of America's poorest cities. But because states set education policy, including charter school legislation and regulation, we examined the closure

rates across states as well.

To analyze variation in closure rates, we focused on rates at the five and ten-year mark in states that had opened a minimum of 200 charter schools in the respective time frame. Eight states met those criteria for the ten-year time frame (1998–2007): Arizona, California, Florida, Michigan, Minnesota, Ohio, Texas, and Wisconsin. For each of the ten cohorts,

we identified the schools that subsequently closed in ten or fewer years.

states met the 200-school threshold for inclusion—Colorado and New York.

Wisconsin had the highest closure rate—55 percent. Of the 288 schools that opened during that decade, 159 closed by their ten-year mark. Arizona opened 659 charter schools. Of those, 316 closed within ten years of opening, yielding a closure rate of 48

percent. Florida and Michigan closure rates also exceeded 40 percent. Minnesota had the lowest closure rate among the eight states, 35 percent.

At the five-year benchmark, which includes cohorts from 1998 to 2012, two additional

These states make up more than half of the nation's students displaced by charter closures. Closures between 1998 and 2017 displaced more than 504,000 students in these ten states.

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Wisconsin once again topped the list with 35 percent of its charter schools closing within five years. Arizona again took second place at 32 percent and Florida third place with 28 percent. At the five-year mark, Colorado had the lowest rate (14 percent)

Figure 11. Charter Failures Across U.S. States: Ten or Fewer Years

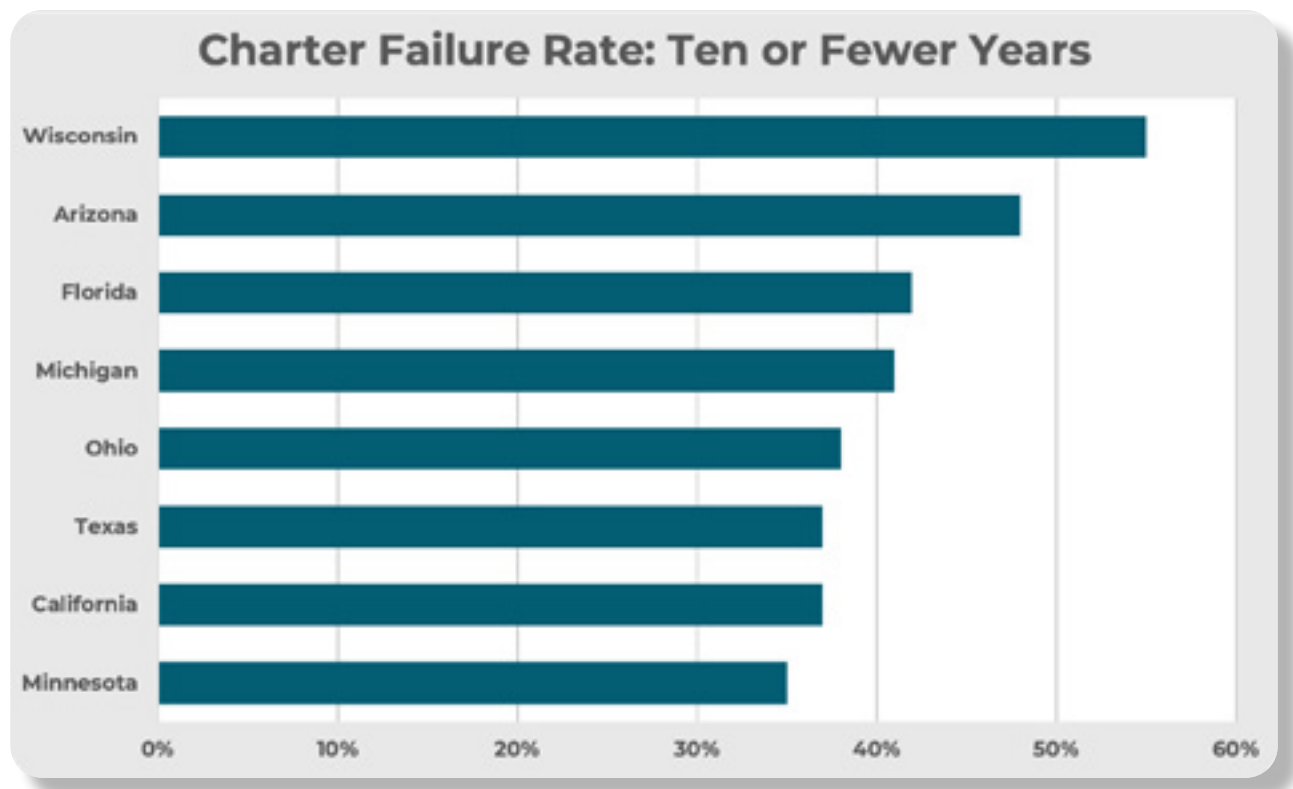
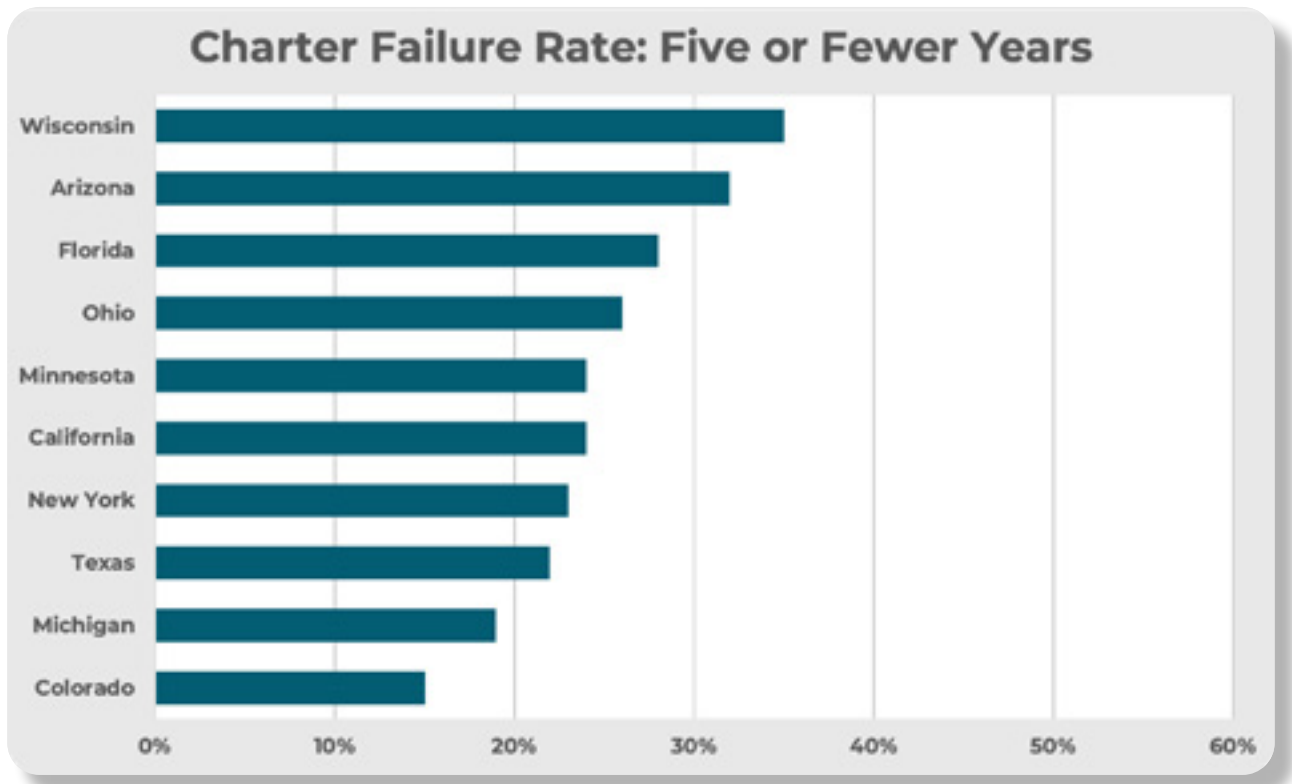


Figure 12. Charter Failures Across U.S. States: Five or Fewer Years





CONCLUSION

The charter churn the analysis illuminated was far more extensive than we had anticipated. The enormity of charter failure (50 percent by year 15) has been largely masked by the accelerated pace of new charters opening. The [narrative of charter advocates](#) highlights the number of newly opened schools.³⁸ This, along with increased enrollment in schools, are charter proponents' measures of the sector's success.

However, increases in openings correlate with increases in closures. Although there is lag time, 50 percent of the charters that opened, in all the cohorts with 15 years of data, failed. And when that failure occurred, whether it be in the school's first year or its fifteenth year, kids, families and staff paid the price.

A new charter does not pop up next door to take the displaced students and their teachers. As explained in the narratives included

in this report, parents are often left scrambling to find a school in far less time than a new school could open. And if their choice is another charter school, they may meet [with the reality](#) that only four states (Connecticut, Georgia, Idaho, and Massachusetts) require that charter schools admit new students mid-year.³⁹

Therefore, the burden of a charter's closure more often falls upon the local public school, which finds itself with an unexpected influx of students whose charter had failed or pushed them out. Schools can't adequately plan for staffing, materials, and facilities when there is no way of knowing when or if a nearby charter school might put 50 or 100 kids on the street on a Friday, knowing that the public school is obligated to enroll them on Monday morning.

Such was the case in [California](#), as students fled the Livermore Valley Charter School amid

scandal and ultimate closure.⁴⁰ The district not only was forced to hire staff rapidly but even to open a closed building on short notice. This kind of last-minute pursuit of new resources by school districts is likely to harm the district's ability to produce a stable and high-quality educational experience for its children.

Although the burden of finding a new school falls squarely on the parents' shoulders, most charter advocates argue that charter closure is not a bad thing. They believe that charter churn will ultimately result in an improved sector of schools. However, there is scant evidence that charter schooling has improved much during its three-decade experiment. Regardless, it is doubtful that the nearly one million children displaced by shuttered charter schools would agree that small gains in narrow measures of school quality like standardized test scores are worth the disruption in relationships with classmates, teachers, and staff.

For every child, their charter school's closure represents a broken promise. For every child, whether her school closure is due to mismanagement, poor academics, or competition from a newer, better-marketed school that opened down the block, the closure of that school shatters relationships and trust. The idea that the charter school experiment will

treat families as "valued customers" is rendered meaningless when the school closes its doors and ceases to exist. In addition, as we have demonstrated in this report, those closures are happening in the neighborhoods where America's most marginalized children live.

At the same time, the answer is not to continue to pump money from public schools into mismanaged or unpopular charter schools to keep them afloat. The charter model was created on the premise that

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the free market and freedom from regulations combined with some measure of accountability would determine a charter school's fate. That is the grand bargain of charter schools. Closure is baked into the model. The question then becomes, is this Darwinian model one that we should continue to expand?

Until this report, there was a lack of information on just how bad the rate of failure is. The accelerated rate of openings masked the failure rate, hiding from the public eye just how undependable the charter sector is.

The findings of this report also support those of [our two 2019 reports](#) on the U.S. Department of Education's Charter Schools Program, which estimated that one billion dollars of federal money had been invested in charters that never opened or failed.⁴¹

Rather than reducing the burden on taxpayers as charter proponents have claimed, new peer-reviewed studies are finding that the cost of charter schools increases that burden—in Texas on average, by \$1500 a student.⁴² Both that study, as well as a study of North Carolina charter schools, concluded that on average, charter schools receive more funding than their district counterparts.⁴³ At a time when public school funding may be slashed due to a severe economic downturn, it is incumbent that we ask whether we can afford to expand an expensive, parallel school sector with a failure rate that, over time, results in one of every two schools failing.

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MOVING FORWARD

In the fall of 2016, the NAACP passed a resolution calling for a moratorium on new charter schools until significant reforms are enacted.⁴⁴ That resolution called for increases in accountability and transparency. It demanded that funds not be diverted from public schools to pay for charter schools. It also called for charter schools to stop student expulsion and to address their role in perpetuating de-facto

segregation of more academically prepared students from those who are not.

The Black Lives Matter collective almost immediately joined the call for a charter moratorium.⁴⁵ Its platform supported increased community control of public schools and an end to school privatization.

Nearly four years have passed, and the reforms the NAACP demanded have not happened. Time and again, the charter sector has lobbied successfully to block needed reforms⁴⁶ and instead

demanded additional privileges (such as, most recently, access to funding provided by the COVID pandemic relief programs such as those administered by the Small Business Administration).⁴⁷ Meanwhile, scandals associated with charter schools are well-documented.⁴⁸

Now is the time to embrace and support our public schools in neighborhoods decimated by COVID and reeling from the brutality of racism and bias. Rather than continue to divert money to expand failing reforms, let's invest in community schools that are reliable centers of support and community voice.⁴⁹





NEEDED ADDITIONAL RESEARCH

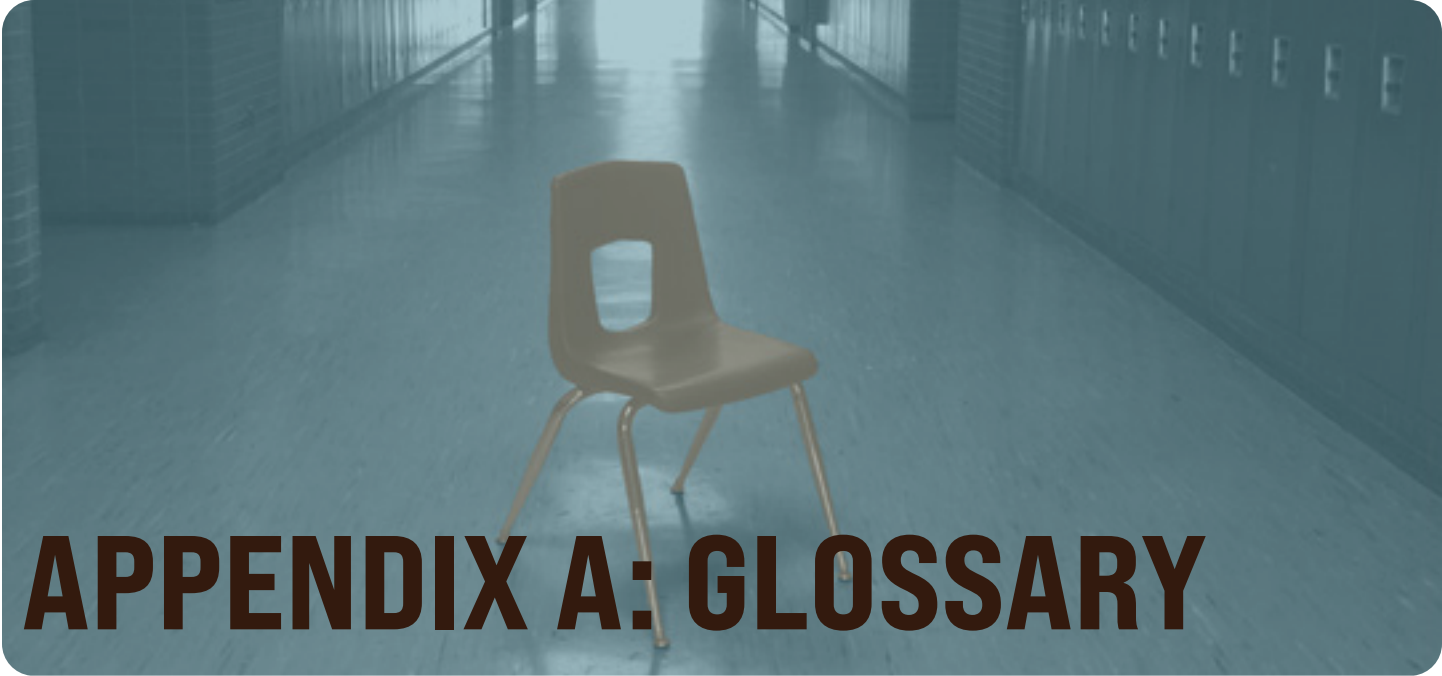
We are proud to publish the most comprehensive report to date on the extent and effects of charter closures and the resultant churn. There is still much, however, that is unknown. Research is needed to better understand the reasons, costs, harms, and inequalities associated with the high rate of closed charter schools. Below are our recommendations:

- **Create a federal database that tracks reasons for each charter closure in the United States.** Although we know that charters close at high rates, there is not a comprehensive understanding of the reasons why charters close. Some states list reasons for charter closure and only a few organizations release [occasional reports](#).⁵⁰ The U.S. Department of Education should require states to report, in a systematic way, the reasons schools close. Adding datapoints to the CCD would further our understanding and allow researchers to evaluate state policies based on the reported data.
- **Better examine the kinds and quantities of costs, disruptions and harms on students in districts caused by charters closures.** Costs incurred by parents may be financial, such as purchasing uniforms or paying for additional transportation. Disruptions to students include the severing of relationships with teachers, staff and classmates. The likelihood of academic disruptions, when sequences of curricula are broken, increases with closures and charter churn. At the system level, especially when closures happen mid-year and a district unexpectedly receives an influx of students, public schools may become over-crowded and class sizes may rise. Finally, starting a school and closing a school is likely to also incur costs associated with facilities, planning, and hiring above what

would exist if schools were stable. Data that tracks costs and harms of charter closures are necessary for a comprehensive accounting of churn.

- **Systematically investigate the mismanagement, misdeeds, and illegal activities that some charter operators engage in before closure.** Charter scandals are documented in numerous news reports and the Network for Public Education has collated information as part of the [#AnotherDayAnotherCharterScandal](#) effort.⁵¹ But to our knowledge, no state or the Federal government has a unit dedicated to investigating wrongdoing associated with charter closures. The potential financial self-dealing and fraud in many of these cases is complex and could benefit from thorough research or even a dedicated and knowledgeable investigative unit. This research could result in policy decisions that reduce such instances, thereby reducing charter closures.





APPENDIX A: GLOSSARY

Charter School. The CCD includes a code for charter status. We used the [definition](#) provided by National Center for Education Statistics (NCES): “A school providing free public elementary and/or secondary education to eligible students under a specific charter granted by the state legislature or other appropriate authority, and designated by such authority to be a charter school.”⁵²

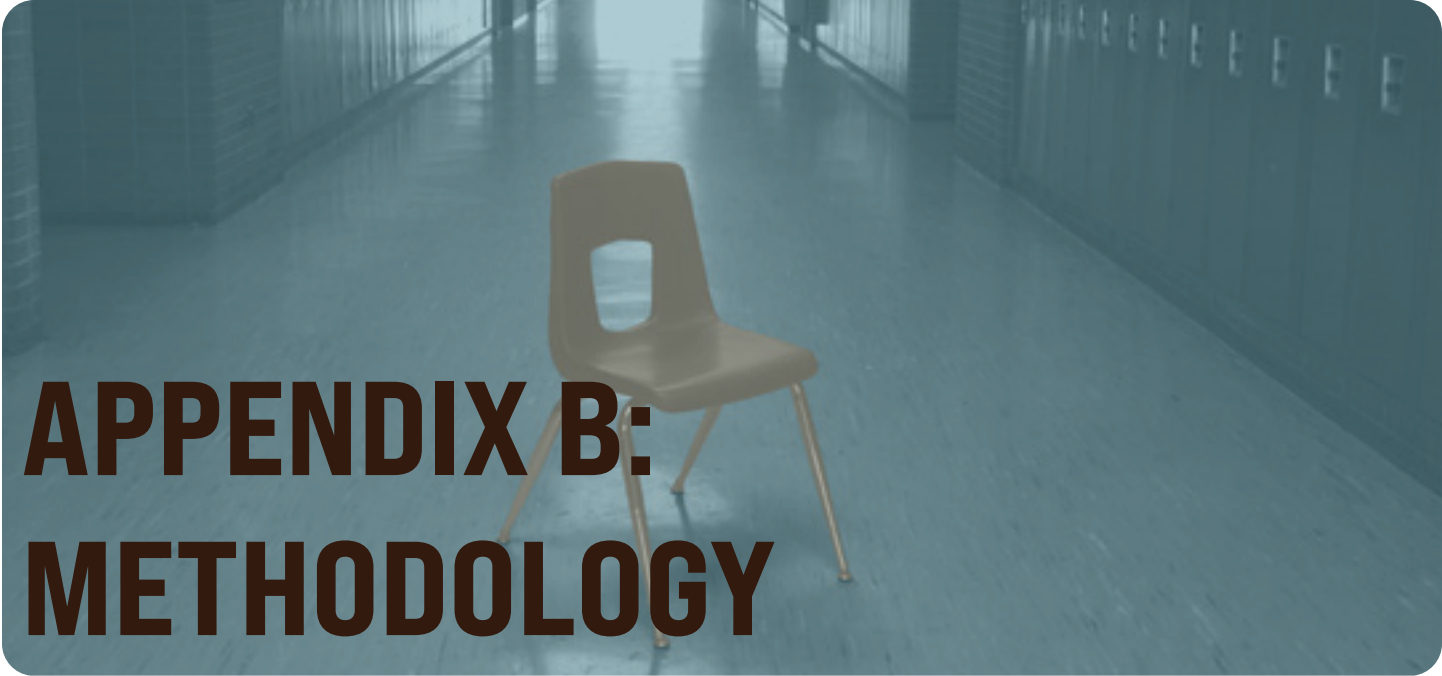
Enrollment. The number of students in a school as of October 1st. The guidance from NCES to schools is to collect enrollment on or as close to October 1 as possible. The CCD reports, “Membership is the count of students enrolled on October 1 of a school year.”

Open and closed status. Our analysis considered a charter to be open when it first enrolls students and closed when it no longer reports enrollment. Charter schools were also listed as closed if they converted to public schools—in other words, they closed as a charter. Conversions were identified by changes in charter status across the years. For example, if a school was coded as a charter in Year T, then not a charter in Year T + X, then it was identified as a converted school.

School. We used school IDs (SCHID) assigned by the U.S. Department of Education and a state name to identify and track schools across time, as recommended by NCES⁵³ for longitudinal analysis. SCHIDs remain constant when the LEAs affiliated with the charter schools change, while the NCESSCH can vary in this type of situation. SCHIDs are made available within the CCD.

Year. Opening and closing years are determined by enrollment on October 1st. Therefore, an open year of 2015 means that the charter school first reported enrollment on October 1st of 2015. If that same school reported no enrollment as of October 1st of 2016, then it is reported as closed in 2016. This example school would have been in operation for 1 year.





APPENDIX B: METHODOLOGY

To begin the analysis, it was necessary to identify all charter schools and when schools opened and closed. For this purpose, we reviewed more than 2 million records in the U.S. Department of Education’s Common Core of Data (CCD). The CCD is the most comprehensive and rigorously collected database of public elementary and secondary school information in the United States, including Puerto Rico. CCD annual submissions for each year between 1987 and 2017 were downloaded and combined. Data before 1998 were excluded, because charter school status was not reported in the CCD before that year. The last year of data examined was 2017, the most recent available at the time of analysis.

There are several ways to identify schools in the CCD. We used school IDs (SCHID) assigned by the U.S. Department of Education, combined with a state ID (equivalent to FIPS), to identify and track schools across time, as

recommended by NCES for longitudinal analysis. SCHIDs remain constant when the LEAs affiliated with charter schools change, while the NCESSCH can vary in this type of situation. SCHIDs are made available within the CCD. Analyses conducted using the NCESSCH number did not change the trends identified with the SCHID.

We used the charter status of schools provided in the CCD, cleaning as needed. Note that charter schools that lost or relinquished charter status and became district public schools were included in tallies of closed charter schools. We identified slightly more than 600 schools that converted from charter schools to district public schools.

We used the most meaningful indicator of school open/close status we could find—enrollment numbers. The CCD’s designation of school status (open, closed, new, future,

changed agency, etc.) was sometimes misleading from the perspective of school closure. We found schools designated as “open” for several years only to disappear from the dataset without ever showing any enrolled students. Because no opening year could be identified for this set of schools, they were excluded from the numerator and denominator in the closure rates. By not including those schools, we eliminated the possibility of counting schools as closed when in fact, they never opened at all.

There were 584 schools listed in the CCD as charters that never reported enrolling students. Based on the data available in the CCD, we cannot know how many of the 584 schools opened and closed before the October 1st enrollment reporting date, as did Concrete Roses STEM Academy in Charlotte, mentioned earlier in this report. In cases like this, we may have undercounted closed schools and the number of displaced students.

The geocoded latitude and longitude data came primarily from the CCD. When schools were missing latitude and longitude values, the location address was geocoded via a Google Maps API. The poverty data, including household counts of poverty and shapefiles for tracts, come from the U.S. Census.

A sample of schools was checked by searching the internet in order to validate our processes as we refined them and to clarify the status of some schools with incomplete data.

In sum, we analyzed the data using unique state and federal identification numbers and enrollment figures. We labeled schools as open the first year the school showed enrollment. If the school showed no enrollment in subsequent years, the school was designated as closed.





APPENDIX C: ADDITIONAL DATA TABLES

Data tables for the 3-, 5-, 10-, and 15-year cohort closure rates are provided below.

Table 4. Charter Failure Rates, 3-year Cohorts

Cohort	Number in Cohort	Number Closed	Proportion Closed
1998	1087	237	22%
1999	606	130	22%
2000	448	89	20%
2001	488	99	20%
2002	409	80	20%
2003	497	103	21%
2004	553	90	16%
2005	512	100	20%
2006	498	65	13%
2007	470	74	16%
2008	499	75	15%
2009	454	77	17%
2010	513	78	15%
2011	616	105	17%
2012	574	82	14%
2013	643	115	18%
2014	546	68	13%

Table 5. Charter Failure Rates, 5-year Cohorts

Cohort	Number in Cohort	Number Closed	Proportion Closed
1998	1087	308	28%
1999	606	194	32%
2000	448	131	29%
2001	488	140	29%
2002	409	114	28%
2003	497	138	28%
2004	553	140	25%
2005	512	147	29%
2006	498	109	22%
2007	470	132	28%
2008	499	122	24%
2009	454	116	26%
2010	513	121	24%
2011	616	170	28%
2012	574	155	27%

Table 6. Charter Failure Rates, 10-year Cohorts

Cohort	Number in Cohort	Number Closed	Proportion Closed
1998	1087	448	41%
1999	606	274	45%
2000	448	190	42%
2001	488	186	38%
2002	409	157	38%
2003	497	196	39%
2004	553	210	38%
2005	512	218	43%
2006	498	174	35%
2007	470	202	43%

Table 7. Charter Failure Rates, 15-year Cohort

Cohort	Number in Cohort	Number Closed	Proportion Closed
1998	1087	528	49%
1999	606	326	54%
2000	448	230	51%
2001	488	243	50%
2002	409	193	47%



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