



Review of State's Charter Schools Estimates 1,083 Open Seats in 2018-2019

Released: December 5, 2019

Reaching Higher NH's most recent analysis of 20 of the state's charter schools found that at least 1,083 of the 4,025 seats available went unfilled in the 2018-2019 school year ([Appendix A](#)). The analysis comes in an independent response to the Joint Legislative Fiscal Committee's [request for more information](#) on charter school enrollment, following the NH Department of Education's plan to double the number of charter schools in the state.

Reaching Higher NH researched 20 of the 28 authorization application materials for charter schools that were operating in the 2018-2019 school year and compared their stated student enrollment goals to their 2018-2019 enrollment numbers.¹ The remaining eight authorization applications were unavailable at the time of publishing and were not included in the final figure.

Because charter schools, like all other public schools, are funded on a per-student basis, attracting and retaining students is crucial to their sustainability. New Hampshire charter schools are public schools and they cannot charge tuition, so any differences in operating costs and state funding must be made up through fees and fundraising.

Most charter schools in New Hampshire rely on family and parent contributions, grant funding, corporate contributions, and other forms of annual and ongoing fundraising in order to operate. Five charter schools have closed in New Hampshire since 2004 due to low student enrollment and lack of funding.

Background

On August 22, 2019, the NH Department of Education [announced](#) that the state was awarded a \$46 million federal grant to expand charter schools in the state. The NH DOE stated in the grant that it aims to open 20 new charter schools, replicate seven existing charter schools and expand five existing high-quality charter schools over the next five years. DOE officials have said that they plan on increasing the number of available charter school seats by about 4,000 over the grant periods.

The Joint Legislative Fiscal Committee [voted to table](#) the first payment of the federal grant at their meeting on November 7, 2019, in order to gather more information on existing charter schools. A core

¹ *Making Community Connections (MC2) has two campuses: Manchester and Monadnock. For purposes of this analysis, we counted them as one school, with a conservative estimate of maximum enrollment. The NH Department of Education enrollment data does not delineate student enrollment from the two campuses.*

question discussed in the Committee meeting was whether existing charter schools are at full capacity, and what doubling the number of schools might mean for these current charter schools' enrollment.

Findings: Charter School Enrollment

We found that charter school enrollment tends to level off after the fourth year, and that it is not, in most cases, due to the school meeting its cap. Often, schools never reach their cap. Instead, student enrollment may freeze due to physical limitations like building space, challenges with attracting and retaining students, and/or limitations in staffing or other factors.

Our analysis found:

- There were **3,019 charter school students enrolled** in the 20 schools in 2018-2019;
- 17 out of 20 charter schools included in our analysis had a total of **1,083 open seats** in the 2018-2019 school year;
- Three out of 20 charter schools included in our analysis were “oversubscribed,” or enrolled more students than their stated capacity; and,
- **There is no pattern in the number of open seats: they are not in a specific region of the state, are not grade-specific, and do not have any specific academic focus.**

Of the 20 charter schools that were included in this analysis, **the total student capacity will be 4,543** when these schools are fully operating, according to their authorization application materials.²

Three schools were “oversubscribed,” and enrolled between 17 students to 38 students over their stated capacity in their authorization application. The NH State Board of Education recently authorized an expansion of one of these schools, allowing it to more than double its original student capacity. Another of these schools is currently seeking approval to expand its charter to accommodate more students. We were unable to determine whether the remaining school received approval for an expansion from the NH State Board of Education.

A charter school application must include the number of students that they anticipate enrolling each year within their first five years. On average, charter schools enroll about 80% of their anticipated student enrollment in their first year. Charter school student enrollment tends to grow during the first four years, and level off during the fifth year and beyond.

Student Enrollment and Charter School Sustainability

Five charter schools have [closed](#) since they began opening in 2004, all due to low student enrollment and lack of finances. One school was [approved](#) by the New Hampshire State Board of Education but never opened:

² These figures only include charter schools that were operating in the 2018-2019 school year. The figure does not include [Spark Academy of Advanced Technologies](#), which opened in 2019-2020 and will have 425 seats available, or [Heartwood Charter School](#), which has been approved to open in the 2020-2021 school year and will have 108 seats available.

“The organizers reportedly canceled plans to open the school because the federal ‘vision grant’ obtained by the school in 2004 was scheduled to expire in December 2007, and the state adequacy payments would be insufficient to support the school.”

[According](#) to one of the Trustees of a former charter school, the amount of state funding was insufficient to allow the school to operate:

“He stated that the state adequacy payment per student was insufficient to fund the school opening and that the school encountered difficulty meeting the requirements of the three- year federal start-up grant received by the school.”

Charter schools receive state funding on a per-student basis. A charter school's budget is directly connected to the number of students enrolled; in the authorization process, the charter applicants identify how many students they anticipate will enroll in their school, and then build a budget based upon that number of students.

Even when charter schools meet their enrollment goals, state funding alone is rarely enough to cover their operating costs. This poses significant challenges for schools that *cannot* meet their enrollment goals because any differences must be made up through external sources.

Charter school budget shortfalls are often made up through family and parent contributions, grant funding, corporate contributions, and other forms of fundraising. Many schools also solicit volunteers to offset staffing requirements; because charter schools do not have the same educator and administrator certification requirements as neighborhood public schools, they have greater flexibility in staffing.

Charter schools that are authorized by the NH State Board of Education receive the same adequate education grant as neighborhood public schools, plus an additional \$3,411 charter-school specific grant per student. Watch our [Charter School Webinar](#) to learn more.

Nearly all of the charter school authorization applications we reviewed noted that state and federal funding was insufficient to cover the costs of operating. Some state this frankly in their authorization application:

“We have developed a list of our most likely and most important Mission-driven plans and costs, recognizing that the budget as represented surpasses the expected income in the first few years.”

Methodology

Reaching Higher NH determined current student enrollment using 2018-2019 enrollment data from the NH Department of Education. We determined a charter school's maximum student capacity using the stated enrollment goals on their authorization application materials to the NH State Board of Education, their stated goals on their individual websites, and/or NH State Board of Education public meeting materials (e.g., if a charter school requested an increase in their enrollment cap).

The primary limitation of our study was the availability of New Hampshire charter schools' original charter authorization application materials. There is no centralized location for these founding documents on the New Hampshire Department of Education website.

We were able to evaluate maximum student capacity for **20 of the 28** charter schools operating in the 2018-2019 school year. Charter schools *renewed* prior to 2018, and that initially applied earlier than 2010, are no longer available on the NH DOE's website. In some cases, we were able to obtain student capacity using archived materials, authorization renewal applications, and other public documents.

Additionally, there are four charter schools that are still fairly new – for these schools, we did not use their *total enrollment cap*, but instead, used the projected enrollment for the appropriate school year, per their charter application. That is, for a school that opened in 2018-2019, such as [Capital City Charter School](#), we used their first year enrollment projection of 60, rather than their overall enrollment cap/goal when they are at full capacity, which, according to their charter application to the NH State Board of Education, is 320.

We have not included Spark Academy of Advanced Technologies, which opened in 2019-2020 and will have 425 maximum seats at full capacity, or Heartwood Charter School, which has been approved to open in the 2020-2021 school year, and will have 108 maximum seats at full capacity.

Our analysis includes current full-time admitted enrollment figures for the [Virtual Learning Academy Charter School \(VLACS\)](#), New Hampshire's online public charter school. However, we do not include VLACS in the calculation for open seats because they do not have a maximum enrollment figure.

[Making Community Connections \(MC2\)](#) has two campuses: Manchester and Monadnock. For purposes of this analysis, we counted them as one school, with a conservative estimate of maximum enrollment. The NH Department of Education enrollment data does not delineate student enrollment from the two campuses.

This is one part of our ongoing series on existing charter schools in New Hampshire, and the impact of the New Hampshire Department of Education's plan to double the number of charter schools in the next five years. Read the other parts of the series:

- [Analysis finds that doubling charter schools in NH could cost state \\$57 million to \\$104 million over ten years](#)
- [Webinar Recording: Charter Schools in New Hampshire](#)
- [NH gets federal grant to open 27 new charter schools & rebuild authorization process](#)
- [NH lawmakers table federal charter grant, request more information](#)

Please direct questions or inquiries about this analysis to staff@reachinghighernh.org. Charter school administrators: If your school's enrollment maximums stated here are outdated because you had an approved change in your charter that was not reflected in our analysis, please send a note to staff@reachinghighernh.org and we will update the report.

Appendix A: Charter School Enrollment, 2018-2019

Public Charter Schools	Student Enrollment, 2018-2019	Maximum Student Enrollment, 2018-2019	Number of Open Seats, 2018-2019	Year 5+ Maximum Enrollment
Charter School 1	333	650	317	650
Charter School 2	526	600	74	600
Charter School 3	299	300	1	300
Charter School 4	137	260	123	260
Charter School 5	168	200	32	200
Charter School 6	150	200	50	200
Charter School 7	89	198	109	198
Charter School 8	218	180	-38	180
Charter School 9*	203	180	-23	180
Charter School 10	166	180	14	180
Charter School 11	120	160	40	160
Charter School 12	41	152	111	152
Charter School 13	87	150	63	150
Charter School 14	93	144	51	336
Charter School 15	111	120	9	120
Charter School 16	91	115	24	115
Charter School 17	67	90	23	90
Charter School 18	31	60	29	330
Charter School 19	43	56	13	112
Charter School 20*	47	30	-17	30

Full Capacity=Number of Seats Stated in Authorization Materials, when charter school is fully operating

Maximum Student Enrollment=Number of Seats Stated in Authorization Materials, OR Current Year Stated Enrollment Goal (for recently opened charter schools)

Charter schools denoted with an asterisk (*) have recently requested or have received approval from the State Board of Education to expand their enrollment in the current or a future school year, according to publicly-available documents.