

# Indiana Charter School Facts

*Public Schools Free and Open to All Hoosier Students*



## OVERVIEW

Charter schools are public schools, making them free and open to all Hoosier students. They were created to allow flexibility and less regulation in exchange for being held to a stricter accountability framework.

Charter schools have no geographic boundaries unlike traditional public-school districts. A lottery must be held if the number of students who wish to attend a charter school is greater than the available seats in the school. Over 130 charter schools serve 58,608 students across the state, roughly 5.5% of Indiana's total student population. Indiana law requires charter school organizers to be run by nonprofit boards. Because charter schools are public schools, they do not accept vouchers.

There are over  
**130**  
charter schools in  
the state of Indiana.

2025-2026  
School Year Total  
Participants:  
**58,608**

Participation is  
**5.5%**  
of the student  
population.

## ACADEMICS

- A study conducted by Trine University found that typically:
  - Charter schools outperform their traditional public-school counterparts.
  - Minority, special education, and low-income students in charter schools have greater academic achievement than their peers at traditional public schools.
- In 2022, research performed by the Center of Research and Education Outcomes at Stanford University found Indianapolis charter school students achieved more growth in math and English than students in traditional public schools and even further outperformed their local peers.
  - Indianapolis charter students achieved 12 days of additional learning in English and 47 days of additional learning in math compared to students across the state.
  - Black students at Indianapolis charter schools achieved growth equivalent to 86 days of additional learning in English and 144 days of additional learning in math.
- Signature School, a public charter school in Evansville, is nationally recognized for student performance. Recently, the school was ranked 2nd nationally and 1st in Indiana for Best High Schools by US News.

## FUNDING

- Charter schools receive less funding than district public schools.
- Brick and mortar charter schools receive state and federal funds in the same manner as district public schools. However, they do not have the ability to seek referendums and do not fully receive local property tax dollars.
  - The original charter law, Senate Enrolled Act 165-2001, shared a proportionate amount of property tax dollars with all charter schools in their district boundaries. However, this changed in 2008 as part of the property tax reform package when the state took over the remaining school operating levy from the local level.

## FUNDING (CONTINUED)

- District public schools receive funding per student in local property tax dollars to educate students, construct and maintain buildings, pay for utilities, and provide transportation.
- The amount per student varies across the state, especially in districts that have passed referendums. In Marion County, where the largest number of charter students are located, the difference is roughly \$8,000 per student between Indianapolis Public Schools and charter schools.
- As a result, charter schools must divert some of their state tuition support dollars from classroom teacher salaries and student instruction expenses to pay for buildings and other items that are typically covered by property taxes in a district public school.

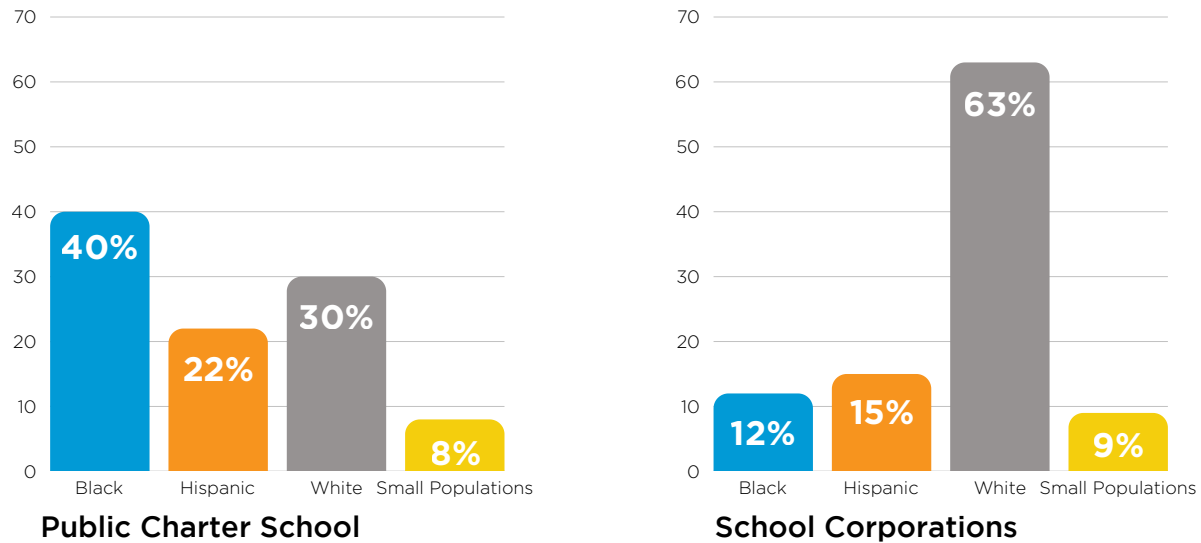
The amount per student varies across the state, especially in districts that have passed referendums. In Marion County, where the largest number of charter students are located, the current difference is roughly \$8,000 per students between Indianapolis Public Schools (IPS) and charter schools.

- However, the Indiana legislature has taken steps to close this funding disparity.
  - Under Senate Enrolled Act 391-2023, school corporations located in Lake, Marion, St. Joseph, and Vanderburgh counties are now required to share a proportionate amount of operating and school safety referendum dollars with charter school students if the charter school opts-in and shares in a proportionate cost of the referendum.
  - Under House Enrolled Act 1001-2023, school corporations in these same four counties are required to share a proportionate amount of future growth in local operating property tax dollars with charter school students.
  - The 2023 state budget allotted a one-time investment over the biennium of \$25M for the newly established Charter School Capital/Facility Grant Fund.
  - Senate Enrolled Act 1-2025 expanded on previous legislation by requiring local property taxes for operations and any operational referendums to be shared with charter schools if the number of students who have legal settlement in a school corporation but attend a charter school is at least the greater of 100 students or 2 percent of the school corporation's spring ADM. This process begins in 2028, allowing a transitional period before the funding changes are phased in.
  - In response to recommendations from the Indianapolis Local Education Alliance, House Enrolled Act 1423-2026 established the Indianapolis Public Education Corporation (IPEC). The IPEC is a municipal body tasked with providing a high-quality educational system for IPS and charter schools located within the district's boundaries. Among other responsibilities, IPEC will levy property taxes for operating and capital expenses ensuring all public schools within the IPS boundaries are funded fairly.
- The 2015 state budget included for the first time a \$500 per pupil facility grant for certain charter schools. This funding has continued over the years, with the 2025 budget allocating \$1,400 per student both years of the biennium. Only charters that meet specific performance metrics are eligible to receive this funding.
- Virtual charters are also funded via the school funding formula. However, they currently receive less tuition support per pupil, which is set to 85% of the base amount. Previously, the percentage was set to 90%, but it was reduced during the 2019 session and has remained at this threshold since then.
- Non-charter virtual programs within district public schools receive the same percentage of tuition support per student as virtual charters and also receive property tax dollars.
- Adult Charter High schools are funded via a separate line item in the state budget and are funded at \$6,750 per student, a figure that has not changed for a decade.

## DEMOGRAPHICS AND ENROLLMENT

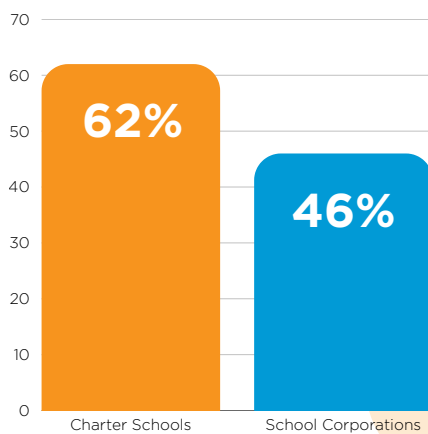
Charter schools serve a significantly higher percentage of minority and economically disadvantaged students than district public schools.

### Student Demographic Participation by School Type



Source: IDOE

### Free & Reduced Lunch Percentage of Student Enrollment



*Charter schools serve a significantly higher percentage of minority and economically disadvantaged students than district public schools.*