Closures and Enrollment: The Effect of COVID-19 on Private Schools

By Neal McCluskey

Director, Center for Educational Freedom, Cato Institute

Abstract

The COVID-19 pandemic, and the economic effects of lockdowns to combat it, have taken a toll on all schools. There are reasons to believe that they might have hit private schools especially hard (Wolf and McCluskey, 2020). Private schools are heavily dependent on tuition, as opposed to tax revenues, and tuition might be much harder for families facing their own economic hardships to pay. The pandemic and measure to combat it likely also shrunk other revenue sources such as subsidies from churches and fundraisers such as auctions, as in-person gatherings of all types were either curbed or completely stopped. On the flips side, private schools were typically eligible to receive federal assistance such as Paycheck Protection Program (PPP) forgivable loans that public schools could not access, and have been more easily able to re-open in-person, perhaps allowing them to attract new students they otherwise would not have enrolled.

To assess the still-evolving effect of COVID-19 on private schools, this paper examines data and trends in the Cato Institute's COVID-19 Permanent Private School Closures tracker, which has catalogued permanent private school closures with an explicit connection to COVID-19 since the start of lockdowns in March 2020. It also uses a survey delivered to 400 randomly selected private schools inquiring about enrollment changes between the 2019-20 school year and the beginning of 2020-21. Both the tracker and survey have considerable shortcomings, but our findings are consistent with other surveys and anecdotal reports. Lower-priced, and higher-minority, private schools are disproportionately closing, and higher-minority schools losing enrollment, but the situation is not dire. Just 120 schools have been confirmed closed at least in

part due to COVID, out of more than 32,000, and while about half of private schools report losing enrollment, roughly one-quarter have stayed in place and another quarter have gained students.

Introduction and Background

In March 2020, most states and localities around the United States went into “lockdown” to combat Coronavirus disease 2019 (COVID-19), a new virus that originated in China and become a pandemic (Centers of Disease Control and Prevention, 2020). Over a period of a few weeks states and municipalities around the country required the physical closure of all “non-essential” businesses and other organizations, including schools both public and private, and houses of worship, in order to slow the spread of the disease. It quickly became a concern that this posed a serious financial threat to schools as people lost employment and the economy slowed, likely curbing tax revenue for public schools, and tuition and other subsidies to private institutions, especially from congregations supporting church-based schools as religious services could no longer occur in-person (Lueken and Enlow, 2020; Turner, 2020; McCluskey, 2020; Mahnken, 2020; Wolf and McCluskey, 2020).

The federal government launched efforts to try to financially prop up entities threatened by lockdowns, including non-profits including churches and private schools. The Coronavirus Aid, Relief, and Economic Security (CARES) Act was signed into law on March 27, 2020. It included relief specifically for education as well as the Paycheck Protection Program (PPP) which provided loans to businesses and nonprofit organizations including churches and private schools (U.S. Department of the Treasury, 2020). A second round of PPP funding was enacted in late April in the Paycheck Protection Program and Health Care Enhancement Act. The laws made available a total of $670 billion in loans that could be forgiven if they were used to maintain employment or pay interest charges on mortgages, rents, and utilities. The maximum loan amount was $10 million. This provided the most direct and immediate federal assistance to private schools (U.S. Department of the Treasury, 2020; Committee for a Responsible Budget, 2020).

The CARES Act also contained funding in addition to PPP that could reach pr8ivate schools, though exactly how the money should be shared was disputed. The biggest chunk was $13.2 billion under the Elementary and Secondary School Education Relief Fund (ESSER), and an additional $3 billion in the Governor's Emergency Education Relief Fund (GEER). (U.S. Department of Education, 2020; Office of Elementary and Secondary Education, 2020). GEER allowed state governors to allocate funding as they saw fit for COVID education relief—early childhood through postsecondary education—in their states. Finally, about $180 million was made available in Education Stabilization Fund-Rethink K12 Education Models Grants, which states could put to multiple possible uses if they were selected to receive funding by U.S. Secretary of Education Betsy DeVos. Among potential uses was creation of "microgrants" that families could use to pay private-school tuition (U.S. Department of Education, 2020).

These federal monies reached private schools in different concentrations. The first was PPP funding. Exactly how much reached private schools is not known, in part because the funding is not easily separable from what went to public/private hybrid charter schools, and what went to churches that may have ultimately applied them to maintaining schools. The Committee for a Responsible Federal Budget in September 2020 estimated that $6 billion went to private schools and charter schools and about $7 billion to churches (Committee for a Responsible Federal Budget, 2020).

How ESSER funding should be allocated among public and private schools became a bone of contention between the Trump administration and Democrats and many states and school districts. Like Title I funding, the law called for funds to be first distributed to school districts, which would then allocate uses for it—but not the money itself—proportionate to how many Title I eligible children from a district a private school enrolled. However, ESSER money allocated to public schools could be used for services benefiting entire student bodies, such as improving building sanitation. Secretary DeVos issued guidance that resources should follow students to private schools on a simple per-pupil basis – *not* in proportion to Title I eligible students – while many Democrats and districts said the money should flow in proportion to Title I enrollment. It was not until the end of September, after losing a case against her guidance in federal court (Turner 2020) that DeVos abandoned her effort for a simple per-pupil distribution (Michigan Attorney General, 2020), likely delaying distribution of funds to all schools, public and private. Enrolling about 0.7 percent of all Title I participants (Snyder, et al, 2019. P. 199), private schools collectively would receive about $92 million under ESSER, or about $2,672 for the average school (National Center for Education Statistics, 2020, Table 205.40).

Relatively little GEER funding likely ended up going to private schools as of the time our closure and enrollment data was collected. The plans in ten states – Alaska, Florida, Illinois, Indiana, Missouri, Nevada, New Hampshire, Oklahoma, Pennsylvania, and South Carolina – potentially allowed funds to reach private schools, but most of those were through preschools (Hunt Institute, 2020). Only six – Florida, Indiana, Missouri, New Hampshire, Oklahoma, and South Carolina – clearly allowed funds to reach private schools, and only three – New Hampshire, Oklahoma, and South Carolina – earmarked money to pay for private school tuition. And South Carolina's plan, which would have allocated $32 million for private school choice, was struck down by the state's supreme court as a violation of a state constitutional provision prohibiting the expenditure of public funds to benefit private educational institutions (Mallory, 2020). Finally, little funding likely made it to private schools via Rethink K12 Education Models

Grants. Only 11 states were awarded grants, and none intended to implement microgrants (U.S. Department of Education, 2020).

In addition to the funding threats, and primarily federal efforts to ameliorate them, private schools faced changing circumstances for delivery of education, ending the 2019-20 school year almost entirely online but preparing for varied possibilities—all in-person, hybrid, all-online—to start the 2020-21 academic year. Churches also faced changing situations as states lifted and changed statuses for opening, as did public schools. And what public schools did likely affected private school enrollment and revenue.

Different states and local jurisdictions have had varied rules about reopening schools and governing other large, in-person gatherings, and whether or not such gatherings have been allowed has changed as presence of the virus has changed. Anecdotally, entering the 2020-21 school year private schools appeared to be much more likely to open in-person than public, including private and public schools in close proximity to each other and, hence, likely facing similar concentrations of the virus (Miller, 2020; Rowan, 2020; Stein, 2020). In some cases, however, private schools that had prepared to open in-person were prevented from doing so by government order (*Wall Street Journal* Editorial Board, 2020; Pitawanich, 2020; Lee 2020). In Montgomery County, Maryland, whether or not private schools could reopen in-person became a tug of war between schools, the county health chief, and Governor Larry Hogan. Residents saw an order to close private schools, an overriding of that order, a new order to close, and a final rescinding of the order all in a couple of weeks' time (Finn, 2020).

This was the basic lay of the land for private schools as of the early 2020-21 school year: Private schools, like public institutions, were hastily required to end in-person education in March 2020. Some financial relief came through the federal government, including PPP funding not available to public schools, with PPP funds available in April and May. Private schools could also receive other CARES Act funding, but it was delayed and, at least based on total enrollment, was disproportionately slated for public schools. Which brings us to the central question of this paper: What has been the effect of COVID-19 on private schools? Has it shrunk the sector due to financial and enrollment damage, or has it improved the health of the sector because private schools have been more likely to operate in person in the 2020-21 school year than public schools, making them attractive to more families?

Data

Closure Tracker

The COVID-19 situation is still evolving and it is too early to make any final determination of what its effect will be on private schooling. But we can get a sense of what has occurred so far. To do that we will use the Cato Institute's COVID-19 Permanent Private School Closures, which contains a list of private schools that have closed at least in part due to COVID-19, along with data on their locations, affiliations (Catholic, independent, etc.), enrollment numbers and demographics, and tuition levels. The tracker also includes closure announcement dates, and Cato has also collected a list of private schools that have closed since the beginning of lockdowns *without* a COVID connection. In addition, we will examine data from a survey of private schools conducted between September 9 and September 18 (though a few responses trickled in after the 18th) asking about a school's enrollment change between the end of the 2019-20 school year and the start of 2020-21.

Closing schools were identified via Google searches for private school permanent closures, searching education news aggregator sites such as ChoiceMedia.tv, and asking people aware of Cato's tracking project to alert us to private schools they knew were closing permanently. The vast majority of closures on the list were obtained through Google searches and news aggregators, though we also received a few direct notifications from people, most of which identified schools we had already discovered through our other searches. Once schools were identified we examined news reports to ensure that COVID-19 was cited as a contributing factor in final closure decisions, and where it was unclear we contacted schools or, if they were part of a larger system such as a Catholic diocese, contacted that parent structure. Tracking began in mid-March and has been ongoing since. Additional data for closed schools were obtained from various sources, including school websites, Private School Review, and Niche.com. Also, "net closures" indicates closures after accounting for school that might have closed but consolidated into new schools. Table 1 lays out data sources.

Table 1. COVID Closure Tracker Data Sources

Variable	Source
Closure	Media and direct report
State	Media reports and school websites
Type	Media reports and school websites
Date announced	Media reports, press releases, and direct contact with school or school parent organization
Enrolment	Media reports, direct contact with school or parent organization, or Private School Review
Year Founded	Media reports, direct contact with school or parent organization
Preexisting financial problems	Media reports, direct contact with school or parent organization
Tuition	Direct contact with schools, Private School Review. In some cases average tuition is weighted by student enrollment in different grades. Catholic schools often have three tuition tiers—Catholic in-parish, Catholic out-of-parish, and non-Catholic. Where that is the case and data

	to weight by enrollment are not available, data are from the middle tuition tier.
Demographics	Niche.com

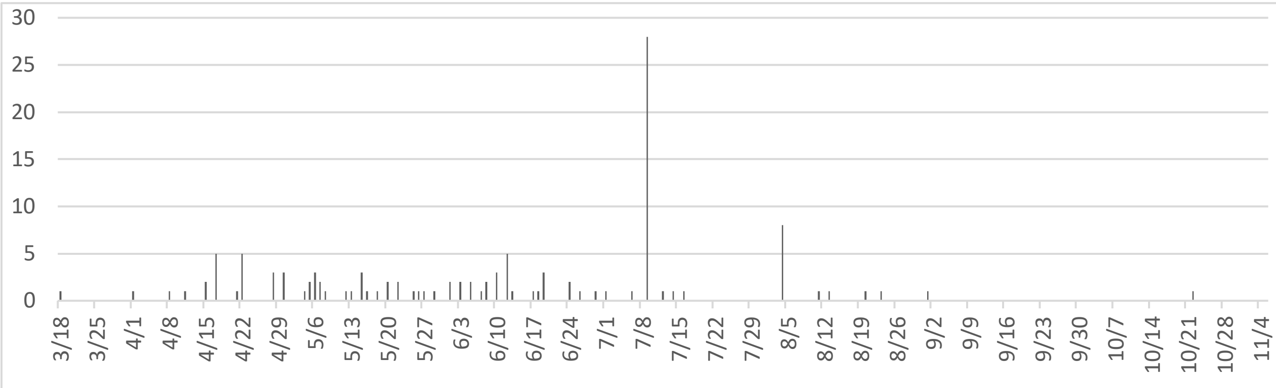
Table 1 displays the summary data for all 120 schools closed on the tracker.

Table 2. COVID Closure Tracker Summary Data

Variable	Obs	Mean	Std. Dev.	Min	Max
closure	120	1	0	1	1
consolidat~n	120	.0916667	.2897647	0	1
state	120	28.4	11.01672	1	49
type	120	7.291667	1.641867	1	8
dateannoun~d	120	60721.67	13445.71	31820	102120
enrol	118	157.0085	88.92506	5	573
enrolsource	118	3.677966	1.699076	1	6
yearfounded	98	1946.378	43.29699	1743	2015
preexistin~n	112	1.107143	.3106849	1	2
financialaid	19	44.04211	32.90914	.8	100
tuition	104	7063.202	4862.495	0	29213
black	108	14.63519	23.51481	0	98.1
hispanic	108	19.29167	25.60604	0	100
asian	108	5.122222	10.61291	0	89.9
white	108	55.61296	33.76233	0	100
other	108	5.257407	5.892784	0	35.9

The summary in Table 2 reports the range of closure announcement dates, but Figure 1 puts the dates in a timeline for easier conceptualization.

Figure 1. Closures announcements by date



In addition to the list of COVID-connected closures, we have collected a list of private schools that closed in the same timeframe but without a connection to COVID-19. In other words, the closures were in no way caused by COVID. This was done retroactively using Google searches, as opposed to cataloguing each closure as soon as an announcement or report became publicly available. That list contains 12 schools, with data collected from the same sources and in the same ways as the COVID closure list. Table 3 summarizes the data for that list.

Table 3. Non-COVID Closure Tracker Summary Data

Variable	Obs	Mean	Std. Dev.	Min	Max
closure	13	1	0	1	1
consolidat~n	13	0	0	0	0
state	13	27.92308	10.91987	5	43
type	13	7.461538	1.76141	2	9
dateannoun~d	13	61596.77	24728.34	30920	110119
enrol	12	163.9167	57.80446	59	252
yearfounded	12	1959.25	35.72655	1883	2016
preexistin~n	13	1.076923	.2773501	1	2
percentfin~d	3	58.33333	17.55942	40	75
tuition	7	10684.71	5676.194	4275	18428
black	12	22.16667	32.79089	0	94
hispanic	12	12.58333	10.87498	0	32
asian	12	8.416667	10.39631	1	37
white	12	49.75	32.26066	0	95
other	12	7.5	8.607608	0	24

Survey

The survey of private schools was conducted using 400 private schools randomly selected from the federal 2017-18 academic year Private School Universe Survey (PSS), which is the most recent year available. The PSS has data, including contact information, for 22,895 private schools. Those are schools which responded to the NCES survey, not all private schools. After removal of schools listed as only offering pre-K, the number was reduced to 22,837. Those schools could contain pre-K but had to at least also offer kindergarten or another K-12 grade. We contacted the 400 selected schools by electronic means – primarily email but in a few cases telephonically – or by conventional mail either when a school had no electronic contact information or failed to respond to telephone messages. 42 schools received questionnaires by conventional mail.

We requested that schools respond to surveys by September 18, but some conventional mail responses trickled in after that date. We ultimately received 65 usable surveys back, a 16 percent response rate and +/- 12 percentage point margin of error at the 95 percent confidence level. Notably, one of the schools that answered had closed. It is also included in the closure list. Our survey only asked schools to check off whether schools had seen an "increase," "decrease," or "no change" in enrollment from the previous year, and if either of the first two, by how many students. We also asked schools with pre-Ks to provide enrollment data including and not including pre-K students. We supplemented the survey with data about the schools including grade levels served, locations, affiliations, tuition levels, and whether instruction has been virtual or in-person, taken from several sources including the PSS, websites, and direct contact. Table 5 provides variable data sources and Table 6 provides summary data.

Table 5. Survey Data Sources

Variable	**Source**

State	PSS
Type	PSS, direct contact with school or school parent organization
Has Pre-K	PSS and direct contact with school
Tuition Average	Direct contact with schools, Private School Review. In some cases average tuition is weighted by student enrollment in different grades. Catholic schools often have three tuition tiers—Catholic in-parish, Catholic out-of-parish, and non-Catholic. Where that is the case and data to weight by enrollment are not available, data are from the middle tuition tier.
Enrolment	Media reports, direct contact with school or parent organization, or Private School Review
No change with Pre-K	Survey
Increase with Pre-K	Survey
Decrease with Pre-K	Survey
Total change with Pre-K	Survey
No change without Pre-K	Survey
Increase without Pre-K	Survey
Decrease without Pre-K	Survey
Total change without Pre-K	Survey

Table 6. Enrollment Survey Summary Data

Variable	Obs	Mean	Std. Dev.	Min	Max
state	65	27.30769	14.44486	3	50
type	65	7.184615	4.080795	1	15
virtual	56	.3928571	.7305931	0	2
distvirt	59	1.457627	.6777761	0	2
gradelow	65	2.353846	2.976107	1	11
gradehigh	65	9.953846	3.846389	2	14
hasprek	65	.6923077	.4651303	0	1
TuitionAvg	53	10365.2	10068.05	1985	59750
totenrol	63	213.873	231.3297	0	1107
nochgpk	13	1	0	1	1
increasepk	16	1	0	1	1
decreasepk	36	1	0	1	1
totchgpk	63	-13.20635	32.80498	-137	90
nochgwopk	13	1	0	1	1
increasewopk	20	1	0	1	1
descreasew~k	29	1	0	1	1
totchgwopk	57	-5.368421	25.15426	-100	75
Chgwprek	65	1.938462	.6818386	1	3
Chgwoprek	62	1.887097	.726655	1	3
Black	59	13.19661	23.90901	0	100
Hispanic	59	6.615254	12.06915	0	66
Asian	59	3.967797	6.987389	0	39
White	59	68.38136	31.46694	0	100
Other	59	7.88983	16.05562	0	100

Results

The goal of our research has been to begin to assess how COVID-19 may have affected, and may continue to affect, private schools. We will examine patterns and identify possible "high-risk" groups. Of course the pandemic is not over at the time of this writing, and indeed much may have changed since the data was collected.

Closures

The first—and easiest—thing to observe is the timing of the COVID closures, as shown in Chart 1. The vast majority came between mid-April and mid-July. This is unsurprising because it is during this time schools must decide if they will open for the next year and try to finalize hiring—or rehiring—decisions, among other things. Note that the huge spike on July 9—28 closures announced—stems from announcements in just two places: the Catholic Archdiocese of New York City and the Diocese of Brooklyn, as of 2004 the 2nd and 5th largest Catholic diocese in the country by Catholic population (Cheney, 2005). After July 16, with the exception of one spike on August 4, there were very few closures announced. This is likely because most schools would have had to have made closure decisions earlier, but it could also be a function of an influx of students into private schools, which is somewhat supported by anecdotal reports (Stein 2020, Hayes 2020, Brean 2020, Bertola 2020), as public schools struggled with in-person reopening decisions and often chose against allowing students to return to buildings.

What do we know about the composition of closed schools? Table 7 provides select summary data for all of our collections and national private school averages.

Table 7. Private School Characteristics, Comparison Data, National, COVID Closures, Non-COVID Closures, Survey Respondents

	National	COVID Closures	Non-COVID Closures	Survey
Avg. Enrollment	**166** (n=34,580)	**157** (n=118)	**164** (n=12)	**214** (n=63)
Type				
Amish	**6.1%** (n=2,110)	**0.0%** (n=0)	**0.0%** (n=0)	**7.7%** (n=5)
Baptist	**5.4%** (n=1,860)	**0.0%** (n=0)	**0.0%** (n=0)	**4.6%** (n=3)
Buddhist	_	**0.0%** (n=0)	**0.0%** (n=0)	**1.5%** (n=1)
Christian (Non-denom)	**15.6%** (n=5,410)	**1.7%** (n=2)	**7.7%** (n=1)	**18.5%** (n=12)
Church of God	**0.0%** (n=80)	**0.0%** (n=0)	**0.0%** (n=0)	**1.5%** (n=1)
Episcopal	**0.0%** (n=350)	**1.7%** (n=2)	**0.0%** **(n=0)**	**0.0%** (n=0)
Greek Orthodox	**0.0%** (n=40)	**0.0%** (n=0)	**0.0%** (n=0)	**1.5%** (n=1)
Independent	**32.7%** (n=11,300)	**11.7%** (n=14)	**7.7%** (n=1)	**26.2%** (n=17)
Jewish	**3.2%** (n=1,120)	**0.8%** (n=1)	**0.0%** (n=0)	**0.0%** (n=0)
Lutheran	**4.4%** (n=1,520)	**0.8%** (n=1)	**0.0%** (n=0)	**12.3%** (n=8)
Mennonite	**1.8%** (n=610)	**0.0%** (n=0)	**0.0%** (n=0)	**3.1%** (n=2)
Presbyterian	**0.0%**	**0.0%**	**0.0%**	**1.5%**

	(n=320)	(n=0)	(n=0)	(n=1)
Quaker	**0.0%** (n=90)	**0.0%** (n=0)	**0.0%** (n=0)	**1.5%** (n=1)
Roman Cath	**20.3%** (n=7,010)	**83.3%** (n=100)	**76.9%** (n=10)	**20.0%** (n=13)
Ukrainian Cath	–	**0.0%** (n=0)	**7.7%** (n=1)	**0.0%** (n=0)
Tuition	**$12,257** (n=26,230)	**$7,063** (n=104)	**$10,685** (n=7)	**$10,365** (n=53)
Black	**9.3%** (n=32,461)	**14.6%** (n=115)	**22.2%** (n=12)	**13.2%** (n=59)
Hispanic	**11.3%** (n=32,461)	**20.2%** (n=115)	**12.6%** (n=12)	**6.6%** (n=59)
Asian	**6.5%** (n=32,461)	**5.2%** (n=115)	**8.4%** (n=12)	**4.0%** (n=59)
White	**66.7%** (n=32,461)	**54.5%** (n=115)	**49.8%** (n=12)	**68.4%** (n=59)
Other	**6.2%** (n=32,461)	**5.4%** (n=115)	**7.5%** (n=12)	**7.9%** (n=59)

School numbers and Type data: https://nces.ed.gov/programs/digest/d18/tables/dt18_205.45.asp?current=yes.

Tuition (adjusted to Jan. 2020): https://nces.ed.gov/programs/digest/d19/tables/dt19_205.50.asp?current=yes.

Demographics: Table 9: https://nces.ed.gov/pubs2019/2019071.pdf

First, we compare COVID closures to national averages, which it should be noted are primarily from the 2017-18 school year, and for tuition data are from 2015 but adjusted to 2020 dollars. What stands out is first huge overrepresentation of Roman Catholic schools, which constitute about 20 percent of all private K-12 schools (including pre-K as long as a K-12 grade is also included) but about 83 percent of all COVID-connected closures. Catholic schools constitute just a slightly lower share of non-COVID closures. Also overrepresented are Episcopal schools, which are less than a tenth of a percent of all private schools, but 1.7 percent of COVID closures. Independent schools are greatly underrepresented, constituting about 33 percent of all public schools but only 11.7 percent of COVID closures and 7.7 percent of non-COVID closures. Note that this category includes schools for students with disabilities. Lutheran and Jewish schools are also somewhat underrepresented among all closures, as are Mennonite schools.

The next clear difference is tuition levels. The national average for tuition is $12,257, but for COVID-connected closures less than $7,100. Non-COVID closures are also lower than the average, but much closer than COVID closures -- $10,685, though that is based on data for only 7 schools.

Finally, schools closed in part due to COVID have higher enrollment of Blacks and Hispanics than private schools, on average. Black students constitute 14.6 percent of students in COVID-closed schools and Hispanics 20.2 percent, versus 9.3 percent and 11.3 percent, respectively, in national data. Not surprisingly, they also have lower white and Asian enrollment shares. Non-COVID closures show a similar pattern except that Asians are overrepresented at 8.4 percent, versus 6.5 percent nationally.

What appears to be the case is closures are hitting low-priced private schools more frequently than higher priced. If we look at tuition price by school types, as shown in Table 8, we can see the association. (Note that there are Jewish and Lutheran schools among COVID closures but we do not have tuition data for them.) Roman Catholic schools have the lowest prices, Independent the highest.

Table 8. Private School Tuition by School Type

Type	**Mean Tuition**
Roman Catholic	$5,668 (n=90)
Non-denom Christian	$6,914 (n=2)
Episcopal	$15,512 (n=2)
Independent	$17,961 (n=10)

In addition to hitting lower cost schools especially hard, COVID closures have been concentrated in just a few states. Indeed, more than half – 61.5 percent – have been in just four states: New York, New Jersey, Pennsylvania, and Massachusetts. All four are large, historically heavily Catholic and urban states (Chepkemoi, 2019). New York, New Jersey, and Pennsylvania are also represented on the non-COVID closure list—especially New Jersey, which saw numerous non-COVID closing in the Newark archdiocese—as well as Texas and California.

Enrollment

Closures tell us about the characteristics of schools that could not be saved. Examining enrollment trends from survey data can tell us more about the situation for schools that are still operating and which may or may not be heading for trouble. In particular, we might be able to detect patterns about which types of schools are experiencing losses, and how bad.

First, as you can see on Table 7, our survey respondents roughly reflect national averages in many respects, but not entirely. Mean tuition of $10,365 is significantly below the national average of $12,257, so it appears less expensive schools tended to respond to our survey. With a very small sample size – 65 schools, and not all of those with data for every variable – it is also unsurprising that some school types vary from the national average. Still, Roman Catholic schools make up 20 percent of both the national data and survey respondents, and independent schools are fairly close at 32.7 percent and 26.2 percent, respectively. Only Lutheran schools appear to be majorly overrepresented among respondents, constituting just 4.4 percent of private schools nationally, but 12.3 percent of survey respondents.

In terms of demographics, respondent schools skew high Black and low Hispanic and Asian. Black students constitute 9.3 percent of enrollment nationally but 13.2 percent of respondent schools' enrollment. Hispanics, in contrast, are 11.3 percent of national enrollment and only 6.6 percent of respondent schools, and Asians 6.5 percent and 4 percent. Whites, at 68.4 percent, are close to their national share of 66.7 percent.

We asked schools both about enrollment changes with and without pre-K numbers; our main interest is K-12 education, but pre-K may bring in important revenue for schools serving K-12. We asked whether there was just an increase, decrease, or no change from the previous year, as well as for actual change numbers. The goal was to minimize the amount of time it would take schools to complete the survey, both to maximize responses and because private schools may have been under unprecedented resource pressure to open under COVID and we did not want to add to their burden. If they could not quickly dig up specific numbers, we at least wanted to know if enrollment had moved.

Figure 2 shows the share of schools with increasing, decreasing, or unchanged enrollment with pre-K students, and Figure 3 without.

Figure 2. Change in Enrollment, with Pre-K

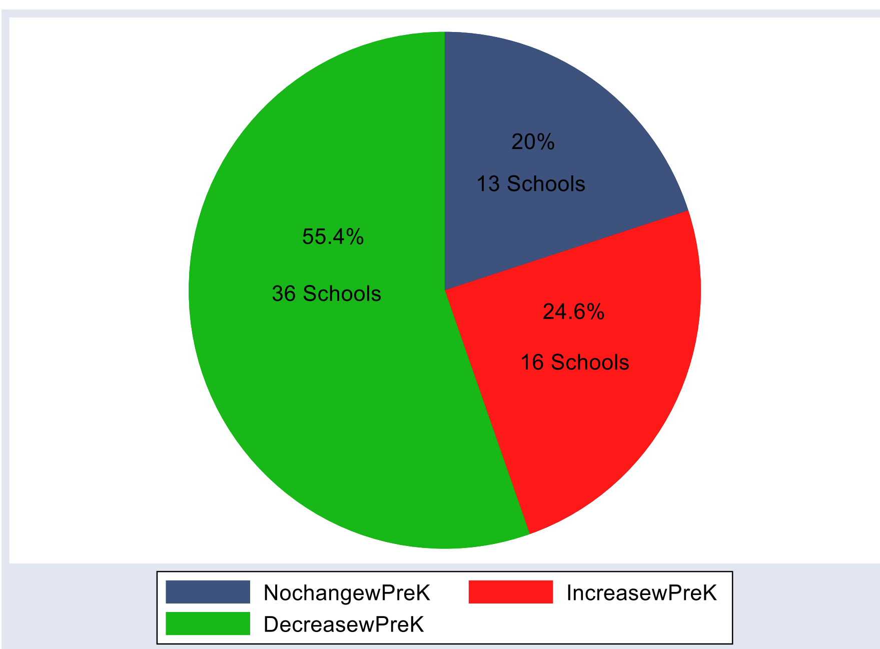
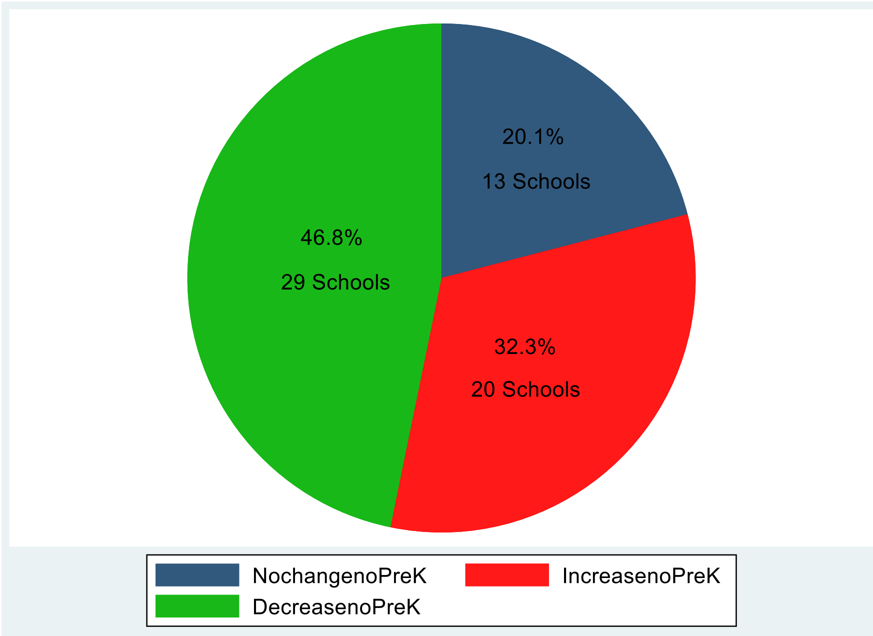


Figure 3. Change in Enrollment, without Pre-K



When pre-K enrollment is included, more than half of schools lost enrollment between the 2019-20 school year and the start of 2020-21. 20 percent saw no change, and nearly one-quarter saw increased enrollment. Exclude pre-K and things look a bit better, with less than half losing enrollment, essentially the same share breaking even, and nearly one-third increasing.

What was the magnitude of those changes? Looking at the total change with and without pre-K shows that including pre-K numbers the mean change reported was a loss of about 13 students and without pre-K it was a loss of somewhat more than 5 students. Both had appreciable range, with standard deviations of about 33 and 25 students, respectively.

Did type of school make a difference in terms of number of students lost or gained? Table 5 lists mean change by school type.

Table 9. Private School Enrollment Change, Including Pre-K, by Type

Type	**Mean Change**
Amish	0.6 (n=5)
Baptist	1.7 (n=3)

Buddhist	-12.0 (n=1)
Catholic	-9.9 (n=13)
Non-Denom Christian	-11.6 (n=11)
Church of God	-137 (n=1)
Greek Orthodox	-15 (n=1)
Independent	-14.5 (n=13)
Lutheran	-6.6 (n=8)
Mennonite	0.5 (n=2)
Montessori	-42.0 (n=3)
Presbyterian	-38.0 (n=1)
Quaker	-14.0 (n=1)

Obviously the sample sizes are too small to reach any solid conclusions for any type of school, but it is not surprising that Amish and Mennonite schools, which constitute about 8 percent of all private schools, are holding steady. Online education would not be an option for their students. Similarly, Catholic school losses are consistent with the very heavy presence of Catholic schools on the closures list. Losses among independent schools – typically more wealthy than other private school sectors – may be surprising, but included in that group are schools for children with disabilities, who may well be at greater risk than the average student of attending in-person and can be very expensive to educate. Finally, non-denominational Christian school losses are consistent with findings of a survey of such schools showing that about half were experiencing enrollment losses, one-quarter gains, and one-quarter holding steady (World Radio, 2020). That is also roughly consistent with our survey's national findings.

Surprisingly, neither tuition levels nor the racial makeup of schools correlate strongly with enrollment gains or losses, as you can see in Table 10. That said, both percentages of Black and white enrollment move, weakly, in the direction expected. The more white that schools are, and hence the more likely they are to serve wealthier families, the more positive the enrollment change, while the more Black the more negative the change.

Table 10. Private School Enrollment Change, Correlation with Tuition and Demographics

Variable	**Correlation**
Tuition	0.06 (n=52)
Black	-0.32 (n=58)
Hispanic	-0.02 (n=58)
Asian	-0.0 (n=58)
White	0.27 (n=58)
Other	-0.08 (n=58)

Discussion and Policy Recommendations

The closure and enrollment results we have are not surprising. It appears that less-expensive private schools that serve lower-income populations tend to be the most ill-affected by the non-medical effects of the pandemic. They are heavily overrepresented among COVID closures, which is perhaps most reflected in the large share of closures represented by Catholic schools. It is also reflected in the correlations between race and enrollment loss. Our results also suggest that while private schools may be gaining some students as a result of traditional public schools either not opening in-person or changing their approach too often, private schools are not experiencing an overall enrollment gain. This is consistent with a late-August Gallup poll of parents of school-aged children which found that public and private schools would lose enrollment while homeschooling and charters would gain (Brenan, 2020). The survey suggested private schools would drop from about 11 percent of enrollment in the previous school year to just 8 percent in 2020-21. That would be a very large drop and would likely have resulted in more closures than we have seen – 121 schools out of about 34,500 is a very small share – but the data clearly show overall enrollment loss for private schools. The losses we have recorded probably come closer to smaller changes anticipated in survey work by EdChoice, which found that 21 percent of children attended private schools immediately before COVID-19, but only 19 percent were likely to do so at the start of the 2020-21 year (EdChoice 2020). On average, the schools in our survey saw a 6 percent reduction in enrollment.

Limitations and Recommendations for Further Research

The first major limitation of the research is that the closures we have tracked come to us primarily through media reports and to a very small extent individuals contacting us about closures. That means we have likely missed some schools that have closed that were too small, or simply did not try, to make a public closure announcement, and especially one picked up by reporters. This would lead to overrepresentation of large schools and especially Catholic schools, which are typically parts of larger, hierarchical diocese. With nearly one-third of private schools enrolling 50 or fewer students (NCES, 2019) no doubt some schools have gone out of business with little word to anyone but families, faculty, and staff.

It is also difficult to pin closures on COVID. Much like the effect of the disease on people, schools already in financial ill-health represent by far the biggest chunk of closures. Through media reports and direct contact with closing schools we ascertained that 100 of the 120 closures were suffering from pre-existing financial difficulties. The pandemic was either the final nail in the coffin, or might have even been an excuse to make a closure decision that would have been warranted financially before COVID.

We will probably not know the true closure effect of the pandemic until the next iteration of the federal Private School Universe Survey, which will be during the 2021-22 academic year, and when we compare past fluctuations in private school numbers with the COVID period. Demographic and tuition data for schools are also somewhat imprecise, with different sources drawing from different—or indeterminate—school years, and some schools having numerous possible tuition levels based on grade and a family's relationship to a particular faith or parish.

Our survey, as is clear from the small number of respondents, is also a blunt instrument, put together to get a quick sense of what might be happening to enrollment, and to do so at little expense both to the Cato Institute and school employees. The respondents are somewhat consistent with national averages, but skew toward less-expensive schools. There is also an overrepresentation of Amish and Mennonite schools perhaps because they were contacted by traditional mail and given a pre-paid envelope to respond. That might have encouraged response more powerfully than simple emails, though we also sent numerous reminder to email recipients we could not send to schools contacted through traditional mail.

Further research to assess enrollment effects of COVID-19 should, clearly, be larger than the 400 schools we reached out to. Based on our response rate, to get a +/-5 point margin of error at 95 percent confidence pollsters would need to contact roughly 2,000 schools. Also, later polling is likely to produce changes simply because the COVID situation has evolved both with changing rates of infection and changing research on the likelihood of in-person schooling exacerbating COVID's spread.

Policy Implications

If private schools, especially those serving poorer communities, are to survive and maybe even thrive, federal, state, or local relief should be shared with private schools. PPP probably had a significant positive impact on private schools, though mainly offsetting the negative effects of forced shutdowns of schools, churches, and many businesses. Future assistance could again come in the form of forgivable loans, or perhaps better for long-term, sustained health, governments could voucherize K-12 funding so that private schools were not already in ill financial health when the next shock comes around.

References

Bartola, A. (2020, July 20). Some families considering charter or private schools during pandemic. KSBY. https://www.ksby.com/news/local-news/some-families-considering-charter-or-private-schools-during-pandemic.

Brean, B. (2020, July 27). Waiting lists at Catholic, private schools after public schools release hybrid reopening plans. WHEC. https://www.whec.com/rochester-new-york-news/waiting-lists-at-catholic-private-schools-after-public-schools-release-hybrid-reopening-plans/5808473/.

Brenan, M. (2020, August 25). K-12 Parents' Satisfaction With Child's Education Slips. Gallup. https://news.gallup.com/poll/317852/parents-satisfaction-child-education-slips.aspx.

Centers for Disease Control and Prevention. (2020). About COVID-19. https://www.cdc.gov/coronavirus/2019-ncov/cdcresponse/about-COVID-19.html#:~:text=The%20new%20name%20of%20this,2019%2DnCoV%E2%80%9D.

Cheney, David M. (2005). Statistics by Diocese, by Catholic Population. *Catholic Hierarchy*. http://www.catholic-hierarchy.org/country/scus1.html.

Chepkemoi, J. (2019). US States by Population of Catholics. *World Atlas*. https://www.worldatlas.com/articles/us-states-by-population-of-catholics.html.

Committee for a Responsible Federal Budget. (2020, April 22). What's in the Fourth Coronavirus Package? http://www.crfb.org/blogs/whats-fourth-coronavirus-package.

Committee for a Responsible Federal Budget. (2020, September 1). How Much COVID Relief Have Public and Private Schools Received? http://www.crfb.org/blogs/how-much-covid-relief-have-public-and-private-schools-received.

EdChoice. (2020, September). Gen Pop National Polling Presentation. https://edchoice.morningconsultintelligence.com/assets/62982.pdf.

Editorial Board. (2020, July 19). Politicians vs. Catholic Education. *Wall Street Journal*. https://www.wsj.com/articles/politicians-vs-catholic-education-11595192454.

Finn, C.E. (2020, August 14). "School-Opening Extortion" Comes to Montgomery County, Maryland. *Education Next*. https://www.educationnext.org/school-opening-extortion-comes-to-montgomery-county-maryland/.

Hayes, M. (2020, July 22). Some private schools see increase in enrollment amid COVID-19 pandemic. KFOX14. https://kfoxtv.com/news/coronavirus/some-private-schools-see-increase-in-enrollment-for-back-to-school-despite-covid-19.

Hunt Institute. (2020). Geer Fund Utilization. https://hunt-institute.org/covid-19-resources/geer-fund-utilization/.

Lee, M. (2020, September 23). Push to reopen private schools arrives in federal court. Associated Press. https://apnews.com/article/virus-outbreak-education-constitutions-albuquerque-public-health-42a59b034d4e29953dd1d741fc6d76cf.

Lueken, M. and Enlow, R.C. (2020). *K-12 Fiscal Relief in the Aftermath of COVID-19*. EdChoice. https://www.edchoice.org/engage/k-12-fiscal-relief-in-the-aftermath-of-covid-19/.

Mahnken, K. (2020, June 3). COVID Poses an 'Existential Threat' to Many Private Schools, but Congress Might Block DeVos's Push for Relief. *The 74*. https://www.the74million.org/article/covid-poses-an-existential-threat-to-many-private-schools-but-congress-might-block-devoss-push-for-relief/.

Mallory, L. (2020, October 7). SC Supreme Court rules against McMaster's grants for private schools. WTOC 11. https://www.wtoc.com/2020/10/07/sc-supreme-court-rules-against-mcmasters-grants-private-schools/.

McCluskey, N. (2020, April 12). Private Schools Face an Existential Threat. *Cato@Liberty*. https://www.cato.org/blog/private-schools-face-existential-threat?queryID=3b4a39d6dbe5297600590540f447570f.

Michigan Department of the Attorney General. (2020, September 29). Secretary DeVos Concedes Defeat in Fight Against AG Nessel, Others Over CARES Act Funding for Public Schools. https://www.michigan.gov/ag/0,4534,7-359--540772--,00.html.

Miller, C.C. (2020, July 16). In the Same Towns, Private Schools Are Reopening While Public Schools Are Not. *New York Times*. https://www.nytimes.com/2020/07/16/upshot/coronavirus-school-reopening-private-public-gap.html.

National Center for Education Statistics. (2019). Table 205.40. *Digest of Education Statistics*. https://nces.ed.gov/programs/digest/d19/tables/dt19_205.40.asp?current=yes.

Office of Elementary and Secondary Education (2020). Governor's Emergency Education Relief Fund. U.S. Department of Education. https://oese.ed.gov/governors-emergency-education-relief-fund/.

Pitawanich, C. (2020, October 21). Private school sues Oregon over in-person learning restrictions. KGW8. https://www.kgw.com/article/news/education/private-school-sues-state-of-oregon-over-in-person-learning-restrictions/283-7257b086-9615-4dc6-9ddb-3e06b83041b0.

Rowan, N. (2020, July 16). Private religious schools more likely than public schools to reopen in fall. *Washington Examiner*. https://www.washingtonexaminer.com/news/private-religious-schools-more-likely-than-public-schools-to-reopen-in-fall.

Snyder, T.D., Dinkes R., Sonnenberg, W., and Cornman, S. National Center for Education Statistics. (2019). *Study of the Title I, Part A Grant Program Mathematical Formulas*. (Report # NCES 2019-16). https://nces.ed.gov/pubs2019/2019016.pdf.

Stein, P. (2020, July 26). As public schools go all virtual in fall, parents eye private schools that say they will open their campuses. *Washington Post*. https://www.washingtonpost.com/local/education/as-public-schools-go-all-virtual-in-fall-parents-eye-private-schools-that-say-they-will-open-their-campuses/2020/07/26/1e446ab0-cc5b-11ea-b0e3-d55bda07d66a_story.html.

Turner, C. (2020, May 26). A Looming Financial Meltdown For America's Schools. NPR. https://www.npr.org/2020/05/26/858257200/the-pandemic-is-driving-americas-schools-toward-a-financial-meltdown.

Turner, C. (2020, September 11). DeVos Loses Latest Fight Over Rerouting Aid To Private School Students. NPR. https://www.npr.org/sections/coronavirus-live-updates/2020/09/11/911869208/devos-loses-latest-fight-over-rerouting-aid-to-private-school-students.

U.S. Department of Education. (2020, April 23). Secretary DeVos Makes Available Over $13 Billion in Emergency Coronavirus Relief to Support Continued Education for K-12 Students. https://www.ed.gov/news/press-releases/secretary-devos-makes-available-over-13-billion-emergency-coronavirus-relief-support-continued-education-k-12-students.

U.S. Department of Education. (2020, July 29). Secretary DeVos Awards More than $180 Million to States Rethinking K-12 Education to Better Meet Students' Needs During Coronavirus Disruption. https://www.ed.gov/news/press-releases/secretary-devos-awards-more-180-million-states-rethinking-k-12-education-better-meet-students%E2%80%99-needs-during-coronavirus-disruption.

U.S. Department of the Treasury. (2020). The CARES Act Works for All Americans. https://home.treasury.gov/policy-issues/cares.

Wolf, P. and McCluskey, N. (2020, July 16). COVID-19 leaving most private schools in financial despair. *Baltimore Sun*. https://www.baltimoresun.com/opinion/op-ed/bs-ed-op-0717-private-schools-trouble-20200716-j4lhjelbmrfwfjkxvyyvibka6m-story.html.

World Radio. (2020, September 10). Christian schools enjoy pandemic boon. *The World and Everything in It*. https://worldandeverything.org/2020/09/christian-schools-enjoy-pandemic-boon/.