

COVID-19 leaving most private schools in financial despair

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July 21, 2020

As the federal government debates another relief package, if it does one it should be simple: Allocate a set amount per student and let it follow kids.

Across the country, private schools are in existential trouble thanks to COVID-19. Long financially struggling as they have had to compete against free public schools, several have already permanently closed, including two in Baltimore and five across Maryland. We are in danger of losing something precious: the only institutions able to provide something markedly different from government-controlled K-12 schooling. If not done right, government aid threatens to make matters even worse.

Private schools are not typically rich. While “private school” may conjure images of posh institutions like Andover in Massachusetts or Sidwell Friends in Washington, D.C., most private schools are modestly priced with no endowments. For some perspective, public schools spend more than \$15,000 per pupil, while the average Catholic school charges only around \$8,000, and other religious schools around \$10,000.

Tuition at religious schools typically cover just 50% to 70% of average educational costs. Schools often make up the difference with fundraisers and parish subsidies. But this year, spring fundraisers were canceled or curtailed by law, as were in-person worship services where donations are collected. And with families suffering their own COVID-19 financial losses, many private schools cannot raise tuition.

Nationwide, at a minimum 107 private schools have announced that they will shut their doors permanently, at least in part due to the crisis, as of the time of this writing, according to data from Cato Institute’s Center for Educational Freedom. Nearly 16,000 students attended those schools. Among the two closed in Baltimore is the Institute of Notre Dame, which counts U.S. House of Representatives Speaker Nancy Pelosi and former Maryland Sen. Barbara Mikulski as alums.

The schools closing tend to be lower cost and disproportionately the choice of African American families. The average tuition for closing schools nationally is only about \$7,000, and African American kids make up more than 15% of total enrollment. African Americans are only about 13% of the overall population.

In Maryland, the five closing schools have student bodies that are 47% African American, and while their average tuition — about \$14,500 — is on the higher side, they also provide financial aid, according to an analysis of data from Cato Institute's Center for Educational Freedom.

Any federal relief should not discriminate against private schools, which are already at a massive funding disadvantage compared to public schools. While the Paycheck Protection Program fit this bill, making private schools as eligible as any other for-profit or nonprofit organization, COVID-19 education relief has not been fully accessible to private schools.

Washington has sent \$30.75 billion to states for education, with the money to be split between K-12 and higher education, and including about \$3 billion at the discretion of governors. Almost all of the Elementary and Secondary School Emergency Relief Fund is going to public schools, which are supposed to share the money in the form of services and material. The U.S. Department of Education has issued rules that such things could be distributed proportionate to total enrollment, but that is up to school districts. And private schools need money they control, not trickle-down assistance.

As the federal government debates another relief package, if it does one it should be simple: Allocate a set amount per student and let it follow kids. That seems to be what the Trump administration is contemplating: Allocate 10% of K-12 relief funding — the proportion of all students who are in private schools — for private school scholarships.

To save these crucial schools in the long run, state and local taxpayer funding must no longer be sent directly to public schools. It should follow kids based on what their parents, who know them best, select.

Private schools are in trouble, and we need to do what has always been right: let families decide how their children are educated.

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