

EXPLORING KENTUCKY'S PRIVATE EDUCATION SECTOR

MARCH 2022



KEY FINDINGS

- Private schools in Kentucky have at least 6,607 open seats with a projected estimate closer to 19,600 open seats for K–12 students without construction of additional facilities—the projected capacity for K–12 students is 92,000 total seats
 - More than four out of five schools were aware that Kentucky passed the Education Opportunity Accounts (EOA) program
 - 97 percent would participate in the EOA program if it were available in their county
 - Two out of three schools are located in a county eligible for the EOA program
 - Nearly half of schools were not aware that Kentucky provides public funding for non-public school student transportation
 - 27 percent of schools currently participate in the program and another 49 percent would participate in this transportation funding program if offered in their county
 - The tuition and fees to attend the median private school that responded to the survey is \$6,218
- 69 percent of private schools serve students with special needs
 - 69 percent of private schools provide some form of financial assistance to students
 - On average, financial assistance covers 27 percent of tuition

See the Kentucky Private
School Survey Questionnaire at
[www.edchoice.org/
exploringKYprivateschools](http://www.edchoice.org/exploringKYprivateschools)

OVERVIEW

Exploring Kentucky’s Private Education Sector synthesizes information about Kentucky’s private schools from a survey conducted by EdChoice Kentucky.¹

Kentucky intends to launch its first educational choice program in the 2022–23 school year: the Education Opportunity Account Program.² This program is the first of its kind: a tax-credit education savings account program targeting low-income students. Among educational choice programs, tax-credit ESAs have two distinguishing features. First, it is funded through donations made to nonprofit organizations facilitating ESAs. These donations are subsidized by the state in the form of tax credits. Second, as a kind of ESA program, families may use education opportunity accounts run by these nonprofits to pay for multiple K–12 education-related expenses, including private school tuition and fees, online learning programs, private tutoring, community college costs, higher education expenses and other approved customized learning services and materials. Although Kentucky is not the first state to have a form of ESA program (Arizona, Florida, Indiana, Mississippi, New Hampshire, North Carolina, Tennessee, and West Virginia have ESA programs), tax-credit ESAs exist only in Kentucky and Missouri.³

Given the Bluegrass State’s success in establishing a tax-credit ESA during its 2021 legislative session, the characteristics of Kentucky’s private school sector can inform policy debates surrounding the potential creation of educational choice programs. From November 2 to December 10, 2021, EdChoice Kentucky administered a survey of Kentucky private school leaders. This

brief provides a descriptive analysis of the results of that survey, including tuition and fees, the number of open seats, regulatory concerns, and interest in educational choice programs.

Do Kentucky’s private schools have available seats for new students?

Of the schools taking part in the EdChoice Kentucky survey, cautious estimates show the state’s private schools have at least 6,600 open seats across K–12. This is an estimate provided directly by the 88 private schools in this survey that responded to enrollment and capacity questions. The projected estimate for Kentucky’s total private school sector is closer to 19,600 open seats for K–12 students.

When asked how the COVID-19 pandemic has affected enrollment, more than half of schools (52%; 46 of 88 schools) said their enrollment increased. Slightly more than one-fourth of schools (27%; 24 of 88 schools) said their enrollment decreased, while one-fifth of schools (20%; 18 of 88 schools) said there was no change.

Known Open Seats in Respondent Kentucky Private Schools (2021–22)

Private School Grade Level	Number of Open Seats
K–12 TOTAL	6,607
Prekindergarten	392
Kindergarten	500
Elementary School	2,378
Middle School	1,683
High School	2,046

number of respondent schools = 88; item response rate = 32%

Are schools familiar with Kentucky’s tax-credit education savings account program?

Kentucky private schools were asked if they were aware of the passage of Kentucky’s tax-credit ESA program, known as the Education Opportunity Account (EOA) program. More than four out of five private schools (83%; 73 of 88 schools) indicated they were already aware. About one out of six private schools (17%; 15 of 88 schools) said they were not aware of the program’s passage, meaning they may not have heard of it prior to taking the survey.

Kentucky Private Schools’ Awareness of the Passage of Education Opportunity Accounts (EOAs)

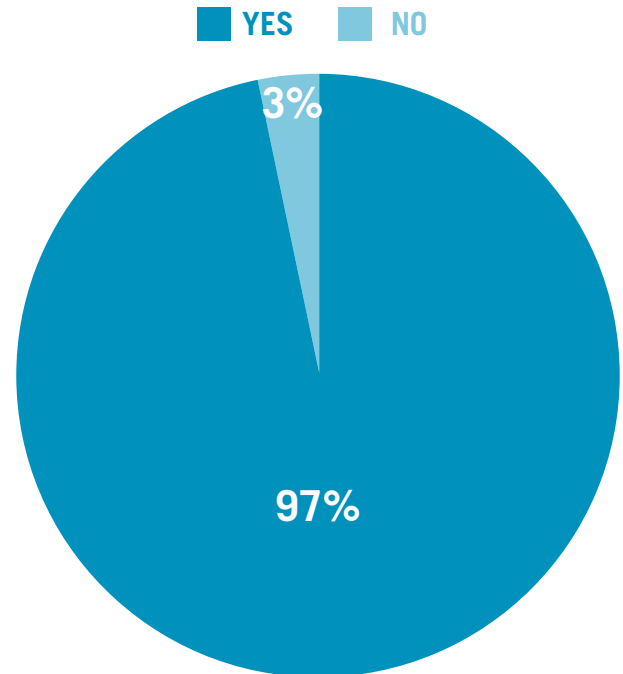
Response	Percent of Private Schools
Aware	83%
Not Aware	17%

number of respondent schools = 88; item response rate = 32%

If available in their county, would schools participate in the EOA program?

When provided with the previously noted description of the EOA program and asked if they would participate in the tuition assistance portion of the EOA program if it was available in their county, nearly all of the respondent private schools (97%; 85 of 88 schools) said “yes.” Three schools (3%) said they would not participate.

Kentucky Private School Responses to EOA Program Participation



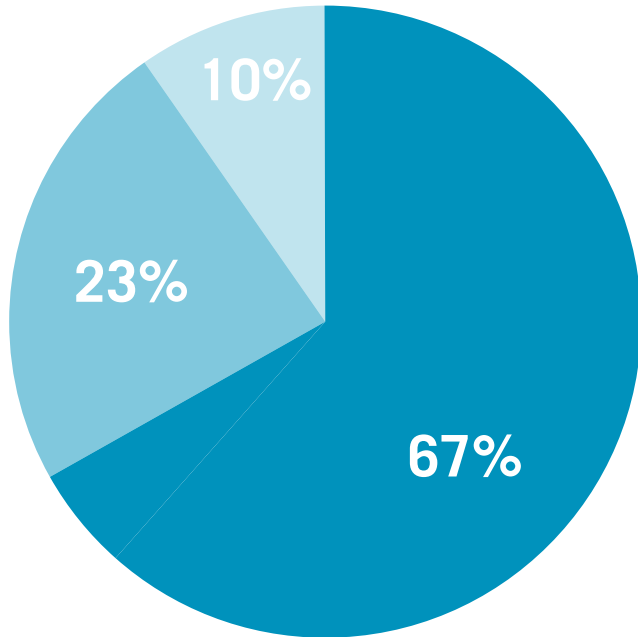
number of respondent schools = 88; item response rate = 32%

Are schools located in a county with residents currently eligible to participate in the EOA program and/or do they enroll students from one of the eligible counties?

Kentucky private schools were asked if they were located in one of the counties that currently covers tuition assistance under the EOA program. These counties include Jefferson, Hardin, Kenton, Campbell, Boone, Fayette, Warren, and Daviess. Two-thirds of the responding private schools (67%; 59 of 88 schools) said they are located in one of those counties. One-third of the responding schools (33%; 29 of 88 schools) said they are not located in one of those counties. However, seven of those 29 schools (27%) not located in an eligible county said they enroll students from one of the eight eligible counties.

Kentucky Private Schools' Located in and Serving Students in Education Opportunity Account-Eligible Counties

- Located in Eligible County
- Not Located in Eligible County - Enroll Eligible County Residents
- Not Located in Eligible County - Do Not Enroll Eligible County Residents



number of respondent schools = 90; item response rate = 32%

Which EOA services beyond tuition assistance do schools think their students are most likely to utilize?

In addition to private school tuition EOA funds may be used for a variety of education resources. Each of the responding schools ranked 12 non-tuition resources they thought their students would use the most. A resource that a school estimated would be most-used through EOA funds received a “1,” while a resource the school expected to be used least was given a “12.” The table below showcases the average response each suggested resource received.

Textbooks and similar instructional materials received the highest average ranking, 3.9. Tutoring services and computer hardware were essentially tied for second place, both rounding to an average ranking of 4.6. The lowest-ranked services were tuition and fees for career and technical education courses and dual credit college courses, both averaging a ranking of 9 or lower. It should be noted that these services likely would not apply to private schools serving only K–8 students. Few schools thought transportation would be a high-demand need for their students as well.

Kentucky Private Schools' Ranking of Education Opportunity Account Services Beyond Tuition That Students Would Use

(1 = Top of List, 12 = Bottom of List)

EOA Service	Average Services Ranking
Textbooks, Curriculum, Other Instructional Materials	3.9
Tutoring Services	4.6
Computer Hardware/Additional Tech Devices	4.6
Educational Software and Applications	5.0
Educational Services and Therapies, Including Those Provided by a Licensed Professional	5.6
Tuition/Fees for Online Learning Programs	5.8
Tuition/Fees for Summer Education Program/After-School Education Programs	6.5
School Uniforms	7.1
Fees for Assessments and Exams	7.6
Fees for Transportation to/from Education Service	8.3
Tuition/Fees for Dual Credit College Courses	9.0
Tuition/Fees/Materials/Exam Fees at Career/Technical Schools	9.4

number of respondent schools = 88; item response rate = 32%

Percent of Kentucky Private Schools Ranking Education Opportunity Account Services Beyond Tuition That Students Would Utilize in Top Three

EOA Service	Average Services Ranking
Textbooks, Curriculum, Other Instructional Materials	61%
Computer Hardware/Additional Tech Devices	47%
Tutoring Services	40%
Tuition/Fees for Online Learning Programs	36%
Educational Services and Therapies, Including Those Provided by a Licensed Professional	35%
Educational Software and Applications	34%
Tuition/Fees for Summer Education Program/After-School Education Programs	24%
School Uniforms	20%
Tuition/Fees for Dual Credit College Courses	17%
Fees for Transportation to/from Education Service	15%
Fees for Assessments and Exams	13%
Tuition/Fees/Materials/Exam Fees at Career/Technical Schools	8%

number of respondent schools = 88; item response rate = 32%

Are schools familiar with Kentucky's public funding for non-public school student transportation?

Kentucky private schools were asked if they were aware that the state offers subsidization for transportation to private schools. Of the responding schools, just over half (56%; 49 of 88 schools) indicated they were aware of the funding help, while the remaining schools (44%; 39 of 88 schools) said they were not aware of such public funding.

Kentucky Private Schools' Awareness of Public Funding for Non-Public School Student Transportation

Response	Percent of Private Schools
Aware	56%
Not Aware	44%

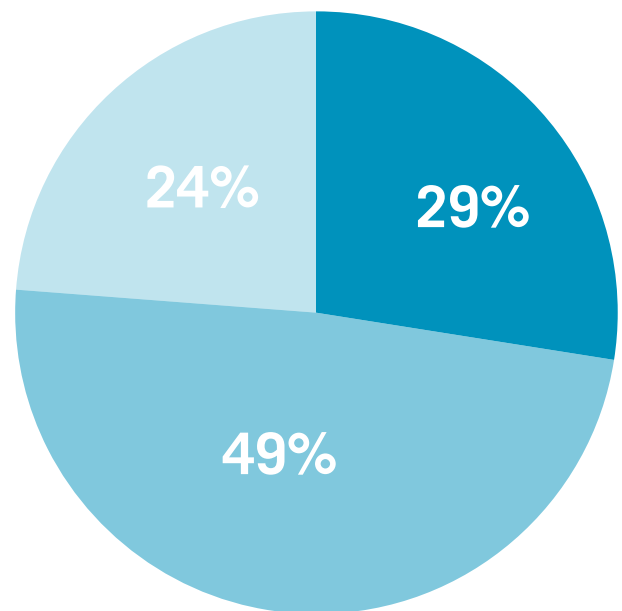
number of respondent schools = 88; item response rate = 32%

Do schools participate in the program providing public funding for non-public school student transportation? If not, would they participate if the program were offered in their county?

After providing the private schools a description of the aforementioned subsidization of transportation for private schools, responding schools were asked if they participate in that program. Just over a quarter (27%; 24 of 88 schools) said they use public funds to help pay for transportation expenses. About half (49%; 43 of 88 schools) said they do not take public funds to pay for transportation expenses, but they would participate in the program if it was offered in their county. The remaining schools said they do not participate in the program and do not have an interest in taking public funds for transportation purposes.

Kentucky Private School Participation and Potential Participation in Public Funding for Non-Public School Student Transportation

■ YES
 ■ NO, Would if Offered in County
 ■ NO, Would Not if Offered in County



number of respondent schools = 88; item response rate = 32%

Which geographic areas have the most open seats in Kentucky’s private schools?

Collectively, the responding private schools indicated a total of over 6,600 open seats for the 2021-22 school year. Over 4,500 of these open seats were located in the EOA-eligible counties of Boone, Campbell, Fayette, Hardin, Jefferson, Kenton, and Warren. The final EOA-eligible county, Daviess, had no private schools that responded to the survey. Of the responding private schools, the schools in Jefferson County had the most open K–12 seats during the 2021–22 school year. The county seat and the state’s most populous city, Louisville, also had more open K–12 private school seats than any other city in the state, based on respondents. In addition:

- Louisville (1,880) had more than four times as many open seats as the next-highest city, Lexington (431).
- Jefferson County has nearly twice as many open seats as the next-highest county, Kenton.
- Covington, the city in Kenton County with the most private school seats, has 37 percent of the county’s open private school seats, according to responding private schools.
- Henderson County has the most open seats of all counties ineligible for the EOA program.

Top 10 Kentucky Cities with the Largest Number of Open K–12 Seats in Respondent Private Schools

City	Number of Open K–12 Seats
Louisville	1,880
Lexington	431
Covington	393
Newport	370
Henderson	247
Taylor Mill	184
Maysville	180
Paducah	167
Ashland	142
Morganfield	138

number of respondent schools = 88; item response rate = 32%

Top 10 Kentucky Counties with the Largest Number of Open K–12 Seats in Respondent Private Schools

County	Number of Open Seats
Jefferson	1,999
Kenton	1,052
Campbell	680
Fayette	431
Henderson	247
Nelson	192
Boone	185
Franklin	182
Mason	180
McCracken	167

number of respondent schools = 88; item response rate = 32%

Which geographic areas have the most respondent private schools?

Responding private schools were concentrated heavily in Jefferson and Kenton Counties. Over a quarter (28%) of the responding private schools are located in Louisville and, therefore, Jefferson County. Of the counties ineligible for the EOA program, Nelson County had the most responding private schools. One of the EOA-eligible counties, Daviess, did not have any private schools that responded to our survey.

Top 11 Kentucky Counties with the Largest Number of Respondent Private Schools

County	Number of Private Schools
Jefferson	28
Kenton	13
Fayette	7
Campbell	5
Nelson	4
Boone	3
Henderson	2
Franklin	2
Christian	2
Clay	2
Johnson	2

number of respondent schools = 88; item response rate = 32%

What is the cost of combined tuition and fees among private schools?

The tuition and fees to attend the median private school that responded to the survey is \$6,218. For reference, as the EOA program is written currently, EOAs for private school students are worth the lesser of tuition and fees or financial need to attend the school as assessed by an independent organization approved by the Kentucky Department of Revenue.⁴

Thirteen percent of responding private schools offering grades between kindergarten and elementary school and 15 percent of those that offer middle school report total tuition and fees below \$4,000 per child per year. While private high school education tends to be more expensive than schooling for younger children, about one in seven (14%) of responding private schools offering high school also offer total tuition and fees below \$4,000 per child per year.

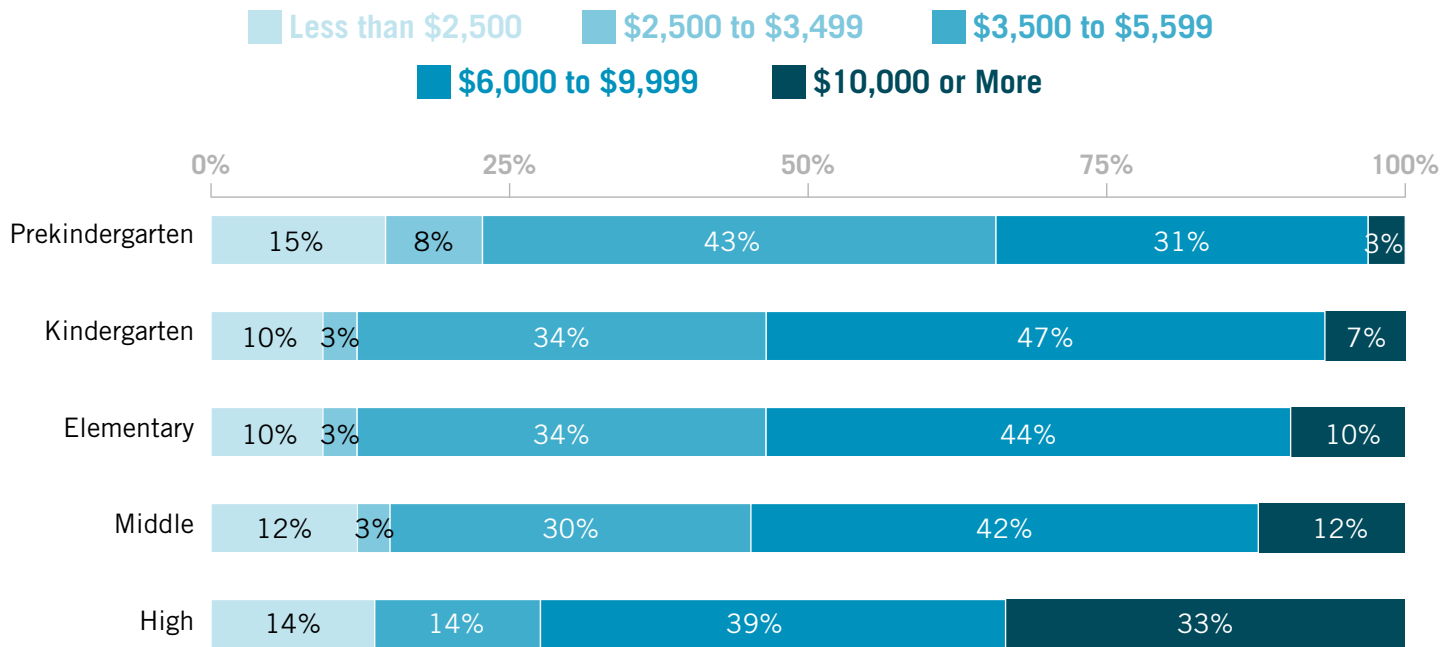
The vast majority of responding private schools report total tuition and fees below \$10,000 per child per year, which means most private education requires less funding from families than Kentucky public schools receive per person (\$12,764 in 2018–19).⁵ Two-thirds (66%) of responding private high schools indicated their total tuition and fees were less than \$10,000 per child per year. Lower grades were substantially more likely to have sub-\$10,000 tuition and fees—82 percent of responding private schools offering middle school had tuition and fees below \$10,000 per child per year, while 90 percent of elementary and 93 percent of kindergarten grades offered by responding private schools had tuition and fees below that benchmark.

Combined Tuition and Fees Amounts for Kentucky Private Schools

Grade(s)	Average	Median	Minimum	Maximum
OVERALL	\$6,755	\$6,218	\$0	\$30,000
Pre-kindergarten	\$5,343	\$5,225	\$0	\$13,463
Kindergarten	\$6,508	\$6,350	\$0	\$17,750
Elementary School	\$6,766	\$6,350	\$0	\$24,900
Middle School	\$6,832	\$6,450	\$0	\$25,700
High School	\$9,476	\$8,368	\$200	\$30,000

number of respondent schools = 88; item response rate = 32%

Kentucky Private Schools' Combined Tuition and Fees Ranges by Grade Level (2021–22)



number of respondent schools = 88; item response rate = 32%

What proportion of Kentucky private schools offers some form of financial assistance, and how much do they offer?

Private schools were asked what percentage of their student body receives some form of financial assistance. Over a third of students at the median private school received financial assistance from the school, including discounts on tuition and fees. Each of these students receiving financial assistance from the school received aid equivalent to about a quarter of tuition and fees (23% at the median private school). At the median private school, 60 percent of students applying for assistance and demonstrating need actually receive financial assistance. A sizable portion of the private school student body in Kentucky consists of students qualifying for the federal free and reduced price lunch program, meaning they have annual household incomes at or below 185 percent of the federal poverty level (\$49,025 in 2022-23). Notably, four respondent schools indicated their entire student body qualifies for FRL.

When asked if they have seen an increase in demand for financial assistance during the COVID-19 pandemic, nearly three out of four private schools (74%; 62 of 84 schools) said yes, they have.

Tuition Assistance Provided by Kentucky Private Schools and Need

	Average	Median
Percentage of Students Receiving Financial Assistance (Including Discounts)	36%	35%
Average Annual Assistance as Percentage of Tuition	27%	23%
Percentage of Demonstrated Need Met by Financial Assistance	57%	60%
Percentage of Students Qualifying for Free and Reduced Lunch	22%	12%

number of respondent schools = 87; item response rate = 32%

What proportion of Kentucky's private schools' students have special needs?

The median school among responding private schools indicate a tenth of their student body are students with special needs. Some private schools have especially high numbers of special needs students, as indicated by the average share of special needs students being twice that of the median. For the schools that responded to this question, estimates show, on average, one out of five students who attended Kentucky private schools (20%) had special needs in 2021–22.⁶ This is slightly more than the proportion of Kentucky's public school students (16% in 2019–20).⁷ The median share of students with special needs for Kentucky public schools is not available.

Kentucky Private Schools' Percentage of Students with Special Needs

Student Profile	Average Percent of Private Schools' Students	Median Percent of Private School's Students
With Special Needs	20%	10%
Without Special Needs	80%	90%

number of respondent schools = 88; item response rate = 32%

What proportion of the state's private schools enrolls students with special needs?

Of those schools that responded to the question, more than two-thirds (69%; 61 of 88 schools) enrolled at least one student with special needs in 2021–22. Notably, five of the 88 schools that responded to the survey indicated they exclusively enroll students with special needs.

Kentucky Private Schools Enrolling Students with Special Needs

Enrolled Student(s) with Special Needs	Number of Private Schools	Percent of State's Private Schools
Yes	61	69%
No	27	31%

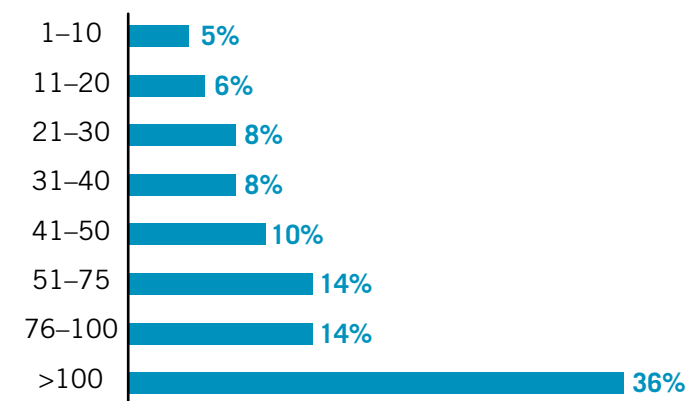
number of respondent schools = 88; item response rate = 32%

How many years have the schools been operating?

Based on survey responses, Kentucky private schools have been operating for an average of 81 years, with a median operating length of 77 years. The newest school has been operating for a little over a year, while the oldest school responding has been open and operating for more than 200 years, according to survey responses.

More than one out of three schools (36%; 32 of 88 schools) have been operating for more than a century. Two out of five schools (40%; 35 of 88 schools) have been operating between 21 and 75 years, meaning they opened during the middle or late 20th century. Only 5 percent of schools (4 of 88 schools) have been operating for 10 years or fewer.

Number of Years Kentucky Private Schools Have Been Operating



number of respondent schools = 88; item response rate = 32%

APPENDIX 1:

Survey Project and Profile

Title:	<i>Exploring Kentucky's Private Education Sector</i>
Survey Sponsor and Developer:	EdChoice Kentucky
Survey Data Collection and Quality Control:	EdChoice Kentucky
Interview Dates:	November 2 to December 10, 2021
Interview Method:	Web; Google Forms
Interview Length:	N/A – interviews not timed
Language(s):	English only
Sample Frame:	Non-Probability Sampling of Establishments
Sample Providers:	Kentucky Department of Education
Population Sample:	Attempted census of all K–12 private schools in Kentucky (N = 274)
Sample Size:	Private School Leaders, N = 88 (partial and complete)
Margins of Error:	N/A
Response Rates (RR) using AAPOR RR2:	≤32.1%
Weighting?	None
Oversampling?	None
Questionnaire:	Available upon request

The authors are responsible for this paper's analysis, charts, and writing as well as any unintentional errors or misrepresentations.

APPENDIX 2:

Survey Methodology and Data Sources

From November 2 to December 10, 2021, EdChoice Kentucky administered a survey of Kentucky’s private K–12 schools. The purpose of that assessment was seven-fold: (1) forecast a count of currently available seats and capacities to enroll additional students, (2) measure the familiarity with and potential interest in various private school choice programs, (3) estimate the average and median private school tuition, (4) document how many schools provide tuition assistance, (5) determine the impact of COVID-19 on enrollment and need for financial assistance, and (6) document how many schools serve students with special needs.

According to the USDOE, there were 409 private schools serving 72,565 students overall in Kentucky during 2019–20.ⁱ The EdChoice Kentucky survey received responses from 88 private schools operating in Kentucky serving approximately 24,429 K–12 and ungraded students. Based on the USDOE’s total number of Kentucky private school students, this represents more than one-third (34%) of the state’s private school population; based on the USDOE’s total number of Kentucky K–12 private schools, this represents more than one-fifth (22%) of the state’s private schools.

There were 274 private schools on the survey contact list that met at least the following three conditions:

- (1) the school had a working email address or phone number;
- (2) the school was not part of a residential treatment facility, such as an in-patient mental health hospital; and
- (3) the school taught at least one grade within the K–12 grade level range.

The EdChoice Kentucky survey had a 32 percent school-level response rate for contact information and equal or lower response rates for the other data points. Complete responses were received from 88 private schools, which equates to a 32 percent complete response rate.ⁱⁱ

To minimize coverage bias, the EdChoice Kentucky took the following steps:

- (1) utilized certified private school contact lists maintained by the Kentucky Department of Education;
- (2) worked with the Kentucky Non-Public School Commission to circulate the survey to member organizations, including non-certified private schools;
- (3) contacted all 274 schools at least three times directing them to the Google Forms link containing the survey; and
- (4) emailed non-respondent schools and/or their association representatives to ensure email was received and to further encourage participation.

EdChoice Kentucky’s survey sample should provide a meaningful representation of the state’s private school sector.

ⁱ Stephen P. Broughman, Brian Kincel, Jennifer Willinger, and Jennifer Peterson (2021), *Characteristics of Private Schools in the United States: Results From the 2019–20 Private School Universe Survey* (NCES 2021-061), table C-15, p. C-24, retrieved from <https://nces.ed.gov/pubs2021/2021061.pdf>

ⁱⁱ EdChoice Kentucky incentivized schools to complete the survey by entering them into a randomized drawing to win a \$1,000 gift card or one of two \$250 gift cards.

NOTES

1. EdChoice has no affiliation with EdChoice Kentucky.

2. H.B. 563, 2021 Regular Session (Kentucky, 2021), <https://apps.legislature.ky.gov/law/acts/21RS/documents/0167.pdf>

3. EdChoice (2022), What Is an Education Savings Account? [web page], accessed February 1, 2022, retrieved from <https://www.edchoice.org/school-choice/types-of-school-choice/education-savings-account>; EdChoice (2022), Tax-Credit Education Savings Accounts (ESAs) [web page], accessed February 1, 2022, retrieved from <https://www.edchoice.org/what-is-a-tax-credit-education-savings-account>

4. EdChoice, Education Opportunity Account Program (web page), accessed February 8, 2022, retrieved from <https://www.edchoice.org/school-choice/programs/education-opportunity-account-program>

5. U.S. Department of Education, National Center for Education Statistics, (June 2021), “Revenues and Expenditures for Public Elementary and Secondary Education: FY 19,” retrieved from <https://nces.ed.gov/pubs2021/2021302.pdf>

6. Students with special needs were defined on the survey as those having autism, deaf-blindness, developmental delay, hearing impairment, intellectual disability, multiple disabilities, orthopedic impairment, serious emotional disturbance, specific learning disability, speech or language impairment, traumatic brain injury, visual impairment, or other health impairments.

7. Authors’ calculations; U.S. Department of Education, National Center for Education Statistics, Common Core of Data (CCD), “Local Education Agency (School District) Universe Survey”, 2019-20 v.1a, 2020-21 v.1a, accessed February 8, 2022 via ELSi *tableGenerator*, <http://nces.ed.gov/ccd/elsi/tableGenerator.aspx>

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Andrew D. Catt is the director of state research and special projects for EdChoice. In that role, Drew conducts analyses on private educational choice programs, conducts surveys of private school leaders and parents of school-aged children, and conducts geospatial analyses. Drew graduated from Vanderbilt University in 2008 with a bachelor's degree in Human and Organizational Development, specializing in Leadership and Organizational Effectiveness. During that time, he researched the effects of homeschooling on socialization. Drew received his Master of Public Affairs in Nonprofit Management at Indiana University's School of Public and Environmental Affairs in Indianapolis. He also received his Master of Arts in Philanthropic Studies through the Lilly Family School of Philanthropy. While in graduate school, Drew's research focused on teacher performance incentives and cross-sector collaboration. Drew recently received a Graduate Certificate in Geographic Information Science (GIS) from IUPUI. Drew is a native of central Indiana and currently resides in downtown Indianapolis with his wife Elizabeth and their sons.

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John Kristof is research analyst for EdChoice. In that role, John supports quality control as the organization's data collector, verifies its research, and analyzes data and policy issues. Before joining EdChoice, John worked two fiscal research internships at the Indiana General Assembly, where he studied education finance and funding formulas, tax expenditures, economic development, and other fiscal issues. Before his stint in state government, John was a research fellow at the Sagamore Institute in Indianapolis and an economics writer at the Illinois Policy Institute in Chicago. John is completing his Master of Public Affairs in Policy Analysis at Indiana University's Paul H. O'Neill School of Public and Environmental Affairs in Indianapolis. He received a Bachelor of Science in economics from Indiana Wesleyan University and is a proud alumnus of the John Wesley Honors College.

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