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ASSOCIATION OF INDEPENDENT SCHOOLS IN NEW ENGLAND

Economic Contribution

of AISNE Member Schools in Vermont

Introduction

$320M Total Output	**1,800** Jobs Supported
$126M Total Earnings	**$10M** Tax Revenues

Our Vermont Members

Burke Mountain Academy
Burr and Burton Academy
The Grammar School
Green Mountain Valley School
The Greenwood School
Long Trail School
Lyndon Institute
Maple Street School
The Mountain School at Winhall
The Putney School
Red Fox Community School
Rock Point School
The Sharon Academy
St. Johnsbury Academy
Stratton Mountain School
Thetford Academy
Vermont Academy
Vermont Commons School
The Village School of North Bennington

Vermont

In Vermont, independent schools occupy a unique place in the educational and civic landscape. The state's town tuitioning system is one of the oldest school choice programs in the United States, with roots dating back to the 19th century. This system emerged out of necessity; small populations of geographically dispersed school-age children, limited tax bases, and the practical challenge of every town operating its own public school for every grade level resulted in an arrangement in which towns that did not operate a public school or lacked a public school for certain grade levels, paid tuition on behalf of resident students directly to another school of the family's choosing. That school could be a public school in a neighboring town or an local independent school eligible for town tuition funding. This arrangement alleviated the municipal burden of operating public schools for a small, rurally dispersed population while ensuring that all Vermont students would have access to quality education. Through numerous cycles of education reform, including the education transformation process currently underway, strong, stable independent schools have continued to play a vital role in supporting our communities. In Vermont, 19 AISNE members serve 4,210 students.

AISNE

With 259 member schools across New England, the Association of Independent Schools in New England (AISNE) represents a thriving, centuries-old industry that has become synonymous with our region. AISNE's member schools contribute significantly to the economies of Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont.

This study quantifies the economic contribution that AISNE member schools provide to their local and regional economies. The analysis uses financial and employment data from the 2025 AISNE Pulse Points Survey combined with economic models from the U.S. Bureau of Economic Analysis.

It captures both direct spending by schools and the ripple effects this spending generates as vendors supply goods and services and employees spend their earnings locally.

AISNE members are committed to strengthening local connections, building healthy partnerships, providing meaningful resources, and creating a lasting impact for residents of all ages in their communities. Their presence strengthens rural and urban economies, attracts talent, supports tourism, and sustains a wide range of local businesses, making them indispensable to the region's social and financial fabric.

AISNE began in 1904 as The Private School Association of Boston. Since then, the association's suite of member services and area of influence has continued to grow. Today, AISNE serves 275 member schools including several members outside New England, following a 2020 merger with the Independent Schools Association of Northern New England, accrediting more than 100 of them, and fuels their collective success across numerous avenues, from local and regional partnerships, professional learning programs, operational savings programs, and through the collection and reporting of industry data and research.

Our mission is to harness the collective power of our members to support and strengthen New England independent schools, always with an enduring commitment to equity and inclusion. We envision a dynamic future in which New England independent schools are equipped to thrive.

Learn more about **AISNE** at www.aisne.org.

Context

Independent schools are a particular kind of non-profit (501c3) private school, distinguished by having an independent board of trustees that is solely responsible for the school and by being independently funded, typically by tuition. Each independent school is driven by a unique mission and determines its own curriculum.

More than 2,000 independent private schools across the United States provide high-quality education to more than 700,000 students from pre-K through high school.[1]

Independent schools include preschool, elementary, and secondary schools; day and boarding schools; single-gender and all-gender schools; and sectarian (though independent and thus not affiliated with a particular religious institution) and non-sectarian schools.

AISNE represents 259 schools across five New England states (Massachusetts, Maine, New Hampshire, Rhode Island, and Vermont) that collectively serve 75,500 students. AISNE's members include many distinct school types, including historic town academies—independent schools established to serve their communities long before secondary education became a public entitlement. Town academies continue to serve as the anchor educational institution for their town or region.

Three of Vermont's historic town academies enroll domestic and international boarding students, bringing additional economic benefit to their communities. Independent schools and Town Academies partner to serve students and communities with unique and varied education programming, including several winter sports schools whose athletes have put Vermont on the world stage. Together they contribute to the slate of education options for Vermont's students.

[1] NAIS, https://www.nais.org/abouUparents/learn-about-independent-schools

Key Areas of Contribution

Direct Economic Contribution

Schools spend money on supplies, utilities, maintenance, construction, and professional services, many of which are provided by local vendors and contractors, including:

- Operational Expenses: Food services, janitorial, landscaping, IT support, utilities.
- Capital Projects: Renovations, new construction.

Independent schools invest in their own physical infrastructure (i.e. classrooms, dormitories, athletic facilities, arts centers, libraries, and performing arts spaces) without drawing on public construction funds. This privately funded capital investment improves the built environment of their communities, raises surrounding property values, and creates construction employment, all without placing any burden on public balance sheets.

Of note, even those independent schools in Vermont that primarily educate students funded through town tuitioning are not eligible for state construction aid and therefore fund their capital construction and improvement programs entirely on their own, resulting in significant savings to Vermont taxpayers. These avoided costs increase state bonding capacity available for public school capital needs.

In 2025, AISNE member schools in Vermont spent $185 million annually in the local economy, including $172.1 million in operating expenditures and $13 million in capital investments.

They paid $90.5 million in salaries and benefits to 1,400 employees. These salaries circulate directly into local economies through housing, retail, dining, and services. In many smaller and rural communities, an independent school is among the largest employers and often one of the few employers offering year-round, benefit-supported professional positions.

Category	Component Spending	Total Spending	Earnings	Jobs
Operations	$172,050,000	$185,015,000	$90,482,000	1,400
Capital Investments	$12,965,000			

Economic Footprint

The direct spending and employment by AISNE schools generated additional spending by vendors for the goods and services they sold to AISNE schools ("indirect contribution") and by employees of AISNE schools and their vendors as they spent their wages in the local economy ("induced contribution"). As these dollars rippled through the economy, they generated an additional $135.1 million in output, resulting in an additional $35.6 million in wages across 500 jobs. Including these indirect and induced effects, the total economic footprint of AISNE member schools in Vermont represents $320.1 million in business output (business sales), 1,800 jobs, $126.1 million in earnings, and $218.2 million in value-add (GDP).

Category	Output	Earnings	Jobs	Value Add
Total Direct Spending	$185,015,000	$90,482,000	1,400	-
Indirect & Induced Contribution	$135,093,000	$35,632,000	400	-
Total Economic Contribution	**$320,107,000**	**$126,114,000**	**1,800**	**$218,241,000**

Contribution to Tax Revenues

This economic activity also led to significant tax revenues for Vermont, generated by employees, vendors, and other business partners of AISNE member schools. This tax generation is estimated at $10 million annually, which includes the following:

- Sales Taxes: $3,809,000
- Property Taxes: $4,232,000
- Income Taxes: $1,856,000
- Other Taxes: $152,000

Other Economic Benefits

Independent schools enhance regional appeal for businesses and professionals. In many New England towns, the presence of an independent school is an anchor in the community.

Student, Family, and Visitor Spending

Students and families visiting New England for independent school purposes contribute to local consumer spending in several significant ways.

New England is home to a significant percentage of the nation's boarding schools, whose 7-day, 24-hour calendar amplifies economic contribution. More than 90 of AISNE's 259 schools are boarding schools, enrolling students from a wide range of nationalities, backgrounds, identities, and socioeconomic backgrounds. Many of these schools enroll international students and offer need-based financial assistance to ensure access for students from a range of economic circumstances, with a particular emphasis on providing financial assistance to provide access for students from their local community.

A substantial portion of AISNE's economic contribution from its boarding schools comes from tuition revenue generated by students who hail from outside New England, including U.S. and international boarding students. This represents "new money" to the regional economy in the sense that this economic activity would not happen without AISNE's members.

Additionally, each year, thousands of visitors - parents, alumni, conference participants, and others - visit AISNE schools and spend millions of dollars in the local economy in the following ways:

- **Local Housing Market**: Rentals, home purchases by families moving to attend.
- **Local Services**: Restaurants, hotels, retail, transportation, health care.
- **Events**: School-related events (games, performances, graduations) boost local tourism.

The estimated total economic contribution described above is conservative as it does not include visitor spending to the regional or state economy.

Facility and Grounds Access

Another important economic benefit comes from the value of AISNE schools' facilities that are available for use by the local community for sporting events, recreation, meetings, and other activities.

Independent schools are embedded in their local communities and make their facilities available for use by the local community in many ways, including the following examples:

- Serving as emergency shelters, polling places, vaccination sites, and community gathering spaces
- Renting facilities at below market rates and providing discounted/free rentals of key resources to the community
- Providing access to fields, theaters, gyms, pools, rinks, assembly halls, and other meeting spaces to members of the local community
- Allowing access to school grounds to local residents during non-school hours
- Hosting community education events, including speakers
- Allowing neighbors to utilize outdoor facilities, parking lots, etc. during off-hours

These facilities promote community engagement and relieve municipal burdens associated with maintaining facilities and common areas, enabling independent schools to contribute to their local communities.

Service in the Community

Additionally, many independent schools have a longstanding and deeply embedded commitment to community service, rooted in their educational philosophies and missions. This commitment is typically woven into the culture, curriculum, and character development of students.

Most independent schools embed Service Learning - which connects academic content to real-world community needs - and many require a minimum number of community service hours for

graduation. Schools often give students significant ownership over service programs, which may include conducting annual food and supply drives for local organizations, raising funds for community causes, or maintaining ongoing partnerships with local food banks, homeless shelters, or tutoring and mentorship programs. Additionally, many schools designate one or more days per year when the entire school community (students, their families, faculty, and staff) contributes labor and resources to partner organizations.

The volunteer hours and funds raised through community service projects directly benefit the local community.

Closing

AISNE's members are both economic engines and community anchors in Vermont. Economically, independent schools function as significant local employers, providing stable, often year-round employment across a wide range of roles, from teaching faculty and administrators to facilities, food service, and support staff. Payroll dollars circulate through local economies as employees spend on housing, goods, and services. Schools also generate substantial purchasing activity, sourcing everything from construction and maintenance to food and technology from regional vendors and contractors. Capital improvement projects, such as building renovations, new facilities, and infrastructure upgrades, represent meaningful investments that benefit local trades and businesses. For communities in more rural areas, an independent school may represent one of the largest employers in the region.

The community contributions of independent schools extend beyond economic impact. Schools open their facilities to local organizations, host civic events, provide athletic fields and performance venues, and extend access to neighbors. Many operate service learning programs, volunteer initiatives, and partnerships with local nonprofits that direct resources toward needs in the local community. Independent schools attract and retain faculty and staff families who contribute to civic life, support local businesses, and participate in community organizations.

Independent schools represent a distinctive kind of community investment: privately funded institutions that generate broadly shared benefits for the local community.

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Methodology

STEPWISE
DATA
RESEARCH

Data prepared in partnership with Michael Levert
Stepwise Data Research I www.stepwiseresearch.com

1. Overview and Definitions

Economic contribution is defined as the gross change to an economy resulting from an organization or industry- in this case, the member schools of the Association for Independent Schools of New England (AISNE). It is calculated as the sum of three factors: direct spending on employees, goods, and services; indirect spending by vendors on the inputs to those goods and services; and induced spending within the local economy by employees of AISNE schools and employees of its vendors. Spending includes both spending on operations and capital projects like new buildings and equipment. The sum of these three contributions constitutes AISNE's total economic contribution and is presented in terms of the total economic output, earnings, employment, and value-added economic activities in the regional economy

Direct Contribution: The initial round of spending from AISNE institutional operations and capital expenditures.

Indirect Contribution: Economic activity resulting from recurring rounds of business-to-business spending from AISNE's supply chain.

Induced Contribution: The "household" contribution resulting from local consumption, including spending by AISNE employees and the employees of their suppliers who spend their earnings on local goods and services like food, housing, and entertainment.

Economic Output: The total value of all goods and services produced as a result of AISNE's economic activity It represents total industry sales, including payroll, intermediate inputs, and value-added production.

Value Added: AISNE's contribution to the Gross State Product (GSP). It is calculated as Total Output minus the cost of intermediate inputs. This is the most accurate measure of the "new" economic value created within the state.

Earnings: All pre-tax wages, salary-related compensation, and employee benefits, excluding employee and employer contributions for retirement. Earnings are a subset of the total output and represent the labor income associated with the jobs supported.

Employment: A count of the total number of jobs supported, inclusive of both full-time and part-time positions.

2. Data Collection and Alignment

The foundational dataset was constructed by compiling data for 259 active AISNE schools across Massachusetts, Maine, New Hampshire, Rhode Island, and Vermont. Primary data was provided through the annual AISNE Pulse Points Survey, covering: Demographics (enrollment, location, and school type); Labor Metrics (FTE employees and disaggregated compensation); Operating Expenses (annual costs including salaries, benefits, and spending on suppliers and vendors); Capital Expenditures (spending on capital projects disaggregated by spending on buildings, site/athletic field improvements, vehicles, and computer equipment); and Retirement Data (employer and employee contributions to 401(k}, 403(b}, and pension plans).

3. Data Preparation and Adjustments

To ensure the model accurately and conservatively reflects local economic circulation, the following adjustments were applied:

3.1 Adjusted Compensation: Salary expenditures were adjusted to isolate income likely to be spent within the regional economy All retirement-related expenses and federal payroll taxes (Social Security and Medicare) were removed. These funds are generally diverted into long-term savings or federal accounts and do not create immediate "induced" local spending.

3.2 Employment Normalization: To align with BEA definitions of employment, FTE counts were converted to total employment to account for part-time staff. Using BEA Tables 6.4 and 6.5 (2024), a 0.90 ratio was applied to estimate total headcount from FTEs, aligning the data with the economic modeling definitions.

3.3 Modeling Capital Expenditures and Margins: To avoid overstating regional contributions, capital spending was adjusted to exclude the value of raw materials that may not be produced within the region. Construction: 25% of costs were excluded to account for raw materials manufactured outside the region. Equipment: For vehicles and computers, only the wholesale and retail margins were included: 20% of computer spending and 27% of vehicle spending were applied to the economic model to reflect only the value captured by local distributors. These percentages were derived from BEA's national Make and Use tables that separate producer values, transportation, wholesale margins, retail margins, and purchaser values.

3.4 Response Rate and Missing Data: 199 of 259 schools provided usable data in the 2025 Pulse Points survey (77% response rate). For institutions with missing 2025 Pulse Points survey data (60 schools}, financial data was estimated using the following hierarchy: Prior Year Surveys (8 schools had 2024 or 2023 Pulse Points data which was used in lieu of the 2025 survey; to be conservative, these data was not adjusted for inflation); IRS Form 990 (expenses and salaries extracted from the most recent 990 public filing were used for 40 schools; again, to be conservative, no inflationary increase was included); Statistical Imputation (for the remaining 12 schools, financial values were estimated using state- and school type-specific averages).

4. The RIMS II Economic Model

The study utilizes the Regional Input-Output Modeling System (RIMS II) developed by the U.S. Bureau of Economic Analysis (BEA}, a widely used framework for estimating the total economic contributions of changes in regional economic activity The model produces multipliers that translate direct spending or employment into Total Output, Earnings, Employment, and Value Added, including direct, indirect, and induced effects.

Industry Mapping: Operational spending, employment, and earnings were mapped to Industry 611100 - Elementary and Secondary Schools); Construction spending was adjusted as described above and mapped to Industry 2332EH-Educational, hospital, and health structures); Site Improvements was adjusted and mapped to Industry 2332OT - Other non-residential structures); Equipment and computer capital expenses were adjusted and mapped to Wholesale Trade (Industry 27) and Retail Trade (Industry 28).

5. Fiscal (Tax) Contribution Analysis

Estimates for state and local tax generation were derived using Tax Incidence Tables from the Institute on Taxation and Economic Policy (/TEP) "Who Pays?" Report (7th Edition). The analysis calculated the effective tax rates for Sales, Income, Property, and Other taxes specific to each of the five New England states. These rates were then applied to incomes to estimate the total fiscal benefit provided to state and local governments. In order to align with the definition of taxable income used for the tax incidence rates, incomes were adjusted in the following ways: For direct tax contributions, the incomes applied to the effective tax rates equaled the total salaries received by employees of AISNE member schools exclusive of any benefits like health insurance or retirement. For direct property taxes, contributions by employees of AISNE boarding schools were excluded by reducing the earnings by 33%, a conservative estimate of the portion of the faculty of boarding schools who live on campus and therefore do not contribute to property taxes. For all taxes generated by indirect and induced economic activities, the RIMS II model's earnings were reduced by 25% to exclude benefits such as health insurance and retirement contributions.