

DAY SCHOOL CRISIS

Parents, administrators say rising costs render system unsustainable

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Jewish day schools — and the parents who choose to send their children to them — are facing extreme challenges. A national study conducted by Yeshiva University's Institute for University-School Partnership revealed that there is an explosive demand for financial aid (46 percent in 2010-11 versus 35 percent in 2006-07), and the average amount granted per student receiving aid has increased 60 percent. Enrollment is flat. Fundraising is flat.

School revenue has not, cannot, keep pace. We are in what the media is touting as a "day school tuition crisis."

But in reality, we are facing day school tuition *crises*. There is no one issue ailing those providing or receiving a Jewish education in 2012.

Orthodox parents who are generally committed to providing their children with a full-day Jewish learning program are often unable to fit the bill. Just do the math: The average annual cost for a Baltimore Jewish elementary or middle school student is approximately \$8,650, based on ranges of tuitions charged at Bnos Yisroel, Bais Yaakov School for Girls, Talmudical Academy and Torah Institute. If the average Orthodox family has three children (there are 10,000 children living in

approximately 30,000 Orthodox households, according to the 2010 Greater Baltimore Jewish Community Study), then the average family would owe \$25,950 per year in day school tuition. According to government data, the average salary for jobs in Baltimore, Maryland is \$36,237, and the average income of households in Baltimore is \$35,000 to \$49,999 — before taxes.

"For a family like this," said Beth Tfiloh Dahan Community School's Zipora Schorr, "their entire priority system has to be reordered. There will be no vacations, no expensive cars. They can't send their children to expensive camps. Their entire priority has to be day school."

And what for families struck by the economic downturn? According to the Community Study, one in three is just managing today (as opposed to one in five three years ago), and according to Baltimore Trends data, the number of available jobs in Baltimore has decreased by 25 percent since July 2011. Baltimore schools have a policy of turning no child away. But someone has to pay the way for these children. Schools are being forced to make decisions that could compromise educational quality in order to try to create sustainability, which only further hurts the school.

At community schools, such as Beth Tfiloh, Shoshana S. Cardin School, Krieger Schechter Day School and Day School at Baltimore Hebrew, the problem is exacerbated.

"A Bais Yaakov or TA parent will send their kids to day school, come hell or high water. A BT, Schechter, Cardin parent will not necessarily," said Schorr. "I am adding a dimension to the problem: Those for whom day schools are expendable will opt out unless we find a way to keep them there — this is the biggest crisis to our Jewish future."



Photo by Justin Taucalaha

Beth Tfiloh Dahan Community School head Zipora Schorr says if non-Orthodox children opt out of day school, our Jewish future is at risk.

Everyone is looking for the magic potion, the immediate and simple remedy to a problem that has been in the making for more than a decade. While schools would be happy to slash tuition and community leaders and philanthropists would, in theory, be open to providing schools with ever-increasing funding, none of this can happen with the flick of a wand. In fact, according to Harry Bloom, the YUSP's director of planning and performance, there is clearly no one complete solution.

Schools, said Bloom, will need to look to a combination of applying cutting-edge financial management solutions, capacity-building opportunities and long-term planning to offset the day school tuition crisis. There will need to be endowment building, communal middle-income tuition subvention programs and access to increased government support. Then, "there is reason for cautious optimism that our day schools can ... enhance their sustainability for decades to come."

Why Focus on Day Schools?

In an era when families are losing their homes and struggling to put food on the table — the recession is still in full force, no matter what PR the government puts out there — why would the Jewish community care about sending kids to Jewish schools?

Michael Hoffman, chief planning & strategy officer for The Associated: Jewish Community Federation of Baltimore, said the day school agenda has and continues to be a highest priority of The Associated.

"Just as we feel the need to help the most at-risk populations, we have to nurture and invest in our Jewish future. Jewish day school," he said, "build strong Jewish values [in our youth]."

Hoffman said the question of investing in day schools is not about one segment of the community.

"We need to have multiple day schools from left to right that are healthy and vibrant," he said.

10 Ways to Help Ease the Problem

Based on the findings of the Yeshiva University Institute for University-School Partnerships

1. Better engage the board; attain 100 percent giving from board members
2. Keep the alumni connected; build an alumni database and establish affinity-building programs prior to graduation
3. Ask parents who receive aid to give back; parents could provide accounting, legal and other skills as able
4. Offer families loans instead of pure financial aid; enforce repayment
5. Market better; define the school's messaging and identify the most credible media outlets in which to put it out there
6. Be responsive; ensure stewardship of parent complaints so that they are addressed conclusively and in a timely fashion
7. Tap into government resources; become knowledgeable about state, local and federal grants and use experts to access them
8. Work together; engage in joint purchasing of services with neighboring schools, synagogues and other institutions
9. Go green; install energy-efficient equipment and systems
10. High tech has high impact; evaluate and be open to the potential of blending classroom and online learning methods

What We Can Learn From Others

Where it's worked

GREAT BRITAIN

Free of America's church-state restrictions, Britain's Jewish schools are eligible for funding. The government pays for secular education, and parents are supposed to donate for Jewish studies — around \$2,500 a year. Britain's Jewish day schools educate 30,000 students, up from 13,000 30 years ago. There are 85 British day schools.

CALIFORNIA

Oakland Hebrew Day School increased its endowment from \$150,000 to almost \$2.3 million in just over a year. The school acquired a \$1 million commitment from an anonymous donor and then asked the local Jewish community to match the funds. It took out advertisements in local newspapers and sent out direct mail. The head of school personally called every parent who had not contributed.

FLORIDA

In 2007, the nation's first Jewish-oriented charter school, the Ben Gamla Charter School, opened in Hollywood, Fla. The taxpayer-funded institution offers two hours of instruction a day in Jewish-related topics, but not religion.

KANSAS

The Hyman Brand Hebrew Academy cut tuition in half, reducing its annual tuition to \$6,350, from \$9,000 to \$14,000 in 2008. To cover the shortfall, the school reached out to families who could afford it and asked them to donate the difference between the old tuition and the new one. Since the donation is tax deductible, the school also asked those families to tack on the money they would have been paying in tax had they not made the gift.

LOUISIANA

A new, ambitious school voucher program recently was enacted into law. There, it had the endorsement of the Jewish Federation of New Orleans, the first federation in the nation to embrace such a program.

NEBRASKA

Beth Israel Synagogue, the only Orthodox synagogue in Nebraska, committed to allocating "synagogue education dollars" toward the community day school, Friedel Jewish Academy in Omaha. The synagogue provides a grant of up to \$2,500 per student to all of its day school members.

TORONTO

The Federation of Greater Toronto provides \$13 million annually for day school education, \$10 million of which goes to direct subsidies. Roughly one-third of all children in Toronto's Jewish system are subsidized.

“When parents make a donation to the school, they are involved in the *mitzvah* of *tzedakah*, helping those less fortunate who are not able to pay their full share.”

— Sandy Nissel

A study by the Partnership for Excellence in Jewish Education demonstrated that attendance at a day school for seven years or more exerts the most powerful positive impact on Jewish identity than any other Jewish programming. Sixty-four percent of these students expressed that “being Jewish is very important” in a 2000-2001 survey by the United Jewish Communities (now known as the Jewish Federations of North America).

Twenty-eight percent of the 2003 Young Leadership Division of the Jewish United Fund of the Jewish Federation of Metropolitan Chicago attended Jewish day school, and they credit their day school education as part of their motivation for volunteering. Ninety percent of the 1964-1992 graduates of Buffalo, N.Y.'s Kadimah School contribute to federation and other Jewish charitable organizations.

Locally, said Schorr, 98 percent of Beth Tfiloh graduates have married Jewish.

“We are a community school with only about 30 percent of students coming from Orthodox homes,” said Schorr. “That [marriage] statistic is astounding, and it is a statistic our Jewish community should be willing

to invest in.”

Said Gerri Chizeck, Day School at Baltimore Hebrew's Head of School, “Day school education is one of the most amazing investments you can make in your child's future, in our community's future.”

A Community Investment

About six years ago, our community took note of the necessity to invest in day schools with the Harry and Jeanette Weinberg-Associated Day School Initiative. This match funneled \$16 million to our schools between 2007 and 2012, enabling many schools to keep their doors open amid the crush of the economic downturn. The money was used to fund scholarships.

Earlier this year, the Weinberg Foundation and The Associated announced an extension of the match. According to Hoffman, the foundation committed another \$5 million over five years, which The Associated has agreed to match with \$2 million to \$3 million over that same time period. This is in addition to the \$2.1 million that The Associated allocates to day schools each year from its Annual Campaign. By fiscal year 2011, The Associated plans to increase that annual amount to \$2.8 million.

The Weinberg-Associated match helped put day schools at the forefront of the communal agenda, and today there is more awareness about the day school tuition crisis than ever, explained Yehuda Neuberger, who chairs both The Associated's Day School Task Force and a special resource development committee raising day school support.

At the same time, Orthodox rabbis began calling on community members to give locally, with a focus on day schools and *yeshivot*. At the pulpit, through letters,



Yehuda Neuberger, chair of The Associated Day School Task Force, says recent federation initiatives have helped put the day school crisis on the map.

articles and signs, area *rabbanim* urged that *tzedakah* be allocated according to the guidelines prescribed by Jewish law. Those guidelines state that local poor come before all others, including those in Israel.

The Baltimore proposal, which is not a requirement but a pledge that members were asked to sign, takes into account the *takanah*, major legislative enactment within *halakha*, of Rabbi Yehoshua Ben Gamla that states the support of children's education is the responsibility of all townspeople, not just parents.

Here are some relevant excerpts from that pledge:

“We recognize the ongoing tuition crisis, wherein all of our families — parents of students as well as mechanchim (educators) — sacrifice greatly for the education of our children. As such, we

pledge, *b'li neder*:

- To allocate a minimum of 51 percent of our discretionary *tzedakah* dollars to local needy and other local causes;
- To allocate a majority of those monies — i.e. a minimum of 26 percent of our local discretionary *tzedakah* dollars — to our local schools.”

Jewish families are supposed to give 10 percent of their income to charity. There are no reports about the success of the pledge.

A Lasting Investment

Another communal project that is about one year under way is the Russel Family Generations Baltimore Day School Endowment Project, a joint program of The Associated, PEJE and the AVI CHAI Foundation. The program encourages donors to make legacy and endowment gifts in the form of testamentary gifts to a school's endowment fund, made through an individual's will or in the form of cash gifts made directly to the endowment fund, where it remains in perpetuity and will provide yearly income to the school. Life insurance policies and charitable

gift annuities also can be set up to benefit a particular school.

“A legacy or endowment gift enables the donor to continue supporting the school after his or her lifetime,” explained project manager Helen London.

Through Russel, each of seven schools, including Bais Yaakov, BT, Bnos, Baltimore Hebrew, Krieger Schechter, TA and TI, is assigned a coach/consultant to help structure its legacy and endowment campaign. The Associated and PEJE provide the schools with technical resources on how to introduce and sustain a planned giving program. Training opportunities and marketing assistance is also included.

“This is really about changing the culture and mindset of fundraising and philanthropy,” said London.

Bais Yaakov President Sandy Nissel said the project has broadened his team's understanding of the nitty-gritty, nuts and bolts of how to go about developing an effective endowment campaign. The school has had an endowment program invested through The Associated's Center for Funds and Foundations for years.

Chizeck said Baltimore Hebrew is benefiting as it more clearly defined its mission through the writing of a case statement and its list of potential donors is now expanding through the help of The Associated. Most importantly, she said, it is serving as a platform for these day schools to corroborate, which ultimately enhances each of the day school's individual sustainability.

“It is important that the day schools not get into a competitive mode, but more of a cooperative mode,” said Chizeck.

Day school lay and professional leadership will begin soliciting these gifts this school year.

Concurrently, nearly all of Baltimore's Jewish day schools are taking part in a day school benchmarking

Quick Facts

Jewish children in Greater Baltimore: 26,000

Jewish children in Greater Baltimore who attend a Jewish day school or preschool: 51 percent

Data is plus or minus 6.5 percent

Source: 2010 Greater Baltimore Jewish Community Study



A new grant to some area schools will help them combine online and traditional learning methods, thereby increasing class sizes and improving learning.

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“Just as we feel the need to help the most at-risk populations, we have to nurture and invest in our Jewish future.”

— Michael Hoffman

process through YU’s Institute for University-School Partnership. According to Bloom, YUSP is working with 40 day schools of various denominations in five communities — Bergen County, N.J., Baltimore, Philadelphia, Chicago and Cleveland, accounting for 16,000 students and operating budgets in excess of \$220 million. The process, said Bloom, will enable area schools to generate incremental additional funds over and above a business-as-usual management approach. The potential level for improvement is equivalent to at least 10 percent of school operating budgets

within a three-year time frame. Given 2010-11 levels of financial aid, a 10-percent increase would be equivalent to a 40-percent increase in financial aid or a 75-percent increase in fundraising.

What is benchmarking? It is the process, explained Bloom, of comparing one’s performance metric to the metrics of industry peers and industry-leading practitioners. Then, he said, he helps the schools “re-engineer,” to put together a roadmap to sustainability including improvement in fundraising, tuition setting/financial aid, student recruitment and retention, generation of nontuition income, noneducational administration, education delivery and staff compensation.

Each Baltimore school generates its own plan through YUSP. At the same time, Bloom is helping the community institute various initiatives. For example, the schools

are considering engaging in joint purchasing of services with neighboring schools, synagogues and other institutions to increase negotiating power. Similarly, grants are being obtained to assist with school greening — taking advantage of energy audits and then installing energy-efficient equipment, systems and controls, thereby leveraging opportunities for rebates and cost savings.

Bloom just helped the Center for Jewish Education to receive funding to pilot a blended learning program in a handful of area schools. A “blended classroom” combines traditional teaching methods with online learning to enable more individualized learning while increasing the number of students per faculty member.

A last area of improvement is on governance. Bloom said each school will be looking at its board of governors and “how they establish priorities and form committees, and the effectiveness of those committees. We need to build stronger development committees so more people can identify and cultivate donors.”

The Pivotal Role of a Government Investment

At the end of the day, however, the Jewish community may not be able to go at this alone. The question is often raised, “How are the Catholics managing?” The answer

is, they are not. A 2012 article in the *National Catholic Reporter* noted that “Catholic schools struggling to stay open or facing closure need new ways of making money. Reports of school closures often point to escalating costs of operating schools coupled with the inability of parents to pay tuition ... and the lack of available resources from parishes or dioceses.”

Today, religious groups are banding together to leverage government funding to help support private religious schools. Neuberger’s second role is as chairman of the Orthodox Union’s Tuition Affordability Task Force. Neuberger oversees the OU’s legislative efforts to ease the tuition burden in conjunction with the OU’s Institute for Public Affairs, headed by Nathan Diament. The IPA advocates forcefully for an array of initiatives, including tax credits for scholarship contributions, state support for busing and special education services, homeland security and energy efficiency grants, among other opportunities.

In Baltimore, the OU partners with Rabbi Ariel Sadwin, director of Agudath Israel of Maryland and the Mid-Atlantic Region, and with the Baltimore Jewish Council, to receive state support. Last year, Sadwin and others from among the Orthodox community played a pivotal role in rallying support from the BJC for the Maryland Education Credit; Sadwin drafted the legislation in conjunction with other religious (non-Jewish) leaders and Maryland school and state officials.

The MEC bill, formerly known as BOAST (Building Opportunities for all Students and Teachers) bill, is designed to encourage corporations to



Mira Baum (pictured) is a student at Krieger Schechter Day School. Her mother, Gerri Baum, said she requests financial aid each year to send Mira to the school because “it is important to me to make sure Mira has a good education imbued with Judaism.”

contribute funds to scholarship organizations for nonpublic school students. Additionally, corporations also can make donations to organizations that provide benefits for public school students.

Those corporations that donate to either cause may receive tax credits and incentives on a first-come, first-serve basis. Program funding would be capped at \$15 million, with 60 percent going toward nonpublic schools and 40 percent for public schools. Once the scholarship foundation receives the donation, it would disperse it on a needs-first basis with the scholarship component going toward private schools and the qualified expenses going toward public schools. Qualified expenses include textbooks, uniforms, transportation and special-needs services.

Hundreds of Baltimore Jewish community members, including private school students, attended last year’s BJC Advocacy Day to lobby for MEC. The bill, however, did not pass. Sadwin said the group will continue to push.

“We are already preparing for next year,” he said.

Other forms of government support, such as vouchers, have received support in other communities with the help of the OU. Vouchers are checks that state governments send to eligible families who must endorse the check and use it to pay for tuition at a participating private school. In Baltimore, that has not been a popular model.

“It is rare to see a federation actively pushing for a voucher program,” said Neuberger. He cited issues of the separation of church and state.

Parental Expectations, Investments

In his report, Bloom cited offering families loan programs in place of pure financial aid. Bnos Yisroel Development Director Rabbi Chaim Amster said he has heard of that option before, and while he sees its validity, does not

Undergoing The Strain

One family’s story

Gerri Baum is a single mother. She adopted her daughter, Mira, at a later age.

“I always wanted to get married and have a family,” said Baum of Mt. Washington. “However, since I never found my *besht*, I decided to become a parent on my own and adopt a child from China.”

Baum was raised in a traditional Jewish home and giving Mira a Jewish education was always a top priority. She worries, she said, that if she would have to send Mira to a public school and maybe Hebrew school, her daughter would not get the same training or passion for Judaism she has received since kindergarten at Krieger Schechter Day School.

“She knows who she is and it is important to her,” said Baum of Mira, who is going into eighth grade.

But every year, Baum, who owns her own company and works very hard, has to undergo the strain and embarrassment of asking for financial assistance.

“I could not manage without assistance. I am extremely grateful to Mira’s school, but even paying [the discounted price] is a strain because my income is not guaranteed and there are always other bills that need to be paid,” said Baum, noting the price of school is increased by the necessary purchases of school supplies, school clothes, etc.

Baum said that each month she is “nervous” and “scared” she may not be able to make her payment.

“Sometime I think to myself, ‘I need to take her out’ or ‘I can’t do this,’” said Baum, who noted that she is not a parent “asking for a free ride.” She regularly volunteers at the schools and make small donations when she can.

“It is important to me to make sure Mira has a good education imbued with Judaism. ... At Krieger Schechter, Mira’s education is top notch.”



What Others Are Saying

'Mommies' are active about day school tuition on local Facebook group

Like with all other conversations today, the day school tuition crisis has moved to social media, to Facebook. Earlier this month, an article about the crisis was posted on the local Facebook group, "We're Jewish Balti-mommies, hon," which has more than 650 members. Over 60 comments ensued. Here is what people are saying:*

"I *daven* every day that HaShem should bless us with enough to pay our schools, because I wouldn't want to feel guilty every time I spent money on something. ... I would just hope that people wouldn't knowingly take advantage of a tuition break if they could truly afford more."

"If you lower the tuition too low across the board, what happens is financial instability for the school. ... You'll end up with over-the-top class sizes, inability of schools to pay their teachers, subpar teachers."

"Trying to subsidize tuition for all to make everyone feel like they're able to afford full tuition — it's a nice sentiment, but it is putting at stake the long-term stability of the schools."

"Why would anyone work because 20 percent of \$100,000 leaves your family a heck of a lot more than 20 percent of \$70,000 to pay your bills? Nowadays, the structure is not scaled so that families making either income are charged much more than a limited percent and it makes it illogical for both parents to work and cash strap a family even further."

"You have families who pay full tuition and are as poor as families who don't. The difference is that the families who cannot afford tuition qualify for government assistance. But the families making \$150,000 and paying tuition for five kids — they are not making it at the end of each month."

"Many stay-at-home moms don't work because their second income would just get sucked up by tuition and wouldn't leave them a penny."

"What is it with this current set of parents that think they can spend a dime on something before their child's tuition is met? I don't get this *magi'a li* [I deserve it] generation."

"What if you don't give tuition breaks? What if you just give the families a really long time to pay back tuition?"

*Names withheld



istockphoto.com/Michael DeLeon

Fifty-one percent (plus or minus 6.5 percent) of Baltimore's Jewish children attend a Jewish day school or preschool, according to the 2010 Greater Baltimore Jewish Community Study.

think it is a popular idea in Baltimore.

But Nissel said tuition is necessary. At Bais Yaakov, he said, parents pay the amount it costs to educate their children.

"Tuition [at Bais Yaakov] is equal to our yearly expenditures divided by our number of students," said Nissel, noting this varies by age because of the greater cost for educating high school students. "When parents make a donation to the school, they are involved in the of tzedakah, helping those less fortunate who are not able to pay their full share."

Nothing in life is free, but Neuberger suggested that the issue is not only one of wanting something for nothing, but also one of making parents feel good about their purchase. He said while many of the non-Orthodox day schools have banded together to market their institutions to the community, pulled together creative recruitment campaigns and are trying to educate the greater community of the value of a day school education, the Orthodox schools often take this for granted. He said these schools know they have a captive audience.

"I think our schools would be well served to focus on the value of Jewish day school and what is special and unique about each school. There is an assumption that everyone recognizes the value of Jewish education," he said. "I think people know it in the back of their minds

intellectually, but our schools need to make a case that this is a purchase you should feel good about."

Neuberger said that middle-class families feel particularly frustrated and resentful. He said he knows of middle-class Orthodox families, for example, who choose to have fewer children because of day school costs. He also knows of families who choose to have only one income because there is no financial incentive to do additional work.

"There is a segment of parents who feel they bust themselves every day to make a living, and every dollar is taken for tuition. If you earn more, the school asks for more. That is true," said Neuberger. "But these parents should take pride in that it is education [on which they are spending money], and that this says something about their value system and that they consider it so important that they are willing to sacrifice greatly to send their children to get that Jewish education." JF

