

***Consultation on Day School
Tuition
Subvention Programs***

Summary Report



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of North America**

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The Consultation: Purpose and Format

On March 8, 1999, JESNA, in collaboration with the Harold Grinspoon Supporting Foundation, brought together representatives of five foundations (The Avi Chai Foundation, Paula and Jerry Gottesman Family Foundation, Harold Grinspoon Supporting Foundation, SAMIS Foundation, The Charles and Lynn Schusterman Family Foundation) all of which offer tuition reduction programs for Jewish Day Schools. The purpose of the consultation was to share information about each program as well as the lessons learned to date, and to raise questions for research needed to guide future directions and decisions.

The consultation consisted of two parts. During Part I, foundation representatives provided brief descriptions of their programs. During Part II, participants identified research topics and questions related to day school tuition reduction. Answers to these questions are needed to assess the effectiveness of the programs and to guide further development.

PART I: Program Descriptions

About the Foundation

The Avi Chai Foundation

The Avi Chai Foundation is a private New York-based philanthropy that supports Jewish educational initiatives in the United States and Israel. It is committed to fostering greater knowledge, commitment and observance, and to bridging differences between different segments of the Jewish community. The Foundation is a member of the Partnership for Excellence in Jewish Education (PEJE.)

Program Description

Jewish Education Voucher Incentive Program

The Avi Chai Foundation's Jewish Education Voucher Incentive Program is designed to attract new families to Jewish day schools.

The program provides a \$3,000 voucher per student per year for four years, to subvent tuition at any local day school in Atlanta, GA, and Cleveland, OH.

The program has no means test, but was designed with middle income families in mind because they:

- have lower enrollment rates than either high- or low-income families.
- feel the financial squeeze of paying for a day school education.

Qualifications for

Families with students in 2nd to 8th grades who are not already enrolled in a Jewish day school (*i.e.*, have been attending public or private schools).

Results to Date

In the first year (1998-99), 62 students were enrolled in Atlanta and 27 students were enrolled in Cleveland through the program. In the second enrollment period, which is currently underway, the numbers have increased to 90 in Atlanta and more than 40 in Cleveland.

Parents can be categorized in three groups:

- those who accepted vouchers;
- those who inquired but declined the offer;
- those with school-age children who did not respond to marketing of the program.

Among those accepting vouchers:

- median family incomes ranged between \$75,000 and \$150,000.
- all but a handful of recipients applied to non-orthodox Jewish Day Schools, even though both orthodox and non-orthodox schools were available.

Among those declining vouchers, including those who inquired, the majority said they rejected the offer because they believe day schools increase segregation.

The major challenge facing the program is the limited capacity of many schools to accommodate additional students. Many good schools already operate at capacity for the size of their buildings, faculty, etc. Enrolling additional students would require expansion of their physical plants (and in some cases, entirely new schools), as well as additional faculty and

Harold Grinspoon Supporting Foundation

About the Foundation

The **Harold Grinspoon Supporting Foundation** makes grants and operates programs to promote vibrant Jewish life in Western Massachusetts and beyond. It focuses primarily on formal and informal education for Jewish youth, especially Jewish day schools. The Foundation is a member of the Partnership for Excellence in Jewish Education (PEJE.)

Program Description

The Tuition Incentive Program

The overall purpose of the Tuition Incentive Program is to encourage parents to enroll their children in Heritage Academy and Yeshiva Academy, both of which are located in Western Massachusetts.

The program has three components:

Part I: The Tuition Incentive Program:

- encourages parents to enroll their children in a Jewish kindergarten at Heritage or Yeshiva Academies.
- sets a \$2,500 tuition cap for all kindergarten students in the schools.

Part II: Tuition Cap for the First Grade & Retention:

- encourages parents to enroll their children in first grade at Heritage or Yeshiva Academies.
- began in 1998-99. It set a \$3,500 tuition cap for all first grade students in the schools.
- underwent modification and expansion. In 1999-2000 the tuition cap is \$2,500 for kindergarten and is \$3,500 for the first and second grades.

Part III: Incentives for Returning Fifth Graders:

- encourages parents to enroll their children at a young age and to continue to send their children to Heritage or to Yeshiva Academies after the fifth grade.
- reduces tuition by 10% of the cumulative amount their parents have paid in tuition at the day school for grades K-4. Foundation grants equivalent to approximately 30% of each school's budget subvent the tuition reductions.

Qualifications for Participation

All students in kindergarten and grade 1-2 of Heritage and Yeshiva Academies benefit from the tuition caps.

All previously enrolled students who continue beyond grade 4 in Heritage and Yeshiva Academies receive a tuition reduction that is proportionate to the total tuition paid in all grades prior to 5th.

Results to Date

Not yet evaluated.

SAMIS Foundation

About the Foundation

Samis Foundation was established by Sam Israel in 1987 as a legacy for the Jewish people from Washington State and Israel -- a legacy to be used to strengthen the Jewish community and the appreciation of Jewish culture, education and history. The SAMIS Foundation's goal is to improve Jewish continuity by providing financial support to organizations involved in improving Jewish education and culture in Washington State and in specifically designated areas Israel.

Program Description

High School Tuition Reduction Program

The purpose of the **High School Tuition Reduction Program** is to encourage parents of elementary and middle school students to send their children to day high schools.

The program targets parents/students who:

- would not continue in the Jewish Day High School because of financial constraints.
- would consider attending a day school tuition were not a factor.

Parents are encouraged to contribute to the school, especially those who can afford to do so.

The program caps tuition for 9th through 12th grades at \$3,000.

Qualifications for

Families must be willing to donate resources and contribute time to the school throughout the year.

Results to Date

Enrollment has increased from 59 to 101 students (projected for Fall, 1999). The contributing factors are being investigated. Three that have been identified are: SAMIS Foundation's High School Tuition Reduction Program; the high school move to a new facility; demographic change in the Seattle area.

The intention of the High School Tuition Reduction Program was to provide parents the option of a tax deduction by channeling the amount of money they had intended to spend on their child's tuition into the school itself in the form of a donation. Unfortunately, many parents appear to regard the school's tuition as \$3,000, and do not consider the SAMIS Foundation's support as a subsidy, but rather as a tuition cap and have not contributed personal donations for the school itself.

The Foundation is currently seeking ways to increase contributions from parents and from parent organizations.

The Charles and Lynn Schusterman Family Foundation

About the Foundation

The **Charles and Lynn Schusterman Family Foundation** was established in 1987 to support programs that enhance Jewish life in the United States, Israel, and the former Soviet Union. The Foundation also funds Oklahoma-based, non-sectarian charitable groups that focus on education, children, and community service.

Program Description

“Sliding Scale” Tuition Program

The program was developed in response to historical and demographic conditions existing in Tulsa, Oklahoma.

- The community has a Jewish population of 2,500.
- The day school is 25 years old.
- Leaders and wealthiest members of the Jewish community did not enroll their children in the Jewish day school.
- Those attending the day school were from families who could not afford full tuition.
- The sliding scale tuition program is based on the assumption that enrolling additional students would result in a financial advantage to the school.
- The previously existing scholarship program was unsuccessful because people were alienated by the process.
- The sliding scale tuition program is based upon a successful model for subventing tuition at a Jewish summer camp.

Under the Sliding Scale Subsidy everyone is eligible to receive some amount of financial help.

- Parents are asked what they feel their obligation is;
- Income is self declared by families;
- Sibling discounts are available.

The tuition program is supported by a three-way partnership that decides on the school’s annual budget. Each partner provides one-third of the total budget. Partners are The Charles and Lynne Schusterman Family Foundation, the Jewish Federation, and a private donor.

Qualifications for

Families submit a brief financial summary.
The sliding scale is used to determine their tuition.

Results to Date

Not yet evaluated.

Paula and Jerry Gottesman Family Foundation

About the Foundation

Paula and Jerry Gottesman Family Foundation promotes the enhancement of *Klal Yisrael* by encouraging and supporting quality Jewish education and to improve the conditions of life for the disadvantaged in Israel. The foundation also supports other programs that promote social justice and groups that are committed to assisting worthy causes and people who have no strong base of financial support.

Program Description

"First Time" Families Grant, Base Tuition Grant, & Hebrew Academy of Morris County Funded Tuition Assistance

The program plans to cap tuition at \$5,000, across the board in one of the three area day schools in Morris County, New Jersey. Tuition vouchers of up to \$8,000 will be available. For those who still require more help after the voucher, the community has additional resources available.

Qualifications for

Students must pass the school's standard entrance exam. The family must declare an income of less than \$120,000. No proof is required.

Results to Date

The program is slated to be initiated for the 1999-2000 academic year.

PART II: Discussion of Needed Research

During the second part of the consultation, participants raised questions needed to inform their decision-making and to direct future giving and research. Questions included:

How can the real worth of Jewish day school education be conveyed so that more families are encouraged to participate?

Should tuition reduction be provided across the board or based on income? What is the impact on enrollment?

Is it more effective to present funds/vouchers to parents or to apply funding directly to the school?

What is the relationship between tuition cost and perceived educational effectiveness or value?

What is the effect of promoting donations as a tax deduction?

What are the benefits of targeting a specific population for reduction versus targeting the entire community?

How does the sudden/dramatic increase in the size of the student population impact on a school? What types of resources (human, programmatic, and financial) will schools need to accommodate these changes? What are the responsibilities of foundations to respond to these changes?