

## Initiative Hopes to Help Day Schools Find a Firm Fiscal Path

February 24, 2011 - [Bryan Schwartzman, Staff Writer](#)

Terms like ratio analysis and comparative financial analysis may sound like gobbledygook -- at least to those who haven't studied business or statistics.

But supporters of a new initiative to systematically analyze the financial health and practices of Philadelphia-area Jewish day schools hope that by employing such measures, the institutions can become more efficient and affordable.

The \$720,000 project is a partnership of an international foundation, a local philanthropist and the Jewish Federation of Greater Philadelphia. It comes at a time of increasing fiscal pressures facing day schools, including dips in donations and growing requests for financial aid, brought on by the economic collapse of 2008.



*David  
Magerman,  
Kohelet  
Foundation*

The goal is for each of the seven participating schools to become 10 percent more efficient -- by increasing revenue by 5 percent and decreasing expenses by 5 percent -- over the next three years.

The local initiative is part of a \$3 million, five-city study that includes more than 30 schools nationwide. It represents a partnership among the Avi Chai Foundation, a nonprofit organization based in New York and Israel known for funding Jewish education; Yeshiva University; and local organizations.

In Philadelphia, the Kohelet Foundation and the Federation are each contributing \$180,000 over three years; Avi Chai is matching the \$360,000. Kohelet, the brainchild of Gladwyne philanthropist David Magerman, funds tuition grants and a host of other projects in local Jewish schools. Kohelet spearheaded the project locally, getting all the day schools on board, and committed funds back in November, according to those involved.



*Harry Bloom,  
Yeshiva  
University's  
Institute for  
University-  
School  
Partnership*

Federation last week finalized its decision to join in.

Susan Kardos, director of strategy and education planning at Avi Chai, said that her foundation has traditionally focused on research relating to the content of Jewish education -- not the financial side.

But the continued impact of the economic downturn, and the fact that the foundation is spending down its assets over the next decade, led the organization to reconsider, said Kardos.

"We are really thinking about how our work can have the most impact in the field," Kardos said, adding that no matter how good a school is, it won't serve its purpose if no one can afford to attend or the institution doesn't remain financially viable.



*Holly Cohen,  
Kohelet's  
director*

### **Five Years Worth of Data**

Locally, the seven Federation-affiliate schools are participating: Abrams Hebrew Academy, Jack M. Barrack Hebrew Academy, Kohelet Yeshiva High School, Perelman Jewish Day School, Politz Hebrew Academy and Torah Academy of Greater Philadelphia. For the purposes of this project, Torah Academy's lower school and girls high school are being treated as two separate entities.

Harry Bloom, of Yeshiva University's Institute for University-School Partnership, which is overseeing the study, will spend the next few months collecting five years worth of data from the area schools.

Bloom, who has served as a consultant to several area day schools in the past, believes that analyzing the raw data about everything from management practices to fundraising and the allocation of resources will lead to sound economic decisions, which in turn might allow the schools to allocate more funds to financial aid.

Holly Cohen, Kohelet's director, said it's a win-win scenario for the schools since they're essentially gaining free access to expert consulting. "What's really important is that this is the first time that every single day school, regardless of denomination, is working together on a project, and it really stands to benefit all of them," said Cohen.

Brian Mono, manager of allocations for Federation, said Federation officials hope that the program "will result in new creative ideas for revenue enhancement and cost efficiencies within our day schools system."

Mono added that the program fits with Federation's plan to shift its funding from a per-capita basis -- where dollars to each school are based on its enrollment -- to supporting specific programs and encouraging collaborative efforts.

Rabbi Shmuel Jablon, principal of Torah Academy's lower school, said he's excited about the process. Especially in difficult economic times, he said, parents need to know the school is

stretching every dollar as far as it can. Steven Brown, headmaster at Barrack, said he's not expecting miracles.

"We have gone through our budget with numerous fine-tooth combs. I'm a little skeptical, but it's always good to have a pair of eyes from the outside," he said, adding there's always a chance the project could reveal "a magic bullet that none of us have seen."