The Impact of the Economic Downturn On Jewish Day Schools

As the 2003/04 school year commences and the current economic downturn continues for a third straight year, Jewish day schools are feeling the crunch. In a new report, available from The AVI CHAI Foundation, senior consultant and researcher Marvin Schick delves into the many ways in which the weak economy has affected the economic health of Jewish day schools nationwide.

Dr. Schick conducted a telephone survey of 88 day schools that together enroll nearly 30% of the students in the United States. The sample was representative -- covering Orthodox, Solomon Schechter, Community and Reform. Sixty per cent of the schools felt considerable impact by the current economic crisis. Such impact can be measured when assessing enrollment, tuition arrearages, scholarship applications, fundraising and staffing capabilities. The following provides a brief, yet profound glimpse into the challenges facing our schools.

Loss of Students

- More than half of the non-Orthodox schools surveyed said they had lost students citing parental economic hardship as the reason.
- 13% of the Orthodox Schools reported similar findings.
- One-third of all schools believe they lost prospective students.

Budget Pressure

- 85% of the schools indicated that scholarship requests have increased.
- Two-thirds of the schools reported greater arrearages this year in parents meeting their tuition obligations.
- Nearly 60% of the schools said that fundraising was down.
- More than two-thirds of the schools said they were experiencing greater difficulty in meetings their budgets, leading to lateness in payroll, staff reductions and/or borrowing to meet payroll obligations.
Capital Projects

• More than 50% of the schools in the midst of large capital projects expressed that their building plans have been adversely affected.