

**New Financial Implications of COVID-19 for Jewish Day Schools (Part 2)**

A conversation about the **latest financial implications of COVID-19** for Jewish Day Schools around North America. Learn about recent trends and late-breaking updates, as well as a meta-view of the field as a whole with Dan Perla

1. Review of Part I Webinar:
   1. Unpaid Tuition-Since education is being delivered virtually to students, parents should have an obligation to pay tuition. Schools should work with parents who cannot pay tuition. ECC is different; many parents have not asked for refunds; some schools have converted the tuitions to tax-deductible contributions and others have credited tuition for next year. Many are reviewing on a case-by-case basis.
   2. Spring Fundraisers-Schools have substituted some kind of virtual gathering for their spring fundraisers, and others have reached out to donors individually, it is important to stay in touch with donors. With partial rebound of the stock market, it is now appropriate to be soliciting donors.
   3. Payroll- Though we initially suggested significant budgetary restrictions, the Paycheck Protection Plan has enabled schools to re-coup payroll costs. A poll of this group showed that half of the group responded: 100% applied and 70% have had a loan approved.
   4. Re-enrollment- we suggested that an enrollment fee should not be an obstacle for re-enrollment but there should be some kind of payment from parents. Obviously reviewed on a case-by-case basis if there is a request for a waiver.
2. What parallels can be drawn from the recession of 2008-2009?
   1. This downturn has been more of a shock to the financial system and is greater than 2009-2009.
   2. We think more day school families will be affected because parents are unemployed or underemployed professionals.
   3. On the plus sides, we are seeing the beginnings of a recovery.
3. School Revenue ’20-‘21
   1. Depending on the school’s trend line, we expect to see no changes or modestly lower changes in enrollment. Small schools will be more vulnerable.
   2. .We are finding that many schools are freezing tuitions
   3. We can also expect more increases in scholarship/tuition assistance
   4. More assistance will be required from full pay parents.
   5. Fundraising may be lower.
   6. SBA, Hebrew Free Loans, local Federations in some communities and Jewish Community Response and Impact Fund may help in offset lowered revenues
4. School Expense ’20-‘21
   1. Schools may need to cut their budgets 5-15 percent
   2. Very difficult to cut an already lean budget
   3. Schools are considering salary freezes
   4. Looking at different staffing models (Canadian schools seem to have a lower FTE/student ratio)
   5. Blended learning or platforms that enable combining classrooms may be possible
   6. Lower costs through group purchasing
5. Jewish Community Response and Impact Fund
   1. $70M in interest-free loans and $20M in grants.
   2. Grants will primarily be through consortiums and cooperative programs
   3. Not clear yet about number of applications that will be accepted from day schools
   4. Ideas for loan use: to comply with CDC guidelines limiting numbers of students and

Family loans to be in force as long as student remains in school.