

Talking About Affordability and Financial Aid: Collaboration Between the Admission and Business Offices

Financial Management and Admission Communities of Practice

Facilitators: *Rebecca Egolf and Stephane Acel*

Guests: *Ilene Wise and Howard Richmond,
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Etiquette

- To mute yourself, press *1. Press *1 again to unmute yourself.
- Please do not put your phone on hold during the conference call. If you need to leave the call, hang up and then call back in.
- Please participate – say who you are when speaking so we can identify you.

Goals of the Call

- To explore multiple perspectives on our topic, informed by our personal experience and the guidance of our facilitators and guest speakers
- To increase our knowledge of how we can better communicate the affordability and accessibility of Jewish Day School education to prospective and current families
- To promote partnerships between Admission Directors and Business Managers for mutual benefit

Agenda

- PEJE Announcements
 - Upcoming CoP Conference Calls
 - New Tools: The PEJE Admission Tracker, The Jewish Day School Parent Survey, and the Strategic Financial Modeling Tool
- Setting the Context
- Communicating About Day School Affordability
- Collaboration Between Admission Directors and Business Managers
- Questions and Answers
- Resources

Upcoming CoP Conference Calls

Financial Management:

**The Nonprofit Dashboard: A Tool for Tracking Progress,
September 17**

Admission:

**Innovative Ideas for Open Houses – September, Date TBD
Marketing Day Schools to Interfaith Families, October,
Date TBD**



New Tools from PEJE and Measuring Success



PEJE Day School
Peer Yardstick™
Suite of Tools

The PEJE Admission Tracker: Help your school to organize your admission process and reach your enrollment goals. The Admission Tracker manages data on all prospective students and families from inquiry to admission using simple software that promotes best practices in admission.

The Jewish Day School Parent Survey: Enable your school to understand how parents value the educational and community experiences provided by the school, especially as compared with other options (public, private, other Jewish day schools). The Jewish Day School Parent Survey Report will help school leaders in identifying specific areas for improvement.

The Strategic Financial Modeling Tool: Allow your school to develop dynamic financial models while providing instant feedback on the impact of your decisions using a set of benchmarks or industry standards. Learn to position your school for stability and growth over multiple years by aligning your vision and mission with a plan for the resources your school needs to raise and spend.



Setting the Context

- In this tough economic climate, many schools are reporting affordability and the availability of financial assistance to be a much greater concern for prospective families than in years past.
- The admission director, who is the primary contact for these families, may not know enough about financial matters to explain them clearly, while financial managers who typically administer these programs don't have as much contact with prospective parents. Working as a team, these professionals can inform each other about affordability and financial aid and more importantly, how to explain it to others.
- The collaboration between these two offices is critical in successfully enrolling and retaining new families.

Communicating About Affordability

“Usually missing from the discussion of affordability is the question of value and excellence. What is the value of a quality Jewish day school education in the open market? A recent writer on affordability in the independent school world coined the "PAVS" matrix:

Prestige: the public perception of the quality of the school.

Affordability: the perception of the price of enrollment after any tuition reduction such as financial aid.

Value: the perception of what a family receives for what it is paying.

Sacrifice: the degree to which a family is willing to prioritize paying for education and possibly forego certain other things.

The combination of perceived prestige and affordability will determine how much a family, having been convinced of a school’s value, is willing to sacrifice to send a child there.”

Communicating About Affordability

In what ways do schools let potential students' families know that their school can be considered affordable?

- Market the excellence of the dual (secular and Jewish) curriculum. Use your current students and alumni to demonstrate your proven track record and the lifelong impact of the school.
- Provide families with a comparison chart of the school's tuition versus that of other area schools to show that its tuition is equal to or less than that of its competitors.
- Discuss the financial aid process with every applicant, and encourage them to apply.
- Use any public relations or marketing pieces to prospective students and their families to emphasize that financial aid is available to qualified applicants.
- Make parents aware that what is being charged for tuition is LESS than the actual cost to educate each child. Every school should publicly justify why the tuition is set at that particular level. Schools with high tuitions should be able to say: "We know our tuition is high, but you get what you pay for. And it's less than the amount of money we invest in each child." Expense per student is always higher than tuition per student. Market the fact that for \$17,000, you receive a \$23,000 education, for example.

Communicating About Financial Aid

“Motivated by a desire to make our education affordable and accessible for every Jewish family that wants it for their child, we nevertheless know that, for many families, applying for financial aid is one of the less enjoyable facts of life...it is intrusive...it is anxiety-provoking...it will also have a significant impact on their overall finances and life choices...it is unsettling...it is a reminder of personal limitation and of dependency on others.

Living up to this commitment despite its challenges means making efforts to minimize the process’s intrusiveness, to reduce the anxiety for families participating in the process, and to provide as much peace of mind as possible.”

Dr. Steve Lorch, Head of School, Solomon Schechter School of Manhattan

Communicating About Financial Aid

- Mission based
- Professional process
- Consistent
- Fair
- Confidential
- Welcoming

The Admission and Business Office Team

- Who does what?
 - Communicating with families
 - Distributing applications
 - Answering questions
- Understanding the process
 - Third party application – FACTS or SSS
 - Committee composition
 - Timeline
 - Statistics

The Admission and Business Office Team at Krieger Schechter Day School

- Admission decisions are made independent of financial need.
- The admission office creates a warm, inviting, non-threatening atmosphere.
- Families are informed about the financial aid process and encouraged to apply, but no promises are made.
- KSDS' goal is to make appropriate decisions on a family by family basis.
- KSDS will not play "Lets make a deal".
- Financial aid applications are available in admissions office.
- Availability of financial aid is communicated in all media.
- Basic statistics are available: e.g., percent receiving aid, average and maximum award, etc.
- Family-specific questions are referred to business officer who functions as financial aid administrator.

The Admission and Business Office Team at Krieger Schechter Day School

- The process previously included home interview with committee (but it was the most intrusive practice possible).
- Current process:
 - FACTS application collects details and tax data, assessment is used as an initial screening tool (not the final decision)
 - Small group of staff professionals make all decisions – no parents, board members, etc. involved – ensures confidentiality
 - Board only involved in establishing financial aid criteria and policy
 - Fair appeals process

The Admission and Business Office Team at Krieger Schechter Day School

- Affordability options include:
 - o Option 1. Payment in full
 - o Option 2. Two payments
 - o Option 3. Ten payments
 - o Options 2 and 3 via direct debit only, through FACTS
 - o Will try to be as flexible as possible to meet family's cash flow requirements (i.e. 12 payments instead of 10, 1 balloon payment followed by smaller payments)
 - o Not flexible on direct debit requirement – no post dated checks, for instance

Resources

Affordability and financial aid:

http://www.peje.org/knowledge/financial_management/affordability_and_financial_aid.php

Budgeting and strategic financial planning:

http://www.peje.org/knowledge/financial_management/budgeting_and_strategic_financial_planning.php

Thanks for participating!

Thanks to our guests,
Howard Richmond and Ilene Wise at Krieger
Schechter Day School!

**Use Google Groups to continue the
discussion – share your ideas, questions,
and best practice suggestions.**

**Not on Google Groups? Email
stephane@peje.org or rebecca@peje.org
to join the discussion.**