

THE EFFECT OF STATE SCHOLARSHIPS ON AFFORDABILITY IN JEWISH SCHOOLS

FROM 2012 TO 2022

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Contents

Executive Summary.	3
1. Introduction.....	4
2. Methodology and Data Sources.....	4
3. Findings.....	6
3.1. Change in Average Tuition Per Pupil.	6
3.2. Change in Out-of-Pocket Costs Per Pupil.	6
3.3. Inflation-Adjusted Tuition Costs.....	7
3.4. Inflation-Adjusted Out-of-Pocket Costs.....	8
4. Analysis.....	9
5. Discussion.	10
5.1. Is Tuition Going Up?.....	10
5.2. Do Scholarship Programs Benefit Families?	11
5.3. How Much Goes to Families? A Tentative Estimate.	11
6. Limitations.	14
6.1. Selection Bias.	14
6.2. Accuracy of 990 Financial Reporting.	14
6.3. Limitation of Averages.	14
6.4. Incomplete Pennsylvania Scholarship Data.....	15
6.5. The Question of Donation Trends.	15
6.6. New York and New Jersey as the Counter-Factual.....	15
6.7. Further Research Needed.....	16
7. Conclusion.....	17
Appendix A: Compiled School Data 2012-2013.	18
Appendix B: Compiled School Data 2017-2018.	19
Appendix C: Compiled School Data 2022-2023.	20
Appendix D: Regional Consumer Price Index Growth.	21
Appendix E: Weighting for Averages Scholarship vs. Non-Scholarship States.	22
Appendix F: List of Schools Included in Analysis.....	23
About Teach Coalition.....	26

Executive Summary.

Jewish day school tuition has long been understood as a **major affordability challenge for families**, but there has been little rigorous longitudinal research measuring how tuition has changed over time and most importantly, whether state scholarship programs reduce parent costs or enable schools to raise prices. This study by Teach Coalition provides a **multi-state analysis of Jewish day school tuition** trends using IRS Form 990 filings, state nonpublic enrollment data, scholarship award data, and regional inflation adjustments across 74 Jewish day schools serving more than 30,000 students from 2012–2022.

This study addresses a major policy question for Jewish day school advocates: **do scholarship programs meaningfully benefit families, or do schools raise tuition to capture the subsidy?**

The study finds that **scholarship programs do provide substantial parent benefits to families**. At the same time, it also finds evidence that **schools appear to capture a limited share of scholarship growth through higher tuition**.

How much of the scholarship value do schools capture? Using available data in this study, we attempt a **tentative estimate**, while acknowledging that **a more rigorous school-by-school analysis is needed** to provide a firmer measure of the scholarship portion captured by families versus schools. Using a counterfactual comparison to non-scholarship states, the study tentatively estimates that **approximately 32% of scholarship growth may have been captured by schools** in the form of higher tuition, while **68% may have flowed to families in the form of reduced out-of-pocket costs**.

The fact that schools may capture some portion of scholarship funding does not mean those dollars are necessarily wasted or improperly absorbed. Some of that funding may support higher teacher salaries, stronger student services, or other investments in school quality. Nonetheless, the available data suggests **a significant portion of scholarship dollars do actually reduce parent costs**.

These findings have **important implications for the federal scholarship tax credit program** that takes effect in 2027. They suggest that the new federal scholarship funding will help families afford Jewish day school tuition. Even if tuition rises somewhat as a result, that will be more than offset by the new scholarships. For Jewish communities considering participation in the new federal program, the study strongly supports aggressive engagement, including donor fundraising, SGO capacity-building, and advocacy to ensure governors opt into the program.

This study has several limitations, including the **small number of schools** with public financial data and the **unknown level of standardization** in financial reporting practices. It also **uses of New York and New Jersey as a control group** for assessing the impact of a scholarship program, despite the fact that non-scholarship government funding for nonpublic schools in these state also increased substantially over this period thanks to the advocacy of Teach Coalition and its partners.

As with any first foray, further research is needed. Future research should seek to add **more data from more schools**, and include a **school-by-school specific analysis** of annual changes in tuition and state scholarship awards.

1. Introduction.

Jewish day school tuition is a major topic of discussion in the Jewish world and there is a broad consensus that it's going up.

However, there is very little hard research on the rate of increase of Jewish day school tuition over time. This is likely due to the challenge of finding a simple measure of “tuition” – the sticker price? after financial aid? for which grade? – and the difficulty of accessing the base data.

Teach Coalition has begun an effort to provide a reliable measure of tuition trends in Jewish schools using a combination of publicly available IRS nonprofit annual reports (Form 990s), state nonpublic enrollment data, and state scholarship data.

By looking at the same schools over time, we can control for reporting selection bias (only about 1/5 of Jewish day schools are required to file Form 990 data) and get to the underlying trends in tuition growth, which we postulate should affect all Jewish schools in a region relatively evenly. By comparing the rate of tuition growth in states with government scholarship programs against the rate of scholarship growth in other states, we can estimate what proportion of scholarships end up in the pockets of parents.

2. Methodology and Data Sources.

First, we identified which Jewish day schools file IRS Form 990s by manually searching for each Jewish school on ProPublica's Nonprofit Explorer tool. In the four metropolitan regions with the largest Jewish day school populations – New York City Area, New Jersey (Lakewood Area), New Jersey (North and Central Jersey) and South Florida – we identified 49 Jewish schools enrolling ~23,000 students who consistently filed Form 990s from 2012-13 through 2022-23. We additionally identified 26 Jewish day schools in four other areas with consequential Jewish day school populations and consistent Form 990 data – Pennsylvania (Philadelphia and Pittsburgh Areas), Georgia (Atlanta Area), and Ohio (Cleveland, Cincinnati, and Columbus), with an additional enrollment of ~7,300.

We collected topline revenues and expenses for each of these 74 schools from their Form 990s covering the 2012-13, 2017-18, and 2022-2023 school years. We also recorded the different revenue categories from the 990s, including Tuition and Fees. Special education Jewish schools were not included in our analysis because the very high rates of per pupil spending – generally over \$50,000 – would have substantially skewed the averages in our study.

We then enriched the data with annual nonpublic school enrollment data, which is publicly available from the NYS Education Department, NJ Department of Education, FL Department of Education, PA Department of Education, OH Department of Education and Workforce, and GA Department of Education.

We then enriched the data with state scholarship funding amounts. For Florida schools, we obtained annual scholarship total awards from Step Up for Students, the Scholarship Granting Organization that administers the vast majority of state-funded scholarship programs for the state of Florida. For Georgia schools, we obtained scholarship award data from multiple student scholarship organizations. For Ohio,

we enriched available school data with the data provided by the Ohio Department of Education and Workforce. In Pennsylvania, students receive significant scholarship support, but that scholarship data is not centrally reported and we were unable to comprehensively collect the data from the multiple distributing scholarship organizations.

As a result, we obtained total scholarship award data from the PA Department of Revenue for the 9 Jewish Scholarship Organizations registered with the state, divided this by total enrollment in Pennsylvania, and used this “average scholarship per pupil” to estimate the scholarship awards for the Pennsylvania Jewish schools that file 990 financial data.

We obtained “average tuition” dividing total Tuition and Fees revenues by total Enrollment. The results can give a clear, trackable, singular number for tuition costs over time. Assuming differentials in different rates paid by families of higher or lower means and prices for different grade levels are relatively static over time, the time series data should be robust to these differences.

To account for different rates of inflation across regions, we created an Industry Composite Inflation measure for each region where the Jewish schools in our study were located. 65% of this inflation measure was based on the U.S. Bureau of Labor Statistics’ average elementary school teacher wage (BLS Employment Code 25-2021) in that region, 25% was based on the Rent Consumer Price Index for each region published by the U.S. Federal Reserve Bank, and 10% was based on the overall regional Consumer Price Index reported by the Federal Reserve. This roughly reflects the proportions of a school’s budget that goes towards salaries (65%), building expenses (25%), and other expenses (10%) to model the impact of inflation on a school’s expenses.

To estimate the overall rates of tuition increase for states with a government-funded scholarship program (“scholarship states”) vs. states without a government-funded scholarship program (“non-scholarship states”) we took a weighted average of all scholarship, enrollment, and tuition variables. Each region’s contribution to the overall “Scholarship States” figures in Tables 1 through 7 was weighted based on that region’s percentage of overall Jewish day school enrollment in all regions covered by our study. See Appendix E for the day school enrollment and weightings utilized.

Data analysis was done in Microsoft Excel.

3. Findings.

3.1. Change in Average Tuition Per Pupil.

As Table 1 shows, average tuition at Jewish schools increased almost across the board, but at very different rates for different regions. For each region, we calculated average tuition per pupil by dividing total tuition revenues from each school in our dataset in that region by total enrollment for each school in our dataset from that region.

Overall, tuition rates increased faster in scholarship states compared to non-scholarship states.

Table 1: Average Tuition Rates

Grouping	School Count	Average Tuition Per Pupil			Rate of Increase, 2012 to 2022
		2012-13	2017-18	2022-23	
All Scholarship States (GA, FL, OH, PA)	35	\$15,386	\$19,505	\$22,819	+48% (+4.0 per year)
FL, South Florida	9	\$15,309	\$20,134	\$23,757	+55% (+4.5 per year)
GA, Atlanta Area	7	\$19,041	\$26,381	\$27,245	+43% (+3.6 per year)
OH, Cleveland, Cincinnati, Columbus	9	\$14,659	\$15,123	\$19,531	+33% (+2.9 per year)
PA, Philadelphia and Pittsburgh	10	\$14,482	\$17,701	\$20,236	+40% (+3.4 per year)
All Non-Scholarship States (NJ, NY)	39	\$12,318	\$14,248	\$16,646	+35% (+3.1 per year)
NJ, Lakewood Area	6	\$3,569	\$3,833	\$4,834	+35% (+3.1 per year)
NJ, North and Central Jersey	10	\$14,943	\$17,706	\$21,275	+42% (+3.6 per year)
NY, NYC Metro Area	23	\$14,957	\$17,358	\$20,107	+34% (+3.0 per year)

Note: Averages for scholarship states and non-scholarship states were obtained by weighting according to each region's day school population in 2023-2024 as a percentage of total day school population in the relevant regions. See Appendix E for weightings.

3.2. Change in Out-of-Pocket Costs Per Pupil.

While the rate of change in nominal tuition is instructive, from the perspective of families, the most important figure is out-of-pocket costs. State-sponsored scholarships are easily measured and effectively reduce out-of-pocket costs.

Table 2 shows updated figures after reducing tuition by the average state scholarship awards. Here we see that after accounting for state scholarships, out-of-pocket costs for parents increased slower in scholarship states than in New York and New Jersey.

Table 2: Out-of-Pocket Costs

Grouping	Average Out-of-Pocket Costs			Rate of Increase, 2012 to 2022
	2012-13	2017-18	2022-23	
All Scholarship States (GA, FL, OH, PA)	\$14,618 <i>(After Scholarship) Averaging \$768</i>	\$17,614 <i>(After Scholarship) Averaging \$1,960</i>	\$18,620 <i>(After Scholarship) Averaging \$4,199</i>	+28% <i>(+2.5 per year)</i>
FL, South Florida	\$14,989 <i>(After Scholarship) Averaging \$320</i>	\$19,183 <i>(After Scholarship) Averaging \$1,289</i>	\$19,260 <i>(After Scholarship) Averaging \$4,497</i>	+26% <i>(+2.4 per year)</i>
GA, Atlanta Area	\$17,629 <i>(After Scholarship) Averaging \$1,412</i>	\$24,473 <i>(After Scholarship) Averaging \$1,908</i>	\$24,540 <i>(After Scholarship) Averaging \$2,705</i>	+39% <i>(+3.4 per year)</i>
OH, Cleveland, Cincinnati, Columbus	\$13,743 <i>(After Scholarship) Averaging \$916</i>	\$12,933 <i>(After Scholarship) Averaging \$2,191</i>	\$15,299 <i>(After Scholarship) Averaging \$4,232</i>	+11% <i>(+1.1 per year)</i>
PA, Philadelphia and Pittsburgh	\$12,625 <i>(After Scholarship) Averaging \$1,857</i>	\$13,625 <i>(After Scholarship) Averaging \$4,076</i>	\$16,350 <i>(After Scholarship) Averaging \$3,885</i>	+30% <i>(+2.6 per year)</i>
All Non-Scholarship States (NJ, NY)	\$12,318	\$14,248	\$16,646	+35% <i>(+3.1 per year)</i>
NJ, Lakewood Area	\$3,569	\$3,833	\$4,834	+35% <i>(+3.1 per year)</i>
NJ, North and Central Jersey	\$14,943	\$17,706	\$21,275	+42% <i>(+3.6 per year)</i>
NY, NYC Metro Area	\$14,957	\$17,358	\$20,107	+34% <i>(+3.0 per year)</i>

Note: Averages for scholarship states and non-scholarship states were obtained by weighting according to each region's day school population in 2023-2024 as a percentage of total day school population in the relevant regions. See Appendix E for weightings.

3.3. Inflation-Adjusted Tuition Costs.

One important factor expected to affect tuition growth is the rate of inflation, which varies by region. With employee salaries, supplies, utilities, and rent/mortgage as major inputs for Jewish schools, the differences in inflation across regions can explain much of the growth in tuition costs.

Table 3 shows updated figures after applying a composite inflation index based on average teacher salary growth (65% of the inflation model), property rental cost growth (25% of the model), and overall inflation reflecting all the other costs of running a school (10% of the model).

Here we see that after holding dollars constant at their 2012 value, real tuition growth varied from +7% to +19%, and was higher in scholarship states than in non-scholarship states.

Table 3: Real Tuition Costs*(All Numbers in 2012 Dollars, Adjusted for Regional Inflation)*

Grouping	Average Tuition Costs, 2012 Dollars			Rate of Increase 2012 to 2022
	2012-13	2017-18	2022-23	
All Scholarship States (GA, FL, OH, PA)	\$15,386	\$17,769	\$17,283	+12% (+1.2 per year)
FL, South Florida	\$15,309	\$17,890	\$17,267	+13% (+1.2 per year)
GA, Atlanta Area	\$19,041	\$24,057	\$19,827	+4% (+0.4 per year)
OH, Cleveland, Cincinnati, Columbus	\$14,659	\$14,827	\$15,814	+8% (+0.8 per year)
PA, Philadelphia and Pittsburgh	\$14,482	\$16,552	\$17,193	+19% (+1.7 per year)
All Non-Scholarship States (NJ, NY)	\$12,318	\$12,609	\$13,216	+7% (+0.7 per year)
NJ, Lakewood Area	\$3,569	\$3,392	\$3,837	+8% (+0.7 per year)
NJ, North and Central Jersey	\$14,943	\$15,693	\$16,921	+13% (+1.3 per year)
NY, NYC Metro Area	\$14,957	\$15,359	\$15,962	+7% (+0.7 per year)

Note: Averages for scholarship states and non-scholarship states were obtained by weighting according to each region's day school population in 2023-2024 as a percentage of total day school population in the relevant regions. See Appendix E for weightings.

3.4. Inflation-Adjusted Out-of-Pocket Costs.

The final step in our analysis is to consider the effect of scholarships on tuition growth after accounting for differences in regional cost inflation.

Table 4 considers the combined effect of inflation and scholarships to arrive at the real, inflation adjusted change in Out-of-Pocket costs for the average family. Chaining dollars figures to their 2012 value, we see that real out-of-pocket costs for families increased 4% slower than inflation in scholarship states overall and 7% faster than inflation in non-scholarship states.

Table 4: Increase in Out-of-Pocket Costs Relative to Regional Inflation

Grouping	Average Out-of-Pocket Costs, 2012 Dollars			Rate of Increase Relative to Inflation
	2012-13	2017-18	2022-23	2012 to 2022
All Scholarship States (GA, FL, OH, PA)	\$14,618	\$15,983	\$14,102	-4% (-0.4 per year)
FL, South Florida	\$14,989	\$16,745	\$13,999	-7% (-0.7 per year)
GA, Atlanta Area	\$17,629	\$23,317	\$17,858	+1% (+0.1 per year)
OH, Cleveland, Cincinnati, Columbus	\$13,743	\$12,679	\$12,387	-10% (-1.0 per year)
PA, Philadelphia and Pittsburgh	\$12,625	\$12,741	\$13,892	+10% (+1.0 per year)
All Non-Scholarship States (NJ, NY)	\$12,318	\$12,609	\$13,216	+7% (+0.7 per year)
NJ, Lakewood Area	\$3,569	\$3,392	\$3,837	+8% (+0.7 per year)
NJ, North and Central Jersey	\$14,943	\$15,693	\$16,921	+13% (+1.3 per year)
NY, NYC Metro Area	\$14,957	\$15,359	\$15,962	+7% (+0.7 per year)

Note: Averages for scholarship states and non-scholarship states were obtained by weighting according to each region's day school population in 2023-2024 as a percentage of total day school population in the relevant regions. See Appendix E for weightings.

4. Analysis.

Our study confirms what Jewish day school families have long suspected: Tuition is indeed going up, and faster than household incomes. According to the Federal Reserve Bank of St. Louis, average wages in the U.S. increased 33% from March 2012 to January 2022. Families are feeling the pinch of tuition costs that go up faster than their income. As Table 5 shows, Ohio (+33%) is the only region where Jewish day school tuition increased at the same rate of overall wage growth.

Table 5: Average Tuition Growth Rates, 2012-2022

U.S. <i>Avg. Wage Growth</i>	OH <i>Tuition Growth</i>	NY <i>Tuition Growth</i>	NJ (Lkwd.) <i>Tuition Growth</i>	Non-Scholarship States <i>Tuition Growth</i>	PA <i>Tuition Growth</i>	NJ (North & Central) <i>Tuition Growth</i>	GA <i>Tuition Growth</i>	Scholarship States <i>Tuition Growth</i>	FL <i>Tuition Growth</i>
+33%	+33%	+34%	+35%	+35%	+40%	+42%	+43%	+48%	+55%

How much tuition increased depended heavily on where you lived and the rate of overall inflation in that region.

In Florida, for example, nominal tuition increased by 55%, but the cost of living in Florida rose substantially faster than in New York or New Jersey. When we look at the data in 2012 dollars, as we do

in Table 6, Florida tuition increased 13% faster than the cost inputs for a Jewish day school, placing it near North and Central New Jersey in terms of inflation-adjusted tuition growth.

A similar story played out in Georgia, whose cost growth ranking went from rather expensive to one of most affordable after accounting for regional inflation.

Overall, scholarship state saw tuition increase +12% faster than inflation, compared to +7% faster than inflation in non-scholarship states.

Table 6: Inflation Adjusted Tuition Growth, 2012-2022
(In 2012 Dollars, Inflation Adjusted)

GA <i>Tuition Growth 2012 Dollars</i>	NY <i>Tuition Growth 2012 Dollars</i>	Non-Scholarship States <i>Tuition Growth, 2012 Dollars</i>	OH <i>Tuition Growth 2012 Dollars</i>	NJ (Lkwd.) <i>Tuition Growth 2012 Dollars</i>	Scholarship States <i>Tuition Growth 2012 Dollars</i>	FL <i>Tuition Growth 2012 Dollars</i>	NJ (North & Central) <i>Tuition Growth 2012 Dollars</i>	PA <i>Tuition Growth 2012 Dollars</i>
+4%	+7%	+7%	+8%	+8%	+12%	+13%	+13%	+19%

When adding in the state-sponsored scholarships to inflation adjusted tuition costs, we see that that the scholarship states saw the lowest relative growth in parent out-of-pocket costs. As we see from Table 7, out-of-pocket costs increased by 4% slower than inflation from 2012 to 2022 in scholarship states and increased by +7% faster than inflation in non-scholarship states.

Table 7: Average Out of Pocket Cost Growth, 2012-2022
(In 2012 Dollars, Inflation Adjusted)

OH <i>Out of Pocket, 2012 Dollars</i>	FL <i>Out of Pocket, 2012 Dollars</i>	Scholarship States <i>Out of Pocket, 2012 Dollars</i>	GA <i>Out of Pocket, 2012 Dollars</i>	NY <i>Out of Pocket, 2012 Dollars</i>	Non-Scholarship States <i>Out of Pocket, 2012 Dollars</i>	NJ (Lkwd.) <i>Out of Pocket, 2012 Dollars</i>	PA <i>Out of Pocket, 2012 Dollars</i>	NJ (North & Central) <i>Out of Pocket, 2012 Dollars</i>
-10%	-7%	-4%	+1%	+7%	+7%	+8%	+10%	+13%

5. Discussion.

5.1. Is Tuition Going Up?

The study finds that Jewish day school tuition increased in every major region analyzed, but the rate of growth varied meaningfully by region. Average nominal tuition rose 47% in scholarship states (Florida, Georgia, Ohio, and Pennsylvania) compared to 35% in non-scholarship states (New York and New Jersey). These findings confirm what families have long felt: tuition has continued to rise significantly over the past decade.

However, raw tuition growth alone tells only part of the story. Because the cost of running a school varies sharply by region, the study adjusts tuition growth using a composite regional inflation index

based on teacher wage growth, rent inflation, and overall consumer inflation. After this adjustment, the difference between scholarship and non-scholarship states narrows considerably. Average tuition rose 12% faster than inflation in scholarship states and 7% faster than inflation in non-scholarship states, suggesting that a large portion of higher tuition growth in scholarship states reflects higher regional operating costs rather than scholarship-driven price inflation.

The strongest finding emerges when state scholarship aid is included. While nominal tuition rose faster in scholarship states, parent out-of-pocket costs grew more slowly after accounting for inflation and the value of scholarships. Average out-of-pocket costs rose 4% slower than inflation in scholarship states, while rising 7% faster than inflation in New York and New Jersey.

5.2. Do Scholarship Programs Benefit Families?

One question that has dogged Jewish day school advocates is whether state scholarship programs save money for day school families, or do schools simply increase tuition by whatever amount a family receives in scholarships? The experience of the Jewish community in Florida – where families saw tuition climb very fast along with the state scholarship program – has lent extra credence to this concern.

In fact, economists have long posited that any tuition subsidy will be captured partially by schools and partially captured by families. Classical economic theory suggests that the proportion of the subsidy captured by each party depends on the elasticity of demand. In other words, in a very competitive day school market with lots of schools competing for parents, most of the scholarship money will end up in parent's pockets because of price competition between schools. In a monopolistic market where parents have few options, most of the scholarship money will end up in larger school budgets because schools have a reduced risk of losing parents from rising prices.

But what have we seen in practice in states with government-funded K-12 scholarship programs?

Our study found that tuition rates increased faster overall in scholarship states (+47%) compared to non-scholarship states (+35%). However, much of this variance is likely because of differences in regional inflation. The cost of running a school increased by 32% in scholarship states from 2012 to 2022, compared to school operation costs increasing by 26% in non-scholarship states.

When we control for both regional variance in cost inflation and the subsidy from state scholarships, we see that families' real out-of-pocket costs increased slower than inflation (-4%) in scholarship states and they went up faster than inflation (+7%) in non-scholarship states. Thus, families are capturing some of the subsidy from state scholarships in the form of reduced out-of-pocket tuition.

5.3. How Much Goes to Families? A Tentative Estimate.

It is difficult to definitively measure how much of the growing state scholarships are being captured by families. Ideally, this question would be answered by a school-level regression analysis of relationships between year-over-year scholarship growth and tuition growth. Subsequent research will need to collect the necessary dataset to more confidently tackle this question.

What can we conclude from the existing data in this study?

To answer this question, we first need a counter-factual – a measure for how much tuition *would* have gone up in scholarship states if they behaved like non-scholarship state. From 2012 to 2022, tuition in scholarship states increased 12% faster than inflation while tuition in non-scholarship states increased 7% faster than inflation. We can use this as a very tentative measure for how much tuition would have gone up in scholarship states absent the existence of a state scholarship program.

If nominal tuition in scholarship states had gone up by 7% faster than inflation – as it did in non-scholarship states – then it would have increased by an average of \$6,445 in the schools in our study. In reality, tuition in the scholarship state schools increased by a weighted average of \$7,433.

That means that in our study's scholarship state schools, average tuition went up by \$1,088 *faster* than we would have expected based on the rate of increase in non-scholarship states. We can treat this \$1,088 difference as the cost premium for being in a scholarship state, or in other words, the portion of scholarships being captured by the schools themselves and not passed along to families.

The average scholarship in our study's schools increased by \$3,430 from 2012 to 2022. If \$1,088 of the scholarship increase was captured by schools in the form of inflated tuition, then the remaining \$2,343 was captured by parents in the form of reduced out-of-pocket tuition and fees.

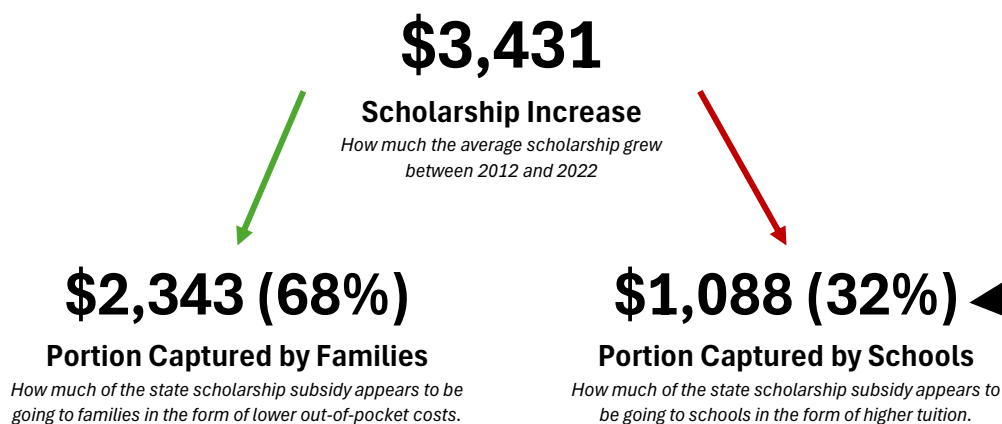
These calculations – visualized in Figure 1 and Figure 2 – suggest that for the schools in our study, about 32% of the state scholarship subsidy was captured by schools and 68% was captured by families. Importantly, the tentative estimate depends on the assumption that New York and New Jersey provide an appropriate counterfactual for scholarship states. In other words, that absent scholarship policy, inflation-adjusted tuition in Florida, Georgia, Ohio, and Pennsylvania would have trended similarly to inflation-adjusted tuition in New York and New Jersey.

Since that assumption is not fully testable given differences in local economies, population growth, school markets, philanthropic capacity, and other regional dynamics, the 32% / 68% estimate should be understood as a tentative benchmark rather than a final causal estimate.

Figure 1 – Calculating the Scholarship State Premium

$$\begin{array}{rcl}
 \$7,433 & - & \$6,345 & = & \$1,088 \\
 \text{Actual Tuition Increase} & & \text{Target Tuition Increase} & & \text{Scholarship State Premium} \\
 \text{Between 2012 and 2022 in Scholarship} & & \text{If tuition in Scholarship States had increased} & & \text{How much of rising tuition attributable to} \\
 \text{State schools} & & \text{7\% faster than inflation, which was the rate in} & & \text{being in a Scholarship State} \\
 & & \text{Non-Scholarship States} & &
 \end{array}$$

Figure 2 – Calculating the Scholarship Capture Rate



This tentative analysis of available data suggests that while state scholarships may be driving higher tuition costs to an extent – as schools increase tuition to account for families’ increased buying power – a substantial portion of the scholarships still likely goes directly towards reducing out-of-pocket costs for families.

We must note that this doesn’t necessarily mean that schools are capturing these dollars without adding value. Schools compete with one another on quality as well as price, and it’s likely that some of the scholarship dollars captured by schools are being reinvested into education quality, such as by hiring better qualified teachers and compensating them appropriately, hiring more teachers and student support staff, and investing in student programming. School leaders often report parents asking for higher educational quality while opposing tuition increases. Thus, we would expect that a windfall for the school in the form of increased family buying power would be at least partially invested in improving the school and its offerings.

6. Limitations.

6.1. Selection Bias.

This study relies on IRS Form 990 data from a subset of Jewish day schools across the country. Because only certain schools are required to file Form 990s, and because this analysis relies on data gathered from schools that filled Form 990 for all three years studied, the sample is necessarily limited and may differ from the broader Jewish day school population to an unknown extent. Schools that opened after the beginning of the study period, closed before the end of the study period, or otherwise failed to report consistently across all three years were excluded. As a result, the findings reflect tuition trends among a stable set of schools over time, but may not fully capture changes occurring among newer, expanding, or financially struggling schools.

6.2. Accuracy of 990 Financial Reporting.

The analysis also relies on topline financial data reported on Form 990s. While these filings provide the best publicly available longitudinal financial information for nonprofit schools, reporting practices may differ among institutions and may change over time. In addition, schools' financial models may evolve over time in ways that affect comparability, such as changes in debt financing, investment income, auxiliary programming, or accounting treatment. It is also possible that some schools categorize scholarship revenue as donations rather than as tuition, fees, or government grants. This is unlikely to be a widespread issue, because such treatment would run counter to IRS categorization guidelines.

6.3. Limitation of Averages.

The conclusions in this study should also be understood as averages across schools, students, and regions. These averages smooth over substantial variation in family-level experience. Even when average tuition or out-of-pocket costs increased, some families may have experienced smaller increases or even decreases; likewise, even when average costs declined or grew slowly, some families may still have faced meaningful increases. Scholarship support is also not distributed evenly across all families.

By averaging total scholarship awards across total enrollment, the analysis captures the overall affordability trends, but it does not measure how benefits were distributed among families with different income levels, numbers of children enrolled, grade levels, or eligibility for particular scholarship programs.

It is also important to note that due to the relatively small number of schools in each region that report 990s, a few outliers could substantially impact results and therefore caution should be used when interpreting results. Future studies should seek to increase the number of schools in each region from which financial data is collected, potentially by asking schools directly.

6.4. Incomplete Pennsylvania Scholarship Data.

We could not use actual values for scholarships in Philadelphia-area schools because awards by school are neither centrally recorded, nor could we comprehensively collect the data from the breadth of distributing scholarship organizations. As a result, we used a statewide average for estimating how much each school received from scholarship and then we divided the total scholarships awarded in Jewish community SGOs by total student enrollment for a statewide average scholarship.

This methodology captures the overall increase in scholarship funding in Jewish schools over time but could over- or understate the amount of scholarship funding going to 10 Pennsylvania Jewish schools in our study. If scholarships increased at a different rate in these schools than statewide, that could impact our findings for Pennsylvania.

6.5. The Question of Donation Trends.

This study also does not examine how scholarship programs affect school fundraising and private donations. This matters because scholarship dollars may change school finances in several different ways: they may reduce the amount families pay out of pocket, allow schools to raise tuition, support higher operating budgets, or displace some private donations that otherwise would have gone toward tuition assistance or general operations. Conversely, the availability of scholarship funds could also increase donor engagement by making affordability efforts feel more scalable or by freeing philanthropic dollars for other school needs.

Because this study focuses on tuition, enrollment, and scholarship awards, it cannot determine whether changes in donations helped offset, amplify, or mask the effects of scholarships on school operations, tuition, and family out-of-pocket costs. Future research should examine whether scholarship growth is associated with changes in school fundraising patterns, including total contributions, restricted tuition-assistance giving, and general operating support.

6.6. New York and New Jersey as the Counter-Factual.

A final important methodological limitation in this study concerns the use of New York and New Jersey as the counterfactual for estimating what would have happened in scholarship states absent scholarship programs. Our tentative estimate of how much scholarship growth was captured by schools versus families depends on the assumption that, after adjusting for regional school operating cost inflation, tuition in Florida, Georgia, Ohio, and Pennsylvania would have trended similarly to tuition in New York and New Jersey if those states had not had government scholarship programs.

This is a strong assumption. New York and New Jersey differ from the scholarship-state markets in local economic conditions, household income trends, population growth, real estate costs, school size, school type, denominational mix, philanthropic capacity, enrollment growth, labor market pressures, and school-market competition. Any of these factors could cause tuition in scholarship states to grow faster or slower than tuition in New York and New Jersey even absent scholarship policy.

Another important consideration is that while New York and New Jersey do not have scholarship programs, between 2012 and 2022 they saw major expansions in other government funding sources thanks to the work of Teach Coalition and its advocacy partners. These new and expanded funding streams include security funding, nursing funding, STEM education funding, mandated services funding, and more.

We would not expect all government support to necessarily appear in school financial statements. Some government programs provide direct funding to schools and are reflected in Form 990 revenues, such as security grants, STEM teacher funding, and mandated services reimbursements in New York. Other programs provide in-kind support, with governments paying districts or vendors directly for services such as nursing, security personnel, auxiliary services, and special education support in New Jersey. In these cases, schools receive a benefit through reduced operating costs without recording corresponding revenue.

As a result, some government support may reduce the tuition schools would otherwise need to charge while remaining only partially visible – or entirely invisible – in the financial data used in this study. To the extent these forms of support expanded in New York and New Jersey during the study period, they would likely place downward pressure on tuition growth and could cause our estimates of the out-of-pocket savings attributable to scholarship programs in other states to be somewhat understated.

The descriptive findings remain useful, but future research should test this counterfactual more rigorously through school-level regression analysis, additional comparison states (especially states like California with large Jewish day school populations but no significant government funding programs), more years of data, and controls for market-level differences.

6.7. Further Research Needed.

As a result of these limitations, care should be taken when extrapolating from this sample to all Jewish day schools in each state. However, because this analysis follows the same schools over time and relies on the best available public financial and enrollment data, it provides a useful and credible first look at long-term tuition and affordability trends in Jewish schools operating in scholarship and non-scholarship states.

Further research should be conducted to determine whether:

- The findings hold in the light of recent developments, particularly in Florida for years 2023-24 and onwards when the state’s scholarship program became universal.
- The findings hold up to a school-by-school regression analyses where the dependent variable is the rate of tuition increase and the independent variables are (1) the rate of scholarship increase; and (2) whether or not the school is located in a scholarship state.
- Other factors than school location and scholarship amount are also contributing in a consistent way to variations in tuition trends, such as the school’s affiliation (e.g. Community, Modern Orthodox, Yeshivish, Chassidic), size, and local community size.
- Scholarship growth may be correlated with changes in school fundraising patterns.

7. Conclusion.

After controlling for regional variations in inflation, we found that between 2012 to 2022 real out-of-pocket costs for families in states with scholarship programs (FL, GA, OH, PA) increased by 4% less than the rate of inflation. By contrast, real out-of-pocket costs in non-scholarship states (NJ, NY) increased by an average of 7% faster than inflation over the same period. This suggests that government scholarship programs provide a substantial benefit for families, where they exist.

We also found that tuition rose faster in scholarship states than in non-scholarship states even after accounting for inflation. In scholarship states average tuition rose 12% faster than inflation while in non-scholarship states it rose by just 7% faster than inflation. This suggests that state scholarships are contributing somewhat to tuition increases.

Our analysis suggests that if tuition in scholarship states had increased at the same rate as in non-scholarship states, after accounting for regional differences in cost inflation, then average tuition would have been \$1,088 lower in scholarship state schools than it actually was. Using this figure as measure of how much the \$3,431 increase in average scholarships was captured by schools, this suggests that 32% of state scholarship increases went to school budgets in the form of higher tuition and 68% went to families in the form of reduced out of pocket costs.

These analyses are tentative and should be followed up with a full regression analysis and a more completed dataset of more years' worth of data for more schools across more states.

However, based on the available evidence we conclude that while state scholarship programs may contribute somewhat to rising tuition in Jewish schools, most of the value of state scholarships accrue to parents by reducing the actual cost they would otherwise pay for Jewish day school tuition.

With the Federal Scholarship Tax Credit program due to begin in 2027, these findings underscore the major positive impact the program can have on Jewish day school affordability if each state's governor opts into the program and if the Jewish community contributes broadly to targeted SGOs for Jewish day school students.

Appendix A: Compiled School Data 2012-2013.

Grouping	School Count	Total Tuition and Fees	Total Revenues	Total Scholarship Awards	Total Enrollment	Average Tuition Per Pupil	Average Scholarship Per Pupil
GA, Atlanta Area	7	\$31,817,590	\$5274,1,146	\$2,359,171	1,671	\$19,041	\$1,412
NJ, Lakewood Area	6	\$10,983,856	\$15,228,626	-	3,078	\$3,569	\$0
NJ, North and Central	10	\$60,218,837	\$80,733,859	-	4,030	\$14,943	\$0
NY, NYC Metro Area	23	\$125,100,675	\$162,137,870	-	8,364	\$14,957	\$0
OH, Metro Areas	9	\$25,110,687	\$55,381,281	\$1,568,306	1,713	\$14,659	\$916
PA, Metro Areas	10	\$35,523,520	\$59,929,482	\$4,555,221	2,453	\$14,482	\$1,857
FL, South Florida	10	\$55,931,294	\$71,362,997	\$1,133,992	3,564	\$15,693	\$318

Appendix B: Compiled School Data 2017-2018.

Grouping	School Count	Total Tuition and Fees	Total Revenues	Total Scholarship Awards	Total Enrollment	Average Tuition Per Pupil	Average Scholarship Per Pupil
GA, Atlanta Area	7	\$46,588,666	\$65,738,108	\$3,369,789	1,766	\$26,381	\$1,908
NJ, Lakewood Area	6	\$16,489,770	\$28,699,844	-	4,302	\$3,833	\$0
NJ, North and Central	10	\$82,224,538	\$100,293,053	-	4,644	\$17,706	\$0
NY, NYC Metro Area	23	\$152,926,954	\$208,083,097	-	8,810	\$17,358	\$0
OH, Metro Areas	9	\$33,286,478	\$66,617,299	\$4,821,898	2,201	\$15,123	\$2,191
PA, Metro Areas	10	\$46,943,606	\$91,025,547	\$10,809,552	2,652	\$17,701	\$4,076
FL, South Florida	10	\$84,282,786	\$99,784,493	\$5,286,829	4,118	\$20,467	\$1,284

Appendix C: Compiled School Data 2022-2023.

Grouping	School Count	Total Tuition and Fees	Total Revenues	Total Scholarship Awards	Total Enrollment	Average Tuition Per Pupil	Average Scholarship Per Pupil
GA, Atlanta Area	7	\$54,761,611	\$95,603,610	\$5,436,696	2,010	\$27,245	\$2,705
NJ, Lakewood Area	6	\$25,554,728	\$40,534,145		5,287	\$4,834	\$0
NJ, North and Central	10	\$94,012,165	\$126,221,451		4,419	\$21,275	\$0
NY, NYC Metro Area	23	\$183,535,149	\$277,430,970		9,128	\$20,107	\$0
OH, Metro Areas	9	\$47,460,229	\$102,115,528	\$10,283,701	2,430	\$19,531	\$4,232
PA, Metro Areas	10	\$57,611,275	\$112,161,208	\$11,086,218	2,847	\$20,236	\$3,894
FL, South Florida	10	\$123,466,431	\$150,269,648	\$23,504,105	5,145	\$23,997	\$4,568

Appendix D: Regional Consumer Price Index Growth.

Grouping	Composite Cost Index 2012-13 (Baseline)	Composite Cost Index 2017-18	Composite Cost Index 2022-23
GA, Atlanta Area	100%	110%	137%
NJ, Lakewood Area	100%	113%	126%
NJ, North and Central	100%	113%	126%
NY, NYC Metro Area	100%	113%	126%
OH, Metro Areas	100%	102%	124%
PA, Metro Areas	100%	107%	118%
FL, South Florida	100%	113%	138%

Appendix E: Weighting for Averages Scholarship vs. Non-Scholarship States.

Grouping	Included Geographies (States, or Counties Within States)	2023-24 Jewish Day School Population Within Region	Weighting
All Scholarship States	Florida, Georgia, Ohio, Pennsylvania	22,912	100%
FL, South Florida	<i>Broward, Dade, Palm Beach</i>	13,606	59%
GA, Atlanta Area	<i>DeKalb, Fulton</i>	1,946	8%
OH, Cleveland, Cincinnati, Columbus	<i>Clermont, Hamilton, Cuyahoga, Lake, Franklin</i>	3,357	15%
PA, Philadelphia and Pittsburgh	<i>Lehigh, Bucks, Delaware, Montgomery, Philadelphia, Lackawanna, Luzerne</i>	4,003	17%
All Non-Scholarship States	New York, New Jersey	213,741	100%
NJ, Lakewood Area	<i>Monmouth, Ocean</i>	49,516	23%
NJ, North and Central Jersey	<i>Bergen, Essex, Hudson, Middlesex, Morris, Passaic, Union</i>	14,109	7%
NY, NYC Metro Area	<i>Bronx, Kings, Nassau, New York, Queens, Richmond, Rockland, Westchester</i>	150,116	70%

Appendix F: List of Schools Included in Analysis.

State/School	EIN
Florida	
Beth Jacob High School Inc.	59-2335606
David Posnack Jewish Day School/Hebrew Day School Of Broward County	59-1606514
Donna Klein Jewish Academy	65-1129890
Katz Yeshiva High School Of S. Fla	65-0781573
Maimonides Shalom/Brauser Academy	65-0213879
Scheck Hillel Community School, Inc.	59-1296635
Sha'arei Bina Torah Academy For Girls	20-1280801
Torah Academy Of Boca Raton	65-0788118
Yeshiva Elementary Inc	65-0063045
Georgia	
Atlanta Jewish Academy	58-1088687
Davis Academy	58-1970181
Temima High School For Girls	58-2475208
The Epstein School	58-1164034
The Weber School	58-2207654
Torah Day School Of Atlanta	58-1594193
Yeshiva Ohr Yisrael	80-0025717
New Jersey	
<i>Lakewood Area</i>	
Bais Kaila Torah Prep Hs	22-2157196
Bais Reuven Kamenitz	22-3540862
Bais Yaakov H S Of Lakewood	22-3402589
Bnos Melech	20-0701009
Talmud Torah Bais Avrohom	42-1621416
Yeshiva Orchos Chaim	22-3803275
<i>North and Central New Jersey</i>	
Ben Porat Yosef	22-3688043
Bet Yaakov Of The Jersey Shore	27-0772137
Frisch School, The	22-1937461
Golda Och Academy	22-1779887
Kellman Brown Academy	58-2674116
Ma'ayanot Yeshiva High School For Girls	22-3383708
Torah Academy Of Bergen County	22-2890836
Ybh (Passaic Hebrew Institute)	22-1659600
Yeshiva Keter Torah	22-3645689

New York

Abraham Joshua Heschel School	13-3091539
Beer Hagolah Institute-Elem	11-2501388
Beth Rivkah School	11-2163504
Bnos Bais Yaakov Of Far Rockaway	11-3220788
Bnos Malka Academy	11-3331303
Ezra Academy	11-2222173
Hannah Senesh Community School	20-3330699
Kinneret Day School	13-1778283
North Shore Hebrew Acad High Sch	11-3561811
North Shore Hebrew Academy	11-2200920
Rabbi Arthur Schneier Park East Day	51-0243931
Shulamith School For Girls	11-1686380
Shulamith School For Girls-Brooklyn	27-4092673
Silverstein Hebrew Academy	13-4033889
Solomon Schechter School Of Manhatta	41-2063123
Solomon Schechter School Of Queens	11-1803692
Westchester Hebrew High School	13-2666864
Yeshiva Derech Hatorah	11-2546056
Yeshiva Ketana Of Queens	13-3994933
Yeshiva Of Central Queens	11-1672827
Yeshiva University High School	20-0247649
Yeshivas Ohavei Torah Of Riverdale	13-4077155
Yeshivat Ohel Torah	11-3335344

Ohio

Cincinnati Hebrew Day Chofetz	31-0544741
Columbus Jewish Day School	31-1482374
Columbus Torah Academy	31-4428025
Fuchs Mizrahi Of Cleveland	34-1400924
Hebrew Academy Of Cleveland	34-0714428
Joseph and Florence Mandel (Jewish) Day School (Formerly Agnon)	34-1043767
Ratner School, The	34-1367106
Rockwern Academy (formerly Yavne Day School)	31-0603959
Telshe Cleveland	34-0801310

Pennsylvania

Abrams Hebrew Academy	21-6001415
Achei Tmimim Yeshiva Schools	25-6011064

Community Day School Allegheny	25-0969468
Hillel Academy of Pittsburgh	25-1067130
Jack M Barrack Hebrew Academy (Formerly Akiba)	23-1352614
Kohelet Yeshiva	23-2915026
Kosloff Torah Academy High School for Girls	45-2611143
Perelman Jewish Day School	23-1496890
Politz Hebrew Academy	22-2436383
Torah Academy of Greater Philadelphia	23-1645684

About Teach Coalition.

Teach Coalition, a division of the Orthodox Union, was founded in 2013 to advocate for government funding for Jewish schools.

The Teach Coalition Office of Jewish Education Policy and Research was founded in 2023 to advance the Teach Coalition public policy advocacy work and the Jewish community's understanding of the U.S. Jewish education system.

About The Authors.

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David Schwartzman is an economist with experience researching and advising on federal payment policy and healthcare delivery reform. He served as an economist at the Center for Medicare and Medicaid Innovation, where he led financial policy for ACO REACH, a \$37 billion annual payment model serving 2.4 million Medicare beneficiaries. His research has examined the impact of employer-based and government payment models and of regulatory frameworks for healthcare supply. David earned a doctorate in economics from Washington University in St. Louis and a bachelor's degree from Hillsdale College in economics and applied mathematics.