



State of the School Frequently Asked Questions (FAQs)

Factors That Went Into The Decision to Close

Q. Elgin Academy has been in existence for 185 years...can you explain what happened?

As Paul Druzinsky, Interim Head of School, mentioned in his September letter there have been a variety of demographic, market and economic forces which have negatively impacted independent schools across the country in recent years. Elgin Academy has not been immune from these factors. These included stronger public school options, a weakening local economy as well as national economic challenges. The impact of all of these factors has been compounded by a declining regional birth rate and a generational shift in how today's parents feel about independent schools.

Q. I heard many independent schools have experienced a surge in enrollment post-COVID. Was this true for Elgin Academy?

This has been the case for some independent day schools. However, for some other schools, the post COVID landscape has been quite different. According to data collected by the National Association of Independent Schools (NAIS):

- Between 2018-2019 and 2022-2023, 36% of NAIS schools reported enrollment decreases, including 14% that recorded enrollment drops of 10% or more. Median enrollment changes between 2018-2019 and 2022-2023 varied widely by school demographics.
- The typical independent school lost enrollment during the first full pandemic school year.
- Most independent schools recovered enrollment in year two of the pandemic (FY2021), and a majority of schools grew in the last 12 months.
- Although nationwide there has been an upward trend in independent school enrollment, both small schools and Midwest schools have continued to experience a decline in enrollment.

Elgin Academy itself had been experiencing a steady erosion in enrollment which was exacerbated during and after COVID, including a loss of over 100 students over the past five years and almost 30 students from last year to the opening of this year.

Q. Was COVID the main reason for the downturn in enrollment?

Unfortunately no. In fact, since 2014, we have seen a 50% drop in enrollment. Much of this is related to changing demographics and changing attitudes by millennials regarding independent schools. A recent NAIS article (*Marketing to the Digital-First Generation of Parents, K Kunst, Fall 2022*) shared this:

*In a 2018 Forbes article about millennials' shopping habits, market researcher Angela Woo examines research that found, among other things, that millennials "shop promiscuously," and the data indicates the same trend for Gen Zers. Their brand loyalty is low, and they "have no problem trying new, innovative brands rather than turning to a brand seen as old and reliable." Both young and middle-aged parents report that no matter how much they trust a brand, they will still do their research before making a purchase. In the case of independent schools, families who have been loyal, some for generations, will explore their options and are more confident in moving away from a school, even when they trust it.**

It is likely these generational shifts have played a large part in Elgin Academy's enrollment challenges and is worth noting that since 2007, three notable area independent schools have closed.

Q. What actions did the Board take to mitigate these challenges?

For over two decades, the Board has been engaged in strategic discussions and initiatives to bolster enrollment and address the challenges of the financial model.

- In 1999, the Early Childhood Division was opened to strengthen enrollment
- In 2003, summer program offerings were added to generate additional revenue to go towards the operating budget and with the goal that many of the families who came for the summer might enroll as full-time EA students
- In 2006, a capital campaign was launched to update our campus facilities which included the construction of the Rider Center
- In the fall of 2007, students were recruited and accepted from the Summit School which had closed the previous year
- In fall 2011, students were recruited and accepted from Fox River Country Day School which had closed the previous year
- Beginning in 2012 there was a focus on expanding the International program. Through this initiative the number of International students enrolled increased substantially and in 2019, 50 students from China came for a summer program at EA. Unfortunately the pandemic halted nearly all international travel in 2020
- In 2013, the Board engaged a consulting firm to help re-brand and market Elgin Academy in ways that would resonate with the current generation of independent school parents
- In the fall of 2017, students were recruited and accepted from DaVinci Academy which had closed the previous year
- In recent years, the Board has liquidated assets, including several real estate holdings
- In 2022 in an effort to reach students who would not previously have been able to enroll at Elgin Academy, the PEAK program, designed to support students with language learning differences in small, dedicated classes, was started
- In an attempt to market Elgin Academy more effectively, in recent years, the school has invested significantly in digital and print marketing, search-engine optimization services, website redesign, and a branding refresh.

Q. How much money in donations would it take to keep the school open?

The board has engaged in a thorough analysis of the factors negatively impacting enrollment as well as the financial challenges and realities facing Elgin Academy. They have engaged in strategic discussions around myriad options and have looked to external resources and prior donors. Regrettably, given the current enrollment landscape combined with EA's modest endowment and aging physical plant, we would essentially have to run a significant annual capital campaign simply to be able to cover the school's operating budget, which currently runs at a \$4 million deficit. Therefore, the bottom line is that we would need \$4 million of revenue above and beyond tuition each year, and that would **not** include money for any improvements to facilities or programs.

Q. What is the school's endowment and could it be used to shore up the school's finances?

Elgin Academy's endowment is currently a little over two million dollars. The school is typically only able to draw 4 percent from the endowment to put towards operations each year. Tuition and annual giving are responsible for supporting the vast majority of the annual operating budget and with the enrollment numbers declining so significantly in recent years, the gap between the revenue that tuition and annual giving generates and what it takes to run the school has become unmanageable and unsustainable. To continue to fund the current operating budget we would essentially have to have a capital campaign in addition to the annual fund every year.

Q. Is there a reason that the community was first notified in September by the Head of School's email regarding the school's financial situation and not before?

It had been our belief that the enrollment trends could rebound with enhanced marketing and admission efforts and that additional fundraising would be able to bridge the gap until that happened.

Q. I want to help. What can I do and with whom should I be in contact?

Thank you for your support. While there isn't anything to be done to change this outcome, we will be planning a celebration in the spring that honors the rich history and traditions of Elgin Academy, as well as the people who made it such a transformative place for so many. We are so appreciative of those interested in supporting this and other efforts this year. Please watch for future communication and for more information about events and how you can help.

Q. Will Elgin Academy close before the end of this school year?

Absolutely not. We resolve to remain focused on providing our Elgin Academy students mission-driven experiences and observing cherished EA events and traditions right through Commencement for the Class of 2024, and we definitely have the financial resources to do so.

Current EA Students and Families

Q. My child is a senior, who should we contact to help us access transcripts and other records we need for college matriculation?

As always, we will work closely with families of current seniors, prior to graduation, to ensure you have everything you need to complete the college enrollment process. There will also be a longer-term plan for how EA alums will be able to access academic records.

Q. My child is currently a junior, what does this mean for their final year of high school?

We will host a meeting for the Class of 2025 and their parents to address this question. In short, we will be offering a summer academic program option for any members of the Class of 2025 who wish to earn an Elgin Academy diploma. The college counseling process for these juniors and their families will also begin in January with the plan to get them as far through the process as possible before this school year concludes.

Q. Will there be support to help Elgin Academy families find new schools for their students?

We are committed to supporting Elgin Academy families through this transition, as they consider what school is best for their students next year and beyond. Our Admissions office will be leading this effort. Helpful resources will be posted for EA families on our website and additional information and support will be communicated throughout the remainder of the school year. For questions please contact the Admissions Office. (admissions@elginacademy.org)

Q. How are you supporting our students through this?

We understand that this news will be upsetting for many in our community. We are grateful that we will have the balance of the school year to be together and to celebrate everything we cherish about Elgin Academy. In the immediate term, we have a team of faculty and staff including our School Counselor, Division Directors, and Deans of Students who will be meeting with students both in groups and individually as needed to help them process this news. Additionally outside counselors will be available for individual counseling sessions as needed. Please do not hesitate to be in touch with Dr. Elayan, Director of Student Support Services and School Counselor (helayan@elginacademy.org) if you have questions or concerns specific to supporting your child.

Q. How are you supporting the faculty and staff through this situation?

We are committed to supporting our amazing faculty and staff through this transition by providing career services, helping them identify other job opportunities, and leveraging all of our professional relationships in the independent and public school arenas.

School Records, Alumni, and Contact Information

Q. How can I access records after the school is closed?

There will be a custodian of records who will be the point of contact for any alums or families who need access to their academic records beyond summer 2024. Records will be available for a minimum of five years as is legally required. We will provide more details about accessing records prior to the end of the school year.

Q. Will there be opportunities for class reunions after the school has been closed? How can I get in touch with my classmates?

We certainly hope that EA Alums will continue to get together! Our Alumni Directory located in the [Alumni Portal](#) on our website will be available through the end of the school year. We encourage alums seeking contact information for friends and classmates to use this resource. Going forward social media groups are a good way to remain in touch. For help accessing the Alumni Portal and directory please be in touch with our Alumni Office (alumni@elginacademy.org) prior to the end of this school year.