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METHODOLOGY AND DATA COMPANION

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Does a Kollel Pay for Itself?

Methodology and data companion to the working paper

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A full white paper, with the complete introduction, related literature, data and design, results, discussion, limitations, conclusion, and references, is available on request.

At a glance	
Research question	What does a community kollel cost to run, does it operate at break-even, and do its reserves ever grow large enough to make it self-sustaining?
Data	IRS Form 990 filings via the ProPublica Nonprofit Explorer for community kollels, fiscal years 2008 through 2023, giving 101 organization-years across 12 standalone kollels.
Unit of analysis	The organization-year, one kollel's filing for one fiscal year, restricted to standalone kollels.
Statistical method	Descriptive statistics built on a constructed reserves-in-time ratio (net assets divided by annual expenses), with a log-budget correlation.
Headline finding	The typical kollel spends about $522,000 a year and runs near break-even; multi-year reserves appear only above roughly $1 million in budget sustained across a decade.
What it shows	A community kollel is best read as a recurring communal commitment rather than a self-funding enterprise.

The question behind the paper

A community kollel is a standing institution of full-time Torah study whose costs are borne by the surrounding community rather than by tuition or sales. Because it sells almost nothing and usually begins with no capital, what a kollel spends in a year is close to what its community gives it that year, which makes its budget an unusually clean window onto communal capacity.

The paper asks a practical planning question: what does such an institution cost to run, does it operate at break-even, and do its reserves ever grow large enough to make it self-sustaining?

Where the data come from

IRS Form 990 filings. The primary source is the set of full Form 990 information returns filed by community kollels in the United States, obtained through the ProPublica Nonprofit Explorer for fiscal years 2008 through 2023. Each kollel on a starting roster was matched to its filing organization where one exists, and its total revenue, total expenses, and end-of-year net assets were collected.

Standalone kollels only. Some kollels file their own returns while others appear only inside a larger yeshiva's filing, which would blend the kollel with a school or dormitory. The cost and reserve statistics are therefore restricted to standalone kollels, giving an analytic sample of twelve organizations and 101 organization-years with positive expenses.

Coverage limits. Only a minority of community kollels file full financials. Many are treated by the IRS as churches or integrated religious auxiliaries and need not file, and others file only the abbreviated 990-N postcard, so the visible sample tilts toward larger and more formally organized institutions.

The statistical method, named and explained

The paper is descriptive, and its central device is a constructed ratio rather than a statistical test. Reserves in time is defined as net assets at the end of the year divided by annual expenses, so a value of three means an institution could operate for about three years on the assets it holds with no new revenue. Two further measures accompany it: the annual budget, taken as total expenses, and the operating margin, defined as surplus divided by total revenue, which shows whether a kollel runs at break-even, surplus, or deficit. The budget distribution is summarized with percentiles, and the link between size and reserves is captured by the correlation between the logarithm of the annual budget and the reserve ratio, which is 0.61. A balanced cohort of six kollels that filed in every year from 2012 through 2023 is used to gauge growth, and the small cell sizes mean the figures are read as the shape of the economics rather than as precise universals.

Key results from the paper

Table 1. Distribution of annual kollel budgets (total expenses), 2008 to 2023.

Statistic	Annual budget (expenses)
10th percentile	$85,000
25th percentile	$301,000
Median (50th)	$522,000
75th percentile	$878,000
90th percentile	$1,328,000
Minimum to maximum	$11,000 to $2,379,000
Organization-years (N)	101 (12 kollels)

Note. Standalone community kollels filing a full Form 990; figures rounded to the nearest thousand.

Table 2. Reserves in time (net assets ÷ annual expenses) by budget tier, latest filed year.

Budget tier	Kollels (n)	Median budget	Median reserves
Under $300k	3	$83,000	1.4 years
$300k to $1M	6	$491,000	0.9 years
Above $1M	3	$1,259,000	5.1 years

Note. Reserves equal net assets divided by annual expenses; cells are small and figures are descriptive.

How to read the results

Table 1 gives the recurring cost: a median annual budget of about $522,000, with the middle half of kollel-years falling between roughly $301,000 and $878,000, and a long right tail that runs from under $150,000 to past $2 million. The break-even character sits alongside it, since the median operating margin is only about +4.6% and 38% of organization-years end in deficit, meaning kollels spend close to what they raise. Table 2 answers the self-sustainment question by budget tier: kollels under $1 million hold roughly one year of expenses or less, while those above $1 million hold about five years. Reserves large enough to carry an institution through lean years appear only among the largest and longest-filing kollels, and the median kollel remains well short of that point.

What the numbers do not claim

The sample is small and includes only kollels that file full public financials, so church-exempt institutions and non-filers are absent by construction and the visible set likely over-represents larger, more formal organizations. Reported revenue stands in for giving and can include program fees or one-time items, and net assets may include illiquid holdings such as buildings, which makes reserves in time an upper bound on what a kollel could actually spend down. The size-and-reserve relationship, though real in the data, rests on a handful of large, mature institutions, and a single large gift can move any one organization-year.

Reproducing the analysis

All figures come from public IRS Form 990 filings retrieved through the ProPublica Nonprofit Explorer, so the analysis can be rebuilt from a roster of community kollels matched to their filing organizations for fiscal years 2008 through 2023. Restricting the sample to standalone kollels with positive expenses, then computing budgets, operating margins, and the reserves-in-time ratio, reproduces the distributions reported here.