

July 6, 2005

Sale of Japanese School will endanger children

The New York Japanese School (GJS) is a semi public school that receives large grants from the Japanese government. The Japanese Education Ministry Department sends teachers to the GJS and subsidizes the personnel costs of \$600,000 yearly. The Japanese Foreign Ministry grants the school an annual endowment of \$70,000 to be used towards the mortgage. Together with tuition of \$137,000 and a small donation \$25,000 from Japanese companies this makes the school mostly a Japanese Taxpayer entity.

The school is treated as the private property of the board of trustee's, based on their tiny yearly donation. This fundamental disconnect from the reality of the school funding is what we consider immoral and potentially criminal.

Although the enrollment has trended downward from an all time high of 401 in 1997 the current enrollment has stabilized around 215 and has increased slightly from last year. We believe that this figure can increase significantly since only 1% of Japanese children in the area attend the school.

With this demographic in mind there is no evidence that the Japanese Educational Institute (JEI), responsible for running the school, has made any attempt to increase enrollment. Mr. Matsumura (former head of administration) clearly stated on 5/29 that the institute's marketing methodology was "word of mouth to attract new students". The sale of the school will dramatically impact enrollment as many parents have stated they will withdraw their children from the school.

There is no clear plan for the future of the school once the sale has gone through. Mr. Sakamoto's view is that a plan will be developed once the "money is in the bank". We have surveyed potential properties based on recent school closures and have found that none of these would suit the needs of the Japanese School. Based on real estate availability and market values we are very concerned that the sale of our school property without a future plan will put the school in danger of being destroyed.

Some trustee's from the Institute insist that our school is private and that there are many choices for parents in the public school system. This lack of understanding of the role of the school is of great concern to the parents. Many people use the school to make sure their children continue their Japanese education while they are on assignment in the New York area.

Fabricated Deficit.

Members of the JEI have continuously stated that the school is running a deficit and that selling is the only way to save the school. This reasoning was used to support the "Sale and Lease Back" decision voted by the trustees on March 24th 2004. We believe the numbers that were presented were manipulated to show a deficit where none existed.

Starting in 1997 the JEI is using depreciation as an expense to show a loss on the books. This methodology is not illegal but does not show the true picture of the schools finances. Even using depreciation as an expense and not cash outlay makes the school seem to have negative revenue for only one year.

Year	2002	2003	2004
	=====	=====	=====
Reported deficit	(\$303,370)	(\$379,198)	(\$338,951)
Add depreciation	\$350,000	\$350,000	\$350,000
Real deficit	\$46,630	(\$29,198)	\$11,049

*2003 is the only negative year

Upon inspection of the numbers used by the JEI we believe that it does not show a fiscal crisis at the school and does not support the sale.

Greenwich Campus will be the vehicle to produce income.

We believe there is sufficient evidence to show that the JEI failed in its responsibility to increase revenue at the school.

1. Mr. Matsumura was approached by a Kindergarten who requested potential use of a part of the campus. When an outrageous fee of \$300,000 was proposed the kindergarten dropped their interest. This behavior shows a lack of respect for the school and the negligence of the JEI.
2. We have recently met with two Vice Selectman of Greenwich to discuss our difficulties with the JEI. We were encouraged by their suggestion that restrictions could be lifted which would allow the school to have the weekend Japanese Language School operate on campus thus saving significant rent. Other zoning changes could allow some unused parts of the property to be sold to neighbors not developers.
3. The school campus is being leased to the Gan Israel during the summer. JEI and not the school is absorbing the rent. This also shows that revenue is being allocated to strengthen the JEI's position to sell.

Reducing the deficit for the institute.

We also claim that the school is not running a deficit but the JEI itself actually is. We believe that the campus could be better utilized to further increase revenue. We also believe that the JEI could take some immediate measures to decrease their expenditure.

1. Mr. Matsumura was asked to resign in March 2005 but is still on the payroll even though his successor Mr. Ishida arrived in October 2005. We also know that Mr. Matsumura is currently on a H-1 visa, which incurs \$40,000 in tax liability that the JEI has to pay. Traditionally the chief administrator has an A2 visa, which is tax exempt.
2. Mr. Matsumura has been aware of a problem with the facilities thermostat since September 2002 but has failed to fix it. This has resulted in unnecessary energy costs to the school.

3. The administration uses expensive courier services to correspond with the board members. This could be managed by standard mail or e-mail.

Illegal activity.

After the PTA met on May 29th many of the members of the PTA were summoned by their superiors at work and strongly pressured to not become involved in PTA activity. We believe this violates the NY Civil Rights Act (Article 70-a, 76-a:SLAAP)

Japanese accused of discrimination

The baseless accusations of Japanese being Anti-Semitic have been published in the local press. This is not only unfounded but also insulting to all Japanese who have been involved with the school. We simply want to save our school and do not harbor any ill feeling or bias towards any group.