Why Catholic Schools Matter

They're still the best hope for poor, inner-city kids.

Audacity and Hope at Harlem's St. Aloysius

Sol Stern

Who can doubt that the fortunes of charter schools are on the rise? Philanthropists both liberal and conservative have been showering money on charters, viewing them as a promising alternative to traditional public schools because of their relative freedom from union contracts and education bureaucracies. The number of charter schools across the country has soared. Charters have even inspired movies, including the 2010 documentary *Waiting for "Superman,"* which tells the story of several successful charter school networks in Harlem—where black and Hispanic parents, desperate to avoid the awful public schools, enter their children in lotteries to try to secure seats in the charters.

What's missing from this narrative, however, is an alarming fact: for every charter school recently opened in Harlem, two Catholic schools have had to close because of financial trouble. The same holds for New York City as a whole. Since inner-city Catholic schools have historically provided lifesaving educational choices for minorities and the poor, the result has been a net loss of good schools for Gotham.

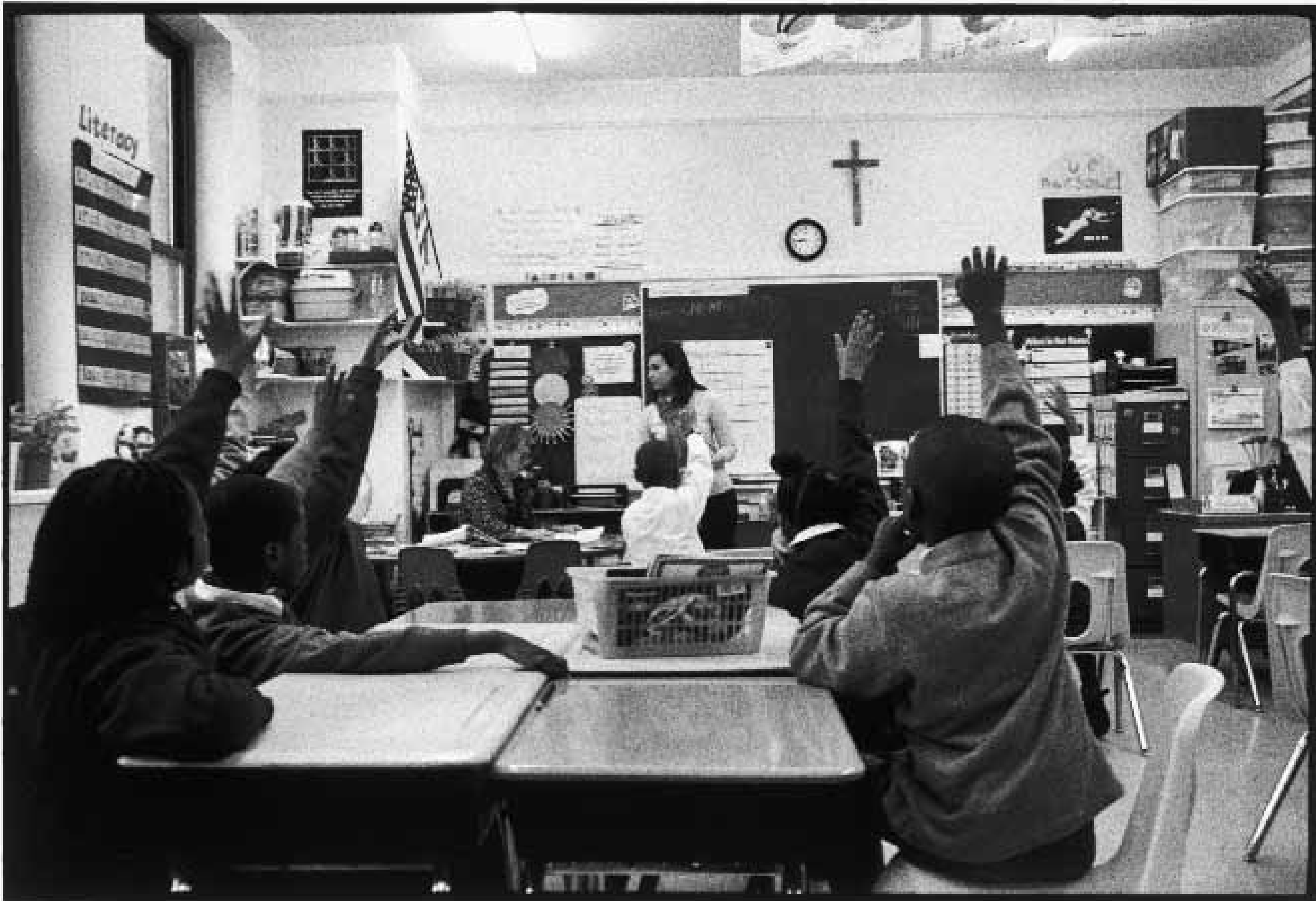
To appreciate what's at stake, consider St. Aloysius School, a pre-K through eighth-grade Catholic school struggling to survive in its red-brick building in central Harlem. Named for the sixteenth-century Jesuit educator Aloysius Gonzaga, the school opened over 70 years ago as a haven for poor and working-class Catholic immigrant families. But as Harlem turned overwhelmingly non-Catholic, St. Aloysius kept its doors open, building a solid record of elevating the academic achievement of poor black children while spending less money than either public or charter schools.

The school's success offers crucial lessons to education reformers. St. Aloysius also exemplifies the new thinking and entrepreneurship that must emerge among Catholic schools if they are to survive. Above all, with political prospects for vouchers or even tuition tax credits dim in New York, St. Aloysius's financial woes—and those of the Catholic schools in general—have become a challenge for the same education philanthropists invested in the charter school movement, whether they like it or not.

The demography of today's St. Aloysius exactly mirrors that of Harlem's other schools: almost all of its 240 children are black and non-Catholic and come from low- to moderate-income families. Nevertheless, St. Aloysius has far outperformed the much more lavishly funded public schools in New York City's District 5, which encompasses central and northern Harlem. Between 2006 and 2009, the fraction of St. Aloysius fourth- and eighth-graders achieving proficiency on the state's reading tests ranged from 20 to 40 percentage points higher than the equivalent fraction of Harlem's public school students (excluding those in charter schools). In the state's math tests, the St. Aloysius advantage was 15 percentage points.

That advantage persisted in 2010, when state officials, acknowledging that New York test scores had been grossly inflated, raised the tests' standards (see "Can New York Clean Up the

Photographs by William Meyers



A reading class at St. Aloysius taught by Lauren Carfora, part of the school's back-to-basics curriculum

Testing Mess?," Spring 2010). All schools—public, charter, and parochial—saw their reading and math scores drop. Nevertheless, St. Aloysius continued to maintain a big lead in reading, with 63 percent of fourth-graders achieving proficiency, compared with just 27 percent of Harlem's public school students; the eighth-grade rates were 38 percent and 24 percent. In math, 54 percent of St. Aloysius fourth-graders were proficient, compared with 38 percent of public schoolers, while 48 percent and 36 percent, respectively, of eighth-graders reached proficiency.

St. Aloysius has also kept pace with one of the most celebrated of Harlem's charter schools, the well-financed Promise Academy, which is run by Harlem Children's Zone and gets top billing in *Waiting for "Superman*." The pass rate of Promise Academy fourth-graders on the 2010 reading tests was 40 percent, well below the 63 percent achieved by St. Aloysius's fourth-graders, though Promise Academy beat St. Aloysius by 10 percentage points on the fourth-grade math test.

The school has done all this without heavy spending. A school official estimates that next year, St. Aloysius's per-pupil cost will be approximately $9,000. That's more than most archdiocese elementary schools spend, true, but less than half of what Gotham's traditional public schools spend and lower, too, than the $13,000 or so that charter schools get in taxpayer funds.

Despite this admirable performance, St. Aloysius remains 35 students short of enrollment capacity. Tuition—a maximum of $2,600 per student, though most families pay considerably less—is outstripping many parents' budgets, and the New York archdiocese is providing less financial aid than before. Neighborhood charters, moreover, are providing tough competition, launching expensive marketing campaigns in the area that stress the fact that they're tuition-free. St. Aloysius may well fill its empty seats next year, after two nearby archdiocesan elementary schools in similar straits have been shuttered. But that will go only so far because tuition revenue, plus scholarships bestowed by other organizations, accounts for just 20 percent of St. Aloysius's $3 million annual

budget. The school must raise the rest through foundation grants and individual gifts.

In early 2010, St. Aloysius's board of trustees decided that it would have a better chance of marketing the school to the Harlem community and attracting potential funders if it broke away from the New York archdiocese and reconstituted St. Aloysius as an independent Catholic school, though maintaining an affiliation with the education arm of the order of Jesuits. Archdiocese schools superintendent Timothy McNiff, ready to consider any outside-the-box solutions for the Catholic schools' financial crisis, gave his blessing. So St. Aloysius is now something like a charter school within the city's Catholic education sector.

"As an archdiocese school, our board of trustees functioned mainly as a fund-raising entity, with no fiduciary or governance responsibilities," says William Buckley, a retired Goldman Sachs partner and one of the board's most active members. "We have now taken ownership of St. Aloysius and are responsible for making the school succeed." Among the 15-member board's new responsibilities: setting the budget, selecting a president and CEO for the school, and hiring its two principals—one for the elementary grades and one for middle school. Buckley is typical of the many board members who, after successful careers in business, academia, or the law, volunteered their talents to St. Aloysius because of their commitment to Catholic education. He arrived as a math tutor in 1998 and still shows up at the school three days a week to work with remedial students. "The Jesuits sent me up to St. Aloysius, and I could see how this school positively changes the neighborhood," says Buckley. "We save kids from getting pregnant, going on welfare, or becoming drug runners. We make it possible for any child to achieve their potential."

The school's challenges aren't only financial; it also faces handicaps in teacher quality and recruitment. Until it expires, the archdiocese's current labor contract with the Federation of Catholic Teachers continues to apply to St. Aloysius. Like the one in the public schools, the contract carries onerous seniority provisions; for example, it requires St. Aloysius to give preference in filling staff vacancies to tenured teachers from recently closed Catholic schools. The contract also locks into place a glaringly noncompetitive teacher-salary schedule. St. Aloysius's teachers start at $38,000 and reach a maximum of $57,000 after 18 years of service; each of the school's two principals earns less than $70,000. By contrast, a first-year teacher's salary in the public schools is $44,000 and reaches $100,000 after 22 years; principals now earn over $130,000; and some charter schools pay even more than that. Not surprisingly, then, many of the Harlem charter schools receive hundreds of job applications from bright young graduates of elite colleges, recruited by the Teach for America program. Catholic schools like St. Aloysius find it hard to compete.

"Recognizing that inner-city children need extra time on task, the school offers after-school tutoring for the early grades."

Given these financial and contractual restrictions, what accounts for St. Aloysius's muscular academic performance? One factor is doubtless a time-intensive and hands-on education program. Recognizing that inner-city children need extra time on task, the school offers after-school tutoring for the early grades, and it extends the school day for students in grades six through eight until 5 PM. Middle school students must attend a four-week summer session followed by a two-week summer camp. St. Aloysius also offers intense guidance services to help eighth-graders apply to high schools, particularly to the city's more selective Jesuit schools, and it provides tuition aid for needy graduates, who repay it by returning and doing volunteer work with the younger children.

Another reason for St. Aloysius's success, school officials say, is that it educates boys and girls separately beginning in the sixth grade,

with the boys' classes held in a few rooms at another Catholic school a few blocks away. This requires hiring three or four extra teachers and thus adds to costs, but the educators believe that it helps maintain discipline and a focus on academics during the risky preteen years and the transition to high school.

It doesn't take long, though, for a visitor to discover St. Aloysius's most powerful asset: the rich content of its classroom instruction. St. Aloysius exemplifies the old-fashioned notion that school is a place where children learn about our civilization's shared knowledge and values and where teachers remain the undisputed authorities in the classroom, imparting that knowledge and those values through a coherent grade-by-grade curriculum. This traditional approach has stood the test of time and is still proving itself today in many inner-city Catholic schools, in the "no excuses" charter schools operated by the Knowledge Is Power Program (KIPP), in schools that have adopted E. D. Hirsch's Core Knowledge curriculum, and, to some extent, even in run-of-the-mill Massachusetts public schools that adhere to that state's back-to-basics curriculum reforms (see "E. D. Hirsch's Curriculum for Democracy," Autumn 2009).

In the third-grade reading class I recently dropped in on, students sat at individual desks facing their teacher, Lauren Carfora, a 25-year-old who holds a master's degree in education from Boston College. The children receive two intense 45-minute reading lessons each day. In her first lesson, Carfora skillfully focused on the decoding skills and phonetic exercises that should continue through the third grade, according to the best reading research. Her second lesson emphasized close reading of a literary text to build comprehension and content knowledge. She guided the students through the narrative structure of the assigned story, the relationship of the characters, and the author's use of literary technique, simultaneously expanding the students' vocabulary and background knowledge. Barely a moment of distraction occurred during those 90 minutes of teacher-centered instruction. The classroom calm allowed Carfora to cover a great amount of substantive material efficiently.

Carfora's reading class runs against the grain of the dominant practices in the nation's education schools. If a professor from Columbia University's Teachers College, New York's leading teacher-training institution, had observed Carfora's class, she almost certainly would have been horrified to see the children sitting still and paying attention to the teacher. Carfora might have found herself admonished for being a "sage on the stage" rather than a "guide on the side"—a motto used in ed-school classes these days. The Teachers College approach to teaching reading and writing in the early grades, called "balanced literacy," wants children to acquire language "naturally," spell inventively, work in groups, and "edit" one another's writing—all with minimal direction by the teacher. Children are innately curious, the theory goes, so the teacher's role is to encourage them to become "critical thinkers," rather than force them to recall facts learned through rote "drill-and-kill" exercises.

Despite the absence of any research proving that this approach works for disadvantaged children, the New York City Department of Education has awarded contracts worth over $15 million to Teachers College to bring "balanced literacy" to the public schools over the past eight years. The approach remains the norm in many of those Harlem elementary schools in which barely one in four children achieved proficiency in the state's 2010 fourth-grade reading tests.

What is perhaps most gratifying about St. Aloysius's performance in the state tests is that the school doesn't focus on them. Inner-city public schools are now under intense pressure to produce higher test results, so many have made test-taking skills the centerpiece of classroom instruction. The test scores may rise, but the children are not necessarily learning what matters most. At St. Aloysius, there are no teacher bonuses tied to testing, students receive no special recognition for high scores, and very little test prep takes place. Though Carole Martino, the 28-year-old lower school principal, is aware of the importance of test scores to the school's reputation, she tells me that "at St. Aloysius, we are not willing to sacrifice any of the other learning experiences provided to the children just for the sake of the test."

St. Aloysius is trying to overcome its financial challenges with a new, entrepreneurial spirit.

The St. Aloysius parents I spoke with unanimously identified the school's strong academic focus and sense of order as the main reasons they were willing to take on tuition bills rather than settling for a free public school. "It's St. Aloysius's philosophy of education that's most important to me," says Steven Richardson, an employee of the New York Police Department and a non-Catholic. Richardson has two children in the school and qualifies for only a small discount from the official tuition. "It's more than worth it to me," he says. "My children come home and they get right to their homework. They have developed a love for learning that comes from their dedicated teachers and also a sense of responsibility and independence to do the hard work."

St. Aloysius's classroom instruction is fortified by the school's moral tone, which manifests a shared spiritual mission that begins anew every morning at 8 AM, when students and teachers gather in the basement cafeteria for a reading from Scripture and a homily intended as inspiration for the day's work. Not everyone at St. Aloysius teaches as well as Lauren Carfora, needless to say. But the hiring handicap posed by financial and contractual limitations is partly offset by the fact that every staff member embraces the school's mission. In such a small, purpose-driven community, it is unlikely that any teacher can coast. With teachers and administrators following the same rich, organized school curriculum, moreover, there are limits to the damage that a weaker teacher might cause.

I was able to appreciate the power of that mission-driven culture when I attended one of St. Aloysius's Friday afternoon staff meetings. The teachers and the principals were working on revising a statement of core principles for the school, derived from Jesuit education doctrines, called "The Graduate at Graduation." The purpose of the document is to remind St. Aloysius teachers in every grade of the character traits and intellectual qualities that they should develop in their students before graduation. Teachers discussed the "competencies" that graduates should exhibit in areas like intellectual growth, commitment to social justice (as defined by the Gospels, not by Teachers College), openness

to others, and religious knowledge. As several teachers made clear, the underlying premise of the document was to nurture good "Christian behavior" in the children. At one point, several teachers brought up the Jesuit ideal of becoming "men and women for others" and how that might translate into specific guidelines for classroom instruction. There then ensued a wide-ranging conversation about the meaning of generosity in students' everyday behavior.

I listened to the conversation with amazement and thought about how unlikely this would have been in any public school. The constitutional prohibitions against religion-based activities in tax-supported institutions wouldn't be the only obstacle; another would be the entirely self-imposed taboo against encouraging such virtues and practices as sexual restraint, hard work, and charity. At St. Aloysius, I heard ordinary elementary school educators get to the heart of what it means to be fully educated, as well as how their school might be able to mold young people into responsible citizens of a diverse democracy.

How much is it worth to New York to retain schools that are dealing with questions so essential to our society? It is painfully obvious that without a rescue effort, the number of Catholic schools in neighborhoods like Harlem will continue to shrink. The money certainly exists to mount such a rescue; for years, this glittering city has been awash in private philanthropic and foundation funds—hundreds of millions and perhaps billions of dollars—spent on an assortment of education-reform schemes, including charter schools, the creation of small public high schools, and bonuses for teachers and administrators.

There remains a fundamental imbalance in these charitable efforts when a school that creates such effective classrooms for disadvantaged children, and that also builds character and personal responsibility in its students, still has to worry about where next year's dollars will come from. Because the government has washed its hands of the problem, the future of schools like St. Aloysius has become an inescapable moral challenge confronting the city's education-philanthropy community.

Making Urban Catholic Schools Viable: Here's How

Patrick J. McCloskey

Catholic schools, particularly those serving the children of the poor, have been hemorrhaging students for 40 years. As a result, half of the nation's Catholic schools have closed—and enrollment losses continue to outpace shutterings, imperiling most of the remaining schools. We risk seeing the whole system collapse, perhaps leaving behind some elite schools in affluent areas and a few in disadvantaged ones.

The public should be deeply worried about that scenario. As research since the 1980s has shown, Catholic schools do a stellar job of educating the urban poor; in New York City, for instance, parochial students consistently outscore their public school counterparts on city and state tests. Most remarkably, the more disadvantaged the students, the better they perform relative to their public school peers. In New York's inner-city Catholic high schools, over 80 percent of disadvantaged minority students graduate on time, almost doubling the public school rate. The schools accomplish all this despite spending just $10,000 per high schooler—a far cry from the New York public schools' $21,500. Should the Catholic schools collapse, taxpayers would be liable for the consequences: the cost of educating New York State's Catholic school students in the public system, estimates Archbishop Timothy Dolan, would be more than $3 billion per year. Nationwide, the cost would exceed $20 billion, according to the National Catholic Educational Association.

In recent years, urban dioceses across the country—for example, in Boston, Los Angeles, and Washington, D.C.—have belatedly concocted strategic plans, trying desperately to reverse the downward spiral. Others, such as Chicago's, are beginning the planning process. But the most ambitious of all the efforts to date is Pathways to Excellence, which the Archdiocese of New York unveiled last October. The reforms that Pathways will execute—coupled with

several that it hasn't proposed—might just manage to save New York's vital Catholic schools.

Beginning in the 1970s, the cost of Catholic education increased sharply as the teaching religious orders withdrew and were replaced by lay teachers and administrators. The parishes running the schools hoped to recoup these rising costs through tuition. But this turned out to be shortsighted because around the same time, suburbanization was relocating two-thirds of Catholics away from the neighborhoods where two-thirds of Catholic schools remained. Moving into these areas were poorer families, mostly African-American and Hispanic. Few could afford tuition, which now averages $3,500 for elementary school and $7,500 for high school in New York—well below the actual cost of educating each student.

> **"In New York's inner-city Catholic high schools, over 80 percent of disadvantaged minority students graduate on time."**

Pathways' most radical component is its proposal to replace this parish-run, tuition-dependent model with what it calls "regionalization." Parochial schools will be divided into five or more geographic regions, each governed by an archdiocese-supervised board of education. The costs of running the schools will be spread among all 2.5 million Catholics in the archdiocese, even in parishes that don't have schools. This is a controversial approach. Though regionalization relieves pastors of onerous administrative and financial responsibilities, many initially resisted ceding meaningful control of their schools. And though Dolan orchestrated considerable buy-in among affluent parishes, Pathways did bow to the wishes of some by allowing those still capable of supporting their own schools to opt out of regionalization.

With regionalization comes rationalization, which constitutes much of Pathways' content. For instance, the schools' bookkeeping and budgeting processes will be standardized and overseen by the archdiocese, rather than by each parish separately—a process that led to inefficient, idiosyncratic management procedures in the past. To improve leadership, the archdiocese has established a "principal academy" to train teachers interested in becoming administrators. Some of Pathways' advisors also recommended consolidating various management functions, such as procurement, estimating that the move could save tens of millions of dollars a year, but that recommendation wasn't adopted in the strategic plan. Even greater savings could be possible in the coming years, however, as Apollo Philanthropy Partners and the National Leadership Roundtable on Church Management (NLRCM) launch a *national* procurement initiative, using the immense purchasing power of the entire American Catholic Church. Once that happens, schools will certainly get better prices for office supplies, equipment, energy, and insurance.

Pathways will also speak with pastors about directing proceeds from the sale and lease of Church property into an archdiocese-wide education fund. Last year, for example, a charter school began renting a former parochial school building for several hundred thousand dollars per year. New York archdiocese superintendent Timothy McNiff will negotiate for a portion of such revenue, which otherwise would go entirely to the parish renting out the building, to be invested in the archdiocese's schools. (It's worth adding that Geoffrey Boisi, the founding chair of NLRCM, will launch a national investment fund for all Catholic entities later this year. By pooling resources, this fund will be large enough to attract highly talented financial managers; the hope is that it will eventually earn on par with top endowment funds, such as those run by Ivy League schools.)

It remains to be seen whether Pathways will encourage major donors, who have invested

Committed educators like Carole Martino are a key to Catholic schools' success.

hundreds of millions of dollars over the last 20 years, to keep supporting the system. "Funders have been calling for a long time for a financial plan," says Jane O'Connell, a member of Pathways' planning committee and president of the Altman Foundation, which has made major donations to archdiocese schools. (In fact, some funders threatened to withhold their donations until Pathways was implemented.) "Now donors will wait to see whether Pathways is rolled out in an intelligent, orderly manner. If it's working, they will want to invest." But it may not be easy convincing them. About 10 percent of the archdiocese's schools are being shuttered this June. Though the closings are part of Pathways' strategy, some Catholic supporters may see them as a sign of deepening crisis, rather than as a pruning necessary to rejuvenation.

One way to nudge donors into opening their wallets: increased financial transparency for the archdiocese. Though most ethnic white Catholics would agree that the Church should uplift today's poor, just as it once did their families, few parishioners will bump up donations without knowing where their money is going. It's no secret that the Archdiocese of New York has a sizable investment portfolio and tens of billions of dollars' worth of real-estate holdings. For the archdiocese to plead poverty and request extraordinary support, at minimum it needs to make its complete balance sheet available to major donors and advisors.

Another way to boost donations is to professionalize fund-raising. Recently, an organization called the Catholic Alumni Partnership (CAP) found that over 80 percent of the alumni of Catholic elementary schools whom it was able to locate were interested in making donations—even though many hadn't heard from their schools in decades. CAP has already raised over $2.3 million for 300 schools in eight dioceses, including 50 schools in the New York archdiocese. Because of economies of scale, the organization provides the most cost-effective method available to build alumni databases and conduct wealth screening, both essential components of any fund-raising effort. If the archdiocese were to contract fund-raising for its other 164 elementary schools to CAP, it might well see outstanding results. In fact, the timing for a sophisticated

planned-giving campaign is perfect, since large numbers of baby boomers are beginning to retire, with an asset pool valued in the trillions of dollars.

New York's archdiocese should take a hard look at a promising new way to raise funds. Most states, including many with large numbers of Catholic schools, prevent faith-based schools from accessing low-cost tax-exempt financing, which would otherwise produce tremendous savings. But in early December, a public authority in Colorado began allowing tax-exempt bonds to be issued for Catholic schools and colleges across the country. Such bonds can now fund construction, badly needed repairs and renovations, and new equipment, as well as refinance existing loans. The Archdiocese of New York might arrange for bond issues (totaling $1 billion, say) to fund capital projects, upgrades to academic programs, and recruiting, training, and retaining the most talented teachers and administrators. It could secure the bonds by offering property—of which it has plenty—as collateral. In fact, Dolan has frequently quoted a dictum of his nineteenth-century predecessor, John Hughes: "The school is more necessary than the church." The money could be repaid through a professional planned-giving campaign and an appeal to the entire Catholic community. Jim Lundholm-Eades, director of parish services and planning for the Archdiocese of St. Paul and Minneapolis, points out that total operating deficits for schools in a diocese often amount to just 10 percent of parish contributions in that diocese. "Even a small proportional increase would make a significant difference," he says.

The archdiocese might also imitate some of the innovative approaches that other dioceses are trying. For example, the Diocese of Paterson, New Jersey, has received many requests to accept affluent students from China, Japan, and South Korea, whose parents believe that a high-quality Catholic education will open doors to top universities. In response, the diocese's superintendent is hiring an overseas agent to recruit students, who will pay enough in tuition to underwrite an equal number of poor local children. The international students will be housed in former convents. The diocese also plans to pursue top talent by offering teachers inexpensive housing—again, in Church-owned buildings—to supplement their salaries.

One recommendation considered for Pathways but not included was to increase average class size by a few students. Examining the archdiocese's higher-performing schools, Pathways advisors were surprised to find that in many, the average class size was 28 to 30 students—six to eight students above the system's average. Bigger classes would help schools balance their budgets. And bigger classes would create a smaller disciplinary problem at Catholic schools than at public ones, since Catholic schools are famously tough on discipline.

"A study shows that when a Catholic elementary school closes, disorder in the surrounding neighborhood increases."

A recent University of Notre Dame study shows that when a Catholic elementary school closes, disorder in the surrounding neighborhood increases—not a surprise, when you consider how well Catholic schools have taught disadvantaged students for decades. Recognizing this correspondence, the city council president of Yonkers, New York, recently suggested public subsidies for the three parochial schools in his municipality that are on the archdiocese's closure list.

But because no city is likely to embrace that solution, Catholic educators must look to strategic plans and other financial solutions. The crisis is at its peak: nationwide, more than 1,600 Catholic elementary and secondary schools have closed over the last two decades, mostly in urban neighborhoods. Whether that trend accelerates or reverses will depend on the effectiveness of plans like Pathways. ■