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Will Bay Area's private high schools survive? One has already closed

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Joe Oberting brought deep connections to Napa's St. John the Baptist Catholic School when he became its principal two years ago. His three children went to school there, and his family has attended church at St. John for more than 20 years.

Oberting knew the school, in operation since 1912, had struggled with declining enrollment. But things were improving — until the coronavirus pandemic hit in mid-March. Soon thereafter, as county officials talked of extended shelter-in-place orders, Oberting confided to one colleague, "This is going to kill us."

And that's what happened.

St. John school closed permanently this week, ending 108 years of providing Catholic education to a diverse range of families. The pandemic delivered the final blow, squashing fundraising and new enrollment and wiping out a \$100,000 parish subsidy.

The closure reflects a wider nationwide trend of private schools struggling to survive the crisis. Across the country, 51 schools have announced they will close — per the Cato Institute, a libertarian public policy organization in Washington, D.C. — but that number could rise significantly this summer.

At least 100 Catholic schools are not expected to reopen in the fall, according to Kathy Mears, interim president and CEO of the National Catholic Education Association. Many of those schools, much like St. John in Napa, served middle-class and poor families, Mears said.

"I'm very concerned," she wrote in an e-mail exchange with The Chronicle. "It will be a loss for the entire nation if we cannot be an educational option for parents. No one wants our schools to only serve the wealthy."

These financial difficulties for private education come at a time when <u>public schools</u> are enduring severe budget cuts amid the pandemic. And all schools, to reopen campuses this fall, face increased costs to meet stringent safety protocols.

Private schools are in an especially precarious spot, education analyst Neal McCluskey said, because they are tuition-dependent and rely on discretionary spending. McCluskey, who works at the Cato Institute, pointed to the 2008-09 recession — which punctuated a six-year stretch in which nearly 4,200 private schools closed (about 12% of the national total).

Total private school enrollment (K-12) plunged to less than 5.3 million nationally in 2011, down from 6.3 million a decade earlier. That total has since climbed back to about 5.7 million, but McCluskey expects another significant drop in the wake of more school closures this summer.

"I think we're really just seeing the beginning," he said, "and I fear it's going to be much worse."

Private schools find themselves in an ongoing tussle over <u>Cares Act grants</u>, and to what extent they should receive federal funds for coronavirus relief. In California and many other states, state constitutions prohibit public money going to religious schools.

At St. John in Napa — where nearly 75% of the student body is Hispanic and many receive aid through the BASIC Fund, a Bay Area scholarship program for low-income families — the pandemic made a dent in various ways. The kindergarten-through-eighth-grade school shut down a basketball tournament and canceled a St. Patrick's Day dinner and silent auction, among other scrapped fundraising events. The cancellation of parish Masses, required by county mandates, erased the \$100,000 subsidy.

New registration also screeched to a halt, with few families willing to commit to the \$5,200 annual tuition. Enrollment was 100 students this year, and only 76 were registered for 2020-21; St. John needed to reach 125 to make it work, by Oberting's estimate.

The avalanche of bad financial news led him to a wrenching realization: It was better to make the decision early, so families could find new schools and teachers could find new jobs. St. John announced its closure April 28.

Tuesday was the final day of the spring term, including a bittersweet drive-through parade at the school.

"I knew this could happen when I took the job," Oberting said of closing, "but it was excruciating."

Laura Oropeza, whose daughter Sofia (sixth grade) and son Ricardo (fourth grade) attended St. John, described herself as shocked and upset by the closure. She was aware of the school's financial issues and perpetual fundraising, but her family had grown attached to the small class sizes and family atmosphere.

"It's a special place to us for a lot of different reasons," Oropeza said. "It's a community church and community school. ... It's home, and home is being taken away from us."

The decision also was sobering for Linda Norman, superintendent of Catholic schools for the Diocese of Santa Rosa. St. John is run by the parish, but Norman provided support and collaboration in her role.

She cited the impact on the school's finances of losing Sunday Mass, saying, "We Catholics are used to giving money in a basket." Norman, taking a wider view of the challenges for private schools, also wondered about the transition to distance learning. She said a survey in Central California, for example, found 30% of families in one diocese were unlikely to return to school if classes remained online.

Parents willing to pay private-school tuition for the traditional campus experience might be reluctant, or unable, to foot the bill for another year online.

"It goes back to families struggling," Norman said. "When families are struggling, our schools are struggling, because we're tuition-based. The whole structure and support for these ministries is on the people we service."

San Francisco Catholic schools are not immune to financial problems, even pre-pandemic. Mercy High, an all-girls Catholic high school founded in 1952, announced in January that it would close this month because of declining enrollment, lack of a significant endowment and rising operating expenses.

Riordan High, previously an all-boys school, soon decided to become coed and accept students from Mercy. Riordan president Andrew Currier expects enrollment to increase to about 800 in the fall (up from 658 this spring), a 30-year high.

Most of the 90 schools operated by the Archdiocese of San Francisco are in a good position to weather the pandemic, according to superintendent Pamela Lyons. The diocese provided \$1 million in tuition assistance to help families that lost jobs because of the crisis.

Lyons is optimistic about reviving in-person instruction this fall, but she acknowledged the rampant uncertainty of navigating COVID-19.

"Individual donors have helped us get through this year," Lyons said. "I don't know what next year will look like, as we ask for larger gifts."

And if public-health concerns prevent campuses from reopening?

"Another year of distance learning could be devastating for public and private schools," she added.

That reality already hit schools such as Junipero Serra in Carmel, which announced May 8 that it will close after 75 years. The coronavirus pandemic was the last straw, much like at St. John in Napa.

Oberting, the St. John principal, knows more closures would mean more students moving into the public-school system at a tenuous time.

"I am worried, whether it's Catholic or Lutheran or other private schools," he said. "It's quite tough right now across the country."