

EDUCATION WEEK

Catholic Schools Feeling Squeeze from Charters

Sean Cavanagh, August 29, 2012, Bethesda, Md.

The nation's Roman Catholic schools have labored for decades under increasingly adverse economic and demographic conditions, which have undermined their finances and sapped their enrollment. Today, researchers and supporters say those schools face one of their most complex challenges yet: the continued growth of charter schools.

Since they first opened two decades ago, charter schools have emerged as competitors to Catholic schools for reasons connected to school systems' missions, their academic models, and the populations they serve.

Charter schools, which as public schools are free of tuition, have their strongest presence in urban centers, traditional strongholds of Catholic education. Many charter schools tout attributes similar to those offered by the church's schools, such as disciplined environments, an emphasis on personal responsibility and character development, and distinctive instructional and curricular approaches.

Those competitive pressures are coming into new focus with the release of research and analysis that attempts to quantify the extent to which Catholic schools' enrollment is slipping as a result of charter school growth--and seeks to offer strategies for how the church's schools might rebound.

"Catholic schools cannot compete with charter schools that look like them, and have a longer school day, and school uniforms--and which are free," said Abraham M. Lackman, a scholar-in-residence at the Albany Law School, in Albany, N.Y., and the author of a forthcoming paper on the shift of students from Catholic schools to charters. As political support for charters grows and their enrollment expands, the number of Catholic schools will fall, he predicted, and "we have to decide whether that's good public policy or not."

Dueling Trends

Since the nation's first charter school opened in Minnesota in 1992, the number of those independently managed public schools has risen steadily. Today, some 5,600 charter schools, serving about 2 million students, operate in 41 states and the District of Columbia.

Meanwhile, the number of students in Catholic schools has fallen. Since 2000, 1,942 Catholic schools around the country have shut their doors, and enrollment has dropped by 621,583 students, to just over 2 million today, according to the

National Catholic Educational Association. If that decline continues, charter enrollment will surpass that of Catholic schools for the first time this academic year, according to Sean Kennedy, a visiting fellow at the Lexington Institute, a think tank in Arlington, Va., who has examined the two systems.

As Mr. Lackman and others acknowledge, Catholic schools' financial struggles began well before the rise of charter schools.

Many of those woes can be traced to the exodus of middle-income families from the cities, Mr. Lackman noted. Catholic schools' finances were also hurt by the costs associated with their increased use of lay teachers and other staff members, a trend that greatly accelerated after the 1960s, he added, and a steep drop in the number of nuns, who had been the mainstay of the teaching force.

Mr. Lackman concludes that charter school growth is having a similarly broad, and deleterious, effect on Catholic schools. In a paper scheduled to be published by the Albany Government Law Review this fall, he examines enrollment patterns in New York state and concludes that 30 percent of the recent decline in K-8 Catholic school enrollment in the state can be attributed to students leaving for charter schools, compared with 42 percent migrating to regular public schools and 28 percent leaving because of broader demographic trends. In some New York cities, such as Albany, the impact of charters has been especially pronounced, he concludes. Albany's Catholic school enrollment plummeted by 64 percent from 2000 to 2010, a much steeper decline than has occurred statewide. The number of charter schools, which he says now serve 2,400 students in the city, has steadily grown.

One school that may have been swept under by those currents was St. Casimir, a Catholic school that opened in 1897 with 18 students, and shut its doors in 2009.

For years, the school's enrollment held fairly steady, with 175 to 200 students, though it also struggled financially, recalled Jim Leveskas, the school's former principal. But over its last few years of existence, financial pressures mounted, some of them caused by competition from nearby charters, and St. Casimir's enrollment dropped below 125 students, at which point the school could no longer stay open.

The school's closing saddened Ronnie Nicholson, whose daughter attended St. Casimir. Mr. Nicholson isn't Catholic, but he said the school's overall emphasis on religious instruction appealed to him, as did its small scale.

His daughter, now 14, later attended an Albany charter school, and now attends a regular public one.

"It was family-oriented," Mr. Nicholson said of the Catholic school. "You could get

answers to your questions. You could talk to the principal, or the people at the front desk. ... I cried when they closed that school."

Impact on Public Sector?

Catholic schools' troubles also bring a financial toll for the public sector, some say. By Mr. Lackman's calculation, about 18,000 students across New York have moved from Catholic to charter schools. As a result, students once educated on the private sector's tab now cost the public sector \$320 million a year, he estimates.

Another analysis, scheduled for release this week by the Cato Institute, a Washington think tank, examines nationwide data and concludes that in most urban districts, charters draw about 10 percent of their elementary school enrollment from Catholic schools. Charter schools take a larger portion of students, 18 percent, from nonreligious schools. But because Catholic schools represent a relatively large share of the overall private school population, even the departure of a relatively small percentage of students from the Catholic system can have a big impact, Richard Buddin, the study's author, said in an interview.

Those student migrations could carry big costs for the public. A paper Cato published along with Mr. Buddin's study puts the yearly, national price tag of students moving to the charter school sector at \$1.8 billion.

Mr. Lackman served as a top legislative aide in New York during the 1990s, when state lawmakers allowed for the creation of charter schools, an effort he supported. The financial implications for taxpayers of students' migration to charters was largely overlooked during those legislative discussions, he said.

"In hindsight, we all missed it," Mr. Lackman said.

But Bill Phillips, the president of the New York Charter Schools Association, suggested that estimates of the financial costs of the Catholic-to-charter shift are exaggerated.

Mr. Lackman's premise assumes that if charter schools did not exist, Catholic school students would have stayed in those schools, rather than leaving for regular public schools--a decision that many students were making before charters came into being, and continue to make today, Mr. Phillips said.

It's clear that charters are putting pressure on Catholic schools, Mr. Phillips said. In fact, he is convinced that Catholic and other private schools' difficulties are a concern for both the charters and regular public school sectors, which he said benefit from private-sector competition and innovation.

"It's not a good thing for us to have that sector not be vibrant," Mr. Phillips said of Catholic education.

Some supporters of school choice, and Catholic school officials, believe that the church's schools will benefit from the growth of private-school-voucher programs, which have become more popular in recent years, particularly in Republican-led state governments.

While many tuition-voucher programs have been limited to low-income and special-needs students, a few states, such as Indiana and Louisiana, have laid the foundation for larger-scale voucher programs, which reach some middleclass families and offer relatively large amounts of taxpayer funds for private school costs.

Those ambitious programs have the potential to help Catholic schools, said Robert Enlow, president and chief executive officer of the Friedman Foundation for Educational Choice, an Indianapolis group that backs vouchers.

"We need to create a level playing field," said Mr. Enlow. If state vouchers are too small to cover a significant chunk of private school costs, he argued, more families are likely to turn to the free alternative to regular public schools--charter schools.

But with heftier vouchers, "the private school option becomes more attractive," he said.

In Washington, church leaders took a dramatic step in response to the financial pressures on schools. The Archdiocese of Washington five years ago approved the conversion of several Catholic schools to charter schools, a move designed to keep them open, and financially viable. ("Former D.C. Catholic Schools Start New Life as Charters," Sept. 10, 2008.)

Vouchers' Role

In those two states, the impact of relatively new voucher expansions on the Catholic schools landscape remains unclear.

In Indiana, Catholic school enrollment, which hovers at around 55,000, has increased slightly since the state's voucher law was enacted last year, said Glenn Tebbe, the executive director of the Indiana Catholic Conference, the public-policy voice of the church in that state.

In Louisiana, where Republican Gov. Bobby Jindal signed a sweeping voucher measure into law this year, about 3,600 of the 5,600 students awarded vouchers through the program so far are in Catholic schools, and 69 of 119 participating schools are affiliated with the church, state officials say.

But others warn that Catholic schools should not count on vouchers coming the rescue.

Catholic schools cannot take for granted continued political support for vouchers, which varies from state to state and election to election--or assume that voucher amounts will match those schools' increases in tuition, said Mr. Kennedy of the Lexington Institute, who supports vouchers.

Relying on state voucher policies amounts to "putting Catholic schools' future in the hands of state bureaucrats," Mr. Kennedy said. If political conditions shift in individual states, many Catholic schools, he said, will "still have an unsustainable business model, without political support."

In a report released this month, Mr. Kennedy argues that Catholic schools need to do far more to improve their use of technology and data if they are going to compete with, and learn from, the experiences of charter schools. Making those improvements, he says, could reduce costs and help them customize lessons for students' needs. Improved use of data will make Catholic schools more accountable, and help them engage parents and explain schools' academic goals and expectations, he says.

Karen M. Ristau, the president of the National Catholic Educational Association, based in Arlington, Va., said many of the church's schools already use sophisticated instructional tools and methods and aggressive marketing strategies. Some of charter schools' advantages, she believes, stem from extensive corporate and philanthropic support.

As more Catholic schools embrace academic innovations, and benefit from growth of private school choice, their enrollment will rebound, she predicted.

Families who "want a full education," Ms. Ristau said, "with a faith dimension, they'll choose us."