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The Anchor School: A Rationale for Catholic Education in the Archdiocese of Chicago Through an Historical Review of the Financial Status of Nine Parishes of the Archdiocese of Chicago Before and After Consolidation

Dennis M. Composto
Loyola University Chicago

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LOYOLA UNIVERSITY CHICAGO

THE ANCHOR SCHOOL:

A RATIONALE FOR CATHOLIC EDUCATION IN THE
ARCHDIOCESE OF CHICAGO

THROUGH

AN HISTORICAL REVIEW OF THE FINANCIAL
STATUS OF NINE PARISHES OF THE ARCHDIOCESE OF
CHICAGO BEFORE AND AFTER CONSOLIDATION

VOLUME I (CHAPTERS I TO III)

A DISSERTATION SUBMITTED TO

THE FACULTY OF THE GRADUATE SCHOOL

IN CANDIDACY FOR THE DEGREE OF

DOCTOR OF PHILOSOPHY

DEPARTMENT OF EDUCATIONAL LEADERSHIP

AND POLICY STUDIES

BY

DENNIS M. COMPOSTO

CHICAGO, ILLINOIS

MAY 1996

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Finally, the author could not have completed this work without the understanding of his family and friends, especially his wife, Marie. It is with great appreciation that he dedicates to them this dissertation.

To my wife, Marie,
my sons, Dennis and Steve,
and my deceased parents and brother,
Clare, Mario, and Donald

The Catholic Church in the United States is going through a time of profound change. We believe this change is one of growth, and its basic movement has been inspired by the Holy Spirit...These changes will not be easy, and there will be occasional weariness and discouragement. Moreover, serious financial problems, caused in no small measure by the mounting expense of education confront the Church...We do not wish to gloss over the schools' financial difficulties or to propose facile solutions to complex problems...We therefore acknowledge the immediate need for more research to evaluate our present endeavors, to project our future responsibilities, and to make a thorough inventory of our resources in personnel and finance. In this research, we will be eager to have assistance from the orders of religious men and women, and from the laity and their priests, who surely have a right to voice in all future plans for Catholic schools.

Statement on Catholic Schools

A Statement Issued by the National
Conference of Catholic Bishops

November 16, 1967

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CHAPTER I

INTRODUCTION

Much has been written about the financial crisis in the Catholic educational system. Friends and foes alike realize that a new sense of direction is needed. Remedies for current ills and programs for the future have been proposed and carefully analyzed. Yet as the crisis deepens, there appears to be no general educational policy to serve as a frame of reference. This dissertation will establish a basic reference point for educational decisions, focusing on the anchoring or consolidation of formal Catholic schooling.

The term formal Catholic schooling will also be used. It has a twofold connotation: First, it signifies an element within the general framework of Catholic education; second, the term emphasizes total independence from parish-based education. (Parishes are involved inasmuch as they are geographically located within the merged school areas.) The decision to merge school units will be facilitated upon the recognition and acceptance of the economic facts set out in this paper; however, caution should be taken when generalizations are made so that they apply to representative samples; i.e., those parishes whose financial status is somewhat similar to those in the study.

The financial condition of the Archdiocesan school system has been deteriorating steadily for some time now. This deterioration has implications for individual parishes and the diocese as a whole. Unless substantial change is effected, the Archdiocese faces

financial disaster within a short time.

PURPOSE OF STUDY

Notwithstanding positive statements and projections on the viability of Catholic schools, since the Second Vatican Council, there has been a serious crisis in Catholic educational systems, both nationally and locally.

The shortage of nuns has led to a dramatic increase in the number of lay teachers. Priests and sisters are no longer as confident as they were that the apostolate of Catholic education is a valid vocation. Attendance in such schools has declined, in substantial part at least, because Catholic school construction has almost ceased. There was controversy within the Roman church before 1963 about the existence of a separate Catholic school system, but in the past decades this controversy has risen to a crescendo. Enrollment in elementary schools especially continues to fall.

Some of the decline in elementary school enrollment may be due to changing patterns of family size and child spacing. Some of it is also the result of the disinclination of bishops and school administrators to replace the inner-city schools. Most of the decline, however, can be attributed to increased costs represented by both individual family contributions and parish subsidies to the geographically defined parish school.

In summary, then, during the past decades, the Roman Catholic Church has undergone an extraordinarily profound and pervasive change. The Catholic population has changed its economic and social status, and parochial schools are financially hard pressed to continue to provide quality educational services.

It does not make sense to cling to a parish structure which, so far as educational financing is concerned, is anachronistic. Theorists may continue to argue among themselves as to whether or not the old-style geographical parish is "dead"; but whether it is or is not, the parish as an economic unit more and more simply does not make sense. The financing of Catholic education demands that funds (and personnel) be able to flow freely across parish boundaries. Central financing, professionally administered, is essential; so is central purchasing; so is long-range planning, regional and diocesan.

This dissertation will serve as an assessment and implementation tool for the Archdiocese of Chicago as it embarks on addressing these problems by anchoring (consolidating) Catholic schools throughout the local metropolitan communities of the diocese. With the aid of reliable financial data herein presented, the economic benefits of this model will become apparent.

Of the several reasons that can be cited for the limitations on reliable financial data, one is the decentralized character of the Catholic school system, which in many places is hardly even a "system" but rather a loose grouping of isolated, semi-autonomous institutions.

One thing known with some certainty about Catholic schools is that, they are basically efficient in their handling of finances. An exhaustive study of school operations in two urban dioceses - one in the Midwest and one on the Pacific Coast - found that in thirty-eight of thirty-nine public school districts Catholic school costs averaged less than 60 per cent of public school costs.¹ Since studies have constantly shown that Catholic school students in most cases do better on standardized tests of academic achievement

than their public school counterparts, it appears that these savings, which could be matched elsewhere in the country, are not achieved at the expense of quality.² (Granted that standardized tests are not the ultimate measure of educational accomplishment, they do nevertheless provide at least a rough comparison between systems, and their testimony is consistently favorable to the Catholic system.) The savings in Catholic schools seem, rather, to be attributable to the dedication of Catholic educators, to frugality in the use of resources, to a willingness to cut corners on nonessential items of plant and equipment, and to the absence of a large, centralized administrative bureaucracy.

But despite evident thrift and relative efficiency in the use of resources, Catholic education remains an expensive proposition, and is becoming more and more expensive. Although they remain substantially below the cost per pupil in public schools - for the reasons mentioned above - the increase has nevertheless brought about a genuine financial crisis in many parishes and dioceses. The fact is that costs per pupil in Catholic schools in recent years have risen faster than price levels in the economy as a whole. Teachers' salaries are probably the largest single factor in this rise; moreover, they can only be expected to account for a larger part of the budget as more and more lay people are added to the Catholic school teaching force, and as they become more militant in pressing their demands for salaries comparable to those paid to teachers in public schools.³

Another way of looking at finances is to see how large a slice of total parish and diocesan expenditures has gone to Catholic education. According to Jim Rojek, Chief Financial Officer for the Archdiocese, the parishes that maintained schools put about 60

per cent of their total expenditures into elementary education. These same parishes - 76 per cent of all the parishes in the diocese - accounted for 85 per cent of parish expenditures when capital items were included. And, on the diocesan level, almost 50 per cent of the operating expenditures for all institutions and activities went into schools.⁴

It is not often acknowledged, and still less often appreciated, that the schools have been enabled to survive up to now thanks in large degree to the contributed services of their teachers. Out of a sense of commitment, religious and lay teachers alike have worked for a fraction - often an astonishingly low fraction - of what was paid to their counterparts in public education. But how long can Catholic education reasonably count on this largesse? As noted, the ratio of religious teachers to lay teachers is declining, and lay teachers are more expensive, even though their decision to teach in Catholic schools generally means a substantial economic sacrifice. Furthermore, even the salaries paid to religious as teachers are rising and, as we have seen, it is being suggested in some quarters that religious be paid on a par with lay colleagues. No doubt Catholic education can expect for some time - perhaps even indefinitely - to benefit from the dedication of its teachers, but it cannot count on doing so to the same degree as in the past. Catholics simply cannot - nor, in equity, should they - expect to preserve their schools by underpaying their teachers. A trained and competent teacher today is an extremely valuable property, and if Catholic schools are to remain competitive in the quality of their offering, they must be prepared to bid for teachers on the open market with salaries very close to those available in public schools. Many schools, indeed, are

already doing so.⁵

Where will the money come from? There is no easy answer to that question. The traditional sources of support for Catholic education have up to now been adequate - if no more than barely so - to the job at hand; it is difficult to believe that they will continue to be adequate in the future. At present the principal sources for maintaining Catholic schools are tuition and fees, the contributed services of teachers, and donations. Tuition and fees, along with donations, place the burden on a particular group of Catholics who in the nature of things are least able to bear it. Uniform tuition and small donations are, it has been pointed out, essentially regressive in that they take proportionately a larger share from those with relatively low incomes than from those with relatively high incomes. It is obvious that for a family with an income of \$25,000, Catholic school tuition costs of, say, \$2,000 per year are a heavier burden as compared with the family who has an income of \$45,000 but for whom tuition costs are the same. Similarly, revenue-raising by parent involvement in - bazaars, breakfasts, dinners and so on - tends to place a heavier burden on the low-income family.

Beyond a doubt, the growing problem of financing Catholic education has meant a renewed interest in other than traditional sources of funding and types of structure.

Most educational planning, Catholic and otherwise, is now being done on the basis of conditions and methods that may already be obsolescent, if not obsolete. This is bad for any school system; in the case of Catholic education, already hard pressed for funds, it should become simply unacceptable procedure.

It is no longer economically feasible to maintain the current geographical parish

model of the Catholic school in the Archdiocese of Chicago. Although there will be continued and intense debate on the issue, the economic facts will show that the parish model as a viable economic unit more and more simply cannot sustain itself. Again, the financing of Catholic education demands that funds (and personnel) be able to flow freely across parish boundaries. Centralization of financing and purchasing is essential; so is long-range planning, regional and diocesan - part of which must include mergers. To show that the anchor school consolidation model fits these criteria is the main purpose of this dissertation.

The amount of costs and subsidy reduction between the anchor school unit and the individual parochial schools prior to consolidation should be considerable. This dissertation will review the years 1990-91, 1991-92, 1992-93, 1993-94, 1994-95 and projected figures for 1995-96. It will show the expenditures and revenues focusing on net deficit reductions by each parish prior to and after consolidation for those schools in the study.

RESEARCH QUESTION

The question this research seeks to answer is whether or not parish finances of the Archdiocese will improve as represented by net deficit reductions as a result of the merger or anchoring of their academic resources and expenses.

CURRENT ARCHDIOCESAN SCHOOL DATA

The first Catholic school in Chicago was founded in 1844. Today, 150 years later, the Archdiocese of Chicago's school system is the ninth-largest school system of any kind, public or private, in the United States, and its Catholic schools are recognized

for their academic excellence and commitment to teaching values.

In a new "Catholic Schools Report Card" announced by the Office of Catholic Education (OCE) on 1/27/95, the following statistics for Catholic elementary schools in Cook and Lake counties were reported:

- 100 percent of the system's eighth grade students go on to high school, with 62 percent of the students enrolling in Catholic high schools;
- the average daily attendance for faculty at Catholic elementary schools is 96 percent;
- the average daily attendance for students at Catholic elementary schools is 95 percent;
- 92 percent of Catholic elementary schools have School Boards;
- 82 percent of parents attend one or more elementary school activity during the school year.

In 1993 there were 359 Catholic schools located throughout Cook and Lake counties, including 309 Catholic elementary schools and 50 Catholic high schools. Total enrollment was 141,925 students, with 107,167 students enrolled in Catholic elementary schools and 34,758 students enrolled in Catholic high schools.

TABLE 1
1993 CATHOLIC ELEMENTARY SCHOOLS
STATUS REPORT

California Achievement CATS Test NCE* Scores Spring '93**

	National NCE	Archdiocese NCE
Reading	50	64
Language	50	69
Mathematics	50	64
Science	50	59
Social Studies	50	68

*Normal Curve Equivalent Scores = Based on an equal interval scale. It is not a percent or a percentile; NCE allows meaningful comparison between different achievement tests and different subject matters within an achievement test battery.

**Scores are an average of grades 3, 5 & 7.

TABLE 1 - CONTINUED
1993 CATHOLIC ELEMENTARY SCHOOLS
STATUS REPORT

	Elementary Schools	Secondary Schools	Totals
Chicago	178	31	209
Cook County	109	17	126
Lake County	22	1	24
	309	50	359
ENROLLMENT			
Chicago	60,891	20,161	81,052
Cook County	38,479	13,174	51,653
Lake County	7,797	1,423	9,220
	107,167	34,758	141,925
STUDENTS BY ETHNICITY & RELIGION			
	Catholic	Non-Catholic	Totals
Native American	176	48	224
Asian	4,256	1,240	5,496
Black Non-Hispanic	6,280	17,681	21,978
Hispanic	21,250	728	21,978
White Non-Hispanic	85,881	4,385	90,266
	117,843	24,082	141,925

TOTAL CATHOLIC SCHOOL EDUCATION COSTS

Parent Contribution (Tuition, Fees & Fund-Raising)	\$158,000,045
Archdiocesan/Parish Costs	56,000,019
Total Education Expenses	\$214,000,064

COMPARATIVE PER PUPIL COSTS

Average Costs	Elementary	Secondary
Cook County Public Schools	\$5,561.45	\$9,594.88
Lake County Public Schools	\$5,212.80	\$8,776.01
Archdiocesan Schools	\$1,923.00	\$4,017.00

Source: Archdiocese of Chicago - Office of Catholic Education, "1993 Financial Status Report," end of fiscal year report on school finances. Archives and Records Center, Archdiocese of Chicago (hereafter AAC), Chicago, IL.

URGENCY OF STUDY

The Financial condition of the Archdiocese of Chicago and its parishes has been deteriorating for a number of years. Measures taken to date to reverse this trend have been too modest in scope and the situation has continued to worsen. It is quite apparent that unless substantial change occurs, the Archdiocese faces financial disaster in a relatively short period of time. With this situation as a background, the Long Range Planning Committee of the Archdiocesan Finance Council recommended a number of actions to the Cardinal.

Initially it was the goal of the Committee to develop a wide range of options for restoring financial stability to the Archdioceses. However, the severity of the financial problems precluded the flexibility to develop such a multiple option strategy. As a result, the Committee developed a balanced package of recommendations.

The report also indicated that unless an intensive effort was undertaken immediately to both organize and implement a management system designed to insure fiscal soundness to the entire system, it was certain that actions as dire as those recently taken in Detroit would be required within several years. That would be a tragedy for the Chicago area and in particular for those people who can least afford to lose their spiritual bases -- the Catholics of the inner city.

These recommendations would require sacrifice by virtually all of the Archdiocese's constituency. These actions would affect parishes, schools, the Pastoral center, and the seminary system.

It was also noted that it is essential that the cost saving measures be addressed

with special vigor. Reasonable cost cuts are always surer than forecasted revenue gains.

The recommendations by the committee included the following items pertaining to the Archdiocesan school system:

- (1) Increase tuition where necessary to insure that all schools in the Archdiocese are raising a minimum of 65% of total school costs through school based revenues, a long-standing but unenforced guideline.
- (2) Close, consolidate or merge a total of 28 parishes and 18 schools that do not meet selected criteria for continued existence.
- (3) A study should be undertaken to determine the feasibility of creating a regional Catholic elementary school system. Such a study must proceed in tandem with the evaluation of the viability of a number of smaller schools.

The Archdiocese of Chicago operates through an extensive network of parishes, schools, and social service programs. The Archdiocese in 1990 included 449 parishes and missions, 343 elementary schools, approximately 2000 distinct buildings and total assets valued at \$1.5 billion. Currently there are 385 parishes and 309 elementary schools.

The Archdiocese manages its business with six implicit "operating" assumptions. In order to put the Archdiocese's financial problems into perspective, it is useful to identify the organizational assumptions which underlie its activities.

- (1) The Archdiocese provides ministerial, educational and social services throughout Cook and Lake counties.
- (2) Philosophically, the Archdiocese is not a loosely affiliated cluster of separate

parishes, but a single Church; and parishes with greater financial resources are responsible to assist those that have fewer resources.

- (3) The Archdiocese provides services to people in the community without regard to religious orientation.
- (4) The Archdiocese operates an extensive network of elementary schools. The schools are a vehicle for the evangelization of students. The costs of the schools are heavily subsidized by both the parishes and the Pastoral Center.
- (5) As a leading diocese in the U.S., the Archdiocese of Chicago operates a major seminary system which services Chicago and many other U.S. dioceses.
- (6) The Archdiocese provides access to capital for its parishes.

These operating assumptions represent an organizational commitment on the part of the Archdiocese to activities which demand tremendous financial resources. The costs to the Archdiocese of operating under these assumptions have grown at such an accelerated rate over the past few years that its revenue base can no longer support these commitments.

OVERVIEW

The Archdiocese of Chicago is a \$481 million operation (1993 revenues) serving millions of people through a wide range of programs and services. The "core" businesses of the Archdiocese are focused in three operating segments which consist of Parishes, Schools and the Pastoral Center.

Total parish revenues, which are generated through weekly contributions, school tuition, and special parish collections, are the most significant source of funds for the

Archdiocese. These revenues help to defray church, school and general parish operating costs. Parish revenues also support services provided by the Pastoral Center, including central administration, employee benefits programs, and various grants to needy parishes. Educational expenses are the largest costs for the Archdiocese.

Parish elementary schools are an integral component of overall parish finances. School revenues are derived primarily from tuition, fees and fund raising activities. Expenses for school activities include salaries, plant maintenance and utilities. School expenditures accounted for just over one-half of the total parish expenses for the Archdiocese in 1993. Of the \$166 million in school related costs, only 55% or \$91.8 million was covered through direct school revenues (tuition and fees). The remainder (\$74.3 million in 1993) was subsidized through parish collections and Pastoral Center grants.

The Archdiocesan Pastoral Center is the central administrative office of the Archdiocese. It supports a variety of programs and offices through revenues generated mainly from assessments charged to the parishes, and the Catholic Cemeteries. Pastoral Center operating expenses consist primarily of grants to parishes (the largest amount ultimately goes to the schools), costs related to staff and administration, centralized employee benefit programs, Archdiocesan special ministry offices and the Archdiocesan seminary system. The Pastoral Center also manages the Archdiocesan Bank, an internal financing vehicle to provide capital for parishes and agencies.

A review of these core businesses illustrates the basic financial problems facing the Archdiocese. The parishes are experiencing large operating losses. As has been the

case for many years, the parish elementary schools are a huge financial drain on the parishes. The deficits of the schools plus the rapidly growing costs of other parish operations now outstrip the slower growing collection revenues of the parishes.

The erosion in the financial results of the parishes is having a direct impact on the financial condition of the Pastoral Center which provides grants to subsidize operating losses at the parishes.

The Table 2 summarizes the operating results for the three core businesses. When reviewing this chart, it is important to note that these are not three distinct financial entities. Rather, they are highly integrated. They are broken out in order to highlight the major financial drains on the Archdiocese. For example, schools are a very major component within parish operations and are the primary cause of losses at the parishes. When school finances are isolated from the other parish activities, the magnitude of the losses in the schools is clearer.

The Archdiocese is experiencing a severe financial deterioration in its two primary core business units, the parishes (which include their schools) and the Pastoral Center (which includes seminaries). Together, these units in 1993 accounted for roughly two-thirds of consolidated Archdiocesan revenues and expenses.

The fundamental element in the financial problems facing the Archdiocese is the rapidly escalating cost of operating its parishes and missions in Cook and Lake counties. Meanwhile, parish revenues, primarily weekly collections, have not increased enough to compensate for expense growth. The result is operating losses for the parishes.

The impact of these losses extends beyond the parishes to the Archdiocesan

TABLE 2
REVENUE & EXPENSE ANALYSIS*
Year Ended June 30, 1993
(\$000s)

	Parishes (inc schools)	Schools Only	Pastoral Center (inc Seminaries)
Revenues	\$293,164	\$ 91,788	\$ 58,942
Expenses	319,493	166,084	79,768
Excess/(Deficit)	\$-26,329	\$-74,296	\$-20,826
Grant Revenues	18,302		
Overall Operating Excess/(Deficit)	\$ -8,027		

*On a gross basis, eliminations have been added back to both revenues and expenses.

Source: Archdiocese of Chicago "1993 Annual Financial Report," end of fiscal year report on diocesan revenues, expenses and account balances, AAC, Chicago, IL.

Pastoral Center. With fewer parishes able to cover their expenses, there has been a substantial increase in demand by the parishes for grants from the Pastoral Center. The cash outflow from the Pastoral Center to provide grant support and to fund other parish activities, however, have depleted all of the operating reserves of the pastoral Center. The Pastoral Center is now entirely dependent upon short-term bank loans to finance its operating deficit.

As a result of the erosion in the financial condition of the parishes and the Pastoral Center, the following circumstances exist:

- (1) The number of parishes which are unable to support themselves financially has increase dramatically; fewer than 35% of the parishes and missions in the Archdiocese of Chicago are operating on a break-even or better basis.

- (2) The Archdiocesan Pastoral Center is a net borrower of funds having exhausted \$50,976,000 of cash and security investments over the past three years.
- (3) The Archdiocesan Bank which finances parishes and agencies is essentially insolvent due to the financial difficulties of a large number of borrowing parishes and the need to use the Bank's excess cash to fund Pastoral Center operating deficits.
- (4) The Archdiocese has a large number of aging buildings which require an extensive amount of investment in restoration and upkeep.
- (5) There is an increasing feeling of frustration on the part of Archdiocesan pastoral leadership who must cope with these problems on a first hand basis.

In order to counter these problems, the Archdiocese must be willing to make some difficult decisions. In fact, unless action is taken immediately, the Archdiocese can expect to face debilitating financial problems in the very near future.⁶

As is quite obvious a major source of the economic instability is due to the financial drain of the Archdiocesan school system, the basic problem which this study is intended to address.

PARISH AND SCHOOL OPERATIONS

The parishes are the most important of the Archdiocese's core businesses. The erosion in the operating margin at the parish level is the key element in the financial difficulties facing the Archdiocese.⁷

Operating losses for the parishes and missions in the Archdiocese have grown dramatically during the past three years, culminating in a \$26.3 million pre-grant

operating deficit for 1993.⁸

Elementary schools have a major impact on the finances of a local parish. For many years it has been the practice that the schools are not required to fund all of their expenses from tuition and fees. Rather, it is expected that weekly parish collections and other fund raising activities will subsidize school expenses. With the significant growth in non-school expenses, however, the funds from parish collections remaining to cover school subsidies have been shrinking.⁹ Table 3 shows the income statement for all Archdiocesan parishes restated to illustrate the effect that slow growth in collections and rapid growth in general parish expenses have had on the parishes' ability to subsidize their schools.

The growing operating losses among the parishes have caused a dramatic increase in the number of parishes on grant and deficit status as illustrated in Table 4 below. "Grant" parishes, as defined by the Archdiocese, are those which have totally depleted savings reserves and are financially dependent upon the Pastoral Center. "Deficit" parishes, on the other hand, are those which are losing money from operations, but which still have savings to draw from to cover expenditures.

Table 5 shows how the growing number of parishes with operating deficits is severely taxing the resources of the Archdiocese in general and the Pastoral Center in particular. As operating losses among the parishes have mounted, more parishes have required grants and loans from the Pastoral Center. In 1993, the number of "Grant" parishes grew to 108, representing a 23% increase over 1990. This increasing demand for grants and loans has resulted in growing operating losses and a depletion of financial

TABLE 3
STATEMENT OF PARISH REVENUES AND EXPENSES
FOR THE FISCAL YEARS ENDED JUNE 30TH

(\$000s)	1993	% Chg	1992	% Chg	1991	% Chg
Parish Revenues						
Collections & Other	\$201,376	7.9%	\$186,703	2.3%	\$182,507	4.7%
School Programs	91,788	7.5%	85,360	5.4%	81,013	3.0%
Total Revenues	\$293,164	7.8%	\$272,063	3.2%	\$263,520	4.2%
Operating Expenses						
Parish Expenses	\$153,409	11.5%	\$137,565	8.9%	\$126,335	11.3%
School Programs Exp	166,084	7.2%	154,980	3.9%	149,185	1.9%
Total Expenses	\$319,493	9.2%	\$292,545	6.2%	\$275,520	6.0%
Operating Excess/(Deficit)	\$-26,329	28.5%	\$-20,482	70.7%	\$-12,000	70.6%
Grant from						
Pastoral Center	\$ 18,302	12.3%	\$ 16,302	41.7%	\$ 11,505	3.2%
Overall Operating Excess/(Deficit)	\$ -8,027	92.0%	\$ -4,180	744.4%	\$ -495	-112.0%

Source: Archdiocese of Chicago "1993 Annual Financial Report," end of fiscal year report on diocesan revenues, expenses and account balances, AAC, Chicago, Il.

reserves for the Pastoral Center.

PASTORAL CENTER

The Archdiocesan Pastoral Center serves two primary purposes. First, the Pastoral Center operates as the administrative headquarters for the Archdiocese. As such, it manages several Archdiocesan-wide programs providing ministerial, educational, and personnel services. It is also the source of grant funding for needy parishes. Second, the Pastoral Center manages the Archdiocesan Bank, which serves as an internal

TABLE 4
REPORT ON NUMBER OF
SUBSIDIZED/UNSUBSIDIZED PARISHES
1990-1993

	1993		1992		1991		1990	
	#	%	#	%	#	%	#	%
Grant Parishes	108	25	88	20	77	17	29	6
Deficit Parishes	199	47	199	46	79	18	67	15
Break-Even Parishes	31	7	57	13	106	23	176	39
Surplus Parishes	87	21	91	21	187	42	177	40
Total Parishes*	425		435		449		449	

*Includes free standing missions

Source: Archdiocese of Chicago, "1990, 1991, 1992, 1993 Annual Financial Reports" Statements of Revenues, expenses and account balances, AAC, Chicago, IL.

TABLE 5
PARISH SUBSIDY ALLOCATIONS 1990 TO 1993

(in millions \$)	1993	1992	1991	1990
Parish Non-School Rev.	\$201,376	\$186,703	\$182,507	\$174,254
Non-School Expenses	153,409	137,565	126,335	113,544
Avail. to Subsidize Schools	\$ 47,967	\$ 49,138	\$ 46,172	\$ 60,710
School Deficit	\$-74,296	\$-69,620	\$-68,172	\$-67,744
Unfunded School Deficit	\$-26,329	\$-20,482	\$-12,000	\$ -7,034

Source: Archdiocese of Chicago, "1990, 1991, 1992, 1993 Annual Financial Reports," consolidated statements of revenues, expenses and account balances, AAC, Chicago, IL.

investment/borrowing vehicle for parish capital needs.

The Archdiocesan Pastoral Center, like the parishes, is becoming increasingly burdened by expenses increasing faster than revenues. The growing demand for grants from the pastoral Center to the parishes and the substantial costs of the Archdiocesan seminary system have a direct and significant impact on the Pastoral Center's financial condition. This situation is causing the Pastoral Center to experience an ever-growing operating deficit.

Grant expense, which is the largest total expense of the Pastoral Center, increased by an annualized rate of 20.7% between 1990 and 1993. This growth is the result of the continued decline in the overall financial condition of the parishes. As discussed previously, this decline is due to the increased drain of the school system.

The Archdiocesan Bank: The Archdiocese has historically made a commitment to provide capital financing for Archdiocesan parishes and agencies. Funds have been provided for capital projects through an internal bank administered by the Finance Office at the Pastoral Center.

The Bank is financed by deposits of excess cash from Archdiocesan parishes and agencies. Moneys are then used to make loans to parishes for fixed asset expenditures and, on occasion, working capital. As of June 30, 1993, there were 273 parishes and agencies which had moneys on deposit in the Archdiocesan Bank. These parishes expect the Archdiocese to honor draws on their accounts upon demand. The Bank has loans outstanding to 261 parishes.

The deterioration in the operating results for the parishes has had a severe effect

on the financial condition of the Bank. Asset quality of the loans in the portfolio has declined as more parishes have become dependent on Pastoral Center grants just to cover their operating expenses.

Cash Flows of the Pastoral Center: The mounting deficits in the general administrative operation of the Pastoral Center and the significant decline in cash assets in the Archdiocesan Bank have severely affected the liquidity of the Pastoral Center as a whole. The Pastoral Center has experienced a net cash outflow exceeding \$50 million in aggregate during the 1991, 1992, and 1993 fiscal years. The Pastoral Center, including its general operating fund and the Archdiocesan Bank, began the 1990 fiscal year with \$41.6 million in unrestricted cash and investments. At the close of its 1993 fiscal year the Pastoral Center had only \$195,000 in cash and had borrowed \$9.5 million under its lines of credit.¹⁰

The Long Range Planning Committee recommended a number of actions for the schools. One key measure is that the per pupil cost to educate a student at a parish school should not be more than 20% higher than the Archdiocesan average. The results of the data suggest that smaller schools on average tend to be more costly. There is a high correlation between schools that violate this cost criteria and schools that have fewer than 200 students. There are 53 schools in the Archdiocese with an enrollment of less than 200. The average per pupil cost of these schools is \$1,530 compared to the Archdiocesan average of \$1,305.¹¹

This evidence supports the Archdiocese in its continuing effort to evaluate potential opportunities for consolidating smaller parishes.

FINANCIAL ASSESSMENT SUMMARY

The erosion of the financial condition of the Archdiocese must be reversed if the Catholic Church in Chicago is to maintain its vital mission. Key to the success of a financial turnaround is improving the financial results of the parishes. This in turn will require new study models for its huge educational system.

The demographic composition and geographic dispersion of the Catholic community has shifted radically during the past three decades. These changes reflect the economic gains made by white ethnic Catholics and their migration to the suburbs. Many parishes built in the early to mid-twentieth century no longer enjoy the large parish communities that characterized these areas years ago. As a result of this change, many parishes are increasingly unable to cover the costs of maintaining their buildings, providing social services and supporting elementary schools.

The decline in parish communities, particularly in the inner city, has prompted the Archdiocese to carefully consolidate and merge parishes. During the past ten years, the Archdiocese has closed 28 parishes and 66 schools (schools often closed prior to their associated parish closing).¹² Typically, the process for each affected parish has taken from one to three years between initiation of discussions and full implementation.

With 108 parishes receiving grants from the Pastoral Center (the Pastoral Center provided \$18 million in operating and capital grants to parishes during FY 1993), it is clear that a large number of parishes in the Archdiocese cannot sustain themselves financially. The reasons for parish operating losses cover a wide range: small attendance base, economically disadvantaged area, high physical plant maintenance costs,

but most significantly, insufficient school revenues.

In order to help rectify this situation, the Archdiocese should identify those grant parishes which positively support the Church's mission in communities that are in need. All other parishes which are on grant should be evaluated for closure, merger or consolidation. Although painful, consolidations and mergers will strengthen the larger, surviving parish communities and reduce the tremendous cash outflows of the Pastoral Center.

In addition, the Long Range Planning Committee recommended that some consolidation of parishes and schools is a necessary part of the overall Archdiocesan strategy for restoring financial strength. Those parishes which are affected should be selected on the basis of several objective and subjective criteria which measure financial viability, effectiveness of ministerial mission and general parish vitality. Once a decision is made to close a parish or school, the action should be implemented in a short time frame in order to stem operating losses and preserve financial resources for the Archdiocese.

ARCHDIOCESAN SCHOOL SYSTEM

The Catholic School System represents the largest single financial commitment of the Archdiocese. The Big Shoulders Fund has been successful in providing some support for schools in the inner city. However, the shortfall of school revenues versus school costs still places tremendous financial pressure on many parishes throughout the Archdiocese to support the Church's educational mission. Nevertheless, the Catholic elementary schools remain the primary vehicle for imparting the faith to future

generations. Moreover, Catholic schools play a particularly vital role in Chicago where the public school system has so many problems.

The Cardinal has repeatedly expressed his support for the mission of education in the Archdiocese.

As is the case for parishes, changes in demographics and economics adversely affect the strength of schools. The Archdiocese should continue to evaluate the need for closing and consolidating parish schools based on criteria such as enrollment, proximity to other schools, and size and condition of the facilities.

While this report deals primarily with Catholic elementary schools, the high schools in the Catholic school system are also a financial drain on the Archdiocese. Catholic high schools were budgeted to receive \$487,000 in grants from the Pastoral Center in fiscal year 1994.¹³

A regional school program would allow for a better, more efficient allocation of resources among schools in the Archdiocese including human resources, physical plan, and grant support. A considerable amount of work remains in order to evaluate the financial effects of the restructuring of the school system. The Long Range Planning Committee strongly advocates the further development of this concept.

School income increases, however, represent one of the few revenue items which the Archdiocese can control through "price increases." There are two options to be considered in raising school income. First, the Archdiocese has established a standard for all Catholic schools that school income should cover at least 65% of school costs. However, 180 of the 285 schools in the Archdiocese report school income below this

minimal level. An increase of school income in those schools that are below the standard up to the required 65% level would generate an additional \$12.5 million in school revenue. The second option is to increase school income up to 75% of costs. There are currently 245 schools below this level. Raising school income to 75% of costs would generate \$24 million in added parish revenue.¹⁴

The Long Range Planning Committee recommended that the Archdiocese enforce its present policy that school revenues for a parish school should be no less than 65% of school costs and the parish's subsidy to its school should be no greater than 50% of its non-school revenues. The Archdiocese should consider raising this threshold to 75% of school costs over time.

The Committee also recommended that further intensive study of all parish schools continue, with emphasis on the possibility of developing a regional school system for the Archdiocese. In addition, schools with enrollment of less than 200 students, as well as those with facilities that are inadequate or located too close to neighboring schools, must be in a process of consolidation or closure.

Furthermore, the Archdiocese should mandate that all parishes, including those without schools, support Catholic education in their areas.

The Archdiocese of Chicago pursues a vital mission serving people throughout the Chicago area. Finances are but one element in how that mission is carried out albeit a most important one for effective execution of the mission requires resources. This study has sought to develop recommendations which will strengthen the resources available to the Church. Only with a solid financial base can the Archdiocese pursue its

mission with full vigor.

The implementation of the anchor school model will be difficult and, in some cases painful. However, the commitment to the goal of restoring financial strength is critical. This study has shown that the anchor will help to achieve that financial stability so necessary for the continuation of Catholic education in the Archdiocese of Chicago.

In the spring of 1994, Cardinal Bernardin issued a report on Phase I of the Archdiocesan Strategic Planning process. The report was called Decisions for the Future of Our Church and focused on two aspects of Church life, Evangelization and Education. This document underscored the great importance of Catholic education in the Archdiocese. The document states the position that one of the Archdiocese's greatest assets is its Catholic schools. The document then evaluates them, in terms of their past, present and future, in light of four principles.¹⁵

- (1) Prior Investment - Catholic schools, the document states, represent a prior investment which has involved money, time, and human labor. That investment cannot be discarded since it has served the Catholic community so well and holds promise for doing so in the future.
- (2) Fidelity to Mission - Historically, the Catholic schools in the U.S. were established and maintained at great sacrifice to provide Catholic children with a value-oriented education not available in the public schools and to give their students the formation needed to become good Catholics. They were also a means of helping young people (especially the children of immigrants) to assimilate into U.S. society and preparing them to function successfully in that

society. They were instruments of evangelization and conversion, as well as an outreach to the poor.

It would be a mistake, the document continues, to believe that, because circumstances have changed, Catholic schools are no longer needed. Indeed, Catholic schools provide an environment in which children are prepared to address, secular influences and values which are contrary to the gospel. In addition, they are the best means for providing Catholic children with a Catholic, Christian formation; for helping them shape their beliefs, attitudes, values, and practices in accord with the gospel.¹⁶ They instill in their students a sense of pride and respect for racial and ethnic diversity, as well as fairness and justice - all qualities that prepare them well to enter the mainstream of American life. All in all, they are an effective means of evangelization for the Catholic children who attend them as well as the non-Catholic.

- (3) Commitment - Almost no one challenges the value of Catholic schools at a conceptual level. But at the practical level there has been an erosion of commitment usually attributable to practical reasons such as diminished enrollments often caused by demographic changes, and difficulties associated with rising costs. It must also be admitted that within the past 25 or 30 years little or no support was given to building schools in the new parishes that were established, especially in the newer suburbs. For the future, there must be a renewal of commitment (to which I will refer later).

- (4) Responsiveness and Innovation - It would be a serious mistake to think that Catholic schools are not able to make the changes needed to enable them to respond effectively to the needs of the contemporary Church and society. Indeed, they have made the changes and will continue to make them as needed. It is significant that the reform of the Chicago Public Schools is based on a number of policies adopted ten to fifteen years ago by Catholic schools, such as local school boards, greater parental involvement, and judicious local autonomy. It is expected that Catholic schools will continue to maintain their Catholic identity. Much work has been done in this regard by the Office of Catholic Education. The Holy See's Congregation for Catholic Education has also addressed this issue (1988). Religious instruction and familiarity with Catholic teaching and practice are the norm for all faculty and students.

It is expected that the fruit of Catholic education will be the active participation of Catholic students and their parents in the sacramental and social life of the Church both now and in the future.

In light of these considerations a decision was made according to the document to move in the following direction:

- (1) Every Catholic child must have the opportunity to attend a Catholic school. Moreover, it is the responsibility of pastoral ministers, ordained and lay, to take a personal interest in Catholic schools both in terms of contributing what they can to the schools' quality and viability and communicating their value to the broader community.¹⁷

(2) Making a Catholic school education available to every Catholic child will require the cooperation and support of every parish, whether it has its own school or not. The realization of this reality, in turn, involves the support of the entire faith community, although a special responsibility rests with the students' parents. It also requires the cooperation and assistance of the Archdiocese. Plans and structure must be developed which will ensure that this collaborative effort occurs. It is apparent that parishes and schools are facing enormous financial challenges, but given the will to do so and an openness to enter in new models of collaboration, these challenges can be successfully met. It will require a change of attitude on the part of many to move in this direction.¹⁸

Historically, the elementary schools have been parish schools, and the support of the sponsoring parish, both financial and moral, has ensured their success. It must be acknowledged that many parishes do not have schools, and there is little likelihood given the present state of finances, that all will have one in the future. Still, most Catholic parents want Catholic schools for their children. If such parents are willing to help raise the money to build a school and assume a reasonable responsibility for supporting it, then the parish or parishes involved have a serious obligation to consider how they can respond to their education needs.

Experience has shown us that when "consolidated" or other types of regional schools have been established, their viability is directly related to the support (financial, moral, governance) of the parishes involved. Therefore, in determining the configuration of schools in the future in those instances where more than one parish is involved, the

parochial nature of the school should be maintained as much as possible.

The document concludes by saying that the decisions articulated and their implementation do not, of course, exhaust the possibilities. Many other things are already being done and will continue. These particular initiatives are emphasized at this time because they are absolutely necessary . Only the continuity of Catholic education can create a climate that will be supportive of the full range of ministries and activities so beneficial to the well-being and dynamism of our local church.¹⁹

DEFINITION OF TERMS

The following terms are defined for the purpose of this study:

Tuition: Tuition is defined in this study as money paid directly to the school for the education of the child.

Average Tuition: Determining the average tuition for Catholic elementary school students is very difficult . Many schools have a sliding tuition scale for families with two or more children attending the same school. A different scale is used for Catholic students who are not members of the parish sponsoring the school. A separate tuition scale exists in many schools for non-Catholic children. In some parishes, a negotiated, or fair-share, tuition policy exists. Some schools have a different tuition for children in higher rate when it is paid monthly. Finally, many parishes provide reduced tuition for families experiencing financial difficulties. Considering all these factors and arriving at an average tuition is next to

impossible.

Parish Subsidy: In this study parish subsidy is defined as the amount of money that the parish contributed to the school from sources of income that were specifically designated for parish projects. The parish subsidy might have come from sources such as the Sunday church collection, parish endowment, or parish fund-raisers. Parish subsidy did not include parish debt service or capital improvement.

Endowment Funds: In this study an endowment or development fund is defined as capital that was set aside specifically to provide revenue to the school from the interest or earnings that were generated from the principal.

Endowment funds are a new development in financing Catholic elementary schools. They had been widely established for years on the college level; several years ago many secondary schools began establishing their endowment funds. Only within the last few years, however, have a substantial number of parish elementary schools begun to set up such programs.

Per-Pupil Cost: In this study the per-pupil cost is defined as the total cost to educate one child in the school. This was determined by adding all the operating costs of the school (excluding debt service and capital expenses) and dividing this sum by the total number of students in the school.

- Principal:** A chief executive officer of an elementary or secondary school. Principals who were members of religious communities or priests composed over 50% of the parishes in this study. Priests made up less than 2% of this number. For this study, chief coordinators of the anchor or merged cluster of schools.
- Assistant Principal:** For purpose of this study, assistant principals are aids to coordinating principals. They function in a secondary capacity as directors of the individual schools in the merged cluster.
- Laywomen/Laymen:** In this study laywomen and laymen (lay refers to people who are not members of religious communities or are not priests) composed about 50% of the principals.
- Anchor School:** A consolidated or merged cluster of schools. For purposes of this study the terms merger, consolidation or anchor will be used interchangeably.
- Archdiocese:** An ecclesiastical jurisdiction headed by an archbishop. An archdiocese is usually a metropolitan see, i.e., the principal one of a group of dioceses comprising a province; the other dioceses in the province are suffragan sees.
- Parochial School:** A school established, supported, and maintained by a parish for elementary and secondary instruction.
- Private School:** An elementary or secondary school established, supported, maintained, and conducted by a religious community rather than

by a parish or the archdiocese.

Diocesan School: An elementary or secondary school supported, maintained, and conducted by the diocese rather than a parish or religious community.

Elementary School: A school in which the first six to eight years of a child's formal education is given. Also called grade or grammar school.

Ordinary: A cleric, such as the residential bishop of a diocese, exercising original jurisdiction over a specified territory or group. Cardinal Joseph Bernardin is the ordinary of the Archdiocese of Chicago.

Archives: Documentary records, and the place where they are kept, of the spiritual and temporal government and affairs of the Church, a diocese, church agencies like the departments of the Roman Curia, bodies like religious institutes, and individual parishes. The collection, cataloguing, preserving, and use of these records are governed by norms stated in canon law and particular regulations. The strictest secrecy is always in effect for confidential records concerning matters of conscience, and documents of this kind are destroyed as soon as circumstances permit.

Chancellor: Notary of a diocese, who draws up written documents in the government of the diocese; takes care of, arranges and indexes diocesan archives, records of dispensations and ecclesiastical trials.

Chancery: The administrative office of a diocese, a bishop's office.

- Clergy:** Men ordained to holy orders and assigned to pastoral and other ministries for the service of the people and the Church.
- Diocesan or**
- Secular Clergy:** Committed to pastoral ministry in parishes and in other capacities in a local church (diocese) under the direction of their bishop, to whom they are bound by a promise of obedience.
- Regular Clergy:** Belong to religious institutes (orders, congregations, societies) and are so called because they observe the rule (*regula*. in Latin) of their respective institutes. They are committed to the ways of life and apostolates of their institutes. In ordinary pastoral ministry, they are under the direction of local bishops as well as their own superiors.
- Dean:** A priest with supervisory responsibility over a section of a diocese known as a deanery. The post-Vatican II counterpart of a dean is an episcopal vicar.
- Deanery:** An area of the diocese supervised by a Dean usually smaller in size than a vicariate.
- Diocese:** A fully organized ecclesiastical jurisdiction under the pastoral direction of bishop as local ordinary.
- Episcopal Vicar:** A prelate appointed by the bishop to help him, as a deputy, in the ministrations of his diocese. Because of his office, he has the same jurisdictional authority as the bishop except in cases reserved to

the bishop by himself or by church law.

Vicariate: A section of the diocese supervised by an Episcopal (Bishop)
Vicar.

LIMITATIONS OF THE STUDY

One major problem arises out of the fact that dioceses generally have not been able to achieve centralization of financial management. This runs counter to the feeling for "diversity" which is a major characteristic of Catholic education. But the inability to disentangle the financial affairs of a large number of small schools from those of the parish proper is another source of great difficulty. In many such cases the pastor is hard pressed to determine how to allocate costs. Utilities, custodial service, and even the school library may be centralized, for use by the parish as a whole. It should be noted that lack of clarity here limits to some degree the exactness of the financial reports used in this study. The allocation of expenses and revenues between parish and school were done by the individual parishes, not by the researcher. It should also be noted, that given the parochial mentality of the individual parishes and the consequent fear of merging their identity with other parishes, there is difficulty getting pastoral approval for release of the reports used in the study.²⁰

ORGANIZATION OF THE STUDY

This study is a 6 year review of two clusters of merged parish schools in the Archdiocese of Chicago. One cluster consists of two schools, while the second cluster is comprised of seven.

The study was organized into five chapters: Chapter I includes the purpose of

the study, a definition of the terms, the research question of the study, and limitations of the study. Chapter II contains a literary review of selected case studies, focusing on the results of public school mergers and consolidations. Chapter III presents the design of the study as well as the methodology used to analyze the data. Chapter IV is a historical analysis of the data collected from Archdiocesan archives. Chapter V is a discussion and summary of the problem, the purpose, conclusion, implications and recommendations for further study.

NOTES

1. The 1981 study Public and Private Schools, by James S. Coleman et al., concluded that on average, Catholic schools are more financially effective than public schools (statistics cited), Catholic schools are especially beneficial to students from less advantaged backgrounds, and there are strong indications that higher levels of discipline and academic demands account in large part for the differences between the sectors' levels of achievement. Compared to government schools, Catholic-school students scored about two grade levels higher in mathematics, reading, and vocabulary scores. Sally Kilgore, Thomas Hoffer, and Bruno Manno, "An Update on the Coleman Study." Momentum 13 (October 1982), 7.

2. Patricia Bauch, "On the Importance of Catholic Schools," Today's Catholic Teacher, Vol. 17 (April 1986), 70-76.

3. Ibid., 73.

4. Mr. James Rojek, Controller, Archdiocese of Chicago, interview by author, 6 August 1995, Chicago, tape recording, Pastoral Center, Archdiocese of Chicago, Chicago.

5. Mary-Angela Harper, Ascent to Excellence in Catholic Education (Waterford, CT: Croft-Noi, 1980), 56.

6. Mr. James Rojek, Controller, Archdiocese of Chicago, interview by author, 12 September 1995, Chicago, tape recording, Pastoral Center, Archdiocese of Chicago, Chicago.

7. Archdiocese of Chicago, "1993, 1992, 1991, 1990 Annual Financial Reports," consolidated fiscal year reports on diocesan revenues and expenses, Archdiocesean Archive Center (hereafter AAC), Chicago, Ill.

8. Archdiocese of Chicago, "Statement of Parish Revenues and Expenses for Fiscal Years Ended June 30th," parish revenues, expenses, deficits/excesses for fiscal years ending 1991, 1992, 1993, AAC, Chicago, Illinois.

9. Archdiocese of Chicago, "1993, 1992, 1991, 1990 Annual Financial Reports," consolidated fiscal year reports on diocesan revenues and expenses, AAC, Chicago, Ill.

10. Mr. James Rojek, Controller, Archdiocese of Chicago, interview by author, 19 August 1995, Chicago, tape recording, Pastoral Center, Archdiocese of Chicago, Chicago.

11. Mr. James Rojek, Controller, Archdiocese of Chicago, interview by author, 26 August 1995, Chicago, tape recording, Pastoral Center, Archdiocese of Chicago, Chicago.

12. Lynne Stasiak, Administrative Assistant for Financial Operations, Archdiocese of Chicago, interview by author, 22 June 1995, Chicago, tape recording, Quigley Seminary, Chicago.

13. Archdiocese of Chicago, "1994 Budget Report." projections of diocesan revenues, expenses, and account balances, AAC, Chicago, Ill.

14. Lynne Stasiak, Administrative Assistant for Financial Operations, Archdiocese of Chicago, interview by author, 22 June 1995, Chicago, tape recording, Quigley Seminary, Chicago.

15. Archdiocese of Chicago, Archdiocesan Strategic Planning Committee, Decisions for the Future of Our Church, (Chicago, Illinois: New World Publications, March 1994), 12.

16. Pope Pius XI, The Christian Education of Youth (New York: America Press, 1930), 4.

17. Archdiocese of Chicago, Archdiocesan Strategic Planning Committee, Decisions for the Future of Our Church, (Chicago, Illinois: New World Publications, March 1994), 5.

18. Archdiocese of Chicago, Archdiocesan Strategic Planning Committee, Decisions for the Future of Our Church, (Chicago, Illinois: New World Publications, March 1994), 6.

19. Pope Pius XI, The Christian Education of Youth (New York: America Press, 1930), 4.

20. Since there is one fuel bill, one light bill, one heating system, one janitor, etc., for the whole parish plant, it appears that some of the school costs are absorbed by the general fund for parish upkeep. Frederick G. Hochwalt, "Financing Catholic Education," The Educational Record, Vol. 30 (April 1949), 201. Says that "Pastors are not wont to look upon Catholic education as an independent entity that has to be maintained and operated; for most Pastors the school is but one part of the parish organization and is treated accordingly on the parish records. In nearly all cases school costs are not apportioned to the one or other but may be carried as one general item."

CHAPTER II

SELECTED CASE STUDIES OF SCHOOL

MERGERS THROUGH A LITERARY ANALYSIS

The research conducted herein has revealed no formal study of Catholic school mergers, certainly none citing accurate economic or financial data resulting therefrom. However, there have been some studies in the public education sector. The following reviews focus on the anchor/consolidation concept as it relates to the policies of a number of midwestern states including Illinois and concludes with four case studies and the survey results of a study conducted by a midwestern Archdiocese on the question of consolidation.

Nearly two-thirds of Americans live in metropolitan areas. However, over half of the nation's 15,000 school districts are located in small towns or rural areas. These districts have been losing student population and economic base for the past twenty years. In various states there have been calls for substantial consolidation. The following review looks at consolidation in several midwestern states.

ILLINOIS INSTITUTE FOR RURAL AFFAIRS

The Illinois Institute for Rural Affairs, operating under a grant from the Governor's office, has been studying adequacy and equity in school finance and their bearing on student achievement for the past three years. Another issue which may be

linked to school finance in Illinois is school district reorganization. The need for reorganization has been emphasized by the current funding crisis in many states, including Illinois, and by school finance research conducted at Western Illinois University.

A 1991 school finance symposium sponsored by Western Illinois University and the Illinois Institute for Rural Affairs determined that the organizational structure of Illinois schools needs to be changed. This finding was based on the belief that the present organizational structure (Illinois operated 955 separate school districts in 1989-90, Table 1) was not effective or efficient.

TABLE 6
SCHOOL DISTRICTS IN ILLINOIS
(ENROLLMENT BY DISTRICT TYPE)

Enrollment District Type	< 500	500-900	1000-2999	3000-5999	6000-11999	12000+
Elementary (K-8)	196	77	115	23	4	1
High School (9-12)	31	23	38	16	4	0
Unit (K-12)	<u>106</u>	<u>123</u>	<u>131</u>	<u>27</u>	<u>17</u>	<u>8</u>
TOTAL	333	238	284	66	25	9

Source: "Illinois Teacher Salary Schedule Survey, 1989-90," Illinois State Board of Education, Springfield, Il.

The state was not making the best use of available resources. The consensus of opinion at the symposium was that districts that were too small to be "efficient" should be consolidated. Further, some small schools might be better served by merger.¹

The issue of consolidations has been the focus of several studies throughout the United States.² One of the common themes in the literature has been the "strengths of rural schools." In their 1986 study, Monk, Haller and Stephens listed several of the

commonly accepted attributes of small schools: smaller classes, individual attention by teachers, low drop-out rates, the opportunity to develop student leadership, strong family and community support, and good parental interaction.

In the same study, Monk and Haller found that in rural New York districts substantial problems exist in small schools and these problems significantly disadvantage students who attend them. At the same time, Monk and Haller found that small districts provide important educational advantages to pupils and to the communities they serve.

The weaknesses identified by Monk and Haller included:

- Limited Curricula
- Scheduling difficulties that further limit programs
- Shortage of teachers in some subject areas
- Faculty have heavy and non-specialized teaching loads
- Educational aspirations of the students and community tend to be low
- Finally, and most significant, lack of economies of scale

The strengths identified by Monk and Haller included:

- Schools are the focal point of the community
- Schools are devoid of discipline problems evident in large urban districts
- Students learn the "basics" as well as other students and sometimes better
- Schools provide opportunities to develop leadership potential and non-academic skills

Monk and Haller noted that some problems appear in only the very smallest of schools (i.e., those schools with fewer than 100 students per grade level). It should be

noted that Illinois currently has at least 299 school districts that enroll fewer than 100 students per grade level (Table 6).

Regarding school size, a 1977 study by L. D. Webb states:

Studies relating to effective and desirable sizes of school districts indicate that school district size is not an absolute, that the "optimum size" will vary from state to state and that size is but one of a number of factors related to educational quality and operational efficiency.

It was also noted that in small rural schools, if a student does not relate well to a teacher, he/she has no other choices. Similarly, many students are pressured into participating in extra-curricular activities in which they have no interest or may not have the physical abilities needed. Additionally, students are unable to avoid incompetent teachers. Monk and Haller note that while small schools give teachers the opportunity to know their students better, this also provides increased opportunities for harmful mistakes by teachers.

Another researcher, B. O. Hughes studied the 100 smallest schools in Wisconsin from May, 1987, through October, 1988. The study identified the same small school attributes and disadvantages as Monk, Haller and Stephens. Hughes stated that the following advantages selected from the study were verified by the literature: broader student participation, close personal relationships, student leadership opportunities, community support, better school climate and student attitudes, fewer discipline problems and greater flexibility. The constraints identified by Hughes were: limited administrative and supervisory personnel, teachers spread too thin, lack of cultural diversity, limited offerings for students, difficulty in recruiting and keeping staff, restricted facilities and higher per pupil costs. Hughes was not able to show that small

schools had higher test scores or that small school graduates had a higher rate of college completion.

A recurring problem for small rural schools, as identified by Monk, Haller, Stephens and Hughes is attracting and retaining competent staff. One of the contributing factors could be salaries paid to beginning and veteran teachers in small rural schools. In a survey of school administrators in Illinois, Hall and Smith-Dickson found that 122 of 499 reporting districts believed their salary schedules were not competitive and hindered the recruitment of qualified teachers. J. P. Sher was commissioned by the North Carolina School Board Association to critique a 1986 report by the state Board of Public Instruction that called for larger school districts. In his analysis of the report, Sher concluded that there was no solid foundation for believing that wholesale elimination of school districts would improve educational opportunities but stated that unit cost reductions should accrue.

REORGANIZATION IN SURROUNDING STATES

The problem of too many school districts is not limited to Illinois.³ In Spring, 1992, the Iowa State Superintendent stated that if Iowa wished to have "World Class Schools," then the present organizational structure of 438 separate school systems must be radically altered. The State Superintendent went on to say that Iowa should consider no more than perhaps 125 school districts. Examination of Table 6 reveals that Illinois had 333 schools with less than 500 students, 31 of which were High School Districts and 106 Unit Districts. What Table 6 does not show is the range of enrollment in the High Schools. Illinois currently operates High Schools with fewer than 50 students in grades

9 - 12.

In an attempt to determine the extent to which consolidation was needed adjacent to Illinois, researchers at the Illinois Institute for Rural Affairs conducted a telephone survey of State Department of educations in Minnesota, Iowa, Missouri, Kentucky, Indiana and Michigan. Officials in each state agency responded to questions concerning reorganization in their state. A brief summary of the responses follows.

Minnesota: Minnesota currently has 411 school districts and consolidation is viewed as a serious political and educational issue. Minnesota passed cooperation-combination legislation in 1989 that offers direct revenue compensation and optional levies for school districts that merge. There were 430 school districts 20 years ago and they estimate the state will lose about 10 districts per year with the new legislation. The consolidation initiative is not mandatory and legislative leaders consider the issue too controversial. The consolidation legislation is not supported by the School Board Association but the Rural Education Association has given some support to the issue. Mandatory reorganization legislation was brought up in 1990 but dropped because of a lack of support. The tradition of strong local control in Minnesota will effectively block any mandatory legislation for the foreseeable future. Preliminary estimates indicate cost savings with any degree of consolidation.⁴

Iowa: The state of Iowa has 418 school districts, and the State Superintendent

of Schools has suggested publicly that Iowa would be well served by a total of 125 districts. Iowa currently has financial incentives in place to encourage consolidation, but these ended with the 1992-93 school year. the state has seen a drop from 438 school districts in 1985 to the current 418, but more significantly, the state currently only operates high schools in only 362 districts. This has been brought about by whole-grade sharing. For the school year 1993-94, there are currently 31 districts that have voted to consolidate and there are 14 consolidation elections pending. As in many other states, there has not been a legislative "push" for consolidation, and the schools that are choosing to merge are doing so by choice. Like Minnesota, consolidation is considered a "local" decision and schools can choose not to reorganize. It should be noted that Iowa did dissolve one school district that was not performing to standards and refused efforts to improve.⁵

Missouri: Missouri currently operates 537 school districts, and the issue of consolidation is not perceived as a problem by state officials. However, under legislation passed in 1991, the State Board of Education was given the authority to annex districts. Like other states, politicians avoid using the words reorganization and consolidation and so does the public. Privately, people reorganize the need for a change in the organizational structure of Missouri schools. There has been no noticeable effort to consolidate schools since the 1950s. The same reasons advanced by

reluctance to consolidate in Iowa and Minnesota are given for blocking reforms in Missouri - local allegiance and strong support of local control.⁶

Kentucky: There are currently only 176 school districts in Kentucky with consolidation considered the leading issue in Kentucky education. The person interviewed also consider consolidation as the leading national priority. It should be noted that in Kentucky the emphasis has been on how schools are operated (i.e., site-based decision making). Kentucky has in place a system of rewards and sanctions. Schools that succeed in raising their standards are rewarded and schools falling behind receive sanctions. Kentucky's approach is somewhat different in that the emphasis has been administrative restructuring and moving decision-making responsibilities to the building level. Kentucky now has a decentralized, school-based structure and this process has mostly affected high schools. This push for consolidation education in Kentucky through site-based decision making has encountered reluctance on the part of teachers to take responsibility.⁷

Indiana: The state of Indiana currently operates 296 school districts and reorganization is considered a major issue. Reorganization was affected primarily through consolidation is not an issue and the number of districts has dropped from 304 to 296. The last legislation concerning consolidation was in 1959. Business and industry have pushed for

restructuring in the Indiana schools. There is an apparent movement to look at the advantages of smaller schools that is prompted by local concerns. The person interviewed stated there is a philosophical "battle" of small versus large districts.⁸

Michigan: With 558 school districts, Michigan officials encourage consolidation but do not consider it a major issue. What the state does encourage are larger schools in grades 6-12. Michigan does offer financial incentives to encourage consolidation, and in the first year of reorganization, they pay schools \$850 per student, \$600 the second year and \$350 the third year. While they have not passed any legislation since 1964 to encourage consolidation, they do emphasize quality programs K-12. State officials, like those in the other states surveyed, cite community feelings as the reason why more effort to consolidate schools is not forthcoming.⁹

It is clear that consolidation is an issue in several states but that legislators like pastors in Catholic schools are reluctant to address the issue because of local resistance and the tradition of local control. The benefit in reduced district expenditures is cited by all concerned.¹⁰

Illinois: Illinois with its 938 school districts has the most comprehensive fiscal incentives for consolidation. A list of the incentives offered by Illinois follows:

- (1) If in its first year of existence, the new district qualifies for less state aid than would have been available that same year to the

previously existing districts, a supplemental payment equal to the difference will be made for the first three years.

- (2) In the first year only, a supplementary state aid payment will be made equal to the combined deficits of the previously existing districts. If the sum of the fund balances in all districts is positive, no payment will be made.
- (3) For any consolidation, the state will pay for three years, an amount equal to the differences in salaries of employees in the new district (the state pays the increase to place all employees on the best salary schedule).
- (4) For each of the first three school years following the formation of the new district, the state will pay state aid equal to \$4,000 for each certified employee who is employed by the district on a full-time basis.

It is clear that Illinois has more financial incentives for schools to consolidate, and it would appear that the financial incentives offered by Illinois beginning in 1985 have had some effect. Since 1981, there have been a total of 64 consolidations and annexations; 53 of these have been since 1987 which resulted in 99 districts being dissolved/deactivated and 30 new districts being formed. Since 1981, there are 25 fewer unit districts (K-12), 29 fewer elementary districts and 15 fewer high schools.

While it would appear that the pace of consolidation is accelerating

in Illinois, it is clear with 938 school districts still operating in 1993, the state has a long way to go. Many of the barriers to consolidation (local opposition and the tradition of local control) found in surrounding states are true in Illinois. Additionally, small school advocates claim the same advantages of small schools that have been spoken to by Monk, Haller and Stephens (i.e., small classes, low dropout rates, individual attention and the chance to develop leadership skills through participation).

What has not been addressed in any formal fashion in Illinois and other states are the advantages of consolidation as well as the disadvantages as viewed by those directly affected - students, teachers, administrators and parents. It would appear that some of the previous studies have focused only on keeping small schools since 1983. The researchers have conducted extensive on-site interviews with administrators, board members, teachers, students and patrons of the districts in an effort to determine the advantages/disadvantages of reorganization. Additionally, the study has focused on the financial aspects of consolidation to determine whether increased efficiencies in operations are being realized. The preliminary results of the survey are reported in the three case studies below.

EASTLAND: A CASE STUDY

This school district is located in Carroll County in Northwest Illinois. It was formed on July 1, 1986, by the combination of the Lanark and the Shannon school

districts. Both districts had a central community, but they are rural districts with most of their assessed valuation derived from agricultural lands. Lanark is the larger of the two communities with a population of 1,483, while Shannon has a population of 938. Both districts had been faced with declining enrollments because of larger farms and the general migration from rural to suburban areas. Lanark had declined from 774 to 490 students and Shannon had declined from 450 to 235. Further complicating matters was a troubled financial future for both districts. Assessment of farmland in Illinois is not based upon sale value (ad valorem), but is instead based upon a complicated formula considering value of farm commodities, interest rates and soil type. While Lanark and Shannon districts share some of the most valuable farmland in Carroll County, farmland values throughout Illinois were plummeting and these districts were no exception. Assessed values in the Shannon district have declined from \$19,000,000 in 1986 to \$14,000,000 today. Lanark district has not been as severely injured, but that is because a real estate development of vacation homes has dampened the impact of the farmland assessment decline. Consolidation of the two districts into one large district has had a number of effects. First, the new district does have a much more stable assessed valuation base now than the two old districts did. Today's combined assessed valuation of \$58,000,000 is the same as the two separate districts were at the time of consolidation. But had they stayed separate the valuation in Shannon would have been \$14,000,000 and Lanark would have been \$44,000,000. Student enrollment (786) is large enough to continue to provide a wide variety of courses. Please note that this enrollment is only seven students larger than the Lanark district was at its largest. Had they stayed

separate, both districts would have had to severely curtail programs.

The new district has been able to expand the educational program offerings over what was offered by the Lanark district at the time of the consolidation. One of the major curriculum improvements cited by both administrators and teachers was allowing the junior high school program to be physically relocated from the high school building(s) in Lanark and Shannon and relocated to the old Shannon High School. Junior High teachers were excited about the addition of classes such as home economics, shop, art and computer technology. This separation of junior high school age students from high school students gave the 7th and 8th graders a feeling of identity and was perceived to reduce discipline problems in grades 7 - 12. Further, the consolidated district has installed a computer laboratory in the junior high school, added a children-at-risk program, increased academic expectations for students, reduced duplication and increased articulation through the adoption of grade specific (K-3, 4-6, etc.) attendance centers. Interviews with teachers of elementary levels divulged the findings regarding the curriculum aspects of this reorganization. One significant change was that of expanding the number of classes per grade level. Instead of one classroom existing for each grade, there are often three and occasionally four. This provides benefits to both students and teachers. The prevailing attitude of teachers was that the curriculum had been improved at the high school level by either the addition of courses or the enhancement of existing courses.

The faculty has become so well integrated that old cliques have virtually disappeared. While there are a few teachers who still have retained old district loyalties,

these are rapidly disappearing. Part of the reason for the perceived low level of staff objection to the consolidation can be explained by the board's promise that no teachers would be eliminated during the reorganization. Further, the mixing of the staffs through the adoption of the grade centers, a single high school, and a single junior high have all assisted in the integration.

Parent acceptance of the reorganization was also high. Attendance at parent-teacher conferences approaches 100 percent in grades K - 6. Attendance at concerts and performances has been excellent. During the 1992 Christmas programs, administrators reported 1,300 attended the K-5 program, 700 attended the Junior High program, and 300 attended the High School concert. Also, the new district has passed several tax rate increases and issued short term bond instruments which were subject to her approval.

One of the areas of greatest concern usually is the time students spend on the bus. Prior to the consolidation, students were riding the bus for 45 minutes. After the reorganization, this rose to 60 minutes. However, the administration recognized this problem and went to a split release time. This allows younger students to have a shorter school day and be delivered home before the junior/senior high school students are released. While this does fly in the face of usual arguments of efficiency, it did resolve the longer school day issue.

When asked about the possibility of future reorganization/consolidation, those teachers who were interviewed responded that it was a definite possibility. There were many small districts who were experiencing the same declining enrollments that existed prior to this consolidation. They expressed positive attitudes toward them and even

stated they would support them to improve the quality of education for students. A perusal of the ACT scores of students of this district substantiated that this district holds high academic standards for its students. The high scores, as well as the colleges and universities being attended by recent graduates, reflected excellent educational achievement was a reality within this district. Examination of teacher turnover indicated a very low rate existed. This fact, as well as the obvious standards which existed, helped explain the above-average accomplishments of this district.

TAYLORVILLE: A CASE STUDY

In this small town (population approximately 12,000) in central Illinois, two small districts were annexed due to one's financial problems and the other's building being condemned. Students from the two smaller districts were transported into the Middle School and the High School. Elementary schools were left in both of the smaller districts but the communities may eventually be forced to give them up in the future. This is a very emotional issue and dreaded by both of these districts. Although the students would not be required to ride buses for a very extended length of time because they are in such close proximity, these small communities are very resistant to this possibility. Parents and community leaders expressed feelings that this would definitely not be in their best interests. They stated that these smaller children need to be in their own communities; that it didn't seem to hurt the older children too much.

The Board of Education in Taylorville, which consists of seven members, has invited two members of each of the two smaller districts to serve as Advisory Board members until the next Board election. This has worked well in making the transition

more acceptable.

The Middle School in Taylorville is being implemented in place of the former junior high school. This transition has been very helpful to the adjustment of those teachers who were transferred into the Taylorville district. Interviews with teachers revealed that since the whole school was faced with the implementation of the new middle school concept, all teachers were involved in change not just the ones involved in the transfers. This had helped them overcome the fears they had in not being familiar with a new system of operation.

The Middle School is lead by a dynamic principal with extreme sensitivity to the needs of her teachers and students. She has helped them through each step of implementing the middle school concepts with professional guidance and support. There are team meetings for planning and keeping close track of all students. These teachers are involved with planning and implementing the curriculum required to meet the needs of middle school students. The climate of the school is extremely positive, and the researcher observed a spirit of cooperation which was apparent at every level.

Interviews with teachers revealed positive attitudes by those teachers who had transferred into the school from the smaller districts as well as the Taylorville teachers. It was difficult to note curriculum changes which had occurred as a result of the annexation, because the entire curriculum had been affected by the implementation of the middle school program. The most negative aspect reported was the fact that teachers were having to share rooms at this time rather than having their own rooms as they had previously. Even this finding seemed to be taken in stride and was not reported to be

schools. However, the increase in the number of students had provided them with many advantages such as more people like them, more curricular choices and more extra-curricular opportunities. They specifically mentioned that with more students, their class rankings would be advantageous when applying to colleges in the future. They also repeatedly mentioned the new clubs and sports activities from which they could now choose as being desirable to them. Students told the researcher that the concerns of their parents hadn't proven accurate as they adjusted to their larger school. There was not one student who didn't express the feeling that the move had been ultimately beneficial to him/her personally. Students further stated that had this study been done earlier in the year, the findings might have been different because their attitudes toward the move had changed significantly in the past few months.

The following conclusions are a synthesis of the aforementioned research and reflect the opinions of the researchers.

- (1) It should be recognized that consolidation is a work in progress, and that conclusions are preliminary in nature.
- (2) It is strongly suggested that other researchers examine the study and continue this research to determine if the benefits/disadvantages (primarily financial) which have been noted are of a regional nature, or if they have a broader application.
- (3) There is a perception on the part of community members that when the school leaves a community the retail portion of the community dies. The researchers' observations cannot support this conclusion. Decline and

eventual failure of a retail center are dependent on many varied factors, mainly access to other larger shopping centers, competition, and retailer response to consumer needs. Housing values do not seem to suffer in the community when the school leaves town. It is not that the school is there, but the quality of the educational programs that the student can access that may be important.

- (4) Consolidation of the schools has resulted in the demise of small schools. These schools had multiple preparations and in some cases teach in areas in which they do not feel adequately trained.
- (5) Students from small schools were the "big gainers." These students had an opportunity for a larger number of course offerings, usually taught by teachers who had a smaller number of preparations and felt adequately prepared in the subject they were teaching.
- (6) Students from small schools enjoyed an opportunity to participate in a larger number of extracurricular activities and in some cases play on teams which achieved goals far greater than the students from the tiny schools had entertained.
- (7) The students were the first group to be integrated in the new system and the ones who objected to the changes the least. Parents, alumni, and taxpayers were the ones who usually objected the most, and usually on non-educational grounds.
- (8) While loss of school pride and community pride are usually listed as

objections to consolidation, students adjust to these changes very quickly and develop pride in the new school.

- (9) While transportation is an often mentioned concern, the administration can move to minimize these problems.
- (10) Larger districts generally have more program stability and more staff stability. This means that students have a greater assurance of having an articulate coordinated educational program.
- (11) Consolidation of small schools with larger schools allows the larger school to retain more programs in times of economic stress.
- (12) Finally, and most importantly for this study, in all cases the lower per unit cost and resultant economics of scale are given as a major reason for consolidation.

BRITISH COLUMBIA: A CASE STUDY

Public sector fiscal restraint is a major concern of federal and provincial governments in both Canada and in the United States. A study conducted by Coleman and La Rocque examines the policy measures proposed or adopted in one jurisdiction in Canada in an attempt to control the operating costs of school districts.

This analysis examines one policy proposal that is part of the overall restraint program, the proposal to amalgamate small school districts in order to reduce costs.

Publicly available statistical data for three years (1972, 1977, and 1982) were used to allow analysis of trends. The research sought relationships between apparently alterable variables that are believed to affect expenditure levels and attempted to assign

a weighting to the importance of each variable.¹¹

Throughout the long process of enlarging school districts through amalgamation, in both the United States and Canada, the values of cost-effectiveness, expressed in the notion of economies of scale and local autonomy, have been in conflict. Each new set of proposals for amalgamation seems to have asserted a larger unit as ideal: in the United States for example, in the 1930s, 10,000 pupils were seen as an ideal unit; in the 1970s, 25,000 was frequently recommended.¹² In British Columbia in 1945, Cameron believed that a system employing 100 teachers was ideal,¹³ in 1970, Robinson recommended 15,000 pupils enrolled as the desirable unit.¹⁴

In British Columbia, there have been four Royal Commission reports on education that have included financial matters, and five case studies of school districts. In all of the reports, equality of educational opportunity has been the dominant value. However, cost effectiveness, even at the expense of local autonomy, was stressed, generally in references to school district consolidations. For example, Putnam and Weir's Survey of the School System recommends that "consolidation of schools be carried out wherever it seems educationally or financially desirable, with the approval of local boards if possible, but in face of their disapproval if necessary."¹⁵ Reports by King, Cameron, and Chant continued this theme.

The Cameron Report, which resulted in large-scale district reorganizations reducing the number of districts from six hundred and fifty to seventy-four was also motivated largely by a concern for economies of scale.¹⁶ The Chant Report continued this theme, and recommended further consolidations of small districts, if necessary,

overriding local preferences:

The Commission considers that the consolidation of such districts would result in economies regarding administrative and some other costs.¹⁷

The five case studies of school district reorganization which were commissioned by the British Columbia School Trustees Association in the early 1970s continued to balance program concerns, local control, and efficiency.¹⁸ Robinson, in the first of these reports to be completed, notes "there is a strong relationship between school district size and economy of school district operation." Coleman concludes an extensive discussion of operating costs of districts of differing sizes thus, "there are few alternative explanations for the difference in costs between large and small school districts which explain the fact as satisfactorily as the view that consolidated districts achieve substantial economies of scale in their educational operations."¹⁹

There has been a substantial unanimity of view in the province on the relationship between school district size and operating costs, over a considerable period and amongst many different investigators. The most recent commission in British Columbia, the Sager Commission, was appointed in Spring 1983. It investigated the same issue as an aspect of the restraint program in the province and came to the same conclusion. Thus, a recent policy proposal regarding a further round of school district amalgamations can be considered a traditional response on the part of government in the province of British Columbia relative to cost reductions; more specifically, economies of scale.

AN ARCHDIOCESAN STUDY

CONSOLIDATION: AN ACCEPTABLE ALTERNATIVE CONCEPT

In recent years pressures and problems have mounted for Catholic education. The cost of education has grown along with the demands made upon all schools, both as to the extent and the quality of their program. There has been a struggle to redefine goals in the light of the Second Vatican Council. Changes in personnel have been made necessary by the decline in religious vocations.

In such turbulent times there is danger that the Catholic educational program will simply be swept along by events. Sound planning, however, provides a means of shaping events instead of simply adapting to a future that unfolds as a result of blind forces. At this point in the history of Catholic education, sound and far-reaching efforts at planning are clearly essential. Simple planning based on projecting present processes and procedures into the future has come to be of limited value. A new form of planning, called "strategic planning," has evolved which does not assume that present processes and means of achieving goals will be continued into the future. Strategic planning involves the clear identification of both objectives and capabilities. It weighs the merits of present processes and procedures against possible alternatives.

The Board of Education of the Archdiocese of Indianapolis, after many months of contending with the problems of Catholic education, voted in March, 1985 to conduct a large scale study as a basis for long-range planning. The diocesan boards in Evansville (in May) and Louisville (in August) decided to join in this study project. The similarity of problems and the possibility of economy in research prompted this joint effort.

A broadly representative steering committee of laymen, priests, and religious formed from the three participating diocesan boards agreed on a study plan which included some features not traditionally found in a research project. This plan was based on the following assumption: There is willingness, if not eagerness, in the Catholic community for a free and open discussion and basic reexamination of the present educational program in the Church and significant, effective, and desirable changes are more likely to be realized if the Catholic community is involved in their formulation.

With these assumptions in mind, the steering committee agreed on the following general objectives: (1) The formulation in each diocese of a long-range plan for Catholic education. To this end, planning commissions were set up in each diocese. (2) The gathering of information necessary for effective educational planning, taking into account information already available in diocesan chanceries and offices of education. This resulted in a limited research phase in the project. (3) Informing and involving the entire Catholic community in the consideration of present problems as well as new ideas and alternatives in Catholic education. This resulted in an extensive information and discussion phase. (4) Conducting an attitudinal survey of the entire Catholic community to determine views concerning the present state of Catholic education and willingness to accept changes. (This resulted in the attitudinal survey which is our principal concern here.) Increased emphasis on research and cooperative planning in Catholic education at both the diocesan and local levels was an underlying objective of the project.

In September, the interdiocesan educational study project was announced in all parishes through a joint pastoral letter. In late October the diocesan papers began

publishing a series of articles giving background information and a description of the problems facing Catholic educators.

In late February the attitudinal survey questionnaires, with answer sheets designed to be read electronically by an optical scanning device, were sent to the participating parishes at the rate of 1.1 per household. These materials were developed by the Catholic education Research Center at Boston College.

The response to the attitudinal survey, which can be described as a form of "market research," provided one of the largest masses of data ever gathered in the study of Catholic education. Completed and tabulated for analysis were a total of 51,560 lay questionnaires, of which about eight out of ten were "household" responses, as opposed to responses of individual adults. An estimated 130,000 questionnaires were put into the hands of potential respondents out of the total 150,000 shipped to participating parishes. thus, the overall rate of response to this lengthy (145-item) questionnaire was approximately 40%. Response varied noticeably from parish to parish, principally according to the method of distributing and collecting the questionnaires. In parishes where the recommended method of house-to-house distribution and collection was followed, the response rate was generally over 50% and often in excess of 70%.

While limitations are inherent in any attitudinal survey using the questionnaire approach, this study had an added limitation in the manner in which the respondents were determined. In order to heighten the educative-participative dimensions of the survey, an effort was made to involve the entire Catholic community. Questionnaires were made available to every Catholic household. Thus, the determination of respondents was not

based on a structured sample or on random or chance factors but was the result of interest and motivation of individuals confronted with a long, complex questionnaire. For this reason, one cannot assume that the respondents were average or typical of the total Catholic group. They were, rather, representative of a more select group of Catholics who had both the interest and verbal ability to complete the questionnaire.

However, in planning for the future of Catholic education, the opinions and views of the "interested Catholic" do have special significance. The success of religious enterprises depends largely on the cooperation of the "more interested" participants. Thus, despite the above limitations, responses from over 50,000 such "interested" Catholic adults must be considered an impressive body of data for purposes of planning in Catholic education.

SURVEY RESULTS

The first part of the survey questionnaire covered personal background. Since the questionnaire was designed for reply on a household basis, information was solicited not only concerning the respondent but also about the respondent's spouse.

The respondents were asked whether or not they had preschool children and, if so, to which type of school they were planning on sending these children. Forty-four percent said they had no preschool children and 41% said they had preschool children whom they were going to send to a Catholic school. Seventy-three percent of the parents of preschool children planned to send their children to parochial schools. The rest were divided evenly between parents committed to the public school and those undecided. Even in rural parishes not served by parochial schools, one-fourth of the parents of

preschoolers planned to send their children to Catholic schools.

Several items were included in the survey questionnaire to assess attitudes on matters which indirectly relate to questions of school and education.

CATHOLIC SCHOOLS: THE DEMAND

As market research, the survey indicated a clear demand for Catholic schools. Eight out of ten of the lay respondents agreed that "however hard it is to define, Catholic schools have a unique and desirable quality that is not found in public schools." A similar number felt that every child should spend some time in Catholic schools. Seventy-five percent of the lay respondents agreed that "when a Catholic with young children is buying a new home, one of the things that he should seriously consider is whether or not the parish has an elementary school."

The importance of the parochial school apparently is associated with the religious and moral dimension of its program. A series of items asked whether certain elements were important reasons for sending or not sending children to Catholic schools. Table 7 shows the features of Catholic schools selected as the chief reasons for sending children to them. Inner-city parishioners have an added reason for choosing Catholic schools, however. In a comparison of inner-city parishes with suburban parishes in the Indianapolis area (as shown in Table 7), only 49% of the respondents in suburban parishes indicated "quality of education" as an important reason for sending children to parochial schools, while 82% of the respondents in inner-city parishes considered this element as an important reasons for parochial school attendance. Another set of items asked the respondents to indicate, in reference to certain elements in the school program,

TABLE 7
IMPORTANT REASONS FOR SENDING CHILDREN TO A
CATHOLIC SCHOOL

	LAY RESPONDENTS			RELIGIOUS RESPONDENTS			
	Inner City	Suburban	College Students	All Lay	Pas-tors	Sis-ters	Asst. Pastors
Religious or Moral Atmosphere in school	92%	90%	77%*	89%*	89%*	97%*	92%*
Giving Student Sense of Moral Values	90	86	80	85	91	93	89
Nuns, Brothers, Priests Teaching Religion	83	86	60	85	87	85	75
Religious Exercises (prayers before class, etc.)	88	81	56	81	83	59	62
Discipline	89	81	64	76	90	80	81
Previous Experience with Catholic Schools	83	62	46	67	69	61	59
Assurance Nothing Contrary to Faith Taught	69	60	32	67	71	77	53
Parental Obligation to Send to a Catholic School	69	55	28	63	71	70	39
Quality of Education	82	49	48	58	71	77	56
Influence of Catholic Classmates	60	52	47	56	79	72	54

* Remaining percent of respondents indicated that the item was either "not important one way or the other" or "important" as a reason for not sending to Catholic School.

Source: Archdiocese of Indianapolis, et al., "1985 Board of Education Survey," long range planning survey for Archdiocese of Indianapolis, Indiana and dioceses of Evansville, Indiana and Louisville, Kentucky, Records Center, Archdiocese of Indianapolis, Indianapolis, Indiana, 3.

whether Catholic schools were "better than public schools," "about the same as public schools," or whether "public schools were better than Catholic schools." The items in which the Catholic schools were given a superior rating in comparison to the public schools were concerned primarily with moral formation, as shown in Table 8. On each of the first four items in Table 8, the pastors and Sisters reported much higher (70-80%) ratings of superiority of the Catholic schools. Six out of ten laymen thought the Catholic schools did a better job of teaching honesty and truthfulness.

Along with a general commitment to and demand for Catholic schools, there was evidence in the survey of some questioning of the necessity and merits of Catholic schools. In response to an item which stated "it is not possible to have a strong parish without a parochial elementary school," 43% of the lay respondents and 49% of the pastors agreed. However, agreement decreased among respondents whose education went beyond the high school level.

Forty-nine percent of the lay respondents agreed and another 30% were undecided concerning the statement, "In the long run, Catholics who went to public schools turn out to be just as good Catholics as those who attended parochial schools." Respondents in parishes not served by Catholic schools disagreed less frequently. The majority of pastors (55%) disagreed while assistants were largely divided and undecided.

In response to the suggestion that "Catholic elementary and secondary schools should not be drastically changed but should continue in their present form," the Catholic community was quite divided, as Table 9 shows. Among the pastors and lay respondents in general, there were almost as many for as against "drastic change." Readiness for

TABLE 8
COMPARISONS BETWEEN CATHOLIC AND PUBLIC SCHOOLS
RATING SCHOOLS AS BETTER ON SELECTED ITEMS

	SISTERS			ALL LAY			COLLEGE STUDENTS			PASTORS		
	No. Diff.	Cath.	Pub.	No. Diff.	Cath.	Pub.	No. Diff.	Cath.	Pub.	No. Diff.	Cath.	Pub.
Preparing for Marriage and Family Life	64%	5%	22%	47%	12%	34%	82%	4%	11%	88%	0%	9%
Teaching of Self-Discipline	64	3	29	52	8	34	78	1	17	81	0	17
Developing Respect for Persons and Property	60	2	34	59	2	35	68	0	26	70	0	29
Teaching Honesty and Truthfulness	58	2	35	48	4	41	70	2	23	68	3	22
Developing Proper Attitudes towards Social Problems	40	6	40	34	12	43	50	2	32	58	0	29
Developing Sensitivity to Programs of Minority Grps	32	7	40	34	16	40	48	9	33	42	3	42
Developing Good Citizenship	26	4	65	14	13	68	46	2	50	29	12	56

Source: Archdiocese of Indianapolis, et al., "1985 Board of Education Survey." Long range planning survey for Archdiocese of Indianapolis, Indiana and dioceses of Evansville, Indiana and Louisville, Kentucky. Records Center, Archdiocese of Indianapolis, Indiana, 5.

TABLE 9
VIEWS ON THE PROPOSAL "CATHOLIC ELEMENTARY AND
SECONDARY SCHOOLS SHOULD NOT BE
DRASTICALLY CHANGED, BUT SHOULD
CONTINUE IN THEIR PRESENT FORM"

RESPONDENTS	AGREE	UNDECIDED	DISAGREE
Inner City Lay	53%	24%	23%
Suburban Lay	29	18	53
Catholics at Crossroads*	18	17	65
All Lay	40	23	37
Pastors	38	19	43
Assistant Pastors	13	17	70
Sisters	29	20	51

*"Catholics at the Crossroads" refers to those parents who presently have their children in Catholic schools but plan to sent their pre-school children to public schools.

Source: Archdiocese of Indianapolis, et al., "1985 Board of Education Survey." Long range planning survey for Archdiocese of Indianapolis, Indiana and dioceses of Evansville, Indiana and Louisville, Kentucky. Records Center, Archdiocese of Indianapolis, Indiana, 9.

"drastic change" was more clearly in evidence among the assistants, the Sisters, the "Catholics at the crossroads," and suburbanites than among the laity in general. The assistant pastors were especially willing to see some substantial reorganization. Attitudes favoring "drastic change" were more common as the income and especially the education levels of the respondents rose. Catholics who had graduated from college evidenced definite interest in change from the present system. Inner-city residents were least inclined to accept "drastic change."

There was evidence that "problems" in the academic program and increasing financial costs are at least partly the source of questioning and criticism of the parochial school system.

Table 10 lists the features which were most often selected as reasons for not sending children to catholic schools. "Quality of education" was rated here by one of three suburban respondents and one out of four of all lay respondents. Clearly tuition costs, and general parish financial insecurity represented by the increase of amount of parish subsidies to the schools seemed to account for the greatest move toward the public school.

TABLE 10
IMPORTANT REASONS FOR NOT SENDING
CHILDREN TO CATHOLIC SCHOOLS

	Inner City Lay	Sub- urban Lay	Cath- olics at Cross- roads	Col- lege Stu- dents	All Lay	Pastors	Sis- ters
Tuition Costs	49%	47%	50%	52%	46%	42%	68%
Parish support for school	28	37	39	42	42	47	60
Separate Education for Boys and Girls	13	24	33	57	26	15	3
Quality of Education	5	36	43	39	25	10	12
Large Number of Lay Teachers in Catholic Schools	13	33	37	10	23	28	18
Developing Personal Freedom and Responsibility	4	15	21	27	12	8	8
Previous Experience with Catholic Schools	3	11	22	19	8	6	5

* Remaining percent of respondents indicated the item was "a reason for sending to Catholic school" or was "not important one way or the other."

Source: Archdiocese of Indianapolis, et al., "1985 Board of Education Survey," long range planning survey for Archdiocese of Indianapolis, Indiana and dioceses of Evansville, Indiana and Louisville, Kentucky. Records Center, Archdiocese of Indianapolis, Indianapolis, Indiana, 9.

CATHOLIC SCHOOLS: FINANCES

Seventy percent of the pastors and approximately 90% of all other respondents agreed that "qualified lay teachers in Catholic schools should receive the same salaries and fringe benefits that the public school teachers in the same community receive." Yet over 70% of the lay respondents and 85% of the pastors agreed that "parish finances make it impossible for Catholic schools to match public school teachers' salaries." At the same time, over 75% of the lay respondents and 90% of the pastors agreed with the admittedly somewhat "leading" statement that "most Catholics don't contribute as much as they could to the support of the Church."

In general, the lay respondents, in seeking outside aid for Catholic schools, looked more toward government than toward industry. The Catholic community was rather evenly divided in response to the suggestion that "because of the contribution that Catholic schools make to the community, local business and industry should give some financial help to these schools." However, 70% of the respondents did agree that "public funds should be used to help defray the cost of Catholic schools for teaching children academic subjects, such as mathematics, foreign languages, science and reading." Seventy-seven percent of the Catholic community also felt that "the needs of children in Catholic schools should be made known to their state legislatures."

Centralization in the financing of Catholic education, as a concept, was not readily accepted by the majority of the respondents. Several items were included in the survey concerning various possible centralized efforts. When the respondents were asked whether they would be willing to contribute on a tax deductible basis to an annual

diocesan education fund-raising drive, similar to a United Fund drive, 44% expressed willingness, while 48% indicated they would not be willing. In a related item it was suggested that part of the money collected in a diocesan fund-raising drive should be used to provide training for specialists in religious education. While one-fourth were undecided on this item, 54% of the lay respondents and 75% of the pastors agreed. This agreement was perhaps related to concern for the training of religion teachers, since the majority also agreed that "the Church has changed so much in a short period of time that only trained teachers should give religious education to children."

While not clearly interested in centralization as a concept, the respondents did show a willingness to have wealthier parishes share with less affluent parishes. In response to the suggestion that "funds raised in wealthy parishes should be used to help pay the cost of Catholic education in poorer parishes," 68% of the lay respondents and 82% of the pastors agreed. Only 16% of the lay respondents were unwilling to share in this way. Wealthier, suburban parishes were no exception here.

The survey provided something of a mandate for lay involvement in decision-making in Catholic education. In response to the proposal that "policies for Catholic schools should be formulated by boards made up of laymen and clergy," 76% of the Sisters, 87% of the lay respondents, and 89% of the pastors expressed agreement. Interestingly enough, pastors and assistants were more in agreement than were laymen on the need for parish members to have "more say in the running of the parish than they now have."

Possibilities for the future of Catholic education were given attention in the

questionnaire. In these items, educational schemes which were being proposed for consideration. In reviewing the responses, the hypothetical nature of these questions must be kept in mind, since the majority of the respondents had not experienced in any form many of the alternatives proposed.

The one scheme most clearly rejected by the Catholic community was that "if the lack of trained personnel and funds became a problem for Catholic schools, they should concentrate on educating the very bright students who will probably be the future leaders of the community." Eighty-five percent of the lay respondents opposed this suggestion. The respondents were evenly divided on another proposal, namely, to "close all schools and to concentrate on the other forms of religious education in the event that Catholic school's were excluded from public aid." At the same time, 61% of the lay respondents and 66% of the pastors did agree that "since the cost of education is going up every year, it would be better for Catholic schools to eliminate certain grades rather than attempting to operate at all grade levels."

ALTERNATIVE: CONSOLIDATION

One section of the questionnaire was devoted to proposing alternative plans for reorganizing Catholic education. The proposed alternative plan that related to parochial elementary schools included school consolidations, closing the primary grades, closing the entire elementary school and replacing it with parish religious education centers, closing grades seven and eight (with emphasis on grades one to six), and the building of additional Catholic elementary schools so that all Catholic children could attend such schools. The consolidation of small parochial schools was the suggestion that met with

the least opposition from the majority of the Catholic community. Proposals for shared time and released time met with opposition from the majority of lay respondents. Shared-time programs were more acceptable to the Sisters and favored by the majority of the pastors.²⁰

* * * * *

As a piece of action research in a planning project, this attitudinal survey proved to be quite valuable. The publication of the survey results to boards and planning groups in early June 1985 preceded the complete publication of all survey findings in the fall.

One of the major challenges facing American Catholic education is to define the role which it can perform. It could be said that most, if not all, of our other problems flow from this one. Every institution and system requires the conviction that it performs a unique and indispensable task. With such a conviction, particular problems are viewed as challenges to do better, not as insurmountable obstacles. Without it, even small problems - to say nothing of major ones - take on a menacing aspect and become threats to the continued existence of the system. To put the matter differently, we need to believe in what we are doing, or we are unlikely to continue doing it.

Certainly, some crisis of confidence in Catholic education is with us today. Confidence has been shaken by a number of events in recent years, and its complete restoration is not likely to be the task of a few months. Yet it would be less than accurate to suggest that nothing has changed in the past few years. On the contrary, there has been a change, and it has been for the better. The outlines of the new role of Catholic education have begun to come into focus, and with this development one can

sense a resurgence of confidence among those whose duty and privilege it is to engage in the teaching mission of the Church.

Ordinarily we think in terms of physical dimensions - the measurable, tangible size of a thing. Looked at from this point of view, it is obvious that the "dimensions" of Catholic education are in a sometimes confusing state of flux. Reports of grade droppings, school closings and declines in enrollment or in the number of teachers come with considerable frequency. The physical dimensions of the Catholic educational enterprise - at least its formal, institutional embodiment - are apparently in a period of contraction. How long this will last and how far it will go no one can say precisely. Certainly, however, a leveling-off point will eventually be reached, and however painful and upsetting the process of consolidation may be in particular cases, it is irresponsible to suppose that it signals a withering-away, a disappearance, of Catholic education. To be precise, I believe that with this model the future will see a more compact but also a more professional and effective Catholic school system, better able to meet the needs of the Church and society.

Apart from the question of sheer physical size and numbers, there is another, less tangible, aspect to Catholic education. This aspect suggests depth or its lack, impact or its absence. It is in this sense, that we can take substantial satisfaction in the developing dimensions of Catholic education. Our schools and other educational programs are becoming better, and they are becoming better to a great extent because of another factor: our new understanding of the role of Catholic education today. This new understanding is not being developed in the abstract; rather, it is arising from our

growing appreciation of the changing world in which and for which Catholic education must now function.

The Church since Vatican II has come to view the world as an arena of opportunity and an object of service. As Christians, we are the inheritors of a message - of good news - which it is our duty to spread abroad in the word. In this sense, then, the dimensions of Catholic education have today expanded dramatically; today we in Catholic education must achieve a new depth of commitment, a new breadth of concern and service. In doing so we will simultaneously define and fulfill the unique role of Catholic education in our changing world.

Admittedly, this involves for Catholic educators a new vision of the role of Catholic education. Up to now, we have been relatively inward-looking. Our schools and our educational programs have served primarily as media for helping newcomers or the offspring of newcomers to adapt to the American reality, to fit into their society comfortably and successfully. We have done this well, and we can be proud of having done it. Today, however, with notable exceptions in particular sections of the country and among particular ethnic groups, we are fully arrived on the American scene. Catholic education, again with special exceptions, need not consider itself an agent for the social adjustment of Catholics and no more than that.

It is therefore time that Catholic education accept for itself the challenging but no less important task of preparing those whom it reaches not merely to fit into their society but to change that society. Catholic education must become the cutting edge of the Church's effort to serve the world. This is not the time for us to think and speak as if

Catholic education had somehow outlived its usefulness and could now fade quietly - or perhaps noisily - from the scene. This is a moment for us to grapple, to the best of our ability, with the new ills that cry out for curing in our troubled world. And no American Catholic educator need look far to know what these ills are: grinding poverty that degrades and destroys the human spirit, the pervasive strain of violence that runs like a malignancy through American society, the terrifying racist bent that threatens to rend our nation and divide it into armed camps. The Church cannot ignore these problems today, and Catholic education cannot ignore them. On a deeper level, lasting change will only come about through a change in the way in which men view themselves and one another. Permanent, effective change, in short, will only be accomplished by education. This is the objective on which Catholic education must set its sights today.

Solutions will not come about by concentrating on only one segment of American society. Obviously vastly more must be done - in education as in other fields - for the poor and the disadvantaged, the direct victims of discrimination. But more must also be done to change the attitudes of middle-class Americans as well. I believe that the American middle-class is a huge and largely untapped reservoir of economic, intellectual and moral resources for the betterment of our society. Someone, somehow must reach middle-class Americans and convince them of their responsibility to their less fortunate brothers. In essence, this is an educational task. Catholic education need not apologize for including the middle-class among those whom it serves. The question is not whether we should be teaching white middle-class Catholics, but what we should be teaching them. The issue, in my mind, comes down to this: Are we preparing white Catholic

Americans to fit into American society - or are we preparing them to change American society by infusing it with the values of justice and charity to all men?

Is there, then a unique role for Catholic education today? The answer is an emphatic yes - the role of Catholic education is scarcely less than that of the Church itself. Without its schools the Church would be drastically handicapped in its mission of service. The work of Catholic education in American society is far from finished today; indeed, it may only have begun. We must look forward with hope and with confidence to the new dimensions of Catholic education in our changing world.

Catholic education, we are sometimes told, is an elitist system of education. Frankly, as stated previously, the word is not a bad one. It is precisely an elite which we, as Catholic educators, must work and strive with all our might to develop. Not, however, an elite of color or wealth or even of intellect - for this would be a betrayal of the meaning of Christian education - but an elite of commitment and service; an elite with the skill and determination to go to the heart of our society's ills and work to cure them. [It is not money, purpose, not hardware or know-how that is lacking.] What is lacking is willingness to surrender a bit of private luxury for the sake of public necessity. This is the spirit we must instill in our students and ourselves; only by doing so will we be true to our responsibility as Christian educators.

This is why it is out of the question that we think in terms of a timid, fearful cutback in our commitment to Catholic education. On the contrary, just as Catholic education has in the past been a powerful force for healthy social evolution in our society, so it must continue to be - although in a new context - today. And for this

purpose nothing but the best will be good enough. We must not become hung up on the syndrome of "realistic" expectations. Our expectations for Catholic education must be unrealistic - daringly high- or else we have no justification for staying in business.

There are times, I have to admit, when I am a bit appalled at the doubts which seem to trouble so many people in regard to the future of Catholic education. To be sure, this is a time of reexamination and redefinition, and that is all to the good. But this cannot be allowed to degenerate into defeatism. Do we face problems today? They seem to me to pale into insignificance beside the difficulties which confronted the founders of our Catholic educational system a century ago. If those men and women had been realistic and nothing more, they would have given up the effort before they ever began. What sense did it make, after all, to try to provide education for the children of the immigrants, the peasants, the outcasts and the disadvantaged of American society in their day? Very little, and yet the odd thing is that they did it. They did it bravely and they did it well. If we are not able to continue what they began and move it forward, the fault is with us, and I believe it is a fault for which history will blame us harshly.

I do not expect, however, that this is in fact the verdict which history will pass on us. For I am convinced that we in Catholic education have passed the point of dismay and despair and are moving now to make a reality of the broader dimension of service. Not all the bad news is in yet, to be sure: There will be setbacks, disappointments, trials to unnerve the sturdiest among us. It will be that in absolute numbers the size of the Catholic educational enterprise will shrink. We may face alarming defections, seemingly unanswerable criticisms. And yet the mood of defeatism has lifted. We in Catholic

education no longer see every change in the nature of our apostolate as a calamity. It was Pascal, I believe, who recommended that we all learn from one infallible teacher - and the teacher is necessity. As Catholic educators we should accept that principle and learn from the imperatives of our times - the imperatives of our Church and our society - the course of action that we should adopt for the future.

Catholic education has served American society well in the past and serves it well today. As for tomorrow - I believe our service can only be more necessary and more relevant. We have the will and having that, we have the means. I, for one, am hopeful for the future - and I believe that most Catholics are, too.

We see the signs of trouble: problems with financial resources; major criticism of the parochial schools; declines in attendance which, though modest, are striking in view of the increasing numbers and affluence of the Catholic population; growing dissatisfaction among younger priests and nuns, and growing difficulty in attracting young people to the religious life; and apathy among college students toward the traditional activities of their religion, and a consequent striking out in harmful as well as wholesome ways for new meanings that may or may not bear the formal insignia of Catholicism.

Let us, therefore, dispose once and for all this nonsense about abandoning the Catholic school system as no longer relevant to American life. It has never been more essential to education in this country. In the same manner that responsible, constructive criticism, in the form of a minority party, is the essential guarantee of personal freedom from the excesses of the government in power, so does a responsible minority school-

system guarantee children and their parents intellectual and moral freedom from the aberrations of a state system of education. The responsible minority in American education is the Catholic schools. There is no other private school system in the country extensive enough to provide the effective balance secular education requires. To paraphrase Voltaire on the existence of God: If the Catholic schools did not exist, we should have to invent them.²¹

POSSIBLE BENEFITS OF CONSOLIDATION

Many diocese in the country are now making various studies involving lay and religious leaders in and out of the diocese. Such studies should result in restructuring total diocesan programs. It is predicted that small and ineffective schools will be closed or merged with larger schools, combining programs within a regional district, e.g., through the creation of a primary school in one area, an intermediate school in the neighboring area, and a junior high school in the third area, would be educationally advantageous. Students from the three schools would be bussed to their proper levels. In a setup of this nature a non-graded program could be very effective. The two grades in one room in the smaller schools would be eliminated with an increase in numbers of students coming from the adjoining schools. Equipment and supplies would be specialized and centralized to fit the needs of the various levels of instruction.

NOTES

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5. Ibid., 18.
6. Ibid., 24.
7. Ibid., 22.
8. Ibid., 23.
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10. Ibid., 21.
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17. Ibid., Chant, 58.
18. Peter Coleman, Reorganization of British Columbia School Districts; Franklin P. Levirs, Reorganization of British Columbia School Districts: The East Kootenay Case (Vancouver, British Columbia: British Columbia School Trustees Association, 1971), 25-33.
19. Peter Coleman and Linda LaRocque, "Linking Educational Research and Educational Policy via Policy-Relevant Research," Alberta Journal of Educational Research XXIX (September 1983): 242-55.
20. Archdiocese of Indianapolis, et al., "1985 Board of Education Survey." Long range planning survey for Archdiocese of Indianapolis, Indiana and dioceses of Evansville, Indiana and Louisville, Kentucky. Records Center, Archdiocese of Indianapolis, Indianapolis, Indiana, 3.
21. Voltaire's philosophy was very much influenced by and intertwined with his life, one must know his life, at least in outline, to appreciate his philosophy. See Theodoro Besterman, Voltaire (University of Chicago Press, 1969), a thorough biography by the man who for many years directed the Voltaire Foundation for studies of Voltaire; Ira O. Wade, The Intellectual Development of Voltaire (Ann Arbor, Mich: Books on Demand, Division of University Microfilms International, 1969), a scholarly biography by a man who devoted his life to the study of Voltaire; Mary Margaret Barr, A Century of Voltaire Study: A Bibliography of Writings on Voltaire, 1825-1925 (New York: Institute of French Studies, Columbia University Press, 1929), a work whose extensiveness shows Voltaire's popularity.

CHAPTER III

METHODOLOGY

Chapter III begins with an explanation of the design of the study and a discussion of the subjects used or sample selection - focusing on the historical evolution of the samples. This is followed by a description of the instrument used to collect the data. Finally, the data is analyzed and summarized.

DESIGN OF STUDY

This dissertation studied the question of whether the merger of Catholic schools would be economically more efficient for some parishes with schools in the Archdiocese of Chicago. This was accomplished through the historical research of the financial operations of nine parishes of the Archdiocese of Chicago over a six year period. The study included data before and after merger or consolidation had been affected.

MAJOR FOCUS

The major question this research sought to answer was whether or not parish finances of the Archdiocese would improve as represented by net deficit reductions for parishes in the Archdiocese of Chicago as a result of the merger or consolidation of their academic resources and expenditures.

SAMPLE SELECTION

The study group population in this dissertation consists of two clusters of

cooperative Catholic elementary schools. Prior to June of 1995, these schools were independent, free standing institutions supported primarily by the geographical parishes in which they were located. By the beginning of the 1995-96 academic year, economic and demographic pressures had forced a reconfiguration of these parish schools. There are a total of 9 parishes in the study.

As previously stated, the major focus of this study was to be an analysis of the schools', parishes' and indirectly Archdiocesan financial status prior and subsequent to this reconfiguration.

Anchor #1 Two of the nine parishes in the study established a cooperative relationship in the northwest suburban area of Des Plaines, Illinois.

Anchor #2 Seven of the nine schools in the study merged into an urban cooperative unit in the area of Rogers Park, in Chicago, Illinois.

By July 1995, St. Mary and St. Stephen Protomartyr Schools in Des Plaines, Illinois had merged to form Our Lady of Destiny. At the same time seven city parishes located in the Rogers Park area joined together to form North Side Catholic Academy. The parishes in this second group are - St. Timothy, St. Jerome, St. Ita, St. Gregory, St. Henry, St. Gertrude and St. Ignatius.

Note: The actual (de facto) mergers occurred during the 1994-95 school year and the data reflects this fact; however; formal mergers occurred at the beginning of the 1995-96 school year. This date is used as it is the official period recognized by the diocese.

DATA COLLECTION INSTRUMENTS

The instruments used to acquire the data for this study were budgets and end-of-year reports for years 1990-91 through 1994-95. The 1995-96 figures were budgetary only. The instruments were composed of five sections as follows:

Section 1 - Church related activities

Section 2 - School related activities (including subsidies)

Section 3 - Extraordinary operating activities

Section 4 - Capital activities

Section 5 - Savings and loan activities

A few changes were made in the instrument for the present study, as a result of suggestions received from the diocese and the experience gained from previous studies. The forms are instruments used in the annual study and reporting of Catholic parish and school finances by the parishes of the Archdiocese of Chicago.

SAMPLES

PARTICIPATING SCHOOLS

During the 1994-95 school year, 285 Catholic elementary schools provided education to almost 105,000 students in kindergarten to grade eight. In order to ensure a sample of sufficient size to be included in the various subgroups of this study, a decision was made to include nine parishes that had affected some type of merger or shared cost and revenue arrangement for their schools. This represents about 3% of all Catholic elementary schools in the Archdiocese.

The schools selected to participate in this project were chosen in addition to the

consolidations, for their locations: i.e., two were suburban and seven were located in the city.

The following is a list of the parishes in the study by group with their locations.

Anchor Group #1
Vicariate I, Deanery 2

St. Mary
794 Pearson St.
Des Plaines, IL 60016

St. Stephen Protomartyr
1267 E. Everett Ave.
Des Plaines, IL 60018

Anchor Group #2
Vicariate II, Deanery 4

St. Gertrude
1420 W. Granville Ave.
Chicago, IL 60660

St. Gregory the Great
1634 W. Gregory St.
Chicago, IL 60640

St. Henry
6335 N. Hoyne
Chicago, IL 60659

St. Ignatius
6559 N. Glenwood
Chicago, IL 60626

St. Ita
1220 W. Catalpa Ave.
Chicago, IL 60640

St. Jerome
1709 W. Lunt Ave.
Chicago, IL 60626

St. Timothy
6326 N. Washtenaw Ave.
Chicago, IL 60659

The parishes from Anchor Group #1 merged to form Our Lady of Destiny: North

Campus: 795 Center St. Des Plaines, IL 60016, South Campus: 1880 Ash St. Des Plaines, IL 60018. The parishes from Anchor Group #2 merged to form Northshore Catholic Academy: 1643 W. Bryn Mawr, Chicago, IL 60660.

SUMMARY

As was noted under the part of this dissertation entitled - Research Question, this study sought to determine if there would be either no difference in parish financial status before and after consolidation or anchoring of parish schools, or as expected, the alternative result that there would be a difference before and after merger. Specifically, Parish Net (Deficit)/Excess including parish subsidy costs to the new Anchor/Consolidated school will decrease.

Although the main focus is on the decrease in parish subsidy expenditures for Catholic education in the Archdiocese, other data sections are listed as they should also be affected by a ripple affect from this reduction in parish costs for Catholic schools. In addition to the reduction in parish educational costs (subsidy) the research should show an overall decrease in parish and school costs resulting in a decrease in per student expenditures; i.e., church and school related activities (Sections 1 and 2); a decrease in extraordinary and capital expenses (Sections 3 and 4); an increase in savings (including endowments) and a concomitant decrease in loan activities (Section 5).

Both quantitative and graphical methods will be used to compare expenditures before and after merger.

CHAPTER IV

**HISTORICAL PERSPECTIVE ON FINANCIAL DATA FOR
SELECTED SCHOOLS/PARISHES OF THE ARCHDIOCESE
OF CHICAGO FOR THE YEARS
1990-91 THROUGH 1995-96**

This chapter will report the results of the research data. As previously noted, this research project focused on the question of whether parishes in the Archdiocese of Chicago, with schools, would save money by pooling or consolidating their educational efforts.

The end of year fiscal reports and budget projections for the two clusters consisting of nine parishes in the study were used to gather the data.

End of year reports (actual) for the years 90-91, 91-92, 92-93, 93-94, 94-95 in addition to the projected figures (budget) for 1995-96 were reviewed by the researcher.

The reader is provided with a financial report for each parish, including the two consolidations, in the study. The report consists of church and school revenues and expenses. Net excess or deficit for church and school. Capital activities in addition to savings and loan balances are also included; however, these figures are not as important to the study as those previously cited.

The main focus, is on net excess or deficit for the parish. This figure includes

those of both the church and the school and is therefore the most salient for this research.

The presentation also consists of a detailed historical profile of each parish in the study.

ANALYSIS OF DATA

The data clearly shows a downward movement for the bellweather figure of Parish Net (deficit) Excess. In fact, for the Northside Catholic Academy cluster only two of the seven participating parishes show negative figures for this category, for fiscal year 1995-96 - St. Gregory \$-37,830 and St. Henry \$-26,300. But even these are considerably down from the highs of \$-142,258 and \$-79,669 respectively.

St. Mary shows a projected revenue excess of \$146,163 from a low of \$-2,865 in FY1994 and St. Stephen projects a break even figure for 1996.

Table 11 shows parish net figures for 1990-91 through projections for 1995-96. Variations in the regression are explained by either one-time only capital expenditures and/or extraordinary income.

The average subsidy for the parishes in Northside Catholic Academy was \$86,000 for the four years of the study in which they operated their schools independently. (Note: St. Ita reported residual expenses also in 1995).

The average subsidy payments for these same parishes to the Northside Catholic Anchor school is \$0. (The 1996 projections are for a net excess of \$327,411.00, yielding an \$11,905.00 surplus per parish.) The average subsidy for the two parishes in the Our Lady of Destiny anchor was \$196,000 prior to consolidation and \$24,123 after merger; almost a \$172,000 annual average decrease.

TABLE 11
PARISH NET (DEFICIT)/EXCESS

<u>Anchor #1</u>	1991	1992	1993	1994	1995	1996
Our Lady of Destiny (OLD)					-60,746	12,500
St. Mary	111,358	4,692	18,695	-2,865	122,298	146,163
St. Stephen	113,168	98,258	109,511	-280	3,302	0
 <u>Anchor #2</u>						
Northside Catholic Academy (NCA)					-22,963	46,773
St. Gertrude	62,335	2,008	-52,341	-34,054	-425	22,415
St. Gregory	-126,977	-142,258	-120,974	-60,221	-137,032	-37,830
St. Henry	-11,635	-3,352	-53,359	-47,107	-79,669	-26,300
St. Ignatius	-22,855	-113,313	-146,077	-174,077	-105,226	14,000
St. Ita	-48,165	-121,689	31,439	47,730	17,676	19,085
St. Jerome	-75,264	-133,662	-152,168	-135,946	-50,344	2,139
St. Timothy	164	-49,212	-15	-68,552	205,497	3,283

Source: Archdiocese of Chicago, "Parish Financial Reports for Years 1991 through 1995" and "Summary of Parish Budgets for 1996," AAC, Chicago, Illinois.

**TABLE 12
SUBSIDIES**

Fiscal Year	Avg.	1991	1992	1993	1994	1995	1996
Northside Catholic Academy (NCA)							
St. Gertrude	95,940	95,940	82,731	182,082	91,299	0	0
St. Gregory	53,000	64,100	63,488	79,909	4,863	0	0
St. Henry	48,000	33,791	33,356	65,968	56,301	0	0
St. Ignatius	40,000	1,451	3,805	82,757	72,177	0	0
St. Ita	112,000	118,281	133,117	179,931	45,456	81,509	0
St. Jerome	147,000	57,681	148,344	212,055	168,768	0	0
St. Timothy	87,000	73,670	112,886	89,121	70,082	0	0
NCA Pre-Merger Average	86,000					-22,963	46,773
NCA After Merger Average							11,905
Fiscal Year	Avg.	1991	1992	1993	1994	1995	1996
Our Lady of Destiny (OLD)							
St. Mary	263,000	261,258	297,910	233,523	259,596	0	0
St. Stephen	129,000	142,170	121,738	119,344	133,009	0	0
OLD Pre-Merger Average	196,000					-60,746	12,500
OLD After Merger Average							-24,123

Source: Archdiocese of Chicago, "Parish Financial Reports for Years 1991 through 1995" and "Summary Parish Budgets for 1996," AAC, Chicago, Illinois.

ANCHOR #2OUR LADY OF DESTINY (OLD)

As previously stated, OLD was officially created through the formal merger of St. Mary and St. Stephen Protomartyr schools in July, 1995. The new anchor school's main office is located at 1267 Everett St., Des Plaines, Il. It began the 1994-95 school year with 350 students and finished the year with a \$-121,493 Net Parish Deficit representing a \$-60,246 deficit per parish. It projected a student population of 395 students for 1995-96 with a net excess of \$25,000 representing a \$12,500 revenue surplus for each parish. The average subsidy prior to consolidation for the two schools in the anchor decreased from \$196,000 to \$24,123, a \$172,000 annual average decrease.

TABLE 13
OUR LADY OF DESTINY BUDGET/ACTUAL REPORT

	Actual 6/91	Actual 6/92	Actual 6/93	Actual 6/94	Actual 6/95	Budget 6/96
October Count	0	0	0	0	0	0
K-8 Enrollment	0	0	0	0	350	395
CHURCH REVENUE						
Collections	0	0	0	0	0	0
Other Ord. Church Inc.	0	0	0	0	0	0
Bingo	0	0	0	0	0	0
Lease	0	0	0	0	0	0
Fund Raising	0	0	0	0	0	0
Extraordinary Revenue	0	0	0	0	0	0
Total Church Revenue	0	0	0	0	0	0
SCHOOL REVENUE						
Tuition and Fees	0	0	0	0	461502	500300
Fund Raising	0	0	0	0	38754	75000
Other	0	0	0	0	124021	238672
Total School Revenue	0	0	0	0	624277	813972
Total Parish Revenue	0	0	0	0	624277	813972
CHURCH EXPENSES						
Salaries	0	0	0	0	0	0
Benefits	0	0	0	0	0	0
Occupancy	0	0	0	0	0	0
Other	0	0	0	0	0	0
Assessments	0	0	0	0	0	0
Extraordinary Expenses	0	0	0	0	0	0
Total Church Expenses	0	0	0	0	0	0

TABLE 13 - CONTINUED
OUR LADY OF DESTINY BUDGET/ACTUAL REPORT

	Actual 6/91	Actual 6/92	Actual 6/93	Actual 6/94	Actual 6/95	Budget 6/96
SCHOOL EXPENSES						
Salaries	0	0	0	0	537676	522282
Benefits	0	0	0	0	114583	128738
Occupancy	0	0	0	0	38917	59068
Other	0	0	0	0	54594	78884
Total School Expenses	0	0	0	0	745770	788972
Total Parish Expenses	0	0	0	0	745770	788972
Church Net(Deficit)/Excess	0	0	0	0	0	0
School Net (Deficit)/Excess	0	0	0	0	-121493	25000
Parish Net (Deficit)/Excess	0	0	0	0	-121493	25000
Operating Grant	0	0	0	0	0	0
Net After Grant	0	0	0	0	-121493	25000
CAPITAL ACTIVITIES						
Capital Revenue/Grant	0	0	0	0	0	0
Capital Expense	0	0	0	0	0	0
Capital Net	0	0	0	0	0	0
Savings Balance	0	0	0	0	0	0
Loan Balance	0	0	0	0	0	0
Unpaid Bills	0	0	0	0	5275	0
Per Student Cost						
Parish Per Student Cost						

Our Lady of Destiny

Parish Net (Deficit)/Excess

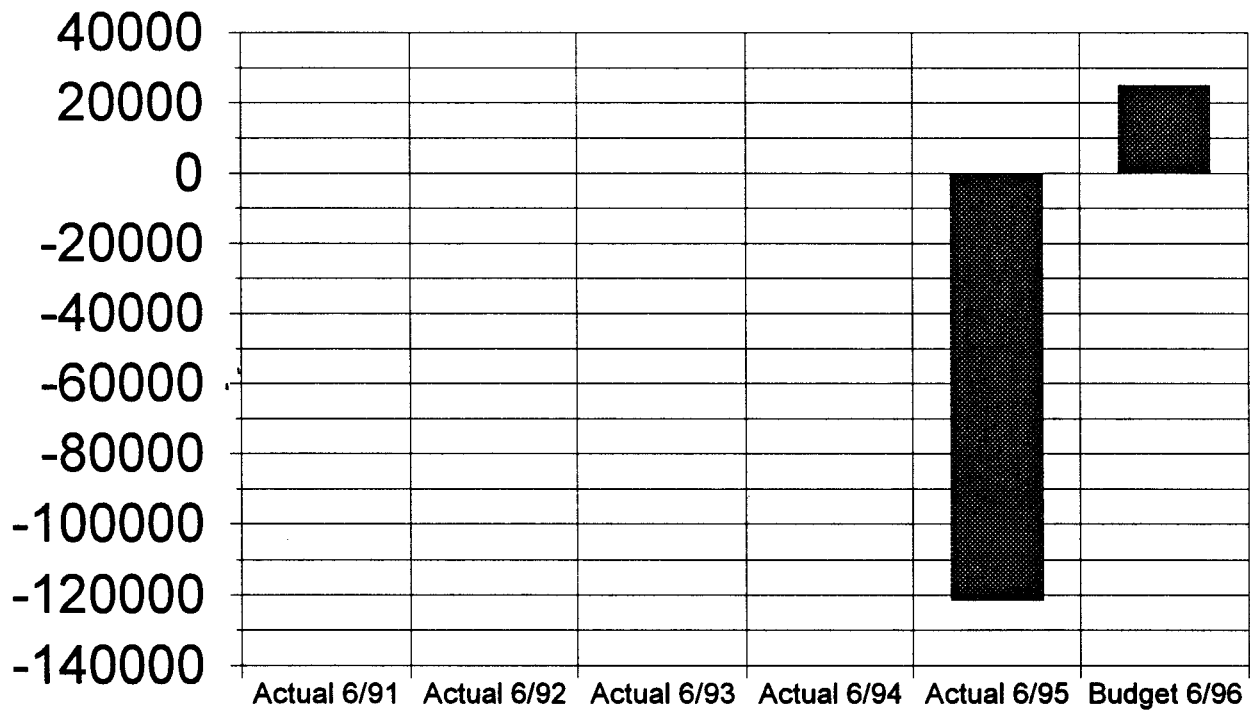


Figure 1.

ST. MARY

Although St. Mary parish was not officially established until 1906, the Catholic community in Des Plaines, Ill. dates back to the 1870s. In order to attend Mass, families had to travel via handcar over the Chicago and North Western railroad to Arlington Heights, a community northwest of Des Plaines. When the Catholic community in Des Plaines became larger than that in Arlington Heights, it was decided to relocate the church in 1880. The frame edifice was placed on two flat cars of the Chicago and North Western railroad and it was transported to a plot of land at Thacker and Cora St. which had been donated by the Gallagher family. A photograph on file at the Arlington Heights Historical Society documents the relocation of this mission church from Arlington Heights to Des Plaines. According to a history of St. Mary parish written in 1947, the church contained thirteen pews after completion, which were more than adequate to serve the requirements of the seventeen local Catholic families. The name, St. Mary's inspired by general devotion to the Blessed Mother, was chosen by acclaim. A French mission priest, Father Goulet, was the first officiating pastor. St. Mary's was designated as a mission parish in 1883 and was served thereafter by various priests.¹

Shortly after the turn of the century, it became apparent that the old frame church of St. Mary was no longer adequate for the growing parish. The decision to build a new church resulted in the purchase of vacant property at the southwest corner of Pearson St. and Prairie Ave. This site was acquired at a cost of \$250.

In 1906, Archbishop James E. Quigley constituted the territory of Des Plaines as a permanent parish and he appointed Father John Linden as first resident pastor. On

August 18, 1906, The New World reported that designs for a brick and stone church had just been completed. Construction of the new St. Mary Church continued into 1907; the stately brick edifice was dedicated on September 27, 1908 by Archbishop Quigley. A new parish rectory was built on property adjoining St. Mary Church; the old frame mission church at Thacker and Cora St. was used for catechism classes, choir practice, and parish meetings until it was destroyed by fire.

For 18 years after its official establishment as a parish, St. Mary was without a parish school. The Sisters of St. Francis opened St. Mary school on September 2, 1924 at 801 Center St. and they lived in quarters at the back of the building until a frame residence at 803 Center St. was acquired.

Although the population of Des Plaines doubled in the 1920s, some of the increase was due to annexations. Des Plaines remained a small community of less than 10,000 persons until the post World War II era when it was transformed into a residential suburb.

To accommodate the increase in the congregation in the 1920s, additional Masses were held in the school. In 1936, a solution to the problem of overcrowding was reached; a bowling alley was outfitted as the third St. Mary Church. This structure, located at the northwest corner of Pearson St. and Prairie Ave., contained twice the space of the old brick edifice and Mass in the new church quarters was celebrated for the first time on Christmas Day 1936. The former brick church, built in 1907, became the parish rectory.²

Between 1940 and 1950, the population of Des Plaines increased from 9,518 to

14,994 persons. During this period, membership in St. Mary parish grew steadily and before long, larger school quarters were needed. In August 1945, construction began on a modern convent and a school addition on Prairie Ave. The New World noted that:

"The school addition and convent will be connected, forming a quadrangle on the parish property at the southeast corner of Prairie and Center Sts. in the suburb. A modicum of critical materials will be used, according to the architects, Pirola & Erbach."³ By opening of school in August, 1948, St. Mary parish numbered 1,100 families with 540 children enrolled in the school.

During the 1950s, much of Des Plaines was subdivided for single-family dwellings. One such development, begun in 1951, included more than 500 homes on the property bounded by Thacker St., Algonquin Rd., Wolf Rd., and 2nd Ave.

In 1952, St. Stephen Protomartyr parish was formed in that part of Des Plaines which is bounded by Algonquin Rd. on the north; Touhy Ave. on the south; Wolf Rd. on the west; and the Des Plaines river on the east.

Throughout the 1960s, Des Plaines continued to experience rapid development in part because of its proximity to O'Hare International Airport, located south of Higgins Rd. and west of Mannheim Rd.

In June, 1968, plans were made for a new church on the west side of Pearson St., just south of Prairie Ave. Ground was broken on October 5, 1969, and the modern edifice was completed in time for Mass on Christmas Eve 1970. John Cardinal Cody dedicated the new St. Mary Church on February 21, 1971.

The parish boundaries are formed as follows: North - Golf Rd. west from the

Tollway. South - Algonquin Rd. West - the Belt Line railroad tracks, two blocks west of Wolf Rd. East - the Tri-State Tollway.⁴

The annual parish report for the year ending June 30, 1991 indicated that the number of K - 8th grade students was 172. 170 Catholics and 2 non-Catholics. Tuition for a family with one child attending St. Mary's was \$1,100.00 for Catholic students and \$1,400.00 for non-Catholic students. For a family with two children in attendance, it was \$1,550.00 Catholic and \$1,850.00 non-Catholic and for a family with three children in attendance, it was \$1,700.00 Catholic and \$2,000.00 non-Catholic. The parish census for FY1991 indicated that there were 2318 registered families and approximately 300 non-registered. 5000 persons registered and approximately 700 not registered.⁵

The annual parish report for the year ending June 30, 1992 indicated that the number of K - 8th grade students was 156. 155 Catholics and 1 non-Catholics. Tuition for a family with one child attending St. Mary's was \$1,200.00 for Catholic students and \$1,500.00 for non-Catholic students. For a family with two children in attendance, it was \$1,750.00 Catholic and \$2,050.00 non-Catholic and for a family with three children in attendance, it was \$1,900.00 Catholic and \$2,200.00 non-Catholic. The parish census for FY1992 indicated that there were 2333 registered families and approximately 300 non-registered. 3613 persons registered and approximately 475 not registered.⁶

The annual parish report for the year ending June 30, 1993 indicated that the number of K - 8th grade students was 147. 145 Catholics and 2 non-Catholics. Tuition for a family with one child attending St. Mary's was \$1,300.00 for Catholic students and \$1,600.00 for non-Catholic students. For a family with two children in attendance, it

was \$1,900.00 Catholic and \$1,900.00 non-Catholic and for a family with three children in attendance, it was \$2,000.00 Catholic and \$2,000.00 non-Catholic. The parish census for FY1993 indicated that there were 2399 registered families and approximately 400 non-registered. 6000 persons registered and approximately 1600 not registered.⁷

The annual parish report for the year ending June 30, 1994 indicated that the number of K - 8th grade students was 139. 139 Catholics and 0 non-Catholics. Tuition for a family with one child attending St. Mary's was \$1,500.00 for Catholic students and \$1,500.00 for non-Catholic students. For a family with two children in attendance, it was \$2,185.00 Catholic and \$2,185.00 non-Catholic and for a family with three children in attendance, it was \$2,300.00 Catholic and \$2,300.00 non-Catholic. The parish census for FY1994 indicated that there were 2380 registered families and approximately 400 non-registered. 6000 persons registered and approximately 1600 not registered.⁸

**TABLE 14
ST. MARY BUDGET/ACTUAL REPORT**

	Actual 6/91	Actual 6/92	Actual 6/93	Actual 6/94	Actual 6/95	Budget 6/96
October Count	2318	2333	2399	2380	2414	2414
K-8 Enrollment	172	156	147	139	247	247
CHURCH REVENUE						
Collections	650350	656895	658210	676306	679332	685000
Other Ord. Church Inc.	32972	41845	42474	74992	76149	61800
Bingo	0	0	0	0	4200	0
Lease	0	3000	2675	4425	4598	4000
Fund Raising	0	4748	4275	2662	1469	2000
Extraordinary Revenue	216250	162325	85522	90467	85938	56000
Total Church Revenue	899572	868813	793156	848852	851686	808800
SCHOOL REVENUE						
Tuition and Fees	196113	197314	232191	236309	0	0
Fund Raising	13400	8400	23500	0	0	0
Other	18716	17144	9147	7721	0	0
Total School Revenue	228229	222858	264838	244030	0	0
Total Parish Revenue	1127801	1091671	1057994	1092882	851686	808800
CHURCH EXPENSES						
Salaries	214122	221707	230581	210425	184576	194860
Benefits	42795	36666	46944	47833	49037	40663
Occupancy	72251	56969	69885	76674	91738	98214
Other	86059	87469	73545	57169	205483	186000
Assessments	64230	51393	52659	133315	123888	96900
Extraordinary Expenses	47499	112007	67324	66705	74666	46000
Total Church Expenses	526956	566211	540938	592121	729388	662637

TABLE 14 - CONTINUED
ST. MARY BUDGET/ACTUAL REPORT

	Actual 6/91	Actual 6/92	Actual 6/93	Actual 6/94	Actual 6/95	Budget 6/96
SCHOOL EXPENSES						
Salaries	334322	368421	357086	352589	0	0
Benefits	68735	66349	65682	77772	0	0
Occupancy	47551	49261	44551	44332	0	0
Other	38879	36737	31042	28933	0	0
Total School Expenses	489487	520768	498361	503626	0	0
Total Parish Expenses	1016443	1086979	1039299	1095747	729388	662637
Church Net(Deficit)/Excess	372616	302602	252218	256731	122298	146163
School Net (Deficit)/Excess	-261258	-297910	-233523	-259596	0	0
Parish Net (Deficit)/Excess	111358	4692	18695	-2865	122298	146163
Operating Grant	0	0	0	0	0	0
Net After Grant	111358	4692	18695	-2865	122298	146163
CAPITAL ACTIVITIES						
Capital Revenue/Grant	0	0	0	0	153807	0
Capital Expense	19839	0	20930	0	78000	30000
Capital Net	-19839	0	-20930	0	75807	-30000
Savings Balance	21239	21239	63118	68929	152405	135000
Loan Balance	40749	37133	69125	93700	19498	0
Unpaid Bills	21903	80515	118633	57461	0	0
Per Student Cost	1140.19186047	1264.83333333	1579.53061224	1700.0647482	0	0
Parish Per Student Cost	-1518.94186047	-1909.67948718	-1588.59183673	-1867.5971223	0	0

St. Mary

Parish Net (Deficit)/Excess

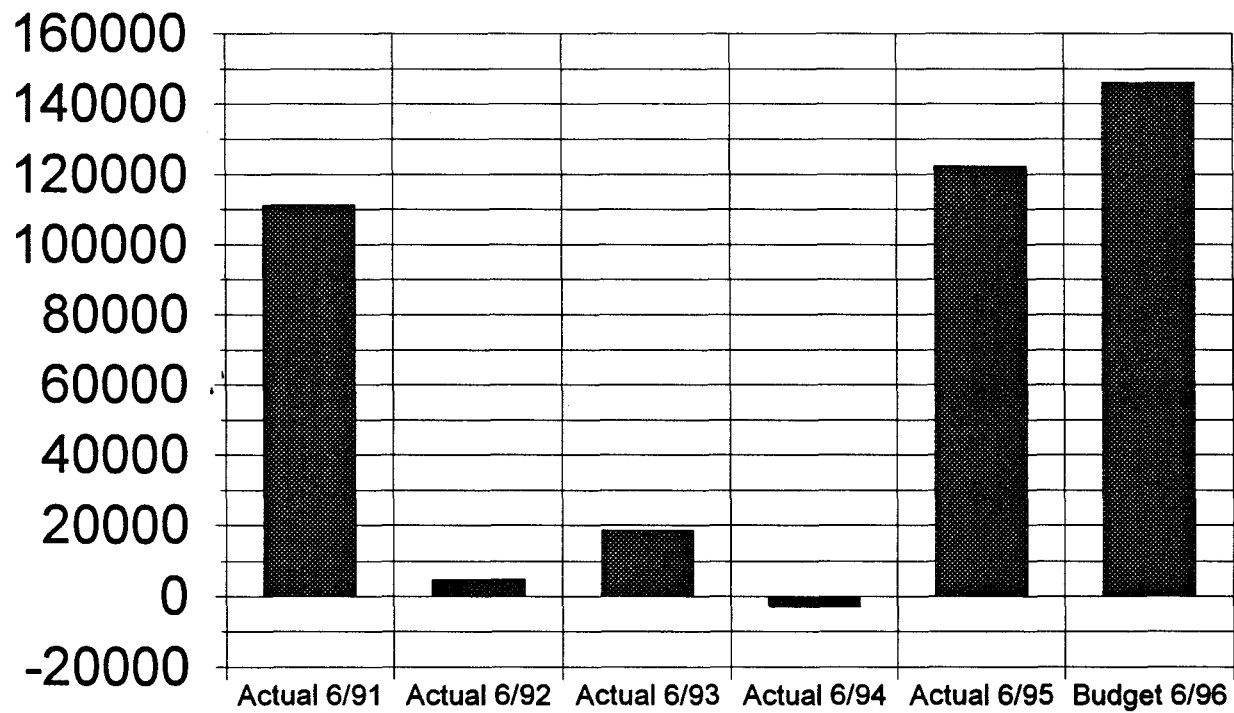


Figure 2.

St. Mary

% of Parish Funds for Education

Before Consolidation - 1991

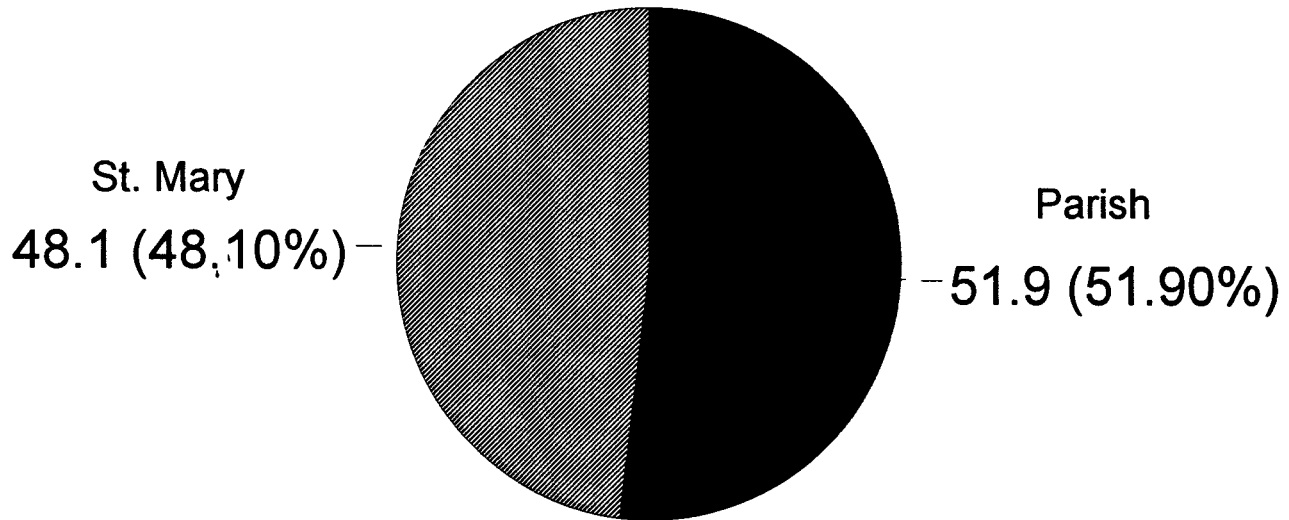


Figure 3.

St. Mary

% of Parish Funds for Education

Before Consolidation - 1992

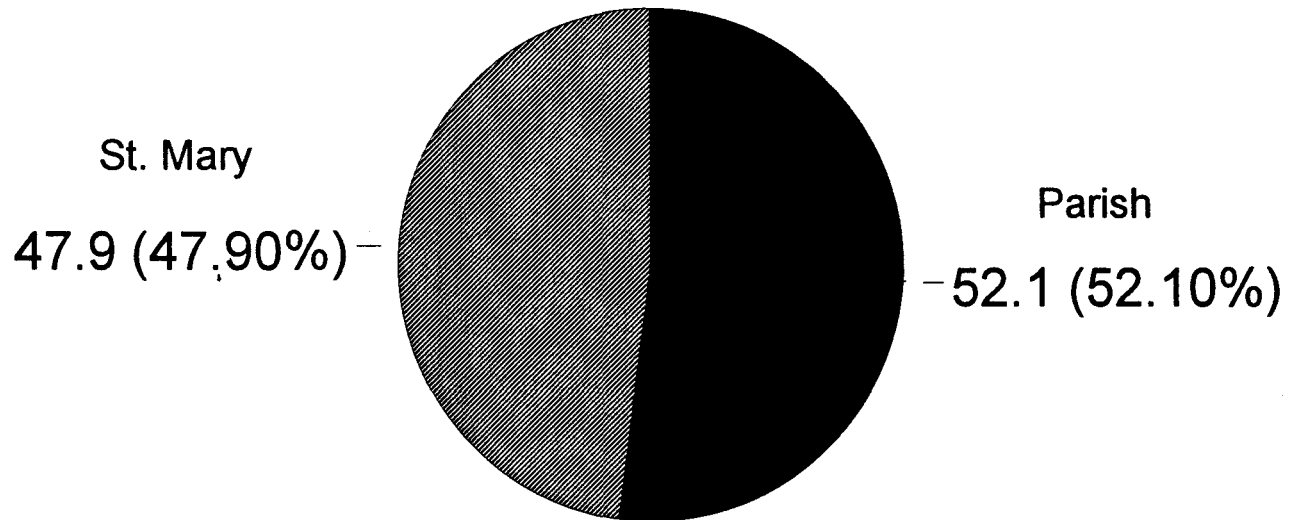


Figure 4.

St. Mary

% of Parish Funds for Education

Before Consolidation - 1993

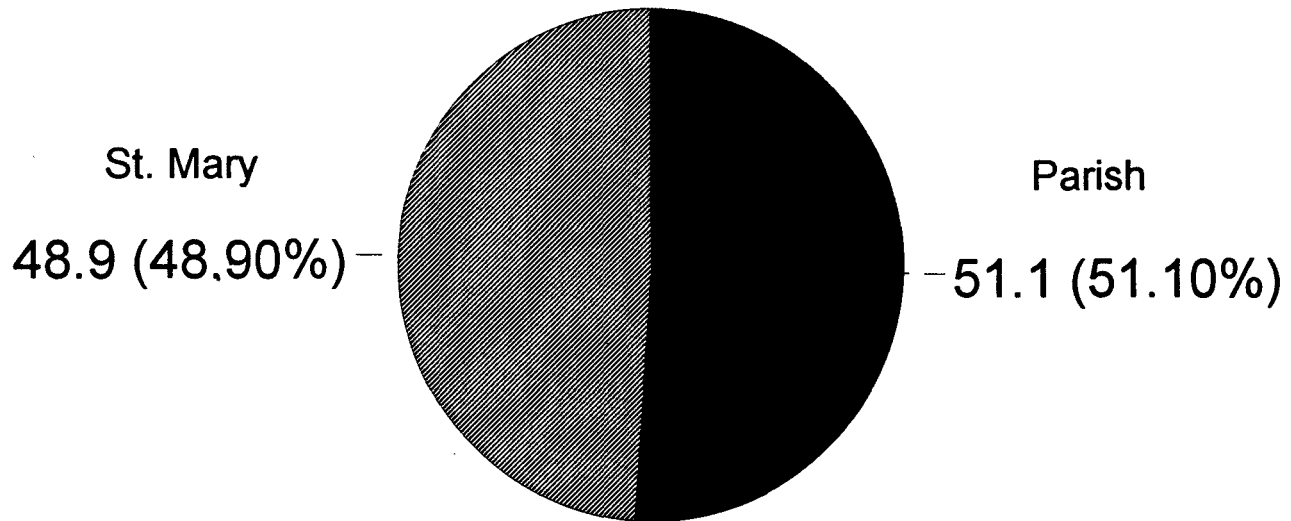


Figure 5.

St. Mary

% of Parish Funds for Education

Before Consolidation - 1994

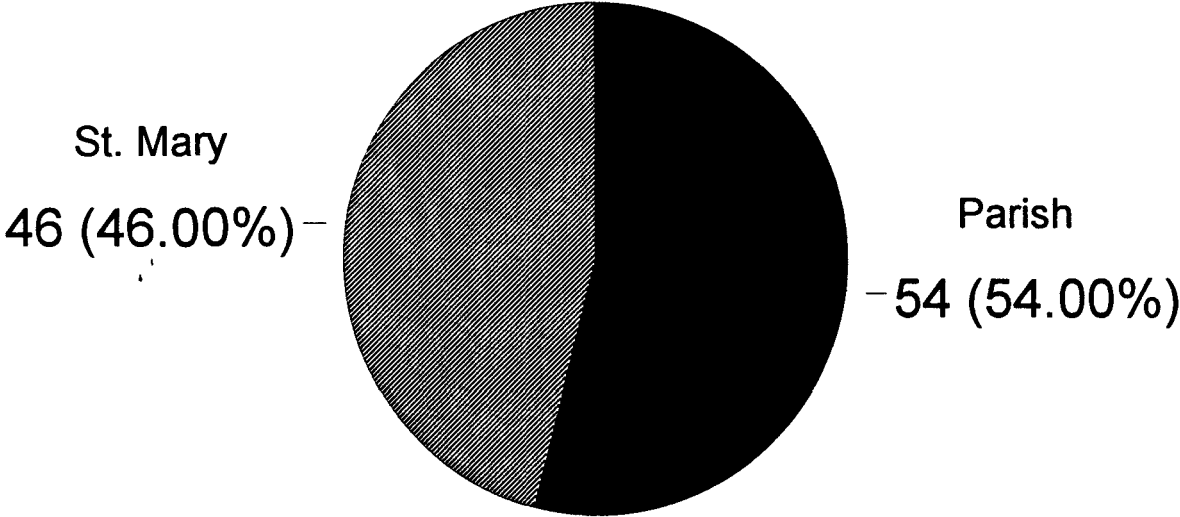


Figure 6.

St. Mary

% of Parish Funds for Education

After Consolidation - 1995

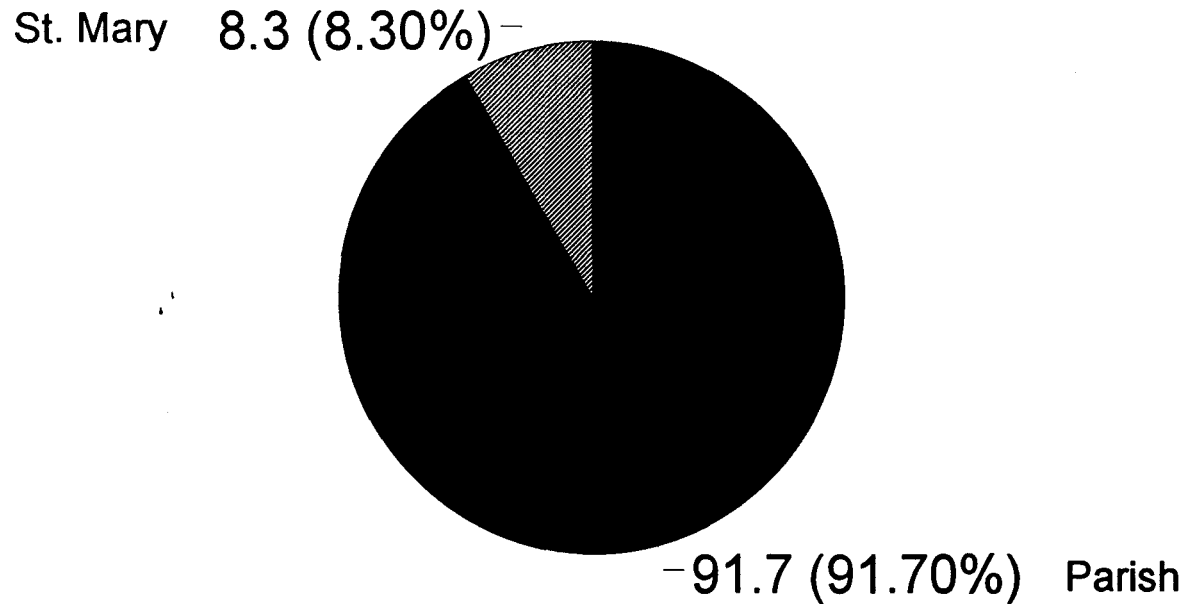


Figure 7.

St. Mary

% of Parish Funds for Education

After Consolidation - 1996

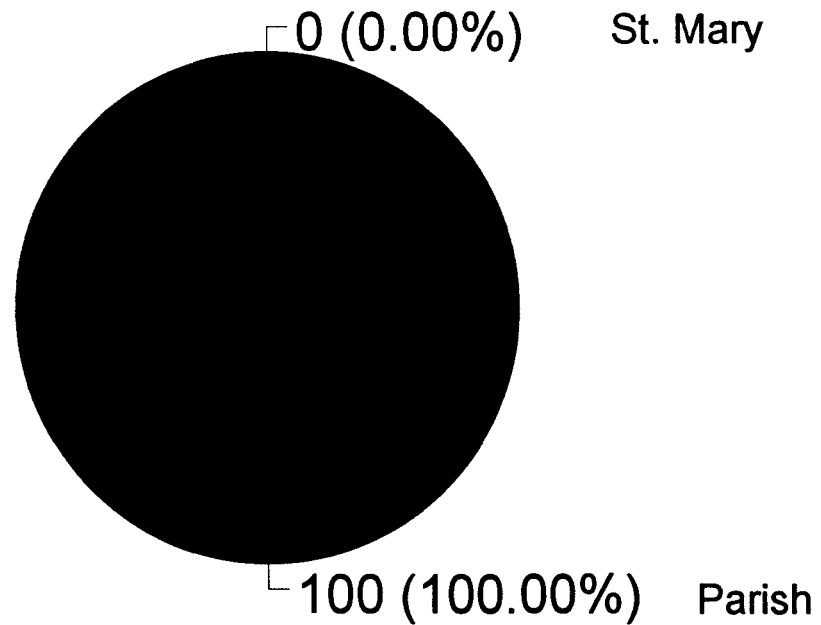


Figure 8.

ST. STEPHEN PROTOMARTYR

On June 30, 1952, Samuel Cardinal Stritch appointed Rev. Thomas J. Hanley, a former assistant at St. Gabriel Church in Chicago, to organize a parish in the south part of Des Plaines. The new parish was formed from territory which had belonged to St. Mary Church at Pearson St. and Prairie Ave.

St. Stephen Protomartyr Church was canonically established on July 24, 1952 after the following boundaries had been defined: Algonquin Rd. on the north; Touhy Ave. on the south; Wolf Rd. on the west; and the Des Plaines River on the east.

Mass was celebrated for the first time on August 17, 1952 in the chapel of St. Patrick Academy at Touhy Ave. and Lee St. Mass continued to be held at this location for more than a year.

Following a meeting of 144 parishioners on August 19, 1952, plans were drawn up for a combination church and school. Ground was broken in November 1952 and the cornerstone was laid on May 31, 1953. St. Stephen Protomartyr school was opened in September 1953 under the direction of the Sisters of Mercy who staffed nearby St. Patrick Academy and Maryville Academy. The school hall was used for Sunday Mass from August until December 24, 1953, when Mass was celebrated in the new church for the first time. Designed by the architectural firm of Barry & Kay, the church and school units were erected in recordbreaking time. St. Stephen Protomartyr complex, located near the intersection of Prospect and Ash, was dedicated on May 16, 1954, by Cardinal Stritch.⁹

Enrollment in the parish school increased so rapidly that before long larger

quarters were needed. Following the completion of an addition, which was dedicated on June 2, 1957, the school quarters formed an "L" around the church.

Within twenty years parish membership increased from a few hundred families to nearly 1,500 families. Enrollment in the parish school peaked at 930 students in 1964.

The silver jubilee of the founding of St. Stephen Protomartyr parish was celebrated on June 26, 1977.

When St. Stephen Protomartyr parish was founded, the congregation was mainly Polish and Irish. Today the parish serves approximately 1,600 families of many ethnic backgrounds, among them Polish, German, Irish, and Italian. In recent years, an influx of families from Puerto Rico, Mexico, and the Philippines has enriched the parish life.¹⁰

The annual parish report for the year ending June 30, 1991 indicated that the number of K - 8th grade students was 213. 210 Catholics and 3 non-Catholics. Tuition for a family with one child attending St. Stephen's was \$1,130.00 for Catholic students and \$1,700.00 for non-Catholic students. For a family with two children in attendance, it was \$1,695.00 Catholic and \$1,700.00 non-Catholic and for a family with three children in attendance, it was \$1,976.00 Catholic and \$1,700.00 non-Catholic. The parish census for FY1991 indicated that there were 1706 registered families and listed 0 as non-registered. 6000 persons registered and approximately 0 not registered.¹¹

The annual parish report for the year ending June 30, 1992 indicated that the number of K - 8th grade students was 197. 192 Catholics and 5 non-Catholics. Tuition for a family with one child attending St. Stephen's was \$1,489.00 for Catholic students and \$2,000.00 for non-Catholic students. For a family with two children in attendance,

it was \$2,319.00 Catholic and \$2,319.00 non-Catholic and for a family with three children in attendance, it was \$2,818.00 Catholic and \$2,818.00 non-Catholic. The parish census for FY1992 indicated that there were 1808 registered families and approximately 300 non-registered. 6000 persons registered and approximately 700 not registered.¹²

The annual parish report for the year ending June 30, 1993 indicated that the number of K - 8th grade students was 188. 188 Catholics and 0 non-Catholics. Tuition for a family with one child attending St. Stephen's was \$1,350.00 for Catholic students and \$1,350.00 for non-Catholic students. For a family with two children in attendance, it was \$2,025.00 Catholic and \$2,025.00 non-Catholic and for a family with three children in attendance, it was \$2,362.50 Catholic and \$2,362.50 non-Catholic. The parish census for FY1993 indicated that there were 1663 registered families and approximately 300 non-registered. 4289 persons registered and approximately 1200 not registered.¹³

The annual parish report for the year ending June 30, 1994 indicated that the number of K - 8th grade students was 194. 194 Catholics and 0 non-Catholics. Tuition for a family with one child attending St. Stephen's was \$1,549.00 for Catholic students and \$1,549.00 for non-Catholic students. For a family with two children in attendance, it was \$2,409.00 Catholic and \$2,409.00 non-Catholic and for a family with three children in attendance, it was \$2,923.00 Catholic and \$2,923.00 non-Catholic. The parish census for FY1994 indicated that there were 1915 families of which 300 were non-registered. 3200 persons, of which 700 were not registered¹⁴

TABLE 15
ST. STEPHEN PROTOMARTYR BUDGET/ACTUAL REPORT

	Actual 6/91	Actual 6/92	Actual 6/93	Actual 6/94	Actual 6/95	Budget 6/96
October Count	1706	1808	1663	1615	1636	1636
K-8 Enrollment	213	197	188	194	0	0
CHURCH REVENUE						
Collections	564114	544377	533398	419427	461250	464800
Other Ord. Church Inc.	75542	54320	51589	57051	53102	58369
Bingo	45000	30000	15700	17300	8000	0
Lease	0	0	0	0	0	0
Fund Raising	0	51458	27655	17935	17278	27700
Extraordinary Revenue	14596	14852	8504	43124	4633	0
Total Church Revenue	699252	695007	636846	554837	544263	550869
SCHOOL REVENUE						
Tuition and Fees	251500	254063	270488	284494	0	0
Fund Raising	36300	47280	43623	32753	0	0
Other	14772	18140	13421	16973	0	0
Total School Revenue	302572	319483	327532	334220	0	0
Total Parish Revenue	1001824	1014490	964378	889057	544263	550869
CHURCH EXPENSES						
Salaries	147532	152120	157049	157247	183335	152615
Benefits	39371	47638	42975	48642	59718	56418
Occupancy	98624	94402	66790	72531	96373	75670
Other	84364	99461	62080	54561	160514	206941
Assessments	59427	66538	70593	54888	36388	59225
Extraordinary Expenses	14596	14852	8504	34239	4633	0
Total Church Expenses	443914	475011	407991	422108	540961	550869

TABLE 15 - CONTINUED
ST. STEPHEN PROTOMARTYR BUDGET/ACTUAL REPORT

	Actual 6/91	Actual 6/92	Actual 6/93	Actual 6/94	Actual 6/95	Budget 6/96
SCHOOL EXPENSES						
Salaries	298817	300521	331319	343239	0	0
Benefits	68004	75265	60013	63141	0	0
Occupancy	30221	25084	28269	29414	0	0
Other	47700	40351	27275	31435	0	0
Total School Expenses	444742	441221	446876	467229	0	0
Total Parish Expenses	888656	916232	854867	889337	540961	550869
Church Net(Deficit)/Excess	255338	219996	228855	132729	3302	0
School Net (Deficit)/Excess	-142170	-121738	-119344	-133009	0	0
Parish Net (Deficit)/Excess	113168	98258	109511	-280	3302	0
Operating Grant	0	0	0	0	0	0
Net After Grant	113168	98258	109511	-280	3302	0
CAPITAL ACTIVITIES						
Capital Revenue/Grant	0	0	0	0	0	0
Capital Expense	0	0	10000	120451	0	0
Capital Net	0	0	-10000	-120451	0	0
Savings Balance	0	0	0	0	659	0
Loan Balance	433905	33905	253905	268439	272547	215440
Unpaid Bills	0	17464	51584	52772	115811	0
Per Student Cost	1180.75117371	1289.65989848	1438.76595745	1466.46391753	0	0
Parish Per Student Cost	-667.464788732	-617.959390863	-634.808510638	-685.613402062	0	0

St. Stephen Protomartyr

Parish Net (Deficit)/Excess

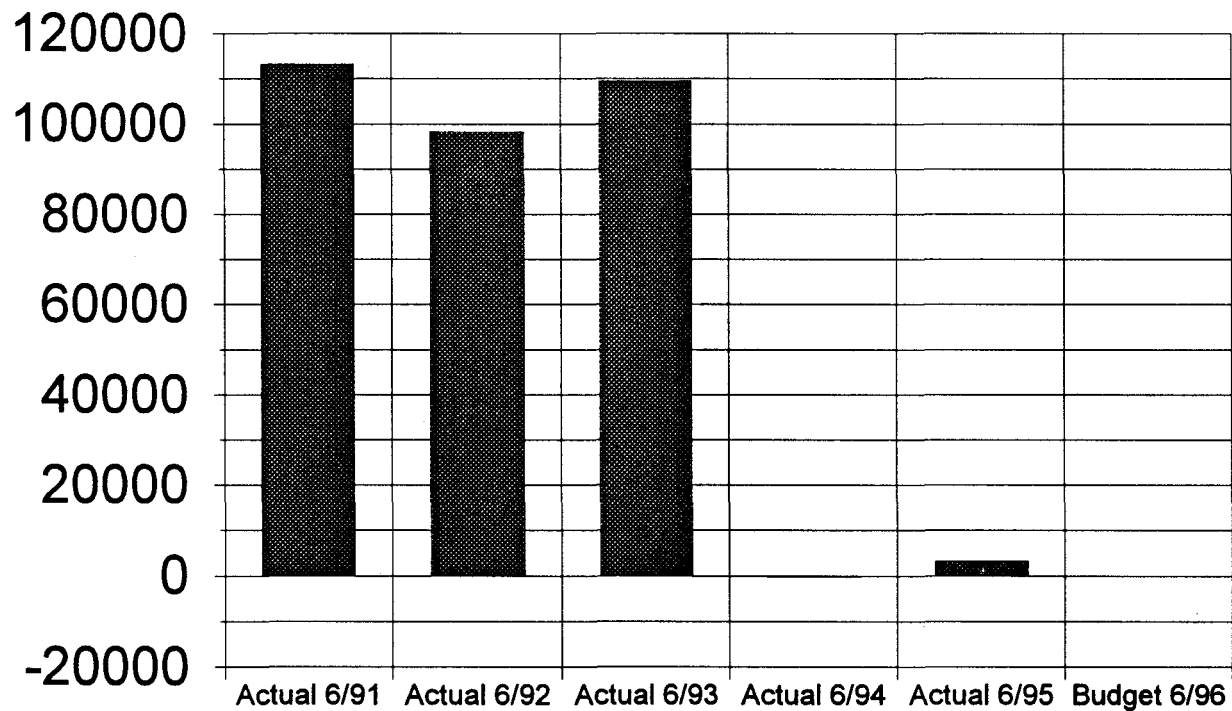


Figure 9.

St. Stephen Protomartyr

% of Parish Funds for Education

Before Consolidation - 1991

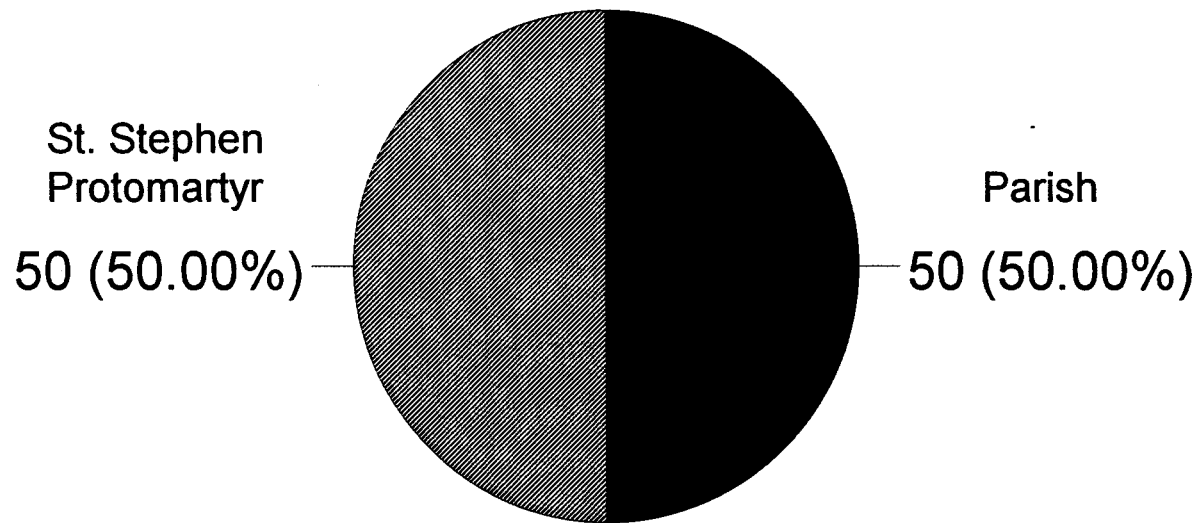


Figure 10.

St. Stephen Protomartyr

% of Parish Funds for Education

Before Consolidation - 1992

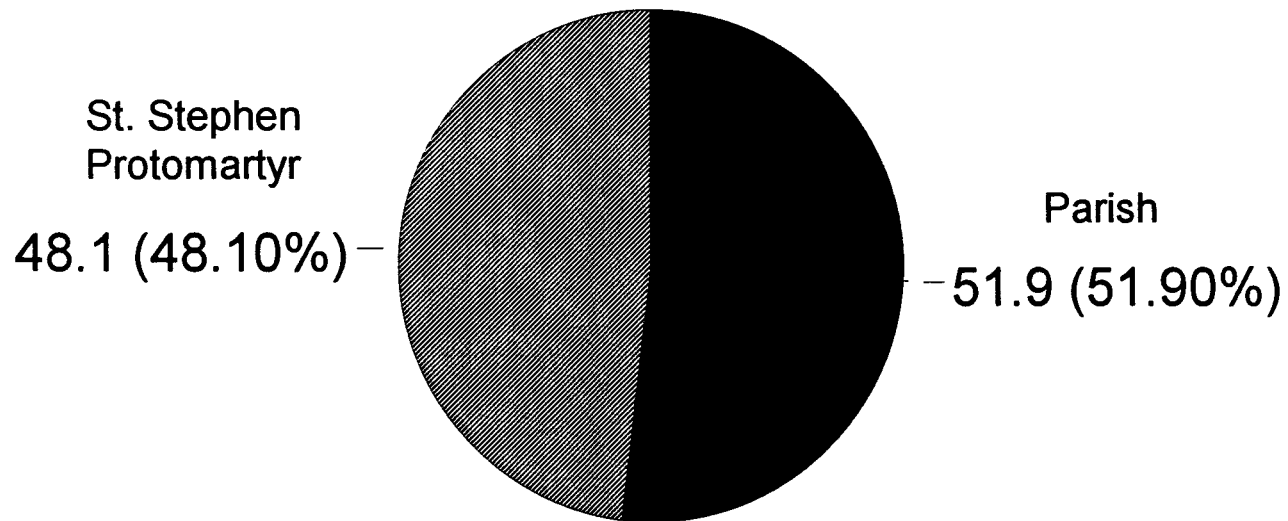


Figure 11.

St. Stephen Protomartyr

% of Parish Funds for Education

Before Consolidation - 1993

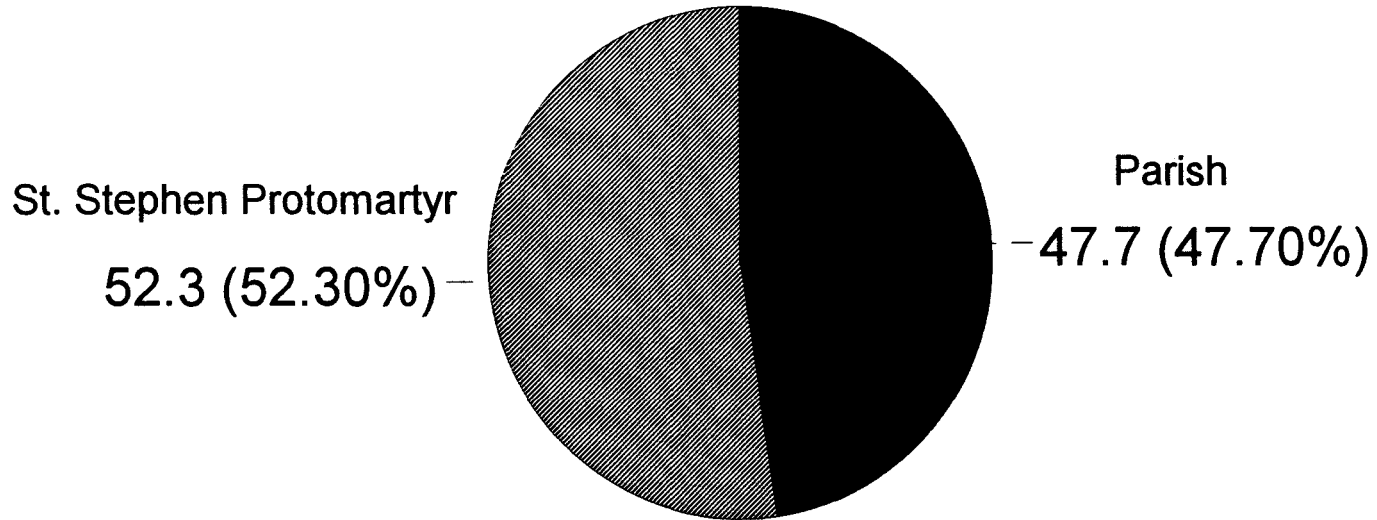


Figure 12.

St. Stephen Protomartyr

% of Parish Funds for Education

Before Consolidation - 1994

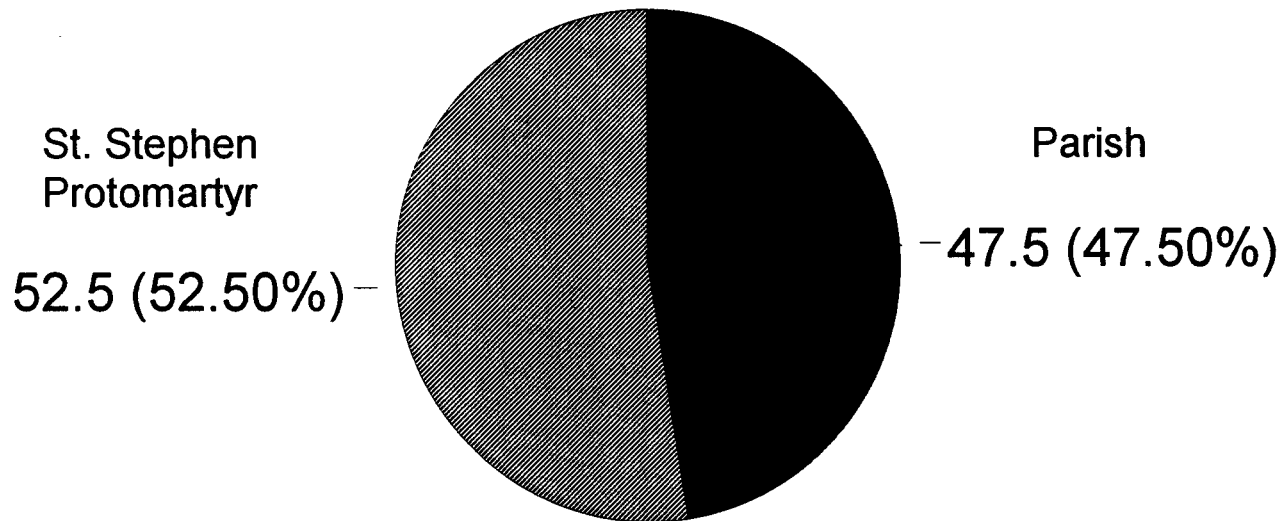


Figure 13.

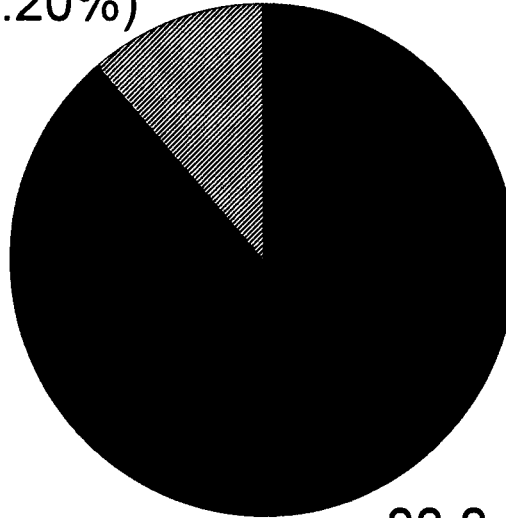
St. Stephen Protomartyr

% of Parish Funds for Education

After Consolidation - 1995

St. Stephen Protomartyr

11.2 (11.20%) -



Parish

- 88.8 (88.80%)

Figure 14.

St. Stephen Protomartyr

% of Parish Funds for Education

After Consolidation - 1996

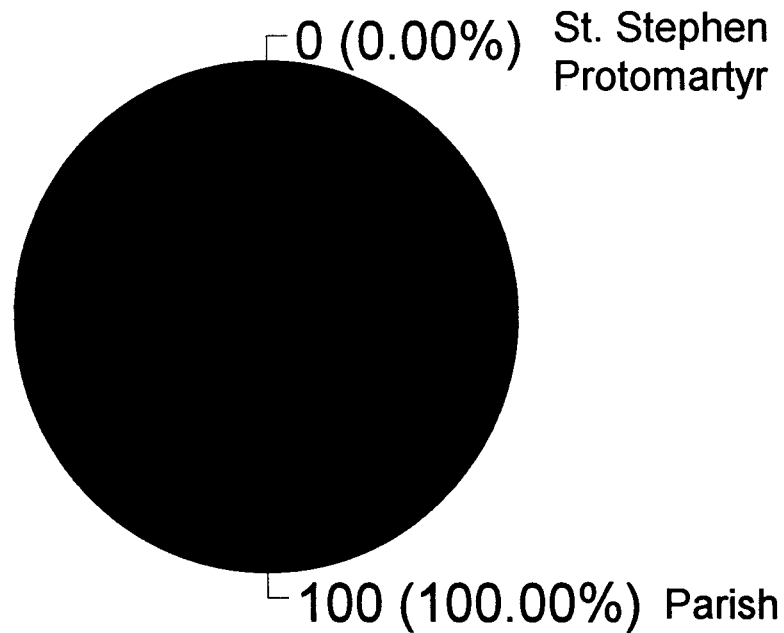


Figure 15.

ANCHOR #2NORTHSIDE CATHOLIC ACADEMY (NCA)

As previously noted, NCA was officially created through the formal merger of St. Gertrude, St. Gregory the Great, St. Henry, St. Ignatius, St. Ita, St. Jerome, and St. Timothy schools in July, 1995. The Anchor school's main office is located at 5519 N. Magnolia, Chicago, Il. It began the 1994-95 school year with 935 students and finished the year with a \$-160,741 net parish deficit representing a \$-22,963 short fall per parish. It projects a student population of 1300 students for 1995-96 with a net excess of 327,411 representing a \$46,773 revenue surplus per parish in the cluster. The average subsidy prior to consolidation for the seven schools in the anchor decreased from \$86,000 to an average \$12,000 surplus per parish.

TABLE 16
NORTHSIDE CATHOLIC ACADEMY BUDGET ACTUAL/REPORT

	Actual 6/91	Actual 6/92	Actual 6/93	Actual 6/94	Actual 6/95	Budget 6/96
October Count	0	0	0	0	0	0
K-8 Enrollment	0	0	0	0	935	1300
CHURCH REVENUE						
Collections	0	0	0	0	0	0
Other Ord. Church Inc.	0	0	0	0	0	0
Bingo	0	0	0	0	0	0
Lease	0	0	0	0	0	0
Fund Raising	0	0	0	0	0	0
Extraordinary Revenue	0	0	0	0	0	0
Total Church Revenue	0	0	0	0	0	0
SCHOOL REVENUE						
Tuition and Fees	0	0	0	0	1852516	2531025
Fund Raising	0	0	0	0	61163	175000
Other	0	0	0	0	351334	316685
Total School Revenue	0	0	0	0	2265013	3022710
Total Parish Revenue	0	0	0	0	2265013	3022710
CHURCH EXPENSES						
Salaries	0	0	0	0	0	0
Benefits	0	0	0	0	0	0
Occupancy	0	0	0	0	0	0
Other	0	0	0	0	0	0
Assessments	0	0	0	0	0	0
Extraordinary Expenses	0	0	0	0	0	0
Total Church Expenses	0	0	0	0	0	0

TABLE 16 - CONTINUED
NORTHSIDE CATHOLIC ACADEMY BUDGET ACTUAL/REPORT

	Actual 6/91	Actual 6/92	Actual 6/93	Actual 6/94	Actual 6/95	Budget 6/96
SCHOOL EXPENSES						
Salaries	0	0	0	0	1652987	1798231
Benefits	0	0	0	0	324831	453868
Occupancy	0	0	0	0	248717	240000
Other	0	0	0	0	199219	203200
Total School Expenses	0	0	0	0	2425754	2695299
Total Parish Expenses	0	0	0	0	2425754	2695299
Church Net(Deficit)/Excess	0	0	0	0	0	0
School Net (Deficit)/Excess	0	0	0	0	-160741	327411
Parish Net (Deficit)/Excess	0	0	0	0	-160741	327411
Operating Grant	0	0	0	0	270000	175000
Net After Grant	0	0	0	0	109259	502411
CAPITAL ACTIVITIES						
Capital Revenue/Grant	0	0	0	0	0	0
Capital Expense	0	0	0	0	78859	0
Capital Net	0	0	0	0	-78859	0
Savings Balance	0	0	0	0	0	0
Loan Balance	0	0	0	0	0	0
Unpaid Bills	0	0	0	0	61608	0
Per Student Cost						
Parish Per Student Cost						

Northside Catholic Academy

Parish Net (Deficit)/Excess

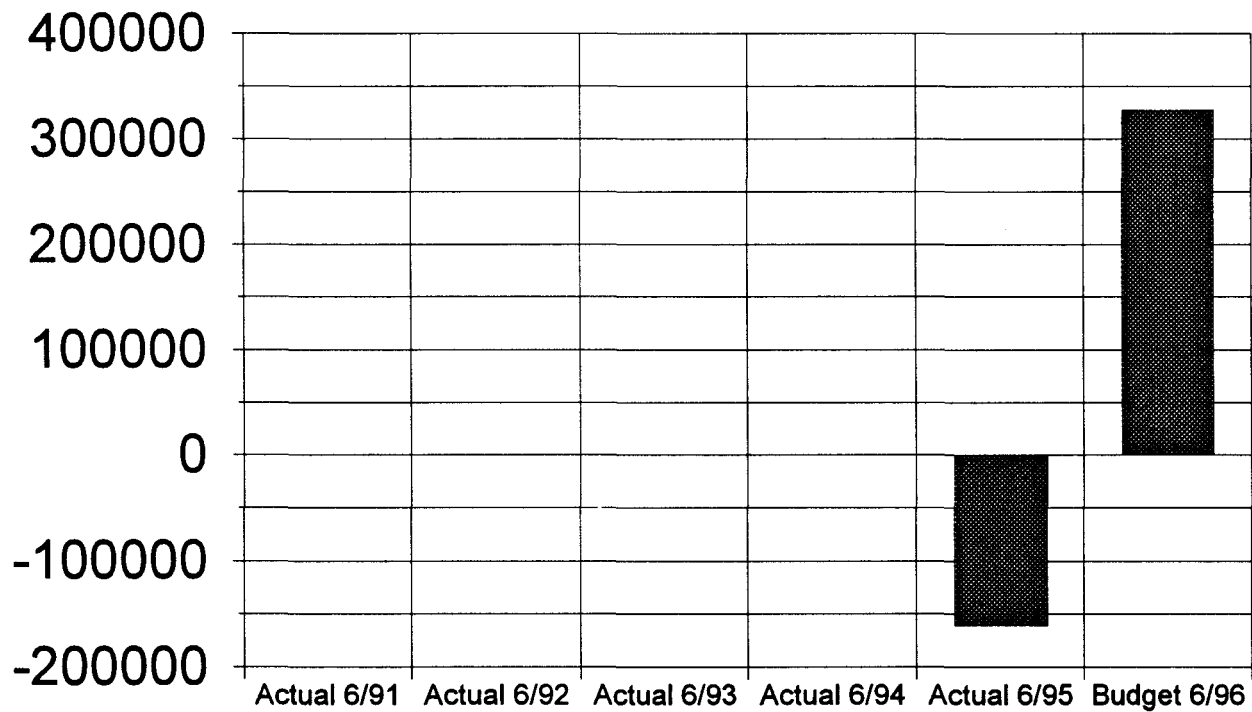


Figure 16.

ST. GERTRUDE

St. Gertrude Church at Granville and Glenwood Ave. on the north side of Chicago was established on January 3, 1912 by Archbishop James E. Quigley to serve Catholic families who lived in North Edgewater. Rev. Peter F. Shewbridge, a former assistant at Presentation Church on the west side of Chicago, was appointed to organize the parish in the territory bounded by Devon Ave. on the north; Thorndale Ave. on the south; the Chicago and North Western railroad tracks at Ravenswood Ave. on the west; and Lake Michigan on the east. St. Gertrude parish was established midway between St. Ignatius parish in Rogers Park and St. Ita parish in Edgewater.

On February 4, 1912, 257 men and women attended two Masses celebrated by Father Shewbridge in the auditorium of the Stephen K. Hayt public school at 1518 W. Granville Ave. By Palm Sunday, March 31, 1912, a portable church had been erected on the north side of Granville Ave., just west of Glenwood Ave. Although made of wood, the structure had a steel frame.

Under Father Shewbridge's leadership, ground was broken at 6220 N. Glenwood Ave. for a three story brick combination church-school building.¹⁵

While construction on the combination building proceeded, the Sisters of Charity of the Blessed Virgin Mary from Dubuque, Ia., opened the parish school in September 1912 in the former Lucas home on Granville Ave. near Broadway. Archbishop Quigley dedicated St. Gertrude Church and school building on December 1, 1912. The New World noted that:

"The church will occupy the first floor with entrances in front. The top two

floors are reserved for school purposes. Entrances to the classrooms are on either side of the building. The basement floor is fitted up as an assembly hall for entertainments and society meetings."¹⁶

Among the pioneer parishioners, families of Irish descent predominated but Catholics of German descent were also represented in the congregation. The growth and expansion of St. Gertrude parish was a result of the zeal and determination of parishioners who worked untiringly to raise funds through card parties, bazaar, and home parties.

The neighborhood around St. Gertrude Church experienced rapid development following World War I. As parish membership increased, it was necessary to open a chapel in the basement of the combination building. By 1925, enrollment in the school had reached 480 pupils and the faculty numbered 14 BVM Sisters.

The present parish church was one of the few Catholic churches erected in Chicago during the Depression; James Burns designed the Gothic structure which dominates the northwest corner of Granville and Glenwood Aves. George Cardinal Mundelein dedicated St. Gertrude Church on November 15, 1931. Among the features of this massive edifice were stained glass windows crafted by Franz Mayer in Munich, Germany; a Kilgen organ which cost \$18,000; five altars of Carrara marble "with gold mosaic and Pavonazzo trimmings."¹⁷

The 25th anniversary of the founding of St. Gertrude Church was celebrated on November 21, 1937. A history of the parish published in connection with the silver jubilee contained a listing of 212 individuals and 11 families who had lived in the parish

since its founding. In recalling the early days of this parish the jubilee history noted that:

In 1912 there were no sidewalks on Elmdale [Ave.]; in fact, the property [at 5900 N. Glenwood Ave.] upon which Senn High School now stands was a farm.. Norwood [St.] had six houses on the block; and you could stand on the corner of Glenwood and Glenlake and see St. Ignatius Church [then located near] the corner of Broadway and Devon.¹⁸

Throughout the 1940s, enrollment in the parish school continued to increase. Although the church quarters in the old combination building at 6220 N. Glenwood Ave. had been converted into classrooms in 1939, additional space was needed. Through the generosity of the people of St. Gertrude parish, a social center was erected. The new structure contained four classrooms as well as an auditorium, gymnasium, club rooms, and a parish library and it was designed in the Collegiate Gothic style of architecture to conform with the buildings in the parish plant. Samuel Cardinal Stritch dedicated the new social center on November 5, 1950.

The golden jubilee of the founding of St. Gertrude Church was celebrated on November 18, 1962. According to The New World, the parish "numbers 7,500 members, with a school staffed by the Sisters of Charity, B.V.M., enrolling 1,000 pupils."¹⁹

In order to bring closer cooperation between school and home, the women of St. Gertrude parish formed the School Guild. This organization raised funds for extra curricular activities and promoted the general welfare of the students and the parish school.

In August 1967, Msgr. Kealy called for the formation of a Steering Committee

to lay the foundation for a Parish Council. The responsibilities of laymen in parish affairs were discussed at the first meeting of the Steering Committee in December 1967. The guidelines for the Council were developed at later meetings.

Named pastor emeritus in June 1968, Msgr. Kealy continued to reside in the rectory until his death on July 19, 1976 at the age of 83.

Rev. Msgr. Lawrence W. Lynch was named pastor of St. Gertrude Church on June 7, 1968. Prior to this appointment, he had served as pastor of St. Leo Church on the south side of Chicago. A former director of the Confraternity of Christian Doctrine (CCD) program in the Archdiocese of Chicago, Msgr. Lynch directed the Aquin Guild, which was composed of Catholic administrators and teachers who worked in the public schools.

A parish School Board was established in October 1968. The members of the School Board are elected by a vote of the parishioners and the work of the board was divided into six permanent committees: Tuition; Finance and Development; Budget; Facilities; Public Relations; and Scholarships.

When it was organized in 1912, St. Gertrude was a predominantly Irish parish with a sizable number of German Catholics. Among the 1,200 families who now belong to the parish are families of Irish and German descent as well as Blacks, Chinese, Cubans, Filipinos, Hungarians, Italians, Japanese, Lithuanians, Poles, Puerto Ricans, South Americans, Mexicans and Vietnamese. In 1978, 468 children were enrolled in the parish school. Sister Mary Wojnicki, BVM, headed the faculty which included five BVM Sisters and 17 lay teachers.²⁰

The annual parish report for the year ending June 30, 1991 indicated that the number of K - 8th grade students was 338. 338 Catholics and 0 non-Catholics. Tuition for a family with one child attending St. Gertrude's was \$1,500.00 for Catholic students and \$2,400.00 for non-Catholic students. For a family with two children in attendance, it was \$1,875.00 Catholic and \$3,100.00 non-Catholic and for a family with three children in attendance, it was \$2,115.00 Catholic and \$3,400.00 non-Catholic. The parish census for FY1991 indicated that there were 1157 registered families and approximately 200 non-registered. 3039 persons registered and approximately 500 not registered.²¹

The annual parish report for the year ending June 30, 1992 indicated that the number of K - 8th grade students was 320. 304 Catholics and 16 non-Catholics. Tuition for a family with one child attending St. Gertrude's was \$1,420.00 for Catholic students and \$2,490.00 for non-Catholic students. For a family with two children in attendance, it was \$1,930.00 Catholic and \$3,200.00 non-Catholic and for a family with three children in attendance, it was \$2,460.00 Catholic and \$3,720.00 non-Catholic. The parish census for FY1992 indicated that there were 1097 registered families and approximately 200 non-registered. 4152 persons registered and approximately 550 not registered.²²

The annual parish report for the year ending June 30, 1993 indicated that the number of K - 8th grade students was 297. 257 Catholics and 40 non-Catholics. Tuition for a family with one child attending St. Gertrude's was \$1,540.00 for Catholic students and \$2,680.00 for non-Catholic students. For a family with two children in attendance,

it was \$2,160.00 Catholic and \$3,510.00 non-Catholic and for a family with three children in attendance, it was \$2,720.00 Catholic and \$4,060.00 non-Catholic. The parish census for FY1993 indicated that there were 1086 registered families and approximately 200 non-registered. 4350 persons registered and approximately 575 not registered.²³

The annual parish report for the year ending June 30, 1994 indicated that the number of K - 8th grade students was 271. 730 Catholics and 41 non-Catholics. Tuition for a family with one child attending St. Gertrude's was \$1,632.00 for Catholic students and \$2,894.00 for non-Catholic students. For a family with two children in attendance, it was \$2,333.00 Catholic and \$3,791.00 non-Catholic and for a family with three children in attendance, it was \$2,965.00 Catholic and \$4,200.00 non-Catholic. The parish census for FY1994 indicated that there were 952 registered families and approximately 150 non-registered. 4200 persons registered and approximately 500 not registered.²⁴

TABLE 17
ST. GERTRUDE BUDGET/ACTUAL REPORT

	Actual 6/91	Actual 6/92	Actual 6/93	Actual 6/94	Actual 6/95	Budget 6/96
October Count	1157	1097	1086	952	950	950
K-8 Enrollment	338	320	297	271	0	0
CHURCH REVENUE						
Collections	404210	397215	382244	344459	403455	429000
Other Ord. Church Inc.	33728	13426	18030	9906	12340	11500
Bingo	0	0	0	0	0	0
Lease	0	0	0	520	0	0
Fund Raising	0	10786	6864	0	0	8000
Extraordinary Revenue	67194	28067	135083	81958	46287	41830
Total Church Revenue	505132	449494	542221	436843	462082	490330
SCHOOL REVENUE						
Tuition and Fees	460475	494574	454229	526336	0	0
Fund Raising	40597	33726	43569	25756	0	0
Other	36634	38480	42814	39237	0	0
Total School Revenue	537706	566780	540612	591329	0	0
Total Parish Revenue	1042838	1016274	1082833	1028172	462082	490330
CHURCH EXPENSES						
Salaries	132093	150776	150014	151647	163349	200901
Benefits	10208	13282	24194	26982	33266	35878
Occupancy	77406	76378	81185	73725	98957	112139
Other	45910	50195	60597	57559	112627	48356
Assessments	56119	46848	65893	56666	31538	48991
Extraordinary Expenses	25121	27276	30607	13019	22773	21650
Total Church Expenses	346857	364755	412490	379598	462510	467915

TABLE 17 - CONTINUED
ST. GERTRUDE BUDGET/ACTUAL REPORT

	Actual 6/91	Actual 6/92	Actual 6/93	Actual 6/94	Actual 6/95	Budget 6/96
SCHOOL EXPENSES						
Salaries	408756	433058	444570	442309	0	0
Benefits	69430	73149	98482	89096	0	0
Occupancy	66392	63418	100049	77380	0	0
Other	89068	79886	79593	73843	0	0
Total School Expenses	633646	649511	722694	682628	0	0
Total Parish Expense	980503	1014266	1135184	1062226	462510	467915
Church Net(Deficit)/Excess	158275	84739	129731	57245	-428	22415
School Net (Deficit)/Excess	-95940	-82731	-182082	-91299	0	0
Parish Net (Deficit)/Excess	62335	2008	-52351	-34054	-428	22415
Operating Grant	0	0	0	0	0	0
Net After Grant	62335	2008	-52351	-34054	-428	22415
CAPITAL ACTIVITIES						
Capital Revenue/Grant	0	0	0	0	0	0
Capital Expense	43865	0	3378	0	0	0
Capital Net	-43865	0	-3378	0	0	0
Savings Balance	42145	44137	45533	198	12361	35200
Loan Balance	0	0	0	0	0	0
Unpaid Bills	0	41317	6951	10704	46109	0
Per Student Cost	1362.352071006	1545.543745	1529.390572391	1942.199261993	0	0
Parish Per Student Cost	-283.846153846	-258.534375	-613.070707071	-336.896678967	0	0

St. Gertrude

Parish Net (Deficit)/Excess

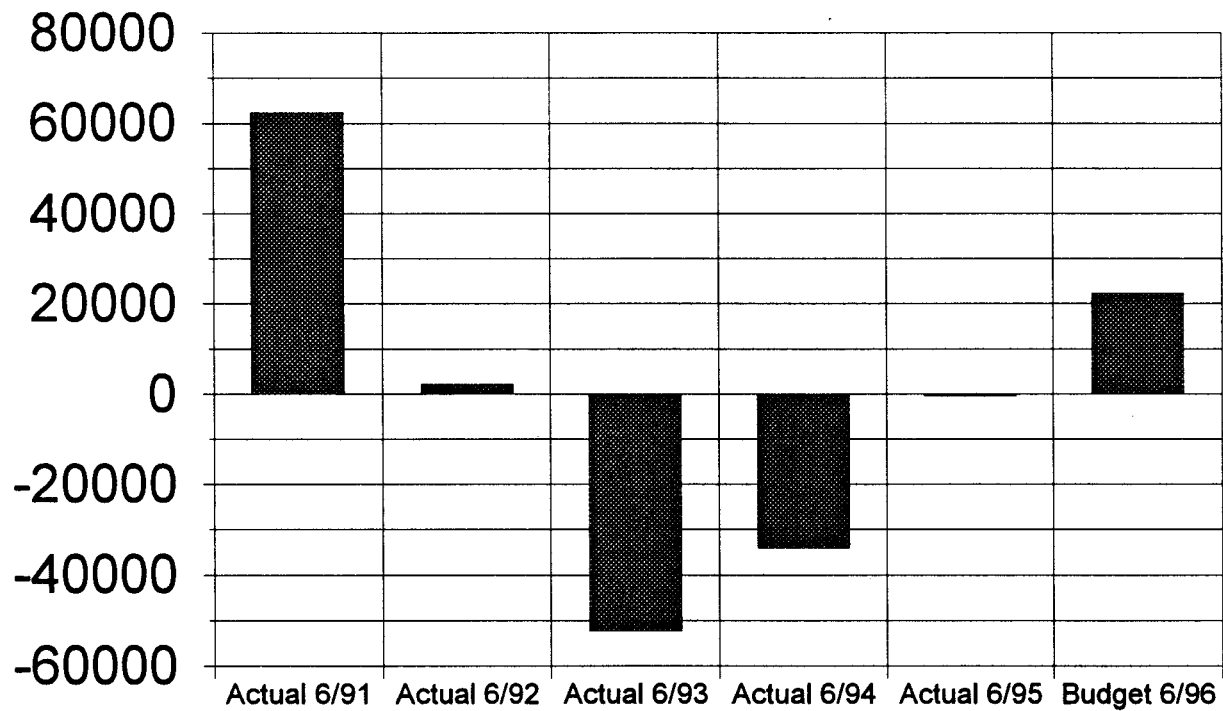


Figure 17.

St. Gertrude

% of Parish Funds for Education
Before Consolidation - 1991

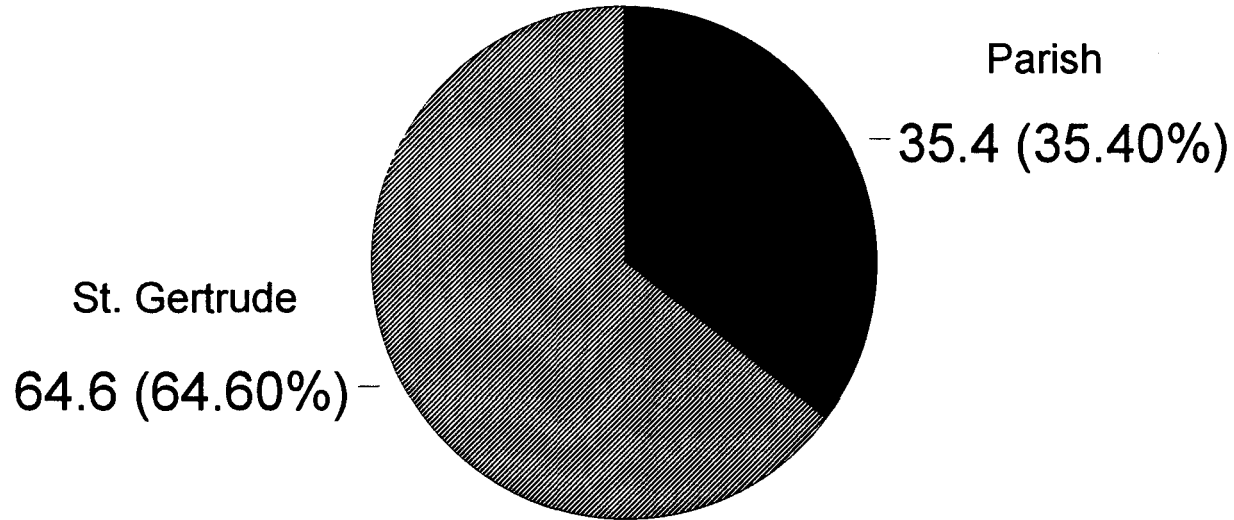


Figure 18.

St. Gertrude

% of Parish Funds for Education
Before Consolidation - 1992

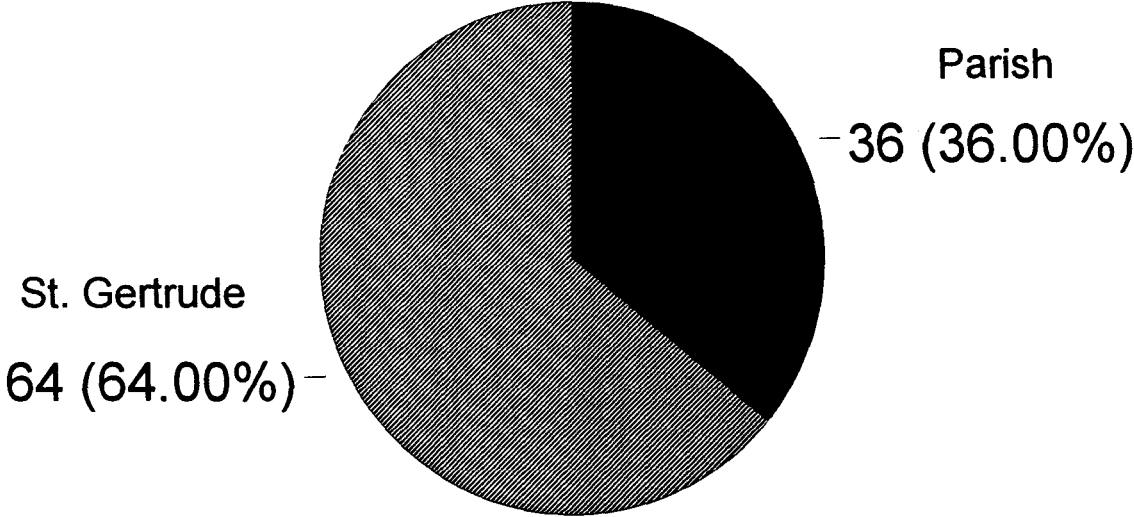


Figure 19.

St. Gertrude

% of Parish Funds for Education
Before Consolidation - 1993

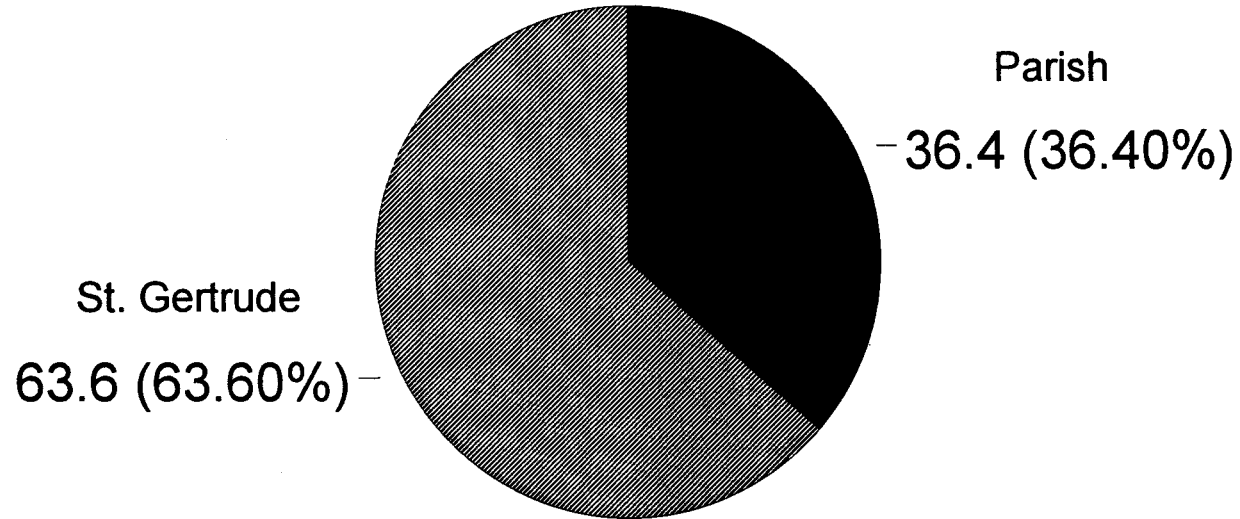


Figure 20.

St. Gertrude

% of Parish Funds for Education
Before Consolidation - 1994

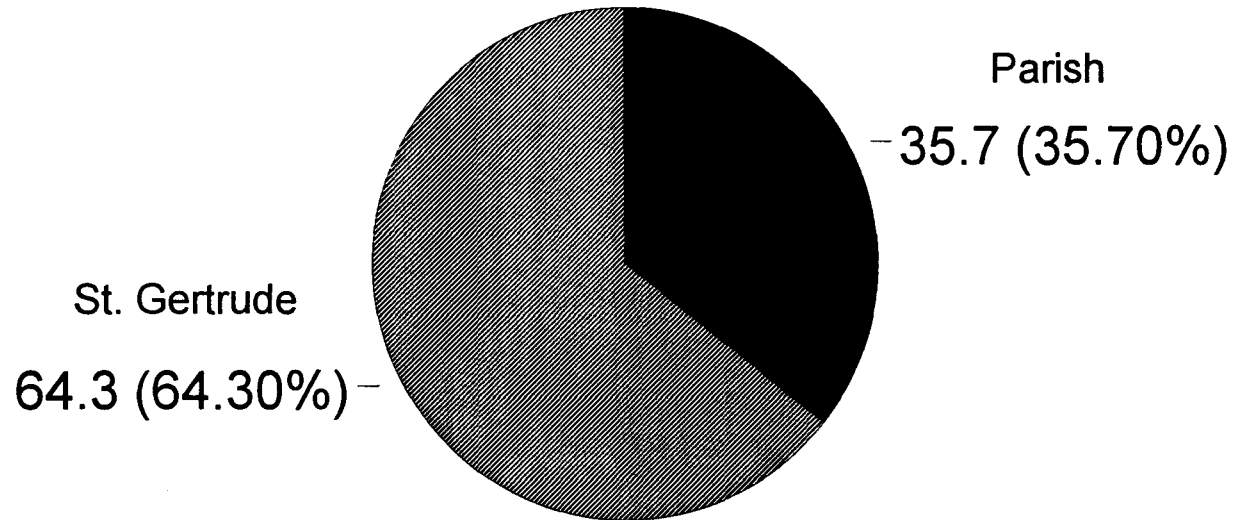


Figure 21.

St. Gertrude

% of Parish Funds for Education

After Consolidation - 1995

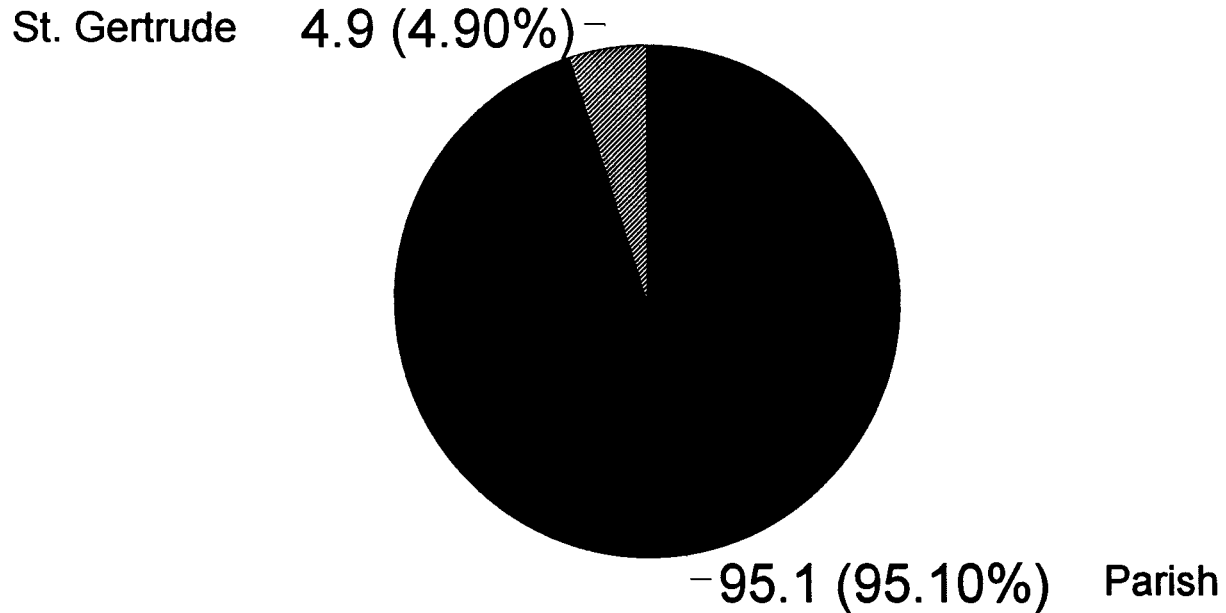


Figure 22.

St. Gertrude

% of Parish Funds for Education
After Consolidation - 1996

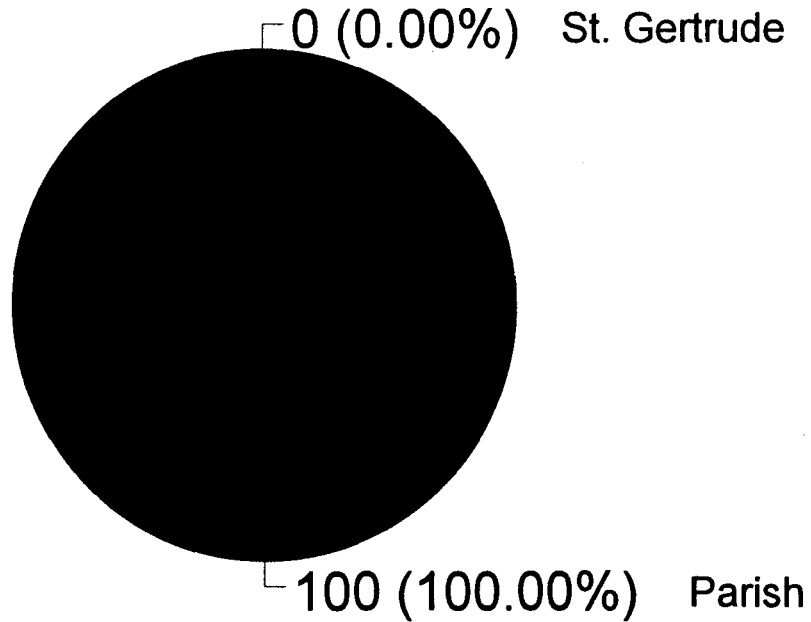


Figure 23.

ST. GREGORY

St. Gregory Church at Bryn Mawr Ave. and Paulina St. on the north side of Chicago was organized in 1904 as a German parish.

The first parish meeting was held on July 13, 1904 in Matthias Evert's saloon, located across the street from the Rosehill Cemetery station of the Chicago and North Western railroad. The parish name St. Gregory was decided upon, and an eight man choir was organized. Before the meeting concluded, Nicholas Mann had donated ten lots for the new parish and a building fund had been established.

By July 22, 1904, construction was underway on a frame combination church and school structure on the south side of Bryn Mawr Ave. between Paulina St. and Ashland Ave. As it became apparent that a large number of children would be enrolled in the parish school, the size of the building was increased to two stories.

The new church of St. Gregory was located less than a mile west of St. Ita Church. It included the territory bounded by Devon Ave. on the north; Argyle St. on the south; the north branch of the Chicago River at Kedzie Ave. on the west; and Lake Michigan on the east.

In September 1904, the Sisters of Christian Charity from Josephinum Academy began their work in St. Gregory parish. When school opened on September 19, 1904, 160 children were in attendance.

Within less than a year, the need for a larger church was apparent. On July 17, 1905, ground at 1653 W. Bryn Mawr Ave. was broken for a combination church-school structure, the cornerstone of which was laid on September 3, 1905. By February 3,

1907, the parish roster listed 225 families.

By 1910, parish membership numbered 400 families. On May 27, 1914, construction began on a convent at 5545 N. Paulina St. After this building was completed, the Sisters' former living quarters were remodeled into classrooms.

In the spring of 1924, construction on the present St. Gregory Church was begun at the northeast corner of Gregory and Paulina St. The English Gothic edifice, designed by the architectural firm of Comes & Perry of Pittsburgh, Pa., was dedicated on November 28, 1926 by George Cardinal Mundelein. Following the completion of this edifice, the old church quarters in the combination building at 1653 W. Bryn Mawr Ave. were remodelled into a parish hall at a cost of \$37,000. At the time of the parish's silver jubilee, which was celebrated on October 27, 1929, St. Gregory had become a cosmopolitan parish. Enrollment in the parish school then numbered 478 children.

Although the Depression brought a halt to the construction of new housing in the neighborhood, it did not stop the expansion of the parish plant. The architectural firm of Vitzhum & Burns was commissioned to draw up plans for a building which could accommodate a grammar school and a high school.²⁵

To make way for the 16 classroom structure, the original frame church was razed. In 1935, ground at 1627-1643 W. Bryn Mawr Ave. was broken for the new school, the cornerstone of which was laid on May 10, 1936. On October 28, 1936, The New World reported that:

The Archdiocese of Chicago has purchased from four owners the entire block of frontage on the west side of Ashland Avenue between Gregory Street and Catalpa. The ground will be used as a recreation park for St. Gregory grade and High School nearby.²⁶

Cardinal Mundelein dedicated St. Gregory school on May 23, 1937.

On July 13, 1951, fire broke out in the brick school building at 1653 W. Bryn Mawr Ave. This structure, built in 1905, had been the first brick building in St. Gregory parish complex. The decision was made to raze this building, and classes were held in the new gymnasium and in the former convent at 5545 N. Paulina St.

In December 1952, ground at the southeast corner of Bryn Mawr Ave. and Paulina St. was broken for a separate school building.

In 1956, 736 grade school students attended classes in the school building at 1634 W. Bryn Mawr Ave. Throughout the 1960s, the grammar school enrollment remained near the 850 pupil mark.

Originally a thoroughly German parish, St. Gregory is now a multi-ethnic parish of approximately 1,150 families (950 registered, 200 non-registered). In addition to long-time parishioners of German and Irish descent, the congregation now includes Filipinos, Cubans, and Spanish-speaking families from South America and Mexico.

In 1978, 468 children attended St. Gregory grade school. The faculty included 11 Sisters of the Living Word and 44 lay teachers.²⁷

The annual parish report for the year ending June 30, 1991 indicated that the number of K - 8th grade students was 310. 220 Catholics and 90 non-Catholics. Tuition for a family with one child attending St. Gregory's was \$900.00 for Catholic students and \$1,260.00 for non-Catholic students. For a family with two children in attendance, it was \$1,728.00 Catholic and \$2,484.00 non-Catholic and for a family with three children in attendance, it was \$1,962.00 Catholic and \$2,835.00 non-Catholic. The

parish census for FY1991 indicated that there were 1004 registered families and approximately 100 non-registered. 3000 persons registered and approximately 300 not registered.²⁸

The annual parish report for the year ending June 30, 1992 indicated that the number of K - 8th grade students was 288. 202 Catholics and 86 non-Catholics. Tuition for a family with one child attending St. Gregory's was \$1,350.00 for Catholic students and \$1,809.00 for non-Catholic students. For a family with two children in attendance, it was \$1,980.00 Catholic and \$2,745.00 non-Catholic and for a family with three children in attendance, it was \$2,250.00 Catholic and \$3,105.00 non-Catholic. The parish census for FY1992 indicated that there were 988 registered families and approximately 100 non-registered. 3000 persons registered and approximately 300 not registered.²⁹

The annual parish report for the year ending June 30, 1993 indicated that the number of K - 8th grade students was 273. 208 Catholics and 65 non-Catholics. Tuition for a family with one child attending St. Gregory's was \$1,485.00 for Catholic students and \$2,079.00 for non-Catholic students. For a family with two children in attendance, it was \$2,178.00 Catholic and \$3,020.00 non-Catholic and for a family with three children in attendance, it was \$2,475.00 Catholic and \$3,416.00 non-Catholic. The parish census for FY1993 indicated that there were 1500 registered families and approximately 100 non-registered. 3000 persons registered and approximately 300 not registered.³⁰

The annual parish report for the year ending June 30, 1994 indicated that the

number of K - 8th grade students was 225. 200 Catholics and 25 non-Catholics. Tuition for a family with one child attending St. Gregory's was \$1,575.00 for Catholic students and \$2,205.00 for non-Catholic students. For a family with two children in attendance, it was \$2,295.00 Catholic and \$3,195.00 non-Catholic and for a family with three children in attendance, it was \$2,610.00 Catholic and \$3,600.00 non-Catholic. The parish census for FY1994 indicated that there were 1055 registered families and approximately 200 non-registered. 2850 persons registered and approximately 650 not registered.³¹

**TABLE 18
ST. GREGORY THE GREAT BUDGET/ACTUAL REPORT**

	Actual 6/91	Actual 6/92	Actual 6/93	Actual 6/94	Actual 6/95	Budget 6/96
October Count	1004	988	1500	1055	1021	1021
K-8 Enrollment	310	288	273	225	0	0
CHURCH REVENUE						
Collections	210842	220466	215393	290804	229957	207200
Other Ord. Church Inc.	14541	19398	25823	26981	71649	34500
Bingo	30000	30000	15000	10000	31500	25000
Lease	41635	45022	43148	23736	30108	20000
Fund Raising	40000	40000	80000	49980	40000	45000
Extraordinary Revenue	11656	5233	5668	6746	29227	5600
Total Church Revenue	348674	360119	385032	408247	432441	337300
SCHOOL REVENUE						
Tuition and Fees	1345398	444522	479632	501086	0	0
Fund Raising	33290	27750	0	0	0	0
Other	119916	14775	1670	81723	0	0
Total School Revenue	1498604	487047	481302	582809	0	0
Total Parish Revenue	1847278	847166	866334	991056	432441	337300
CHURCH EXPENSES						
Salaries	136574	142916	177631	135635	184314	158047
Benefits	36951	67264	30129	79769	39371	46877
Occupancy	133389	121221	98388	136263	136268	60962
Other	63667	78099	85958	90592	165126	54910
Assessments	34185	25156	28323	13300	30891	48734
Extraordinary Expenses	6785	4233	5668	8046	13503	5600
Total Church Expenses	411551	438889	426097	463605	569473	375130

TABLE 18 - CONTINUED
ST. GREGORY THE GREAT BUDGET/ACTUAL REPORT

	Actual 6/91	Actual 6/92	Actual 6/93	Actual 6/94	Actual 6/95	Budget 6/96
SCHOOL EXPENSES						
Salaries	1144563	392050	407366	488350	0	0
Benefits	144151	74879	73693	0	0	0
Occupancy	100723	41187	39503	18225	0	0
Other	173267	42419	40649	81097	0	0
Total School Expenses	1562704	550535	561211	587672	0	0
Total Parish Expenses	1974255	989424	987308	1051277	569473	375130
Church Net(Deficit)/Excess	-62877	-78770	-41065	-55358	-137032	-37830
School Net (Deficit)/Excess	-64100	-63488	-79909	-4863	0	0
Parish Net (Deficit)/Excess	-126977	-142258	-120974	-60221	-137032	-37830
Operating Grant	150000	117995	110000	71672	50000	40000
Net After Grant	23023	-24263	-10974	11451	-87032	2170
CAPITAL ACTIVITIES						
Capital Revenue/Grant	0	0	0	302060	0	0
Capital Expense	0	0	0	0	171675	0
Capital Net	0	0	0	302060	-171675	0
Savings Balance	0	0	0	101511	55	0
Loan Balance	381863	381863	381863	180555	325188	0
Unpaid Bills	7408	8937	23577	99261	34217	0
Per Student Cost	4339.99354839	1543.47916667	1756.89377289	2227.04888889	0	0
Parish Per Student Cost	-206.774193548	-220.444444444	-292.706959707	-21.6133333333	0	0

St. Gregory the Great Parish Net (Deficit)/Excess

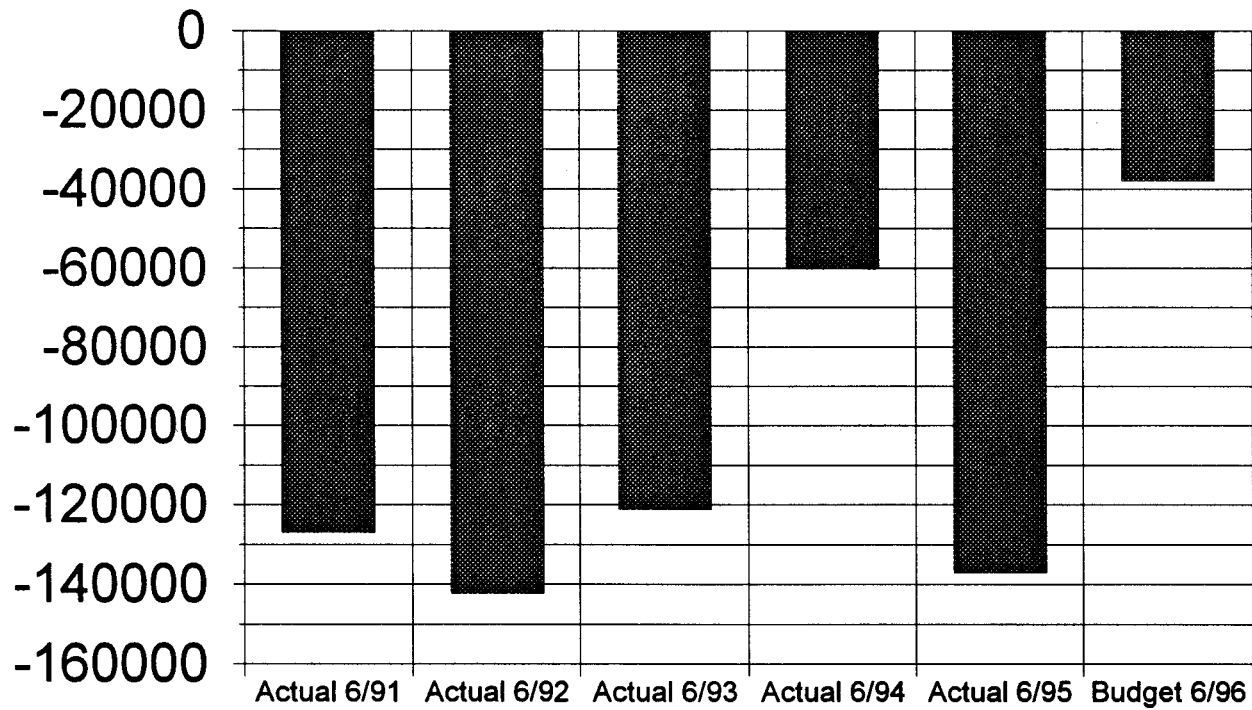


Figure 24.

St. Gregory the Great

% of Parish Funds for Education

Before Consolidation - 1991

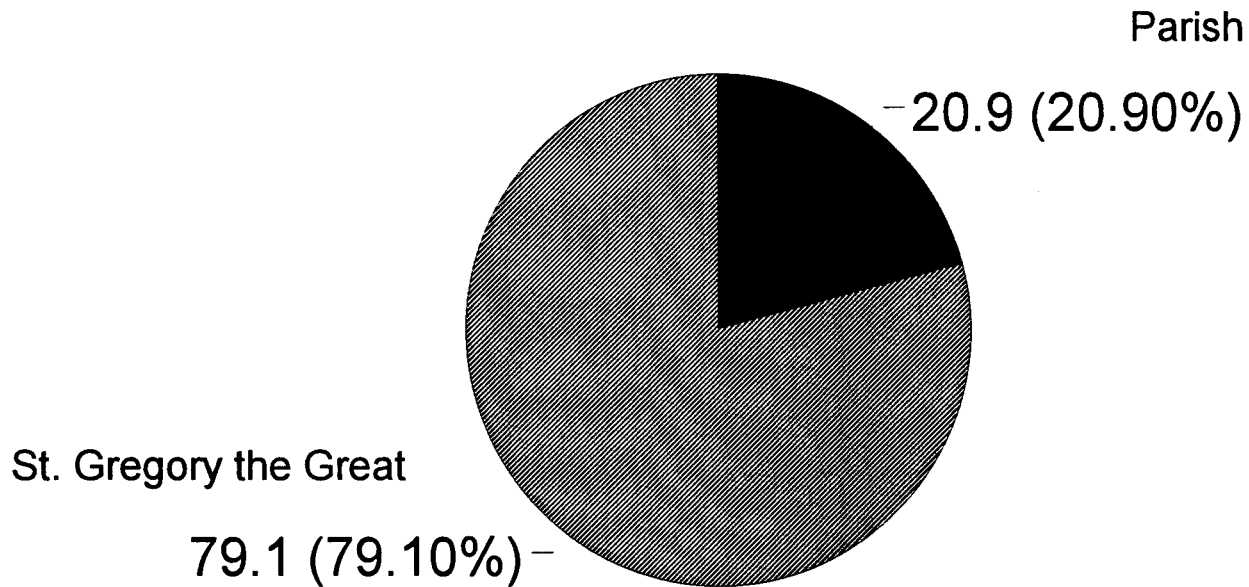


Figure 25.

St. Gregory the Great

% of Parish Funds for Education

Before Consolidation - 1992

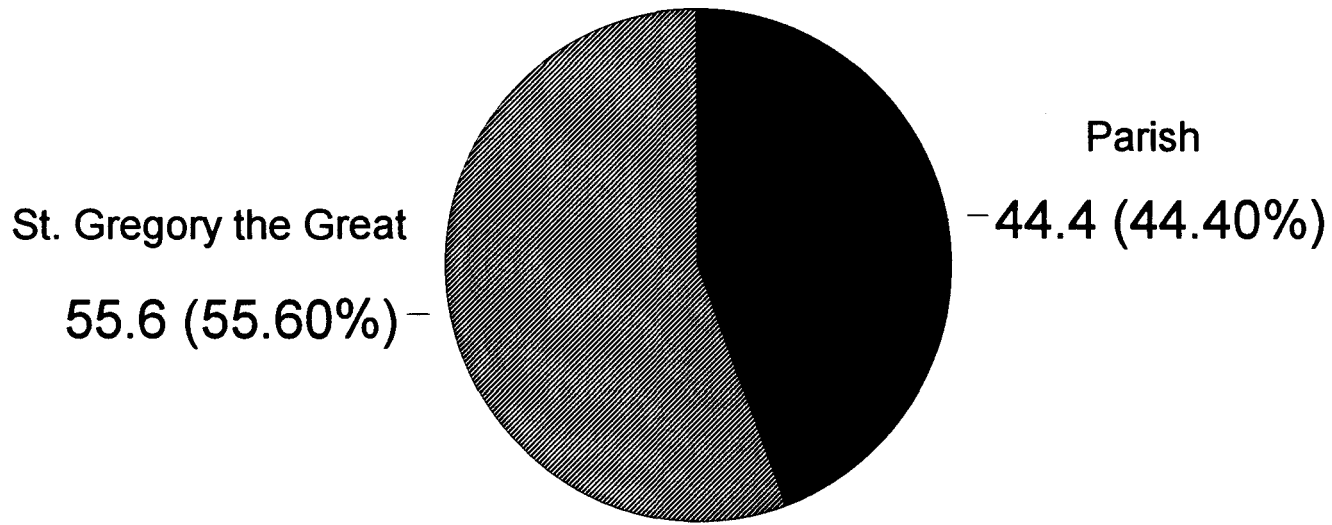


Figure 26.

St. Gregory the Great

% of Parish Funds for Education

Before Consolidation - 1993

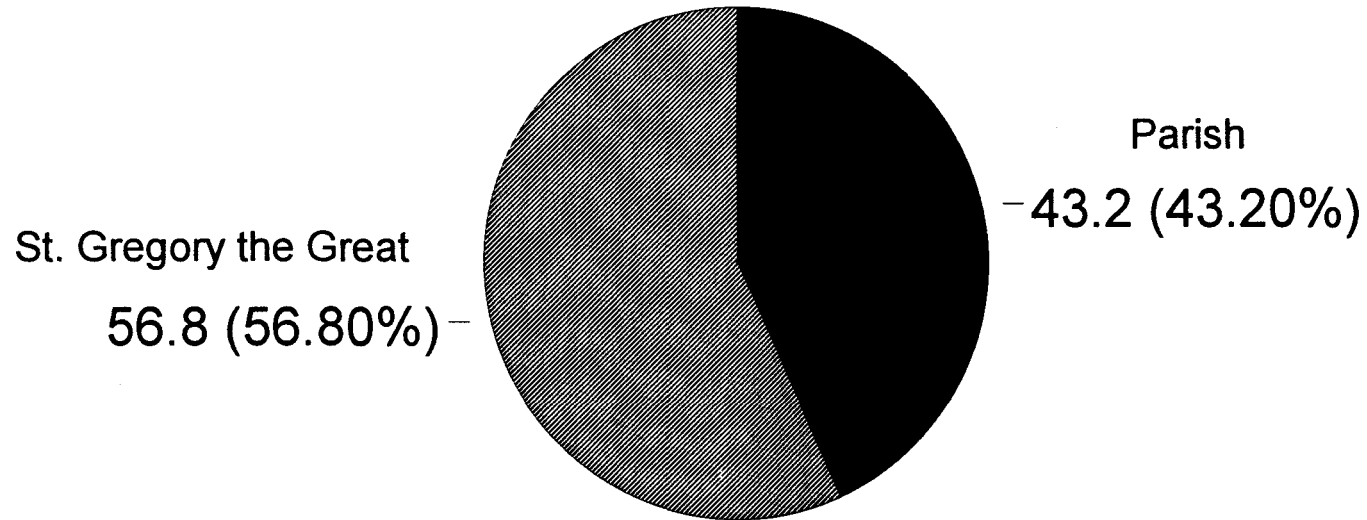


Figure 27.

St. Gregory the Great

% of Parish Funds for Education

Before Consolidation - 1994

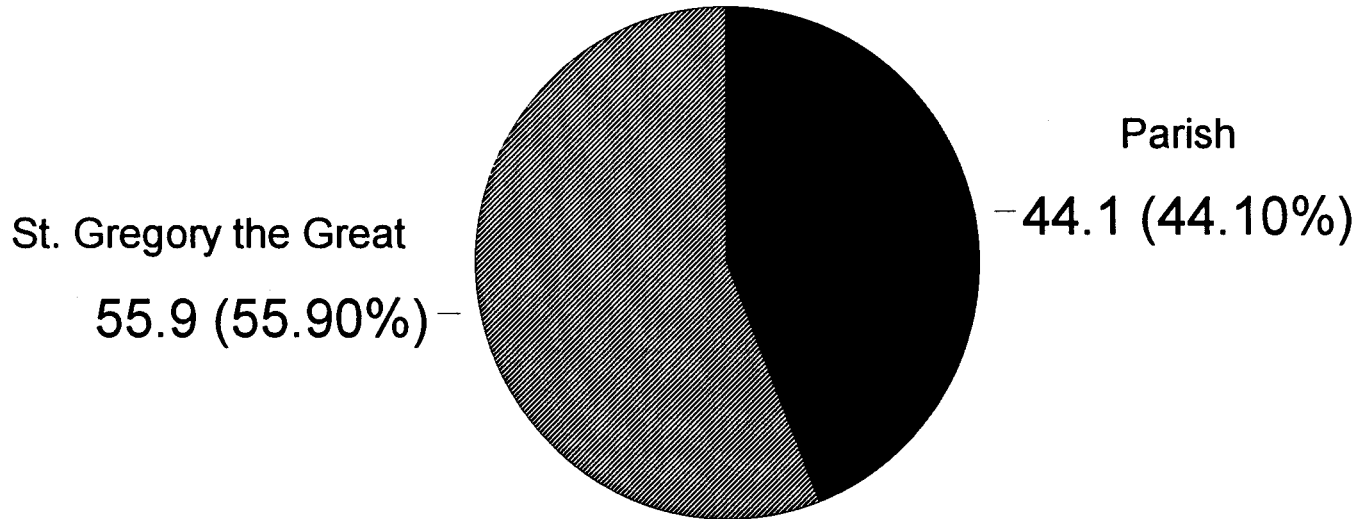


Figure 28.

St. Gregory the Great

% of Parish Funds for Education

After Consolidation - 1995

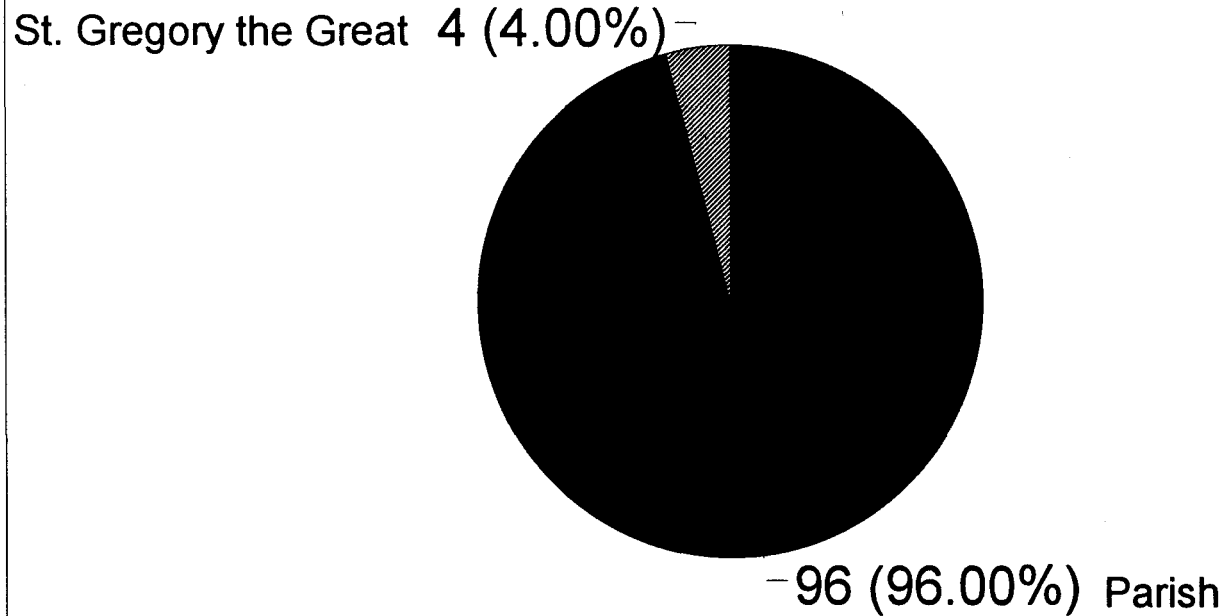


Figure 29.

St. Gregory the Great

% of Parish Funds for Education

After Consolidation - 1996

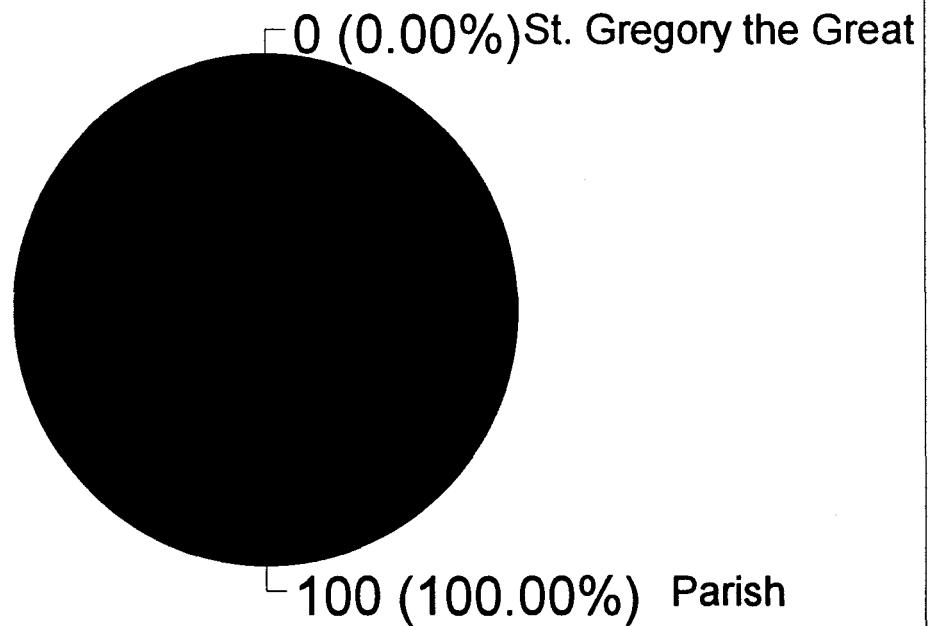


Figure 30.

ST. HENRY

St. Henry Church on Devon Ave. was organized in 1851 to primarily serve Catholics from Germany and Luxembourg who had settled in the Rosehill section of Cook County about six miles north of the then limits of the city of Chicago. This original edifice was dedicated on May 9, 1852.

On May 15, 1865, the Board of St. Boniface Cemetery purchased 10 acres of land at Devon Ave. and Robey St. (now Damen Ave.) on which they established Angel Guardian Orphanage, an institution supported by the German parishes in Chicago. For more than a century, St. Henry parish and Angel Guardian Orphanage grew side by side, sharing personnel and property.

The children of St. Henry parish attended classes in the orphanage until 1882, when a parish school was constructed. The Poor Handmaids of Jesus Christ, who staffed Angel Guardian Orphanage, served on the faculty of the parish school.

In 1889, the area bounded by Devon Ave. on the north; Fullerton Ave. on the south; Western Ave. on the west; and Lake Michigan on the east was annexed to Chicago. In 1893, the villages of Rogers Park and West Ridge became part of the city. In 1895, the territorial parish of St. Jerome was organized at Morse Ave. and Paulina St. to serve English-speaking Catholics who lived in Rogers Park and in 1904, the national parish of St. Gregory was established at Bryn Mawr Ave. and Paulina St. to serve German Catholics who lived in the territory south of Peterson Ave.

At a meeting held on October 2, 1904, parishioners decided to build a new church rather than enlarge the old frame structure. Father Ruetershoff commissioned architect

Henry J. Schlacks to draw up plans for a spacious church, the cornerstone of which was laid on April 16, 1905. The red brick edifice was completed atop "the Ridge" at the southwest corner of Devon Ave. and Ridge Ave. Archbishop James E. Quigley dedicated the new German Catholic Church in imposing ceremonies on May 20, 1906.

By 1926, Angel Guardian school had become a primary and secondary education facility; included in the curriculum were shop and skilled trade courses. When George Cardinal Mundelein was presented with plans for the expansion of the orphanage, he proposed that St. Henry Church become the chapel for that institution.

On October 28, 1928, the cornerstone of a combination church-school building was laid. This two-story structure, designed by Henry J. Schlacks, was completed at 6325 N. Hoyne Ave. The new church and school quarters were dedicated on October 27, 1929.

In the 1960's, many families moved away from St. Henry parish to other neighborhoods on the north side and to the suburbs. Enrollment in the school declined from 351 students in 1961 to 274 students by 1969.³²

By September, 1971, enrollment in St. Henry school had dropped to fewer than 200 students; less than 800 families were then registered in the parish.

In 1978, enrollment in the parish school numbered 265 students under the direction of three Poor Handmaids of Jesus Christ and seven lay teachers. St. Henry parish now serves approximately 500 Catholic families who live in the neighborhood bounded by Pratt Blvd. on the north; Peterson Ave. on the south; Western Ave. on the west; and the Chicago and North Western railroad tracks at Ravenswood Ave. on the

east. The congregation is now a veritable "League of Nations" with families of Luxembourger, German, and Irish descent as well as Orientals, Filipinos, East Indians, and Greeks.³³

The annual parish report for the year ending June 30, 1991 indicated that the number of K - 8th grade students was 279. 170 Catholics and 109 non-Catholics. Tuition for a family with one child attending St. Henry's was \$954.00 for Catholic students and \$1,278.00 for non-Catholic students. For a family with two children in attendance, it was \$1,264.00 Catholic and \$1,899.00 non-Catholic and for a family with three children in attendance, it was \$1,900.00 Catholic and \$2,349.99 non-Catholic. The parish census for FY1991 indicated that there were 505 registered families and approximately 50 non-registered. 1275 persons registered and approximately 135 not registered.³⁴

The annual parish report for the year ending June 30, 1992 indicated that the number of K - 8th grade students was 257. 130 Catholics and 127 non-Catholics. Tuition for a family with one child attending St. Henry's was \$1,017.00 for Catholic students and \$1,359.00 for non-Catholic students. For a family with two children in attendance, it was \$1,350.00 Catholic and \$2,016.00 non-Catholic and for a family with three children in attendance, it was \$1,900.00 Catholic and \$2,349.00 non-Catholic. The parish census for FY1992 indicated that there were 472 registered families and approximately 45 non-registered. 1205 persons registered and approximately 145 not registered.³⁵

The annual parish report for the year ending June 30, 1993 indicated that the number of K - 8th grade students was 216. 130 Catholics and 86 non-Catholics. Tuition

for a family with one child attending St. Henry's was \$1,017.00 for Catholic students and \$1,359.00 for non-Catholic students. For a family with two children in attendance, it was \$1,350.00 Catholic and \$2,016.00 non-Catholic and for a family with three children in attendance, it was \$1,900.00 Catholic and \$2,349.00 non-Catholic. The parish census for FY1993 indicated that there were 512 registered families and approximately 75 non-registered. 604 persons registered and approximately 100 not registered.³⁶

The annual parish report for the year ending June 30, 1994 indicated that the number of K - 8th grade students was 196. 125 Catholics and 71 non-Catholics. Tuition for a family with one child attending St. Henry's was \$1,017.00 for Catholic students and \$1,359.00 for non-Catholic students. For a family with two children in attendance, it was \$1,350.00 Catholic and \$2,016.00 non-Catholic and for a family with three children in attendance, it was \$1,900.00 Catholic and \$2,349.00 non-Catholic. The parish census for FY1994 indicated that there were 443 registered families and approximately 35 non-registered. 1310 persons registered and approximately 80 not registered.³⁷

TABLE 19
ST. HENRY BUDGET/ACTUAL REPORT

	Actual 6/91	Actual 6/92	Actual 6/93	Actual 6/94	Actual 6/95	Budget 6/96
October Count	505	472	512	443	441	441
K-8 Enrollment	279	257	216	196	0	0
CHURCH REVENUE						
Collections	150893	148422	142463	145172	141325	140650
Other Ord. Church Inc.	9029	6097	11635	11490	15349	8000
Bingo	0	0	0	0	0	0
Lease	0	0	155	30	165	0
Fund Raising	6756	25150	3089	4663	13446	10000
Extraordinary Revenue	12512	10144	11802	8435	9472	0
Total Church Revenue	179190	189813	169144	169790	179757	158650
SCHOOL REVENUE						
Tuition and Fees	280774	290813	317498	321373	0	0
Fund Raising	39974	19866	32714	34686	0	0
Other	40769	21782	3694	2259	0	0
Total School Revenue	361517	332461	353906	358318	0	0
Total Parish Revenue	540707	522274	523050	528108	179757	158650
CHURCH EXPENSES						
Salaries	70897	67585	65786	72288	65795	69950
Benefits	10323	7772	7231	9234	8480	9900
Occupancy	26549	22529	29765	31653	26024	14100
Other	29332	46178	24159	18019	132364	69600
Assessments	2000	6950	19440	20812	18817	21400
Extraordinary Expenses	17933	8795	10154	8590	7946	0
Total Church Expenses	157034	159809	156535	160596	259426	184950

TABLE 19 - CONTINUED
ST. HENRY BUDGET/ACTUAL REPORT

	Actual 6/91	Actual 6/92	Actual 6/93	Actual 6/94	Actual 6/95	Budget 6/96
SCHOOL EXPENSES						
Salaries	254915	262030	309000	322212	0	0
Benefits	40269	30509	51418	39773	0	0
Occupancy	17461	30639	40467	33960	0	0
Other	82663	42639	18989	18674	0	0
Total School Expenses	395308	365817	419874	414619	0	0
Total Parish Expense	552342	525626	576409	575215	259426	184950
Church Net (Deficit)/Excess	22156	30004	12609	9194	-79669	-26300
School Net (Deficit)/Excess	-33791	-33356	-65968	-56301	0	0
Parish Net (Deficit)/Excess	-11635	-3352	-53359	-47107	-79669	-26300
Operating Grant	0	0	0	0	0	0
Net After Grant	-11635	-3352	-53359	-47107	-79669	-26300
CAPITAL ACTIVITIES						
Capital Revenue/Grant	27115	0	0	0	0	0
Capital Expense	26804	0	0	0	0	0
Capital Net	311	0	0	0	0	0
Savings Balance	39097	0	0	0	0	0
Loan Balance	0	0	33626	89204	168075	0
Unpaid Bills	36563	43280	68947	123178	41343	0
Per Student Cost	1006.35842294	1131.56809339	1469.89814815	1639.65816327	0	0
Parish Per Student Cost	-121.114695341	-129.789883268	-305.407407407	-287.25	0	0

St. Henry

Parish Net (Deficit)/Excess

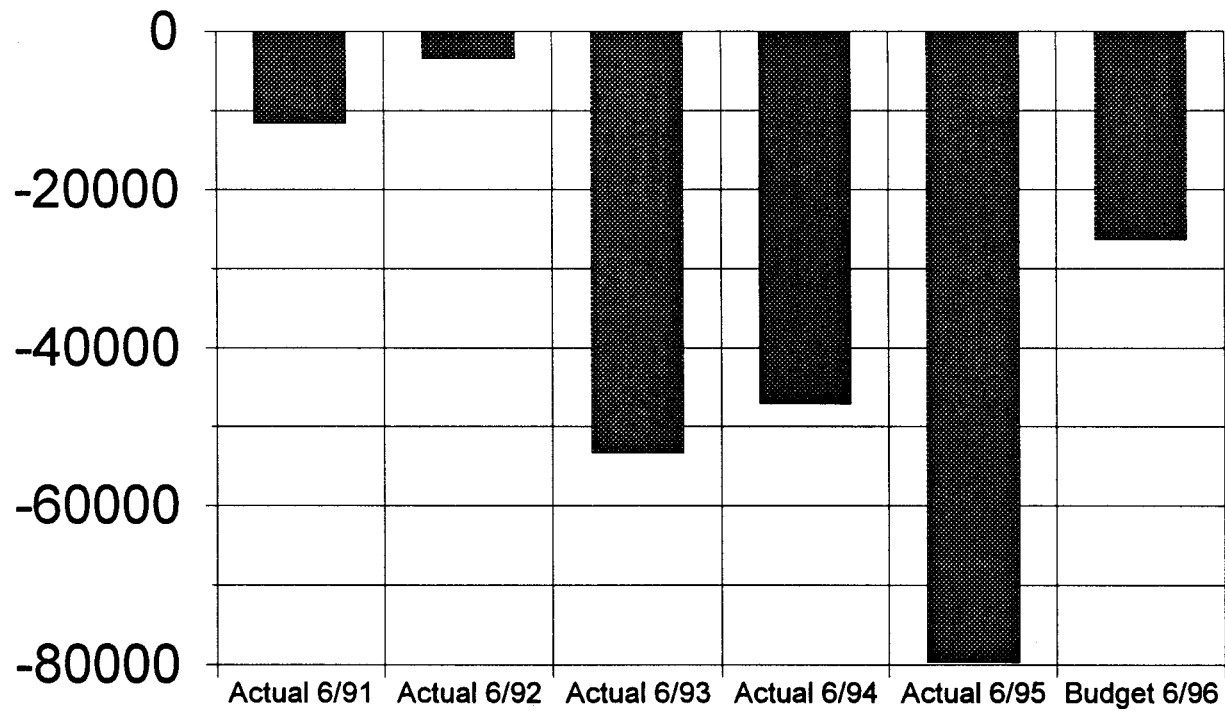


Figure 31.

St. Henry

% of Parish Funds for Education

Before Consolidation - 1991

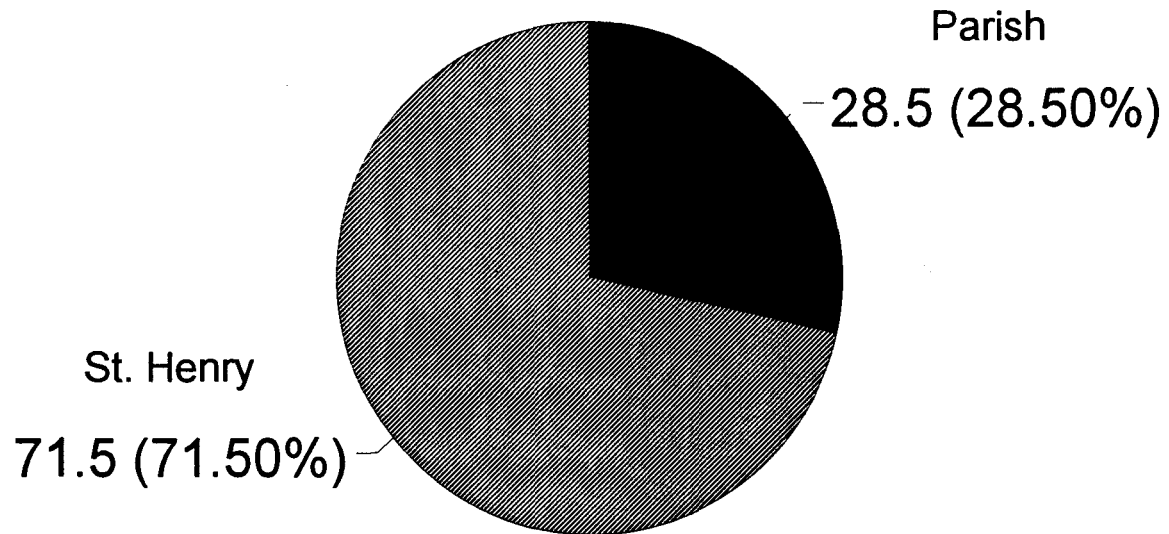


Figure 32.

St. Henry

% of Parish Funds for Education

Before Consolidation - 1992

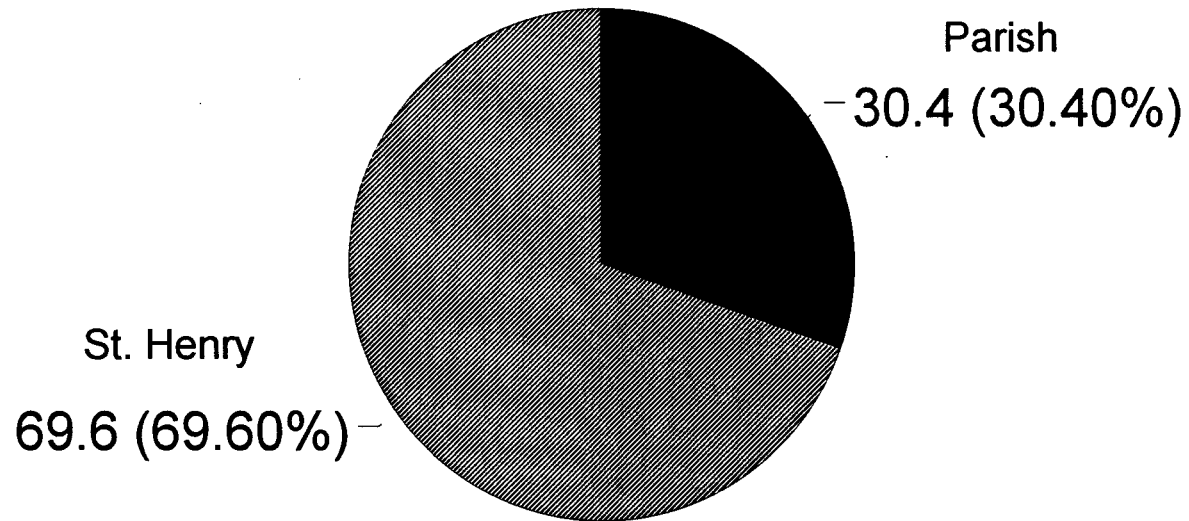


Figure 33.

St. Henry

% of Parish Funds for Education

Before Consolidation - 1993

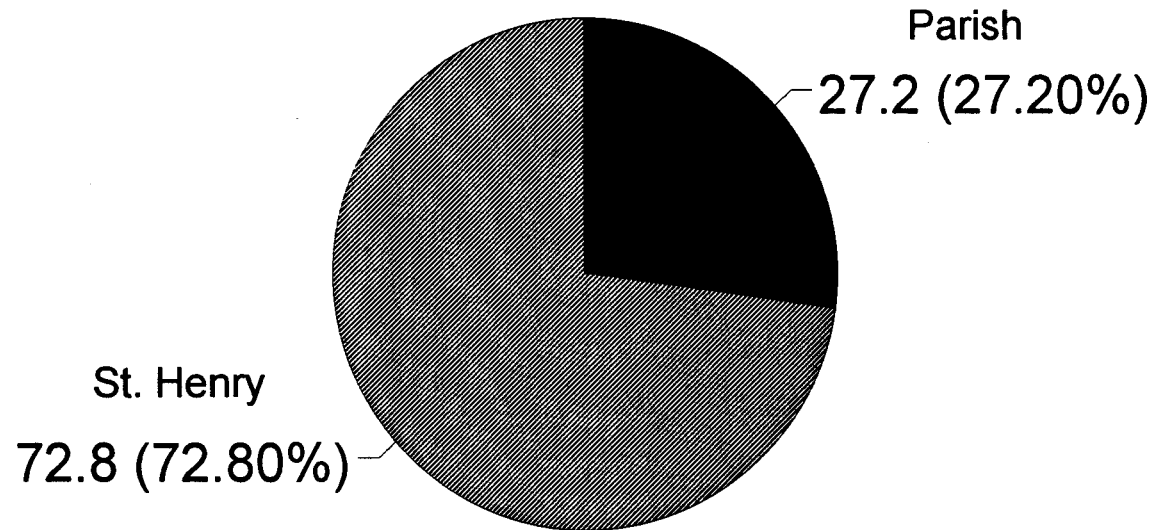


Figure 34.

St. Henry

% of Parish Funds for Education

Before Consolidation - 1994

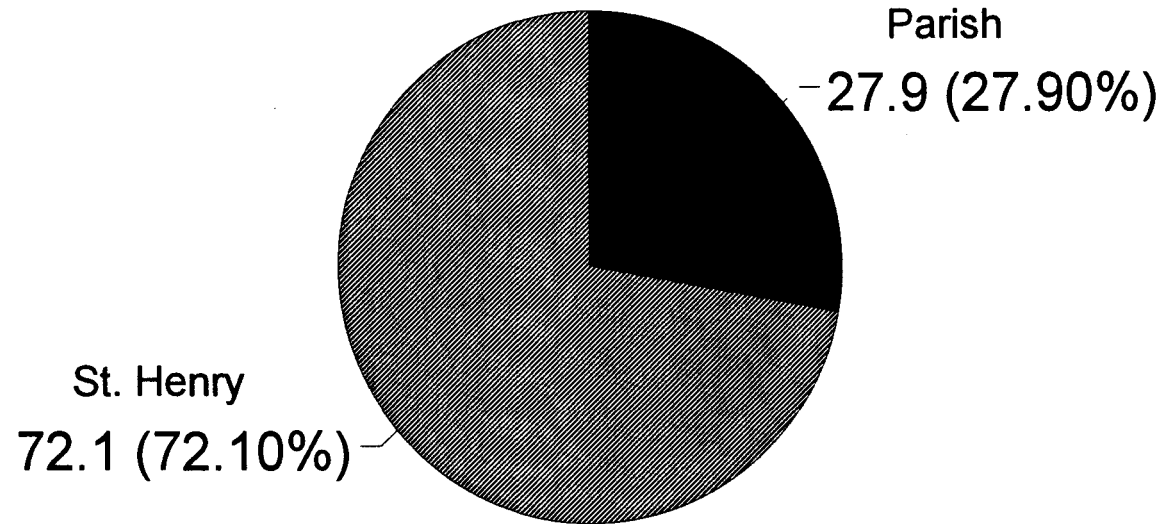


Figure 35.

St. Henry

% of Parish Funds for Education
After Consolidation - 1995

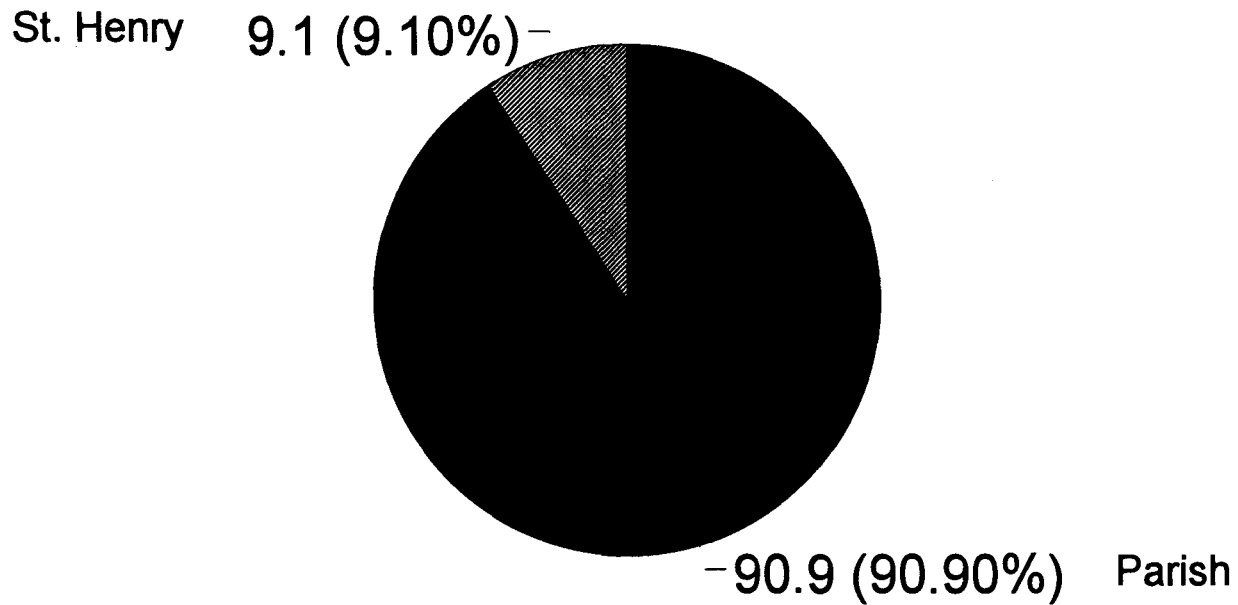


Figure 36.

St. Henry

% of Parish Funds for Education
After Consolidation - 1996

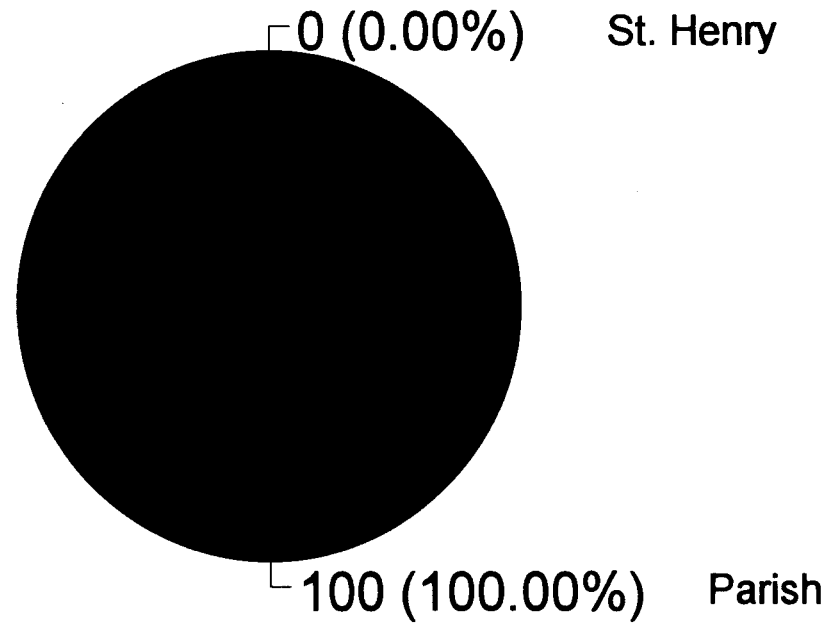


Figure 37.

ST. IGNATIUS

St. Ignatius Church at Loyola and Glenwood Ave. on the north side of Chicago was founded by the Jesuits from St. Ignatius College on 12th St. (now Roosevelt Rd.) in Holy Family parish. On March 9, 1906, the Jesuits purchased a 20 acre tract of land along Lake Michigan from the Chicago, Milwaukee and St. Paul railroad at a cost of \$161,254. The property now the site of Loyola University was located two miles south of Calvary cemetery and was bounded by Hayes (Loyola) Ave. on the north; Devon Ave. on the south; Sheridan Rd. on the west; and Lake Michigan on the east. In reporting the sale of the lakefront property, The New World noted that:

A church will be erected at once on the site, and it is the intention to follow as soon as practicable with the buildings for a college, which may in time attain the dignity of a university.³⁸

A frame church designed by the architectural firm of Prindiville and Egan was constructed at a cost of \$25,000 at the south end of the property on Sheridan Rd., now the site of the Granada Center. For many years, the rectory attached to the parish church served as a residence for the priests of the Jesuit Mission Band.

Rev. H.J. Dumbach, SJ, rector of St. Ignatius College, celebrated the first Mass in St. Ignatius Church on February 24, 1907. The second Mass of the day was celebrated by Rev. Louis Kellingens, SJ, who had been appointed pastor of the new parish.

St. Ignatius parish was organized in the sparsely settled territory along the North Shore of Lake Michigan. To the north was St. Jerome Church, founded in 1895 in Rogers Park, and to the south was St. Ita Church, organized in 1900 in Edgewater. In

1907, only seven Catholic families lived within the boundaries of the new parish, which extended roughly from Columbia Ave. on the north to Devon Ave. on the south, and westward from the lake.

In 1908, Rev. J.R. Rosswinkel, SJ was named pastor. In 1909, the Jesuits established Loyola Academy on property east of Sheridan Rd. to serve young men living on the north side of Chicago. In that year, the Sisters of the Holy Child Jesus from Sharon, Pa. organized a grammar school in a building on Loyola Ave. In September 1910, the Sisters moved to a new convent at 6558 N. Sheridan Rd. where they continued to hold classes for the children of St. Ignatius parish.

In 1910, Rev. David M. Johnson, SJ was appointed pastor of St. Ignatius Church and superior of Loyola Academy. In November of 1910, Father Johnson purchased property adjoining the Academy at Loyola Ave. and Lake Michigan on which to build a parish hall. In June 1911, he acquired land for a new parish school at 1300 W. Loyola Ave. Ground was broken in May 1912, and the building was completed four months later at a cost of \$40,000. The three story structure, designed by the architectural firm of Hyland and Green, contained 10 classrooms and an assembly hall. On September 16, 1912, St. Ignatius school opened at its new location with an enrollment of 225 children. Within two months, Father Johnson announced to his parishioners that he had secured the property adjoining the school for future expansion.

In February 1912, Archbishop James E. Quigley had organized St. Gertrude parish in the territory south of Devon Ave. In 1913, he expanded the boundaries of St. Ignatius parish by eight city blocks. The north boundary of the parish was set as

follows: Albion Ave. from Ravenswood Ave. to Clark St.; North Shore Ave. from Clark St. to Glenwood Ave.; and Pratt Blvd. from Glenwood Ave. to Lake Michigan. The parish is bounded by Devon Ave. on the south, Ravenswood Ave. on the west; and Lake Michigan on the east.

Ground for the new church and rectory was broken on May 30, 1916. On August 27, 1916, Bishop Edmund M. Dunne of Peoria, Ill. laid the cornerstone of St. Ignatius Parish.

On the morning of September 16, 1917, Father Johnson, accompanied by members of the parish, carried the Blessed Sacrament from the old frame church on Sheridan Rd. to the new church of St. Ignatius at the northeast corner of Loyola and Glenwood Avenues. Archbishop George W. Mundelein officiated at the dedication of the Corinthian style structure later in the day. The new rectory had been completed at 6559 N. Glenwood Ave.

By 1917, additional classrooms were needed to accommodate the 400 children enrolled in the parish school. Father Johnson sold the property at Loyola Ave. and Lake Michigan and used the \$30,000 proceeds to start a building fund for a second school. Completed in 1921, the new school with its auditorium and gymnasium was connected to the 1912 school by means of a bridge. The boys then attended classes in one school building and the girls in the other.

In 1922, St. Ignatius College department was relocated from 12th St. to 6525 N. Sheridan Rd. Loyola Academy continued to share the Lake Shore campus of Loyola University until 1957, when the Academy was reopened at a new location in Wilmette,

III.

By 1923, enrollment in St. Ignatius grammar school numbered 537 students under the direction of 13 Sisters and two lay teachers. At the time, parish membership numbered some 800 families.³⁹

By 1961, the problem facing the priests and people of this parish was the gradual decline of the physical plant.

Father William Finnegan, former dean of Loyola University, began the renovation of the grammar school in preparation for its golden jubilee anniversary. Many of the 2,500 men and women who had graduated from St. Ignatius school returned with their families to participate in the festivities on September 30, 1962.

Since the close of World War II, there has been a gradual widening of the ethnic makeup of St. Ignatius parish. Whereas the founding families of the parish had their roots in Ireland and in countries of northern Europe, parish membership now includes families of diverse ethnic and cultural backgrounds.⁴⁰

The annual parish report for the year ending June 30, 1991 indicated that the number of K - 8th grade students was 168. 110 Catholics and 58 non-Catholics. Tuition for a family with one child attending St. Ignatius' was \$1,600.00 for Catholic students and \$2,240.00 for non-Catholic students. For a family with two children in attendance, it was \$2,300.00 Catholic and \$3,050.00 non-Catholic and for a family with three children in attendance, it was \$2,950.00 Catholic and \$3,600.00 non-Catholic. The parish census for FY1991 indicated that there were 870 registered families and approximately 290 non-registered. 1300 persons registered and approximately 500 not

registered.⁴¹

The annual parish report for the year ending June 30, 1992 indicated that the number of K - 8th grade students was 156. 126 Catholics and 30 non-Catholics. Tuition for a family with one child attending St. Ignatius' was \$1,760.00 for Catholic students and \$2,470.00 for non-Catholic students. For a family with two children in attendance, it was \$2,550.00 Catholic and \$3,370.00 non-Catholic and for a family with three children in attendance, it was \$3,300.00 Catholic and \$3,970.00 non-Catholic. The parish census for FY1992 indicated that there were 847 registered families and approximately 50 non-registered. 1,600 persons registered and approximately 80 not registered.⁴²

The annual parish report for the year ending June 30, 1993 indicated that the number of K - 8th grade students was 191. 140 Catholics and 51 non-Catholics. Tuition for a family with one child attending St. Ignatius' was \$1,760.00 for Catholic students and \$2,470.00 for non-Catholic students. For a family with two children in attendance, it was \$2,550.00 Catholic and \$3,370.00 non-Catholic and for a family with three children in attendance, it was \$3,300.00 Catholic and \$3,970.00 non-Catholic. The parish census for FY1993 indicated that there were 805 registered families and approximately 60 non-registered. 1250 persons registered and approximately 85 not registered.⁴³

The annual parish report for the year ending June 30, 1994 indicated that the number of K - 8th grade students was 242. 180 Catholics and 62 non-Catholics. Tuition for a family with one child attending St. Ignatius' was \$1,780.00 for Catholic students

and \$2,490.00 for non-Catholic students. For a family with two children in attendance, it was \$2,850.00 Catholic and \$3,570.00 non-Catholic and for a family with three children in attendance, it was \$3,920.00 Catholic and \$4,200.00 non-Catholic. The parish census for FY1994 indicated that there were 890 registered families and approximately 50 non-registered. 1305 persons registered and approximately 85 not registered.⁴⁴

**TABLE 20
ST. IGNATIUS BUDGET/ACTUAL REPORT**

	Actual 6/91	Actual 6/92	Actual 6/93	Actual 6/94	Actual 6/95	Budget 6/96
October Count	870	847	805	890	897	897
K-8 Enrollment	168	156	191	242	0	0
CHURCH REVENUE						
Collections	258464	272092	233993	264211	295404	303300
Other Ord. Church Inc.	77995	77216	58302	48415	62292	66700
Bingo	0	0	0	0	0	0
Lease	6985	0	0	5013	13550	72000
Fund Raising	0	59348	33597	23253	44956	70000
Extraordinary Revenue	31814	27101	10131	123433	45802	34000
Total Church Revenue	375258	435757	336023	464325	462004	546000
SCHOOL REVENUE						
Tuition and Fees	365423	350786	403246	485292	0	0
Fund Raising	36214	40696	48428	40090	0	0
Other	69925	93496	36551	40238	0	0
Total School Revenue	471562	484978	488225	565620	0	0
Total Parish Revenue	846820	920735	824248	1029945	462004	546000
CHURCH EXPENSES						
Salaries	186368	177541	187804	211299	171666	167819
Benefits	31902	118679	70400	46098	83546	51190
Occupancy	48935	65963	60216	59040	133452	98530
Other	118449	127767	64437	176023	163320	171261
Assessments	2293	53198	10420	64878	6397	33200
Extraordinary Expenses	8715	9727	6066	9383	8849	10000
Total Church Expenses	396662	552875	399343	566721	567230	532000

TABLE 20 - CONTINUED
ST. IGNATIUS BUDGET/ACTUAL REPORT

	Actual 6/91	Actual 6/92	Actual 6/93	Actual 6/94	Actual 6/95	Budget 6/96
SCHOOL EXPENSES						
Salaries	310929	335661	347654	423841	0	0
Benefits	38598	48610	96627	69552	0	0
Occupancy	57248	47690	86507	60254	0	0
Other	66238	49212	40194	84150	0	0
Total School Expenses	473013	481173	570982	637797	0	0
Total Parish Expense	869675	1034048	970325	1204518	567230	532000
Church Net(Deficit)/Excess	-21404	-117118	-63320	-102396	-105226	14000
School Net (Deficit)/Excess	-1451	3805	-82757	-72177	0	0
Parish Net (Deficit)/Excess	-22855	-113313	-146077	-174573	-105226	14000
Operating Grant	0	0	50000	92877	0	0
Net After Grant	-22855	-113313	-96077	-81696	-105226	14000
CAPITAL ACTIVITIES						
Capital Revenue/Grant	59062	88997	87698	40355	0	0
Capital Expense	80603	167389	48767	60231	30000	0
Capital Net	-21541	-78392	38931	-19876	-30000	0
Savings Balance	0	0	2254	153	283	0
Loan Balance	381355	558750	648822	718857	843328	983327
Unpaid Bills	119873	81869	142837	121430	152578	0
Per Student Cost	2175.13690476	2248.62820513	2111.23560209	2005.33884298	0	0
Parish Per Student Cost	-8.6369047619	24.391025641	-433.282722513	-298.252066116	0	0

St. Ignatius

Parish Net (Deficit)/Excess

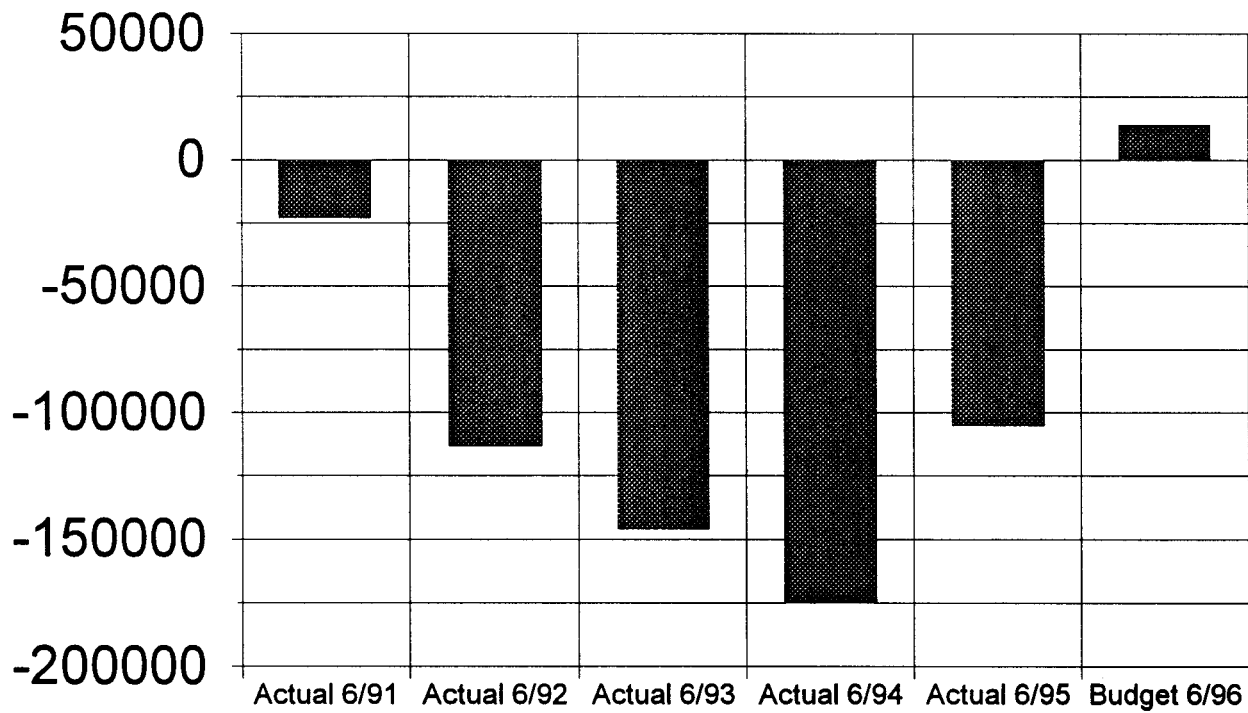


Figure 38.

St. Ignatius

% of Parish Funds for Education

Before Consolidation - 1991

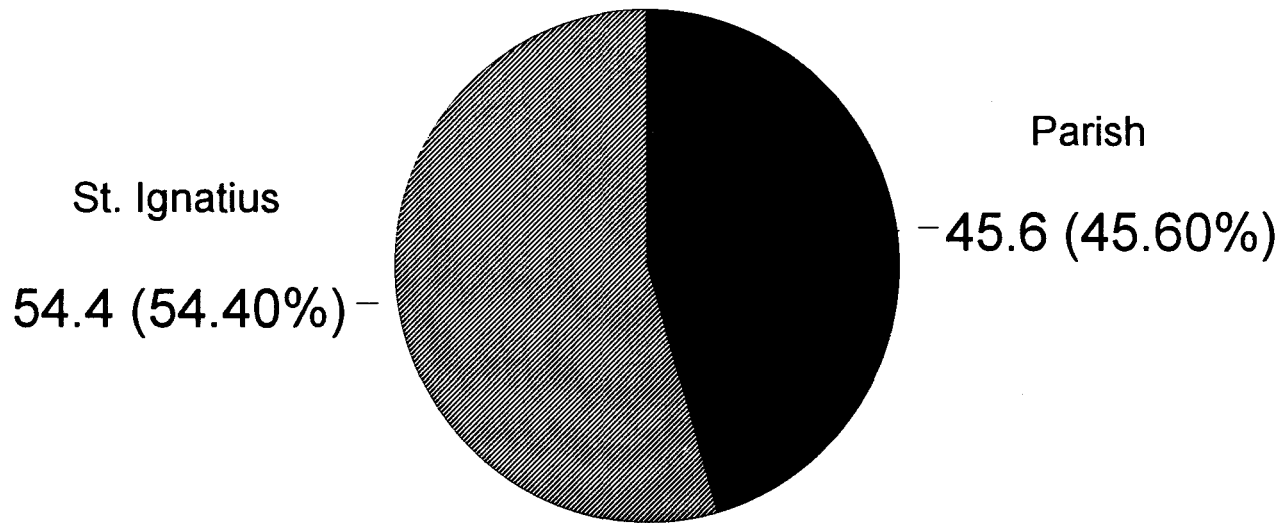


Figure 39.

St. Ignatius

% of Parish Funds for Education

Before Consolidation - 1992

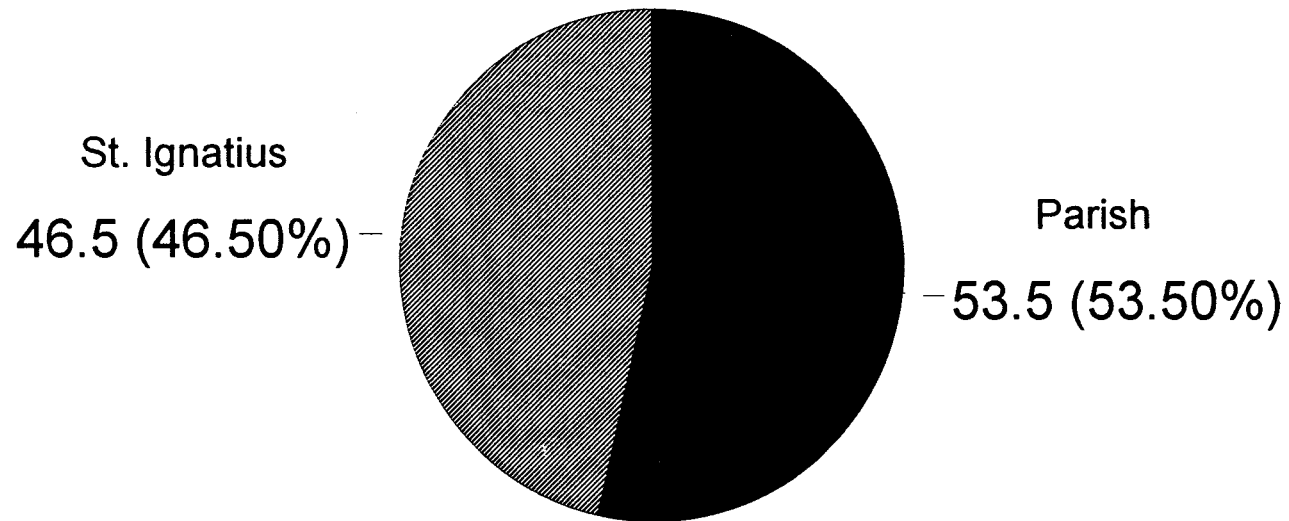


Figure 40.

St. Ignatius

% of Parish Funds for Education

Before Consolidation - 1993

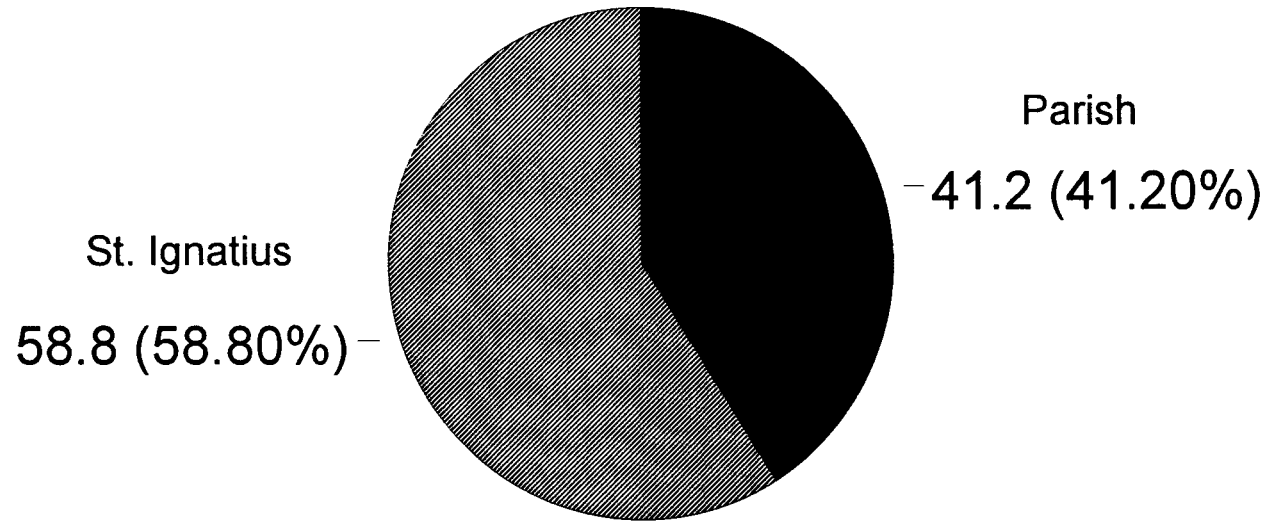


Figure 41.

St. Ignatius

% of Parish Funds for Education

Before Consolidation - 1994

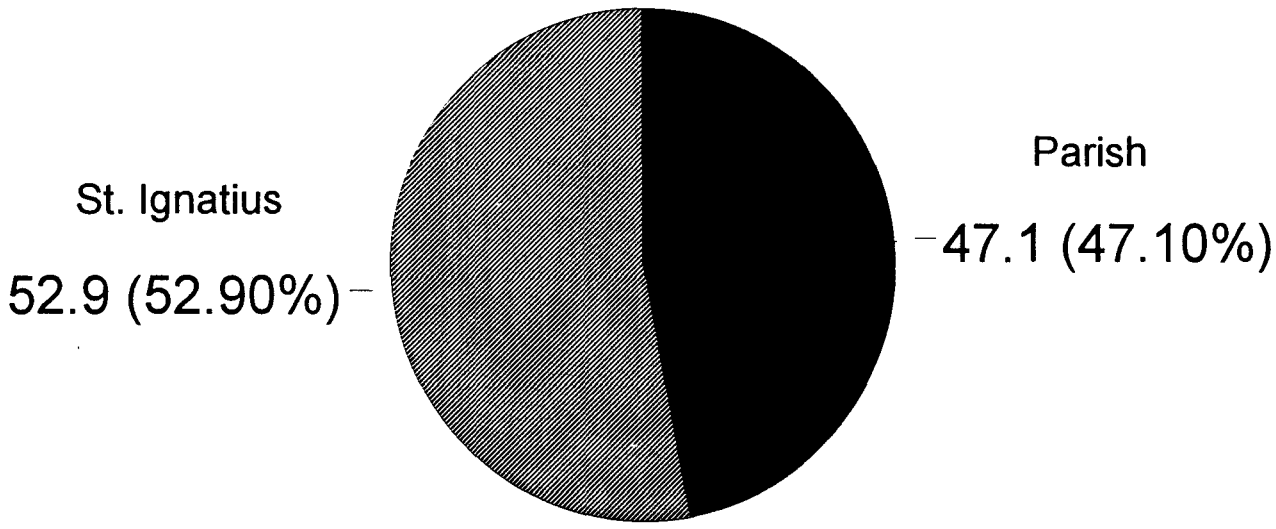


Figure 42.

St. Ignatius

% of Parish Funds for Education

After Consolidation - 1995

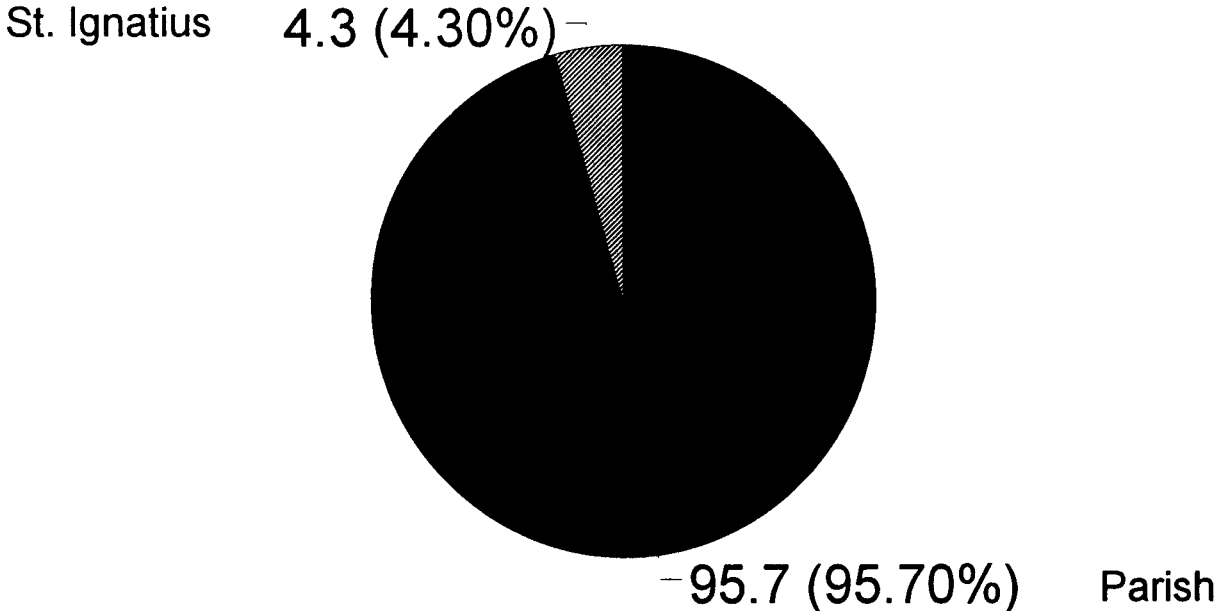


Figure 43.

St. Ignatius

% of Parish Funds for Education

After Consolidation - 1996

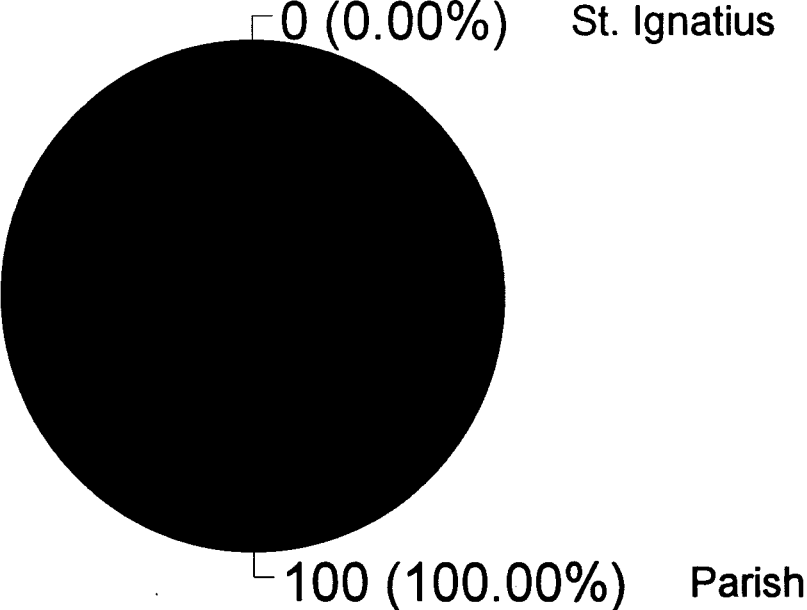


Figure 44.

ST. ITA

On June 30, 1900, The New World reported that: "Rev. John H. Crowe, for many years assistant at Immaculate Conception Church (on North Park Ave.), has been assigned as pastor of Edgewater, formerly attended from Our Lady of Lourdes, Ravenswood."⁴⁵ Father Crowe's letter of appointment from Archbishop Patrick A. Feehan was dated June 25, 1900 and that is considered to be the founding date of St. Ita parish.

About 53 Catholic families who lived in the sparsely settled area known as Edgewater formed the nucleus of the new parish, the boundaries of which were set as follows: Devon Ave. on the north; Argyle St. on the south; the north branch of the Chicago River on the west; and Lake Michigan on the east.

On July 1, 1900, Father Crowe celebrated Mass for his congregation in the old Guild Hall, which was located at the southwest corner of Bryn Mawr and Winthrop Ave., near the Edgewater station of the Chicago & Milwaukee Electric Railroad. The Guild Hall had been used by the Episcopal, Methodist, and Presbyterian congregations of Edgewater, and it served as the parish church of St. Ita for the next five months.

Before long, construction began on a \$15,000 frame church which was completed on the north side of Catalpa Ave. near Magnolia Ave. in time for Mass on Christmas Day 1900. Archbishop Quigley dedicated St. Ita Church on June 9, 1901.

To meet the needs of the Catholic community in Edgewater, Father Crowe directed the organization of a parish school which opened in the church basement on Sept. 6, 1904.

To staff the school, Father Crowe secured the services of the Sisters of Mercy from St. Xavier Academy on the south side of Chicago.

On April 2, 1906, ground at 5519 N. Magnolia Ave. was broken for a new school. Initially, only the basement and the first floor were completed.

Work resumed on St. Ita school in the summer of 1909 and the three story brick building was completed by September. When St. Ita school reopened that fall, 542 children were enrolled in the grade school.

In 1923, Father Crowe's plans for a new church were approved by Archbishop George W. Mundelein.

The old frame church was razed to make way for the new structure, the cornerstone of which was laid on Sept. 14, 1924.

Mass was celebrated in the present church on Easter Sunday, April 17, 1927 and the structure, located at the northwest corner of Catalpa and Broadway Ave., was dedicated by Cardinal Mundelein on Oct. 9, 1927.

In 1949, the construction of a school addition was completed.

In December 1968, a Steering Committee began the work of drawing up a constitution for a School Board.⁴⁶

In 1978, approximately 1,800 families belonged to the parish. In addition to second and third generation Americans of European descent, St. Ita parish now includes Spanish, Filipino, and black Catholics. The parish boundaries are formed as follows: North - Thorndale Ave. South - Argyle St. from Clark St. East - Lake Michigan.

The Sisters of Mercy have staffed the parish school since its opening in 1904.

Like other parochial schools who have faced declining enrollments in recent years, the number of students at St. Ita school has continued to decline also.⁴⁷

The annual parish report for the year ending June 30, 1991 indicated that the number of K - 8th grade students was 362. 312 Catholics and 50 non-Catholics. Tuition for a family with one child attending St. Ita's was \$1,314.00 for Catholic students and \$1,737.00 for non-Catholic students. For a family with two children in attendance, it was \$1,450.00 Catholic and \$1,800.00 non-Catholic and for a family with three children in attendance, it was \$2,565.00 Catholic and \$3,050.00 non-Catholic. The parish census for FY1991 indicated that there were 1696 registered families and approximately 350 non-registered. 3125 persons registered and approximately 875 not registered.⁴⁸

The annual parish report for the year ending June 30, 1992 indicated that the number of K - 8th grade students was 294. 220 Catholics and 74 non-Catholics. Tuition for a family with one child attending St. Ita's was \$1,413.00 for Catholic students and \$1,863.00 for non-Catholic students. For a family with two children in attendance, it was \$1,550.00 Catholic and \$1,917.00 non-Catholic and for a family with three children in attendance, it was \$2,826.00 Catholic and \$3,200.00 non-Catholic. The parish census for FY1992 indicated that there were 1696 registered families and approximately 350 non-registered. 350 persons registered and approximately 1000 not registered.⁴⁹

The annual parish report for the year ending June 30, 1993 indicated that the number of K - 8th grade students was 287. 235 Catholics and 52 non-Catholics. Tuition for a family with one child attending St. Ita's was \$1,413.00 for Catholic students and \$1,863.00 for non-Catholic students. For a family with two children in attendance, it

was \$1,550.00 Catholic and \$1,917.00 non-Catholic and for a family with three children in attendance, it was \$2,826.00 Catholic and \$3,200.00 non-Catholic. The parish census for FY1993 indicated that there were 1965 registered families and approximately 350 non-registered. 3500 persons registered and approximately 1200 not registered.⁵⁰

The annual parish report for the year ending June 30, 1994 indicated that the number of K - 8th grade students was 265. 214 Catholics and 51 non-Catholics. Tuition for a family with one child attending St. Ita's was \$1,512.00 for Catholic students and \$1,998.00 for non-Catholic students. For a family with two children in attendance, it was \$1,610.00 Catholic and \$2,052.00 non-Catholic and for a family with three children in attendance, it was \$3,024.00 Catholic and \$3,350.00 non-Catholic. The parish census for FY1994 indicated that there were 2003 registered families and approximately 350 non-registered. 3450 persons registered and approximately 1000 not registered.⁵¹

TABLE 21
ST. ITA BUDGET/ACTUAL REPORT

	Actual 6/91	Actual 6/92	Actual 6/93	Actual 6/94	Actual 6/95	Budget 6/96
October Count	1692	1696	1965	2003	2010	2010
K-8 Enrollment	362	294	287	265	0	935
CHURCH REVENUE						
Collections	395304	384972	375845	372074	381989	385000
Other Ord. Church Inc.	35000	31000	43165	40509	40357	44500
Bingo	0	0	0	0	0	0
Lease	12998	22851	71960	67360	76793	70000
Fund Raising	45162	15111	115699	35895	27674	25000
Extraordinary Revenue	44172	34263	152730	87843	50967	49500
Total Church Revenue	532636	488197	759399	603681	577780	574000
SCHOOL REVENUE						
Tuition and Fees	419685	396135	406824	421185	0	0
Fund Raising	25892	45710	35835	95244	0	0
Other	15777	29139	22332	12439	0	0
Total School Revenue	461354	470984	464991	528868	0	0
Total Parish Revenue	993990	959181	1224390	1132549	577780	574000
CHURCH EXPENSES						
Salaries	225808	196697	189161	203140	227816	247413
Benefits	33352	33798	58596	45000	22203	51080
Occupancy	75230	70177	91618	78021	63513	93991
Other	71228	92482	107197	99642	99547	81900
Assessments	33104	59722	79081	61186	48770	61031
Extraordinary Expenses	23798	23893	22376	23506	16746	19500
Total Church Expenses	462520	476769	548029	510495	478595	554915

TABLE 21 - CONTINUED
ST. ITA BUDGET/ACTUAL REPORT

	Actual 6/91	Actual 6/92	Actual 6/93	Actual 6/94	Actual 6/95	Budget 6/96
SCHOOL EXPENSES						
Salaries	420699	414341	429759	439404	32175	0
Benefits	64752	85192	111262	55309	29773	0
Occupancy	31921	37057	45044	30388	9361	0
Other	62263	67511	58857	49223	10200	0
Total School Expenses	579635	604101	644922	574324	81509	0
Total Parish Expense	1042155	1080870	1192951	1084819	560104	554915
Church Net(Deficit)/Excess	70116	11428	211370	93186	99185	19085
School Net (Deficit)/Excess	-118281	-133117	-179931	-45456	-81509	0
Parish Net (Deficit)/Excess	-48165	-121689	31439	47730	17676	19085
Operating Grant	0	0	0	0	0	0
Net After Grant	-48165	-121689	31439	47730	17676	19085
CAPITAL ACTIVITIES						
Capital Revenue/Grant	0	0	0	0	77940	0
Capital Expense	0	0	0	0	77940	0
Capital Net	0	0	0	0	0	0
Savings Balance	0	0	0	8	0	0
Loan Balance	47478	185173	134935	88261	72423	150000
Unpaid Bills	150272	165839	76995	76739	109583	0
Per Student Cost	1159.35082873	1347.39795918	1417.50522648	1589.37735849	0	0
Parish Per Student Cost	-326.743093923	-452.778911565	-626.93728223	-171.532075472	0	0

St. Ita

Parish Net (Deficit)/Excess

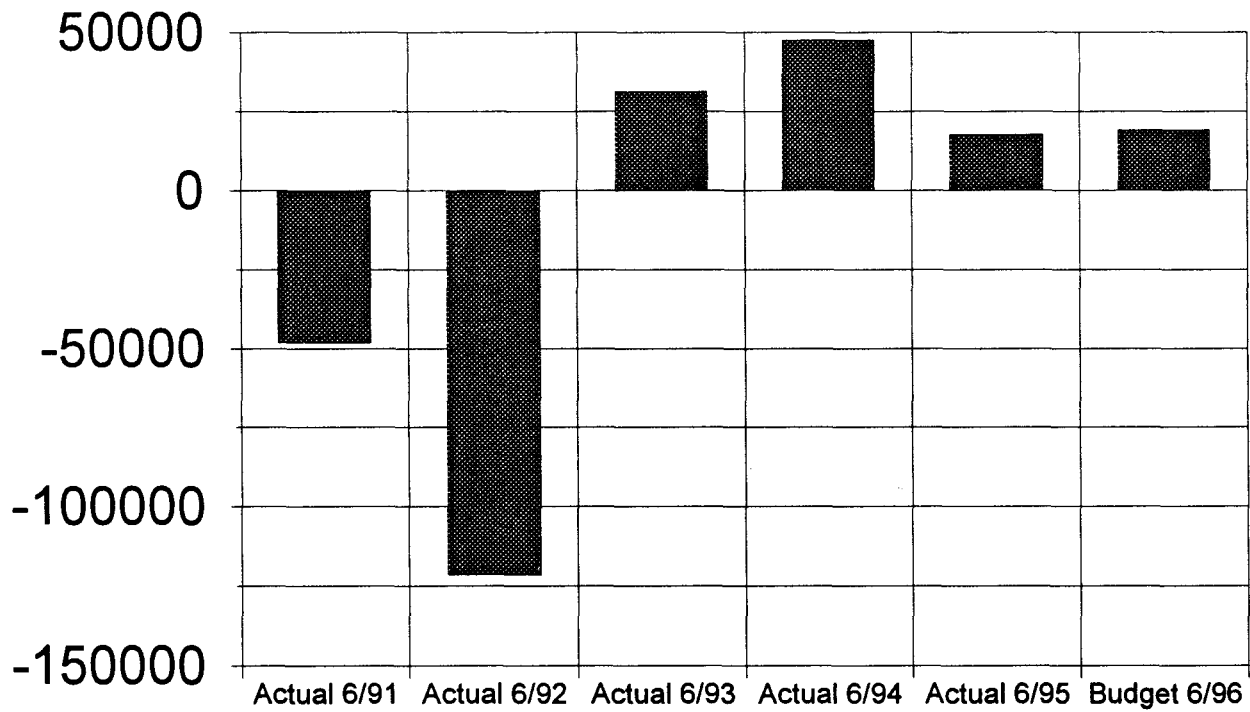


Figure 45.

St. Ita

% of Parish Funds for Education

Before Consolidation - 1991

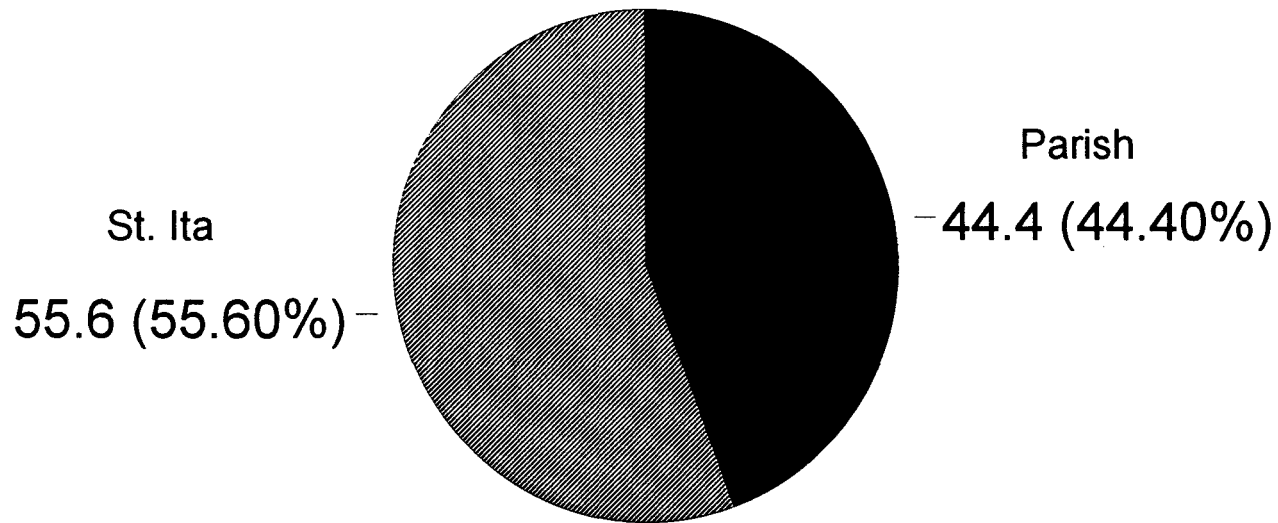


Figure 46.

St. Ita

% of Parish Funds for Education

Before Consolidation - 1992

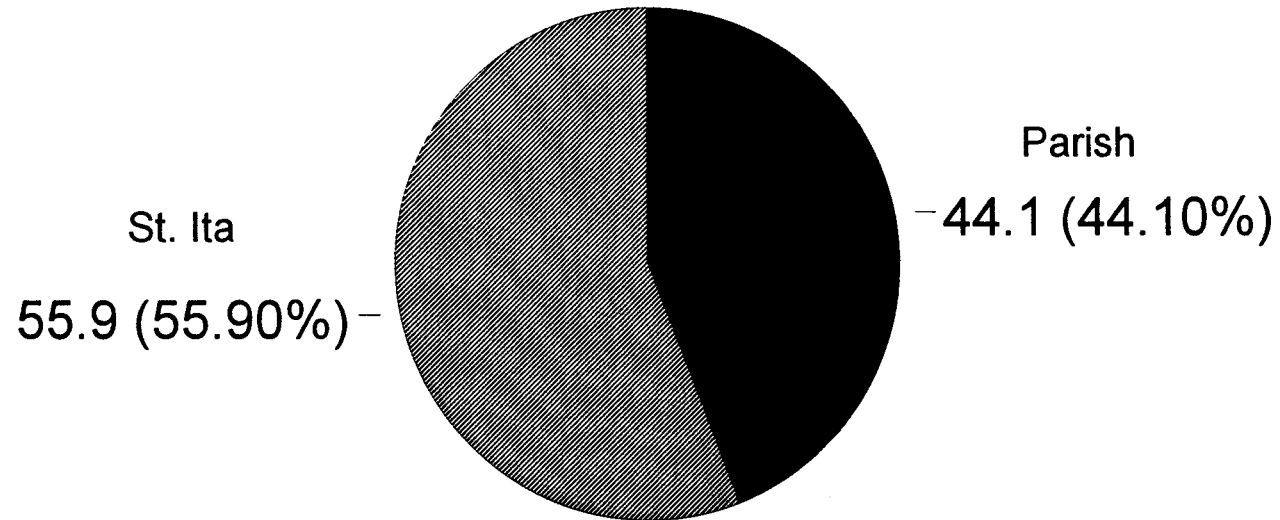


Figure 47.

St. Ita

% of Parish Funds for Education

Before Consolidation - 1993

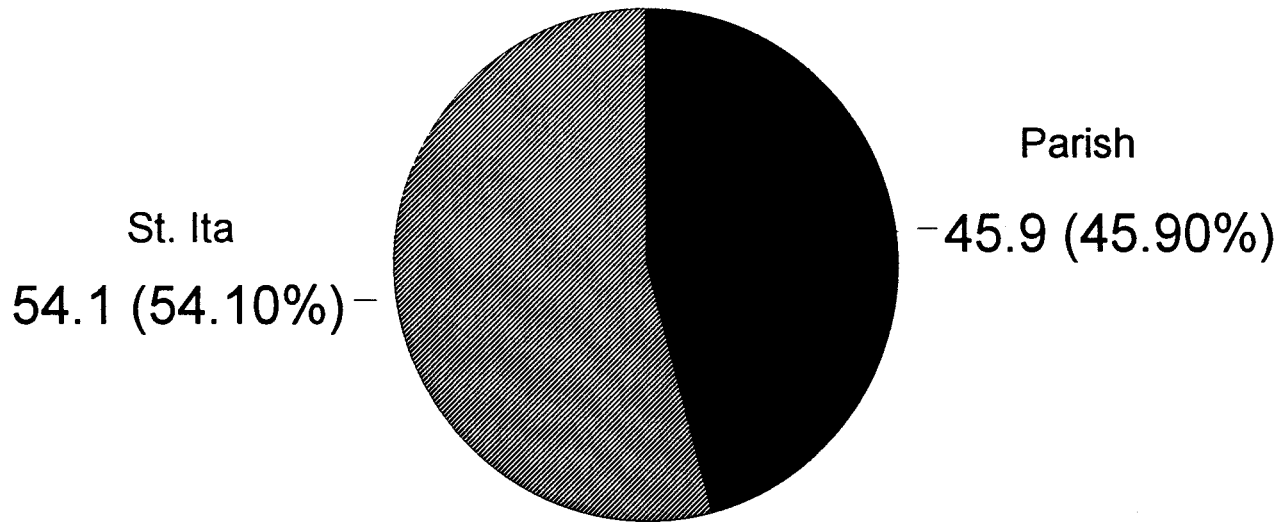


Figure 48.

St. Ita

% of Parish Funds for Education

Before Consolidation - 1994

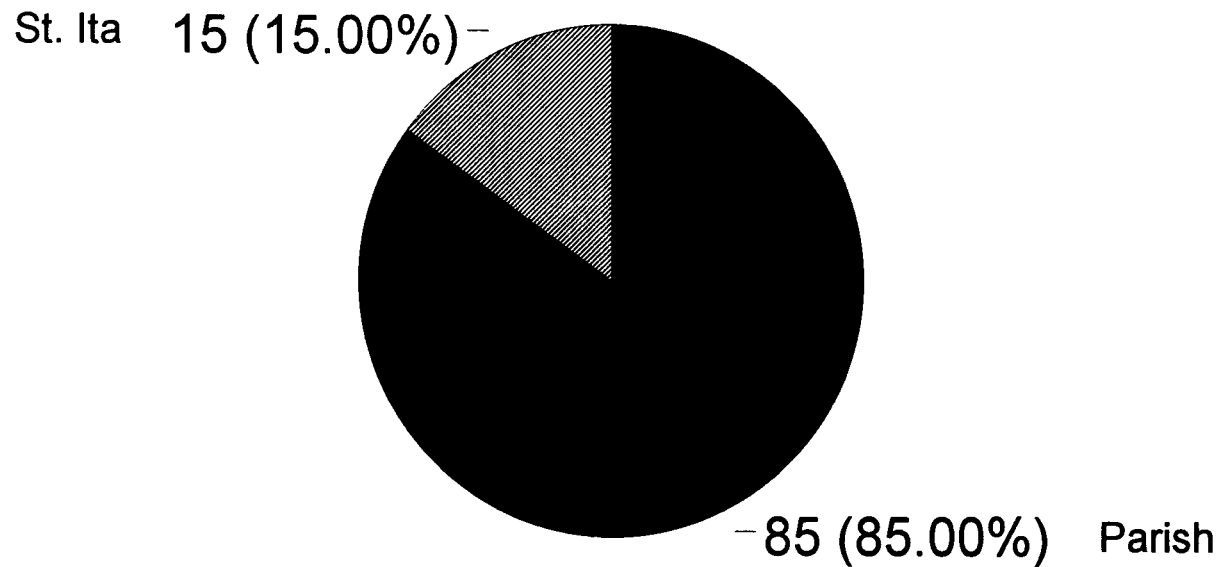


Figure 49.

St. Ita

% of Parish Funds for Education

After Consolidation - 1995

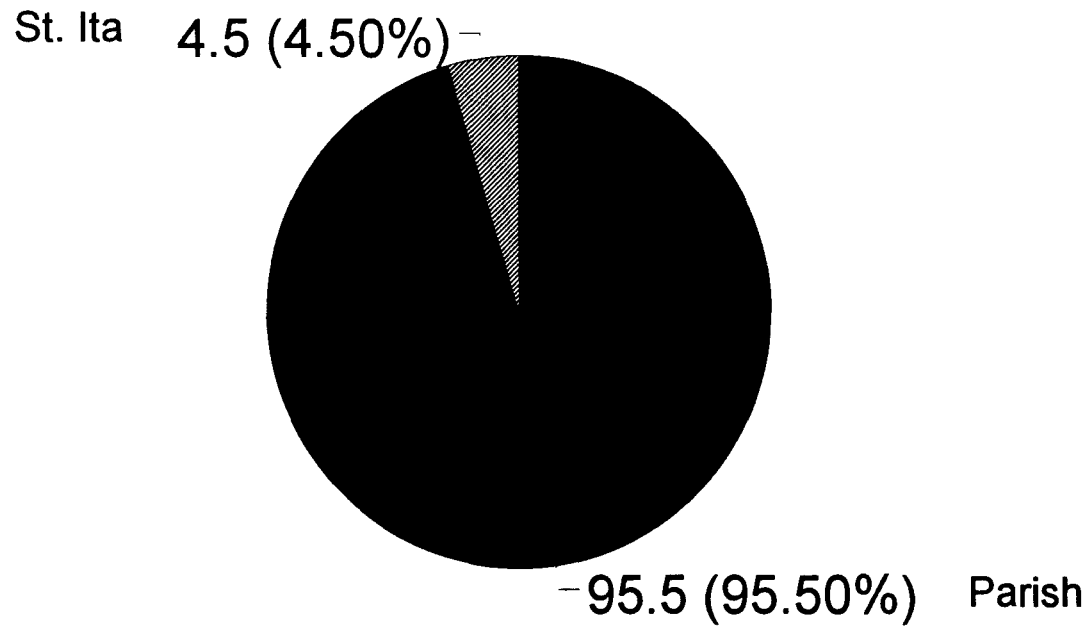


Figure 50.

St. Ita

% of Parish Funds for Education
After Consolidation - 1996

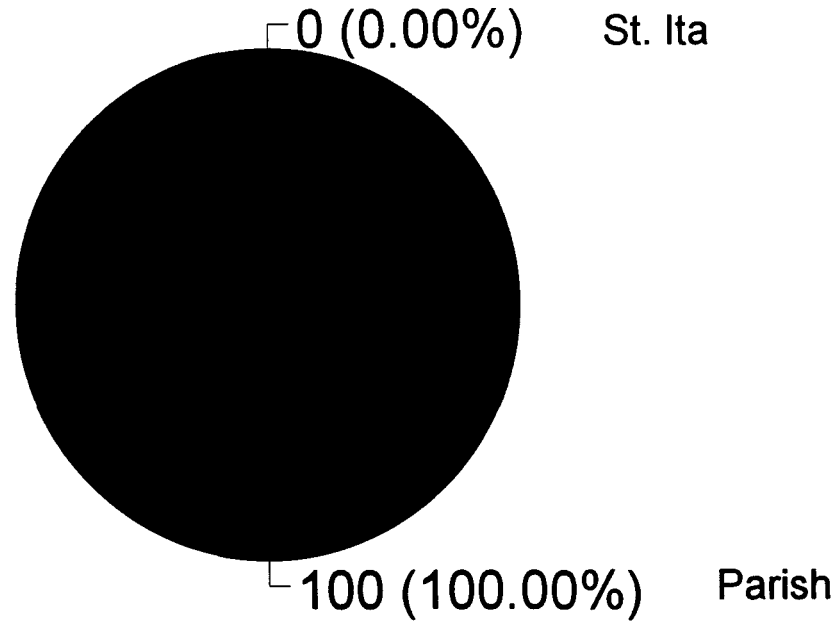


Figure 51.

ST. JEROME

St. Jerome Church at Lunt Ave. and Paulina St. on the far north side of Chicago was established in 1893 as a mission of St. Mary Church in Evanston, Ill. Although construction had begun in 1875 on St. Catherine Church at Touhy and Wolcott Ave., this frame edifice was destroyed by fire on Sept. 6, 1877. For the next 16 years, the English-speaking Catholics of Rogers Park were obliged to attend the German parish of St. Henry at Devon and Ridge Ave.

Early in 1893, a group of Catholics persuaded Rev. Hugh P. Smyth, pastor of St. Mary Church, to hold services in their area. A store at Lunt and Ravenswood Ave. was converted into a chapel and here Rev. Thomas M. Burke, an assistant at St. Mary parish, celebrated Mass on Sundays beginning in Nov. 1893. In the following year, a small wooden church was constructed at the northwest corner of Morse Ave. and Paulina St. at a cost of \$5,000. The architectural firm of Murphy & Camp designed this edifice which was dedicated by Archbishop Feehan on Sept. 16, 1894. With the appointment of a resident pastor in 1895, St. Jerome was officially recognized as a parish.

The Sisters of Charity of the Blessed Virgin Mary from Dubuque, Ia., opened St. Jerome school in Sept. 1905 with an enrollment of 60 pupils in grades one through four. From 1905 to 1909, the Sisters commuted each day to Rogers Park from Our Lady of Lourdes convent in Ravenswood. The peak enrollment of more than 1,000 children was reached in 1969.

The parish complex of St. Jerome occupies the property between Lunt Ave. and Morse Ave. extending one-half block east of Clark St. to Paulina St. Ground for the

present church was broken on Aug. 12, 1914 and the cornerstone was laid on Oct. 4, 1914 by Archbishop James E. Quigley. The Romanesque edifice was completed at the southwest corner of Lunt Ave. and Paulina St. according to the plans of Architect Charles H. Prindiville. Archbishop George W. Mundelein dedicated St. Jerome Church on Oct. 15, 1916. John A. Mallin decorated the magnificent interior in 1931.⁵²

West of the convent, at 1706 W. Morse Ave., is the elementary school which was completed in 1905 and enlarged in 1911 and 1926.

The primary school building was constructed in 1949 and expanded in 1958 and 1966. In all, the parish school buildings contain 24 classrooms.

Over the years, many changes have taken place in St. Jerome parish. From the 1920s through the 1950s, the growing population was composed primarily of white upper middle class families. Large apartment buildings lined the lakefront and dotted the corners of every block, with large single-family dwellings in between. Today, many of the houses have given way to condominiums and co-op apartments. The population has shifted to single people and young married couples without children, and to the elderly. the parish boundaries were formed as follows: North-Howard St. from Damen Ave. to Clark St.; Clark St. north to Juneway Terr.; and Juneway Terr. from Clark St. (Chicago Ave.) to Lake Michigan. South-Albion Ave. from Damen Ave. to Clark St.; Clark St. to North Shore Ave.; North Shore Ave. from Clark St. to Glenwood Ave.; and Pratt Blvd. from Glenwood Ave. to Lake Michigan. West-Damen Ave. East-Lake Michigan.

This territory encompasses more than two-thirds of the neighborhood known as East Rogers Park which has a total population of almost 55,000 persons. Although the

Rogers Park Community - which once ranked among the 10 top areas of the city in terms of income levels - has dropped to 18th place, its typical residents continue to be college-educated men and women. Today East Rogers Park is a multi-national and a multi-racial community and in recent years, it has become home for thousands of Russian-born Jews. The student body of St. Jerome school includes children of 38 different ethnic and racial backgrounds.

Population shifts, as evidenced by the school enrollment figures, have had a profound impact on St. Jerome parish. From a peak of almost 9,000 members drawn from 3,000 Catholic family units, the present parish membership is closer to 3600 persons from 1900 family units.

Only 123 children were enrolled in St. Jerome school in the school year ended in May, 1994.⁵³

The annual parish report for the year ending June 30, 1991 indicated that the number of K - 8th grade students was 198. 163 Catholics and 35 non-Catholics. Tuition for a family with one child attending St. Jerome's was \$1,350.00 for Catholic students and \$1,800.00 for non-Catholic students. For a family with two children in attendance, it was \$1,950.00 Catholic and \$2,600.00 non-Catholic and for a family with three children in attendance, it was \$2,200.00 Catholic and \$3,400.00 non-Catholic. The parish census for FY1991 indicated that there were 1977 registered families and approximately 700 non-registered. 3900 persons registered and approximately 2100 not registered.⁵⁴

The annual parish report for the year ending June 30, 1992 indicated that the

number of K - 8th grade students was 177. 153 Catholics and 24 non-Catholics. Tuition for a family with one child attending St. Jerome's was \$1,600.00 for Catholic students and \$2,200.00 for non-Catholic students. For a family with two children in attendance, it was \$2,250.00 Catholic and \$4,400.00 non-Catholic and for a family with three children in attendance, it was \$2,550.00 Catholic and \$3,600.00 non-Catholic. The parish census for FY1992 indicated that there were 2182 registered families and approximately 630 non-registered. 3750 persons registered and approximately 1800 not registered.⁵⁵

The annual parish report for the year ending June 30, 1993 indicated that the number of K - 8th grade students was 151. 141 Catholics and 10 non-Catholics. Tuition for a family with one child attending St. Jerome's was \$1,600.00 for Catholic students and \$2,200.00 for non-Catholic students. For a family with two children in attendance, it was \$2,250.00 Catholic and \$4,400.00 non-Catholic and for a family with three children in attendance, it was \$2,550.00 Catholic and \$3,600.00 non-Catholic. The parish census for FY1993 indicated that there were 1890 registered families and approximately 900 non-registered. 4000 persons registered and approximately 2300 not registered.⁵⁶

The annual parish report for the year ending June 30, 1994 indicated that the number of K - 8th grade students was 123. 120 Catholics and 3 non-Catholics. Tuition for a family with one child attending St. Jerome's was \$1,600.00 for Catholic students and \$2,200.00 for non-Catholic students. For a family with two children in attendance, it was \$2,250.00 Catholic and \$4,400.00 non-Catholic and for a family with three

children in attendance, it was \$2,550.00 Catholic and \$3,600.00 non-Catholic. The parish census for FY1994 indicated that there were 1982 registered families and approximately 600 non-registered. 3600 persons registered and approximately 1700 not registered.⁵⁷

TABLE 22
ST. JEROME BUDGET/ACTUAL REPORT

	Actual 6/91	Actual 6/92	Actual 6/93	Actual 6/94	Actual 6/95	Budget 6/96
October Count	1977	2182	1890	1982	1909	1909
K-8 Enrollment	198	177	151	123	0	0
CHURCH REVENUE						
Collections	289367	263112	251595	227267	231005	245500
Other Ord. Church Inc.	16057	26913	30116	32245	40840	40000
Bingo	0	0	116190	0	0	0
Lease	73705	110689	0	115856	247455	210000
Fund Raising	0	0	0	10896	22107	18000
Extraordinary Revenue	27106	15321	14575	14060	16719	8000
Total Church Revenue	406235	416035	412476	400324	558126	521500
SCHOOL REVENUE						
Tuition and Fees	250094	251707	232604	200929	0	0
Fund Raising	39000	30000	30000	30000	0	0
Other	0	4342	6431	5107	0	0
Total School Revenue	289094	286049	269035	236036	0	0
Total Parish Revenue	695329	702084	681511	636360	558126	521500
CHURCH EXPENSES						
Salaries	125632	100000	106000	133913	155583	158372
Benefits	16071	14960	20590	18773	66675	34258
Occupancy	70070	145567	84324	82408	181884	133504
Other	51391	84568	81568	96563	114787	148200
Assessments	32303	44007	49817	27212	36050	37027
Extraordinary Expenses	128351	12251	10290	8633	53491	8000
Total Church Expenses	423818	401353	352589	367502	608470	519361

TABLE 22 - CONTINUED
ST. JEROME BUDGET/ACTUAL REPORT

	Actual 6/91	Actual 6/92	Actual 6/93	Actual 6/94	Actual 6/95	Budget 6/96
SCHOOL EXPENSES						
Salaries	265642	282447	302000	257260	0	0
Benefits	18855	55370	58745	50968	0	0
Occupancy	42836	70955	91697	73687	0	0
Other	19442	25621	28648	22889	0	0
Total School Expenses	346775	434393	481090	404804	0	0
Total Parish Expense	770593	835746	833679	772306	608470	519361
Church Net(Deficit)/Excess	-17583	14682	59887	32822	-50344	2139
School Net (Deficit)/Excess	-57681	-148344	-212055	-168768	0	0
Parish Net (Deficit)/Excess	-75264	-133662	-152168	-135946	-50344	2139
Operating Grant	131270	123547	123117	100000	0	0
Net After Grant	56006	-10115	-29051	-35946	-50344	2139
CAPITAL ACTIVITIES						
Capital Revenue/Grant	0	19048	31299	23114	0	0
Capital Expense	41909	19048	0	0	0	0
Capital Net	-41909	0	31299	23114	0	0
Savings Balance	0	0	0	0	0	0
Loan Balance	303400	304034	304034	314403	360550	358000
Unpaid Bills	104623	20272	10368	44833	0	0
Per Student Cost	1263.1010101	1422.07344633	1540.42384106	1633.56910569	0	0
Parish Per Student Cost	-291.318181818	-838.101694915	-1404.33774834	-1372.09756098	0	0

St. Jerome

Parish Net (Deficit)/Excess

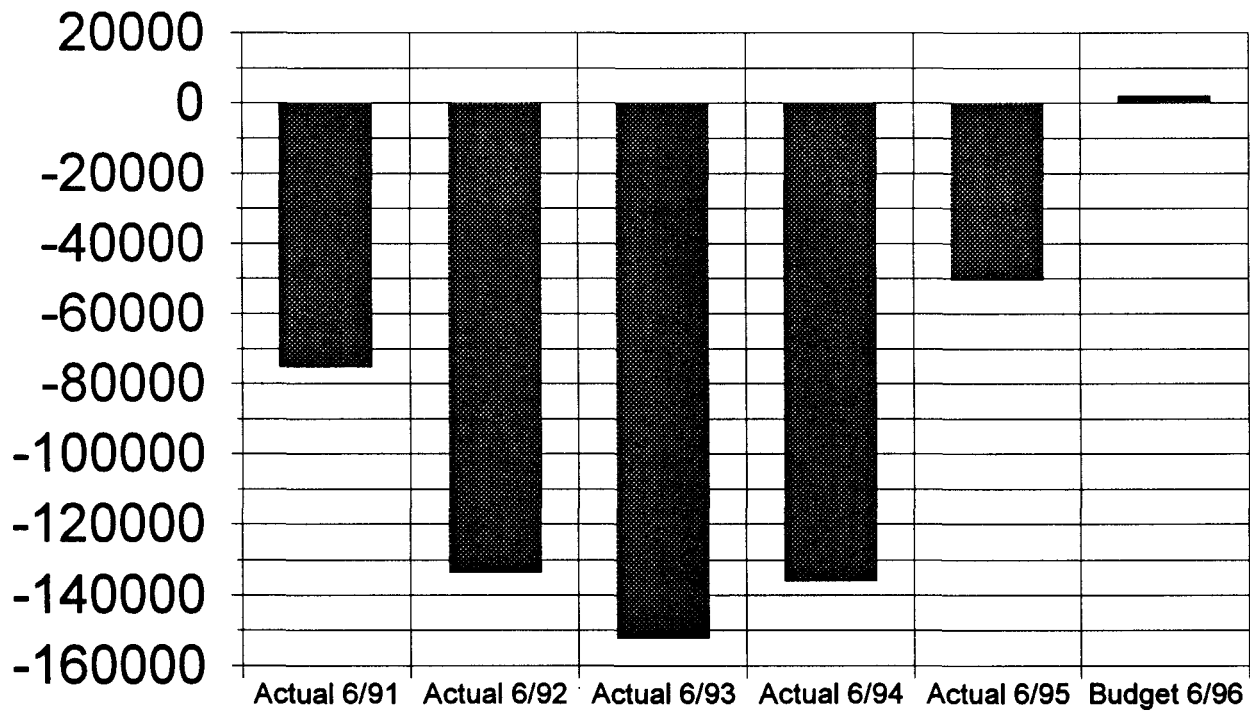


Figure 52.

St. Jerome

% of Parish Funds for Education

Before Consolidation - 1991

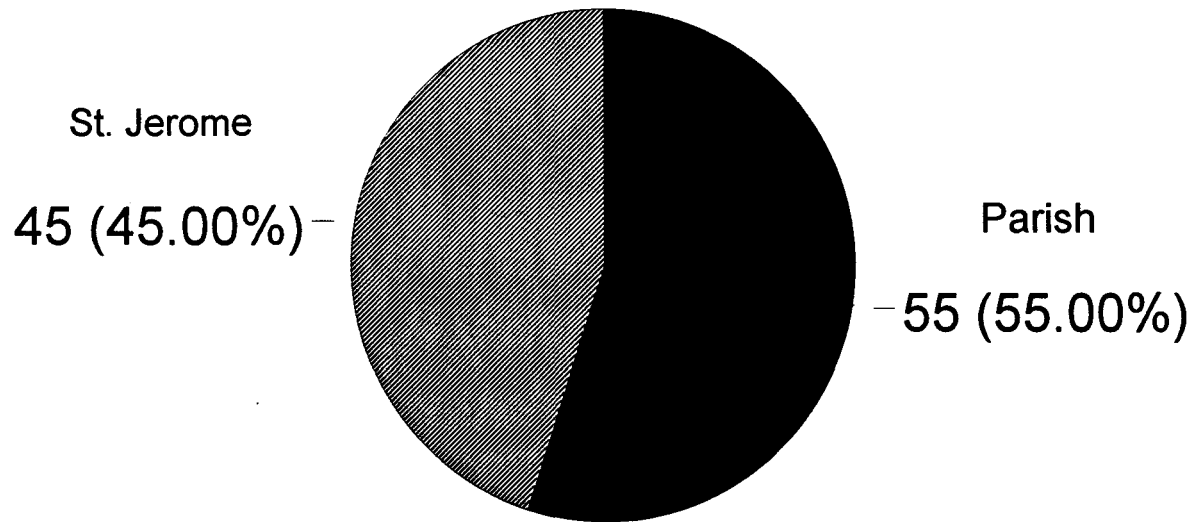


Figure 53.

St. Jerome

% of Parish Funds for Education

Before Consolidation - 1992

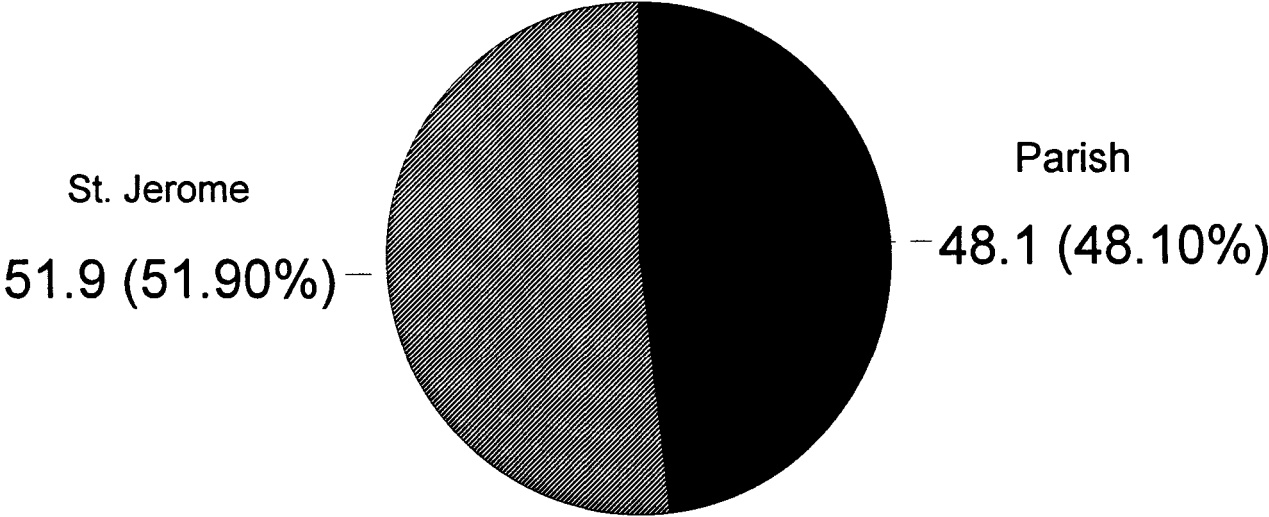


Figure 54.

St. Jerome

% of Parish Funds for Education

Before Consolidation - 1993

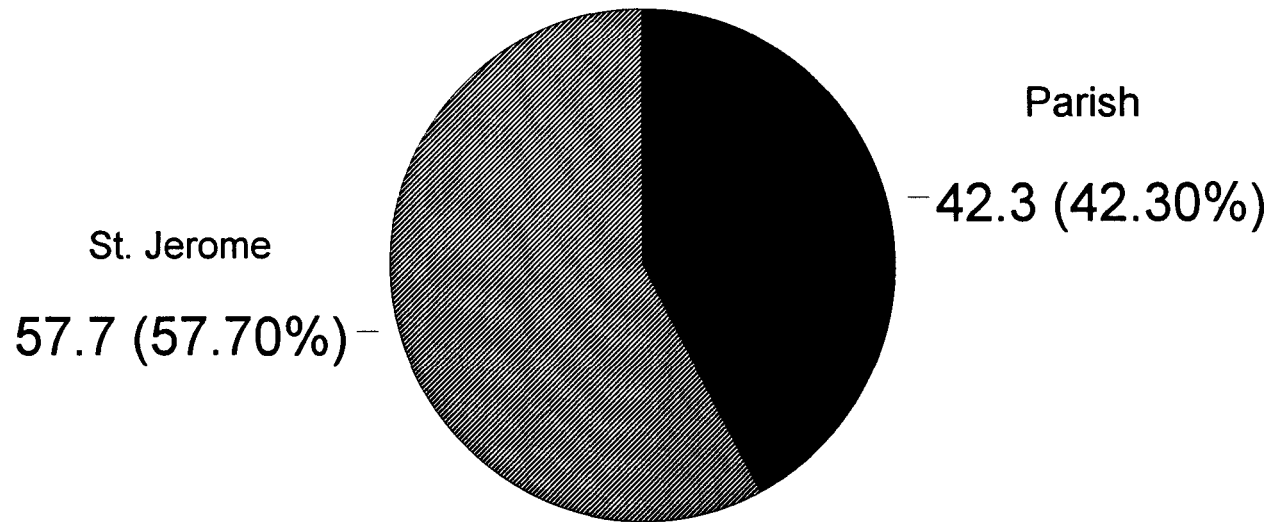


Figure 55.

St. Jerome

% of Parish Funds for Education
Before Consolidation - 1994

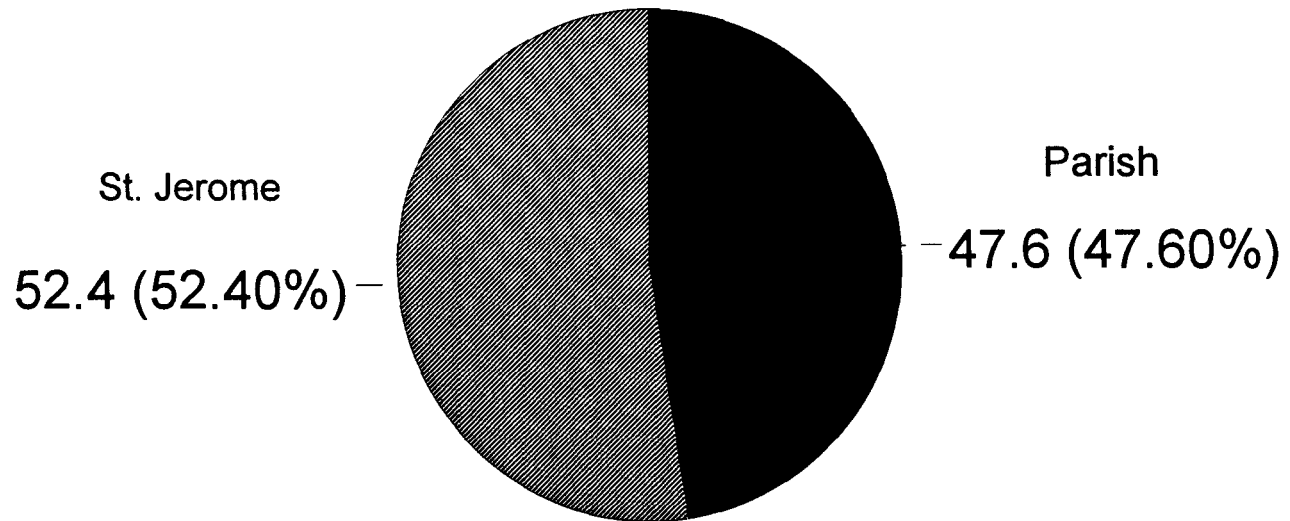


Figure 56.

St. Jerome

% of Parish Funds for Education
After Consolidation - 1995

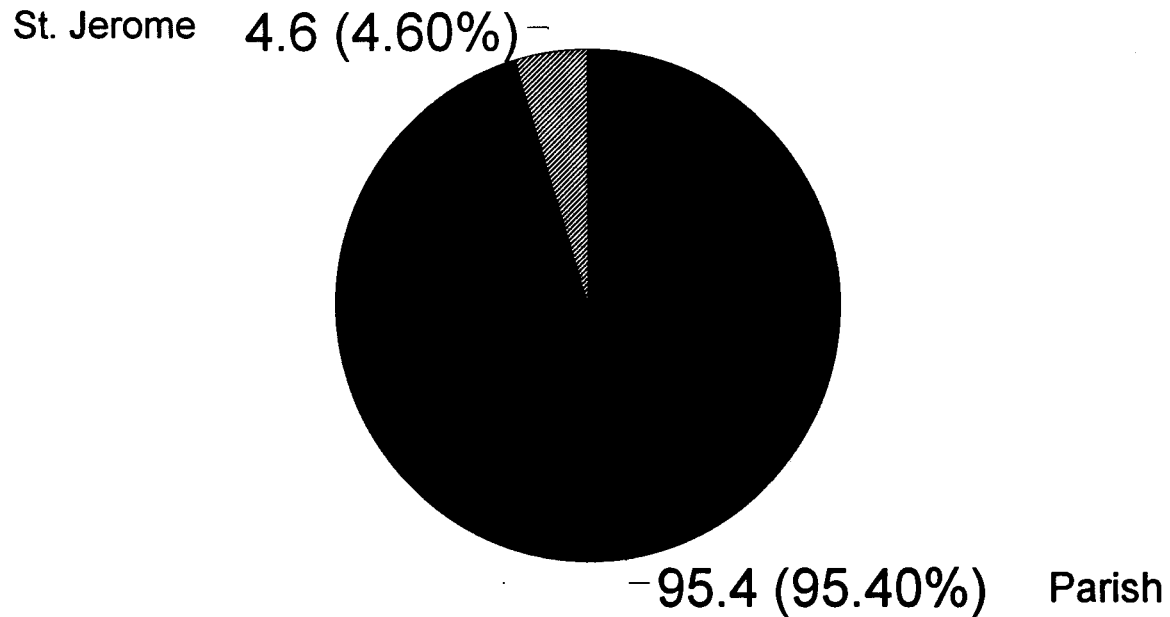


Figure 57.

St. Jerome

% of Parish Funds for Education
After Consolidation - 1996

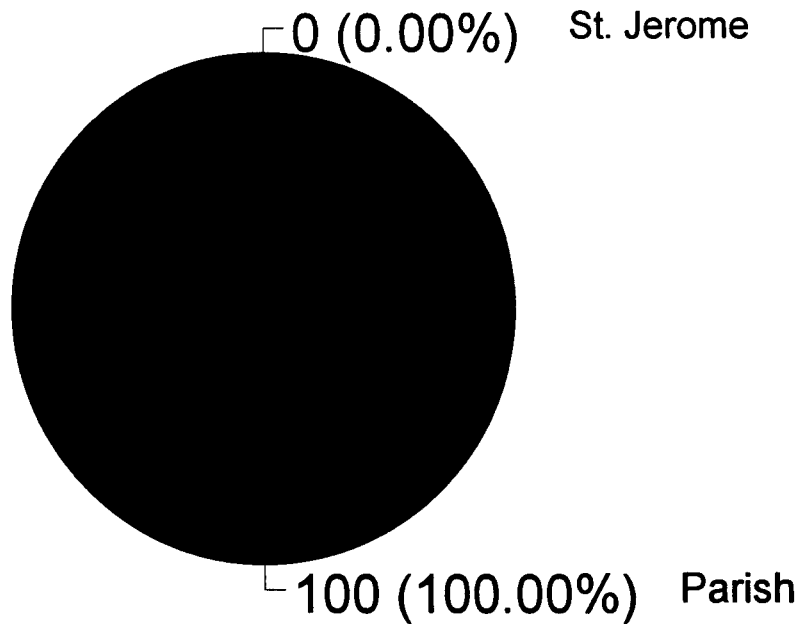


Figure 58.

ST. TIMOTHY

St. Timothy Church at 6330 N. Washtenaw Ave. was founded in 1925 to serve Catholic families who had settled in the area around Devon Ave. west of Western Ave. The new parish was established south of St. Margaret Mary Church (then located at Chase and Oakley Ave.) and west of St. Henry Church (then located at Devon and Ridge Ave.).

On April 5, 1925, George Cardinal Mundelein appointed Rev. James P. Kiely, a former assistant at St. Sebastian Church, to organize St. Timothy parish in the territory bounded by Pratt Ave. on the north; Peterson Ave. on the south; the North Shore Channel of the North Branch of the Chicago River at Kedzie Ave. on the west; and Western Ave. on the east. At the time Father Kiely began his long pastorate, there were still truck farms in the area but they were giving way to subdivisions of brick apartments and single family dwellings.⁵⁸

In April 1925, a portable church was erected on the parish property. Within the next few months, construction began at 6330 N. Washtenaw Ave. on a combination church/school structure, the cornerstone of which was laid on Nov. 1925.

St. Timothy school was built to accommodate 240 students, but when the Sisters of St. Benedict from Duluth, Minn. opened the doors in Sept. 1926, 292 children were present. As a result, two temporary classrooms were provided in the school basement.

Joe W. McCarthy designed the combination church-school of St. Timothy parish in a Colonial style of architecture and this two story brick structure was dedicated on Oct. 17, 1926. To provide adequate accommodations for the children of the parish,

Father Kiely directed the addition of a third story to the combination building in 1927. By 1935, parish membership numbered approximately 800 families with 640 students enrolled in the school.

On April 6, 1975, John Cardinal Cody presided at a special Mass which commemorated the 50th anniversary of the founding of St. Timothy parish. Enrollment in the school then numbered 282 children. Father West died of cancer on June 28, 1975 at the age of 64.

When it was organized, St. Timothy parish was largely Irish. In recent years, there has been an influx of Orientals, Filipinos, Koreans, and Indians in the neighborhood as well as a number of South American Hispanics, among families from Columbia, Ecuador, Peru, Mexico, and Cuba. At the close of the 1994 school year, approximately 150 children were enrolled under the direction of three Benedictine Sisters and nine lay teachers. Between 1975 and 1978, parish membership increased from 1,570 to 1,725 families. It has declined since then and it is currently around 650.⁵⁹

The annual parish report for the year ending June 30, 1991 indicated that the number of K - 8th grade students was 190. 160 Catholics and 30 non-Catholics. Tuition for a family with one child attending St. Timothy's was \$1,620.00 for Catholic students and \$2,100.00 for non-Catholic students. For a family with two children in attendance, it was \$2,040.00 Catholic and \$2,880.00 non-Catholic and for a family with three children in attendance, it was \$2,220.00 Catholic and \$3,720.00 non-Catholic. The parish census for FY1991 indicated that there were 629 registered families and approximately 50 non-registered. 1800 persons registered and approximately 150 not

registered.⁶⁰

The annual parish report for the year ending June 30, 1992 indicated that the number of K - 8th grade students was 173. 153 Catholics and 20 non-Catholics. Tuition for a family with one child attending St. Timothy's was \$1,620.00 for Catholic students and \$2,100.00 for non-Catholic students. For a family with two children in attendance, it was \$2,040.00 Catholic and \$2,880.00 non-Catholic and for a family with three children in attendance, it was \$2,220.00 Catholic and \$3,720.00 non-Catholic. The parish census for FY1992 indicated that there were 723 registered families and approximately 60 non-registered. 1600 persons registered and approximately 200 not registered.⁶¹

The annual parish report for the year ending June 30, 1993 indicated that the number of K - 8th grade students was 182. 145 Catholics and 42 non-Catholics. Tuition for a family with one child attending St. Timothy's was \$1,740.00 for Catholic students and \$2,220.00 for non-Catholic students. For a family with two children in attendance, it was \$2,376.00 Catholic and \$3,396.00 non-Catholic and for a family with three children in attendance, it was \$2,640.00 Catholic and \$4,656.00 non-Catholic. The parish census for FY1993 indicated that there were 721 registered families and approximately 60 non-registered. 1600 persons registered and approximately 200 not registered.⁶²

The annual parish report for the year ending June 30, 1994 indicated that the number of K - 8th grade students was 151. 131 Catholics and 20 non-Catholics. Tuition for a family with one child attending St. Timothy's was \$1,880.00 for Catholic students

and \$2,400.00 for non-Catholic students. For a family with two children in attendance, it was \$2,820.00 Catholic and \$3,600.00 non-Catholic and for a family with three children in attendance, it was \$3,290.00 Catholic and \$4,200.00 non-Catholic. The parish census for FY1994 indicated that there were 707 registered families and approximately 60 non-registered. 1550 persons registered and approximately 200 not registered.⁶³

**TABLE 23
ST. TIMOTHY BUDGET/ACTUAL REPORT**

	Actual 6/91	Actual 6/92	Actual 6/93	Actual 6/94	Actual 6/95	Budget 6/96
October Count	629	723	721	707	686	686
K-8 Enrollment	190	173	182	151	0	0
CHURCH REVENUE						
Collections	239127	241260	235810	223988	239244	247000
Other Ord. Church Inc.	23354	22541	19255	17306	24396	4500
Bingo	0	0	0	0	0	0
Lease	0	0	0	0	92016	90000
Fund Raising	17330	12750	37823	31023	25306	28000
Extraordinary Revenue	39150	44338	101603	48745	250275	14500
Total Church Revenue	318961	320889	394491	321062	631237	384000
SCHOOL REVENUE						
Tuition and Fees	237927	220464	251999	257821	0	0
Fund Raising	9639	11921	26849	28390	0	0
Other	0	3288	6895	3894	0	0
Total School Revenue	247566	235673	285743	290105	0	0
Total Parish Revenue	566527	556562	680234	611167	631237	384000
CHURCH EXPENSES						
Salaries	89764	97288	110565	104297	122026	133216
Benefits	14165	16426	16668	17302	23205	18999
Occupancy	36409	51090	48329	47232	83538	76203
Other	68894	66951	79173	99817	172905	101600
Assessments	15292	9130	36544	35751	9779	36199
Extraordinary Expenses	20603	16333	14106	15133	14287	14500
Total Church Expenses	245127	257218	305385	319532	425740	380717

TABLE 23 - CONTINUED
ST. TIMOTHY BUDGET/ACTUAL REPORT

	Actual 6/91	Actual 6/92	Actual 6/93	Actual 6/94	Actual 6/95	Budget 6/96
SCHOOL EXPENSES						
Salaries	219202	231216	257325	243730	0	0
Benefits	39221	44396	45783	47793	0	0
Occupancy	27049	31025	33496	38565	0	0
Other	35764	41922	38260	30099	0	0
Total School Expenses	321236	348559	374864	360187	0	0
Total Parish Expenses	566363	605777	680249	679719	425740	380717
Church Net(Deficit)/Excess	73834	63671	89106	1530	205497	3283
School Net (Deficit)/Excess	-73670	-112886	-89121	-70082	0	0
Parish Net (Deficit)/Excess	164	-49215	-15	-68552	205497	3283
Operating Grant	0	0	0	106557	0	0
Net After Grant	164	-49215	-15	38005	205497	3283
CAPITAL ACTIVITIES						
Capital Revenue/Grant	0	0	0	0	0	0
Capital Expense	0	198930	8991	0	0	0
Capital Net	0	-198930	-8991	0	0	0
Savings Balance	0	-3	4	2	7	0
Loan Balance	19138	267530	313841	294107	50761	38684
Unpaid Bills	27795	33326	44987	46717	74949	0
Per Student Cost	1252.24736842	1274.3583815	1384.60989011	1707.42384106	0	0
Parish Per Student Cost	-387.736842105	-652.520231214	-489.675824176	-464.119205298	0	0

St. Timothy

Parish Net (Deficit)/Excess

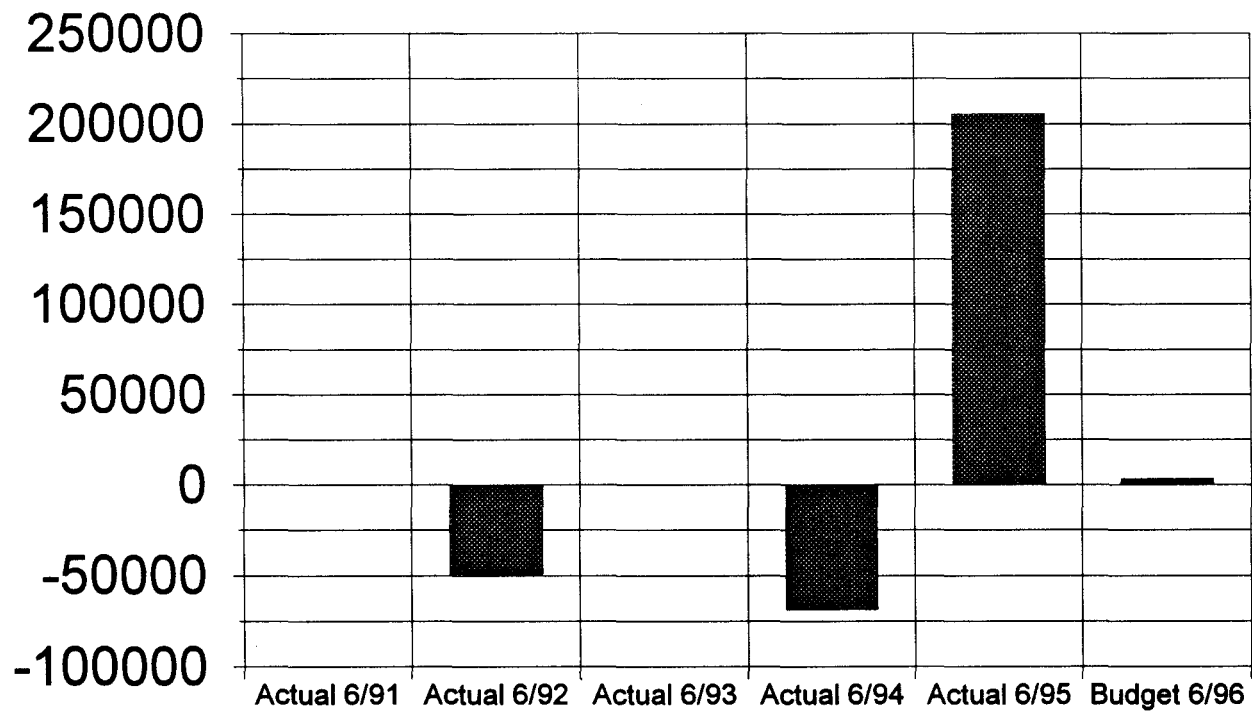


Figure 59.

St. Timothy

% of Parish Funds for Education
Before Consolidation - 1991

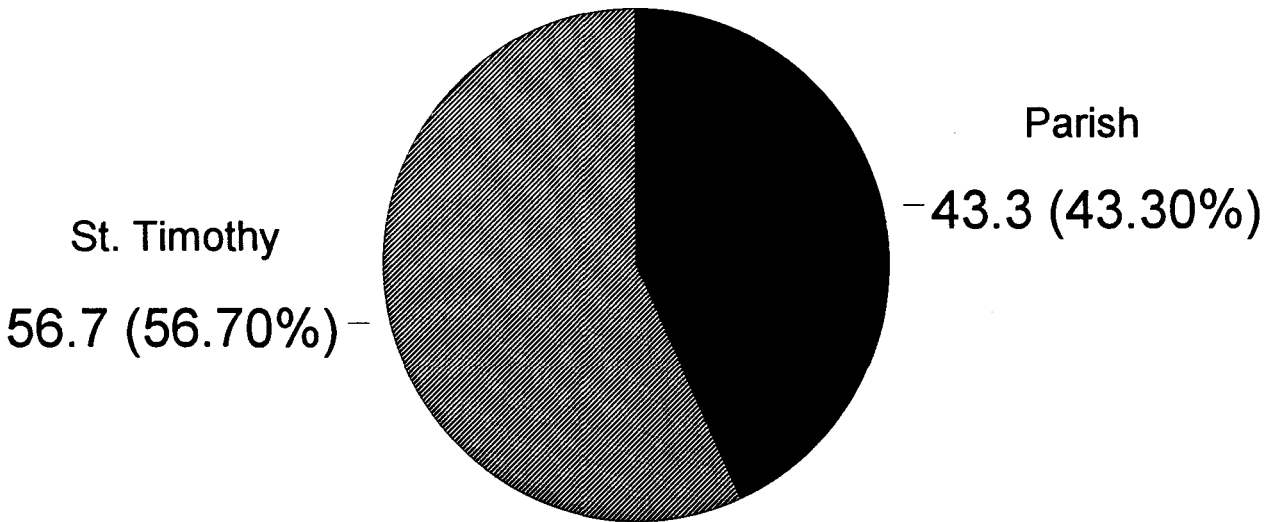


Figure 60.

St. Timothy

% of Parish Funds for Education
Before Consolidation - 1992

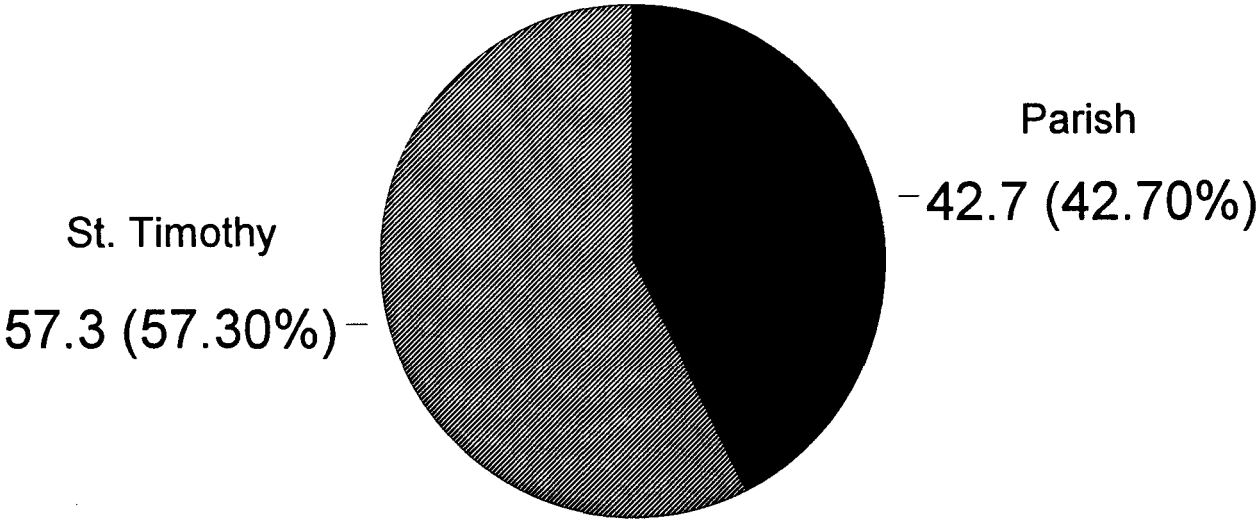


Figure 61.

St. Timothy

% of Parish Funds for Education
Before Consolidation - 1993

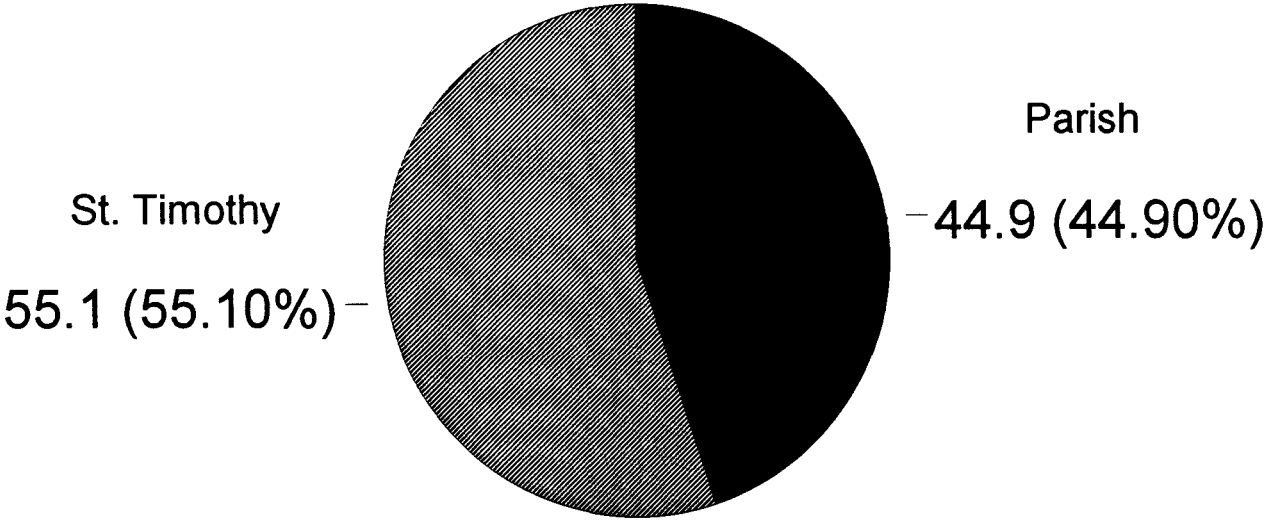


Figure 62.

St. Timothy

% of Parish Funds for Education
Before Consolidation - 1994

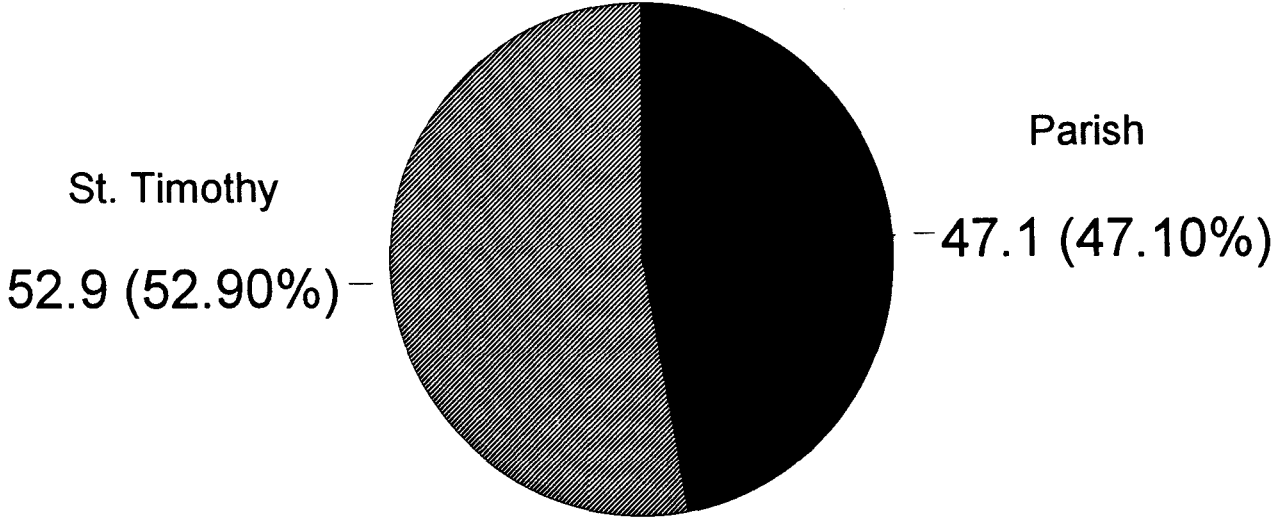


Figure 63.

St. Timothy

% of Parish Funds for Education
After Consolidation - 1995

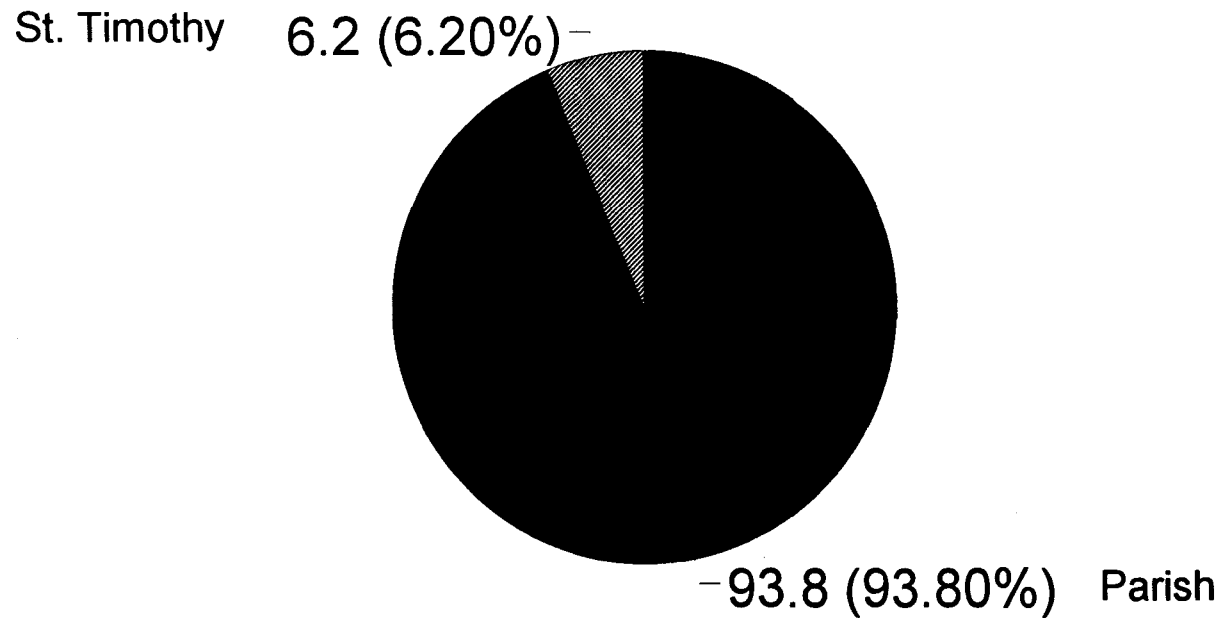


Figure 64.

St. Timothy

% of Parish Funds for Education
After Consolidation - 1996

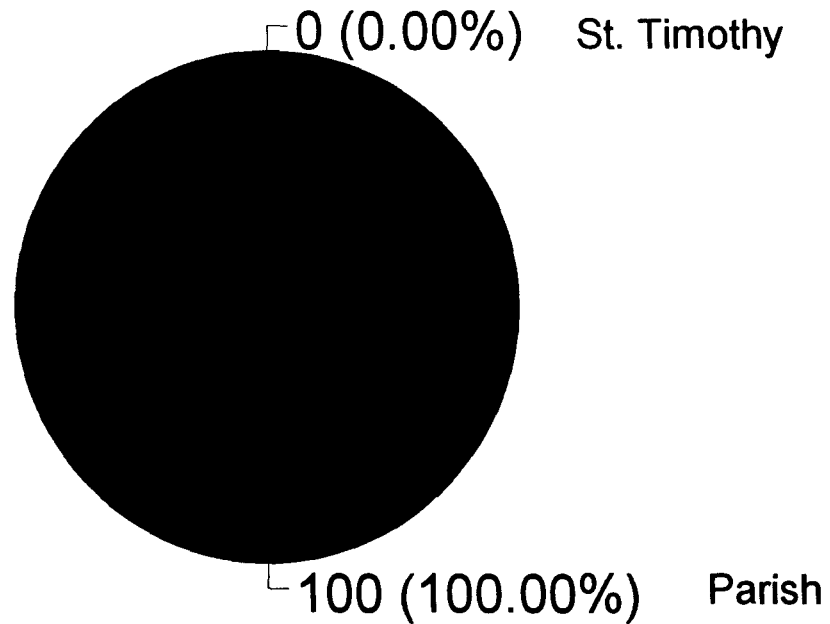


Figure 65.

NOTES

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11. St. Stephen Protomartyre "1991 Annual Financial Report," end of fiscal year report on school and church revenues, expenses and account balances, unpublished, AAC, Chicago, Il.

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CHAPTER V

**SUMMARY, CONCLUSIONS, IMPLICATIONS AND
AREAS FOR FURTHER STUDY**

SUMMARY

This study was concerned with the question of whether or not parishes in the Archdiocese of Chicago with academic institutions, could reduce expenditures by the consolidation or merger of their schools. Hypothetically, the concept of pooling resources, expenditures and personnel would lead to this conclusion; i.e., more efficient and effective financial management should result from this kind of arrangement. To answer this questions was the primary purpose of this study.

The samples of the study consisted of two clusters of school mergers. It should be noted again, that the terms merger, consolidation, and anchor were used interchangeably in the study. The Des Plaines cluster consisted of two schools and the Rogers Park sample consisted of seven.

Two financial report forms were used to collect the data. One collected projected or budgetary figures; the other, actual or end of fiscal year figures. Personal interviews and discussions with Mr. James Rojek Chief Financial Officer of the Archdiocese were also conducted in order to gain additional insight and views. These interviews were conducted at the Pastoral Center of the Archdiocese located at 155 East Superior Street

in Chicago during the months of August and September, 1995.

Also, conducted were interviews with Dr. Elaine Schuster, Superintendent of Catholic Schools of the Archdiocese, her assistant superintendent, Brother Hood and Ms. Grace Creighton and Mr. Jerome Molitor, consultants to the board. These interviews were held during the months of June, July and August, 1995 at the office of Catholic Education in the Pastoral Center. Discussions included the philosophy of Catholic Education. More important for this study, however, was the review of demographic and economic data.

Most of the hard financial data in this study was taken from the Archdiocese of Chicago Archives and Record Center, located at 5100 Northwest Highway in Chicago. Using the financial report forms cited above, financial data for the years 1990-91 through 1995-96 was collected over a period from May, 1995 through September, 1995.

The study results for the periods of review show clearly that each parish that participated in the merger experienced a reduction in its net deficit and school subsidy. These findings have definite implications for other parishes in the Archdiocese experiencing financial difficulty.

As a result of changing demographics and declining enrollments this model must be implemented if quality Catholic education is to continue.

Enrollment and facilities of Catholic schools in the Archdiocese of Chicago reached a peak in 1970.¹ After a decade of continual growth and facility construction, attendance began to decline and schools closed. Several factors account for this decline. One reason was the falling birth rate which affected the growth of all schools, both

public and private. Higher tuition was another reason. The decrease in the number of religious teachers led to an increase in the number of lay teachers. Larger budgets were needed to pay lay teacher salaries which, though smaller than those paid to public school teachers, were larger than the stipend for religious teachers. A third reason was demographic change in the neighborhoods. The migration of black and Hispanic families into aging urban neighborhoods was followed by many ethnic Catholics abandoning the city for the suburbs. The new city dwellers often had lower incomes, a different religion, and no ties to the established parish schools.² A disenchantment with the Catholic Church, due to the impact of Vatican II, the birth control controversy, and the overall turbulent climate of the 1960s, affected the decline.

Positive statistics alone do not reflect the full impact of the decisions or the lives of the people directly involved in these sample mergers. However, any review of the content of the correspondence and other documents related to the decisions shows that deep emotions were involved, and that the decisions to merge were very difficult.³

Originally, the population explosion and exodus from the center of the city of Chicago to the outskirts and suburbs contributed to a need for additional elementary school classrooms.

Schools were constructed when and where the educational demands existed, mostly in the outlying city and suburban areas. As populations continued to shift, once-burgeoning communities could barely support one or, moreover, two schools. Such was the situation at many schools in the Archdiocese where enrollment continued to decline. One difficulty of the educational program was its total dependency on religious

communities to staff the schools. These communities were responsible for a significant portion of the school's low debt and helped keep costs down by providing a major portion of faculty membership. As the number of religious in the community decreased, expenses increased when religious teachers were replaced by more expensive lay teachers. Eventually the communities were unable to provide sufficient staff for the schools. Reliance on religious communities could not continue; the staffing and financial responsibilities were too great.

Between the years 1970 and 1985 almost thirty schools in the Archdiocese closed and enrollment fell precipitously. A variety of factors contributed to the decline, including a declining birth rate, a drop in the number of religious faculty, economic problems created by rising costs due to inflation and the higher cost of lay teachers, attitudes toward the institutional Church and Catholic education, and shifting neighborhood demographics.

The initial closings during this period were generally small, parish schools. The cost to operate small schools and the multiple certification requirements necessary with small staffs made the school's continued existence very difficult. With a limited number of available religious personnel, communities were forced to prioritize and curtail their staffing commitments. As cited above These closings were also triggered by changing neighborhood demographics. Neighborhoods which had once been white and ethnic Catholic quickly became black and non-Catholic. While many of the new residents appreciated the quality of Catholic education provided, few were able to financially support the schools.

Beginning in the 1970s, demographic, economic, and staffing changes affected larger schools as well. The decision to close large schools was more difficult. Emotional and subjective factors were considered along with objective data. Parents who had financially supported schools for many years felt excluded from the process and betrayed by the decision. Religious communities were reluctant to abandon schools they owned and had operated for many years. Within a religious community, some members supported a decision to close, while others advocated continuance. Critics assailed the closing of inner-city schools as the church's abandonment of the black community.

During the late 1960s and into the 1970s, the archdiocese provided subsidies to certain inner-city schools to enable their continued operation. This practice was almost unique to the Archdiocese of Chicago. In some cases, the archdiocese assumed total financial responsibility for the school's operation. These subsidies were also a source of controversy. These subsidy amounts could be the school's determining factor between remaining open or closing. Some argued that the withholding of a subsidy signified the Church's abandonment of the black community. Others questioned the wisdom of subsidizing an educational program that was primarily for non-Catholics.⁴

The archdiocese, parishes, and religious communities had to prioritize how to best expend limited financial and personnel resources. The closing of some institutions was unavoidable. Case studies indicate that there was no easy way to close a school. This study examined the mergers of nine schools in the Archdiocese of Chicago. These events affected thousand of young people, their families, and educators. The efforts underscore a struggle on the part of many to provide a quality Catholic education. Many

of the current changes taking place in education mirror larger societal changes. These changes include the population explosion, inflation, decaying urban neighborhoods, "white flight" to the suburbs, disenchantment with authority and the institutional church, racial unrest, and social turmoil.

While this study was limited to only nine schools in the Archdiocese of Chicago, its implications can apply to public and private schools elsewhere. The process of opening and closing schools is important to educators as this phenomenon continues to the present time. The data provides school administrators the Office of Catholic Education and the Archdiocese of Chicago with valuable information about the possible financial impact of consolidation.

This study also raises many questions about Catholic Education. These questions include: Is there an obligation of the Catholic school system to operate a school when fewer than 50 percent of the students are Catholic? Does the church have an educational obligation to the underclass of the inner city? Does a school have an obligation to lower its standards or modify its programs because certain students cannot meet its standards? Should a Catholic school education be available to any Catholic student who desires it? Are Catholic schools the best way to serve the population in light of limited financial and personnel resources? Finally, what percentage of parish expenditures is a reasonable support level for its Catholic school?

ANCHOR/CONSOLIDATION MODEL - STRUCTURE FOR THE FUTURE

Unless one accepts the priority value of quality formal Catholic schooling, the anchor model is meaningless. The sole purpose of merging parochial school units is to

make quality formal Catholic schooling available. Consolidation permits better utilization of the human, physical and financial resources than before, but it is fraught with many dangers, particularly from the frozen "parochial" mentality.⁵

One should not overlook the experiences of public school administrators in this area. There are three lessons to be learned from their procedures. The first, and somewhat bitter, lesson is the fact the Catholic schools are late comers to this administrative field. A number of public school administrators recognize the value of merging smaller school units into larger ones. They note the waste of human and financial resources involved in building and maintaining small school units. Today in the public schools unity of effort and conservation of resources are the keynote. Consolidation is as noted in the Review of Literature section, judged the means of getting the most from the tax dollar and giving the most to the school child. Unfortunately for the past 20 years Catholic school authorities have missed this object lesson of their public school counterparts. Yet Catholic educators should have led the way here. Public school financial resources were and are much greater than ours. Thus, if public educators nevertheless see the wisdom of consolidation despite their broad resources, how much more should we recognize its need with our shrinking resources!

One could argue that the Third Plenary Council of Baltimore actually provides a mandate to consolidate. While this council gave a decisive mandate to set up parochial schools, it also declared that these schools should be provided with "better accommodations and equipment until they have nothing to suffer as regards teachers or equipment by comparison with the public schools."⁶ Thus, if the public schools decided

that mergers were a necessary administrative tool to provide better accommodations and equipment for their students, it could be said that parochial schools, wherever necessary, should have done likewise. Unfortunately crisis, not administrative prudence, has dictated this decision. Thus, anchoring may appear as a stopgap solution, a panicky holding operation. In reality, however, merger of parochial schools is one of the essential structures within which formal Catholic schooling will live or die in many Catholic communities. Only by such mergers will many Catholic communities be able to provide quality Catholic education.

The second lesson to be learned is that consolidation is an emotionally laden term. In fact, it is a "fighting" word. As the parochial school was located comfortably within the parish boundaries, so the neighborhood school was located within friendly walking distance of its students. When the schools merge the child today will often not be able to walk to school; he will eat lunch at school instead of at home; he will compete in athletics under the name of another school instead of his own friendly neighborhood school. These facts, seemingly inconsequential by comparison with the better education of the child, can stir parental emotions to fever pitch. For example, in Pennsylvania there are today only 400 school districts, as compared to over 1,700 which existed 25 years ago. However, it should be noted that there are over 300 court cases contesting this redistricting of school districts.⁷ Loyalty and attachment to the local school are obviously not peculiar to parochial school parents.

Nevertheless, feelings and tensions do seem in general to run higher about parochial schools. The parish school was and is the "child" of the parish. Sweat, tears

and great financial sacrifice were necessary to build and maintain it. Parishioners' children and grandchildren attended and are attending this school. Mentioning consolidation to those involved at the parish level conjures up in their minds the loss of "child." For many years the parish and school have been mutually interactive and supportive. Separating them is an emotionally traumatic experience.

One cannot ignore these loyalties, but the administrator must not allow them to hinder him in his efforts to provide quality Catholic education for the children of the Catholic community. He must attempt to redirect the thinking of those at the parish level to a broader vision of Catholic education. He must show them that they and their forefathers built and maintained the parochial school ultimately so that Catholic education would be available to their children. The aim of consolidation is the same: to pool their financial, human and physical resources with neighboring parishes so that quality Catholic education may be continued in their area or to make available the opportunity of formal Catholic schooling to those religious parents who desire it.

Anchoring does not mean alienating the affections and loyalties of the student from his home parish. The school is concerned with the academic life of the child, not his parochial life. Sometimes the distinction may be blurred, as in the matter of preparation for First Communion. Some parish traditions intimately linked to the school will indeed be lost. But one must not lose perspective in this matter, for which is it better to lose: quality formal Catholic schooling, or a parish tradition which is not essential? Consolidation is one administrative vehicle to insure the continuation of quality Catholic education. Parochial emotionalism, customs, and/or nationalism must

not deter the Catholic administrator from obtaining this ultimate objective.

Another lesson to be learned in mergers is that the structure must be superimposed. The procedure simply cannot be democratic in all respects. This seems arbitrary today when just about everything in the Church is put to a vote. Yet many pastors and parishioners are so parish-oriented that they cannot be solicitous for formal Catholic schooling for all the children of the community. Some (mostly a vociferous minority) would rather see the destruction of Catholic schooling in their area than cut the umbilical cord.

If consolidation is to work, in this Archdiocese, the Cardinal and his advisors must possess the foresight and courage to face the educational realities of life. We can use as our basic reference point the following: the continued availability of quality formal Catholic schooling within the school communities of the diocese. With this yardstick, our final targets became triple, double, and single-grade schools with small enrollments and in physical proximity with other similar units. Schools thus selected run the gamut from the inner city areas located in economically and culturally deprived areas to suburbia.

The primary purpose of school anchoring or consolidation is to give quality education to the child. Physical rearrangement by merger makes it possible to provide a physical environment within which quality education can take place. Consider three parochial schools each having all eight grades in four classrooms. Consolidation eliminates all the double grades. One building could house all the first and second grade school students of the Catholic community; the other building could handle the third,

fourth and fifth grades, while the third building could enroll the sixth, seventh and eighth grade students. The possibility of excellent departmentalization, highly impractical under the former parochial structure, is thus created. Furthermore, duplication of instructional and library resources is eliminated.

Physical features of each parish or school building becomes the prime determining element in assigning grades. The assignment of grades is thus made objective and defensible. These latter two qualities are highly desirable in attempting to explain to disturbed pastors, or perhaps irate parishioners, why they have all "the little ones," or to parents why their child, who lives next door to their school, must take a bus to another school. Assignment to particular parish plants of the different levels of instruction is solely the decision of the Office of Catholic Education. We might use other methods in determining grade assignments when more than one parish school plant is being utilized. One further point on physical restructuring: Each parish school plant in a merger is permitted to retain its parochial name. However, it is no longer known as a school but rather as an extension of one school unit. For example, one school area may be known as the Northside Catholic Academy (most school areas should receive their designated name from their geographical location); it may have four extensions - St. Gertrude, St. Jerome, St. Ita, and St. Ignatius, etc. According to their grade, students attend one or the other extension, but they are known as students of the Northside Catholic Academy and their diplomas so designate them.

Strong curriculum flows from a good physical arrangement. Anchoring, by better utilization of former parish plants, prepares the groundwork for a good learning situation.

Religion forms the core of the curriculum, permeating all related subjects. In some of our schools Catholic doctrine can be taught by the homeroom teacher; in others, where one teacher may be a specialist in religion, or where one teacher may be a non-Catholic, classes can be arranged departmentally. Parish priests are encouraged to give religious instruction frequently and are welcome in any extension of the school. All the curriculum areas are strengthened. No longer must a teacher prepare for and teach all the subjects in a double grade. Teachers are assigned according to their subject strength.

Through the integration of faculties, the entire curriculum can reach a level never dreamed possible. Simply to have changed the physical structure and retained the old curriculum, or to have been unable to supply an adequate faculty, will have been an exercise in futility.

Faculty meetings can become more interesting as teachers of individual extensions suggest occasional large-group faculty sessions. The usually amiable dialogue of these gatherings can produce among the teachers a much broader outlook than frequently found in a small parish school. Area situation and community problems are now their concern.

An unexpected but beneficial outgrowth of teacher interaction can also be the consolidation of the CCD classes of some merged areas. As the common sense of cooperative endeavor becomes more apparent in the school, faculty members will become convinced that better religious instruction could be provided by this further merger.

When consulted (and they frequently are), the children should generally be happy with the teacher distribution. Many have been accustomed to double grades and self-contained classrooms, and thus have had the same teacher throughout the day. With

consolidation, they can be introduced to single grades, departmentalization, nongraded reading, and a variety of teachers.

Anchoring of former parish school structures only appears revolutionary. For too many years the parish school was Catholic education. Fortunately today greater insight makes it clear that Catholic education encompasses all efforts to aid in the growth of the seed of faith implanted at baptism. The dimensions of Catholic education are not limited to the parish school. Rather, the parish school, or parochial education, is only one integral part of multidimensional Catholic education. Anchoring should appear evolutionary rather than revolutionary. Historical circumstances mandated the decree of the Third Plenary Council of Baltimore, but it interdicted the growth of schools as a natural outgrowth of religiously-oriented homes. Present historical circumstances have again set this evolutionary process in motion.

A new era in Catholic education is upon us. Formal Catholic schooling must henceforth be intellectually, emotionally and financially forever divorced from "parochial" schooling. Catholics must give priority value to quality formal Catholic schooling. The primary responsibility of the diocesan education office is to develop and maintain this new vision in pastors and parishioners. The parish school performed the task that history gave it. A new task is now demanded. Not all pastors and parents will fail, if the case is clearly presented to them. Time it will take - time to shed the dust and cobwebs of the past; yet the challenge is here today, the time to begin is now.

Religious communities should breathe a sigh of relief. Nuns have departed by will and by death. Vocations are presently at low ebb. Thus religious communities,

perhaps with some sense of guilt, are now carrying out the necessary reduction or even the withdrawal of their religious teachers from some Catholic school communities. Consolidation offers them the opportunity to make their assignments where there is the greatest need and willingness on the part of the Catholic community to provide a quality, value-oriented instruction.

The Cardinal and his advisers, shaking off the dust of the past, must face the future resolutely. Catholic communities within the diocese must manifest - intellectually, emotionally and financially - their concern for all of God's children within their boundaries. If one community's finances do not match its desire for the continuation of quality formal Catholic schooling, then the People of God within the entire geographical area or diocese must come to its aid. Narrow parochialism must yield to a community and diocesan vision. The parish oriented mentality in Catholic schooling was a necessity in the past; it will be a physical luxury in the future that few parishes will be able to afford. Nonetheless, even in these fortunate parishes it would be spiritually unhealthy to view the parish from its old perspective. Vatican II states that our solicitude should be for all the churches. Consolidation will enable some less fortunate communities within the diocese to continue quality formal Catholic schooling. Consolidation is not a panacea; it is simply a modified administrative structure designed to preserve pockets of value-oriented instruction which the present parish school structure can no longer insure, or in the very near future will be unable to guarantee to the Catholic students of the community.

Goals are useless without the means of achieving them. Neither phasing out or

more business-as-usual can be the policy of Catholic schools in the future. There must be a drastic restructuring to bring them into harmony with the contemporary needs of the Church and of society.

The America of 1995 is a very different place from the America of 1895, and the Catholic school structure that was built up in the closing years of the nineteenth century is inadequate for the closing decades of the twentieth.

The reasons for this are not merely theoretical. Nothing is more obvious in American education today than that first-rate schools cost a great deal of money. Improved physical facilities, new educational hardware such as computers and audiovisual equipment, higher salaries for teachers - all these are now components of first-class education, and Catholic schools are under the same pressure as the rest to provide them. They are what parents demand and what students deserve. But small, isolated institutional facilities will find it increasingly difficult - and eventually impossible - to pay for them. If these schools are to compete in the educational marketplace of the immediate future, they must start looking now for the means of doing so.

Merger and consolidation are essential to the restructuring of Catholic education today. For better or worse, mergers are now inescapably part of the American economic scene, simply because they make sense administratively and financially. The corner grocery store is replaced by the supermarket; the independent book publisher is bought up by the diversified giant corporation. In education the neighborhood school is challenged by the "educational park" concept. It would be short-sighted and tragically unrealistic to suppose that Catholic schools, if they are to survive, can stand apart as

bastions of autonomy.

Thus, first of all Catholic schools - in many places, if not everywhere - must be removed from the parochial structure. "Catholic school" must no longer be synonymous with "parochial school." In some dioceses and sections of the country, to be sure, parochial education still makes sense; (but these, too, will be the better for a dose of streamlining and centralization in such matters as academic standards and financing). But in many other places, "parochial" education years ago ceased to make sense. Where that is so, the fact has to be faced and the structure changed.

The reasons for cutting the school loose from the parish are often compelling. In many areas, particularly older city parishes, parish population - and with it, school enrollment - has dropped sharply in recent years. Elsewhere, especially in rural areas, the enrollment in individual parish schools has never been very high. But today the effort to operate a comprehensive elementary school (grades one to eight) for a very small student body is wasteful of resources and is likely to have mediocre results as well. The problem is only sharpened by the soaring cost of education and by the dropoff in religious vocations (and thus of available religious teachers). In many areas factors like these have made the parish school a dubious luxury whose continued existence is far from certain.

The numerous advantages of consolidation include eliminating two-grade classrooms, the possibility of improved instructional techniques such as departmentalization and team teaching, and the pooling of library and audiovisual resources. Teachers with special skills in particular subjects are able to concentrate on

what they do best, and at the same time reach more children.

Naturally, there are practical drawbacks such as the transportation problem, but these are seldom beyond solution. A more real difficulty is the reluctance of pastors and parishioners to lose the close identification of parish and school to which they have been accustomed. Yet most Catholic secondary schools long ago moved out of the parish structure, and there is no intrinsic reason why elementary schools cannot now do the same. Severing the link between the parish and the school may hurt at first, but in the long run it offers perhaps the best formula for keeping Catholic schools a going concern.

How would consolidation work? Under a typical plan, four neighboring parishes, each of whose schools at present offers a comprehensive program from grades one through eight, might join forces. School "A" might become a non-graded school for children of preschool age plus grades one through four, school "B" a middle school offering departmental instruction, and school "C" a resource center providing special services, CCD programs and adult education facilities, with school "D", whose physical plan is inadequate or in bad repair, to be closed down entirely.

Such a plan would need cooperation among the pastors, the parish boards of education (where these exist), and the religious communities who staff the schools involved. Funds would be pooled, transportation plans would be developed jointly, and teachers of different communities would teach side by side in the same school. All this runs contrary to the pattern of isolation and noncommunication that has prevailed in Catholic schools. But this pattern, always indefensible, now becomes dangerous folly.

Such a program would also require a degree of planning and coordination at the

diocesan level that up to now has seldom been evident. A diocesan planning group could set up teaching teams, to be rotated among a number of schools - an approach that is especially well suited to religious education, where master teachers have always been in particular demand. One can envision such diocesan teams serving schools, CCD classes and adult education groups, with invigorating results for them all.

One practical result of such coordination would be to open up Catholic schools - and school personnel - to the possibility of serving other groups within the Catholic and general communities besides those they have reached hitherto. The school would become a resource not just for its students but for adults and CCD youngsters as well. The wasteful current practice of using school facilities for only a few hours a day, five days a week, would be eliminated, as better planning made it possible to put the schools to use in the evenings and on weekends. School personnel would be give the opportunity to participate in these added programs. Many sisters, for example, would welcome the experience of instructing adults as well as children. The idea, of course, is not to get extra mileage out of the teachers by working them overtime, but rather, by imaginative planning and scheduling - as, for example, in the use of rotating teams on a diocesan or regional basis - to make possible a broader role without overburdening them.

New goals and new structures: these are twin needs of Catholic schools at the present time. In developing them, the objective must be to broaden rather than narrow the scope of Catholic education. Ways must be found of serving new groups in the Church and society. Above all, the emphasis must be on instilling in young people a permanent sense of apostolic commitment that will make them leaders in the rebuilding

of society. If Catholic schools can do this, it will be proof that they have not outlived their usefulness, but indeed have scarcely begun to realize their potential for good.

We hear, these days, of crisis everywhere: in international affairs, in the cities, and in the churches too. It is thus not at all surprising that Catholic education should likewise find itself in that state. Although crisis is often thought of as synonymous with disaster, it need not be so. Granted, crisis can be the prelude to disaster; but essentially it is a sign of movement and of transition. Thus, while crisis may be a prelude to collapse, it is also the essential precondition of growth. This is true of individuals, whose progress toward maturity is signaled by successive crises of growth. It is also true of institutions and communities, whose adaptation to meet new challenges is always accompanied by strain and even anguish.

The essential difference between the crisis that is a mark of growth and the crisis that precedes disaster lies above all in the response of those who make it their task to face and cope with the need for change. For there is no doubt that crisis entails a challenge, a test of courage and imagination. It brings out the best in people, and it can also bring out the worst. In the nature of things, the resolution of a crisis is necessarily not predetermined. Its outcome depends on the human heart and the human will.

Catholic education today is at such a turning point. Indeed, Catholic education is faced with a multiplicity of crises - in finance, in personnel, and in the question of goals and priorities. It is possible to support the idea that these problems are insoluble, and that the crisis has already sounded a death knell for the entire system of Catholic education. This we do not accept. We do not regard the problems that now confront

Catholic education as beyond solution. Solutions may be difficult, they may be painful, they may not be wholly satisfactory; but they are not impossible. With intelligence, imagination and courage, the problems of Catholic education can be solved. The present crisis can become an avenue of growth and progress. The opportunity is there, and where is opportunity there is also duty.

AREAS OF FURTHER STUDY

The Archdiocese has reported some research on such programs as dual enrollment, shared-time, ecumenical schools and clusters. Although the purposes for all these innovations is financial, none report any concrete data. The sense is that all of these cooperative or collaborative programs would work to the economic benefit of Catholic education.

For the most part, the central motivation for these programs has been the problem of financial solvency for Catholic schools in the Archdiocese.

Their focus: to come to grips with the problem of making educational institutions financially solvent while pursuing the objective of a recognizably superior product in terms of human development and Christian formation.

According to Mr. James Rojek, Chief Financial Officer of the Archdiocese of Chicago, the search for financial stability should lead to research on these alternative approaches for funding. Shared-timed, dual enrollment, in particular, offer promising methods of local public and nonpublic school cooperation and a viable approach to the financial solvency of Catholic education in the Archdiocese.⁸

Some of the salient points according to Mr. Rojek are as follows:

DUAL ENROLLMENT

The shared-time (dual enrollment) would be initiated to benefit all schools involved in the arrangement. A greater range of extra-curricular activities and the use of more facilities would be available to parochial students.

Among the listed strengths, according to Mr. Rojek, of the innovation are both the economic benefits and the fact that a wider range of activities can be offered to their students.

One weakness in the shared-time arrangement would be the identity crisis which leads many of the students to question their loyalty to the school.

Limited research on a dual enrollment plan in Perryopolis, PA in the late 1970's between a Catholic and public high school reported the following:

- 56% of the participating students reported that dual enrollment affords a greater opportunity to broaden friendships.
- 39% reported that they appreciated the special activities open to them.
- 22% reported that the gradual adjustment to the public school system is an advantage.
- Several perceptive students felt that dual enrollment allows one to make comparisons between schools. They made comparisons between schools on the basis of school staff, cleanliness of facilities, and ideas and thoughts peculiar to each school. Also, their appreciation of the participating schools was enhanced.
- Catholic students felt that they received far better religious instruction than

if they only attended CCD.

- Students felt more important and significant because of their smaller number in their own school.
- One experienced less violence than if the combined enrollment were constantly together.
- Up-to-date science equipment was available to the children. This was especially advantageous to parochial school students. An individualized approach to science is implemented at the public school.
- Cooperation between the two schools was increased. Joint efforts were initiated toward staff development and curriculum improvement.

Although the aforementioned responses indicate a positive result, more research is necessary to determine the financial impact of this arrangement on the parochial school.⁹

SHARED-TIME

According to Mr. Rojek, a Shared-Time school is defined as a church supported school located within a school district, offering approximately ½ or more of a student curriculum under its own auspices and providing the balance through a shared time agreement with the public school.

A Shared-Time Program suggests itself as a realistic community solution to the pluralistic facts of the community. This program proposes to permit parents to voluntarily choose for their child the advantages of maximum available parochial education while also taking advantage of existing public school facilities. To those who

find such a program desirable, this would serve to provide as complete an education as the community and church have to offer without undue financial strain on the community - public and private. Thus, this program would broaden the educational opportunities of the entire community.

Further, this is an opportunity for all children in the community to recognize, appreciate and experience the religious and cultural pluralism of our society.

Another strength of the shared program lies in the availability of good facilities, and the improving relations with the public school.

The shared time program could also, according to Mr. Rojek, provide the following:

- Availability of courses not offered and the opportunity of making a choice among course offerings
- The experience of being in a larger school at least on a limited basis
- Exposure to a significantly different social and cultural atmosphere
- The morale boosting opportunity of "average" students to become high achievers in a somewhat less competitive academic setting
- Availability and regular use of science labs
- Potential for future cost savings at the parochial school

The aim of a shared-time program would be to prepare the student so that he is flexible enough to respond to the problems in his community and eventually to effect improvements in society as a whole.

CATHOLIC URBAN COMMUNITY SCHOOLS (CUCS)

It is generally acknowledged that the local problems concomitant with the staggering changes in city neighborhoods caused by the influx of a conflicting variety of people of different national origins, colors, religions, economics, prejudices, and languages, can no longer be completely served by traditionally structured schools. Confusion and friction between families reflect the impossibility of families understanding each other.

With the approval of the Catholic School Board, the staff of a Catholic Urban Community School may be given the freedom to experiment with educational programs and techniques in the search for appropriate tools to be used in the school. The teachers would be free to develop their own program of non-gradedness with special emphasis on self motivation of the student, individual instruction, small group learning.

According to Mr. Rojek, some of the main advantages of this structure could be

- The pattern of organization of the school and its curriculum could be made flexible, to provide for the educational needs of the children.
- The school would be multi-cultural and multi-racial.
- English could be taught as a second language to the Spanish-speaking children. Spanish could be taught to all students.
- CUCS could become a valuable center of innovative urban education. It could also become a resource for education and psychology departments of many colleges and universities.
- Modern mechanical teaching methods and aids could also add to the

strength of the teaching program.

ECUMENICAL SCHOOL

This ideal was also a product for an alternative to parish oriented schools, many of which seemed doomed in terms of finances and thus a way to provide Christian education.

The hope would be to achieve a Christian education for students from all denominations who wish to attend.

It is felt that a sound education program could be provided which has its basis in the teachings of Christ and His message. A class at the beginning of each school day in each room in the instruction of "Christian Values," as well as working toward permeation of all areas of the curriculum by the attitudes and thinking of a Christian could be conducted.

The educational philosophy would be based upon respect for the individual learner and belief in the ability of student self-motivation; the hope would be to develop in each child a positive Christian attitude towards self, others, and the future.

PROCEDURAL STEPS

As previously stated, if consolidation is to be affective in this Archdiocese, the Cardinal, his advisors, and administrators must possess the foresight and courage to face up to the need for this change in educational structure. We can use as our basic reference point the following: the continued availability of quality formal Catholic schooling within the diocese. With this gage, our final targets became triple, double, and single-grade schools with small enrollments and in physical proximity with other similar

units. Schools thus selected run the gamut from the inner city areas located in economically and culturally deprived areas to suburbia.

In a typical area a religious community may feel that it could no longer maintain its commitment to one school due to shrinking enrollment. Another school in the same area may find it financially impossible to continue offering quality instruction. By merging such units the religious communities are able to justify their continued presence in the area. By consolidating three or four such small school units, the religious assume an essential role in instructing not merely 100 students but perhaps 400 to 600. To meet the financial need of quality instruction nonschool parishes could be involved. Thus the merged school becomes the concern of the entire community. Parochial lines are broken down and the school becomes a shared community responsibility. The "my school" concept no longer prevails. Slowly "our school" becomes the motive for decisive action by the Anchor School Board. The administrative structure makes no difference. Continuation of formal Catholic schooling is the responsibility of all Catholics within the community and diocese. Communities of Catholics will thus grow spiritually and intellectually by their involvement in merged school areas.

The next step is contact, either in person or by phone or letter, to the heads of the teaching communities involved. Having obtained their acceptance of the practicality of the plan, the Bishop then calls a meeting of all the pastors involved. He explains his backing of the plan and asks for their loyalty and support. The pastors are then supplied with the necessary information to present to their people. Diocesan authorities attempt at all times not to become directly involved but to permit the pastor to sell the idea to his

parishioners.

Local leadership is of paramount importance in these early stages. There is at no time any idea that the proposal should be put to a vote by the parishioners. The plan is presented to the pastors as a fait accompli. In areas where there is prolonged confusion, parish meetings are held. In most instances the problem will simply be one of poor communications between pastor and parishioners.

It should be policy that, once consolidated, no school would be allowed to return to its former parochial structure. Areas are chosen for merger because they either lacked quality Catholic schooling or would soon be unable to continue providing it. To permit a unit to withdraw would therefore be an open admission that it lacked quality schooling. If circumstances force the closure of a merged school area, then that community will simply lose quality formal Catholic schooling for those who desire it. Once consolidated, a school area will live or die as consolidated. A question that will probably be asked at the start will be what would happen if a parish steadfastly refused to merge with neighboring parishes. The answer is that administrative "coventry" would have been enforced. If the pastor and parishioners did not judge the diocesan school authority competent in this area, presumably they would consider it incompetent in all other school-related matters. A school in such a case would not only have been ignored but dropped from the official school listing. If applicable, the religious superior of the Sisters staffing the school would have been so informed and requested to withdraw her teaching religious. All legitimate efforts would have been made to close the school. The motive would not have been revenge but a desire to do justice to the child. Quality

formal Catholic schooling is needed in this new era; half measures will no longer suffice.

Again, the primary purpose of school anchoring or consolidation is to give quality education to the child. Physical rearrangement by merger makes it possible to provide a physical environment within which quality education can take place. Again, consider three parochial schools each having all eight grades in four classrooms. Consolidation eliminates all the double grades. One building could house all the first and second grade school students of the Catholic community; the other building could handle the third, fourth and fifth grades, while the third building could enroll the sixth, seventh and eighth grade students. The possibility of excellent departmentalization, highly impractical under the former parochial structure, is thus created. Furthermore, duplication of instructional and library resources is eliminated.

Physical features of each parish or school building becomes the prime determining element in assigning grades. The assignment of grades is thus made objective and defensible. These latter two qualities are highly desirable in attempting to explain to disturbed pastors, or perhaps irate parishioners, why they have all "the little ones," or to parents why their child, who lives next door to their school, must take a bus to another school. Assignment to particular parish plants of the different levels of instruction is solely the decision of the Office of Catholic Education. We might use other methods in determining grade assignments when more than one parish school plant is being utilized.

In summary, then, the consent of those involved is not sought regarding the question of consolidation, and the geographical assignment of grades is likewise imposed.

Only in these two areas are democratic processes ignored, for the reasons given. However, once the operation begins, it becomes truly democratic.

IMPLICATIONS

The purpose of this dissertation is to make an assessment of consolidation. Increasingly, however, the word, "consolidation" is being heard among Catholic educators, and imaginative programs along these lines are being considered.

As a consequence, there could be other academic results as eliminating double-grade classrooms; encouraging departmentalization; fostering the growth of middle schools; lowering the teacher-pupil ratio; promoting small-group and individualized instruction; and making staff specialization more feasible. A successful experience of interparochial cooperation will also give a boost to morale.

On the national level the same pattern recurs. National Catholic organizations engaged in work related to education exist in large numbers, but there has been little contact among them. They have worked separately, met separately, and developed separate programs (some of which duplicate and overlap one another). They are more likely to have had working relationships with their counterparts in public education or other churches than with their Catholic colleagues.

This pattern-of autonomous, isolated fiefs and baronies in Catholic education-is the product not of perfidy but of history. The tragedy now is that an arrangement that has outlived its usefulness should be allowed to persist and to undermine the entire educational program of the Church.

What is needed is a policy-making machinery to represent all those who are

affected in any way by Catholic education. Many views ought to be heard, and many areas of special competence drawn upon. This will require far closer integration among Catholic educational programs than at present exists, and far more communication between Catholic educators and the total community-Catholic and non-Catholic-than at present takes place.

To those who notice such things, important trends in this direction are already evident. On the diocesan level, for example, the office of "vicar for education," "secretary for education" (or whatever else the title may be) is becoming more and more common. This means that in a growing number of places the responsibility for coordinating educational work throughout the diocese is being assigned to a single office-in contrast to the old system, in which responsibility was parceled out among a number of totally uncoordinated individuals and offices. (There is, however, the danger in this development of an unhealthy tendency toward imposing coordination from above, instead of encouraging the responsible agencies, institution and groups to work more closely together. Without dwelling on this point, it should be said that one-man rule would be no more desirable in Catholic education than anywhere else. In fact, precisely this sort of autocracy has been one of the problems of Catholic education. One should add the caution that a change in the organizational chart not be mistaken for the achievement of genuinely organic cooperation.)

Significant, too, is the growth of the board of education movement on the parish and diocesan levels. Their numbers are rising considerably.

Here I wish only to remark that lay boards may well point the way in which

Catholic education should move. They are unlikely to be a transitory phenomenon. Indeed, it is possible that in the perspective of history they will be seen as typical of the constructive changes in post-conciliar Catholicism, including the development of more democratic ways of making decisions that affect all members of the community that is the Church.

Logically, what is true at the parish and diocesan levels should also hold true at the national level. Coordination and cooperation among national agencies responsible for Catholic educational programs are equally essential. At the same time, however, one should not look for the establishment of a sort of national Catholic board of education that would set policy for all educational programs throughout the country. This would be entirely too centralized and monolithic an undertaking. American education has traditionally stressed the importance of keeping control of educational policy at the local level rather than vesting it, as is done in many other countries, in a central ministry of education. Theoretical considerations involving the democratic process, and practical considerations involving the management of educational programs in a nation as large as this, both argue that the traditional approach is the right one. And it is as appropriate for American Catholic education as it is for American public education.

Perhaps the idea of a national Catholic ministry of education should be advanced. Certainly, one can easily see the advantages, and indeed the necessity, of a much greater degree of collaboration among Catholic educational groups on the national level.

Such cooperation, for example, is essential to planning and even to conducting large-scale professional research of the kind that Catholic education badly needs.

Considering the assurance with which positions are taken, commitments made, funds spent or withheld, the degree of ignorance concerning Catholic education is nothing short of astounding. Case in point, the talk about dropping particular grades or levels from Catholic schools in the interests of economy. There is little concrete information on what its educational results have been. To be sure, some rather convincing arguments against grade-dropping have emerged (such as that dropping the early grades appears to discourage children from enrolling in the upper grades and dropping the upper grades to discourage children from enrolling in a Catholic secondary school); nevertheless, even if ways could be found for coping with the practical difficulties, little is yet known about the crucial question of whether nonattendance at a Catholic school in, say, the first two elementary grades materially reduces the overall impact of Catholic schooling on a particular child.

Research, however, is only one area in which cooperation among Catholic educational agencies at the national level is needed. Still more pressing, we believe, is the need for intensive discussion of the broad goals, as well as the problems, of Catholic education.¹⁰

Many advantages would no doubt flow from the effort toward developing a unified program for Catholic education. Several major benefits, however, may be assumed in advance. A unified educational program would make possible the allocation of resources (money, teachers, buildings, and so on) on a rational and equitable basis. Some Catholic educators believe that at present there is an imbalance of resources expended on the students in Catholic schools as against those in public institutions, to say

nothing of Catholic adults and the non-Catholic disadvantaged. It is certainly true that CCD and Newman have frequently been shunned as poor relations and obliged to make do with scraps from the table. Even if it should be found that the imbalance is only illusory, and that there are compelling reasons why the lion's share of available resources should go to the schools this can no longer be taken for granted. In any event, the policy decisions thus implied cannot be imposed arbitrarily from above without the assent of those affected by them; consensus within the Catholic community is necessary for any policy to be workable today.

Supposing, however, that an imbalance in the allocation of resources does exist, the solution is not, as some have suggested, simply to close down the Catholic schools, thereby abandoning their students. A unified educational program would, on the contrary, make possible for the first time a single responsible body equipped to appraise the situation and to decide how the available resources could be most effectively used. The alternative, it appears, will be continued acrimony over alleged discrimination, together with increasing intramural competition and a mounting waste of funds and manpower.

Strong efforts toward unification would help most to relieve the current financial pressure on Catholic educational institutions. Federally funded programs, for instance, make it mandatory that Catholic educators within a particular community or state plan jointly and make joint presentations to government officials. It is quite certain that as they grow in sophistication, the Catholic laity - the traditional source of funds for Catholic education - will become less and less amenable to the idea of giving money to

a handful of uncoordinated educational endeavors that show no sign of trying to eliminate duplication and increase efficiency.

It will, of course, be objected that pleas for the unification of Catholic educational programs are impractical because they run head on into frozen patterns of noncooperation and disunity. Any plan that would involve the pooling of personnel, for instance, touches immediately on the sensitive question of how to bring members of different religious communities together in the same institution or program. Yet if ever there was an artificial problem, it is this one. Surely no religious community can suppose that its "raison d'être" will be destroyed if its members are obliged to work side by side with other religious. Religious communities that set their autonomy above the welfare of the Church are guilty of a strange reversal of values. Given the will, religious can certainly find ways of working together. Indeed, they have already done so: high schools and colleges in many parts of the country draw their faculties from several religious communities. Such cooperative patterns, however, now need to be broadened and placed on a firmer organizational basis.

What has been said of the religious communities is true of other organizational units in the field of Catholic education. The Church can simply no longer afford the luxury of parishes that will not cooperate with each other, dioceses that will not plan with each other, organizations that will not work with other organizations. The resources are too limited and the problems are too big to permit the continuation of such ecclesiastical laissez-faire.¹¹

Not all the problems of Catholic education would magically vanish if large

additional sums of money became suddenly available. Money would have little or no effect, for example, on the current decline in religious vocations, nor would it do away with the question of goals and priorities, or of the entire rationale for Catholic education. But money would make it easier to live with these problems, besides helping to relieve the near desperation that now accompanies the search for solutions.

Even these problems, furthermore, have their economic aspects. For example, the decline in the number of religious available as teachers in Catholic schools, and the consequent increasing reliance on lay teachers means that they must be prepared to spend more in order to attract and retain competent people. And lest it be supposed that the problem is due solely to the growing number of lay teachers, it should be noted that the sisters are now-quite rightly-demanding and receiving higher salaries than in the past. Some Catholic educators have even suggested that the sisters be paid the same salaries as lay teachers, and then be obliged to pay the rent for their convents, along with other living costs, out of this income. This may not be a desirable arrangement, and it is surely not going to be put into practice overnight; but it does suggest the complications that can be expected in the years immediately ahead.

The problem of a rationale for Catholic education, too, has its economic aspect. As long as serious theoretical debate about the value of Catholic schools continues, one very concrete effect is likely to be a decline in financial support by those who no longer regard the schools as essential-or even very important -to the mission of the Church. And of course this works in the other direction, too. If doubts about the worth of the schools tend to undermine financial support, problems in financing schools tend to feed

doubts about their value. When anything becomes as expensive as Catholic education is today, the normal human reaction is to take a step back and ask whether in fact it is worth all the blood, sweat and tears-and all those dollars.

The point to be made here is that the financial problems of Catholic education are not going to be solved in isolation from its other problems, just as the other problems are not to be isolated from the question of money. The financial problems of Catholic education can be dealt with only in connection with such matters as the composition of the teaching force and the equitable treatment of teachers, the setting of goals and priorities, and the control and policy-making structure.

CONCLUSION

From the outside, Northside Catholic Academy and Our Lady of Destiny look like any other Catholic schools in the country.

But from the inside Northside Catholic Academy and Our Lady of Destiny School look like exciting places to work and study. These, the visitor soon discovers, are not just typical inner-city or middle class suburban schools, battling to keep their heads above the swirling waves of ethnic tension and sociological change and still carry on the business of teaching. Rather, Northside Catholic Academy and Our Lady of Destiny are places where many of the good things that educators write about and speak of as "innovation" have become a living reality.

Northside Catholic Academy and Our Lady of Destiny are the results of efforts by a number of Catholic schools to consolidate or merge their resources, expenditures, personnel, etc. This cooperative arrangement permits a better use of faculty and facilities

and thus makes for better education. The student population of Northside Catholic Academy is mixed - white, Puerto Rican and black. The children are mostly lower middle class. With all their handicaps, they have found in Northside Catholic Academy a place where learning is not a dull or painful chore but a zestful challenge and a means of self-fulfillment. The children from Our Lady of Destiny are from middle to lower middle income families. The ethnic make-up consists of Polish, Irish, Italian, and Hispanic Catholics, many of whom have moved from the city.

Northside Catholic Academy and Our Lady of Destiny are Catholic schools. But are a far cry from the old stereotype, the parochial school where rigid discipline and rote were taken for granted. In fact, Northside Catholic Academy and Our Lady of Destiny are not parish schools at all, but are independently recognized and functioning as Catholic regional schools: that is, they accept students from the surrounding neighborhood, often without regard for their religious affiliation, and are thus obliged to be responsive to the entire community. The sisters and lay teachers who staff Northside Catholic Academy and Our Lady of Destiny are conscious of doing something new and creative, and a spirit of excitement and adventure has infected both faculties. Their members are firmly committed to the idea of Catholic education, but not to the time-honored mold in which it has been cast.

A few years ago the parishes that make up Northside Catholic Academy and Our Lady of Destiny had a decision to make. The white Catholic population around Northside Catholic Academy that had built and maintained the schools had largely moved away. A new population, black, Puerto Rican and lower middle class, had taken their

place. The schools could struggle to go on as they were, "parish" institutions that served a diminishing clientele. Or they could deliberately choose for themselves an experimental role - one based on a communal organization and educational innovation - and thus hope to have meaning for the future. These parishes, as did those that now make up Our Lady of Destiny, opted for the latter approach, and this study has shown that the results are not only gratifying for those schools involved in this experiment, but can be used as a model to preserve the economic integrity of Catholic education in general and specifically in the Archdiocese of Chicago.

Although Catholic education everywhere is undergoing change, the motive force behind that change varies widely from place to place. In some places, change has come as a result of effective planning; an example is the move toward setting up lay boards of trustees in Catholic colleges. In others, change is occurring as the panic-stricken response to more or less unanticipated pressures, and has meant the precipitous dropping of grades and the closing of schools in some dioceses. In still other instances, thought and planning have preceded change, but it is possible that many important consequences of significant decisions have not been fully assessed-for example, the rapid growth of parish and diocesan lay boards of education.

Although change of many different kinds is taking place, the most conspicuous has been the decline during the last several years in the number of Catholic elementary and secondary schools and in the number of students in these schools.

Change, however, is not synonymous with decline. With proper planning and execution, Catholic education in the Archdiocese of Chicago can be strengthened and

deepened as a result of having to adjust to new times and situation. The danger is that change will come about without adequate preparation and coordination. Even when effective planning for change occurs in one sector of the Catholic educational system, it can be vitiated by ineffective planning-or none at all-in another. In organization, Catholic education is still rigidly segmented; there is an extremely high degree of separatism among individual parishes, and religious communities. This is true even though various sectors of the Catholic educational system are in fact becoming more highly interdependent . Bad planning by a particular religious community, for instance, can damage Catholic education at the secondary level and even higher-to say nothing of the immediate impact on public education at the same level. And lack of intelligent financial planning for Catholic education in one diocese can damage the relations of dioceses throughout an entire state with government officials who administer state and federal aid to education.

Also, since changes in Catholic education affect public education, public officials in a particular city or state must anticipate the future course of Catholic education in order to do their own planning intelligently. This is particularly true in the many urban areas where Catholic schools account for a large part of the total school enrollment. Intelligent planning for change in Catholic education will be a boon to public education and government; a chaotic lunging about as one or another aspect of crisis clamors for attention will be a disaster for all of American education.

The ferment in the Catholic Church as a whole extends to Catholic education. It seems clear that Catholic schools can no longer expect the blind loyalty that prevailed

in the not too distant past, at least among a majority of Catholics. It is also clear that many Catholic lay people are disturbed by what they regard as the present deficiencies of Catholic education: alleged academic weaknesses; too little emphasis on new theological trends in the Church-or too much emphasis on these same trends; too little emphasis on racial and social justice-or too much; too much old-fashioned discipline-or too much permissiveness; the fact that their children are as likely to be taught by lay teachers as by religious.

The attitudes of many of the clergy and religious have also shifted. Some pastors and other administrators are reluctant to assume the burden of fund-raising for parochial schools. Some sisters, who feel stifled in parochial schools, are looking-and moving-toward public education, the inner city, and other diversified forms of service.

As such shifts in attitudes toward Catholic education become more widespread, their effects will be felt in the composition of the Catholic school teaching force, in decisions to close existing schools or to consolidate efforts in the financial support of Catholic education by the Catholic public, and in other important areas.

Also, Catholic parents and Catholic school teachers are becoming increasingly restive under the procedures that have prevailed up to now. Both groups want a larger voice in educational decisions. And Catholic school superintendents seem to be undergoing their own crisis of identity. The superintendent is uncertain whether he is an ecclesiastical official or an educational one, or both (and if both, he is uncertain how to reconcile the two roles); he does not know whether he works for the bishop or the community or both (and again, if for both, how he is to reconcile the built-in tensions

of this situation).

It is certain that Catholic education is already very expensive and will, if it is maintained in anything like its present dimensions, become even more so in the future. This is certain to come about, if for no other reason, because of the increasing proportion of lay teachers in Catholic schools. The likelihood of greater militancy on the part of teachers' associations and unions only adds to the problem.

At the same time, the current means of financing Catholic education-i.e., by fixed charges for tuition and fees-are recognized as inadequate and essentially unjust, since the burden placed on low-income families is disproportionately heavy. The size and the composition of the Catholic school teaching force are changing dramatically. The current dropoff in priestly and religious vocations suggests, however, that the ratio of religious to lay teachers and administrators will continue to shift, and that in the future it will reflect itself in the diminished number of Catholic schools.

I hoped to show in this dissertation, what must be done if American Catholic schools are to continue to be a vital and effective force in the Church of Chicago and the nation. The problem is pervasive, the prospect is certainly worth the effort.

Of an almost endless list of problems and opportunities facing Catholic schools today, one in particular calls for extended discussion. The influence of ecclesiastical patterns-in particular, the traditional territorial parish-carried over from a bygone age.

Although in some places Catholic schools should certainly be parochial, there is today no reason to suppose that the entire Catholic educational enterprise (at least on the elementary level) should be organized on that basis. Continued insistence on the parish

as the natural unit for formal education, as well as for educational financing and administration, has already put a heavy strain on Catholic education and could very soon bring it to the breaking point.

If Catholic education and Catholic schools in America are to continue to serve the Church and society, then a radical change of attitude and of method is necessary. To some degree the change is already under way. Many have begun the work of reorganization and reorientation. This dissertation is not simply a vision of what might be done but a reflection of what is already happening. The steps now being taken in some places must, however, be taken in many others as well. Only thus can the change now occurring in Catholic education be ultimately a change for the better.

Especially in suburban parishes such as St. Mary and St. Stephen, many parishes are feeling competitive pressure; and academically good public schools are becoming more and more attractive to Catholic parents. The parishes know they have to raise tuition to hire lay teachers to take the nuns' places, and the rise in tuition will probably cause quite a few children to enroll in the public school. At the same time, other parishes in the area have become aware that the schools of other neighboring parishes are facing similar problems. Will they go it alone (the customary procedure up to now), and either struggle to maintain the eight-grade parochial school or else make some such unilateral (and probably ill-advised) adjustment as dropping the first two grades from the school? Or will the parish look beyond its borders and arrive at a cooperative arrangement with its sister parishes? Under such a program, the first four grades might be taught in one parish, the second four in another, and the educational plant of the third

be used to house a center for children and adults, conducted by a lay and religious faculty drawn from all three parishes.

If a plan is to command the support needed for success, it should not be made unilaterally by a single authority, but should grow out of consultation and policy formation involving all those who will be affected by the eventual decisions, including the clergy, the sisters, the Catholic laity and, most likely, representatives of the non-Catholic community.

To set up a structure for this collegial process of arriving at a decision is not an easy matter, simply because this is not the way things have been done in Catholic education up to now.

In another time and place, this might be an advantage; even today, within limits, it is not a bad thing. Diversity has value, in Catholic education as in other fields, and a multiplicity of attitudes and ideas has much to recommend it. Any plea for unification, cooperation and coordination in Catholic education should go hand in hand with a second plea for flexibility and openness to alternatives.

Nevertheless, the present situation in the Catholic schools goes dangerously beyond the point of fruitful diversity, extending, at least in some places, to inefficiency and near chaos. Anyone surveying the Catholic educational scene today finds confusion, conflict, imbalance and even, it can at least be argued, inequity in the distribution of human and material resources. This being so, Catholics must stop congratulating themselves on the diversity of their educational institutions and begin to seek ways of planning and acting jointly with other Catholic institutions.

This is not to suggest that problems can be solved by a simple rearrangement on the organizational chart. One thing is certain, however: the problems are not going to be solved without reorganization. Old structures for policy-making and for action are no longer adequate. In the next few years crucial decisions are going to be made about the future of Catholic education, decisions that in all likelihood will establish the patterns that are to prevail for decades to come. An efficient policy-making machinery is essential if these decisions are to be made wisely.

Possibly the most crucial task now facing Catholic education is that of establishing priorities. Almost everyone agrees that it would be wonderful if there were enough money, teachers, buildings and equipment to cover every possible contingency, from pre-school education to Church-sponsored special courses for the elderly. But that is not the way things are. Catholic education in many places is in a state of acute financial crisis; the supply of teachers is barely adequate to current needs; the expense of constructing, equipping and maintaining schools in the manner called for by modern education is soaring.

Moreover, just at a time when human and material resources seem to be caught in an ever tightening squeeze, Catholic educators have become conscious of pressing new responsibilities. Catholic education can no longer be considered synonymous with the parochial school. A new public stands in need of what Catholic education can offer.

Up until now there has been little effort to mesh the educational efforts of different parishes within the same diocese. In education, as in many other programs under Church auspices, each parish operates largely on its own. It raises its own money,

sets its own priorities, hires its own teachers, runs its own school. On the elementary level, its school offers a complete program from the first through the eighth grade. Its CCD unit is autonomous. Little or nothing is done by way of cooperation with neighboring parishes. The possibility that several parishes might share money, personnel and facilities-as by having the first four grades in one parish school and a "middle" school of grades five through eight in another-lies unexplored, even though doing so will save resources and at the same time make for better education.

In addition to the areas cited above, it is, for instance, vastly important for financial planning to know (or at least make an intelligent guess) about whether in, say, the year 2000, laymen will constitute 60 per cent, 70 per cent or 90 per cent of the teaching force in Catholic elementary and secondary schools. It is also important to know whether religious teachers will be concentrated in certain congregations and certain sections of the country, and, if so, in which ones.

A variety of innovations-which for convenience may be lumped under the catch-all term "structures" will have to be introduced into Catholic education. These include programs for sharing facilities and services; teaching by educational technology; pre-school and adult education; non-school religious education (as, for example, in catechetical centers, ecumenical or otherwise); special programs for disadvantaged children and adults; and instructional methods such as team teaching and individual instruction.

The long-range implications of these structures for Catholic education have yet to be assessed. What impact, for instance, will educational technology have on the

Catholic education of the future? How do home learning centers fit into the pattern of Catholic education? Again, if there were to be a major thrust by Catholic education into the inner city, what special training and retraining of Catholic school teachers would be necessary? Would the existing physical plant of inner-city Catholic parishes be adequate, or would substantial new facilities be needed? What inner-city programs that have proved themselves in practice can become models for Catholic educators?

Questions can be asked about all of the other "structures" mentioned above. Unless they are asked and answered, there is a real danger that at some point in the future Catholic education may find itself irrevocably committed to programs and facilities that no longer correspond to educational needs and opportunities.

I do not pretend to have answers to all of these questions. My aim is, rather, to suggest certain attitudes and procedures-ways of looking at things and of doing things-that will be essential if the answers are to be used wisely in making decisions about Catholic education. One theme in particular will recur in what follows: the necessity of opening up Catholic schools to cooperation with other Catholic schools is the need for a new, community-orientated structure. While maintaining the imperative requirement-that Catholic schools keep the emphasis on excellence, both academic and apostolic, in whatever they do.

Let there be no doubt about the matter: I sincerely believe that Catholic schools do have a role to play in American society and in the Catholic Church. This role seems to me indispensable, but it can no longer be taken for granted. Just as historic changes have occurred-and at an accelerating rate-in the Catholic Church and American society

during recent years, so the special function of Catholic schools in Church and society has changed and needs now to be redefined.

The Catholic school system in the United States was therefore established in response to what Catholic leadership viewed as a crisis. As wave upon wave of Catholic immigrants arrived from Ireland, Germany and other countries, the Church in America faced the desperate challenge of providing for their religious needs-and in particular for the religious education of their children. The predominantly immigrant and working-class Catholic group had little choice but to put their youngsters into the public schools where, from a Catholic point of view, the religious atmosphere was often intolerable. Leakage from the Church was serious. Hundreds of thousands of Catholic children were growing up in almost complete ignorance of their heritage of faith.

Were Catholic schools the appropriate response to this situation? The question is almost frivolous. The leaders and people of the American Church in the nineteenth century were faced with the staggering challenge of keeping the faith alive within a hard-pressed immigrant group surrounded by a suspicious and hostile majority. The only reasonable criterion by which to judge this effort is its success in meeting the need of the time, and the only realistic judgment is that it was a success indeed. The size and vigor of the Church in America today-for all its easily-enumerated faults and failings and weaknesses-bear this out.

Paradoxically, however, the relative success of the Church in America is a cause, or at least a condition, of the problems Catholic schools now face. When an institution or a group is under siege, there is little disposition on anyone's part to engage in self-

examination and self-criticism. "Rally round the flag" is the only meaningful motto, just as it is the almost universal response. But the Catholic Church in America has today emerged from its long state of siege, and in the new atmosphere of acceptance it has found the emotional and intellectual resources for a searching re-examination of its goals and programs, including those encompassed by Catholic education.

Catholic schools today clearly cannot afford to adopt a policy of unbending rigidity and resistance to change. Even supposing they could survive by doing so they would be remiss in their duty. The critics of Catholic schools are quite right in drawing attention to an imbalance in allocating Church resources for education. The solution, however, does not lie in closing down the schools and thus dissipating the resources, but rather in opening them up, making them dynamic centers of Christian education with the aim of serving the total community. It would, in my estimation, be a calamity for Catholic schools if either the defenders of the institutional status quo or the advocates of institutional demolition had their way.

Although the school is expected generally to be all things to all men, that expectation is strongest in regard to religious education. Catholic parents have traditionally sent their children to Catholic schools on the assumption that they would there learn what it meant to be a Catholic.

If the ideal of "integrating" religion into the Catholic school program means anything, it should mean this vision of the Christian community underlying every aspect of Catholic education. The school is a place where the child not only learns about, but learns to live, Christianity. Here, in embryo, is the central justification for the sacrifice

and hardship that go into building and sustaining Catholic schools. For although the reality of the People of God can surely be seen and lived elsewhere, it is just as surely essential that it be seen and experienced within the school, which consumes so much of the time and emotional energy of young people at a crucial period of their growth.¹²

NOTES

1. Most of the information in subsequent paragraphs were compiled from the annual parish reports and correspondence at AAC.
2. James W. Sanders, The Education of an Urban Minority: Catholics in Chicago, 1833-1965 (New York: Oxford University Press, 1977), 91-179.
3. Most of the information in subsequent paragraphs were compiled from the annual parish reports and correspondence at AAC.
4. James W. Sanders, The Education of an Urban Minority: Catholics in Chicago, 1833-1965 (New York: Oxford University Press, 1977), 91-179.
5. Robert Wiebe, A Search for Order (New York: Hill and Wang, 1967). This point is further explained in "Cardinal Mundelein of Chicago: A 'Consolidating Bishop,'" and in David J. Alvarez (ed.), An American Church (Moraga, Calif.: St. Mary's College of California, 1979), 63-72.
6. Sacred Congregation for Catholic Education, "Catholic Schools (Malgre les declarations)" #64, in Austin Flannery, ed., Vatican Council II: The Conciliar and Postconciliar Documents, 2 vols. (Northport, N.Y.: Costello, 1982), Vol. 2, 620.
7. Guilbert C. Hentschke, "Assessing the Impact of Enrollment Decline on Operating Costs," Educational Economics (May-June 1977):10-14.
8. Mr. James Rojek, Controller, Archdiocese of Chicago, interview by author, 12 June 1995, Chicago, tape recording, Pastoral Center, Archdiocese of Chicago, Chicago.
9. Mr. James Rojek, Controller, Archdiocese of Chicago, interview by author, 12 June 1995, Chicago, tape recording, Pastoral Center, Archdiocese of Chicago, Chicago.
10. For example, a 1985 study found that more than 65 percent of the country's Catholic school systems lack written long-range development plans. The study, by William J. Amoriell and Joseph Procaccini of Loyola College, Baltimore, surveyed 197 Catholic-school superintendents (95 of whom responded), and interviewed over 50 school superintendents, principals, and development officers. ("Education Week", September 1985, 5.)

11. John Goodlad, A Place Called School: Prospects for the Future (New York: McGraw-Hill, 1984), 48.
12. Pope John Paul II, "What Is The Value of Catholic Education" (address to a group of U.S. bishops on October 28, 1983, during their ad limina visit to the Vatican); Origins, Vol.13 no. 23 (November 1983): 390.

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VITA

Dennis M. Composto was born in Chicago, Illinois, July 3, 1940. He received his elementary education from Immaculate Conception School in Chicago and his secondary education from St. Michael Central High and Quigley Seminary in Chicago. After graduating from Quigley Seminary in June, 1960, he attended Saint Mary of the Lake Seminary in Mundelein, Illinois and completed three semesters of a four-year program in Philosophy. In 1979 he received a Bachelor of Arts in Political Science, with minors in Accounting, history, philosophy and classical studies from Loyola University.

In 1986, he completed course work for the degree of Master of Arts in Public Administration from Northeastern Illinois University.

In 1990, he completed enough course work for a Bachelor of Arts equivalency in Spanish, also from Loyola University.

Finally, in 1991, he completed course work for the degree of Masters of Education from Loyola University, School of Education.

From 1980-1983, he taught social studies, political science, history and pre-philosophy at Quigley Seminary in Chicago.

From 1986-1990, he taught Spanish I, II, III; Latin I, II, and French I as a part-time instructor at Metropolitan Prep in Chicago.

He currently holds the administrative positions of Comptroller, Financial Aid Director, Work-Study Director, Business Manager and Bursar at St. Joseph Seminary

(formerly Niles College) at Loyola University.

In addition, the author has taught courses in political science, public policy, constitutional law, philosophy of education, political thought, socio-legal studies and ethics at St. Joseph/Niles College.

The author has two sons, Dennis V. and Steven J. He and his wife, Marie, reside in the Sauganash area of Chicago.

APPROVAL SHEET

This dissertation submitted by Dennis M. Composto has been read and approved by the following committee:

L. Arthur Safer, Ph.D., Director
Associate Professor, Educational
Leadership and Policy Studies
Loyola University Chicago

Philip M. Carlin, Ed.D.
Associate Professor, Educational
Leadership and Policy Studies
Loyola University Chicago

Robert C. Cienkus, Ph.D.
Associate Professor, Curriculum,
Instruction, and Educational Psychology
Loyola University Chicago

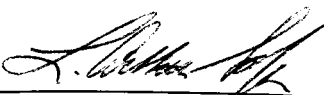
James P. Keleher, Me.D., S.T.D., D.D.
Archbishop, Kansas City, Kansas

Jerome E. ListECKI, S.T.L., J.C.D., J.D., Ph.D.
Professor, Canon Law and Moral Theology
University of St. Mary of the Lake

The final copies have been examined by the director of the dissertation and the signature which appears below verifies the fact that any necessary changes have been incorporated and that the dissertation is now given final approval by the committee with reference to content and form.

The dissertation is, therefore, accepted in partial fulfillment of the requirements for the degree of Doctor of Philosophy.

April 8, 1996
Date



Director's Signature