

SCHOOLS

Regionalization Strengthens Vibrant, Christ-Centered Schools

A bold initiative to revitalize Catholic elementary schools in the Archdiocese of New York has now been fully implemented.

Catholic elementary schools in the Archdiocese of New York are robust centers of academic excellence in a faith-filled environment.

In 2012-2013, regionalization brought together Catholic elementary schools into nine newly-defined geographic regions. The bold strategic initiative originated in *Pathways to Excellence*, and was fully realized as 92 schools across the archdiocese transitioned from the traditional parish-based model of governance and finance.

Regionalization ensures that every parish, regardless of whether or not it has a school, is responsible for, contributes to, and has a voice in Catholic education in the archdiocese. An essential component of regionalization is reinvestment, which includes reallocating current resources back into Catholic education while identifying and securing additional funding.

Regionalization moved certain functions from individual schools to regional business offices, including finance, accounting, human resources, marketing, and instructional services. The immediate result, seen on the first-ever audited financial statement on the facing page, is a sustainable school system poised to educate children today and into the future. For the first time in many years, no schools closed.

All schools benefit from the archdiocesan commitment to academic rigor and faith formation. Regional schools benefit from a broader base of financial support, professional services, and the leadership of a regional board of trustees. Thirty-seven parish-based and private schools retain their local leadership and six schools in the Partnership for Inner City Education network collaborate with the archdiocese under a unique managerial and financial model. All demonstrate a strong and varied school system that is responding to both challenges and opportunities.

In the past year, the archdiocesan schools focused on raising academic standards. Principal candidates received mentoring through the two-year Curran Principal Academy as they completed advanced degrees. Professional development and comprehensive training were provided for teachers. Regional instruction specialists worked with teachers in all of the schools to develop curriculum initiatives and integrate technology more fully into classrooms.

Catholic schools have long introduced children to education through pre-kindergarten programs, and archdiocesan schools have participated in Universal Pre-Kindergarten programs in New York City for more than ten years. As demand for quality early childhood programs continued to rise in all regions of the archdiocese, Catholic schools led the way by welcoming more than 3,200 four-year-olds into Universal Pre-K programs. There are now almost 8,000 children enrolled in Pre-K3, Pre-K4, and free Universal Pre-K programs throughout the archdiocese.

Catholic identity is infused in all of the instruction in our schools. This year, the archdiocese spearheaded "The Catholicism Project," a custom multimedia resource for sixth to eleventh graders based on Father Robert Barron's acclaimed *Catholicism* video series. Teachers participate in a Catechist Formation Program and attend professional development days devoted to religion. Throughout the school system, scores on the annual religion tests continued to rise as a virtue-based curriculum infused faith into all areas of instruction.

The Superintendent of Schools Office expanded its marketing and enrollment strategies with an enhanced website, www.BuildBoldFutures.org, new customer relationship software, and a 24/7 bilingual call center, 646-794-2885. Since September 2013, more than 3,000 enrollments and \$12,000,000 in new tuitions have been documented through these core programs that benefit regional and parish-

Continued on page 20



PARISH/PRIVATE/PARTNERSHIP ELEMENTARY SCHOOLS

REVENUES	
Tuition, fees, cafeteria, and other	71%
Archdiocesan support	1%
Parish support	3%
Scholarships, grants, patrons, and development	12%
Fundraising	5%
Governmental and NYS mandated services	5%
Investment income and restricted and extraordinary donations	2%
Rental income and domicile receipts	1%
TOTAL REVENUES: \$114,051,507	100%

EXPENSES	
Lay personnel costs	73%
Religious personnel costs	2%
Repairs, maintenance, and other plant costs	7%
Utilities	5%
Technology, classroom, and instructional materials	5%
Office and accounting services and miscellaneous service contracts	3%
Consumables, student activities, and outreach	4%
Fundraising costs	1%
TOTAL EXPENSES: \$109,422,166	100%

THE GLOBAL REGIONAL SCHOOL SYSTEM

CONDENSED BALANCE SHEET

	2014
Assets:	
Cash and investments	\$12,879,017
Loans and accounts receivable, principally from parishes and other affiliates, net	13,729,606
Other assets	185,976
Fixed assets	1,084,335
Total assets	\$27,878,934
Liabilities:	
Accounts payable and other liabilities	6,452,024
Deferred revenue	17,190,796
Loans payable to affiliated entities	538,577
Total liabilities	\$24,181,397
Net assets:	
Expendable (unrestricted and temporarily restricted)	448,651
Non-expendable (investment in fixed assets and permanently restricted)	3,248,886
Total net assets	\$3,697,537
Total liabilities and net assets	\$27,878,934

CONDENSED STATEMENT OF ACTIVITIES

	2014
Change in unrestricted net assets:	
Operating revenues:	
Tuition and fees	\$114,981,336
Contributions, including contributed services	13,139,990
Government grants and contracts	8,399,380
Investment income	7,549
Other revenues	1,024,372
Net assets released from restrictions for operations	1,333,970
Total operating revenues	\$138,886,597
Operating Expenses:	
Education	150,562,245
Administration	10,135,918
Fundraising	4,587,520
Total operating expenses	\$165,285,683
Decrease in net assets from operating activities	(26,399,086)
Nonoperating Activities:	
Net assets released from restrictions for capital projects	544,667
Support from the archdiocese, principally from cathedraticum grant	7,767,311
Support from parishes	10,763,479
Transfers from former parish schools	1,212,771
Decrease in unrestricted net assets before stabilization fund	(6,110,858)
Support from the archdiocese - stabilization fund	6,110,858
Increase in unrestricted net assets	-
Change in temporarily restricted net assets:	
Contributions and grants	2,466,328
Investment return	355,239
Restricted transfers from former parish schools	2,754,607
Net assets released from restrictions	(1,878,637)
Increase in temporarily restricted net assets	3,697,537
Increase in net assets	3,697,537
Net assets at beginning of year	-
Net assets at end of year	\$3,697,537

The Global Regional School System (GRSS) of the Department of Education for the Archdiocese of New York, which began operations effective September 1, 2013, is comprised of 92 elementary schools in the following nine Catholic school regions: Manhattan, Staten Island, Dutchess, Central Westchester, Northern Westchester/Putnam, Northeast/East Bronx, Northwest/South Bronx, Ulster/Orange/Sullivan, and Rockland. GRSS was created to address the financial viability of certain elementary schools which were previously operated by archdiocesan parishes. Total enrollment of GRSS schools in 2013-2014 was approximately 25,700 students, with 92 principals and 1,020 teachers.

In addition to scholarships and contributions of income received from the rental of previously closed parish school properties, the archdiocese also provided support to cover the GRSS \$26.4 million operating deficit. The deficit was primarily funded through archdiocesan support totaling \$13.9 million. Parishes also paid \$10.8 million of school support assessments to GRSS. Temporarily restricted assets of \$3.7 million at August 31, 2014 consisted primarily of funds reserved for capital improvements and repairs.

SCHOOLS



Continued from page 18

based schools alike, at no cost to individual schools or regions.

Regionalization has helped parents overcome financial hurdles to secure the Catholic education they desire for their children. The archdiocese bolstered its efforts to provide more scholarship opportunities through new and existing scholarship programs. Regional scholarships, the Madrinas Scholarship Program, the Catholic Alumni Partnership, the Cardinal's Scholarship, and the long-established Inner City Scholarship Fund provide scholarships for more than 7,500 students annually.

Schools also rely on parishes, the archdiocese, and grants to make up the shortfall between tuition collections and the actual cost of operating the schools. While regionalization has spread the responsibility throughout all parishes, the archdiocese continues to provide financial assistance to maintain high quality education.

Catholic school systems across the country have looked to the archdiocese as a successful model of 21st century Catholic education.

With a tenacious commitment to educating young people in the faith, our Catholic schools have retained their academic preeminence in a period of significant change. Regionalization re-configured the structure and strengthened the archdiocese's ability to fulfill its education mission for a new generation.