Dear Members of the Board of Trustees,

As we move to the end of the fall 2014 semester, we also preparing for the December Board meeting. The meeting begins with our Board luncheon on Thursday, December 4 at noon.

While I hope that everyone will have the opportunity to look at the material for your committees and the meeting, I want to highlight two topics which are, in a way, interrelated.

The first is that at the December meeting it is our tradition to make our recommendations for the budget assumptions for next year (2015-16). We do this now because this action will set our tuition for next year which is an important question in recruiting next year’s students. At this meeting, we will present our recommendations for the budget assumptions (tuition and fee rates, room and board rates, and salary pool) for next year. Later, at the May meeting, we will present a more finely tuned budget in terms of revenues and expense projections. Our budget is developed through a process of “shared governance” which is an important term of art in higher education and our development of the budget is a good example of the term. The University Budget Committee makes its recommendations to me. I review and evaluate what is sent to me and then make my recommendations to the Board. Often my recommendations reflect what is sent to me. But on several occasions, I have modified those recommendations before making my recommendations to the Board.

Last year, in light of the enrollment shortfall we had experienced, in Fall ’13, the discussion of these normally routine topics were quite contentious at that Board meeting and the Board made a decision to hold tuition steady at that time. That decision has been challenging for us, financially this year, but we are managing through it. This year, after reviewing the work of the University Budget Committee along with the work that Roberta has done on enrollment, I am recommending to you an increase of 2%. The 2% increase in tuition and the athletics fee increase were discussed thoroughly. The UBC sought the counsel of the enrollment consultants, Scannell & Kurz, to identify Loyola’s comparative costs as illustrated in the attached schedules. As noted by the attached comparative tuition and fees, which is found in the Finance Report, Loyola’s competitive position will remain steady with the modest tuition and fee increase.
I do think it is important to recall, for the Board, that for almost every university, that our listed tuition is our “sticker” price. Less than 10% of the student body pays the full sticker price. Institutional merit, talent, and need-based aid make Loyola an affordable option for students of all backgrounds.

Also, after talking with the Executive Committee, I would like to begin a conversation, at this meeting, with the Board about a new publication, included in your meeting material, by the Association of Governing Boards. The publication is the *Top 10 Strategic Issues of Board 2013-2014* by AGB Press. I proposed to the Executive Committee that this booklet can be a good guide to us, as a Board, as we make decisions for Loyola. As many of you know it has been our custom to use our March meeting as a retreat and not meet in our normal format but to focus on a set of questions or issues that need deeper conversation. For a March retreat we will use this booklet as a guide. However, to get our conversations started, we will use the Discussion session of our full Board meeting on Friday to look at the topic of “Market and Mission.” I will lead that discussion along with our vice presidents and some faculty members.

On Thursday evening, the *1912 Society Dinner* will be held at the Roosevelt Hotel. This dinner is an opportunity to honor our donors who have so generously supported the university’s mission throughout the year as well as bestow the *Integritas Vitae* award, one of the university’s highest honors, on Maria Ribando Burmaster, D.D.S.

I hope this letter finds you well. Best wishes for a Happy Thanksgiving. I look forward to seeing you in December.

With prayers and best wishes,

Kevin Wm. Wildes, S.J.  
President  

20 November 2014