TO: DeSales University Family
FROM: Fr. Bernie O’Connor, OSFS
RE: Annual Report and Administrators’ Objectives
DATE: August 31, 2013

Each year I send out both the Annual Report and the Administrators’ Objectives on August 1. (No doubt you were looking for them.) However, I was on a cruise to Alaska during the middle of July celebrating my fortieth anniversary of ordination with two of my priest classmates. (I know that you will be forgiving.) The documents are now being distributed on September 1. You will see in the “Preamble” to the Annual Report that the economic sector of America called “higher education” is under many stressors at the present time. One of the big rating firms that provides investors with information about good prospects has downgraded the entire higher education section from stable to negative as an investment option.

The Association of Governing Boards, our own national gathering for Boards of Trustees, has provided colleges and universities in the nation with a “White Paper” outlining their concerns about the financial health of all our schools. As you can imagine, there are many institutions that are very strong financially. But there are also a significant number that are clearly under great stress. We are very fortunate because we have a board and an administration that is very conservative concerning financial matters. In my memory, we have never had a deficit budget. Our endowments are growing nicely. Our physical plant is modern, carefully maintained, and very functional. Our enrollments are strong, but not growing.

This is the one item that we must address. Our primary source of revenue is the undergraduate day tuition. Day tuition revenues provide approximately 65% of our money each year. Here are the numbers for the traditional day FTEs beginning in fall 2004: 1548 (04); 1462 (05); 1451 (06); 1458 (07); 1552 (08); 1486 (09); 1555 (10); 1576 (11); 1602 (12). For almost 10 years we have been going back and forth between 1400 and 1600 students. When a student body is not growing, all new money for academic programs, faculty, etc. must come from the percentage of tuition increase as opposed to a combination of both tuition increase and student body increase.

We must refocus our attention upon enrollment enhancement and retention. We need to establish a new ground floor at 1800. The Rev. Daniel G. Gambet, OSFS, Center for Business and Healthcare is certainly meant to help us with this. And we have marvelous other opportunities. This must be a clear enrollment goal for the new Strategic Plan: 2015-2020. We must become very imaginative and find new ways to attract and retain our wonderful students. You will see this refrain woven throughout this year’s Annual Report.

Enjoy.

Fr. Bernie F. O’Connor, OSFS