

Faculty Town Hall – Opportunities and Challenges Ahead of Us

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The Opportunities and Challenges Ahead for SLU

SLU is not immune to the disruptions facing higher education, but over the next three years we have a great opportunity to address the challenges we face.

- We have fundamental challenges that must be addressed.
- Our Board of Trustees has provided us resources from the endowment so that we have the time to be strategic in our planning.
- We must set up SLU for long-term success.

The disruptions contributing to our position should be familiar:

- Fast-changing demographics
- The willingness/ability of families to pay our tuition (even after scholarship/discount)
- Public confidence in higher education

Many other high-profile institutions are facing the same challenges as SLU.

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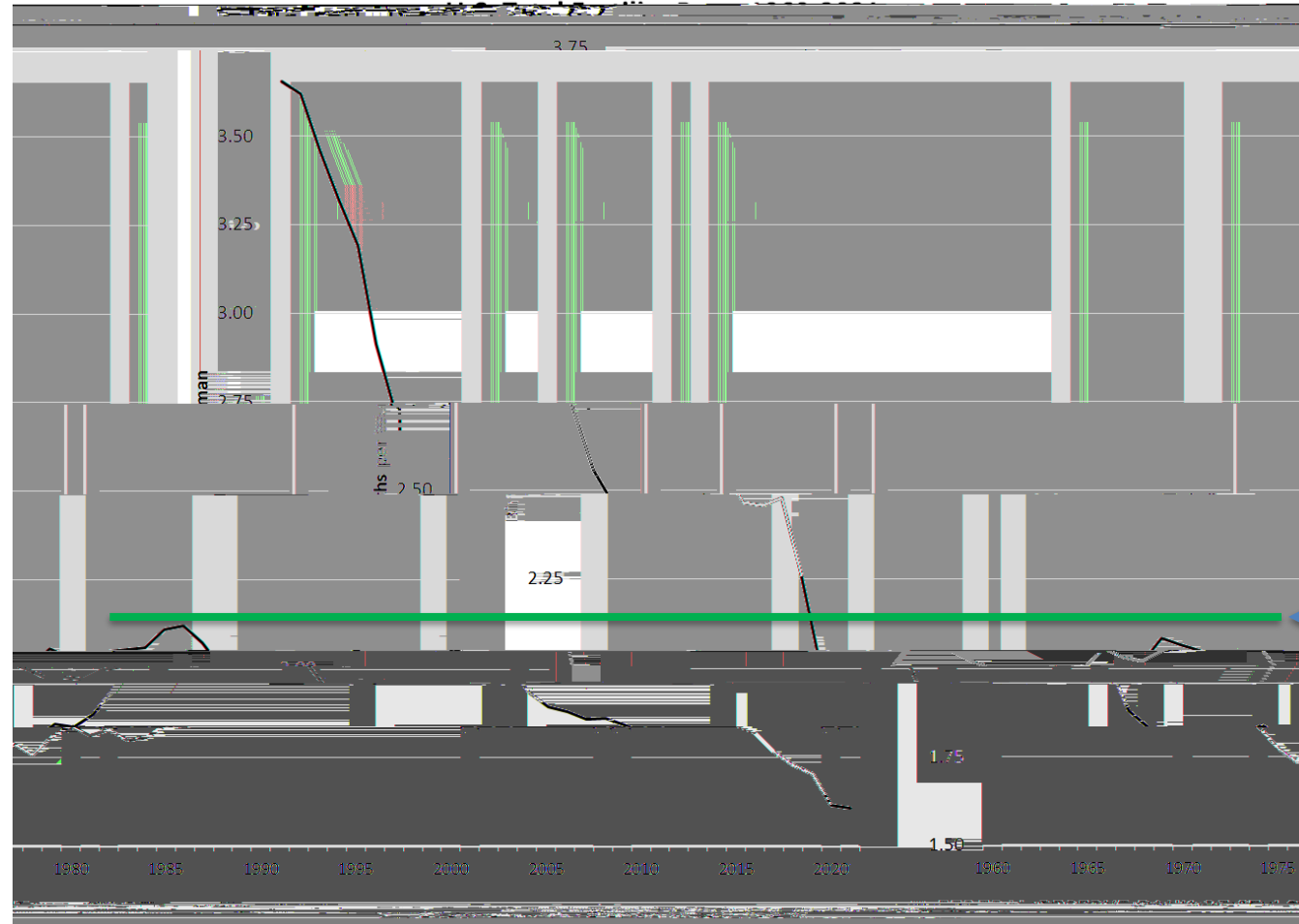
Our Enrollment Growth is Strong, Yet Masks Issues

Our enrollment growth – and net tuition revenue (NTR) growth – has been critical and mitigated our challenges.

- Since Fall of 2020 our total enrollment has grown from 12,281 to 15,334 this year (tentative census number). This is our all-time high enrollment.
- Our graduate enrollment is at an all-time high, and our undergraduate is the highest it has been in over a decade.
- Our NTR has grown by over \$30M from the 2020/2021 to 2023/2024 academic years, and it will increase again this year.
- Our expense growth, in part driven by investments in faculty and staff compensation, has outpaced our revenue growth.



Challenges Facing Higher Education - Demographics

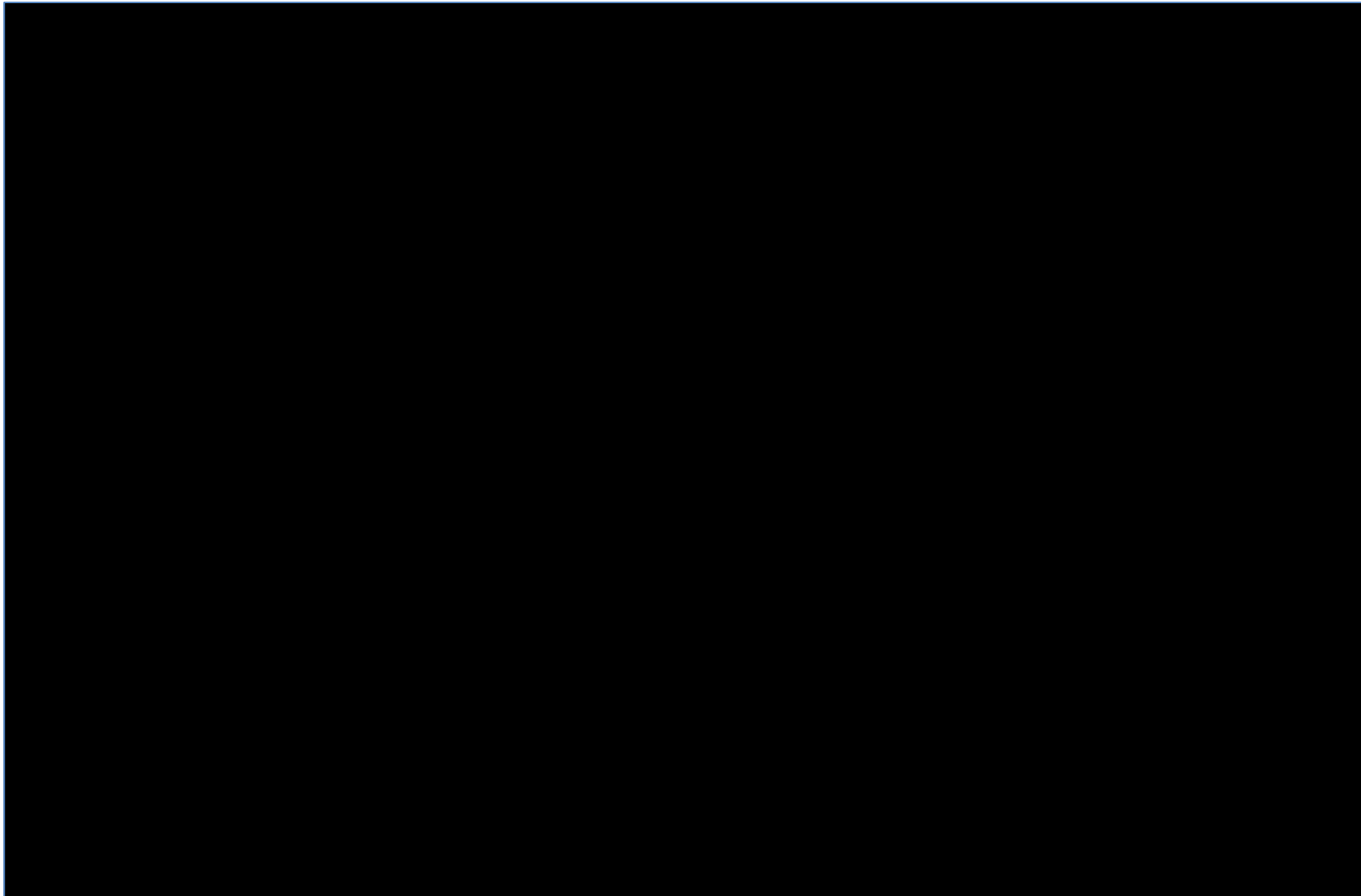


2008 US
birth rate = 2.1

At the time of the 2008 great recession, the US birth rate was 2.1. Since 2008 there has been a quick decline, and the birth rate has fallen to below 1.7. The downward trend is projected to continue.



Challenges Facing Higher Education – Net Tuition Revenue



Source:



Challenges Facing Higher Education – Public Trust



The public trust in higher education continues to fall among all groups. Even among those with a College degree!

SLU Has Company



SLU Has Company

The University of Arizona will reduce its expense budget by \$110M in FY25.

Penn State University will reduce its expense budget by \$94M in FY26.

The University of Connecticut is proposing a 15% reduction in their expense budget over the next five years



How Should SLU Respond to the Societal Changes?

What should our optimal institutional size be? Scope and distribution of academic programs? Are our resources appropriately allocated to support this?

How do we sustain our research and scholarly profile? And how do we continue to support the excellent teaching done by SLU faculty?

- Our research profile is a significant achievement.
- We must be an institution that rewards excellent teaching.

How can we grow revenue?

- We have had recent successes, and we have other opportunities.
- Our opportunities will require us to be more flexible, and at a greater pace.
- Everything we will do is already being done by other peer and aspirational institutions.
- We will not sacrifice our academic quality.



Questions / Comments

