This is the first in a series of “Occasional Papers” designed to keep you updated about important issues at Saint Leo University. While there is literally something exciting happening every day at Saint Leo, certain events and topics are significant enough that we want to share them with you and other key alumni and friends of the university.

This occasional paper recaps a talk given by Dr. Kirk to faculty and staff at the most recent University Community Day. It captures much of what is exciting about Saint Leo today and, I hope, gives you a bit more insight about why Saint Leo University is so special.

- David Ostrander
Vice President for University Advancement

It pleases me to report that academics and operations are in good shape at Saint Leo University, but I also want you to know that I am concerned about the many challenges we will face over the next several years. In my judgment, it has been a long time since Saint Leo faced challenges as daunting as the ones I see ahead.

I face these challenges with considerable optimism because of the good work we have done together. Our strategy to invent the private Catholic university of the 21st century has positioned us to meet the many challenges faced by the nation’s colleges and universities. More important though, is that we are now well positioned to meet those challenges that are unique to Saint Leo.

During my tenure as president, we have relied on our mission, values, and vision to guide us as we changed and developed Saint Leo. We practiced disciplined strategic planning, budgeting, and accountability. Mission, values, vision, strategic planning, and execution produced remarkable results and prepared us well to meet the new challenges that are coming our way. Not many colleges can boast that they are so well prepared.

In the past few years we have seen remarkable growth in the popularity of online education. In 2005, the number of U.S. students enrolled in at least one online course increased by 40 percent over the previous year—an additional 800,000 students. One in every six students took at least one online course and half of all students expressed interest in earning a degree online. Across the nation, students in the 35 to 55 year-old age range are the most likely group to pursue their education online.

Many schools similar to Saint Leo University in size, history, and organization still do not offer online-degree programs or individual courses. A recent Sloan Foundation study reported: “Those that are the least likely to offer online courses, and typically have the most negative opinions about online education in general, have been the small, private four-year institutions.” Ironically, the majority of these schools rely on adult students to make ends meet and adults are the most likely to seek online courses. At Saint Leo University, we embraced online learning nearly 10 years ago. As a result, we are stronger today and better prepared for the future.

In a new book, Earnings From Learning: The Rise of For-Profit Universities, David Breneman, dean of the Curry School of Education at the University of Virginia wrote: “Any college or university that does take part-time adult students seriously will find a for-profit competitor either present or potential.” Saint Leo University takes every student seriously. Our faculty and staff colleagues in the Continuing Education Division are passionate about educating, supporting, and serving our adult students. Breneman also wrote, “Most traditional institutions have lessons to learn from these new for-profit competitors, as the very success of these newer entities indicates that they are meeting needs that the traditional colleges and universities are not.”
Again I submit: Saint Leo University is better prepared for the challenges ahead because we are constantly learning. Our Central Processing Center (CPC) is an innovation we learned from the for-profit schools—and we use it to compete. The CPC is charged with ensuring a smooth, personal experience for each prospective student, from inquiry to enrollment. This is another example of how we are learning as we go, and that will position us well for the future.

We are larger than we were a year ago: 14,179 students enrolled in the fall semester 2006. That makes Saint Leo nine percent larger than it was last year and 99 percent larger than it was 10 years ago. Within that total is a record: we now have 1,536 University College students. Enrollment in University College is 11 percent greater than last year and 110 percent greater than 10 years ago. The Center for Online Learning (COL) and our graduate programs also grew to new record numbers, 4,463 and 1,260 respectively. As you know, without an endowment or a tradition of philanthropy, enrollment growth provides the resources that make all else possible.

This significant enrollment growth resulted in the addition of 16 full-time faculty positions among 44 total new full-time positions. In the past year the university has grown by 1,100 students, 44 full-time staff, and over $13 million in revenue. These numbers by themselves would constitute a good small college, so you can see our growth strategies have worked well. And I am pleased to report that our many new faculty and staff colleagues are adjusting well, thanks in large measure to all of you who extend our Saint Leo, Benedictine hospitality.

Over the next few years, we do not expect growth as significant as it has been in the past. As a consequence, we will need to be more disciplined, more strategic, and more conservative and vigilant in our spending. University Campus is near capacity. We have added nearly 700 beds in our residence halls since 2003, but we do not have sufficient capacity for anticipated 2008 fall enrollments. We are now carefully assessing our classroom, recreational, leisure, and parking capacities. New facilities, if any, must be built without borrowing—a big challenge for us.

In 2009, the nation’s 18 year-old-and-under population will reach a peak and then begin to decline. Shrinking markets and growing competition for students will influence any decisions to increase student capacity or build new facilities. Our University College undergraduate admissions counselors are capable of meeting demographic challenges—if we can add student capacity. Applications for the 2007-2008 academic year already exceed 2,000, a number that would have been remarkable for a full year’s applications not long ago.

We also face greater competition at our civilian regional education centers. Recently, another Florida community college applied to become a four-year school with programs in education and business. While growing overall, our regional center civilian enrollments are well below their record highs and competition for students is increasing.

Our military education centers also will struggle with increasing competition. A few years ago, only Saint Leo and five other schools offered degree programs to South Hampton Roads military students who were supported by the Armed Forces’ Tuition Assistance Program. Now we compete with more than 50 schools. And we will face the loss of several key military bases when they are closed over the next few years.

The greatest challenge to our enrollment growth will be in our Center for Online Learning (COL) programs. For close to ten years, we have depended on an outside e-learning provider for COL advertising, recruitment counseling, billing, course development, and learning-management technology. In return, the provider received a substantial portion of tuition-generated revenues. Our contract
expires in February 2008 and it will not be extended. In the long term, this provides us with great opportunities. In the short term, we face enormous challenges. We must create an online college for more than 4,500 students, including the development of 100 new online courses. This will take two years of intense effort.

We are committed to implementing our own student recruitment program and to providing quality academic support for our COL students. We expect to incur some substantial costs as we prepare. Simultaneously, we expect a dip in COL enrollments for a year or more as we develop and learn to manage this new paradigm. It will not be easy, but in the end the university will be better off.

We are not without the expertise needed to create a “new” Center for Online Learning. We developed the online MBA program only a few years ago, using our own staff and resources. This January, nearly 150 new students enrolled in the program. Our goal was 115 students which represented a 50 percent increase over last year. We are encouraged by our success, but realize that the scale and complexity of the COL program is four or five times greater.

We must also ensure that our new regional education centers have the resources they need to be successful. We anticipate that expenses for these new locations—two in the Atlanta area and several more in Florida—will exceed revenues for a year or longer. Adding these new centers is critical to our growth. We must find alternative ways to maintain enrollments in all our programs, and to ensure adequate budget resources. We expect strong revenue growth to return in the 2009–2010 academic year if we accomplish two major initiatives: bring COL in-house and develop new regional education centers.

The emergence of Criminal Justice as a flagship degree program prompted the Atlanta Police Department to offer us office space and classrooms at the Atlanta Police Training Academy. The quality of the Criminal Justice Program has positioned the university well in one of the most competitive education markets. In addition to our police academy location, we recently leased office park space in Gwinnett County. This rapidly growing county is located northeast of Atlanta. A stand-alone education center is an entirely new model for Saint Leo. I believe centers like this one are the next “right” step in fulfilling Saint Leo University’s mission of bringing values-based education into communities.

Another academic program that has begun attracting attention is our Master of Arts in Pastoral Studies (MAPS) program. This practitioner-based curriculum aims to expand the theological knowledge and ministerial skills of people involved in pastoral leadership and service to the Church. We initiated the program in the Diocese of Savannah several years ago and now offer classes in the Diocese of Orlando. Our home Diocese of Saint Petersburg recently signed up to partner with Saint Leo in offering this outstanding program.

While the Masters of Arts in Pastoral Studies program is one visible way we fulfill our Catholic mission, I would like to mention one less visible. We recently increased the minimum wage for all employees at Saint Leo University and established a salary-increase pool for those earning less than $35,000. Over the past several years we have made good progress increasing the salaries of all our employees to more equitable levels.

A new Master of Science in Instructional Design (MSID) program will be introduced for fall semester 2007. This new program will serve the professional development needs of individuals seeking career opportunities in corporate training, adult learning, and higher education. As MAPS reflects our mission, values, and commitment to being a Catholic institution, MSID reflects our strength, commitment, and expertise in advancing educational technologies.
While increasing enrollments remain integral to our progress, we have not neglected the need to raise additional funds. Our advancement department is now fully staffed with the best prepared, most cohesive group of professionals Saint Leo has ever had. Vice President David Ostrander and his team are focused on securing the final $2.5 million for the Student Community Center Campaign. Alumni giving is well ahead of where it was this time last year. However, we acknowledge that we must overcome significant challenges to accomplish our fund-raising objectives by the end of the calendar year.

Planning and execution have long been core strengths for Saint Leo. Mission, values, and vision form our foundation and guide us as we move forward. Saint Leo University has done exceptionally well. With the wisdom we have gained, the strengths that we have built, and the help of God, we will meet the formidable challenges we now face. And we will emerge as an even stronger institution.

John W. Gardner, in his book On Leadership, offered what is for me, the seminal comment on morale when he said: “At the heart of sustained morale and motivation lie two ingredients that appear somewhat contradictory: on one hand, positive attitudes toward the future, and on the other hand, recognition that life is not easy and nothing is ever finally safe.”

In my conference room hangs another quote, this one about one of the most important truths of planning: “In human affairs the logical future brought about by past and present conditions is less important than the willed future brought about by deliberate choices” (Dubois).

I concluded my first faculty address in 1997 by stating what I believed then and still believe today:

> Our special opportunity is that we can preserve and build this great jewel into that truly special Catholic college. Few have the opportunity to be part of something as meaningful and important as American higher education in the information and knowledge society. Fewer still are so fortunate to be part of a college of such potential to do well and to do good. This is our special challenge. Let us pledge together today to begin anew and not look back and not stop working until the job is done and Saint Leo’s value is clear to all, until Saint Leo College rivals the finest Catholic colleges and universities in the south.

We have not stopped working and our job is not done. Today we stand at a new threshold. Saint Leo University is all we envisioned back in 1997—and much more. New challenges and new opportunities still await us. If we could achieve all that we have from our weakened base 10 years ago, just imagine what we will accomplish with the same commitment, the same urgency, and the same discipline given our current strength and status. We will be tested, but I welcome the challenge of meeting those tests with all of you.

God bless.