



LOYOLA
UNIVERSITY
CHICAGO

PATRON



Editor's note:

This edition of the Annual Report marks the last issue of *Patron* magazine. Beginning in the spring, *Patron* readers will receive *Loyola Magazine*, which will be expanded to include the types of items previously featured in *Patron*, as well as types of items never before covered in either publication.

We believe you, our reader, will enjoy receiving the improved and expanded *Loyola Magazine*, and we look forward to your comments.

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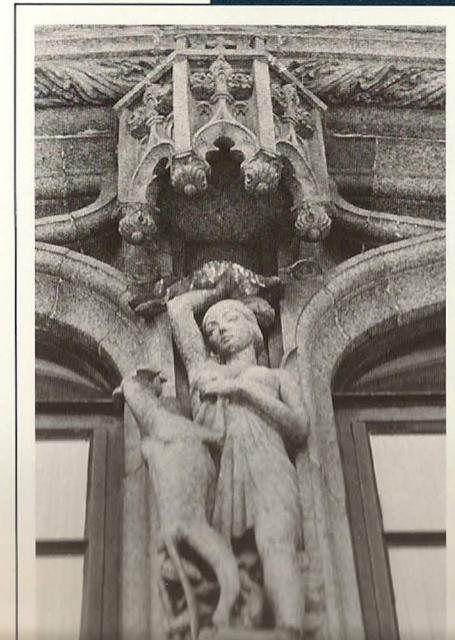
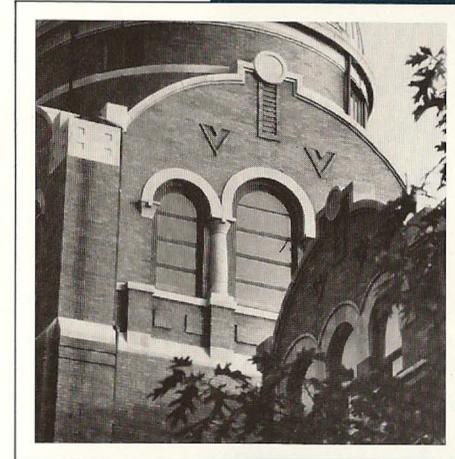
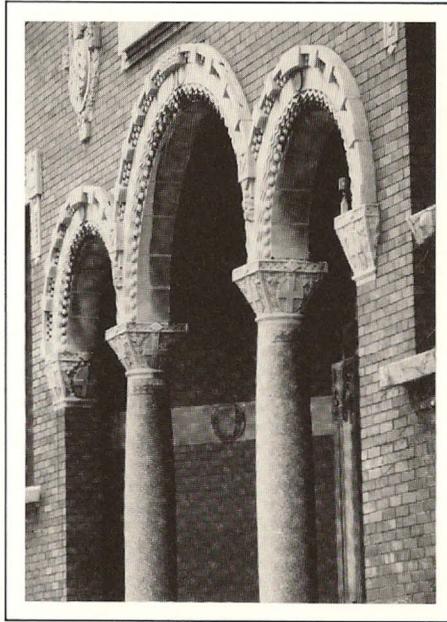
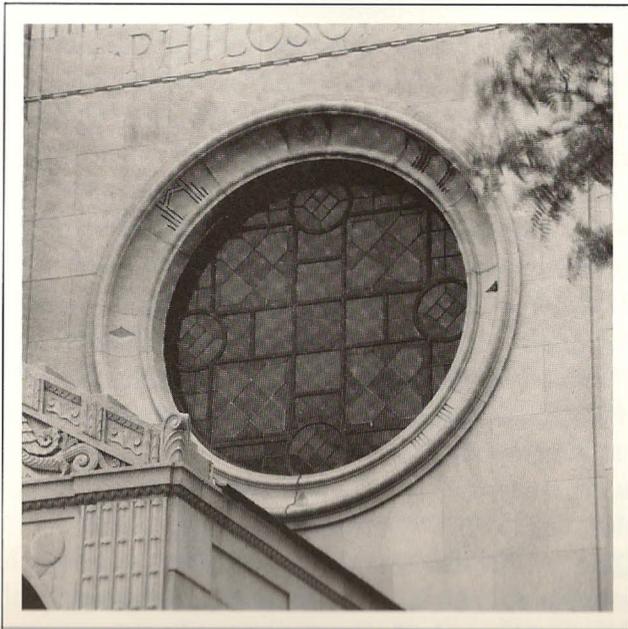
Loyola University Chicago
An equal opportunity educator and employer

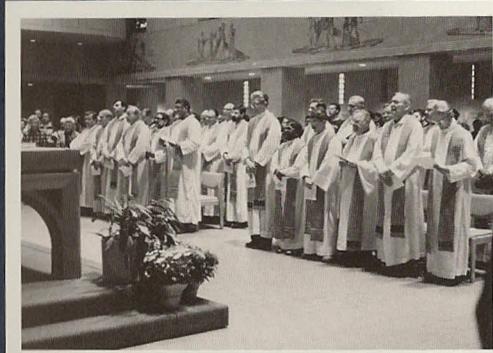


On the cover: A detail from the "The Adoration of the Magi;" Limoges enamel on copper with gilt; late 15th century. A gift of Mrs. Eugene Raymond to the Martin D'Arcy Gallery of Medieval, Renaissance, and Baroque Art on Loyola University's Lake Shore Campus. (Photo by Jean Clough, ASMP)

ANNUAL REPORT

From Loyola University Chicago President Raymond Baumhart, S.J.





Members of Loyola's Jesuit community gather to honor colleagues slain in El Salvador.



Ground is broken for the Living-Learning Center. Proudly overturning the first shovels of sand at the construction site are student resident Trinean Parker, Alderman David Orr, Executive Vice President Ronald Walker, President Baumhart,



The year 1989 was vital and full as we immersed ourselves in laying the foundations—both literal and figurative—for Loyola University Chicago in the 1990s. The groundwork has been completed for new academic programs, new physical expansions, and enhancements in our health care systems, which will usher the university into a new decade and toward a new century.

Loyola University's public recognition grew equal to the reality of the institution in 1989. No longer considered a regional institution catering to the Chicago area, Loyola now is recognized as a national university. This recognition, as well as recent growth and future plans, have made this an ideal time to strengthen our public image. Accordingly, a university task force developed a new identity system—a new signature, if you will—which captures the university's traditional heritage while pointing boldly toward the future. Interestingly enough, an admissions brochure redesigned with the new signature garnered a 94 percent increase in responses: our heritage and future clearly attract more young people than before, allowing us to be increasingly selective for admission.

Key administrative changes in 1989 have paved the way for the 1990s. Ronald Walker, Ph.D., formerly senior vice president and dean of faculties, was appointed executive vice president, a newly created position. At the Medical Center, Anthony Barbato, M.D., formerly vice president for health affairs and dean of the Stritch School of Medicine, was named provost. Dr. Walker's and Dr. Barbato's new administrative responsibilities will substantially ease the demands on my time, allowing me to focus on strategic planning and on Loyola's relations with alumni, benefactors, corporations, and foundations.

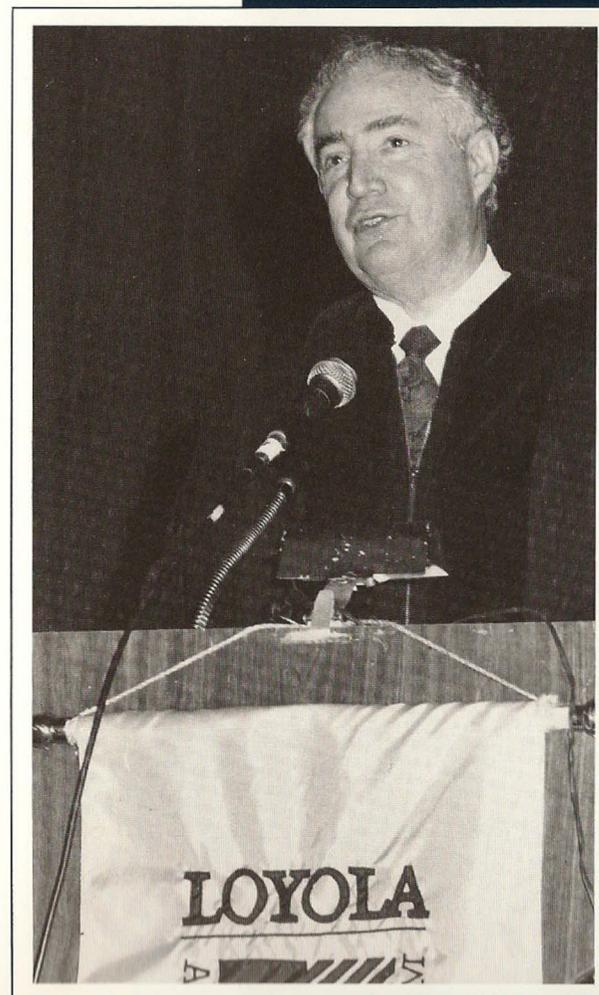
Another change in leadership in 1989 occurred on the Board of Trustees. Mr. William Quinn, a devoted friend of Loyola, retired after serving three consecutive terms as chairman. In his stead, the trustees elected Mr. Frank Considine, chairman of American/National Can Corporation and recipient of the Sword of Loyola, as chairman of the Board of Trustees. Mr. Considine's ability and reputation for integrity and success, coupled with his 45-year association with Loyola (he is an alumnus), will take him far in leading the board.

The challenges of the new decade are clear. Loyola must continue to build its endowment to furnish students in need with financial aid. We also require greater funding for research, for new doctoral programs, and for faculty development. And I want to increase the number of endowed professorial chairs at Loyola: funded chairs stimulate quality research and serve as a visible sign of our commitment to excellence in scholarship.

Health care also presents its challenges in the decade ahead. In 1989, our medical teams provided many millions of dollars worth of uncompensated health care for the poor, a phenomenon increasingly problematic as federal and state support for the health care of the poor declines. Loyola must meet this challenge—a problem shared by urban health care centers around the country—at the same time we work to contain medical costs.

While figuratively laying foundations to meet these challenges, we also have been busy laying real concrete foundations. We broke ground in September for a new residence hall at the Lake Shore Campus. Located at the corner of Sheridan Road and Winthrop Avenue, and incorporating community-oriented student housing with striking architectural design and maximum versatility, the five-story center will house 400 students. Completion of the hall is scheduled for summer 1991. This new construction responds to an increased demand for student housing and facilities. As enrollment increases—1989 had the largest class of full-time freshmen and full-time student transfers in the last five years—and as Loyola students increasingly come from outside the metropolitan area, more students will request housing on campus. The new facility will increase university-owned housing to more than 2,100 beds in 13 buildings.

While celebrating 20 years of providing excellent health care, the Medical Center witnessed two groundbreakings during 1989. The new Emergency Medical Services Building will replace the original emergency facility at Foster G. McGaw Hospital. The emergency department will occupy the first floor of the six-story structure, tripling available space and allowing for 29 treatment areas, a separate pediatric treatment area, and a dedicated radiology area. The



United States Secretary of Education Lauro F. Cavazos received an Honorary Doctor of Laws degree and delivered the commencement address at Loyola's January 1990 commencement.



Stritch Medal recipient Daniel Shannon, M.D., and Sword of Loyola recipient Cardinal Joseph Bernardin are flanked by Loyola Chairman of the Board Frank Considine and Loyola President Raymond Baumhart, S.J., at the Annual Award Dinner.

emergency department should occupy its new facility by November 1990. A second structure, the administration building, currently is rising on the corner of Roosevelt Road and First Avenue, just down the street from the Medical Center. Approximately 700 personnel presently located in rental space plan to move into this six-story building in December 1990.

These new buildings represent more than \$50 million in construction; this is the first time in Loyola's 120-year history that three major buildings are under construction at the same time. And these new buildings are only the beginning of our strategy for the 1990s. We are in planning stages for a new home for the School of Business on the Water Tower Campus, and for an 18-acre lakefill at Lake Shore Campus which will offer needed recreational space to Loyola students and the community.

Additionally, Loyola has reached a preliminary agreement to discuss merger with Mallinckrodt College of the North Shore. Loyola would operate within the college's current campus, which consists of one building on a 15-acre Wilmette site. The campus would become Loyola's fourth Chicagoland location, and could be expected to boost Loyola's recruitment of North Shore students.

Through our wholly-owned subsidiary, the Loyola Development Corporation, we have joined with SLC Properties Inc. to build a 16-floor retail, office, and residential complex on Sheridan Road, the new Granada Centre. Loyola will lease three floors of office space in the complex to ease Lake Shore Campus crowding; occupancy is expected in June 1991.

New academic programs in 1989, paving the way for the 1990s, include doctoral programs in nursing and in theology. These two new Ph.D. programs allow us to respond to the needs of the times in areas where our Jesuit Catholic tradition can make a distinctive mark.

Of course, the foundation of our tradition and the guardians of our heritage are our faculty members. Throughout 1989, they continued to teach and to perform research with enthusiasm, bringing the values of Jesuit education to new audiences and new generations. This year they reached a new milestone in their legacy with the celebration of the 200th anniversary of Jesuit education in America.



Founders' Day alumni citations were presented by President Baumhart (center left) to Rev. Edwin M. Conway (Social Work '70), Charles D. Proctor (Ph.D. '50), Francis Torrens Hecht, S.J. (A&S '38), Joanne Black (Ed.D. '81), and Thom-

Loyola's public recognition as a national university has brought with it an increased awareness of our role on the international scene. Members of our faculty have been contacted with increasing frequency to reflect their views on international events. Two Loyola professors were present in Tiananmen Square to observe the ebullience of the early days of the student demonstrations. At our spring 1989 convocation, we presented an honorary doctoral degree to Cardinal Dominic Ekandem, the first Nigerian member of the College of Cardinals, who works for social justice in his homeland. However, the international dimension of our educational work is perhaps best reflected in the growing number of students coming to the university from abroad. This past academic year, 386 international students from 52 countries attended Loyola; the largest representations came from China, India, and Australia. Of special note were 74 international students who came to our Institute of Pastoral Studies, where they had the opportunity to study the best of contemporary theology and pastoral practice. When these students, and the others enrolled elsewhere in the university, return to their homelands, they clearly carry with them the values and benefits of a Loyola education. Through them, we reach a truly international audience.

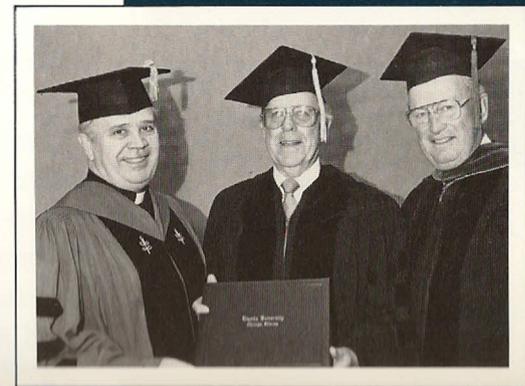
One asset important to Loyola, but in short supply, is Jesuits. In 1989 there were 54 members of the Society of Jesus laboring full-time and another 18 working part-time in the university; 27 younger Jesuits studied for advanced degrees here. To assure the continuity of the Jesuit vision of education at Loyola, several weekend seminars involving lay colleagues were held.

As a friend of Loyola, you can assist us toward our goals in three ways: by encouraging well-qualified students to attend this university; by acting as an ambassador of good will and making Loyola's strength better known; and by supporting our education endeavors financially. Of course, I am convinced that the good men and women who are Loyola University Chicago deserve your whole-hearted assistance.

Raymond Baumhart, S.J.
President



Cardinal Bernardin is flanked by Stitch Junior Service League members and their escorts at the 1989 Annual Award Dinner.



President Baumhart presents retired Board of Trustees Chairman William Quinn with an Honorary Doctor of Laws degree at the January 1990 commencement as current

Statement of Financial Position

All funds; June 30, 1989 and 1988

(in millions of dollars)



Founders' Day Civic awardees
Sister Stella Louise Slomka and
Vincent Lane with President
Baumhart.

	Unrestricted	1989 Restricted	Total	1988 Total
Assets				
Cash:	\$ 1.8	\$.5	\$ 2.2	\$ 1.9
Investments, at market:				
Short-term investments [cost \$65.7 (1989) and \$31.6 (1988)]	21.6	44.0	65.5	31.6
Other marketable securities [cost \$234.3 (1989) and \$203.5 (1988)]	188.2	71.3	259.6	216.1
Receivables:				
Hospital, less allowance for doubtful accounts of \$11.8 (1989) and \$10.5 (1988)	53.9	—	53.9	55.3
Notes, less allowance for doubtful accounts of \$1.2 (1989) and \$0.8 (1988)	5.0	20.4	25.3	23.3
Other	7.9	2.7	10.7	9.5
Other Assets:				
Inventories	6.5	—	6.5	6.2
Prepaid expenses	19.7	—	19.7	11.6
Risk Retention Fund	56.1	—	56.1	41.4
Land, Buildings, and Equipment	365.9	—	365.9	334.1
Total Assets	\$726.6	\$138.8	\$865.4	\$731.2
Liabilities and Fund Balances				
Accounts Payable and Accrued Expenses	\$ 37.8	\$ 5.8	\$ 43.6	\$ 39.4
Deferred Income	6.1	—	6.1	6.2
Indebtedness	146.9	68.4	215.3	154.9
Reserve for Risk Retention	54.6	—	54.6	41.4
Agency Accounts	—	0.4	0.4	0.4
Interfund Balances	42.3	(42.3)	—	—
Fund Balances:				
Current Funds	1.9	34.7	36.5	31.6
Plant Funds	227.9	1.8	229.7	209.7
Endowment and Similar Funds	204.1	51.6	255.7	226.0
Loan Funds	5.2	18.4	23.6	21.4
Total Liabilities and Fund Balances	\$726.6	\$138.8	\$865.4	\$731.2

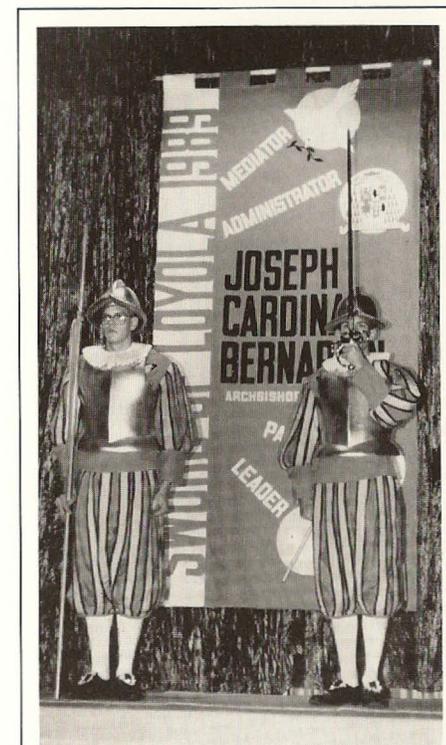
Note: Totals may not add due to rounding.

Statements of Revenues, Expenditures, and Other Changes in Fund Balances

All funds; fiscal years ending June 30, 1989 and 1988

(in millions of dollars)

	Unrestricted	1989 Restricted	Total	1988 Total
Revenues				
Educational and General:				
Tuition and fees	\$ 78.2	\$ 0.5	\$ 78.7	\$ 72.8
Grants and contracts	3.3	14.6	17.9	15.4
Private voluntary support				
Activities related to educational departments	2.7	24.2	26.9	25.0
Gifts and bequests	1.7	9.4	11.1	11.5
Contribution of the Loyola Jesuit community	0.2	0.02	0.2	0.3
Investment income and net realized gains on sales of investments	16.8	6.2	23.0	24.5
(Decrease) increase in unrealized gain on investments	9.6	2.9	12.5	(12.4)
Other educational and general revenues	3.4	0.9	4.3	4.8
Auxiliary Enterprises	8.7	—	8.7	8.2
Foster G. McGaw Hospital and Mulcahy Outpatient Center	270.7	—	270.7	237.3
Total Revenues	\$395.3	\$ 58.6	\$453.9	\$387.4
Expenditures				
Educational and General:				
Instruction	\$ 30.1	\$ 25.1	\$ 55.1	\$ 49.6
Scholarships	5.0	1.2	6.2	5.8
General and administrative	24.8	13.9	38.7	33.4
Student services	5.6	0.8	6.4	5.6
Libraries	5.8	0.03	5.9	5.3
Operation and maintenance of physical plant	12.2	—	12.2	11.8
Sponsored research and training	0.6	12.2	12.7	10.6
Activities related to educational departments	2.1	—	2.1	1.9
Cancellation and reversion of loan funds	—	0.2	0.2	0.3
Payments to annuity and life income participants	—	0.2	0.2	0.2
Auxiliary Enterprises	8.7	—	8.7	8.4
Foster G. McGaw Hospital and Mulcahy Outpatient Center	261.0	0.3	261.4	230.1
Total Expenditures	\$355.9	\$ 53.8	\$409.8	\$363.1
Reversal of Depreciation				

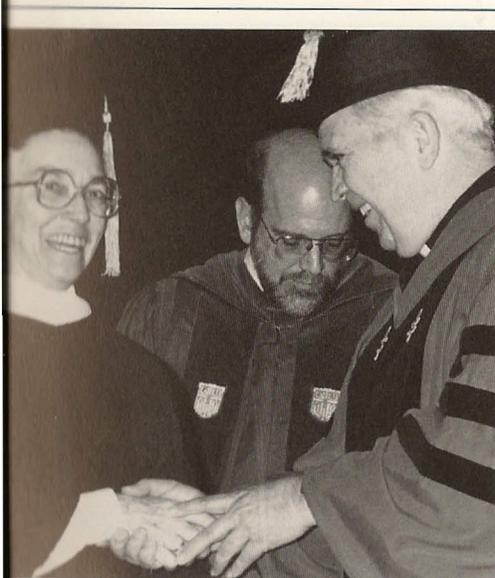


The Cardinal's banner at the 1989 Annual Award Dinner.

Statements of Sources and Uses of Funds

Fiscal year ended June 30, 1989 and 1988

(in millions of dollars)



Sister Alice Gallin, O.S.U., executive director of the Association of Catholic Colleges and Universities, accepts an Honorary Doctor of Letters degree from Senior Vice President and Dean of Faculties James Wisner and President Baumhart at the January 1990 commencement.

	Unrestricted	1989 Restricted	Total	1988 Total
Sources of Funds				
Operations:				
Excess (deficiency) of revenue over expenditures	\$ 57.1	\$ 4.8	\$ 61.8	\$ 35.9
Add non-operating charges:				
Library books and art capitalized—net	2.2	—	2.2	1.9
Accretion of discount on capital notes	—	0.9	0.9	0.8
Funds provided from operations	59.2	5.6	64.8	38.6
Issuance of debt	97.2	—	97.2	—
Increases:				
Accounts payable and accrued expenses	2.3	1.8	4.1	4.4
Reserve for risk retention	13.2	—	13.2	9.5
Agency accounts and deferred income	—	0.002	0.002	1.0
Decreases:				
Receivables	0.7	—	0.7	0.1
Total Sources of Funds	\$172.5	\$ 7.5	\$180.0	\$ 53.7
Uses of Funds				
Purchases of buildings and equipment	\$ 39.0	—	\$ 39.0	\$ 32.1
Reduction of debt	37.3	0.3	37.7	2.5
Increases:				
Receivables	—	2.9	2.9	24.4
Other assets	8.3	—	8.3	8.5
Risk retention fund	14.7	—	14.7	11.5
Total Uses of Funds	\$ 99.4	\$ 2.8	\$102.2	\$ 80.0
Increase (Decrease) in Cash and Investments	\$ 28.7	\$ 49.0	\$ 77.7	(\$ 26.4)

Note: Totals may not add due to rounding.

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