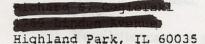


Office of the Executive Vice President

Water Tower Campus 820 North Michigan Avenue Chicago, Illinois 60611

Telephone: (312) 915-7586

Feb. 20, 1997



Dear Mr. Cegielski:

Your letter came to my attention during Father John Piderit's absence from the office. You indicated a reply was not expected, but I read your letter carefully and want to acknowledge your concerns about tuition. We also are concerned about tuition rates. In fact, our efforts to suppress tuition increases in past years is why we must increase tuition now. We have had to acknowledge our need to bring tuition more closely in line with the actual costs of educating students, or jeopardize our ability to keep the institution healthy and to provide the education and services students expect and need.

After a 15-year history of underpricing our academic experience, this tuition increase still will not cover the costs of a Loyola education. We, thus, also need significant donations from alumni and friends, research grants and corporate support. Even with the increase, the university continues to subsidize the education of every undergraduate; the current, actual cost of a Loyola education for a full-time student is \$20,268. This amount includes instruction, student services, and administrative and academic support. Increasing our tuition is only one part of a carefully managed program that includes increasing fund-raising efforts, trimming budgets and keeping salary levels contained. The 1997-98 tuition increase is smaller than it has been for the past few years. We expect this to be the last year of increases above national trends.

Education is a labor-intensive field. It takes a large number of faculty and support staff to provide a complete education. Such expenses drive tuition costs at Loyola, and other universities across the nation. Evidence of tuition dollars at work are visible everywhere on Loyola's campuses, from faculty salaries to the heat and lights in every building. I have heard the concern about faculty salaries which you cite from a Loyola Phoenix letter. We are not ignoring it.

Thank you for sharing your comments and observations. I hope my explanation of the tuition increase has, at the very least, reassured you that we have not taken this action without thought and reason. We recognize that private education today is an investment in a student's future. We believe our Jesuit foundation provides good preparation for life. Loyola's tuition remains solidly in the mid-range of Jesuit and many other nationally ranked private institutions.

Sincerely,

Rohald E. Walker, Ph.D. Executive Vice President Post-It Fax Note 7671 Date 2/27 pages 2

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