STRAYER EDUCATION INC
Form 10-K
February 26, 2010

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 2009

Commission file number: 0-21039

STRAYER EDUCATION, INC.
(Exact name of registrant as specified in its charter)

MARYLAND	**52-1975978**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)

1100 Wilson Boulevard, Suite 2500, Arlington, VA 22209
(Address of principal executive offices)

REGISTRANT S TELEPHONE NUMBER INCLUDING AREA CODE: (703) 247-2500

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT:

COMMON STOCK, $.01 PAR VALUE	**NASDAQ GLOBAL SELECT MARKET**
(Title of class)	(Name of each exchange on which registered)

SECURITIES REGISTERED PURSUANT TO SECTION 12(g) OF THE ACT:
NONE
(Title of Class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act: x Yes o No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act: o Yes x No

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the last 90 days. x Yes o No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). o Yes o No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 229.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). o Yes o No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (Section 229.405 of this chapter) is not contained herein, and will not be contained, to the best of Registrant s knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. þ

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

x Large accelerated filer   o Accelerated filer   o Non-accelerated filer   o Smaller reporting company
                                    (Do not check if a smaller reporting company)

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Securities Exchange Act). o Yes x No

The aggregate market value of the voting and non-voting common stock held by non-affiliates (computed by reference to the price at which the common stock was last sold) as of June 30, 2009, the last business day of the Registrant s most recently completed second fiscal quarter, was approximately $3.0 billion.

The total number of shares of common stock outstanding as of February 1, 2010 was 13,957,596.

DOCUMENTS INCORPORATED BY REFERENCE

Certain portions of the Registrant s Definitive Proxy Statement for its 2010 Annual Meeting of Stockholders (which is expected to be filed with the Commission within 120 days after the end of the Registrant s 2009 fiscal year) are incorporated by reference into Part III of this Report.

STRAYER EDUCATION, INC.

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PART I

CAUTIONARY NOTICE REGARDING FORWARD-LOOKING STATEMENTS:

This document and the documents incorporated by reference herein include forward-looking statements, within the meaning of Section 27A of the Securities Act of 1933, as amended (the Securities Act), and Section 21E of the Securities Exchange Act of 1934, as amended (the Exchange Act), including, in particular, the statements about our plans, strategies and prospects under the headings Management s Discussion and Analysis of Financial Condition and Results of Operations and Business. We have typically used the words may, will, expect, believe, estimate, intend and similar expressions in this document and the documents incorporated by reference herein to identify forward-looking statements. We have based these forward-looking statements on our current views with respect to future events and financial performance. Actual results could differ materially from those projected in the forward-looking statements. These forward-looking statements are subject to many risks, uncertainties and assumptions, including, among other things:

the pace of growth of student enrollment;

our continued compliance with Title IV of the Higher Education Act and the regulations thereunder, as well as state regulatory requirements and accrediting agency requirements;

risks related to the timing of regulatory approvals;

competitive factors;

our ability to continue to implement our online growth strategy;

risks associated with the opening of new campuses;

risks associated with the offering of new educational programs and adapting to other program changes;

risks associated with the acquisition of existing educational institutions;

risks associated with the ability of our students to finance their education in a timely manner; and

general economic and market conditions.

You should not put undue reliance on any forward-looking statements. You should understand that many important factors, including those discussed under the headings Management s Discussion and Analysis of Financial Condition and Results of Operations and Business, could cause our results to differ materially from those expressed or suggested in any forward-looking statements. Further information about these and other relevant risks and uncertainties may be found in Item 1A (Risk Factors) below and elsewhere in this Annual Report on Form 10-K and in our other filings with the Securities and Exchange Commission. We undertake no obligation to update or revise forward-looking statements, except as required by law.

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Item 1.   Business

Overview

Our company is a for-profit post-secondary education services corporation. Our mission is to make higher education achievable and convenient for working adults in today s economy. We work to fulfill this mission by offering a variety of academic programs through our wholly-owned subsidiary Strayer University, Inc. (the   University), both in traditional classroom courses and online via the Internet. Strayer University prides itself on making post-secondary education accessible to working adults who were previously unable to take advantage of higher education opportunities.

Founded in 1892, Strayer University is an institution of higher learning that offers undergraduate and graduate degree programs in business administration, accounting, information technology, education, health care, public administration and criminal justice at 78 physical campuses in Alabama, Arkansas, Delaware, Florida, Georgia, Kentucky, Louisiana, Maryland, New Jersey, North Carolina, Ohio, Pennsylvania, South Carolina, Tennessee, Texas, Utah, Virginia, West Virginia, and Washington, D.C. As of December 31, 2009, we had more than 54,000 students enrolled in our programs. Strayer University is accredited by the Middle States Commission on Higher Education (Middle States), one of the six regional collegiate accrediting agencies recognized by the U.S. Secretary of Education. As part of its program offering, the University also offers classes online via the Internet, providing its working adult students a flexible and convenient alternative. Strayer University, with its online offerings, attracts students from around the country and throughout the world.

Over the last several years, we have experienced significant growth, primarily by expanding geographically by opening new campuses. Since our initial public offering in 1996, we have grown from eight campuses in one state and Washington, D.C., to 78 campuses in 18 states and Washington, D.C. Our mission is to serve working adults demand for post-secondary education. We accomplish this by opening new campuses in the promising areas in those states in which we currently operate physical campuses, as well as by expanding into contiguous states that exhibit strong demand for adult education in business and information technology programs. We have opened 64 of our campuses since the beginning of 2001 and currently plan to open 13 new campuses in 2010, including seven already opened. We have also developed a robust online education program. Since receiving regulatory approval to offer our degree programs online in 1997, our online programs have experienced significant growth, with over 39,000 students enrolled in at least one class online during the 2009 fall term. To better serve students who do not reside or work near one of our physical campus locations, we opened a second Global Online Operations Center located in Salt Lake City, Utah in 2009.

In May 2001, we hired a new senior management team, made significant investments in information technology infrastructure to support planned growth in our online programs, and embarked on a long term program to open new campuses in areas where there is a strong demand for adult education. As a result of these efforts, between 2000 and 2009 our revenues grew 23% on a compound annual basis, as our revenues increased from $78 million in 2000 to $512 million in 2009. During the same period, diluted earnings per share grew at a compound annual rate of 21% including the impact of stock-based compensation which we began recording in 2006, as we continued to invest heavily in our various initiatives to serve working adult students. For more information relating to our revenues, profits and financial condition, please refer to   Management s Discussion and Analysis of Financial Condition and Results of Operations   and our consolidated financial statements included elsewhere in this Annual Report on Form 10-K.

Industry Background and Outlook

The market for post-secondary education is large, growing and highly fragmented. The U.S. Bureau of Labor Statistics has reported that approximately 61 million working adults in the United States do not have more than a high school education and approximately 32 million people have some college experience but no degree. We believe that the demand for post-secondary education

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will continue to increase during the next several years as a result of demographic, economic and social trends, including:

an increase in demand by employers for professional and skilled workers;

a projected 18% growth in the annual number of high school graduates from 2.8 million in 2000 to 3.3 million in 2010;

the significant and measurable income premium attributable to post-secondary education; and

budgetary constraints at traditional colleges and universities.

The adult education market is a significant and growing component of the post-secondary education market. We believe that the market for post-secondary adult education should continue to increase as working adults seek additional education to update and improve their skills. In addition, we believe that many working adults will seek degree programs from regionally accredited institutions that provide flexibility to accommodate the fixed schedules and time commitments associated with their professional, family and personal obligations.

In addition to Strayer, there are currently several hundred not-for-profit universities, several public companies and numerous smaller private companies operating in the post-secondary education market in which we operate.

Company Strengths

We have a 118-year operating history and a track record of providing practical and convenient education programs for working adults. We believe the following strengths position us to capitalize on the growing demand for post-secondary education among working adults:

Consistent operating history. We have been in continuous operation since 1892 and have demonstrated an ability to operate consistently and grow profitably. Our enrollment and revenue have grown each year since our initial public offering in 1996.

Practical and diversified curricula. We offer core curricula in stable, high-demand areas of adult education. In order to keep pace with a changing knowledge-based economy, we constantly strive to meet the evolving needs of our working adult students and their employers by regularly refining and updating our existing educational programs. Additionally, we replicate programs that are successful in a given campus at additional locations throughout our network of campuses. Strayer University currently offers more than 100 different degree, diploma and certificate programs, including emphases and concentrations, to its students.

Focus on working adults pursuing degree programs. We focus on serving working adults who are pursuing undergraduate and graduate degrees in order to advance their careers and employment opportunities. We believe this is an attractive market within the post-secondary education sector due to the growing number of adult students enrolling in post-secondary education programs and the highly motivated nature of adult students. We consider adult students to be our primary customers, with the various business and government organizations that provide tuition assistance to their employees as our secondary customers. In addition, we believe that the structure of our curriculum, featuring associate, bachelor s and graduate-level degree programs, encourages students to continue their education and results in extended periods of student enrollment which positively impacts the visibility and predictability of our future revenues. Approximately 94% of our students were enrolled in degree programs for the 2009 fall term.

Flexible program offerings. We maintain flexible quarterly programs that allow working adult students to attend classes and complete coursework on a convenient evening and weekend schedule throughout the calendar year. Additionally, we developed online programs to enable students to pursue a degree partially or entirely via the Internet, thereby increasing the

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convenience, accessibility and flexibility of our educational programs. Approximately 72% of our students enrolled for the 2009 fall term were taking at least one course online. We believe that these flexible offerings distinguish us from many traditional universities that currently do not effectively address the special requirements of working adults.

Attractive and convenient campus locations. Our campuses are located in growing metropolitan areas, mostly in the Mid-Atlantic and Southern regions where there are large populations of working adults with demographic characteristics similar to those of our typical students. Strayer University s campuses are attractive and modern, offering conducive learning environments in convenient locations.

Established brand name and alumni support. With a 118-year operating history, Strayer University is an established brand name in post-secondary adult education, and our students and graduates work throughout corporate America. Our alumni network fosters additional recruitment opportunities for students.

Strong owner-oriented management team. In connection with our recapitalization in 2001, we developed a new growth strategy and hired a new senior management team to implement this strategy. As described below, under the leadership of Robert S. Silberman, our Chairman and Chief Executive Officer, we embarked on various initiatives to serve the working adult market by expanding our campuses and developing an online learning platform. In addition, our senior officers have made investments in Strayer through outright share purchases, in addition to any compensatory stock awards.

Company Strategy

Our goal is to be a leading, nationwide provider of high quality post-secondary education programs for working adults primarily in the areas of business administration, accounting and information technology. We have identified the following factors as key to executing our growth strategy:

Maintain stable enrollment in our mature markets. We have a total of 78 campuses (including three new campuses opened for the 2010 winter term and four new campuses opened for the 2010 spring term) in various stages of growth. Our goal is to enroll an incremental 100-150 students at each campus each year until it reaches an enrollment level of approximately 1,000 students. We had 19 campuses with over 1,000 students for the 2010 winter term. Once a campus has reached this state of maturity, our goal is to maintain stable campus enrollment while increasing revenues with market-based tuition increases.

Open new campuses. Our goal is to open new campuses every year by meeting unmet demand in states in which we currently operate physical campuses, and by expanding into contiguous states that exhibit strong demand for adult education in business and information technology programs. Since our initial public offering in 1996, we have grown from eight campuses in one state and Washington, D.C. to 78 campuses in 18 states and Washington, D.C. We have opened 64 new campuses since the beginning of 2001. These campuses are set forth in the table below:

<div align="center">

New Campuses Opened
(since the beginning of 2001)

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2001	Baltimore, MD (Owings Mills Campus)
	Norfolk, VA (Chesapeake Campus)
	Norfolk, VA (Newport News Campus)

| 2002 | Charlotte, NC (North Charlotte Campus) |
| | Charlotte, NC (South Charlotte Campus) |

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	Raleigh-Durham, NC (Cary Campus)
2003	Memphis, TN (Thousand Oaks Campus) Nashville, TN Raleigh-Durham, NC (North Raleigh Campus) Philadelphia, PA (Lower Bucks Campus) Philadelphia, PA (Delaware County Campus)
2004	Greenville, SC Memphis, TN (Shelby Oaks Campus) Atlanta, GA (Cobb County Campus) Atlanta, GA (Chamblee Campus) Philadelphia, PA (King of Prussia Campus)
2005	Tampa, FL (Tampa East Campus) Tampa, FL (Tampa West Campus) Greensboro, NC Columbia, SC Atlanta, GA (Morrow Campus)
2006	Wilmington, DE Philadelphia, PA (Center City Campus) Pittsburgh, PA (Penn Center West Campus) Pittsburgh, PA (Cranberry Woods Campus) Norfolk, VA (Virginia Beach Campus) Atlanta, GA (Roswell Campus) Charleston, SC Birmingham, AL
2007	Louisville, KY Lexington, KY Orlando, FL (Maitland Campus) Orlando, FL (Orlando East Campus) Atlanta, GA (Douglasville Campus) Cherry Hill, NJ Willingboro, NJ Knoxville, TN
2008	Charlotte, NC (Huntersville Campus) Raleigh, NC (Garner Campus) Atlanta, GA (Lithonia Campus) Orlando, FL (Sandlake Campus) Jacksonville, FL Palm Beach, FL Ft. Lauderdale, FL Ft. Lauderdale, FL (Coral Springs Campus) Savannah, GA

2009   Augusta, GA
Huntsville, AL
Allentown, PA
Charleston, WV
Salt Lake City, UT
Cincinnati, OH (Mason Campus)

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	Columbus, OH
	Cleveland, OH (Fairview Park Campus)
	Akron, OH
	Florence, KY
	Miami, FL (Miramar Campus)
2010 (to date)	Lawrenceville, NJ
	New Brunswick, NJ
	Little Rock, AR
	Austin, TX
	Miami, FL (Doral Campus)
	Miami, FL (Brickell Campus)
	New Orleans, LA (Metarie Campus)

In 2010, we plan to open a total of 13 new campuses. Three of the planned new campuses were opened in Lawrenceville and New Brunswick, New Jersey and in Little Rock, Arkansas, for the 2010 winter term. Another four campuses have been opened for the 2010 spring term two in Miami, Florida and one each in New Orleans, Louisiana and Austin, Texas. The locations of the remaining six campuses planned for this year will be announced after all necessary regulatory approvals are obtained.

We continue to apply to operate in other states generally adjacent to our current operating region and expect to pursue approvals in those states and open campuses in favorable demographic locations in such states as part of our multi-year expansion plan, with our ultimate goal to become a nationwide university.

Expand Online. Our online classes are available to students throughout the U.S. and on a global basis. Strayer has demonstrated its success with both asynchronous (on demand) and synchronous (real time) course offerings that are favored by working adult students because of their quality and convenience. We believe that the added flexibility of being able to offer both traditional and online courses allows us to better serve our working adult students. Due to the convenience and flexibility of online courses, particularly in the asynchronous format, this medium has rapidly grown in acceptance and is expected to continue to grow. There were over 39,000 students taking at least one online course for the 2009 fall term. We intend to make additional investments in our online programs to support the continued growth in this area, including through a second Global Online Operations Center that we opened in 2009 in Salt Lake City, Utah.

Develop corporate/institutional alliances. We believe we are well positioned to pursue significant opportunities in the large corporate/institutional market. Our convenient evening, weekend and online courses provide an attractive solution for the education and training needs of employers and their employees. We currently have employer agreements or billing arrangements of various types with many corporations and government organizations, including Bank of America, Capital One, General Dynamics, Lowe s, Northrop Grumman, SAIC, Sodexo USA, UPS, FBI, United States Postal Service, Verizon, and Verizon Wireless. We are actively working with other corporations and institutions, such as community colleges, to increase the number of such arrangements and to further develop existing relationships. These relationships, once established, provide an ongoing source of new and continuing students.

Optimize the use of stockholders capital. We compare all uses of our capital (including but not limited to organic growth investments, acquisitions, share repurchases and dividends) in terms of return on our owners capital and enhancing shareholder value. In 2009, we repurchased approximately 452,000 shares of our common stock and increased our annual dividend from $2.00 to $3.00 per share, effective December 2009.

We periodically evaluate opportunities to acquire other providers of post-secondary education. Currently, we have no commitments with regard to potential acquisitions.

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Strayer University

Curriculum

Strayer University offers business, information technology and professional-oriented curricula to equip students with specialized and practical knowledge and skills for careers in business, industry and government. Our Academic School Deans and Program Curriculum Committees regularly review and revise the University s course offerings to improve the educational programs and respond to competitive changes in job markets. We regularly evaluate new programs and degrees to ensure that we stay current with the needs of our students and their employers.

Strayer University offers programs in the following areas:

Graduate Programs	**Undergraduate Programs**
Master of Business Administration (M.B.A.) Degree	Bachelor of Science (B.S.) Degree
	Accounting
	Information Systems
Master of Education (M.Ed.) Degree	Economics
	International Business
Master of Health Services Administration (M.H.S.A.) Degree	Criminal Justice
	Bachelor of Business Administration (B.B.A.) Degree
Master of Public Administration (M.P.A.) Degree	
Master of Science (M.S.) Degree	Associate in Arts (A.A.) Degree
Information Systems	Accounting
Accounting	Acquisition and Contract Management
Human Resource Management	Business Administration
	Information Systems
	Economics
	General Studies
	Marketing
	Criminal Justice
Executive Graduate Certificate Programs	Diploma Programs
Business Administration	Accounting
Information Systems	Acquisition and Contract Management
Accounting	Information Systems
	Undergraduate Certificate Programs Accounting
	Business Administration
	Information Systems

Each undergraduate degree program includes courses in oral and written communication skills as well as mathematics and various disciplines in the humanities and social sciences. In addition to our degree, diploma and certificate programs, we offer classes to non-degree and non-program students wishing to take courses for personal or professional enrichment.

Although all of our programs are generally offered at each campus, the University adapts its course offerings to the demands of the student population at each location. Strayer University students may enroll in courses at more than one campus and take courses online.

Strayer University structures its curricula to allow students to advance sequentially from one learning level to another by applying credits earned in one program toward attainment of a more advanced degree. For example, a student originally pursuing a diploma in computer information systems can extend his or her original educational objective by taking additional courses leading to an associate s degree in computer information systems, a bachelor s degree in computer information systems, and ultimately a master s degree in computer information systems. This curriculum design provides students a level of competency and a measure of attainment in the event they interrupt their education or choose to work in their field of concentration prior to obtaining their final degree.

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Online

In August 1997, we began offering classes online via the Internet. Students can take classes online using either a synchronous (real time) or asynchronous (on demand) format. The asynchronous format was first introduced by the University in the summer 2001 quarter and has grown significantly due to increasing demand. Students may take all of their courses online or may take online courses as a supplement to traditional, site-based courses. A student taking classes online has the same admission and financial aid requirements, is subject to the same policies and procedures and receives the same student services as campus-based Strayer University students. Tuition for online courses is the same as for campus courses. During the fall 2009 quarter, Strayer University had over 39,000 students participating in its online classes, approximately 33,000 of whom took classes solely online.

Faculty

The University appoints faculty who hold appropriate academic credentials, are dedicated, active professionals in their field and are enthusiastic and committed to teaching working adults. In accordance with our educational mission, the University faculty focuses its efforts on teaching. The normal course load for a full-time faculty member is four courses per quarter for each of three quarters, or 12 courses per academic year. In addition, the University requires full-time faculty members to provide eight hours per week of student academic counseling and other student support services. Further, full-time faculty members participate actively in the life of the University through service on curricular and assessment committees.

We provide financial support for faculty members seeking to enhance their skills and knowledge. The University maintains a tuition plan that typically reimburses full-time faculty enrolled in advanced degree programs for 75% of the tuition for one new course per term when taken at institutions other than Strayer. Deans pursuing doctorate degrees may be eligible for up to 100% tuition reimbursement. Full-time faculty (and all other employees) receive a 90% discount for all Strayer courses. The University also conducts annual in-house faculty workshops in each discipline. We believe that our dedicated and capable faculty is one of the keys to our success.

Organization of Strayer University

The University s annual financial budget and overall academic and business decisions are directed by its Board of Trustees. The Board of Trustees consists of Dr. Charlotte F. Beason, Chairwoman of the Board of Trustees, and nine other members. The University By-Laws prescribe that a majority of voting members be unaffiliated with either University management or Strayer Education, Inc. to assure independent oversight of all academic programs and services. With the exception of the University President and Strayer Education s President, all of our trustees are independent, non-management members. The current Board of Trustees members are listed below:

Board of Trustees

Dr. Charlotte F. Beason	Dr. Beason is the Chairwoman of the Board of Trustees. She has served as a member of the Board of Trustees since 1996. She has extensive experience in education, distance learning, and the accreditation of education programs. (See Item 10 below for additional biographical information.)

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Mr. Daniel R. Abbasi	Mr. Abbasi has served as a member of the Board of Trustees since 2005. He is Director of MissionPoint Capital Partners, a private equity firm specializing in clean energy. Previously, Mr. Abbasi was Associate Dean of the Yale School of Forestry and Environmental Studies, where he remains affiliated. In addition, he has also held management positions with Kaplan, Inc., Time Warner, Inc., the U.S. Environmental Protection Agency and the Stanford Center on Conflict and Negotiation. Mr. Abbasi holds a bachelor s degree in government and a master s in business administration, both from Harvard University. Mr. Abbasi also holds a master s degree in political science from Stanford University.
Mr. Roland Carey	Mr. Carey has served as a member of the Board of Trustees since 1990. He served for 23 years as a U.S. Army Officer in the specialties of Air Defense Missile Evaluation and Military Education. He retired in 1986 as a Lieutenant Colonel. Mr. Carey served 12 years as a mathematics instructor and as an Intervention Program Coordinator with Fairfax County Public Schools. Additionally, he has served on two other organizational management and supervisory boards. Mr. Carey holds a bachelor s degree in mathematics from Florida A&M University and a master s degree in educational leadership from George Mason University.
Mr. Karl McDonnell	Mr. McDonnell was elected to the Board of Trustees in 2007. Mr. McDonnell joined Strayer Education, Inc. in July 2006 as President and Chief Operating Officer. (See Item 10 below for additional biographical information.)
Mr. Todd A. Milano	Mr. Milano has served as a member of the Board of Trustees since 1992 and has more than 30 years of experience in post-secondary education. Since 1989, he has served as President of Central Pennsylvania College near Harrisburg, Pennsylvania. (See Item 10 below for additional biographical information.)
Dr. William C. Reha, MD	Dr. Reha was elected to the Board of Trustees in 2007. He is a Board Certified Urologic Surgeon in Woodbridge, Virginia. He also serves as Vice-Speaker for the Medical Society of Virginia. Dr. Reha is active in Strayer University alumni affairs and is the 2005 Outstanding Alumni Award winner. Dr. Reha has served as president of the Prince William County Medical Society and the Potomac Hospital Medical Staff and is a Fellow of the Claude Moore Physician Leadership Institute. He holds a bachelor s degree in biochemistry from Binghamton University, an M.D. from New York Medical College, and a master s in business administration from Strayer University.
Dr. Peter D. Salins	Dr. Salins has served as a member of the Board of Trustees since 2002. Having served as Provost and Vice Chancellor for Academic Affairs of the State University of New York (SUNY) system from 1997 to 2006, he is currently University Professor of Political Science at SUNY s Stony Brook University. Dr. Salins also serves on the Advisory Board of Syracuse University School of Architecture, is a Trustee of the Lavanburg Foundation, and is a Director of the Citizens Housing and Planning Council of New York. Dr. Salins holds a bachelor s degree in architecture, and a doctorate in metropolitan studies and regional planning, both from Syracuse University.

Dr. Sondra F. Stallard	Dr. Stallard was elected to the Board of Trustees in 2007 shortly after joining Strayer University as University President. Prior to joining Strayer, Dr. Stallard had a long and distinguished career at the University of Virginia. (See Item 10 below for additional biographical information.)
Dr. Donald R. Stoddard*	Dr. Stoddard has served as a member of the Board of Trustees since 1996 and was President of Strayer University from 1997 to 2002. His background includes serving in the United States Army, university teaching with a specialty in American literature, higher education administration, a Fulbright Lectureship in Romania, and authoring many articles on literary topics. Dr. Stoddard holds a bachelor s degree in business administration and a master s degree in English, both from Northeastern University, as well as a doctorate in English from the University of Pennsylvania.
Dr. J. Chris Toe*	Dr. Toe has served as a member of the Board of Trustees since 2003. He served as President of Strayer University from 2003 to April 2006 and as Minister of Agriculture of the Republic of Liberia from 2006 to 2009. Dr. Toe now serves as Chairman of the APEX Group, a consulting, trading and investment company based in Liberia. Dr. Toe holds a bachelor s degree in economics from the University of Liberia, and a master s degree in agricultural economics and a doctorate in economics, both from Texas Tech University.

* Non-voting member.

Within the academic, strategic and financial parameters set by the Board of Trustees, the University is managed on a daily basis by the University President. The President is charged with the responsibility of overseeing the implementation of the policies established by the Board of Trustees and is supported in this function by senior administrative officers, including the Provost. The majority of the University s operations are centralized within the President s office or the University s senior administrative staff offices, such as faculty development, curriculum development, institutional research and assessment, library administration, student records, student affairs, accounting and auditing, human resources, operations, marketing, public relations, facilities, information technology, and regulatory compliance, including oversight of the University s participation in federal student financial aid programs.

Within this centralized structure is a division of responsibilities into two broad categories: academics and administrative operations. For the academic functions, the President is supported by the Provost and three Senior Vice Provosts for Academic Programs, Faculty, and Student Affairs, as well as the Associate Provost & University Registrar, the University Librarian, and the Dean of Institutional Research, Assessment, and Evaluation. The President is responsible for the general curriculum and University policies, as well as many regulatory compliance matters. The Provost is responsible for implementing academic policies and programs of the University, including the supervision of the Senior Vice Provosts and the Academic Deans.

For administrative operations, the Senior Vice President   Academic Administration works closely with the Senior Vice Presidents for Operations, who are responsible for ensuring that regional, campus and online operations meet the annual University budget and financial goals established by the Board of Trustees, and the Senior Vice Provosts for Academics, who are responsible for academic operations on a regional and local level. Other senior administrative officers also support the President in areas such as legal compliance, accounting and auditing, computer technology,

insurance and human resources.

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University Senior Management

Dr. Sondra F. Stallard is the University President. Her biographical information is set forth in Item 10 below. At the campus level, the day-to-day business operations are managed by a Campus Director and the academic functions are overseen by a Campus Dean. Each campus is staffed with personnel performing instructional, admissions, academic advising, financial aid, student services and career development functions. A learning resource center at each campus supports the University s instructional programs. Each learning resource center contains a library and computer laboratories and is operated by a full-time manager and support staff who assist students in the use of research resources.

Strayer Education, Inc. Executive Officers

For a description of Strayer Education, Inc. s senior management, see the biographical information set forth in Item 10 below.

Marketing

To generate interest among potential students, we engage in a broad range of activities to inform the working adult public and their employers about the programs we offer. These activities include direct mail, Internet marketing, marketing to our existing students and graduates, print and broadcast advertising, student referrals, and corporate and government outreach activities. Direct response methods (direct mail and Internet advertising) are used to generate inquiries from potential students. Strayer University maintains booths and information tables at appropriate conferences and expos, as well as at transfer days at community colleges. Through our business-to-business outreach efforts, we market our programs to corporations with personal sales calls, distribution of information through corporate intranets and human resource departments and on-site information meetings. We implement a continuous marketing strategy to record inquiries in our database and track them through to application and registration. Additionally, we market information about new programs and new locations to students and alumni to encourage them to return for further education.

Student Profile

The majority of Strayer University students are working adults completing their first college degree to improve their job skills and advance their careers. Of the students enrolled in Strayer University s programs at the beginning of the 2009 fall quarter, approximately 61% were age 31 or older and approximately 85% were engaged in part-time study (fewer than three courses each quarter). In the 2009 fall quarter, our students registered for an average of 8.2 course credits (about two classes per student).

Strayer University has a very diverse student population. At the beginning of the 2009 fall quarter, approximately 73% of students were minorities and approximately 68% of students were women. Approximately 2% of the University s students were international, and approximately 2% were active duty military personnel. Strayer University prides itself on making post-secondary education accessible to working adults who missed or were previously unable to take advantage of educational opportunities.

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The following is a breakdown of our students by program level as of the 2009 fall term:

Program	Number of students	Percentage of total students
Bachelor s	29,904	55%
Master s	14,154	26%
Associate	6,777	13%
Total Degree	50,835	94%
Diploma	185	*
Undergraduate Certificate	176	*
Graduate Certificate	307	*
Undeclared	2,814	5%
Total Non-Degree	3,482	6%
Total Students		