December 21, 2025

Dear Colleagues,

It's regrettable that senior ODU leadership chose to sign off for the holidays with four bullet points of impending doom. We write to you today to offer encouragement by providing additional context for those four articles.

All four of the articles cited in the email make generous use of doom-scroll-worthy terms such as "policy headwinds," "negative outlook," and "tough year ahead," which may at first seem alarming. However, please first note that all the articles address national trends across the entire landscape of higher education. That does not necessarily mean those trends will impact ODU in a significantly negative way. In fact, a closer look suggests threats to the future viability of ODU may be overblown.

Here are some of the challenges identified in the four articles and how they will – and in most cases won't – negatively impact ODU:

*Small private colleges are at higher risk. ODU is not a small private college.

*Schools with unstable business models are at higher risk. ODU currently enjoys a robust business model. For example, in his report to the ODU Board of Visitors in October 2025, Vice President for Finance Chad Reed reported ODU experienced "a positive operating fiscal year close with a $47.16 million surplus across all programs." (https://www.odu.edu/sites/default/files/2025/documents/AandF%20Approved%20Minutes%20October2025.pdf)

*Schools in regions under economic stress are at higher risk. ODU is in Virginia, which has a strong economic foundation. For example, here is a quote from VA Governor Glenn Youngkin that appeared in a July 29, 2025, press release: "Virginia has never been in a stronger position financially," citing "four consecutive years of surplus revenues and unexpended balances of approximately $10 billion." (https://www.governor.virginia.gov/newsroom/news-releases/2025/july/name-1054210-en.html#)

*Schools with uncertain state support are at higher risk. ODU and other public universities in Virginia enjoy widespread support from our state legislatures compared to universities in states such as Arizona, Alabama and Vermont. (https://www.nea.org/resource-library/higher-ed-state-funding-report)

*Schools highly dependent on revenue from federal grants (e.g., overhead cost recovery) are at higher risk. ODU is nowhere near as dependent on income from federal grants as such hard-hit schools as Columbia, Michigan State and Carnegie Mellon. (https://www.insidehighered.com/news/business/cost-cutting/2025/11/07/october-brought-deep-cuts-multiple-campuses.

*Schools with large endowments facing sharp increases in federal taxation are at higher risk. Harvard, Yale, Princeton, Stanford and schools with similar endowments will pay the higher tax. (https://www.aei.org/education/how-much-will-universities-pay-in-endowment-tax/) ODU's endowment is not large enough to incur increased federal taxation.

*Schools with a large number of international students are at higher risk. Schools such as New York University, Carnegie Mellon, University of Rochester and Boston University all have between 21 to 26 percent international student enrollment. (https://www.usnews.com/best-colleges/rankings/national-universities/most-international) According to the ODU "Facts & Figures" website, the most recent enrollment of international students at ODU is 674 of 23,469 total students. That's less than 3% of enrolled students. (https://www.odu.edu/about/facts-and-figures)

*Schools incurring ballooning costs related to sports program revenues are at higher risk. In 2024, Ohio State, University of Texas, Texas A&M and the University of Michigan each had program valuations over $1 billion and revenues of between $230 million and $280 million. ODU didn't make the list of the top 75 programs in the U.S. (https://www.cnbc.com/2024/12/19/college-sports-programs-valuations.html)

We saved the best for last - the dreaded enrollment "cliff." While some parts of the U.S. are experiencing negative population growth, that trend is not universal. According to a recent well-regarded report from the Western Interstate Commission for Higher Education (https://www.highereddive.com/news/decline-high-school-graduates-demographic-cliff-wiche-charts/738281/; cf. also this report from the Brookings Institution) it is a misrepresentation to characterize the drop in the number of high school graduates nationwide as a "cliff." Rather, the WICHE report states "the reality will be a slower and steadier decline" that "won't happen everywhere or at the same speed." For example, in Virginia, in the WICHE report, the number of high school graduates statewide is forecast to drop 6% by 2041. While that is a decrease, it's neither imminent nor catastrophic.

On the bright side, our region is projected to experience population growth over the next 25 years. Chesapeake, Virginia Beach, and the I-64 corridor east of Richmond is expected to grow by more than 200,000 people by 2050 (https://www.coopercenter.org/virginia-population-projections). Chesterfield County (on the 295 beltway southside of Richmond) alone is projected to increase by 155,000 people. The Norfolk-Portsmouth-Newport News media market (#44 in the nation by size, a gain in two places since 2022 when our market was #46; Richmond-Petersburg is #56 [https://www.nielsen.com/dma-regions/]) has a population of 1.8 million people and graduated approximately 18,000 high school seniors from public schools in the past year. (The graduation estimate is from Google's AI engine; the Virginia Department of Health counted a population of 1,897,796 in its Eastern region for 2023.) Even more graduated from private schools or were home-schooled. Given approximately 90% of ODU students are in-state students and many of those students are from Hampton Roads and other areas with growing populations, it is not inevitable that the demographic declines occurring in other parts of the U.S. will have a significant negative impact on ODU. Rather, enhancing our recruiting efforts in growth areas could mitigate any potential negative impact. In addition, if we enhance our recruiting efforts in adjacent regions - such as in the Washington, DC area, whose population of high school graduates is projected in the WICHE report to grow by an impressive 31% by 2041 – we may actually experience enrollment growth!

In closing, for those of you who remember the old nursery story, ***the sky is not falling***. While we should be mindful of national trends that put some institutions of higher education at risk, we who love ODU have many reasons to be positive and hopeful about our shared future. The state is investing in the new Biology Building for a reason. Other campus enhancements are underway with more on the horizon for a reason. Old Dominion University offers the comprehensive universe of knowledge, including the Humanities, the Arts & Sciences, Engineering, Business, Education, as well as applied health care. And it offers it through our outstanding community of scholars; that is, each of you.

We hope you enjoy a joyful and restorative holiday season with family and friends and we look forward to rejoining you all for an exciting New Year in 2026!

Sincerely,
Michael Carhart, Incoming President, ODU Chapter of the AAUP
Kate Hawkins, Outgoing Interim President, ODU Chapter of the AAUP