

STRAYER EDUCATION INC

Form DEF 14A

March 13, 2015

SCHEDULE 14A INFORMATION

PROXY STATEMENT PURSUANT TO SECTION 14(a) OF THE SECURITIES
EXCHANGE ACT OF 1934

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to § 240.14a-12

Strayer Education, Inc.

(Name of Registrant as Specified in Its Charter)

N/A

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

- 1) Title of each class of securities to which transaction applies:
- 2) Aggregate number of securities to which transaction applies:
- 3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
- 4) Proposed maximum aggregate value of transaction:
- 5) Total fee paid:

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

- 1) Amount Previously Paid:
- 2) Form, Schedule or Registration Statement No.:
- 3) Filing Party:

4) Date Filed:

STRAYER EDUCATION, INC.

**2303 Dulles Station Boulevard
Herndon, Virginia 20171
(703) 561-1600**

Dear Fellow Stockholder:

You are cordially invited to attend the 2015 Annual Meeting of Stockholders of Strayer Education, Inc. (the "Corporation"), to be held at 8:00 a.m. (ET) on Tuesday, May 5, 2015, at the Corporation's headquarters, 2303 Dulles Station Boulevard, Herndon, Virginia, 20171.

At this year's meeting, you will be asked:

- To elect ten directors from the nominees named in the attached proxy statement;
- To ratify the appointment of PricewaterhouseCoopers LLP as the Corporation's independent registered public accounting firm;
- To adopt the 2015 equity compensation plan, which amends and restates the 2011 equity compensation plan and increases the number of shares of common stock issuable under the plan, and to approve the material terms for payment of performance-based compensation under the plan as required by Section 162(m) of the Internal Revenue Code;
- To conduct an advisory vote on the compensation of the named executive officers; and
- To consider any other matters that may properly come before the meeting.

This booklet is the formal notice of the meeting, and proxy statement. The proxy statement tells you about the agenda, procedures and rules of conduct for the meeting. Importantly, it also describes how your Board operates, gives information about director candidates, and provides information about the Corporation, including our compensation practices.

Your vote is important. We encourage you to sign and return your proxy before the meeting so that your shares will be represented and voted at the meeting even if you cannot attend in person.

We look forward to seeing you at the 2015 Annual Meeting of Stockholders.

Sincerely,

ROBERT S. SILBERMAN

Chairman of the Board

March 13, 2015

Attachment: Financial Summary

FINANCIAL SUMMARY

While all of our historical financial reports and SEC filings are available online, we know it is also helpful to owners to have basic financial and operating data at hand as they analyze material in the Proxy Statement. Below are the Selected Financial Data tables for the five years ended December 31, 2014 from our 2014 Annual Report. The tables provide key information on revenues, profitability, returns, balance sheet strength, and capital allocation. 1

	Year Ended December 31,				
	2010	2011	2012	2013	2014
	(Dollar and share amounts in thousands, except per share data)				
Income Statement Data:					
Revenues	\$ 636,732	\$ 627,434	\$ 561,979	\$ 503,600	\$ 446,041
Costs and expenses:					
Instruction and educational support	269,557	292,003	300,098	310,446	236,303
Marketing	70,270	74,293	71,864	75,426	66,495
Admissions advisory	25,277	26,531	26,374	20,390	16,661
General and administration	55,857	55,464	50,056	64,637	44,835
Total costs and expenses	420,961	448,291	448,392	470,899	364,294
Income from operations	215,771	179,143	113,587	32,701	81,747
Investment and other income	1,228	152	4	2	117
Interest expense	—	3,773	4,616	5,419	5,248
Income before income taxes	216,999	175,522	108,975	27,284	76,616
Provision for income taxes	85,739	69,478	43,045	10,859	30,260
Net income	\$ 131,260	\$ 106,044	\$ 65,930	\$ 16,425	\$ 46,356
Net income per share:					
Basic	\$ 9.78	\$ 8.91	\$ 5.79	\$ 1.55	\$ 4.39
Diluted	\$ 9.70	\$ 8.88	\$ 5.76	\$ 1.55	\$ 4.35
Weighted average shares outstanding:					
Basic	13,426	11,906	11,390	10,584	10,561
Diluted ^(a)	13,535	11,943	11,440	10,624	10,650
Other Data:					
Depreciation and amortization	\$ 17,309	\$ 21,525	\$ 23,973	\$ 35,563	\$ 20,630
Stock-based compensation expense	\$ 11,987	\$ 13,234	\$ 5,464	\$ 9,291	\$ 9,453
Capital expenditures	\$ 46,015	\$ 29,991	\$ 24,733	\$ 8,726	\$ 6,902
Cash dividends per common share (paid)	\$ 3.25	\$ 4.00	\$ 4.00	\$ —	\$ —
Average enrollment ^(b)	56,002	53,901	49,323	43,969	40,254
Campuses ^(c)	84	92	97	100	79
Full-time employees ^(d)	2,099	2,140	2,019	1,485	1,455

1 The information set forth above has been derived from our consolidated financial statements and is qualified by reference to and should be read in conjunction with our consolidated financial statements and notes thereto and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and other information included elsewhere or incorporated by reference in the Corporation’s Annual Report on Form 10-K.

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At December 31,
2010
(In thousands)

2011

2012

2013

2014

Balance Sheet Data:

Cash, cash equivalents
and marketable

securities	\$ 76,493	\$ 57,137	\$ 47,517	\$ 94,760	\$ 162,283
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Working capital(e)	62,205	17,484	46,631	82,182	140,316
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Total assets	235,178	231,133	227,792	254,266	307,815
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Long-term debt	—	90,000	121,875	118,750	112,500
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Other long-term liabilities	12,644	21,656	21,905	51,456	46,248
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