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Lindenwood College

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THE LINDENWOOD COLLEGE
St. Charles, Missouri

SUMMARY OF FINANCIAL DATA

AGENDA

Annual Data Year-to-Date
77-78/78-79 Actual

BOARDS OF THE LINDENWOOD COLLEGES

FEBRUARY 13, 1979

	Annual Data	Year-to-Date	Actual
I. Call to order - Mr. Hyland	390000	89913	193088
II. Minutes of September 11, 1978 and October 11, 1978 meetings	15000	33278	75336
III. Committee reports	3416000	2268579	2901189
A. Fund-raising and Development - Mr. Hannegan	621600	827436	* 804313
B. Finance - Mr. Babcock	4216600	2896115	*3705506
C. Facilities - Mr. Miller			
D. Board-Faculty Liaison - Mr. Pundmann		791235	906213
E. Executive - Mr. Hyland	403213	326883	334219
IV. Motions and resolutions	2128054	1918708	1146426
A. Approval of candidates for degrees		166110	187582
B. Request of Community Living for the Handicapped		237384	405218
C. Election of Joseph W. Schwarzbauer as administrator of General American Retirement Plan, and Howard A. Barnett as trustee in place of William H. Weber		320129	346374
D. Tuition and room/board for 1979-80		28796	31011
V. Executive session - Mr. Hyland	360000	241392	215776
VI. Adjournment - Mr. Hyland	664927	341593	*392756
	4458207	2356112	*2918255
	216600	2896115	*3705506
	(537041)	542001	* * 2786349

February 10, 1979

THE LINDENWOOD COLLEGES
St. Charles, Missouri

SUMMARY OF FINANCIAL DATA

<u>INCOME</u>	<u>Annual Data</u>		<u>Year-to-Date</u>	
	77-78 Actual	78-79 Projection	77-78/78-79 Actual	
Tuition and Fees	2571911	2662000	2009944	2492490
Endowment	214328	214000	135546	140074
Gifts & Grants	213384	390000	89913	193086
Miscellaneous	<u>60303</u>	<u>150000</u>	<u>33276</u>	<u>75536</u>
Total Educational & General	3059926	3416000	2268679	2901189
Auxiliary Enterprises	<u>795291</u>	<u>800600</u>	<u>627436</u>	* <u>804314</u>
TOTAL INCOME	3855217	4216600	2896115	*3705504
<u>EXPENSES</u>				
Instructional	1799801	1722841	791825	906213
Student Services	<u>409536</u>	<u>403213</u>	<u>226883</u>	<u>234213</u>
Total Instructional & St. Services	2209337	2126054	1018708	1140426
Administration	279313	294892	166110	187592
General Institutional Exp.	462388	539699	237384	405216
Physical Plant Operations	516685	518000	320129	346374
Security	<u>45768</u>	<u>54635</u>	<u>28796</u>	<u>31011</u>
Total Educ. & Gen. Expense	3513491	3533280	1771127	2110621
Student Financial Aid	261488	260000	241392	215776
Auxiliary Expenses	<u>617279</u>	<u>664927</u>	<u>341593</u>	* <u>592756</u>
TOTAL EXPENSES	4392258	4458207	2354112	*2919155
TOTAL INCOME	3855217	4216600	2896115	*3705504
SURPLUS (DEFICIT)	(537041)	(241607)	542003	+ *6786349

*includes Summerstage 1978

February 10, 1979

CASH FLOW PROJECTION

<u>Month</u>	<u>Transaction</u>	<u>Operating Account Changes</u>	<u>Notes Payable</u>
February			
	Receipts	\$552,345	
	Disbursements	690,201*	
	Decrease	137,856	
	Acquire Notes Payable	137,000	\$1,880,000
	Net change	-856	
*included retirement of 145000 notes payable			
March			
	Receipts	\$280,515	
	Disbursements	309,501	
	Decrease	28,986	
	Acquire Notes Payable	29,000	\$2,017,000
	Net Change	+ 14	
April			
	Receipts	\$239,925	
	Disbursements	294,168	
	Decrease	54,243	
	Acquire Notes Payable	54,000	\$2,046,000
	Net change	-243	
May			
	Receipts	\$296,548	
	Disbursements	593,957	
	Decrease	297,409	
	Acquire Notes Payable	297,000*	\$2,100,000
	Net Change	-409	
*Current borrowing limit has been established at \$2,100,000.			

June			
	Receipts	\$288,000	
	Disbursements	412,615	
	Decrease	124,615	
	Acquire Notes Payable	124,000	
	Net Change	-615	*2,397,000

		1976-77	1977-78	1978-79	78-79	1978-79	77-78	1977-78
		ACTUAL	ACTUAL	BUDGET	% EXP	YTD ACTUAL	% EXP	YTD ACTUAL
PHYSICAL PLANT OPERATIONS								
122	SALARIES, WAGES, BENEFITS	222541.	207227.	227000.	61.1	138869.	61.4	127353.
123	SUPPLIES AND SERVICES	23218.	10170.	19000.	46.1	8767.	161.7	16454.
124	ELECTRICITY	65844.	67096.	70000.	86.3	60434.	69.2	46452.
125	HEAT/NATURAL GAS/OIL	60234.	73212.	70000.	62.9	44037.	42.0	30757.
126	WATER	17118.	17347.	17000.	99.8	16981.	52.6	9135.
127	BUILDING REPAIRS	83753.	118925.	115000.	67.2	77284.	64.4	76614.
128	TOTAL	472711.	493977.	518000.	66.8	346374.	62.1	306768.
129	PURCHASING TO (78-79)	18055.	22708.	0.	0.0	0.	58.8	13361.
130	SECURITY	76095.	45768.	54635.	56.7	31011.	62.9	28796.
131	TOTAL EDUCATIONAL AND GENERAL EXPENSE	3142682.	3513491.	3533280.	59.7	2110621.	50.4	1771131.
ADMINISTRATIVE								
132	STUDENT FINANCIAL AID	305908.	261488.	260000.	82.9	215776.	92.3	241392.
133	AUXILIARY ENTERPRISES	107874.	55432.	81080.	49.1	39838.	73.1	40571.
134	CONFERENCES	65502.	62198.	60000.	134.9	80956.	99.9	62162.
135	S. L. F. C. EXPENSE	141774.	141443.	138847.	83.5	115983.	63.6	90021.
136	BOOKSTORE-POST OFFICE	200349.	190261.	190000.	44.0	83723.	33.4	63623.
137	FOOD SERVICE	171776.	157574.	175000.	48.7	85387.	49.5	78049.
138	RESIDENCE HALLS	0.	0.	10000.	87.8	8789.	100.0	0.
139	STUDENT CENTER EXPENSE	0.	0.	10000.	0.2	21.	100.0	0.
140	ATHLETIC FIELD EXPENSE	0.	0.	0.	0.0	0.	100.0	0.
141	MAIL ROOM/XEROX	17992.	10371.	0.	0.0	0.	69.0	7165.
142	MISCELLANEOUS	705268.	617279.	664927.	62.3	414699.	55.3	341593.
143	TOTAL EXPENSES	4153860.	4392258.	4458207.	61.4	2741098.	53.5	2354116.
144	TOTAL INCOME	3575934.	3855217.	4216600.	85.8	3621214.	75.1	2896118.
145	DEFICIT (SURPLUS)	577925.	537041.	241607.		(880115.)		(542001.)

			1976-77 ACTUAL	1977-78 ACTUAL	1978-79 BUDGET	78-79 % EXP	1978-79 YTD ACTUAL	77-78 % EXP	1977-78 YTD ACTUAL
STUDENT SERVICES									
74	DEAN'S OFFICE - WOMEN'S COLLEGE		31996.	32777.	33253.	59.1	19676.	57.2	18749.
75	DEAN'S OFFICE - MEN'S COLLEGE		36263.	35788.	29515.	64.9	19166.	56.3	20163.
76	DEAN'S OFFICE - EVENING COLLEGE		43791.	45692.	34685.	62.7	21767.	57.4	26271.
77	DEAN'S OFFICE - COLLEGE 4		50873.	42974.	58330.	42.9	25026.	61.5	26435.
78	ATHLETIC PROGRAM-MEN AND WOMEN		16786.	15170.	18100.	41.9	7594.	31.9	4841.
79	COUNSELLING OFFICE		15612.	16077.	15320.	52.1	7991.	40.6	6533.
80	STUDENT BANK		0.	0.	0.	0.0	0.	100.0	0.
81	ADMISSIONS OFFICE		121609.	148649.	165000.	58.3	96351.	56.2	83657.
82	REGISTRAR		35034.	38332.	29950.	83.9	25152.	57.8	22181.
83	VETERAN'S AFFAIRS		7166.	6677.	5710.	70.8	4044.	57.4	3835.
84	HEALTH CENTER		10240.	10434.	5350.	46.9	2510.	41.6	4350.
85	FINANCIAL AID OFFICE		11755.	8894.	0.	*****	-94.	68.4	6091.
86	STUDENT ACTIVITIES		0.	8067.	8000.	62.8	5026.	46.7	3772.
87	TOTAL		381131.	409531.	403213.	58.0	234213.	55.4	226883.
88	TOTAL INSTRUCTION AND STUDENT SERVICES		1945114.	2209337.	2126054.	53.6	1140426.	46.1	1018708.
ADMINISTRATION									
89	PRESIDENT'S OFFICE		78121.	79086.	79000.	63.3	50071.	56.3	44596.
90	BOARD OF TRUSTEES		623.	1034.	1000.	121.4	1214.	127.0	1313.
91	DEVELOPMENT/PUBLIC REL (FROM 78-79)		56702.	124837.	110926.	58.1	64545.	63.3	79126.
92	BUSINESS OFFICE		70691.	74356.	76000.	73.6	55967.	55.2	41074.
93	DIRECTOR ADMIN SERVICES (TO 77-78)		28998.	0.	0.	0.0	0.	100.0	0.
94	DEVELOPMENT OFFICE (TO 77-78)		49267.	0.	0.	0.0	0.	100.0	0.
95	PROVOST		0.	0.	27966.	56.4	15794.	100.0	0.
96	TOTAL		284403.	279313.	294892.	63.6	187592.	59.4	166110.
GENERAL INSTITUTIONAL EXPENSE									
97	TRANSPORTATION		14825.	10825.	8000.	80.2	6422.	74.2	8036.
98	MAIL ROOM HALLS		7267.	5152.	10460.	108.0	11301.	106.3	5480.
99	SWITCHBOARD/TELEPHONE SERVICES		14067.	12695.	10650.	80.1	8532.	26.3	3345.
100	ALUMNI/PLACEMENT (TO 77-78)		23857.	0.	0.	0.0	0.	100.0	0.
101	PUBLIC RELATIONS (TO 77-78)		36828.	0.	0.	0.0	0.	100.0	0.
102	DATA PROCESSING		34775.	39340.	58301.	76.5	44627.	52.8	20801.
103	WORD PROCESSING		0.	0.	55313.	58.6	32427.	100.0	0.
104	PUBLICATIONS AND PRINTING		0.	0.	30825.	95.0	29285.	100.0	0.
105	AUDIT EXPENSE		10096.	8610.	10000.	98.5	9850.	100.0	8610.
106	MEMBERSHIP DUES		11818.	16322.	15000.	123.5	18526.	92.6	15122.
107	INSURANCE		39669.	43661.	46000.	121.9	56084.	103.5	45195.
108	SPECIAL EVENTS		0.	12899.	12000.	40.2	4826.	37.8	4881.
109	INVESTMENT COUNSEL AND SERVICE		10597.	8881.	8000.	2.5	200.	1.1	100.
110	RENTAL PROPERTY EXPENSE		7649.	2288.	1550.	65.5	1015.	64.3	1472.
111	INTEREST/OPERATING FUNDS		14162.	27096.	50600.	45.6	23090.	41.7	11303.
112	INTEREST/PLANT FUNDS		31920.	124867.	161500.	75.4	121885.	47.9	59856.
113	PENSIONS AND SPECIAL PAYMENTS		24827.	23797.	24000.	58.2	13984.	58.4	13916.
114	STAFF RECRUITING AND MOVING EXPENSE		7438.	2055.	6000.	38.3	2303.	89.4	1839.
115	DISABILITY INSURANCE		0.	0.	0.	*****	1605.	100.0	0.
116	UNEMPLOYMENT INSURANCE		8823.	21083.	20000.	30.1	6039.	26.1	5506.
117	LONG RANGE PLANNING AND LEGAL FEES		17374.	7546.	7500.	0.0	0.	42.3	3199.
118	ADVERTISING (TO 78-79)		0.	13385.	0.	0.0	0.	66.1	8856.
119	PUBLICATIONS (TO 78-79)		26404.	22185.	0.	7.4	0.	84.5	18759.
120	MISCELLANEOUS EXPENSE/CONTINGENCY FUND		3897.	59701.	4000.	330.1	13205.	1.8	1101.
121	TOTAL GENERAL INSTITUTIONAL		346302.	462388.	539699.	75.0	405216.	51.3	237384.

LINDENWOOD COLLEGES
 OPERATING BUDGET
 1978-1979
 1/32/79

		1976-77	1977-78	1978-79	78-79	1978-79	77-78	1977-78
		ACTUAL	ACTUAL	BUDGET	% EXP	YTD ACTUAL	% EXP	YTD ACTUAL
<i>Prospective Graduates, 1978-1979 - For Approval</i>								
INCOME								
1	FULL-TIME RESIDENT STUDENTS	531550.	528364.	528000.	104.4	551454.	99.6	526665.
2	FULL-TIME NON-RESIDENTS	451575.	499144.	500000.	118.5	592636.	101.2	505240.
3	SPECIAL STUDENTS (INCL NURSES)	96209.	127319.	185000.	108.5	200883.	67.9	86520.
4	ACADEMIC FEES	70309.	78198.	75000.	66.8	50120.	57.1	44676.
5	SUMMER SESSION	50755.	73475.	110000.	105.0	115527.	100.0	73475.
6	CAMPUS SCHOOL	27043.	28292.	28000.	84.7	23730.	103.1	29170.
7	EVENING COLLEGE	520674.	478585.	428000.	83.0	355451.	56.9	272557.
8	M.B.A. PROGRAM	71075.	180485.	140000.	119.8	167810.	55.0	99418.
9	MASTERS DEGREE EDUCATION	0.	0.	40000.	122.1	48840.	100.0	0.
10	MASTERS DEGREE THEATRE	0.	0.	10000.	103.2	10325.	100.0	0.
11	LINDENWOOD 4	385403.	494653.	485000.	70.8	343384.	60.8	300985.
12	NURSING PROGRAM (ST. LUKE'S)	48333.	43596.	45000.	68.4	30823.	67.5	29435.
13	FOREIGN STUDENT CENTER	52900.	39800.	88000.	1.7	1505.	105.0	41800.
14	TOTAL TUITION AND FEES	2305826.	2571911.	2662000.	93.6	2492490.	78.1	2009944.
15	ENDOWMENT	222589.	214328.	214000.	65.4	140074.	63.2	135546.
16	GIFTS AND GRANTS	193822.	213384.	390000.	49.5	193066.	42.1	89913.
17	SCHOLARSHIPS	40851.	11910.	10000.	29.8	2987.	49.9	5945.
18	MISCELLANEOUS	48599.	48393.	62000.	62.9	39020.	56.4	27331.
19	THEATER	0.	0.	78000.	42.9	33529.	100.0	0.
20	TOTAL EDUCATIONAL AND GENERAL	2811690.	3059926.	3416000.	84.9	2901189.	74.1	2268681.
21	AUXILIARY ENTERPRISES							
22	RESIDENCE HALLS	158355.	144258.	145000.	100.2	145409.	99.7	143838.
23	FOOD SERVICE	221397.	213331.	215000.	96.3	207053.	99.3	211941.
24	BOOKSTORE	146993.	150374.	155000.	69.4	107673.	61.0	91829.
25	CONFERENCES	86996.	92401.	100000.	88.6	88690.	53.9	49855.
26	S. L. F. C.	101102.	135266.	135000.	113.0	152579.	70.1	94899.
27	STUDENT CENTER	0.	0.	10000.	68.3	6837.	100.0	0.
28	ATHLETIC FIELD	0.	0.	35000.	24.9	8745.	100.0	0.
29	MISCELLANEOUS	49400.	59661.	5600.	54.1	3034.	58.7	35072.
29	TOTAL AUXILIARY INCOME	764244.	795291.	800600.	89.9	720024.	78.8	627436.
30	TOTAL INCOME	3575934.	3855217.	4216600.	85.8	3621214.	75.1	2896118.

Prospective Graduates, 1978-79 (Cont.)

Prospective Graduates, 1978-1979 - For Approval

JANUARY TERM, 1979

Associate in Science

David J. Echele
Thomas Earl Damron (Fall, 1978)

SPRING TERM, 1978-79

Associate in Science Degree

Clifford Lee Claxton
Mary Edith Gisi
Janet Claire Lowry
Joyce E. McCray
Sherman Robert Riegler

Bachelor of Arts

Theresa Marie Block
Lois Mayer Boschert
Valerie Jean Brown
Paul Arthur Butts
Roseann Mary Clever
Suzanne Leigh Glenzy
Virginia Ellen Guvernator
Karen Ruth Hamrick
Lee Hatcher
Susan Marie Jackson
Kristi Diane Jemison
Susan Marie Karaffa
Kathryn Ann Kochanski
Dian J. Leistner
Ned William Loetz
Julia Lynn Nichols
Sherry K. Park
Nancy Marie Rakonick
Lisa Louise Ritter
Jeanette Louise Sanders
John M. Sesti
Claudia Ann Stedelin
Joan Marie Stefanski
Lynda A. Thompson
Diana Renee Van Iseghem
Ralph R. Willey

Bachelor of Fine Arts

Joseph Carl Byrnes
Georgia Kent Tewel
Margaret R. Urian

Master of Fine Arts

Cheryl Diane Metzger
F. J. Wyand

Master of Science in Education

Jane K. Shelburg

SPRING TERM, 1978-19 (cont.)

Bachelor of Music

Mary Joyce Riley

Bachelor of Science

Sharron Lee Albrecht
Sigrid Annie Anderson
Nancy Ann Austin
Frank Carleton Bacon
Carolyn Michele Bascom
Cary Ann Bjerckstrand
Janet Musterman Boggs
Mary Elizabeth Boschert
Kevin Patrick Bowen
Lisa Marie Brazil
Kathryn Ann Brown
Linda Kay Bryant
Judith Ann Buechler
Keith Randall Carpenter
Arthur Lynn Castile
Linda Marie Conover
Donald Mark Courtney
Mary Lou Grets
William Thomas Davis
Stephen E. Dessert
Carol Diane Dollins
Stanley Joseph Dultz
Craig Raymond Emerson
Dennis Marlan Engelage
M. Ann Eyre
Dale Wayne Farley
Daniel Clay Fry
Diane Katz Gallant
Jane Christine Goesmann
Thomas Harold Hayman
Janet May Hefti
Harlan Scott Heller
Janet Lee Henry
William Lynn Holloway
Michael John Hovanec
Kevin L. Hurd
Donna Jeanne Kirchoff
Karen Lynn Kolkmeier
Lisa Ellette Krohn
Jesse Andrew Lane
Edward G. Lark

Charles Reuter

Shirley Rice

Judith Ann Rose

James Ryan

Prospective Graduates, 1978-79 (Cont.)SPRING TERM, 1978-79Bachelor of Science

Jerry Brett Mackey
 Dennis Wayne Miller
 Terry Brent Moses
 Paula Marie Pettit
 Mary Jean Rando
 Richard Roy Ratcliff
 Pamela Kay Roesler
 Teressa Nanette Rollings
 Martha Ann Saiedy-Nami
 Brian Charles Samuels
 Yvonne Lemay McCauley
 Cuddeback Schappert
 Alice Victoria Seise-Eden
 James Frank Simpson
 Helen Harie Smock
 Joanne Kay Solberg
 J. Leon Stanek
 Barbara J. Stone
 John Edward Storjohann
 Larry L. Swindler
 Pamela Ann Traugher
 Gary Lee Vierck
 Carole Sue Vorst
 Woody Wayne Wheeler
 Catherine E. Wilhelm
 Janet Prinster Wilhelm
 Vencia Lynn Williamson
 Barbara Ann Winkelmann
 Janet Marie Winkelmann
 Arleta Sue Witwer
 Roy Leon Zeigler

Master of Arts in Education

Clifdel Roylen Dowler

Master of Business Administration

Nellie Louise Bruce
 Barry R. Bruder
 James Lee Christensen
 James Dunlap
 Gary Conley Greer
 Lester V. Hager
 Leon Nathaniel Wilson
 Charles Yates

Master of Fine Arts

Cheryl Diane Metzger
 P. J. Wyand

Master of Science in Education

Jane K. Shelburg

LINDENWOOD IVJANUARY, 1979Bachelor of Arts

Florence Brun
 Richard A. Schonhoff
 Priscilla Griest Shoemaker
 Joyce Stack

Bachelor of Science

Cynthia Lynn Irwin Allen
 Roberta Barenfeld
 Larry Jon Baukin
 Roger C. Birkel
 Susan Lea Bryant
 Joanne G. Hayes
 Nancy L. Nelson
 Judith C. Roman

Master of Arts

Anna-Lee Aton
 Linda Sue Thompson Bauwens
 Pamela Chubbuck Bescher
 Virginia Joan Buus
 Kathy Chaney
 Martin Corcoran
 Dee Courtney
 Sarah Ann Cox
 Emily Ann Day
 Donald Detzel
 Art Erb
 Eric I. Field
 Jane Fletcher
 Diane Marie Fornaci
 Gail A. Fraser
 Dorothy Ghose
 A. J. Henley
 Robert Hukill
 Deborah Jones
 Maurice LeCroy
 Lyn Levine
 Leandra M. Lewis
 Keith Weeks Lyou
 Sherry Lynn Neal Meinberg
 Jean W. Powers
 Marjorie L. Rand
 Charles Reuter
 Shirley Rice
 Judith Ann Rose
 James Ryan

Prospective Graduates, 1978-79 (cont.)

LINDENWOOD IV

JANUARY, 1979

Master of Arts

Robert Eugene Sandberg
Barbara L. Sanders
Darrell Charles Shoults
Mariam Stovall
Carolyn Ann Goss Timm
Pamela D. Tregoe
Stuart Wallace
Evelyn Waterman
Howard F. Weber
Douglas Gregory Wiley
Magnolia Wilkinson
Wendy Wirth

Master of Fine Arts

George C. Holets
Daniel U. Krehbiel

Master of Science

JoAnn Bull
Margaret Hoven
William A. Norwood
Edward M. Peters
Jan Craig Sherman
Susan Roe VanCleve

SPRING, 1978-79

Bachelor of Arts

Rosanne Goad
Harriet Guttenberg
Lilliam Klempfner
Elisabeth Kohalmy
Theodore Pierce
Deborah Rogers
Winifred Trent

Bachelor of Science

Daniel G. Blymyer
Martha Dodge
Sarijane M. Freiman
Celia Heil
Donald Jones
Rebecca Lyles
Stephen E. McCormick
Kermit Robinson
Mark Stevens
Georganne G. Tiemann
Irene Whittaker

LINDENWOOD IV

SPRING, 1978-79 (cont.)

Master of Arts

Richard Balicki
Thomas Burkemper
Loretta Dubin
Nancy Follis
Martha Shu Gong
Arthus Hawkins
Penelope Herdfelder
Linda Kanagawa
Joan Katz
Mariam King-Watts
David London
Jess Mueller
John O'Connor
Alexander Patico
Dave Shaw
Elaine Rayman
Irmtraud Reswick
Randy Ring
Margaret Silver
Bettie Simon
Bobby Steward
Donald Tabone
Vivian Ware

Master of Fine Arts

Margaret Bowman
Jim Hobbs

Master of Science

Janice Franklin

THE LINDENWOOD COLLEGES
Office of the Registrar

Prospective Graduates, 1978-1978

LINDENWOOD IV - SEPTEMBER, 1978

Prospective Graduates, 1978-1978 - For Approval

SUMMER TERM, 1978

Master of Business Administration

Frank R. Schonhardt

DECEMBER, 1978

Associate in Science

Charles Leon Anderson

Tommie Jean Roosmann

William Curtis Sharp

William D. Schneider

Bachelor of Arts

Marion Patricia Grace

LaDonna Fay Marsh

Elizabeth Ann Park

Bachelor of Fine Arts

Joseph C. Byrnes

Bachelor of Science

Alicemay Betz

Toby Lynn Caffray

Renee Ann Dieckmann

Virginia Ermeling

Frederick Charles Franz

Timothy Mark Geiler

Ronald F. Gruenefeld

Teresa E. Hahn

Jerri L. Koehn

Ronald W. Lawler

Kathryn Lewis

Mickie Diane McClain

Josephine Marie McCorkell

Christopher Gray Miller

Terry Clarence Mislark

Tonya Lynn O'Connell

Jerry Russell Pagoria

Tori Alice Putnam

Bobbie J. Slattey

Daniel Joseph Squires

William G. Tapia

Ethem Ibrahim Tarhan

Michael R. Taylor

Russell L. Thalacker

DECEMBER, 1978 (cont.)

Master of Business Administration

Robert D. Alton

Richard A. Bahr

Jerry L. Fitch

Gerald Andrew Gayer

Donald Edwin Gibbs

Ray Eugene Gibler

James Andrew Groos

Kedar Prasad Gupta

Clifford Price Johnson

John Thomas Johnston

John Edward Lorinc

Thomas J. Lynch

Thallis Thomas Malone

Thomas Ray Spradlin

Otto William Voettiner

Warren Orrell Williams

JANUARY, 1979

Associate in Science

Sandra Marie Honerkamp

Bachelor of Arts

Jeanine Louise Butts

Parvin Nadimi

Bachelor of Fine Arts

Thomas D. Henning

Charles A. Spatz

Bachelor of Science

Lorraine Amendola

Paul Stephen Brown

Joni S. Downes

Joann G. Hayes

Mary Kay Loeffler

Charles Edwin Moore

Richard S. Moore

Prospective Graduates, 1978-1979 - For Approval (cont.)

LINDENWOOD IV - SEPTEMBER, 1978

LIST OF PROSPECTIVE GRADUATES

Bachelor of Arts

Sally F. Oesterling
Bonnie Solomon

Bachelor of Science

Ellen B. Harter Alwood
Ernestine Dantzler Betts
S. Richard Ellis
Edna Ellen Friedrich Freeman
Charles P. Greco
Jean A. Herring
Janet Harder Jungkuntz
Patricia Corrigan Krauska
John A. Nichols
Ruth Marie Taylor

Master of Arts

Mary Pardue Abrahams
Valerie Kent Brown
Margaret Ann Cotton
Gail-Beverly Cummins
Mary Althea Hilken
LaVerne Louise Hoerchler
Peggy Keim
Jean Tuholske Laventhal
Melva Lee Lohman
Dora Lee Joyce Lovell
Gene Kluck Sepulveda
Judith Simmons
Lee Sommer
M. Lois Turner

Sam Word

Guy Young

Delete: Bachelor of Science - Spring '79

Frank Bacon

MA - Lindenwood 4 - January '79

Charles Reuter

MA - Lindenwood 4 - Spring '79

Jess Mueller

THE LINDENWOOD COLLEGES
Office of the Registrar

ADDITIONS & DELETIONS TO LIST OF PROSPECTIVE GRADUATES

Add

December, 1978

Associate in Science Degrees

Bernard Hieger

Joseph Self

Joan Vomund

Add

Spring, 1979

Associate in Science

Gary Weissgerber

Ronald Pillow

Bachelor of Science

Jane Rufkahr Bell

Peter Bezemes

Tonya O'Connell

Willa Pawlikowski

Sam Word

Guy Young

Delete: Bachelor of Science - Spring '79

Frank Bacon

MA - Lindenwood 4 - January '79

Charles Reuter

MA - Lindenwood 4 - Spring '79

Cordially,

Jess Mueller

John S. Burd
Administrative Director
Lindenwood Colleges III

C.S. Dr. William Spencer
Mrs. Marcella Soda

The Lindenwood Colleges

Saint Charles, Missouri 63301

January 5, 1979

Mr. Wes Erwin
Executive Director
Community Living for the Handicapped, Inc.
145 South 5th Street P.O. Box 997
St. Charles, MO. 63301

Dear Mr. Erwin:

Thank you for your kind words about The Lindenwood Colleges in your letter of December 20, 1978. I am always glad to receive such remarks.

As you requested, Thursday January 4, 1979 the President's Council voted to recommend to the Board of Directors that Community Living for the Handicapped, Inc. be permitted to use, free of charge, room 305 of Young Hall for the "college" for the handicapped. It is my understanding that this program will 1) commence in the fall term of 1979, 2) be for a limited number of students at first (room 305 will only hold about 15 students), 3) be totally supported and financed by Community Living for the Handicapped, Inc., 4) carry no college credit, and 5) be evaluated and presented to the President's Council of The Lindenwood Colleges before future sessions are planned.

The concept of a place of learning for mildly and moderately handicapped adults on a college campus is exciting. The Lindenwood Colleges will be honored to be listed as a co-founder of such a program here in the midwest.

Because you have been working with Mrs. Soda on the Community Dialogues Institute and the planning of the "college," please continue to do so as plans develop further for this program. Mrs. Soda will keep me informed.

Please be aware that should you select a Monday through Thursday evening for your class night there may be a parking problem. Parking behind Young is filled quickly by regular Evening College students. This would be especially true between the hours of 6:30-10:30 p.m.

I look forward to seeing this program develop and trust that it will be as successful as other models you know.

Cordially,

John S. Burd
Administrative Director
Lindenwood Colleges III

c.c. ✓ Dr. William Spencer
Mrs. Marcelle Soda

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MEMBERS OF THE

CONFIDENTIAL

PROPOSED RATES for 1979-80

	<u>1978-79</u>	<u>1979-80</u>
Full-time tuition	\$2,775	\$2,975 (\$283-331/course)
Part-time tuition (day)	--	275/course
Part-time tuition (evening)	210/3½ credit hour	210/3 credit hour course
MBA tuition	300	325/course
Room (single)	700 approx	900 per person
Room (double)	600 approx.	600 per person
Board	1,075	1,175

Board of Directors

- David E. Babcock
- John H. Biggs
- George W. Brown
- Mrs. Russell J. Crider
- Mrs. James C. Hantill
- John C. Hennegan
- Robert Hyland
- Walter L. Heston, Jr.
- Jefferson L. Miller
- Richard T. Pundson
- Mrs. Dorothy Warner
- E. J. Wipfler, Jr., M.D.

Board of Overseers

- Mrs. K. K. Barton

* - The Lindenwood Colleges. Founded in 1827 and chartered in 1853 as Linden Wood Female College. New corporate structure of Lindenwood Female College approved by Circuit Court of St. Charles County March 7, 1977.

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MINUTES OF THE
JOINT MEETING
OF THE
BOARDS
OF
THE LINDENWOOD COLLEGES*

CONFIDENTIAL

St. Charles, Missouri
February 13, 1979

The meeting of the Board of Directors of The Lindenwood Colleges, honorary Administration

life members of the Board, and Board of Overseers of the colleges was held at

The Lindenwood Colleges in Young Lounge, February 13, 1979, at 2:00 P.M., pursuant

to call and notice given each member of the Board in accordance with the bylaws.

The following members of the Board of Directors, being a quorum, and members of the Board of Overseers were present. No honorary life members were present:

Board of Directors

- David E. Babcock
- John H. Biggs
- George W. Brown
- Mrs. Russell J. Crider
- Mrs. James C. Hamill
- John C. Hannegan
- Robert Hyland
- Walter L. Metcalfe, Jr.
- Jefferson L. Miller
- Roland T. Pundmann
- Mrs. Dorothy Warner
- E. J. Wipfler, Jr., M.C.

Board of Overseers

- Mrs. K. K. Barton

* - The Lindenwood Colleges. Founded in 1827 and chartered in 1853 as Lindenwood Female College. New corporate structure of Lindenwood Female College Approved by Circuit Court of St. Charles County March 7, 1977.

The following members of the Administration were present:

William C. Spencer, President
John S. Burd, Administrative Director of Lindenwood Evening
College and Lindenwood College for Individualized Education
Doris Crozier, Dean, Lindenwood College for Women
Patrick F. Delaney, Jr., Dean, Lindenwood College for Men
Frank W. Hetherington, Director of Admissions and Student Aid
James F. Hood, Provost
Jeffrey G. Nemens, Director of Development and Public Relations
Joseph W. Schwarzbauer, Director of Financial Planning and
Administration
Mary Yonker, Assistant to the President and Assistant Secretary
of the Board of Directors.

Chairman Robert Hyland called the meeting to order. The meeting was opened with silent prayer.

A motion was made, seconded and passed to approve the minutes of the September 11, 1978 and October 10, 1978 minutes as distributed.

Mr. Hannegan, Chairman of the Fund Raising and Development Committee, reported that gifts and pledges for the Student Center now total \$119,930.73. He expects to reach the goal of \$140,000.00. Mr. Hyland commended Mr. Hannegan on the work he has done to raise this money.

Mr. Hannegan also reported that the initial presentation of \$125,000.00 from the Fund for Higher Education (in Israel) Flame of Truth Award will be made as soon as a date is set.

Mr. Babcock, Chairman of the Finance Committee, asked Mr. Schwarzbauer to comment on the print-out of budget detail, Summary of Financial Data, and Cash Flow Projection attached to the agenda.

Mr. Schwarzbauer pointed out that the projected deficit at the end of the fiscal year is \$241,607.00. The last figure on the Cash Flow Projection sheet under Year-to-Date, 1978-79 Actual, which shows a deficit of \$786,349.00 should be a surplus of \$786,349.00. Mr. Schwarzbauer also pointed out that by the end of May we will have reached our current borrowing limit of \$2,100,000.00. By April we

hope to have a balanced budget for 1979-80. It is possible that a borrowing agency would help us on a short-term basis through the summer. Any use of the back campus would not help for the coming year and probably not for the next year.

Since the budget for 1979-80 has not been approved, Mr. Babcock moved that the budget for 1978-79 with a deficit of \$241,607.00 be adopted, with the following guidelines to be followed for the 1979-80 budget:

1. Balance the budget.
2. Seven percent salary increases for the faculty, administration, and staff.
3. Net tuition income increase to at least \$3,000,000.00.
4. Debt repayment of \$100,000.00.
5. Gifts and grants of \$400,000.00.

The motion was seconded and passed.

Mr. Miller reported that the Facilities Committee has met several times. Mr. Goodall is in charge of existing facilities and the Administration has been asked to work closely with him in determining what needs to be done. In regard to the disposition and use of the farm land a very reputable company (whose name cannot be revealed at this time) has been asked to determine the best use of the property. They will examine the parcel, determine the best use for each piece of it, and appraise each parcel without charge. After that there will be a clearer picture of what use to make of the land.

A motion was made, seconded, and passed to approve the candidates for degrees (list attached to the agenda) upon satisfactory completion of requirements.

A request from Mr. Wes Erwin, Executive Director of Community Living for the Handicapped, Inc., was presented. Mr. Erwin has asked for the use of Room 305 in Young Hall without charge for a "college" for the handicapped. The program would commence in the fall of 1979, would be for a limited number of students (15

or less) in the first year, be totally supported and financed by Community Living for the Handicapped, Inc., carry no college credit, and be evaluated and presented to the President's Council of The Lindenwood Colleges before future sessions are planned. President Spencer reported that this request has been endorsed by the President's Council and is brought to the Board for action.

A motion was made, seconded and passed to approve the use of Young 305 without charge for use by Community Living for the Handicapped, Inc.

A motion was made, seconded and passed to elect Joseph W. Schwarzbauer as Administrator and Howard A. Barnett, in place of William H. Weber, as Trustee of the General American Retirement Plan.

A motion was made, seconded and passed that the following rates be approved for 1979-80:

Full-time tuition	\$2,975
Part-time tuition (day)	275/course
Part-time tuition (evening)	210/3 credit hour course
MBA tuition	325/course
Room (single)	900 per person approx.
Room (double)	600 per person approx.
Board	1,175

Mr. Hyland reported that the Executive Committee met on December 28. At this meeting the report of the Finance Committee was heard, there was discussion about possible salary increases, the SUMMERSTAGE proposal was discussed, as well as the Western Waterproofing Company litigation. Guidelines in regard to the 1979-80 budget, which were included in Mr. Babcock's motion to adopt the 1979-80 budget, were approved.

The Executive Committee met again just prior to this meeting regarding SUMMERSTAGE for 1979. The proposal was presented by Mrs. Shirley Wipfler and her committee. Mr. Hyland continued by saying that the Executive Committee is very reluctant not to approve SUMMERSTAGE 1979 because of the public relations aspect. However, the crux of the matter is because of the financial condition

of the college and the fact that SUMMERSTAGE would probably show a deficit, the Executive Committee voted very reluctantly not to approve it. If there is a last-minute reprieve, the Committee would be glad to reverse its decision. A discussion followed of whether guarantors could be obtained to cover the deficit, the negative aspect from a public relations standpoint of not approving SUMMERSTAGE 1979, the fact that postponing it for a year would be a set-back, and whether an outside organization would be willing to develop a summer theatre program if the college makes the space available.

A motion was made, seconded and passed that the following resolution be adopted:

RESOLVED, that the officers be and they are hereby authorized to enter into an agreement for the use of Jelkyl Center for the Performing Arts during the summer for an annually renewable term of up to ten years with a not-for-profit organization to be formed by St. Charles residents interested in sponsoring productions of professional theatre at such times upon such terms and conditions as the officers shall deem advisable, provided however that such productions shall be at no cost to the college and the organization will reimburse the college for its reasonable expense in promoting the operation of the theatre.

It was the consensus of the Board that the professional theatre produced by Wesley Van Tassel during the past summer and college productions during the past two years were artistic successes and credits to the college. It was the unanimous hope of the Board that Dr. Van Tassel would continue as a faculty member during the forthcoming academic year, and during the 1979 summer would be available to assist the St. Charles organization in the production of summer theatre under new sponsorship.

Mr. Pundmann, Chairman of the Board-Faculty Liaison Committee, reported that he and Dr. Wipfler met with the faculty members of the committee several weeks ago.

Mr. Pundmann then read a letter from Dr. Daryl Anderson, Chairman of the Faculty Council, which expressed the concerns of the faculty. Dr. Wipfler then

Walter L. Netcalfe, Jr.
Secretary, Board of Directors

reported other reactions of faculty members. They have asked if Board members are aware that faculty have been asked to teach extra courses without additional compensation, that the Provost's position took away Deans Crozier's and Delaney's positions, and that the Provost lacks budgetary power. They wonder if lack of leadership had to do with the financial situation. It was pointed out that these were expressions of the faculty members of the committee, not the Board members.

Members of the administration and faculty then were excused from the meeting and the Board convened in executive session.

Mr. Hyland first reviewed with the Board a memorandum prepared by President Spencer dated February 5, 1979 and titled "An Institutional Assessment."

Mr. Hyland then stated his agreement with Spencer that the matters addressed in the report be discussed at the February Board meeting, and he responded to various items adding some other perspectives to the Spencer assessment and raising certain issues to be discussed and decided. Mr. Hyland compared the report with the Jordan/McFadden assessment of August 31, 1974 and spoke to the financial condition of the College and the oft-stated need to balance the budget.

The pattern of unbudgeted deficits over the past four to five years and, the financial matters were discussed. Other statements within the assessment were reviewed and recommendations discussed briefly.

The on-campus situation then was reviewed including the position of the faculty and students with respect to the Spencer administration, administrative organization, admissions and development.

In conclusion, it was the consensus of the Board members present that Mr. Hyland be authorized to discuss with Dr. Spencer the terms of his resignation at the end of the academic year, and that consideration be given to the search for a successor for that office.

Walter L. Metcalfe, Jr.
Secretary, Board of Directors

The Lindenwood Colleges

Saint Charles, Missouri 63301 - Office of the President

AN INSTITUTIONAL ASSESSMENT

(SEPTEMBER 1974 - SEPTEMBER 1978)

February 5, 1979

BACKGROUND

In August and again in October 1974, William Spencer, upon invitation of Robert Hyland, at that time Chairman of Control and now Chairman of the Board of Directors of The Lindenwood Colleges, visited the campus to be interviewed as a candidate for the presidency. In conversations with members of the Board of Control, as learned, among other things, that Lindenwood was suffering from the

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TO MEMBERS OF THE BOARDS OF THE LINDENWOOD COLLEGES:

Attached is a report carefully researched and written over the past weeks by a number of Lindenwood people. I believe that it merits your careful and thoughtful attention as responsible members of Lindenwood's Board. It has been written and edited simply to present facts; no individual or group is intentionally praised or criticized.

At the February Board meeting I believe these matters must be addressed directly and unequivocally. Only through your strong and realistic support for an economically viable institution can we move ahead. Please call me if you would like to ask questions or discuss these matters further.

Cordially,

Bill

William C. Spencer
President

WCS:MY

Encs.

On his first visit, Board members responded positively to Spencer's inquiries about the support they were prepared to give a new president in fundraising and instituting institutional reorganization and innovation. They agreed with the importance of preserving the Colleges' valuable identity as a liberal arts institution.

In addition, the Board of Control had commissioned the highly qualified management consultant team of Thomas Jordan and Daniel McFaidan to draw up an institutional assessment, and to provide guidelines for Lindenwood's future course of action. A copy of this document (Appendix A), with a note from Hyland, was

AN INSTITUTIONAL ASSESSMENT
(SEPTEMBER 1974 - SEPTEMBER 1978)

BACKGROUND

In August and again in October 1974, William Spencer, upon invitation of Robert Hyland, at that time Chairman of the Board of Control and now Chairman of the Board of Directors of The Lindenwood Colleges, visited the campus to be interviewed as a candidate for the presidency. In conversations with members of the Board of Control, he learned, among other things, that Lindenwood was suffering from the serious financial difficulties common to many small private liberal arts colleges.

However, Spencer concluded after hearing the ideas and sensing the attitudes of Board members, administrators, faculty, alumni, students and community leaders, that this college seemed to hold greater promise for future success than the other three institutions for which he was then a presidential candidate.

On his first visit, Board members responded positively to Spencer's inquiries about the support they were prepared to give a new president in fundraising and in undertaking institutional reorganization and innovation. They agreed with him on the importance of preserving the Colleges' valuable identity as a liberal arts institution.

Some preliminary steps had already been taken in the direction of self-renewal, to bolster the college financially and make it more responsive to current needs. In 1972, a program of evening courses had been initiated, and continuing education students were enrolled in daytime classes. An effort was being made to strengthen ties with the St. Charles community.

In addition, the Board of Control had commissioned the highly qualified management consultant team of Thomas Jordan and Daniel McFadden to draw up an institutional assessment, and to provide guidelines for Lindenwood's future course of action. A copy of this document (Appendix A), with a note from Hyland, was

mailed to Spencer in mid-September. Although it was dated August 31, Spencer immediately recognized the report as the source of many of the forward-looking ideas expressed to him by Board members and Richard Berg on his first visit, and he surmised that the authors had communicated these ideas in conferences or conversations, and that Board members had seen preliminary reports.

The consultants' recommendations coincided remarkably with Spencer's own convictions concerning appropriate action to strengthen Lindenwood. Subsequent conversations, chiefly with the Chairman of the Board, reaffirmed the Colleges' endorsement of the report's recommendations. On September 23, although Spencer did not know it at the time, at a meeting of the Board of Control, Dr. Russell J. Crider had "moved that the institutional assessment of the Colleges prepared at the request of the Board of Control...be used as a tool by the Board of Control in plotting necessary courses of action." (Appendix B) The motion was seconded and passed.

The report (Appendix A) did not minimize the gravity of Lindenwood's fiscal problems: "For the Lindenwood Colleges, death is inevitable, unless those who share its life recognize its peril." It warned that the Colleges' own projections for enrollment, fund-raising and deficit figures indicated that it should close its doors in March 1976 "unless those responsible substantially solve its deficit problems..." (p.1). However, it went on to say, on p.2, "The Board of Control must accept an active role and meet its fiduciary responsibility," and on p.1, that "to banish the grim reaper from its campus...The Board of Control must...raise \$3,000,000 for survival or \$5,000,000 for a degree of strength.

Neither did it minimize (see p.2, all paragraphs) the difficulties a new president would face in leading faculty and staff to accept major institutional changes. "The person the...Colleges need would not accept the job under the present conditions," and therefore, before seeking a new president, the Board of Control

must...make major decisions and take steps so that "this individual has an opportunity to fully steer the institution out of its present morass." The steps the Board must take were: (1) to meet with faculty and gain their cooperation and understanding of the need to change, as well as (2) state "its support for a major reorganization of the campus administrative structure." The statement in paragraph 1 that "The Board is the one group that can rise above the individual interests of particular faculty and staff," refers to the fact that a president may be regarded by a faculty as seeking to weaken the faculty's power as he carries out administrative reform, but the Board is thought of as impartial. The last two sentences of item 2 on the same page suggest that only a solid front, with Board and president acting in unity and accord, is likely to discourage faculty from pushing for short-sighted, parochial and self-serving action.

In spite of the negative factors, Spencer's willingness to consider the presidency was importantly influenced by Board members' strong verbal assurances of support, their apparent endorsement of the J/McF report, the Colleges' present course of action, Board members' acceptance of the need for reorganization and innovation, and pledges of cooperation by members of the campus and St. Charles communities. Spencer was encouraged by the additional facts that (1) Lindenwood's location provided access to the urban resources necessary for enrollment increase, cultural enrichment, a pool of talent for obtaining adjunct faculty, internships, employment for graduates, and corporate and private financial support.

On October 2, at a meeting attended by the Board of Directors and Board of Overseers of Lindenwood College for Women and the Board of Trustees of Lindenwood College II, the Spencers were formally introduced. According to the minutes (Appendix C), Spencer noted that, if he were elected, "acceptance of the Board's invitation would require from them (the Board) a major commitment and an act of

faith in the future of Lindenwood. Because the continued strength and welfare of a college depends as much on the involvement of its Board members as on its administrators, he asked the members, during their final deliberation on his formal election, to make individually and collectively the same solemn commitment that he and Mrs. Spencer were being asked to make...Mr. and Mrs. Spencer left the meeting."

After the Spencers left, following some discussion, Crider moved that Spencer be asked formally to be president of Lindenwood. Roland Pundmann seconded the motion, which was passed unanimously.

"...Hyland said that in regard to the commitment of the Board to the new president, it would be necessary...for each Board member to support the president actively...It was decided that a formal resolution would be out of order at this time, since most of the Board members had expressed this to...Spencer personally."

Hyland informed those present of the institutional assessment commissioned by the Board of Control and prepared by Jordan and McFadden during the summer. He then read to the Boards some sections of that report. These sections are officially recorded in the minutes of the meeting. (Appendix C, pp.3-8).

In relation to some of the report's recommendations, Hyland then said that the Board of Control would "choose Board members to work with appropriate staff members on the following task forces:

1. Mission of the Colleges
2. Fund-raising
3. Community College district
4. College farm"

The J/McF institutional assessment was at that time "Confidential to the Board of Control." However, it seems in retrospect that it would have been useful, and not in any way dangerous, to have distributed copies of the complete document to all Board members before or during the October 2 meeting. It contained much

background information vital to any trustee's understanding of the Colleges' situation. Board members could have been trusted to respect the confidentiality of its contents. However, in response to an informal inquiry made during November 1978, a number of individuals who were Board members in 1974, who were present at the October 2 meeting, and who are still members of the Board, could not recall ever having seen the original institutional assessment. Some were under the impression that what they had heard at the meeting was the complete report rather than a series of excerpts. As far as it is possible to determine, no faculty members (other than Berg and Howard Barnett) ever saw the report, nor were they informed of its contents nor its existence.

Naturally, the report was too long to be read at the October 2 meeting of the Boards. However, a perusal of the unedited document with the omitted sections outlined in black (see Appendix A), suggests that some of the omitted sections are quite significant.

For example, the excerpts did not include the sections setting forth the qualifications for the president that Board members present were about to elect (p. 3), the monumental goals he would be expected to achieve (p. 3), nor the numerous warnings of the severe problems he was bound to face (such as p. 13, paragraph 5, last sentence). The statement that, "Without the Board's backing, no administrator could undertake the massive reorganization required to bring Lindenwood into the 1980s," (p. 2, item 2) might have alerted members of the Boards that their responsibility to the new president was of the same extraordinary magnitude as were his challenges.

Strong, unequivocal statements concerning fiduciary responsibility of the Board of Control (p. 2, first sentence), and recommendations that it take the initiative in forming support groups of influential leaders to spearhead capital development in St. Charles and St. Louis were left out.

Omitted are unpleasant realities such as criticism of the "absurd" organization of the Colleges' academic departments (p. 18) and the analysis of the faculty's entrenched resistance to change as well as its unawareness of the precariousness of the Colleges' condition (pp. 11, 12, 13, 14).

Some recommendations which were read at the meeting seem very apt today. For example, "It is absolutely necessary that the faculty understand both the critical situation that Lindenwood faces, and also that with commitment, dedication and facing up to hard decisions, the College can...survive..." (p. 11) and "The Board should state its support for major reorganization of the campus administrative structure." (p. 2). To implement this process, Item 1, p. 2, recommends that the Board, before seeking a new president, should arrange for "Representatives of the Board and elected representatives of the faculty (no more than six from each group) (to) meet and discuss the Colleges' financial problems and share information." A careful examination of the records shows that this was not done. It is interesting, today, to speculate on the effect that attention to this recommendation in 1974 might have had upon recent events.

Since Spencer was not in the room during the reading of the excerpts, he did not know the nature of the omissions before he accepted the presidency, and in fact had assumed from the beginning that all Board members were reasonably informed of their commitments as these commitments had been represented to him.

Later in the day on October 2, Hyland wrote to Spencer offering him the presidency. In the letter the president's salary and benefits were detailed, and the final paragraph read, "We have been seeing candidates for almost a year, and you and Evie have demonstrated superior insight into the value of liberal education in a world of changing demands. We recognize also, as you have so ably stated, that you cannot carry all the burdens of the Colleges alone, and we pledge you our support in carrying out the work of the Colleges."

Believing that his personal mandate was clear and manageable, that the future directions of the Colleges were specific and accepted as outlined by Jordan/McFadden, and that he would have full and active support from the members of the Board and its chairman, Spencer accepted the appointment on October 7, and Mrs. Spencer also dedicated herself to the commitments and responsibilities of a full-time working partner to the president.

THE TASKS AHEAD

Spencer's tasks, as stated in the J/McF report (Appendix A, pp.3-4) were:

(1) to strengthen town and gown relations in St. Charles and St. Louis, thus gaining the support of leaders in both communities; (2) to build a favorable position for Lindenwood in respect to a proposed public community college district; (3) to improve radically the management of the institution and its assets; and (4) to develop an academic program that retained the special dimension of an excellent liberal arts college but responded to the practical needs of the St. Charles community and today's students. (5) With strong Board support, he was charged with the responsibility to reorganize the administrative structure of the Colleges.

The Board (p.2), for its part, having elected a president, would: (1) act quickly on basic decisions of program; (2) raise \$3 to \$5 million within eighteen months to two years, led by a development council whose chairman would be a member of the Board of Control (pp. 26-27); (3) establish and strengthen the relationship of Lindenwood and the St. Charles and St. Louis communities by forming and working with support groups of outstanding leaders (pp. 7 and 9); (4) meet with faculty for the purpose of creating understanding of the fiscal crisis and sharing information; and (5) clearly indicate its backing for the major reorganization of the campus administrative structure (based on "one faculty and one facility") that "was required to prepare Lindenwood to survive into the 1980s."

WHAT WAS ACCOMPLISHED

The ensuing four years at Lindenwood have, for the most part, been marked by enthusiastic, high-spirited progress. Nearly all the goals assigned to the president have been accomplished.

The Spencers have placed a high priority on improvement of faculty morale, knowing its importance in a period of change and adjustment. They strove to cultivate a campus climate of affection and trust by very frequently entertaining faculty and staff in their home, supporting faculty members' efforts and interests, and personally being as friendly as possible. Mrs. Spencer founded the Women's Association for the Lindenwood Community (WALC), which brought faculty, emeriti, and staff together socially and in service projects, and provided activities to welcome newcomers.

The Spencers also frequently entertained alumni, student groups and organizations, attempting to become personally acquainted with the entire student body in this way, and extended a blanket invitation to all student clubs to use the president's house for parties and meetings.

Spencer talked with students, at their request, at "Town Halls," which usually focused on controversial matters such as the Cardinals' field, the community college issue, the creation of Lindenwood 4, the change in food service management, etc. He answered all questions frankly and honestly. These issues were all Board-approved, but Spencer bore the brunt of criticism.

During Spencer's administration, all decisions pertaining to faculty matters were duly processed by the Faculty Council or Educational Policies Committee or by vote of faculty at faculty meetings. All policy matters under Board jurisdiction were referred to the Board for approval.

Corresponding by number to the order of "The Tasks Ahead" as listed on page 7, the following comments are pertinent:

1. "Town and gown" relationships have been considerably strengthened during the past four years. Academic response to community needs and encouragement of adult enrollment, as well as development of attractive activities in theatre, art, music and sports have brought thousands of area people to the campus as students, consultants, members of "Friends" groups, enthusiastic supporters, and donors. The development of Cobbs Conference Center has introduced many more. Both of the Spencers have devoted all of their available volunteer time to organizations in St. Charles and St. Louis which might help to bring new supporters to the Colleges. They have each promoted Lindenwood by fulfilling numerous speaking engagements. They have traveled throughout the country to meet and cultivate alumni and other prospective donors. Every individual and group that might possibly become helpful to Lindenwood has been invited to their home. In 1977-78 following a recommendation made by John Leslie, development consultant, the Spencers held 19 business "cultivation luncheons" at their home, which helped to bring Lindenwood three new Board members and several volunteer consultants, as well as gifts and grants. At Spencer's request, Board members have introduced him to potential "friends" of the Colleges, and these also have been entertained at the president's house.

The Colleges' burgeoning business programs have brought influential corporation executives to the campus both as students and instructors, and medical services programs have strengthened ties with Washington University and the medical profession in St. Louis. A sizable increase in the number and quality of internships has strengthened Lindenwood's reputation in the metropolitan area, as has the L4 program.

Concerted, succesful efforts to generate media publicity have greatly increased the Colleges' visibility in St. Louis and St. Charles, especially during the past year. "Summerstage" brought this coverage to an all-time high.

Recognition of Lindenwood's 150th birthday, in the Spring of 1977, after an entire year had been spent planning it under the chairmanship of Berg, succeeded as an alumni reunion, but did not involve civic leaders nor cultivate donor support as the J/McF report had recommended (p. 10). Its focus was on public relations with alumni, stressing their nostalgic memories of Lindenwood. Mrs. Spencer was eager to obtain the participation of area people as well as Lindenwood people. She also wanted to demonstrate to the campus community its own ability to raise money, to provide a morale-building experience, and at the same time to highlight Lindenwood's future as well as its past. Thus she conceived the idea of initiating and leading a Sesquicentennial Fair, in October 1977, with a "Yesterday, Today and Tomorrow" theme to benefit the much-needed student center. The fair has since become an annual event. Mrs. Spencer, also, on her own initiative, organized a mail solicitation campaign to benefit the student center, wrote and designed the promotion literature, and, with the assistance of the Development Office, handled the operation of the campaign while she was acting as chairman of the fair.

Community support groups in the arts have been formed (Associates of the Fine Arts and Friends of the Theatre) which have begun to cooperate with the Friends of Music in joint events and projects. A Magrigals support group has recently been organized. All of these groups are flourishing and helping the Colleges in the way recommended by J/McF and John Leslie. In football, the "Linebackers" perform a similar service. The growing St. Charles community support group, under Colvin's leadership, conducts fund drives, and students are performing development services through the new Sibley Society.

2. The issue of the community college overlaps that of town and gown in that academic offerings responsive to community needs have helped to make the public see Lindenwood as a preferable alternative to a community college.

During 1974-76 Spencer worked with GROWTH, INC. on this problem. Also, as a member, and currently chairman, of the Advisory Committee to the Missouri Coordinating Board for Higher Education (CBHE), and sole representative since 1975 of the independent colleges and universities on the state's Master Planning Committee, Spencer has become strategically positioned to influence higher education developments in the state, and to cement working relationships between Lindenwood and St. Charles County. The referendum for a community college was defeated in 1977, but the creation of such an institution remains a distinct, perhaps inevitable, possibility within five to ten years. In 1978, as a result of Spencer's efforts, Lindenwood is in a far more secure position of influence that it was in 1974. In December 1978 he was able to prevent the establishment of courses in St. Charles public school facilities by the St. Louis Community Colleges that would be in direct competition with Lindenwood.

As a member of the executive board and currently as president of the Independent Colleges and Universities of Missouri (ICUM), Spencer has fostered the development of the Missouri Student Grant Program, which currently provides \$7,500,000 to students attending Missouri higher education institutions. The majority of this financial aid goes to students attending private institutions.

3. The task of radically improving the management of the institution and its assets involved major development efforts, and Spencer had expected Board initiative and leadership in this area (see Appendix A, p.2). However, it became apparent that he would have to take the first steps. In January 1975 he asked Dr. Crider to chair and lead a fund-raising committee. Crider accepted, expressing

some doubt that he would be able to do the job. Richard Berg's primary responsibility was for coordinating development and public relations, and Robert Hillard, of Fleishman-Hillard, was engaged in 1975 as a development consultant. Unfortunately, Hillard's contribution was a disappointing one. To lighten Berg's load, Spencer asked Mrs. Spencer to produce a catalog in the spirit of the "new" Lindenwood, and subsequently hired a writer and publications director, and relieved Berg of supervisory responsibility for plant operations and the controller's office. Robert Colvin joined Berg's staff as a part-time development staff member.

In 1976, Institutional Management Consultants, headed by John Leslie, was engaged to draw up a development plan for Lindenwood. Leslie recommended that another full-time development person be hired immediately on a contingency basis, while the firm conducted a study and drew up a long-range plan. Philip Severin was engaged to fill this post. However, Berg's lack of leadership and organization in the affairs of development, publications, and alumni affairs became increasingly evident as he directed his attention farther and farther from campus responsibilities.

The Leslie report, together with the very helpful volunteer consultant services of Al Fleishman, was substantive and valuable. Upon their advice, after Berg's departure in April, 1978, an intensive search began for a first-quality director of development. The Leslie study involved a wide-ranging survey of potential donors and sources of support for Lindenwood. William Weber served Leslie as a volunteer, conducting about half of the requisite interviews and assisting in other ways. When completed, the Leslie report advised that Lindenwood

was not yet ready for a full-scale development drive (mainly because it was still thought of in St. Louis as a small college for women), but drew up a five-year plan. It was recommended that the first year (1977-78) be devoted to an intensive effort to further promote the institution's visibility and new image by means of media, public events, personal contacts, a new slide-tape show, superior publications, the improvement of alumni files and other development-resource files, and the business "cultivation lunches" described under "town and gown." All these recommendations have been followed. Leslie's recommended procedures for the 1978-79, under the new Director of Development and Public Relations, Jeffrey Nemens, include direct-contact solicitation to support the operations budget, continuously stepped-up efforts to promote Lindenwood's image, and the mapping-out of a specific campaign for 1979-80. Nemens and Spencer are at present engaged in the implementation of these recommendations.

Management of Lindenwood's physical plant has been greatly improved under the planning and supervision of William Weber, Director of Operations. He reformed the institution's extravagant practice of outside contracting for services without competitive bids, and succeeded during 1977-78 in paring the operations budget by \$16,000, through reorganizing personnel assignments and instituting more efficient practices.

The extended use of campus facilities for additional revenues now includes an ever-growing utilization of Cobbs as a conference center, a summer horseback-riding camp, use of the football field by St. Louis U., local high schools and other events (with food concessions providing a large source of income) as well as by the Cardinals; a much-enlarged summer session and evening college, theatre performances and rental of the cafeteria by community and business groups.

Renovation of existing buildings to provide space for new programs and for a student union have been carried out as recommended by J/McF.

Frank Hetherington, appointed Director of Admissions in August 1978, substantially upgraded the organization of the admissions operation, mapping out and pursuing specific goals, determining which regional areas to focus on, and improving office procedures.

4. Academic Programs: Priority has been given to improving and supporting the existing liberal arts curriculum and the recommended emphasis (Appendix A, p.21, paragraph 3) has been placed on undergraduate "programs of selective eminence," in Communications, Theatre, Fine Arts, Equitation, as well as popular new courses of study such as Business and Health Sciences (as featured in the 1978 recruitment-admissions brochure, "Lindenwood is...")

More specifically, the following new programs, all requiring a liberal arts basis, have been established to meet community needs: The College for Individualized Education (I4); an MBA and other graduate programs in business, including Women in Management; a large-scale summer program in teacher education tailored to the requirements of area school systems; health profession programs including a B.S. in Nursing, the Bachelor of Medicine (with \$180,000 in federal funding); an English as a Second Language (ESL) program initiated when Spencer brought 40 Middle Eastern students to the campus, and now well established with increasing enrollment; greatly expanded adult continuing education offerings; development of graduate-level studies in theatre; an expanded program in broadcasting, currently adding AM to its FM capacity.

With these additions, enrollment increased in four years from 980 to 1736.

5. Reorganization of the administrative structure, though of necessity brought about more slowly, has closely corresponded to the recommendations of the J/McF report. In 1975, the Evening College was given official status. On March 7, 1977, following two years of effort by the Board attorney, the St. Charles County Circuit Court approved a new corporate structure for Lindenwood Female College, making possible the dissolution of Lindenwood College II and The Lindenwood Colleges (actually, the Board of Control) and transferring their rights and responsibilities to Lindenwood Female College (to be known henceforth as The Lindenwood Colleges.) Accordingly the Board of Control was replaced by an Executive Committee of the new single corporation. This declaratory judgment made it possible in 1977-78 to proceed with the organizational and administrative restructuring recommended nearly three years earlier in the J/McF report. In the summer of 1978, the Evening College and I4 were grouped under a single administration headed by Dr. John S. Burd. It should be noted at this point that the J/McF report had strongly recommended a two-college structure, comprising one coeducational undergraduate institution for liberal arts, and one professionally oriented institution designed mainly for adult and graduate students.

As to departmental reorganization, the J/McF predictions of difficulty proved all too true. The humanities faculty were persuaded to reorganize under two departments in 1976, but faculty resistance to this type of change was still so entrenched that the plan was phased out. If the J/McF report had been available, its recommendations followed, and staunchly supported, the final outcome might have been different.

SUPPLEMENTARY COMMENTS

Use of the Colleges' "farm" was not one of Spencer's specific responsibilities, but it is perhaps of interest here.

In the spring of 1975 Hyland approached Spencer about the possibility of using the campus as a training camp for the St. Louis Football Cardinals. After the team's managers surveyed the campus, it was decided that a stadium would have to be constructed if the training camp project was approved. Hyland and Spencer expressed enthusiasm for this, pointing out that it would enhance Lindenwood's visibility in the metropolitan and St. Charles area, attract male students and produce revenue. Hyland expressed confidence to Spencer and the Board of Control that financial support could be arranged. In various stages over a period of months, the Board approved the project. The stadium and parking lot now occupy part of the "farm" acreage. A covered riding ring, the renovation of Butler Hall, and improvement of campus roads and walks were finally included at Spencer's urging in this capital improvement project.

The use of the remaining farm land is currently under discussion.

CONCLUSION

It is important to note that Lindenwood is not the same institution it was four years ago. The student body has nearly doubled in size, and the average age of students has risen accordingly. Less than one third of the student population is enrolled in the combined women's/men's college. A 1974 full-time and part-time faculty of 90 has grown to 125 in 1978. However, it is interesting that 31 of the full-time voting faculty members whose opinions were surveyed by Jordan McFadden in 1974 still represent the majority of today's 49 voting faculty members. All of the students who approached trustees in the summer of 1978 are 18-22 year old liberal arts students associated with the combined women's/men's college. It should also be noted that student governance officers, especially early in the academic year, do not necessarily reflect the opinions of even that student body. Very few students are interested in spending the time or the effort needed

for these positions. Candidates often have to be cajoled into running, and there are as a rule few candidates for each office. Moreover non-teaching administrators (except the President and the deans), part-time faculty and staff members have no vote at faculty meetings, nor have their opinions been heard or considered in the light of recent developments.

RECOMMENDATIONS

This report has described and documented, as accurately and objectively as possible, events from September 1974 to September 1978 relating to Lindenwood's organization and management, especially as they apply to the responsibilities and activities of the President and the Board of Directors. The analyses and recommendations presented in 1974 to Jordan and McFadden that were adopted by the Board as a guide for the future and that constituted a job description for the new President are, with few exceptions, as relevant in 1979 as they were in 1974. A careful and thoughtful reading or rereading of that report should be undertaken by every member of Lindenwood's Board of Directors. Time is Lindenwood's enemy; "letting the situation remedy itself" or simply "keeping the lid on" are not realistic responses to Lindenwood's difficulties.

It is with a deep sense of loyalty to Lindenwood, and an intense desire to see her succeed in spite of her problems, that the following specific recommendations are offered:

A. The members of the Board of Directors

1. should meet immediately with the elected faculty members of the Faculty Council and the Educational Policies Committee to present information on the financial state of the College, to outline what must be accomplished over the next two or three years if the College is to survive, to review the roles and responsibilities of the Board, the administration, and the faculty, to describe the tasks and expectancies that the Board has assigned to the President, and to reassure the faculty representatives of the Board's sense of concern and responsibility for Lindenwood's future. The President and senior administrators should be present as observers.

2. should immediately use their personal contacts and influence to attract a number of outstanding and influential corporation and civic leaders to membership on the Board.
3. should immediately elect a fund-raising committee to work directly with the President and administration to generate substantial new gifts and grants. At least \$500,000 of unrestricted income for each of the next five years is required until Lindenwood can achieve a fully balanced budget that includes provision for debt service, compensation for deferred plant maintenance, and the beginning of a modest capital reserve fund.

B. The Administration

1. should immediately prepare recommendations for Board consideration to expedite reorganization of the administration to implement the concept of one institution and one faculty.
2. should continue to extend and refine cost control procedures over all aspects of academic and non-academic operations including utilization and operation of buildings and grounds, purchasing, contracted services, and wage and salary administration.
3. should actively seek opportunities to provide educational services to student groups not currently served or inadequately served such that students, community and Lindenwood will tangibly benefit.

C. The Faculty

1. should, in cooperation with the administration, simplify Lindenwood's academic structures, reduce the number of departments, eliminate or reschedule courses with tiny enrollments, and redefine faculty teaching loads.
2. should develop new academic programs to serve new student constituencies, and to extend and adapt present programs to serve larger numbers of students.

- D. The Board of Directors, administration, and faculty should cooperatively formulate a new set of guidelines for faculty and staff salaries and benefits.

August 31, 1974

portions not read and recorded at the joint meeting of the Boards on Oct. 2, 1974, are outlined in black.

Appendix

Exceptions: cover, memo from Mr. Hyland, title page, table of contents, list of persons interviewed (p. 33) and authors' vitae (p. 34) are unmarked.

Pages 6, 7, 10, 8 were read in their entirety

The Lindenwood Colleges
of
St. Charles, Missouri

AN INSTITUTIONAL ASSESSMENT

We are enclosing a report about
Lindenwood Colleges which most
certainly will be of interest to you.

Mr. Walter Newhall, our attorney,
and I will be
September 17,

Submitted to
The Board of Control

by

Thomas F. Jordan
Daniel H. McFadden

August 31, 1974

THE LINDENWOOD COLLEGES OF ST. CHARLES, MISSOURI

AN INSTITUTIONAL ASSESSMENT

ROBERT HYLAND

Dr. Spencer

We are enclosing a report about
Lindenwood Colleges which most
certainly will be of interest to you.

Mr. Walter Metcalfe, our attorney,
and I will call you on Tuesday,
September 17 to elaborate.


R. H.

September 12, 1974

THIS REPORT IS CONFIDENTIAL UNTIL RELEASED BY THE
BOARD OF CONTROL OF THE LINDENWOOD COLLEGES.

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PREFACE

CONTENTS

The year 1977 will be the 150th Anniversary of the founding of the Lindenwood Colleges. Today Lindenwood is an irreplaceable part of the life of the communities of St. Charles and the Greater St. Louis Area. It is confronted, but it can move ahead with confidence and the communities of St. Charles and the Greater St. Louis Area.	
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The writers of this report on the Lindenwood Colleges without prejudice and without being influenced by any special interests. The writers speak with candid openness, and a depth of interest and a quality of individual character that were extraordinary. It is with deep professional and personal concern for the Lindenwood Colleges and all those whose lives are touched by it that this report is submitted to you.	

PREFACE

The year 1977 will be the 150th Anniversary of the founding of The Lindenwood Colleges. Today Lindenwood is an irreplaceable asset whose potentiality for future service should not be lost. Not only can the institution resolve the crisis with which it is confronted, but it can move ahead with strength and stability. This report calls upon all segments of the Lindenwood constituency--the Boards, the administration and faculty, the alumni, and the communities of St. Charles and the Greater St. Louis area--to dedicate themselves with open hearts and decisive action to this task.

There is no intention of assigning credit or blame in this report for the current status of the Colleges; no group or individuals should feel that criticism is directed at them. Only those who fail to fulfill their future responsibilities will bear any onus for the loss of something of special importance to the lives of future generations.

This report is direct and without apology. Because of the shortness of the institutional assessment, some factual information may have been misconstrued by the writers; however, the major recommendations are stated with conviction.

The report was prepared in segments so that each topic could be distributed for discussion or considered separately by the Board.

The writers were authorized to provide six service days (three days each) on the campus and two service days to prepare a report. In addition to this, the writers spent one day in research and preparation, contacted a number of knowledgeable individuals with no formal association with Lindenwood, and found it necessary to devote additional time to this report, without requesting additional fee.

The writers came to The Lindenwood Colleges without prejudice and without being influenced by anyone. They were met with candid openness, and a depth of interest and a quality of individual character that were extraordinary. It is with deep professional and personal concern for The Lindenwood Colleges and all those whose lives are touched by it that this report is submitted to you.

INTRODUCTION

For many people, the inevitability of death is never accepted, even when the grim reaper stands at their door. For The Lindenwood Colleges death is inevitable, unless those who share its life recognize its peril. The clock cannot be turned back to more secure times and to educational patterns no longer viable: the stark fact is that The Lindenwood Colleges, unless the institution substantially solves its current fiscal problems, should make a decision to close by March 1, 1976. Without significant change in its deficit pattern, it could, at that date, no longer justify spending the endowment principle. Further, lead time before the actual closing must be allowed to give its students at least one semester's notice, and the faculty and staff a year's notice and relocation or separation allowance. This drastic judgment is fully justified by an examination of enrollment, fund raising, and deficit figures.

With some approximation, the Colleges have enough liquid assets to function for 2.7 years (the sale of the Farm property could add perhaps two more years); but its responsibilities to alert students and provide for employees would dictate its announcing a closing in May of 1976. This statement is based in great part on the Colleges' own projections.

Yet what The Lindenwood Colleges must accomplish in the next eighteen months to two years to banish the grim reaper from its campus is remarkably modest. Specifically, the Board of Control must take the following steps:

1. Act quickly on some basic decisions of leadership and program.
2. Raise \$3,000,000 for survival or \$5,000,000 for a degree of strength.
3. Move firmly to establish and strengthen the relationship of Lindenwood and the St. Charles community.
4. Build a strong institutional position in order to negotiate a beneficial contractual arrangement with the proposed community college district.

The purpose of the following recommendations is to bring The Lindenwood Colleges to a position of sufficient strength so that in three years it can freely consider its options and directions.

THE BOARD OF CONTROL

The Board of Control must accept an active role and meet its fiduciary responsibility. It is the one group that can rise above the individual interests of particular faculty and staff. It is the one group that can deal with the well-being of the institution as a whole. However, in assuming active leadership, it is well to remember that the faculty and staff are dependent on Lindenwood for their living and feel the immediacy of a threat to their livelihood.

The Board should take steps and make certain decisions before a new president is sought. The person that the Board and two colleges need would not accept the job under the present conditions. Major decisions must be made so that this individual has an opportunity to fully steer the institution out of its present morass.

1. Representatives of the Board and elected members of the faculty (no more than six from each group) should meet and discuss the Colleges' financial problems and share information.
2. The Board should state its support for a major reorganization of the campus administrative structure, based on the rationale that there is "one faculty" and "one facility." The present structure is cumbersome, inefficient, and rests on a series of myths that for a large part serve particular parochial interests. While the actual reorganization should await the coming of a new president, the Board must clearly indicate its backing of this type of major change. Without the Board's backing, no administrator could undertake the massive reorganization that is required to prepare Lindenwood to survive into the 1980's.
3. The Board should take action to suspend Section IV of the Faculty Constitution, on "Faculty Having Administrative Responsibility." All responsibilities that are now assigned to the "departments" should be reassigned at the divisional level.
4. The Board should seek an opinion from outside legal counsel regarding any legal constraints imposed by the charter.

THE PRESIDENT

The selection and retention of a new President for The Lindenwood Colleges is of utmost importance.

Certainly this selection should be made on the basis of the role that must be fulfilled in the next three years. The retention of someone who cannot respond in an extraordinary way to these responsibilities will be catastrophic to the Colleges.

It is recommended that a job description based on the responsibilities to be met be written immediately. One staff member (recommended is Dr. Berg) should be assigned on a full-time basis to write this description with counsel from the search committee, and he should devote himself to the search process until it is completed.

The job description should not be based on a traditional academic profile, but rather on a radical recasting of the role. The person selected must be able to demonstrate unusual energy, self-confidence, fiscal awareness, leadership, and practical and intellectual appreciation of the academic world.

At the end of two years, this person must bring the institution to a position where it can, from strength, consider its options. To accomplish this, he or she must do the following:

Bring the Colleges and the City of St. Charles to a full appreciation of their mutual self-interest.

Gain the support of a substantial number of the leaders of Greater St. Louis.

Know and guide the processes necessary for the best possible arrangements to gain public support for options concerning junior-college relationships.

Improve radically the management of the institution and its assets.

Develop an academic program that retains the special dimension of an excellent liberal arts college but responds to the practical needs of the St. Charles community and today's student.

This is not a job for an ivory-towered President. Because of this, it is recommended that the Colleges seek an individual

who is not a "pure academic" but one who has experience in meeting major fiscal or managerial challenges. The kind of person sought is someone who has demonstrated administrative and academic leadership in a university and who wants to accomplish something extraordinary so he or she can move on to the presidency of a major university, high political office, or a corporate presidency. The other possibility is a ranking corporate executive with an excellent education who finds that the challenge of The Lindenwood Colleges would be both fulfilling and rewarding. He must be willing to change careers and devote his entire energy to the task for three years.

The individual should be given a three-year contract, and salary should not be limited. It is strongly suggested that the search be concentrated in the Greater St. Louis area because of the nature of the crisis and the shortness of time: someone who is known and respected in the area would have a special dimension of value. This could be a difficult assignment, but that is not a consideration. The Colleges must do it.

One way of approaching the problem would be for the fully committed Board, when it has researched the market, to approach a major industry, such as Monsanto, McDonnell Douglas, or Ralston Purina, a St. Louis bank, or the Danforth Foundation, and state that they must have a top executive for a minimum of two years to lead the Colleges in this period. An alternative to this is to select a President who can fulfill outside and academic responsibilities and then borrow an executive to manage the institution. It is also possible that an executive with substantial personal or retirement funds may leave his or her position early to undertake this extraordinary service.

If for any reason the Presidential search fails in its efforts by December 1, 1974, it is the recommendation of this report that the Board "buy" a top-flight executive, with extensive understanding and appreciation of the academic world, with as much money as it takes for a two-year period.

THE JUNIOR COLLEGE

Certainly the overriding external factor affecting Lindenwood's future is the projected creation of a junior college. Opinions as to the time when it may come into being vary from two to five years.

In the two-year pool of secondary school graduates in 1974 and 1975 in St. Charles County, there are approximately 1,525 students. An estimate of those going to college who would attend Lindenwood is approximately 380.

Regardless of the projection of future population growth in the area, these writers, if they lived in St. Charles County, would not vote to create a multi-million dollar junior college plant and operation within the next three to five years. There is a strong indication that local taxpayers would share this view, unless a concerted campaign was carried out to win their support.

This situation certainly is to the advantage of Lindenwood if it will continue to be alert and respond to the needs of the area. It has been stated that Lindenwood now provides a high percentage of the offerings that would comprise a junior-college curriculum; if true, this fact should be given more public notice.

Consequently, it is strongly recommended that a program be launched to "sell" St. Charles County on a contractual agreement for providing junior-college service to students of the area. Stressed would be the great savings to the taxpayers and quality education with diversity for the student. In this way Lindenwood would control the development of the junior-college movement in the area, and it would be for the benefit of all--not in the least, Lindenwood.

Dr. Berg and Dr. Miller could provide invaluable service in advancing this arrangement.

THE CITY AND THE COLLEGES

At this point, if the City of St. Charles and The Lindenwood Colleges do not recognize their mutual importance and dependency, an awareness and acceptance of this fact must be firmly established within six months. For St. Charles to willingly lose a cultural and intellectual asset that would be irreplaceable is, for these writers, unthinkable. Junior colleges provide service without a dimension of, in a word, class. For Lindenwood to become a faceless junior college would be to defraud generations of future students of the St. Charles area and the northeast population corridor of Greater St. Louis.

There is an evident faith that St. Charles County will continue to grow at a rapid pace. This feeling of movement and pride in the community is generated by the belief that "when the bridge comes in," the county will grow. It is up to the leadership of the Colleges to create some interest and excitement, and further demonstrate that Lindenwood is not the Lindenwood that people knew ten years ago. If the institution acts, the opportunity is there to firmly establish its value to the community and involve its leaders in the survival of The Lindenwood Colleges.

Lindenwood has made laudable first efforts to be responsive to the needs of the city and area students. These efforts must be intensified with study and decision, and immediate steps taken to further demonstrate the concern of Lindenwood for St. Charles. At the same time, the faculty of the Colleges must be reassured that the dimension of quality of its academic programs will not be diminished in valuable and historic areas of its basic liberal arts college, but that reality and reason dictate that man does not live by great books alone. Nonetheless, the future intellectual enrichment of the citizens of the area and their families cannot be sacrificed to assure practical training devoid of creativity or cultural appreciation.

It is obvious from interviews with leaders of the St. Charles community that they are impressed with the new openness and sensitivity of the Colleges to the needs of the area. This courtship, though perhaps short, must move quickly to perpetual vows.

Of special and immediate importance is that a small group of distinguished citizens of St. Charles be formed to address themselves to the task ahead. Dr. Russell Crider is an individual of great respect and dedication who should lead in the formation of this group. Certainly, these writers were impressed by the caliber of the individuals on the Board from St. Charles and are confident of their affirmative response to this recommendation. The culmination of the work of this group, along with the entire Board and the college community can mark, at the time of the Sesquicentennial celebration, a new era for St. Charles and the Colleges.

leadership of St. Louis in the future. St. Louis has always appreciated and supported those institutions that provide educated citizens and valuable employees, as well as the individuals who give leadership to those institutions. This is stated even though the spectre of Monticello College hangs heavily in the minds of St. Louisans. However, St. Charles is not Alton, and the Missouri is not the Mississippi. St. Charles can become more of a Georgetown for St. Louis than Alton, and there is enough mutuality of interest, free-way directness, and the possibility of a strong St. Charles community base to project that the rubrics in the matter of Monticello do not apply to Lindenwood.

The funds needed for The Lindenwood Colleges are not great in comparison to its value. This report calls upon those Board members from the St. Louis community to respond to the commitment of the City of St. Charles and The Lindenwood Colleges to assist in meeting the challenge of the next three years. This task of great importance is not financially impossible, nor endless. With the full commitment of town and gown, it is believed that selected individuals of wealth, corporations, businesses, and foundations will respond to a sufficient degree to provide the needed financial support.

In our candid opinion, when the Danforth Foundation did not make a challenge grant to The Lindenwood Colleges, it was fully justified in its action. The vacuum of leadership, the lack of mission definition, and the town and gown separation were sufficient reasons. However, a challenge grant would be quite possible if the committed leaders of the St. Charles community and of Lindenwood would go to a foundation such as Danforth with a plan demonstrating the importance of the Colleges to the future of the area and Greater St. Louis, and with the assurance of unified commitment of all to achieve it. An affirmative response could also be elicited from

major businesses and corporations and some national foundations, **THE GREATER ST. LOUIS AREA** who could recognize the urban and cultural loss of a diminished Lindenwood.

In a decade, the cultural, intellectual, and educational contributions of The Lindenwood Colleges will be of even greater significance than they are today. Population growth and development of the northeast corridor from St. Louis will demand opportunities for the people who will work and live in the greater metropolitan area. To lose Lindenwood as a regional center could project greater demands on the leadership of St. Louis in the future. St. Louis has always appreciated and supported those institutions that provide educated citizens and valuable employees, as well as the individuals who give leadership to those institutions. This is stated even though the spectre of Montecello College hangs heavily in the minds of St. Louisans. However, St. Charles is not Alton, and the Missouri is not the Mississippi. St. Charles can become more of a Georgetown for St. Louis than Alton, and there is enough mutuality of interest, free-way directness, and the possibility of a strong St. Charles community base to project that the rubics in the matter of Montecello do not apply to Lindenwood.

The funds needed for The Lindenwood Colleges are not great in comparison to its value. This report calls upon those Board members from the St. Louis community to respond to the commitment of the City of St. Charles and The Lindenwood Colleges to assist in meeting the challenge of the next three years. This task of great importance is not financially impossible, nor endless. With the full commitment of town and gown, it is believed that selected individuals of wealth, corporations, businesses, and foundations will respond to a sufficient degree to provide the needed financial support.

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major businesses and corporations and some national foundations, such as the Ford Foundation, who could recognize the urban and cultural loss of a diminished Lindenwood.

After the formation of a St. Charles group of committed and respected citizens, then it is recommended that as an extension of the interest of the St. Louis area Board members, a similar small group of leaders from that area be formed. This is a one-at-a-time process, with quality rather than quantity of members the hallmark. The Chairman of the Lindenwood Board of Control is a man of the greatest respect in St. Louis; with a President who can command respect and the backing of the St. Charles community, this group can succeed.

Although it should not detract from addressing full effort to resolve the present problems of The Lindenwood Colleges, within six months an individual should be assigned or retained to project a plan for the Sesquicentennial celebration. The plan should not be based on, in a word, crass promotion, but on projecting a quality image of the Colleges and the City. Specific objectives of the celebration could include the following:

- a. To gain a broader and richer appreciation of the City and Colleges in the Greater St. Louis area.
- b. To bring pride to alumni, friends, students, and past donors.
- c. To demonstrate how a college and a city utilized their resources to preserve and strengthen a priceless heritage.
- d. To encourage donor confidence and attract leadership.

Time does not permit the full development of this undertaking here, but the Sesquicentennial does provide an excellent instrument to turn problems into opportunities.

THE SESQUICENTENNIAL CELEBRATION

This observance of the founding of Lindenwood provides an opportunity to project the roles of the St. Charles and St. Louis groups beyond a crisis situation to an appealing event with significant historic importance. Those who would be asked to join these groups would be in effect the civic endorsers of this celebration. On this basis many outstanding citizens would be pleased to join these sesquicentennial committees, which would then be the basis of a broad support group.

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THE FACULTY AND ADMINISTRATION
 COMMUNICATION

The following comments are a summary of the concerns expressed. The lack of communication among all segments of the Lindenwood constituency has compounded problems. No one feels that he or she has a grasp of the reality of the situation. Particularly the faculty has suffered from this. It is absolutely necessary that the faculty understand both the critical situation that Lindenwood faces and also that with commitment, dedication, and facing up to hard decisions, the Colleges can not only survive but prosper.

This is also true relative to the Boards of the Colleges and other interested individuals. A "Gerald Ford" approach to this problem and one that inspires positive action is recommended. For example, to announce publicly or to students that if Lindenwood does not raise funds it will go out of business, only serves to discourage student enrollment, as well as donor investment, in the Colleges. Rather, what is required is a positive plan and a committed leadership setting out to assure Lindenwood of the strength it needs.

Nursing old hurts, protecting debilitating self-interest, and commitment to dead branches can only lead to the decay of Lindenwood. It was the conviction from the interviews that friends and alumnae of the old Lindenwood should be given more credit for the ability to adjust and appreciate the new (but properly structured) Lindenwood, than one might imagine. Theirs is a treasured heritage, but with a concerted effort to gain their understanding, the loyalty and interest of most alumnae can be considered a substantial asset in the critical period ahead.

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The faculty council is too large; therefore, very little is actually accomplished.

The quality of the student body has declined noticeably over the last three years.

There is a fear that the success of the business and evening programs will diminish the importance of the liberal arts program.

THE FACULTY AND ADMINISTRATION

The following comments are a summary of the concerns expressed by members of the Lindenwood faculty and administration in discussions with these writers.

The major theme that recurred in all was the concern for the lack of leadership by the Board, the faculty, and the administration. Specific concerns expressed by a number of faculty and members of the administration follow:

While President McClure has served admirably to still the waters over this past year, his presence has also allowed the Boards and the faculty to postpone confronting the seriousness of the problems that face Lindenwood.

A new president would make a difference; however, the -- expectations are so high and the resistance to change is so entrenched that it will be difficult for a new person to make an impact on the institution in time.

There is an evident need for more budget-planning information and open communication between the Boards and the faculty.

The joint committee is too large and lacks shared interests. Attendance at its meetings has been very poor. A less cumbersome arrangement is badly needed.

The present two-college, men-women organizational structure is unwieldy and makes little sense. It results in the institution's being top heavy.

The academic organization with seventeen to twenty departments is absurd. However, the faculty involved would resist giving up their prerogatives.

The faculty council is too large; therefore, very little is actually accomplished.

The quality of the student body has declined noticeably over the last three years.

There is a fear that the success of the business and evening programs will diminish the importance of the liberal arts program.

The setting up of a community college with separate facilities would spell the end of Lindenwood.

The day student has not been made comfortable on campus.

The University of Missouri at St. Louis is an octopus that threatens the good relationship that has been built up between Lindenwood and the University of St. Louis. Lindenwood has to take the initiative.

The writers observed that members of the college community identify closely with Lindenwood, look to Board leadership, and are quite anxious for the institution to gain some direction. They look to the arrival of a new president as providing this leadership and want the appointment to be made as soon as possible. The writers have a concern that those interviewed are looking for the president to solve his or her particular problem and that a feeling of mutual interest is lacking. Furthermore, it seemed that many view the present decline of Lindenwood simply as part of a nationwide decline of private liberal arts colleges, and are not able to appreciate the Lindenwood variables.

All of those interviewed, with the exception of one or two, recognized that the future of Lindenwood lies with the St. Charles area. They realize that the days, if they ever did exist, of a national constituency based on women's education are gone. However, they are reluctant to confront the hard decisions regarding necessary reorganization and changes in the academic program.

The faculty are understandably anxious since they realize the opportunities to gain employment in other institutions are minimal and see their livelihood tied closely to the destiny of Lindenwood. It seems that there is a direct correlation between this faculty concern and the detailed and lengthy faculty constitution. In sum, basic to the survival of Lindenwood is the ability of the Board to build good communications and trust, and to secure cooperation of the faculty in undertaking the major changes that are necessary for Lindenwood to cope creatively with a changing environment.

THE STUDENTS

Comments of Lindenwood students may be summarized as follows:

The students came because of the smallness and charm of the campus and the personal approach of the admissions office and the faculty. They stayed primarily because it is so easy to develop identification with Lindenwood.

They were quite pleased with the quality of the education that they received at Lindenwood and the closeness of relationships with faculty and students.

They viewed this last year as a year "to heal" and perceived a strong need for a consistent philosophy so that the institution could pull itself together.

They saw the present two-college structure as a means of protecting vested interests.

They pointed out that the Lindenwood lady in the charter does not exist and that women students at Lindenwood are now very career oriented, support women's rights, wear casual dress, and would resist social rules--the old ideas simply no longer exist.

They commented that the Presbyterian tradition is no longer of any importance to the campus, and that if it were revived by the administration, it would be met with student resistance--both passive and active.

The main issue that students strongly agreed upon was that day students were orphans at Lindenwood, and there was a need to provide a "welcome" and a sense of belonging for them. They believe that the campus is now "quite boring," and there is a need for a Campus Center that would bring both the day and the resident students together.

THE LINDENWOOD COLLEGES: AN ALTERNATIVE MODEL

The immediate problem that faces Lindenwood is lack of leadership. But even with the arrival of a new president and the increased involvement of the Board, the question will remain, why should Lindenwood survive? Who cares if Lindenwood should fail? It seems the fate of Lindenwood is tied to the community of St. Charles and the expected growth in this area. It is necessary that Lindenwood begin to interface with the community and serve the St. Charles area. This means a re-thinking of the philosophy of the school and a restructuring of the academic program so that it can respond effectively to local needs. The present two-college structure based on the separation of the sexes and some legal assumptions regarding the original charter that may or may not be valid is sort of a missing link in the evolution of Lindenwood from what it was prior to 1966 to what it will have to become in order to compete in the last half of this decade.

This two-college structure rests on a number of myths that have very little basis of support. The structure is top-heavy, confusing, and inhibits necessary change. What these writers would propose is a two-college structure based not on separation of the sexes but on distinctiveness of programs. These writers recommend that the Board view the college as one faculty and one facility. While a complete movement away from liberal arts program would be impossible to implement and would result in a loss to St. Charles, major changes are necessary. What these writers would like to suggest is a two-college model comprised of a liberal arts college and a professional college.

A liberal arts college would continue the Lindenwood tradition of providing a liberal arts program; however, the existing fragmented departmental structure that is a molecule thick would be eliminated, and the existing three divisions--natural sciences, humanities, and social sciences--would be strengthened. These divisions would have direct responsibility for developing programs of "selected eminence." All programmatic personnel and budgets decisions would be made at the divisional rather than the departmental level. The college would develop a program to serve a broad region and conduct some selective recruiting out of state. It would be a co-ed college with a modern curriculum, and yet it could carry on Lindenwood's name and tradition.

The second college would be devoted to undergraduate professional education and would have an evening program and selected graduate programs, e.g. M.B.A. in business and possibly a master's in human services or social work. This college would be geared to serve the immediate St. Charles area and would give identity and legitimacy to the successful business and evening programs which Lindenwood now conducts. It would be very foolhardy for The Lindenwood Colleges to count on the establishment of a junior college in St. Charles County. On the other hand, it would be just as irresponsible not to plan for this eventuality. Consequently, this professional school should be given the charge to develop roots in the community through providing continuing education and adult education, and meeting local business and industry needs.

It is important for the Board, faculty, and the alumni to clearly understand that linkages will not be made with the community simply on the basis of public relations and civic pride. Changes in the basic academic program at Lindenwood are necessary in order to serve the local region and involve citizens of St. Charles County in the institution. The immediate problem is that the applied programs, business programs, and the evening school are being operated through the back door. As one faculty member put it, "We wouldn't have the business and evening programs if we didn't need the money." There is a lack of faculty acceptance and institutional legitimacy. In addition, although the number of residential students has declined and the day students have increased, there have been little real efforts to welcome the day students to the campus.

These writers recommend that the following steps be taken to enable the institution to relate to its host environment:

1. That a distinct professional college that would house the business, evening, and applied social science programs be established.
2. That an existing building be designated and renovated to meet the needs of the business and evening programs.
3. That an existing building be designated and renovated to serve as a campus union to accommodate the day students and to provide a sense of sharing in the college community.

These steps would signal to the St. Charles community that Lindenwood is serious about responding to the community, is able to make changes, and is prepared to survive in the difficult years ahead. Professional and liberal arts colleges coexist on many campuses, and we believe this is a most rational organizational structure for Lindenwood.

"Expenses or Close," does not adequately describe the situation that Lindenwood faces. While the faculty ratio could be reduced from the present 11:1 (the University of California at Santa Cruz, which is an outstanding liberal arts college with eleven Ph.D. programs, presently has an 18:1 student/faculty ratio) with some selective reductions, the answer for Lindenwood does not lie with extensive slashes in academic or support programs. While the new president must have the backing of the Board to make selective cuts, the answer lies in the organization of the academic program and better use of existing faculty.

In reviewing the course offerings, it appears that the workload is unevenly distributed. The problem is that workload is measured in the number of courses taught, and the enrollment in these courses varies from less than five to more than forty students. These writers suggest that a more equitable measure of faculty workload would be to view workload in terms of student credit hours--credit value of the course times the student enrollment in the course. Again, the administration could temper this measurement in terms of institutional priorities, but it would serve to give a better picture of what now is a maldistribution of the workload.

Another major step is necessary to begin to fashion coherent programs as an alternate to the present situation where each "department" provides courses that may or may not be integrated into a total program. The logrolling that develops from each of the seventeen to twenty "departments" deferring to the other in the type and number of courses is both inefficient and ineffective. An organization based on one- and two-person departments is absurd. These "departments" should be dissolved, and the faculty organized along divisional lines with program, personnel, and budget responsibilities at the divisional level, so that rational program development and effective resource utilization can take place.

This is a sensitive matter but absolutely vital to any effective response by the institution. This will necessitate

ADMINISTRATION OF THE ACADEMIC PROGRAM

The item that appeared in St. Charles Banner-News over a year ago under the headline, "Lindenwood's Choice: Cut Expenses or Close," does not adequately describe the situation that Lindenwood faces. While the faculty ratio could be reduced from the present 11:1 (the University of California at Santa Cruz, which is an outstanding liberal arts college with eleven Ph.D. programs, presently has an 18:1 student/faculty ratio) with some selective reductions, the answer for Lindenwood does not lie with extensive slashes in academic or support programs. While the new president must have the backing of the Board to make selective cuts, the answer lies in the organization of the academic program and better use of existing faculty.

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rewriting the Faculty Constitution along divisional lines. However, these writers are convinced that no legitimate questions of academic freedom are involved.

The administrators of Lindenwood should address themselves to the real reasons why students should come to Lindenwood and why they leave--that is, the reasons of the students, not the Colleges--and why others did not come at all. The Colleges must then work to develop further positive circumstances to procure and retain students. No promotion or fund raising can succeed unless the students react not only favorably but enthusiastically to the Colleges.

Just as in fund raising, the business of attracting and retaining students should be the responsibility of everyone concerned with The Lindenwood Colleges. Anyone of college age or nearing it who comes to the campus should be given time even by the casual passerby. If a prospective student visits the campus to ask for information, he or she should not be handed a packet of information and dismissed. Each should be seen by someone from the Colleges, given a tour, and shown special interest; this should be reported to the admissions office. All assistance possible should be given to the admissions director, Edwin Gorsky, who has shown dedication and expertise in this area. Particularly the faculty should welcome the opportunity to personally call upon or influence students and sources of students.

The promotion of the Colleges through a professionally directed campaign is a factor in the strengthening of the institution; however, it should not be considered the panacea. Proposals should be sought from successful professionals in this field, and their plans critically evaluated. Funds and efforts in this area should not be disproportional to other areas of equal importance such as fund raising, political and community relations, and academic program enrichment.

The goals expressed by Mr. Gorsky are laudible. In three to five years he foresees the FTE total in the 700-750 range, head count at 1,200-1,250, and an increase in the resident population to 50-55, in-state/out-of-state ratio. If these goals are attained, they will not by themselves solve Lindenwood's problems, but they will turn the institution around.

It appears to these writers that Mr. Gorsky has a good comprehension of what has to be done and how to go about it. While the administration has excellent faculty support, it is important that the questions surrounding the

RECRUITMENT AND ADMISSIONS

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There is confidence that the program will improve under the goals expressed by Mr. Gorsky are laudible. In three to five years he foresees the FTE total in the 700-750 range, head count at 1,200-1,250, and an increase in the resident population to 50-50, in-state/out-of-state ratio. If these goals are attained, they will not by themselves solve Lindenwood's problems, but they will turn the institution around.

It appears to these writers that Mr. Gorsky has a good comprehension of what has to be done and how to go about it. While the admissions operation enjoys excellent faculty support, it is important that the questions surrounding the handling of applicants and files between the admissions office, the Colleges' office, and the evening program be resolved. Centralized storage of student records is highly desirable.

These writers believe that the decision to combine a student-aid operation with admissions is an excellent one. It will strengthen the recruitment process and will give the admissions office a greater influence on retention of students after their first year. It is recommended that the present aid policy that "attempts to meet every student's needs" be closely reviewed and refashioned to support the admissions program. Serious consideration should be given to using institutional student aid funds, approximately \$250,000 per year, to support the recruitment program, with 40-50 percent of these funds restricted to first-year grants.

The major difficulty faced by the admissions program in reaching its goals can be traced to the lack of an institutional sense of priorities and mission. In today's market an admissions program that hopes to recruit effectively out of the local region must put its resources behind three or four of its strongest programs. Discussions with the admissions staff indicate that the communication, theater and studio arts, and equitation programs attract the most interest. These programs can be effective when they are backed with a "practical" liberal arts program and when the campus characteristics of smallness and the attractiveness of the physical setting in St. Charles are emphasized. But this will take work and must be supported by a public relations effort. There can be little doubt that the admissions program was weak and haphazard in the recent past.

There is confidence that the program will improve under Mr. Gorsky; however, increased enrollment in and of itself is not the answer to Lindenwood's problems. The belief that all that is needed is 300 or 400 more students, and everything will balance out is at best misleading. This view, without major changes and effective leadership backed strongly by the Board, will lead the institution to die by inches.

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SELECTED EMINENCE IN THE ARTS
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... could provide invaluable counsel in these areas and leadership in the

As a matter of academic need and practical public attraction, the Colleges must have at least one or several special programs that are exceptional and recognized. In any area there may be competition from major institutions; however, there is no reason that The Lindenwood Colleges, through the special individual attention for which its faculty is known, cannot win a special respect and recognition.

A possible such area is Communications. Without reflection on present staffing, a valid appraisal must be made of its operation and accomplishments, and an excellent and special program written and followed. This should not be done by a faculty member of the Colleges. Again, this cannot be developed in this report, but certainly the implications should be recognized.

For many important reasons, it is strongly recommended that a Council be established with top representatives of the communications industry that would employ future graduates of this department. The reasons for this are obvious: Such a council gains the interest of influential national and local media leaders, while providing invaluable direction and counsel (without cost); established sources of funds, equipment, and student internships; and an employment edge for graduates.

Another area in which the Colleges can not only gain attention but also involve St. Charles leaders in its life is through the effective use of the studio arts programs and the fine arts building. An entire paper could be written about this, but the basic suggestion is that this program and its building be developed so that it provides a social-cultural asset to the community. Briefly stated, it is a splendid place for social occasions with a cultural dimension or a place where those who seek cultural enrichment can be intellectually quenched.

Here, again, it is suggested that a Fine Arts Council be formed to provide a resource to the community that it does not have at this time and that is unlikely to be established in the future. The council membership could include individuals with deep interests in the arts from the Greater St Louis

area, a group of outstanding St. Charles area cultural leaders, and respected regional professionals in the fine arts (curators, artists, collectors). Both Mrs. Joseph Pulitzer and Mrs. Warren McK. Shapleigh could provide invaluable counsel in these areas and leadership in the formation of the council. Certainly, it would be hoped that those who become involved in this program would recognize the importance of Lindenwood and become eventual donors. The Loretto Hilton Theater at Webster Groves has brought both public appreciation and financial support to that institution.

This recommendation should be given immediate attention: The Lindenwood Colleges must have some such effective conduits to gain public recognition and to attract students. Even if this were desirable, it is not possible under the present circumstances. Furthermore, the importance to alumni and the older constituency of this tie has waned considerably, and therefore this element is not a decisive one in retaining their loyalty.

Concisely stated, if the Presbyterian Church retains proprietary interest in the Colleges, this situation will be greatly adverse to the resolution of the institution's problems. Certainly, an appreciation of the past and certain other basic moral values should remain as a lively heritage in the Colleges, but now Lindenwood must become an institution without a formal tie to the church.

Historically, one of the blind spots of American public education has been in the area of religious studies. In recent years, however, most have come to realize that this vital segment in a total educational program can no longer be excluded. In this same period the ecumenical movement began the process of building bridges of understanding among the leaders of many faiths, bringing hope that these groups would no longer expend their energies in dogmatic dogfights, but rather address themselves to ills of the world.

This context provides an opportunity for The Lindenwood Colleges, and it is recommended that the institution greatly encourage the religious groups with valid credentials to establish liaison with Lindenwood, participating in its life in various ways such as providing an adjunct part-time teacher or a chaplaincy.

THE RELIGIOUS DIMENSION AT LINDENWOOD

Certainly the legal relationship with the Presbyterian Church should be given immediate scrutiny. The interest of the church has resulted in little attention or financial support to Lindenwood in recent years, and the great majority of individuals interviewed felt this relationship held a negative value to them. These writers discern negligible Board, faculty, student, or administrative support for reviving the Presbyterian tie. It would be impossible to reverse this campus opinion unless Lindenwood could begin to exclude students who did not fit "the proper mold." Even if this were desirable, it is not possible under the present circumstances. Furthermore, the importance to alumni and the older constituency of this tie has waned considerably, and therefore this element is not a decisive one in retaining their loyalty.

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Certainly today's student is looking for a spiritual meaning in a confusing world, and Lindenwood could serve them well in this area of basic concern. However, to attempt to stretch the overarching rubric of affiliation with the Presbyterian Church across the Colleges would be counter-productive. What can be done is to encourage interested faculty and students to organize religious activities that have an ecumenical flavor.

the Lindenwood constituency. This includes alumni, the Boards, and friends, foundations, and businesses in the St. Charles-Greater St. Louis area. A relatively minimum degree of success could assure the Colleges enough strength and stability to be in a good position to consider its options in the coming years. This amount could range from three to five million dollars.

The vacuum of leadership has made the previous fund-raising efforts nearly impossible. The lack of definition of mission and a coherent case statement has been the result.

The following recommendations are basic to a successful fund-raising effort:

1. That a preliminary statement of mission and a case statement be written immediately. This can change with many factors but will provide a base.
2. That a realistic definition of total minimum needs be clearly stated: needs, which if met, will bring the Colleges through the next three years.
3. That no new building construction need be considered. Appeals for funds should be for renovation of facilities to support program reorganization, e.g. professional building, campus union.
4. That a Development Council be established with representatives of the Colleges' constituency, including the Boards, alumni, St. Charles, and Greater St. Louis.
5. That the Colleges retain a fund-raising counselor either from a professional firm or from a major institution to assist the Director of Development.
6. That immediate attention be given to building a valid prospect file, particularly with extensive information concerning sources of funds that would result in major gifts and have some rationale for supporting the Colleges. Faculty, the alumni office,

administrators, Board members, and St. Charles leader should establish this file. **INSTITUTIONAL DEVELOPMENT** based on this basis to establish this file.

Fund raising should be the concern of all for whom the existence of Lindenwood is important.

The funding needs of The Lindenwood Colleges are attainable.

Directly stated, there is substantial wealth to draw on in the Lindenwood constituency. This includes alumni, the Boards, and friends, foundations, and businesses in the St. Charles-Greater St. Louis area. A relatively minimum degree of success could assure the Colleges enough strength and stability to be in a good position to consider its options in the coming years. This amount could range from three to five million dollars.

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6. That immediate attention be given to building a valid prospect file, particularly with extensive information concerning sources of funds that would result in major gifts and have some rationale for supporting the Colleges. Faculty, the alumni office,

administrators, Board members, and St. Charles leaders should be seen on a person-to-person basis to establish this file.

The fund-raising director, Mr. Smith, has the demeanor and the commitment to fulfill his role. The purpose of the outside counselor would be to add a dimension of experience and reassurance, to provide credibility to his recommendations, and at times to be a mediator or bridge with the President or Board.

The deferred-giving program and the promise of eventual bequests is most important, but at this time in the history of Lindenwood, almost all efforts should be directed toward securing spendable interim funds.

Full and open cooperation must be expected between the alumni office and the development office; their individual interests cannot be alien to one another. Representatives of both functions have demonstrated their deep commitment to this and to the future of The Lindenwood Colleges.

It is strongly recommended that a dedicated member of the Board accept the responsibility as Chairman of the Development Council with the full assurance of help from all concerned with the Colleges.

Other projects come to our minds, as we are sure will also occur to those in the alumni office. An excellent example is the "key persons" program, an effective new program of that office, whereby alumni volunteer to assist in student recruitment.

Sustained efforts should be devoted to gaining a greater degree of loyalty on the part of the elderly alumni of means, whenever possible they should be visited. Should there be faculty members those alumni hold in particular esteem, such teachers should be asked to visit them (expenses paid) to reassure them and whenever possible to secure a gift or pave the way for an eventual bequest. If there are several alumni that are particularly close to the present Acting President, perhaps he would make a number of personal telephone calls to seek their generous support.

The writers have one caution: "The alumni wouldn't like that" should not be used as a rationale to protect parochial interests and impede necessary program changes.

THE LINDENWOOD FARM PROPERTY
ALUMNI

Lindenwood has taken an excellent step ahead with the re-establishment of a good alumni program. Its staff is respected and can do much to win back and sustain alumni interest. Its on-going program should be given encouragement and support.

It is particularly important that this office expend considerable effort in evaluating the files to establish a blue-ribbon list of alumnae most able to give to the Colleges. Briefly stated, the President and the alumni office should put special stress on these individuals. For example, it may be more important for the President or the alumni director to visit five alumni individually in Chicago, rather than giving a reception for twenty-five.

A special recommendation is that the alumni office establish a list of the twenty most outstanding and respected graduates of The Lindenwood Colleges. A concerted effort should be made to have them understand the Colleges' problems and promise. It is then suggested that a booklet be produced with an individual picture and statement from each stating the value of the Colleges and their faith in its future, and further, asking for loyalty and support.

Other projects come to our minds, as we are sure will also occur to those in the alumni office. An excellent example is the "key persons" program, an effective new program of that office, whereby alumni volunteer to assist in student recruitment.

Sustained efforts should be devoted to gaining a greater degree of loyalty on the part of the elderly alumnae of means. Whenever possible they should be visited. Should there be faculty members those alumnae hold in particular esteem, such teachers should be asked to visit them (expenses paid) to reassure them and whenever possible to secure a gift or pave the way for an eventual bequest. If there are several alumnae that are particularly close to the present Acting President, perhaps he would make a number of personal telephone calls to seek their generous support.

The writers have one caution: "The alumnae wouldn't like that" should not be used as a rationale to protect parochial interests and impede necessary program changes.

THE LINDENWOOD FARM PROPERTY

ALTERNATE USE OF FACILITIES

It is the strong recommendation of this report that the Farm property be sold as soon as possible and the funds invested in solid, high-interest paper. The Board should sell the Farm because it must put the academic interests of the institution above those of real estate. It must shore up the budget and provide some margin of operating expenses to allow a five-year time period in which to turn the institution around and get it on a break-even budget. Furthermore, it can hardly claim financial exigency and release tenured faculty when it has large real estate holdings.

As to the arguments in favor of retaining the Farm, the feeling that as the St. Charles area develops, the land will become more valuable is probably at best questionable. As the area population grows, it is possible that the usage of this land could be restricted to park and recreation purposes, and the Board could find its value decline accordingly. Future leaders of the Colleges can only be critical of a sale of the Farm if the institution has the luxury of existence at that time. To discuss future usage and development ignores the present jeopardy of the Colleges.

Should there be a strong feeling that this land should be retained, then it is suggested that funds be raised by interested individuals to purchase it from the Colleges and hold it in trust for future resale at a reasonable price to the institution, should it acquire a tax base. Certainly, the Colleges can also hold the mortgage on the land and secure an assured high interest rate.

In any event, the institution should divest itself of the concern for future use of the land and make this asset a liquid one. It is suggested that Board members such as Mr. George W. Brown and Mr. Armand C. Stalnaker be asked to provide active direction in this matter and be given special powers in seeking purchasers and financing for the sale.

and publicity for Lindenwood, should be considered. Additional programs in arts and crafts in the evening and summer would allow for community participation. Such activities could also secure income from those who would live on campus.

30

There does not seem to be any feeling that such alternate use of facilities is necessary on the part of those who could make the only reason for this could be that they are unable to accept or are unaware of the jeopardy of their positions. Also, there is not an

ALTERNATE USE OF FACILITIES

In dealing with a financial crisis or ongoing stability, a total funding concept should always be of paramount consideration. The money that sustains a college comes from many sources: tuition, auxiliary services, gifts, endowment, and so forth. It is of basic importance that Lindenwood maximize returns in all these areas. Its campus and plant are impressive and extensive, and many programs lend themselves to outside sources of income.

Some efforts have been made to develop a conference center, and, no doubt, through lack of time and personnel, this thrust has not been more fully developed.

Great thought should be given to attracting income through the alternate use of facilities of the Colleges when they are not in academic use. The following are illustrations, which no doubt have already come to the minds of administrators of the Colleges, but the press of their duties prevented developing them further:

1. A Horse Camp: There would seem to be potential for greater use of this facility, and it is suggested the directors of that program give immediate attention to planning for such activities. Children, as well as horses, can be boarded there for summer camp, and other complementary programs can be offered to them, such as theater arts. It is the opinion of these writers that the equitation program should be continued at Lindenwood, but as fathers of children who ride horses, they are convinced that the program could provide greater income.
2. The Fine Arts building is an impressive facility but could be used to a much greater extent to provide income. A summer institute for sculpturing or painting, with a name or two to encourage attendance and publicity for Lindenwood, should be considered. Additional programs in arts and crafts in the evening and summer would allow for community participation. Such activities could also secure income from those who would live on campus.

There does not seem to be the feeling that such alternate use of facilities is necessary on the part of those who could make these programs possible. The only reason for this could be that they are unable to accept or are unaware of the jeopardy of their positions. Also, there is not an appreciation of the fact that operations of the Colleges must be trimmed as lean as possible without cutting the artery, that severe economy in essentials is demanded, and that non-essentials must be eliminated.

In this short and intensive survey, the writers may have put stress in areas that, with several months' reflection and reexamination, they would find to be less important. However, there is great conviction regarding the major recommendations stated in this report.

The time and circumstances under which it is written do not make it possible to include some supporting material. The writers have conscientiously avoided filler material, which would have made the report more voluminous, but less direct.

We are greatly impressed with the quality of concern for Lindenwood and the priceless value of the institution. We are also convinced that together you can achieve a great and lasting good which will bring rare personal satisfaction to each of you. You are indeed the new founders of the institution, and generations to come will benefit from your unselfish dedication to preserve and strengthen The Lindenwood Colleges of St. Charles, Missouri.

Respectfully submitted,



Thomas F. Jordan



Daniel H. McFadden

August 31, 1974

APPENDIX I CONCLUSION INTERVIEWED

Perhaps this report went far beyond the original charge to its writers. Because the vacuum of leadership has affected adversely every element of Lindenwood's life, what might have been a review of a function or a program became greatly complex and demanded considerable attention.

In this short and intensive survey, the writers may have put stress in areas that, with several months' reflection and reexamination, they would find to be less important. However, there is great conviction regarding the major recommendations stated in this report.

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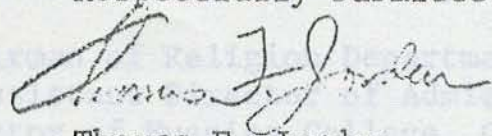
Faculty and Staff

* * *

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Dr. James Hood, Chairman of Summer Session
Dr. Esther Johnson, Chairman of Religious Activities
Ms. Sandra Lovinguth, Assistant Secretary
Dr. Elwood Miller, Director of Business Department
Dr. John Moore, Chairman of Education Department
Mr. Boyd Morris, Education Department
Dr. Dolores Williams, Chairman of Guidance Department
Ms. Mary Yonkas, Secretary to President, Financial Aid

Respectfully submitted,



Thomas F. Jordan



Daniel H. McFadden

Students

Sue Groom, class 1975

August 31, 1974, class 1974

Jeff Kleinmann, class 1974

APPENDIX I: PERSONS INTERVIEWED

Members of the Board, Alumni, and Community

Mr. William H. Armstrong
 Mrs. Dorothy Barklage
 Mr. George W. Brown
 Russell J. Crider, M.D.
 Mrs. Russell J. Crider
 Mrs. Folsta B. Gibbons
 Mr. Robert Hyland
 Mr. Donald Meyers, St. Charles Banner-News
 Mr. Jefferson L. Miller
 Mr. Roland T. Pundmann
 Mrs. Warren McK. Shapleigh
 Mr. Thomas W. Smith
 Mr. Armand C. Stalnaker

Faculty and Staff

Dr. Howard A. Barnett, Vice President and Dean of Faculty
 Dr. B. Richard Bing, Vice President for Public Affairs and Finance
 Dean Doris Crozier, Women's College, Sociology
 Dr. Patrick Delaney, Dean of Lindenwood II, Chairman of Biology Department
 Dr. Dean Eckert, Chairman of Faculty Council, Art
 Mr. Edwin Gorsky, Admissions Director
 Mr. Harry Hendren, Chairman of Art Department
 Dr. James Hood, Chairman of History Department, Director of Summer Session
 Dr. Esther Johnson, Chairman of Religion Department
 Ms. Sandra Lovinguth, Assistant Director of Admissions
 Dr. Elwood Miller, Director of Evening College, Chairman of Business Department
 Dr. John Moore, Chairman of Economics Department
 Mr. Boyd Morros, Education Department
 Dr. DeLores Williams, Chairman of Political Science Department
 Ms. Mary Yonker, Secretary to President, Financial Aid

Students

Sue Groom, class 1975
 Cindy Essenpreis, class 1974
 Vicky Kern, class 1974
 Jeff Kleimann, class 1974

APPENDIX II: AUTHORS' VITAE

Thomas F. Jordan has been a professional planning, public relations, and fund-raising executive for twenty-five years. Presently, he is a consultant to three institutions of higher education, one of which is a women's college that has just become co-educational. In addition, Mr. Jordan is consultant to charitable organizations, an international research organization in Belgium, and a national foundation. He has served as Vice President of the University of San Francisco; Director of Priority Needs Campaign, St. Louis University; and Managing Director of a professional fund-raising firm in New York and London, England. He was appointed a founding trustee of the recently emerged American Alumni Council and the American College Public Relations Association. He is a graduate of St. Louis University and resides in San Francisco, California.

Daniel H. McFadden is Assistant to the Chancellor for Academic Planning at the University of California, Santa Cruz. Before coming to Santa Cruz, Dr. McFadden served as Assistant Vice-Chancellor for Public Affairs at the University of Pittsburgh where he worked extensively with legislative and community relations. He has worked as an assistant city manager and served five years as an officer in the Air Force. Dr. McFadden is recognized for his accomplishments in the areas of legislative and community relations, in which he serves as a consultant and workshop director. He is a member of a number of civic planning committees. Dr. McFadden holds a Ph.D. in higher education-public affairs from University of Pittsburgh and resides in Santa Cruz, California.

Addresses: Thomas F. Jordan, 81 Shoreview Ave., San Francisco, California 94121. 415-752-3053.

Daniel H. McFadden, 116 Allegro Drive, Santa Cruz, California 95060. 408-429-2966.

MINUTES OF THE BOARD OF CONTROL OF THE LINDENWOOD COLLEGES HELD
AT THE ST. LOUIS CLUB, SEPTEMBER 23, 1974

Present at the meeting were Russell J. Crider, M.D., Mary Hall and Robert Hyland, representing the Board of Lindenwood College for Women; George W. Brown and Walter L. Metcalfe, Jr., representing the Board of Lindenwood College II; Jefferson Miller, Chairman of the Finance Committee; and President Franc L. McCluer, Dean Howard Barnett and Vice President Richard Berg, representing the administration of the colleges.

The meeting was called to order by Mr. Hyland. The minutes of the meeting of July 17, 1974 were corrected by Mr. Metcalfe and approved on a motion made by Mr. Brown and seconded by Dr. Crider.

Mr. Hyland reported on the status of the Presidential Search and distributed a schedule for the return visit of Dr. William C. Spencer and his wife, Evelyn, September 29-October 2. Mr. Hyland will be host to the Spencers in his box at the Cardinal football game on Sunday afternoon. Mrs. Hall will be hostess for a dinner in her home for the Spencers and Board Members on Sunday evening. Monday Dr. Spencer will meet with President McCluer, administrators and Board Members desiring individual sessions with the candidate. Students and Faculty will meet with the candidate Monday afternoon. Monday evening Mr. Miller will be host for a dinner. The Board of Control will hold a special meeting in President McCluer's office at 4:00 p.m. on Tuesday, October 1, 1974 to negotiate with the candidate if there is mutual acceptance. Dr. Crider will be host to a dinner for Faculty and Board Members in his home on Tuesday, October 1.

Drs. Barnett and Berg left the room while the Board went into executive session to discuss matters of compensation for the President and other officers of the colleges.

Mr. Hyland reviewed the letter which Board Members had received from Mr. Stalnaker indicating areas of action for the Board, growing out of issues raised in the Jordan-McFadden report. The areas of concern were the selection of a President, the utilization or disposition of the college farm, administrative reorganization of the colleges, the colleges' position in relationship to a proposed community college district in St. Charles County, the need for a major fund raising campaign, and the level of awareness concerning the real fiscal situation of the colleges.

Mr. Metcalfe recommended that dates for more frequent meetings of the entire Boards of the colleges be set at the October meeting, and that meetings be called on those dates if we do not have a new President or if the new President has business to bring before the Boards.

Dr. Crider moved that the "Institutional Assessment" of the colleges prepared at the request of the Board of Control by Thomas F. Jordan and Daniel H. McFadden during August be used as a tool by the Board of Control in plotting necessary courses of action. The report should not be distributed beyond the Board of Control unless specific permission is granted by the Board. The motion was seconded by Mr. Miller and passed. Mr. Berg was granted permission to give a confidential copy of the section on admissions to the Director of Admissions and a copy of the section on fund raising to the Director of Development. Mr. Hyland reported that a copy had been given to presidential candidate Spencer.

The agenda for the meeting of the Boards of the Colleges on October 2, 1974 was reviewed and revised. A copy of the final agenda is attached to and made a part of these minutes. Dr. Crider recommended that individual meetings of the Boards, if required, be held after the joint meeting rather than before.

The Board agreed that small special committees of the Board, composed of two or three persons, should be appointed to work with the administration to come up with recommendations concerning the following issues:

Disposition of the College Farm (Mr. Arnold, Mr. Brown, Mr. Stalnaker),

Reorganization of the Colleges including the degree of relationship to the Presbyterian Church, Capital Fund needs and a program to raise the necessary funds, and the relationship of the colleges to a proposed St. Charles Community College District (an ad hoc committee of the Board is already working on this issue).

The Board discussed the need to appoint a joint Nominating Committee to consider vacancies on the Boards of the Colleges. It was recommended that Mr. Metcalfe and Mr. Pundmann serve from Lindenwood

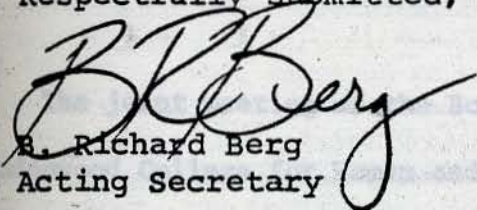
MINUTES OF THE JOINT MEETING
OF THE

BOARD OF DIRECTORS AND BOARD OF OVERSEERS

College II and that Mrs. Shapleigh and one other person serve from Lindenwood College for Women.

The meeting was then adjourned on a motion made by Mrs. Hall and seconded by Dr. Crider.

Respectfully submitted,


R. Richard Berg
Acting Secretary

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MINUTES OF THE JOINT MEETING
OF THE
BOARD OF DIRECTORS AND BOARD OF OVERSEERS
OF
LINDENWOOD COLLEGE FOR WOMEN*
AND THE
BOARD OF TRUSTEES
OF
LINDENWOOD COLLEGE II

St. Charles, Missouri
October 2, 1974

The joint meeting of the Board of Directors and Board of Overseers of Lindenwood College for Women and the Board of Trustees of Lindenwood College II was held at the President's House at The Lindenwood Colleges, St. Charles, Missouri, October 2, 1974, at 1:30 p.m., pursuant to call and notice given each member of the Boards in accordance with the bylaws.

The following members of the three Boards, being a quorum, were present:

Lindenwood College for Women - Board of Directors

D. C. Arnold
Mrs. K. K. Barton
Russell J. Crider, M.D.
Mrs. Thomas S. Hall
Robert Hyland
Jefferson L. Miller
Victoria Smith
Armand C. Stalnaker
Mrs. John Warner, III

Lindenwood College for Women - Board of Overseers

Mrs. John C. Brundige
Mrs. James C. Hamill
The Reverend W. Davidson McDowell
Mrs. Arthur Stockstrom
Mrs. Horton Watkins

Lindenwood College II - Board of Trustees

George W. Brown
The Reverend Edward J. Drummond, S.J.
Larry Edwards
Walter L. Metcalfe, Jr.
Roland T. Pundmann
E. J. Wipfler, Jr., M.D.

*-Lindenwood College for Women (Founded 1827. Chartered as Linden Wood Female College in 1853.

The following members of the Administration of The Colleges were present:

F. L. McCluer, Interim President
Howard A. Barnett, Vice President and Dean of the Faculty
B. Richard Berg, Vice President for Public Affairs and Finance
Doris Crozier, Dean of Lindenwood College
Patrick F. Delaney, Dean of Lindenwood College II
Thomas W. Smith, Development Officer
Mary Yonker, Secretary to the President and Assistant to the
Secretary of the Board of Directors of Lindenwood College

Mr. Hyland, Chairman of the Board of Control, presided.

On motion made, seconded, and passed, the minutes of the meeting of
May 10, 1974, were approved as distributed.

Mr. Hyland introduced Presidential Candidate William C. Spencer and
Mrs. Spencer, and invited Dr. Spencer to say a few words.

Dr. Spencer said that he had been asked to meet with the Search Committee
of the Boards on October 1 and subsequently had been invited to come to Lindenwood
as President of The Colleges. He expressed appreciation for the support and
confidence that Lindenwood has extended to him and to Mrs. Spencer. If elected,
they will make a final decision within the next few days.

Dr. Spencer then noted that acceptance of the Boards' invitation would
require from them a major commitment and an act of faith in the future of Linden-
wood. Because the continued strength and welfare of a college depends as much
on the involvement of its Board members as on its administrators, he asked
the members, during their final deliberation on his formal election, to make
individually and collectively the same solemn commitment that he and Mrs. Spencer
were being asked to make.

Mrs. Spencer thanked members of the Boards for their hospitality during
the visit.

Dr. and Mrs. Spencer left the meeting.

Mr. Hyland reported that the Board of Control and the Search Committee of
the Faculty have authorized him to recommend that William Courtney Spencer be
invited to become the next President of The Lindenwood Colleges. There was a

discussion of the qualities that the Board is looking for in a president and the experience and qualities of Dr. Spencer.

Dr. Crider moved that Dr. William C. Spencer be asked formally to be our next president. Mr. Pundmann seconded the motion, which was passed unanimously. The negotiations with Dr. Spencer will be made by the Board of Control.

Mr. Hyland said that in regard to the commitment of the Board to the new president, it would be necessary to have more Board meetings during the year and for each Board member to support the new president actively. After discussion of how the members of the Boards could communicate to Dr. Spencer their willingness to commit themselves to work and to support him, it was decided that a formal resolution would be out of order at this time since most of the Board members have expressed this to Dr. Spencer personally.

Mr. Hyland then reported that the Chairman of the Finance Committee had made the Board aware of the financial situation of the colleges. Mr. Miller, the Chairman of the Finance Committee, and the Board of Control have been examining the condition of the colleges and the prospects for the future. This summer the Board of Control retained two management consultants, Thomas Jordan and Dan McFadden, who visited the campus in August. They talked with ten Board members, the Vice-President of the Alumnae Association, the Editor of the St. Charles Banner-News, the Deans and other administrative officers of the college, nine faculty members, and four students.

Mr. Hyland then said that he would like to share the following highlights of the report Mr. Jordan and Dr. McFadden submitted to the Board of Control:

Preface - The year 1977 will be the 150th anniversary of the founding of The Lindenwood Colleges... Today Lindenwood is an irreplaceable asset whose potentiality for future service should not be lost. Not only can the institution resolve the crises with which it is confronted, but it can move ahead with strength and stability. This report calls upon all segments of the Lindenwood constituency--the Boards, the administration and faculty, the alumni, and the communities of St. Charles and the Greater St. Louis area--to dedicate themselves with open hearts and decisive action to this task...

Introduction - ... With some approximation, the Colleges have enough liquid assets to function for 2.7 years (the sale of the Farm property could add perhaps two more years);... What The Lindenwood Colleges must accomplish in the next eighteen months to two years to banish the grim reaper from its campus is remarkably modest. Specifically, the Board of Control must take the following steps:

1. Act quickly on some basic decision of leadership and program.
2. Raise \$3,000,000 for survival or \$5,000,000 for a degree of strength.
3. Move firmly to establish and strengthen the relationship of Lindenwood and the St. Charles community.
4. Build a strong institutional position in order to negotiate a beneficial contractual arrangement with the proposed community college district.

The purpose of the following recommendations is to bring The Lindenwood Colleges to a position of sufficient strength so that in three years it can freely consider its options and directions.

The Board of Control - ...

1. Representatives of the Board and elected members of the faculty (no more than six from each group) should meet and discuss the Colleges' financial problems and share information.
2. The Board should state its support for a major reorganization of the campus administrative structure, based on the rationale that there is "one faculty" and "one facility." The present structure is cumbersome, inefficient, and rests on a series of myths that for a large part serve particular parochial interests. While the actual reorganization should await the coming of a new president, the Board must clearly indicate its backing of this type of major change...

The President - The selection and retention of a new President for The Lindenwood Colleges is of utmost importance...

The Junior College - ... It is strongly recommended that a program be launched to "sell" St. Charles County on a contractual agreement for providing junior-college service to students of the area. Stressed would be the great savings to the taxpayers and quality education with diversity for the student. In this way Lindenwood would control the development of the junior-college movement in the area, and it would be for the benefit of all - not in the least, Lindenwood...

The City and the Colleges - At this point, if the City of St. Charles and The Lindenwood Colleges do not recognize their mutual importance and dependency, an awareness and acceptance of this fact must be firmly established within six months. For St. Charles to willingly lose a cultural and intellectual asset that would be irreplaceable is, for these writers, unthinkable. Junior colleges provide service without a dimension of, in a word, class. For Lindenwood to become a faceless junior college would be to defraud generations of future students of the St. Charles area and the northeast population corridor of Greater St. Louis.

There is an evident faith that St. Charles County will continue to grow at a rapid pace. This feeling of movement and pride in the community is generated by the belief that "when the bridge comes in" the county will grow. It is up to the leadership of the Colleges to create some interest and excitement, and further demonstrate that Lindenwood is not the Lindenwood that people knew ten years ago. If the institution acts, the opportunity is there to firmly establish its value to the community and involve its leaders in the survival of The Lindenwood Colleges.

Lindenwood has made laudable first efforts to be responsive to the needs of the city and area students. These efforts must be intensified with study and decision, and immediate steps taken to further demonstrate the concern of Lindenwood for St. Charles. At the same time, the faculty of the Colleges must be reassured that the dimension of quality of its academic programs will not be diminished in valuable and historic areas of its basic liberal arts college, but that reality and reason dictate that man does not live by great books alone. Nonetheless, the future intellectual enrichment of the citizens of the area and their families cannot be sacrificed to assure practical training devoid of creativity or cultural appreciation.

It is obvious from interviews with leaders of the St. Charles community that they are impressed with the new openness and sensitivity of the Colleges to the needs of the area. This courtship, though perhaps short, must move quickly to perpetual vows.

The Greater St. Louis Area - In a decade, the cultural, intellectual, and educational contributions of The Lindenwood Colleges will be of even greater significance than they are today. Population growth and development of the northeast corridor from St. Louis will demand opportunities for the people who will work and live in the greater metropolitan area. To lose Lindenwood as a regional center could project greater demands on the leadership of St. Louis in the future. St. Louis has always appreciated and supported those institutions that provide educated citizens and valuable employees, as well as the individuals who give leadership to those institutions. This is stated even though the spectre of Monticello College hangs heavily in the minds of St. Louisans. However, St. Charles is not Alton, and the Missouri is not the Mississippi. St. Charles can become more of a Georgetown for St. Louis than Alton, and there is enough mutuality of interest, freeway directness, and the possibility of a strong St. Charles community base to project that the rubrics in the matter of Monticello do not apply to Lindenwood.

The funds needed for The Lindenwood Colleges are not great in comparison to its value. This report calls upon those Board members from the St. Louis community to respond to the commitment of the City of St. Charles and The Lindenwood Colleges to assist in meeting the challenge of the next three years. This task of great importance is not financially impossible, nor endless. With the full commitment of town and gown, it is believed that selected individuals of wealth, corporations, businesses, and foundations will respond to a sufficient degree to provide the needed financial support.

In our candid opinion, when the Danforth Foundation did not make a challenge grant to The Lindenwood Colleges, it was fully justified in its action. The vacuum of leadership, the lack of mission definition, and the town and gown separation were sufficient reasons. However, a challenge grant would be quite possible if the committed leaders of the St. Charles community and of Lindenwood would go to a foundation such as Danforth with a plan demonstrating the importance of the Colleges to the future of the area and Greater St. Louis, and with the assurance of unified commitment of all to achieve it. An affirmative response could also be elicited from major businesses and corporations and some national foundations, such as the Ford Foundation, who could recognize the urban and cultural loss of a diminished Lindenwood.

The Sesquicentennial Celebration - This observance of the founding of Lindenwood provides an opportunity to project the roles of the St. Charles and St. Louis groups beyond a crisis situation to an appealing event with significant historic importance. Those who would be asked to join these groups would be in effect the civic endorsers of this celebration. On this basis many outstanding citizens would be pleased to join these sesquicentennial committees, which would then be the basis of a broad support group.

Although it should not detract from addressing full effort to resolve the present problems of The Lindenwood Colleges, within six months an individual should be assigned or retained to project a plan for the Sesquicentennial celebration. The plan should not be based on, in a word, crass promotion, but on projecting a quality image of the Colleges and the City. Specific objectives of the celebration could include the following:

- a. To gain a broader and richer appreciation of the City and Colleges in the Greater St. Louis area.
- b. To bring pride to alumni, friends, students, and past donors.
- c. To demonstrate how a college and a city utilized their resources to preserve and strengthen a priceless heritage.
- d. To encourage donor confidence and attract leadership.

Communication - The lack of communication among all segments of the Lindenwood constituency has compounded problems. No one feels that he or she has a grasp of the reality of the situation. Particularly the faculty has suffered from this. It is absolutely necessary that the faculty understand both the critical situation that Lindenwood faces and also that with commitment, dedication, and facing up to hard decisions, the Colleges cannot only survive but prosper.

Administration of the Academic Program - The item that appeared in St. Charles Banner-News over a year ago under the headline, "Lindenwood's Choice: Cut Expenses or Close," does not adequately describe the situation that Lindenwood faces. While the faculty ratio could be reduced from the present 11:1 (the University of California at Santa Cruz, which is an outstanding liberal arts college with eleven Ph.D. programs, presently has an 18:1 student/faculty ratio) with some selective reductions, the answer for Lindenwood does not lie with extensive slashes in academic or support programs. While the new president must have the backing of the Board to make selective cuts, the answer lies in the organization of the academic program and better use of existing faculty...

Recruitment and Admissions - ... Just as in fund raising the business of attracting and retaining students should be the responsibility of everyone concerned with The Lindenwood Colleges. Anyone of college age or nearing it who comes to the campus should be given time even by the casual passerby. If a prospective student visits the campus to ask for information, he or she should not be handed a packet of information and dismissed. Each should be seen by someone from the Colleges, given a tour, and shown special interest; this should be reported to the admissions office. All assistance possible should be given to the admissions director, Edwin Gorsky, who has shown dedication and expertise in this area. Particularly the faculty should welcome the opportunity to personally call upon or influence students and sources of students...

Selected Eminence in the Arts for The Lindenwood Colleges - As a matter of academic need and practical public attraction, the Colleges must have at least one or several special programs that are exceptional and recognized.

For many important reasons, it is strongly recommended that a Council be established with top representatives of the communications industry that would employ future graduates of this department. The reasons for this are obvious: Such a council gains the interest of influential national and local media leaders, while providing invaluable direction and counsel (without cost); established sources of funds, equipment, and student internships; and an employment edge for graduates.

Another area in which the Colleges cannot only gain attention but also involve St. Charles leaders in its life is through the effective use of the studio arts programs and the fine arts building...

Here, again, it is suggested that a Fine Arts Council be formed to provide a resource to the community that it does not have at this time and that is unlikely to be established in the future. The council membership could include individuals with deep interests in the arts from the Greater St. Louis area, a group of outstanding St. Charles area cultural leaders, and respected regional professionals in the fine arts (curators, artists, collectors)...

This recommendation should be given immediate attention: The Lindenwood Colleges must have some such effective conduits to gain public recognition and to attract students.

Institutional Development - Fund raising should be the concern of all for whom the existence of Lindenwood is important.

The funding needs of The Lindenwood Colleges are attainable...

Alumni - Lindenwood has taken an excellent step ahead with the reestablishment of a good alumni program. Its staff is respected and can do much to win back and sustain alumni interest. Its on-going program should be given encouragement and support...

The Lindenwood Farm Property - It is the strong recommendation of this report that the Farm property be sold as soon as possible and that the funds invested in solid, high-interest paper. The Board should sell the Farm because it must put the academic interests of the institution above those of real estate. It must shore up the budget and provide some margin of operating expenses to allow a five-year time period in which to turn the institution around and get it on a break-even budget. Furthermore, it can hardly claim financial exigency and release tenured faculty when it has large real estate holdings.

Conclusion - We are greatly impressed with the quality of concern for Lindenwood and the priceless value of the institution. We are also convinced that together you can achieve a great and lasting good which will bring rare personal satisfaction to each of you. You are indeed the new Founders of the institution, and generations to come will benefit from your unselfish dedication to preserve and strengthen The Lindenwood Colleges of St. Charles, Missouri.

Mr. Hyland then said that in the absence of a new President it is necessary to move ahead in the consideration of these vital issues with the help of appropriate staff members of the college. The Board of Control will choose Board members to work on the following task forces:

1. Mission of the Colleges
2. Fund raising
3. Community college district
4. College farm

Mr. Miller, Chairman of the Finance Committee, reported that the status of the endowment funds had been examined as of mid-September, and that some changes will be made. The decline in the market value of the endowment over last year is, of course, due to the decline in the stock market. An explanation of the Endowment Funds is attached to the agenda.

Audit reports were distributed which Mr. Miller suggested be read by Board members at their leisure later.

AGENDA
SPECIAL MEETING OF THE BOARDS
OF
THE LINDENWOOD COLLEGES
APRIL 16, 1979

April 16, 1979

- I. Call to Order - Mr. Hyland
- II. Report of Facilities Committee - Mr. Miller
- III. Report on SUMMERSTAGE contract - Mr. Hannegan
- IV. Reports and resolutions on administrative matters - President Spencer
- V. Executive session - Mr. Hyland

Recently the President's Council, the Educational Policies Committee, and the Faculty concurred in recommending that Lindenwood change to a uniform credit hour system to be effective for the 1979-80 academic year. Student records, course and program requirements, and other administrative-academic regulations would be translated into the new system. Hereafter, instead of "full course" or "partial course" credits, a student would receive one or more credit hours of credit, reflecting more accurately the time spent in class. All classes, day and evening, undergraduate and graduate for all part-time and full-time students would be uniform and comparable.

RESOLVED, that approval is granted to award academic credit by credit hours instead of by courses.

2. Tuition and Fees, 1979-80

In line with the proposed uniform academic credit system described above it is recommended that tuition and fees for 1979-80 be approved as follows:

Full-time tuition

\$1,975

A full-time student is defined as one taking 12-15 credit hours per long term and 3 credit hours in January. Any student taking more will be charged at the hourly credit rate.

MEMORANDUM TO THE BOARD OF DIRECTORS

April 16, 1979

The following agenda notes are for your information and guidance:

1. Change of system for awarding academic credit.

For a number of years Lindenwood has awarded undergraduate credit by course (full or fractional part) and has required completion of 36 courses (average of 9 per year) for graduation. When the Evening College programs were added, some variations with the system were necessary. Increasingly Evening College courses, pressured by students as well as by the Veterans Administration, have tended toward a credit hour system (the traditional 3 credits for 3 hours per week per term of approximately 15 weeks). Graduate programs, when they were added, strongly favored a credit hour system. The matter is further complicated by students enrolled in both day and evening courses, by different tuition and fees among day, evening, and graduate programs, and by variations in time spent in class.

Recently the President's Council, the Educational Policies Committee, and the Faculty concurred in recommending that Lindenwood change to a uniform credit hour system to be effective for the 1979-80 academic year. Student records, course and program requirements, and other administrative-academic regulations would be translated into the new system. Henceforth, instead of "full course" or "partial course" credits, a student would receive one or more credit hours of credit, reflecting more accurately the time spent in class. All classes, day and evening, undergraduate and graduate for all part-time and full-time students would be uniform and comparable.

RESOLVED, that approval is granted to award academic credit by credit hours instead of by courses.

2. Tuition and fees, 1979-80

In line with the proposed new academic credit system described above it is recommended that tuition and fees for 1979-80 be approved as follows:

Full-time tuition

\$2,975

A full-time student is defined as one taking 12-18 credit hours per long term and 3 credit hours in January. Any student taking more will be charged at the hourly credit rate.

April 16, 1979

Part-time day tuition \$255/3 credit hours or
 All part-time students in the day \$85 per credit hour
 program would pay the same rate.
 Previously those 25 years of age
 or over, whether full or part-time,
 paid a lower rate.

Evening College tuition \$210/3 credit hours or
 There would be no change in \$70 per credit hour
 dollars charged for a typical
 course. However, because a "course"
 presently carries 3½ credit hours
 while in 1979-80 the same tuition
 would cover only 3 credit hours,
 the effective increase is from
 \$60 per credit to \$70 per credit,
 or 16.6%.

Graduate tuition \$330/3 credit hours of
 Certified teachers would be allowed \$110 per credit hour
 a reduction of \$25 per credit hour

***Rooms (single)** \$900-McCluer, Parker, and
 most in Sibley
 \$800-Ayres, Irwin, and some
 small rooms in Sibley

***Rooms (double)** \$600

*-Room contracts will specify the particular room charge

Board \$1,225
 Increased from amount earlier
 approved but not announced because
 the food service contract must be
 increased to cover rising prices for
 food.

RESOLVED, that approval is granted for the above basic tuition and fees for 1979-80. It is understood that other fees, such as laboratory, applied music, and equitation, will be consistent with these increases.

3. Upon the recommendation of the President's Council it is recommended that the Board rescind the \$15 fee per student made automatically available to the Concerts and Lectures Committee. It is the judgment of members of the Council that this money, sometimes not used, should not be tied up exclusively for concerts and lectures but should be used for whatever activities will best serve the interests of the students.

April 16, 1979

4. Academic reorganization.

As presented in Spring 1977 to the Faculty Council and subsequently to the faculty as a whole, the President's Council recommends that, beginning with the 1979-80 academic year, an academic vice-president and a dean of student affairs be appointed to be the senior responsible officers respectively for all academic and student matters.

These officers will report directly to the President, and will replace the deans of the women's and men's colleges who have heretofore exercised divided responsibilities for academic and student affairs. It is recommended that the position of director of the evening, graduate, and individualized (L4) programs be continued with this director reporting directly to the academic vice-president.

RESOLVED, that the appointment of an academic vice-president and a dean of student affairs beginning with the 1979-80 academic year be approved.

5. Motion to approve graduates who have satisfactorily completed requirements for degrees (list attached).
6. Honorary degrees and distinguished service awards (Hood, Spencer).
7. Motion to adopt resolution in appreciation of Dr. F. L. McCluer (Hood)
8. Motion to accept resolution of Mercantile Trust Company in regard to Lindenwood College Retirement Plan (resolution attached).
9. After study by the President's Council it has been decided to make more extensive use of the chapel/church building, especially for Evening College classes. This will more adequately justify the amount we pay for maintenance of that building, will relieve classroom space on campus, and relieve the parking problem.
10. The Fine Arts Building water problem.

Last fall, after the heating season began, we became aware of a water condition in one of the main air return ducts beneath the floor of the Fine Arts Building. Very high humidity conditions were created which promoted the rapid growth of mold and fungi. A number of unsuccessful efforts were undertaken to discover the source of the water, then consultants were brought in, and finally the building architect was contacted. He recommended that we obtain the services of McMullin and Associates, a reputable engineering firm in St. Louis. An investigation was undertaken and the preliminary report (attached) was made on February 9. Shortly after receiving this report an underground leak in a water main to Dean Crozier's house was discovered and repaired.

Within the past week, doubtful of the conclusion that the water is coming from the city water system, we contacted Mr. Kenneth Ingraham, the consulting engineer who is most familiar with Lindenwood and its facilities. As a

April 16, 1979

result of his work it is now considered likely that the water is coming from one or more springs, probably underneath the building itself. It is recommended that a shallow well (trench) be dug by a back-hoe alongside the foundation and that a few test borings be taken to determine the ground water table. If the water source is in a spring or springs it will probably be necessary to install a water collecting and drain-tile system around the building footings (about 9-10 feet below ground level). It is estimated that the total cost for this work might approximate \$15,000. After the water source is identified and controlled, it will then be possible to dry out the building and correct the mold conditions on the walls.

11. Mr. Schwarzbauer has talked with Gene Ehlmann, the farmer who regularly uses 46 acres of our farm land. After discussion they have agreed for this year on a lease rate of \$50.00 per acre. \$1,000 will be paid in June with the balance of \$1,300 to be paid in November. Last year Mr. Ehlmann paid a total of \$1,527.
12. North Central Association and National Association for Accreditation of Teacher Education (Hood)

Both NCA and NCATE have recently made accreditation (inspection) visits to Lindenwood. The NCA visit was focused on our graduate programs; NCATE was primarily concerned with our undergraduate and graduate teacher education programs.

13. The Nominating Committee needs to be reminded that terms of office for Mr. Hyland, Mr. Miller, Mr. Tlappek, and Mrs. Warner expire in June; officers of the Board of Directors need to be elected in June.
14. SUMMERSTAGE contract (Mr. Hannegan)

The Board needs to approve this contract.

15. The Commerce Bank lease agreement.

Two years ago the President of Commerce Bank in St. Charles approached Dick Berg about leasing additional Lindenwood ground to enlarge the bank's parking capacity, and to relieve the single entrance to the bank that also serves as the entrance to the Lindenwood stadium and stables. At that time the frontage on First Capitol Drive adjacent to the bank in front of the water towers was owned by the City of St. Charles; we could at best have offered only an area behind the water towers adjacent to our parking lot and Parker Hall. Subsequently, after consideration by Board members and the administration, we persuaded the City to trade its land for a slightly smaller plot behind the towers. It was generally recognized that this inside plot would continue to be left undeveloped (lawn).

Berg continued negotiations with the Commerce Bank people, and subsequently agreed that an independent appraisal should be obtained to determine the rental rate. This was done; the appraiser, a reputable professional in St. Louis, recommended simple extension of the lease terms used in the original ground lease. In the meantime Berg resigned to enter home renovation and repair business. Bill Weber, assisted by John Hannegan and

April 16, 1979

a knowledgeable local developer, recommended by John Hannegan, concluded that the appraiser's recommendation would not provide an adequate return to Lindenwood. Thereupon the matter was reopened and, in spite of insistence by Commerce Bank that Berg had already agreed to terms which were more favorable to the Bank, the lease agreement of August 1, 1978 was negotiated and signed after review of the terms and provisions by Mr. Hannegan.

This lease has thus been in effect since last summer; as you have seen the construction of the new parking lot in conformity with this agreement is almost completed. The only matter left pending is final signing of a memorandum of the ground lease agreement, which has been reviewed and modified by Mr. Hannegan, after which the agreement will be officially recorded.

Recently Mr. Metcalfe, on reviewing minutes of Board meetings, noted that "the lease was never authorized by the Board." Thus, even though the matter had been discussed many times by members of the Board and administration, apparently the final agreement was never brought to the Board for approval. Consequently the following action is needed.

RESOLVED, that the ground lease agreement by and between Lindenwood Female College (lessor) and Commerce Bank of St. Charles (lessee) dated August 1, 1978 for the ground (parking lot) adjacent to the Bank at the rental rates of \$7,500 per year (to August 1981), \$8,195 per year (to August 1986), and \$9,500 (to August 1991) be approved.

16. Executive Motivation Institute (International Sales Institute)

Recently I was approached by a Mr. Alex Horvat and Dr. Reynolds concerning their wish to obtain facilities to conduct a full-time, resident sales training program for young men and women, 18-25 years of age. The program is already in operation in St. Charles County in rented facilities. At Lindenwood they would plan on an initial enrollment of 75-100 students, which would require a dormitory such as Cobbs or Irwin, a few classrooms, food service, and some access to campus facilities such as the gym, playing fields, etc. On my request they agreed to put their proposal in writing. Last week Horvat and Reynolds met again with Hood, Schwarzbauer, and me. The program would consist of a typical vocationally-oriented, proprietary operation, except for its full-time, resident character and its emphasis on the total training of its students. Schwarzbauer has agreed to prepare some financial estimates for discussion in the next couple of weeks.

If we could reach a satisfactory agreement, it could have a very positive effect on our balance sheet (possibly a net of \$75,000) during 1979-80. Fuller utilization of our facilities is obviously desirable; more students would also reduce unit (per student) costs for food service and general operation of the physical plant.

April 16, 1979

17. The Minter Study (Biggs)

John Minter, a Denver-based specialist in financial analysis, was asked by John Biggs to study our financial situation in comparison with other similar institutions. The report is a voluminous and detailed one showing ratios, trends, and comparisons of revenues, expenditures, and assets. On March 31 Minter spent the morning with Hood, Schwarzbauer, and me reviewing, explaining, and discussing his findings and conclusions. We taped this session; members of the Finance Committee have been furnished with both the Minter report and the transcription of the tape.

J. P. Spencer

ADDENDUM TO APRIL 16, 1979 MEMORANDUM TO BOARD OF DIRECTORS.

Spring 1979

18. Last Thursday (April 12), during the torrential rainfall, the retaining wall (railroad ties) on the slope below Parker Hall gave way and tumbled down the bank toward the field. Fortunately this land slide was arrested by the middle-level earth terrace and the fence/retaining wall surrounding the field. Thus the playing field was not affected. However the retaining wall, probably as a two-step terrace, will have to be reset. We are now obtaining basic engineering information and cost estimates. Probably we will have to spend \$3,000-\$5,000 to restore the bank.

Cincinnati, John Jr.	NS
Foss, Robin Elsie	NS
Fleming, Jack	NS
Froese, Michael G.	AIS
Glynn, James Ann	NS
Joneson, Richard Gene	NS
McLean, M. Carolyn	NS
Owen, Barbara Jean	NS
Paparia, Jerry Russell	NS
Reichelt, Ronald G.	NS
Thompson, Darrell Eugene	NS
Russ, Mark S.	NS

Cohen, Jack	N/A
Cox, Yvonne	N/A/EA
Malpan, Susan	N/A/EA
Walters, Franklin L.	N/A

Lindwood 4

Salicki, Richard	NS
Soscheck, Gerald	N/A
Gimergian, Mary	NS
London, David	NS
Salcedo, Patricia	NS
Seward, Janet	NS

RESOLUTIONS OF BOARD OF DIRECTORS

RE: CHECKING ACCOUNT

The undersigned hereby certifies to Mercantile Trust Company National Association of St. Louis, Missouri, that he is the Secretary of Lindenwood Female College, a corporation, duly organized and existing and now in good standing under the laws of the State of Missouri; that the following is a complete, true and correct copy of certain resolutions duly adopted by the board of directors of said corporation at a meeting of said board duly called and held on the 16th day of April, 1979, in accordance with the Articles of Incorporation and By-Laws of said corporation, at which meeting a quorum was present and acted throughout, all as appear on the minutes of such meeting, which resolutions are still in full force and effect;

RESOLVED:

1. That Mercantile Trust Company National Association be and hereby is designated as a depository of this corporation, subject to the terms, conditions, rules and regulations of said Bank from time to time in effect governing commercial checking accounts, under the name and style:
Lindenwood College Retirement Fund

(Name of Account)

2. That funds in said account with said Bank shall be subject to withdrawal or debit from time to time upon checks or orders for the payment of money when signed in behalf of this corporation by the following: Any two of the following: Howard A. Barnett, Doris Crozier, James F. Hood

_____; and (Set forth the Titles of Officers or other persons authorized to sign, such as President, Treasurer, Bookkeeper, etc., and not their individual names. Also indicate in what manner the officers are to sign—singly, any two, or jointly, etc.)

3. That Mercantile Trust Company National Association is hereby directed and authorized to honor, pay and charge against said account any and all checks or orders for the payment of money when signed as provided in 2 above, without any duty of inquiry as to the circumstances of issue or disposition of the proceeds and regardless of to whom such instruments are payable or endorsed, including instruments payable or endorsed to any officer, or agent of the corporation, or any person authorized to sign, or to bank, or bearer, or cash, or otherwise, and tendered for cashing, or in payment of the individual obligation of such officer, or agent, or person signing, or for deposit to his personal account; and

4. That any officer or agent of the corporation is authorized to endorse for deposit, or collection, or negotiation any and all checks, drafts, notes, bills of exchange, and other orders or instruments for the payment of money, belonging to or coming into the possession of the corporation, which endorsements may be made in writing or by stamp or otherwise, and without designation of the person so endorsing; that any such instrument may be deposited without endorsement, or the endorsement of this Corporation may be supplied by Bank, in either of which events the liability of this Corporation thereon shall be the same as if actually endorsed by this corporation; that all items delivered to said Bank shall be subject to the provisions of the Bank Collection Code of Missouri; that each of the officers and agents designated above in the second paragraph, or from time to time hereafter designated, to sign for the corporation, be and hereby is further authorized to act for and in behalf of this corporation in the transaction of any and all other business arising from time to time in connection with or involving said account, and to sign and deliver such instructions or instruments in relation thereto and consistent herewith as he may deem advisable; and

5. That the Secretary, or _____ of this corporation be, and hereby is, authorized and directed to and shall certify to Mercantile Trust Company National Association the names of the present officers of this corporation and other persons authorized to sign for it and the offices, respectively, held by them, together with specimens of their signatures; and he shall from time to time hereafter, as changes of officers and agents may occur, immediately certify to or notify Bank of such changes and the name of any new officer or agent together with a specimen of his signature; and said Bank is authorized to rely and act upon such certificate or notice and to honor any instrument signed by any new officer(s) or agent(s) in respect of whom it has received such certificate or notice, with the same force and effect as if said officer(s) or agent(s) were named in the foregoing resolution, and Bank shall be indemnified and saved harmless by this corporation from any claims, demands, loss, or expense resulting directly or indirectly by reason of its honoring the signatures of any such officer(s) or agent(s) so certified, or refusing to honor any signature not so certified; and

6. That these resolutions shall remain in full force and effect, and Bank is authorized and directed to continue to rely hereon and act hereunder, regardless of any other notice to the contrary, until Bank shall have received a certified copy of resolutions duly adopted by the board of directors of this corporation revoking, amending or otherwise changing these resolutions.

The undersigned further certifies that the present officers of this corporation, and the offices respectively held by them, are as follows:

- | | | | |
|----------------|--------------------------------|--------------|-------|
| President | <u>Robert Hyland</u> | Asst. Secy. | _____ |
| 1st Vice Pres. | <u>George W. Brown</u> | Asst. Treas. | _____ |
| 2nd Vice Pres. | _____ | | _____ |
| Secretary | <u>Walter L. Metcalfe, Jr.</u> | | _____ |
| Treasurer | <u>David E. Babcock</u> | | _____ |

IN WITNESS WHEREOF, I have subscribed my name as Secretary and affixed the seal of said corporation this _____ day of _____, 19____.

(Seal)

McMULLIN AND ASSOCIATES - CONSULTING ENGINEERS

February 9, 1979

Lindenwood Colleges
Kings Highway & 1st Capital Drive
St. Charles, Missouri 63301

Re: Fine Arts Building, Water Problem

Attn: Mr. Andy Anderson

Gentlemen:

This letter is intended to be an interim report of an engineering investigation being performed on the above referenced project. The initial involvement in this project revealed the problem of water accumulating in the underground network of return air ducts under the ground floor of the Fine Arts Building. The accumulation of water was being disposed of through the installation of a sump pump; the return air ducts sump, within the mechanical room was initially estimated to be disposing of about 500 gallons per hour. Additional sampling of the moisture content of the circulating air system in various class rooms indicated the problem was manifesting itself by condensation on outside walls and windows providing extensive accumulation of water on walls, ceilings and floors causing damage through mildew and content deterioration. These tests also verify that the same water accumulating was present in the underground supply duct system even though there was no obvious drainage available and visual examination was not possible.

To alleviate the problem, it was necessary to determine if the water source was accumulated ground water or from an alternate source within the building fluid system. If the source was truly ground water, as initially suspected, the solution would ultimately be a series of point wells at a substantial initial expenditure. If the source was within the building fluid system somehow, then the problem would be alleviated by correcting the system leakage involved at a relevantly lower cost. Therefore, it became necessary to locate and identify the source prior to attempting any solution. Samples of the water seepage involved were obtained and analyzed by the Laclede Laboratory with the intention of identification through chemical analysis. This initial analysis reveals the probable source to be domestic tap water, if allowances were made for this water source to migrate through soil from the source to the air duct system.

Subsequent examination of possible sources produced initially only the domestic water system itself and therefore testing is initiated to determine if leakage were present to a locked up system meter check. This testing indicated a small amount of leakage (approximately 40 gallons per hour). But nothing near the amount of water we were looking for. A second thorough review of existing building system drawings and conversation with the Architect Engineer involved in the initial design was made to determine alternate possibilities of sources that could provide the volume of water suspected but not involved in the domestic water testing mentioned above.

The only alternate source of water located was the condenser circulating system, which could provide the water through a make up water connection instead of into the cooling tower sump when the system was operating. However, this system was off and drained at the time of our initial investigation and was not believed to contain any piping that was not exposed. Also as a confirmation of domestic water leakage as our source, an examination was made of water company billings of the Fine Arts Building and revealed an excessive water usage through the fall season of the last 4 years, providing an accumulated excess of about 600 thousand to 700 thousand gallons per year that could not be explained as normal usage. This seemed to fit the condenser water system possibility since this system would have had water in it during the period involved in the excessive billing. Further chemical analysis was performed to determine if water samples taken could be identified with the condenser water system through chemical addition to this system for treatment purposes. Although positive identification was not possible, indications were leading towards the confirmation of this water as a possible source. We again made a thorough search of the condenser water system and were able to locate a section of piping that not only was buried and thereby subject to electrolytic corrosion but was adjacent to the front building wall where most of the accumulated duct water was being found. If this piping was actually the source of the water accumulation, then it is possible that large quantities of water indicated on the water company billing could be leaking from the piping system during the fall season (or whenever the condenser water system was on) and accumulating in the adjacent soil as a reservoir of water which would provide a continuous source of seepage over a long period of time.

Consultation with Mr. John Mathis, John Mathis & Associates, Soil and Foundation Engineers, confirmed this possibility and would surmise that water would continue to seep into the duct system at a continually decreasing rate until such time that all the accumulated soil water was dissipated.

A check of the sump water output on February 6, 1979, provided confirmation of this assumption by a reduction in sub-water output to about 400 gallons per hour. These results were reviewed with campus personnel and testing of the condenser water system was initiated to determine if the piping at the location indicated above, was leaking and thereby could be firmly established as the source of the problem. If this test confirmed are assumptions, then the solution will be to repair or replace the deteriorated section of piping and continue to allow the sump pump to drain the soil accumulated water until the sump return ducts are free of water. The water present in the supply ducts are not as acceptable, as engineering consideration will have to be given to removal of this water. There is the possibility that this water may dissipate through the return air duct, via the same opening they accumulated water through, when the drainage is near the end.

It appears that the eventual end of the problem will be forthcoming but only after sufficient time has expired. Possibly as long as six months. The removal of moisture in the classrooms can probably be accelerated by use of the air conditioning system to substantially increase the evaporation capability of the circulating air system. This cannot be provided at this time of the year, however, and suitable engineering consideration will have to be given prior to such an operation.

Also in our discussions with Mr. Mathis, there appears to be no adverse damage to the building structure support system due to the excessive amounts of water under the supporting foundations, but we feel an investigation may be in order to determine if the drying out of this soil beneath the building's support structure would have any long term effect on possible soil failure.

We will supplement this interim report with a final report in the near future giving a more detailed explanation of the above information. In the meantime, if you have any questions, please contact me. Thank You.

Yours truly,
McMullin & Associates



E. V. McMullin, P.E.

EVM/rd

CONFIDENTIAL

CONFIDENTIAL

MINUTES OF THE
SPECIAL MEETING

OF THE
BOARDS

OF

THE LINDENWOOD COLLEGES*

St. Charles, Missouri
April 16, 1979

A special meeting of the Board of Directors of The Lindenwood Colleges, honorary life members of the Board, and Board of Overseers was held at The Lindenwood Colleges in Young Lounge, April 16, 1979, at 12:30 P.M., pursuant to call and notice given each member of the Board in accordance with the bylaws. The purpose of the meeting was to conduct special business that must be completed before commencement.

The following members of the Board of Directors, being a quorum, honorary life members, and members of the Board of Overseers were present:

Board of Directors:

- David E. Babcock
- John H. Biggs
- Mrs. Russell J. Crider
- Mrs. James C. Hamill
- John C. Hannegan
- Robert Hyland
- Walter L. Metcalfe, Jr.
- Jefferson L. Miller
- Roland T. Pundmann
- Mrs. Dorothy Warner
- E. J. Wipfler, Jr., M.D.

Honorary Life Members

- Arthur S. Goodall
- Mrs. Arthur Stockstrom
- Mrs. Horton Watkins

Board of Overseers

- Mrs. K. K. Barton
- Mrs. J. L. Smith

* - The Lindenwood Colleges. Founded in 1827 and chartered in 1853 as Linden Wood Female College. New corporate structure of Lindenwood Female College approved by Circuit Court of St. Charles County March 7, 1977.

The following members of the Administration were present:

William C. Spencer, President
John S. Burd, Administrative Director of Lindenwood Evening
College and Lindenwood College for Individualized Education
Doris Crozier, Dean, Lindenwood College for Women
Frank W. Hetherington, Director of Admissions and Student Aid
James F. Hood, Provost
Jeffrey G. Nemens, Director of Development and Public Relations
Joseph W. Schwarzbauer, Director of Financial Planning and
Administration
Mary Yonker, Assistant to the President and Assistant Secretary
of the Board of Directors

Mr. Hyland, Chairman, called the meeting to order. The meeting was
opened with silent prayer in memory of President Emeritus Franc L. McCluer
and for guidance in making decisions at this meeting.

Mr. Hannegan reported that \$25,000-\$30,000 of the \$40,000 seed money
SUMMERSTAGE needs has been raised. At the request of SUMMERSTAGE Board members
Mr. Hannegan is drawing up the Articles of Incorporation as well as a contract
with the college which should be finalized in another week or two. It is
understood that the college will provide space for the theatre and places
where sets can be constructed but will have no responsibility for SUMMERSTAGE
after that.

Following recommendations of the President's Council, the Educational
Policies Committee and the Faculty a motion was made, seconded and passed to
award academic credit, beginning with the 1979-80 academic year, by credit hours
instead of by courses. All classes, day and evening, undergraduate and graduate
for all full-time and part-time students will then be uniform and comparable.

In line with the proposed new academic credit system of credit hours,
instead of courses, a motion was made, seconded and passed to approve the following
basic tuition and fees for 1979-80 with the understanding that other fees, such as
laboratory, applied music, and equitation, will be consistent with these increases.

Frank H. Brockgreitens be the first recipient of the Sibley Award. A motion

Full-time tuition \$2,975

A full-time student is defined as one taking 12-18 credit hours per long term and 3 credit hours in January. Any student taking more will be charged at the hourly rate.

Part-time day tuition \$ 255/3 credit hours or
\$ 85 per credit hour

Evening College tuition \$ 210/3 credit hours of
\$ 70 per credit hour

Graduate tuition \$ 330/3 credit hours or
\$ 110 per credit hour

Certified teachers would be allowed a reduction of \$25 per credit hour

*Rooms (single) \$ 900-McCluer, Parker, and
most in Sibley
\$ 800-Ayres, Irwin, and some
small rooms in Sibley

*Rooms (double) \$ 600 per person

*-Room contracts will specify the particular room charge.

Board \$1,225

A motion was made, seconded and passed to rescind the \$15 fee per student made automatically available to the Concerts and Lectures Committee.

A motion was made, seconded and passed that an academic vice-president and a dean of student affairs, who will report directly to the President, be appointed beginning with the 1979-80 academic year.

It was moved, seconded and passed that candidates, as listed on the attachment to the agenda, be awarded the appropriate degrees when they have satisfactorily completed the requirements for the degrees.

Following explanation by Dr. Hood that he would like the Board to consider granting one honorary degree at commencement and a distinguished service award, to be called the Sibley Award, a motion was made, seconded and passed that Frank H. Brockgreitens be the first recipient of the Sibley Award. A motion

was then made, seconded and approved that Mary (Mrs. Thomas S.) Hall be awarded the honorary degree of Doctor of Humane Letters.

It was moved, seconded and passed that the resolution, attached to these minutes, in appreciation of Dr. Franc Lewis McCluer be adopted and that a copy be sent to Mrs. McCluer.

A motion was made, seconded and passed to adopt the resolution of Mercantile Trust Company National Association of St. Louis, attached to the agenda, pertaining to the Lindenwood College Retirement Fund.

President Spencer called attention to the fact that after study by the President's Council it has been decided to make more extensive use of the chapel/church building, especially for Evening College classes. Mrs. Crider recommended that a meeting of the Lindenwood College-St. Charles Presbyterian Church Corporation Board be held soon to get a feeling of the attitude about the church property and how the college wants to support it. President Spencer agreed to call such a meeting so that recommendations could be brought to the June Board meeting.

President Spencer then called attention to the water problem in the Fine Arts Building. Last fall, after the heating season began, a water condition in one of the main air return ducts beneath the floor of the Fine Arts Building became apparent. Very high humidity conditions were created which promoted the rapid growth of mold and fungi. After a number of unsuccessful efforts were made to discover the source of the water, consultants were brought in, and then the building architect was contacted. He recommended that the services of McMullin and Associates be obtained. An investigation was undertaken and the preliminary report (attached to the agenda) was made on February 9. Shortly after receiving this report an underground leak in a water main to Dean Crozier's house was discovered and repaired.

A short time ago, doubtful of the conclusion that the water is coming from the city water system, Kenneth Ingram, a consulting engineer familiar with Charles Lindenwood and its facilities, was contacted. As a result of his work it is now considered likely that the water is coming from one or more springs. It is recommended that a shallow well (trench) be dug by a back-hoe alongside the foundation and that a few test borings be taken to determine the ground water table. If the water source is in a spring or springs it will probably be necessary to install a water collecting and drain-tile system around the building footings (about 9-10 feet below ground level). It is estimated that the total cost for this work might approximate \$15,000. After the water source is identified and controlled, it will then be possible to dry out the building and correct the mold conditions on the walls.

A motion was made, seconded and passed to accept the arrangement Mr. Schwarzbauer has made with Gene Ehlmann, the farmer who uses 46 acres of our farm land, that for this year Mr. Ehlmann will lease the acreage at \$50 per acre with \$1,000 being paid in June and the balance of \$1,300 in November.

Dr. Hood reported that a team from North Central Association was here March 12-14 as a result of our full accreditation visit in 1975. At that time Lindenwood received accreditation for 10 years but North Central asked that a team return in three years to look at the graduate programs since they had just begun in 1975. From the exit interview we expect the team to make a good report to North Central.

Lindenwood has received accreditation from the National Council for the Accreditation of Teacher Education, Dr. Burd reported, for another seven years, the maximum length of time for accreditation. The report was most complimentary with the most severe criticism being of the gymnasium.

A motion was made, seconded and passed to approve the ground lease agreement by and between Lindenwood Female College (lessor) and Commerce Bank of St. Charles (lessee) dated August 1, 1978 for the ground (parking lot) adjacent to the Bank at the rental rates of \$7,500 per year (to August 1981), \$8,195 per year (to August 1986), and \$9,500 (to August 1991).

Recently Mr. Alex Horvat and Dr. Reynolds, of Executive Motivation Institute, contacted President Spencer in regard to obtaining facilities to conduct a full-time, resident sales training program for 75-100 young men and women, 18-25 years of age, President Spencer reported. They met recently with Dr. Hood, Mr. Schwarzbauer, and President Spencer. Mr. Schwarzbauer said that there would be a financial advantage in having this Institute on campus but it probably would be taxable income. He also questioned the desirability of mixing this kind of enterprise with our accredited endeavors. Others also expressed reservations. It was finally agreed that President Spencer would write to Mr. Horvat indicating that it was not possible for Lindenwood to provide facilities for the International Sales Academy.

President Spencer reported that during a torrential rainfall last week the retaining wall (railroad ties) on the slope below Parker Hall gave way and tumbled down the bank toward the field. The land slide was arrested by the middle-level earth terrace and the fence-retaining wall surrounding the field. The field was not affected, but the retaining wall will have to be reset. Engineering information and cost estimates are being obtained.

Mr. Miller, Chairman of the Facilities Committee, reported that he has received from the Administration of the College a list of needed repairs, replacements, etc. with priorities indicated. It will be necessary for the Facilities Committee to wait before undertaking any of the work until the Finance Committee determines how much can be spent.

Dr. Burd, Dean Crozier, Mr. Hetherington, Mr. Nemens and Miss Yonker were excused from the meeting so that the Boards could meet in Executive Session with President Spencer, Dr. Hood, and Mr. Schwarzbauer.

Mr. Schwarzbauer distributed the proposed 1979-80 budget (revision no. 4) for The Colleges. He also distributed a tabular presentation of performance against 1978-79 budget as well as the actual results of prior years, and a tabular presentation of cash requirements.

Mr. Schwarzbauer noted the differences between this budget and prior Board considerations. For example, (1) this budget assumes that endowment is not liquidated to retire plant debts; (2) it does not assume \$400,000 in gifts and grants previously stipulated by the Board; (3) it does not provide \$100,000 for debt retirement; (4) it does include the 7 percent salary increase previously stipulated by this Board. On the basis of those assumptions together with other budget decisions, a deficit of \$425,000 is projected.

Extensive discussion followed and alternatives were investigated.

As further assistance in an analysis of the budget, John Biggs was asked to summarize a report prepared by John Minter and Associates at the request of the Executive Committee. The Minter report was prepared to compare the budget and the results of the college with financial statements of comparable institutions both within and without the state of Missouri. Mr. Biggs noted the conclusion that Lindenwood's tuition and federal scholarships were low, endowment income (formerly high compared to other institutions) was not comparable to others, gifts and grants are low compared to others. He noted that among the four-year colleges to which we were directly compared in Missouri, those colleges count on approximately 8 percent of the revenues in the form of gifts and grants while on a national basis private, small four-year colleges count on approximately 15 percent. Lindenwood's gifts and grants account for 3.8% of its revenues.

Following further extensive discussion, it was moved that the present proposed budget, marked Revision 4, be accepted by this Board subject to three changes: (1) the 7 percent across-the-board salary increase be removed with the agreement that any excess tuition and fee income above \$2,900,000 will first be used to provide such a salary increase in the form of a bonus, (2) that an additional \$100,000 be cut from expenditures, and (3) that gifts and grants be increased by \$160,000. The report of the ad hoc faculty committee on fiscal affairs was received. Messrs. Schwarzbauer and Hood discussed the points raised in the faculty memorandum. Gifts and grants, including alumni and community support, were reviewed. After discussion, particularly relating to salaries and further expenditure cuts, the motion was approved.

For cash flow, Mr. Schwarzbauer reported upon the residence located at 1500 Watson, and after discussion, it was moved and seconded that the residence be sold at the best price obtainable and that the Chairman of the Board of the college be authorized to execute appropriate deeds and other papers in connection with such sale. The resolution was approved.

Following the revisions to the budget, in line with the resolution adopted by the Board, the administration shall refer the budget to the Executive and Finance Committees for review and final approval.

The Board expressed its appreciation of the efforts of Dr. Hood and Mr. Schwarzbauer in the budget preparation.

In connection with meeting cash requirements, Mr. Hyland suggested the possibility of obtaining additional funds collateralized by the Lindenwood Farms. After discussion, upon motion duly made and seconded, the Board accepted in principle negotiation of additional loans and creation of indebtedness on the Farms. The resolution was approved.

Walter L. Marcolife, Jr.
Secretary, Board of Directors

April 16, 1979

Mr. Hyland then read to the Board the resignation of Thomas R. Remington occasioned by his increased involvement in American Red Cross affairs. The resignation was accepted with regret.

Dr. Spencer, Dr. Hood and Mr. Schwarzbauer were then excused from the meeting and Mr. Hyland outlined the terms of the resignation of Dr. Spencer as president. Dr. Spencer was then invited into the meeting to present his position and he was then excused from the meeting.

Full discussion followed, the terms previously offered by Mr. Hyland were ratified and additional payment of \$5,000 in gratitude of the work of Evie Spencer for the benefit of the college was moved and approved.

A description of the role of a successor president prepared and reviewed by members of the Executive and Finance Committees was presented to the Board and a profile of the type of person to fill that role was circulated. After review, the role and profile were approved in principle and it was moved by Dr. Wipfler and seconded and passed that a search committee be appointed to proceed with due diligence to obtain the services of a successor president as soon as practicable and, if possible, by the June Board meeting.

Mr. Hyland then appointed a search committee with the advice and consent of the Board, consisting of George Brown as Chairman, Jane Crider, John Hannegan, John Biggs and Walter L. Metcalfe, Jr. Further comments on the role and profile together with names of candidates should be sent to Mr. Metcalfe. The role and profile will be reviewed with appropriate faculty committees.

There being no further other business to come before the meeting, it was adjourned.

Walter L. Metcalfe, Jr.
Secretary, Board of Directors

Resolution

Whereas, the Lindenwood Community remembers Franc Lewis McCluer for many things, but particularly for

his long service as professor and then as president at our sister College, Westminster College, from 1919 to 1947, and

his tenure as president of Lindenwood College from 1947 to 1966, and

his love for Lindenwood and its students and faculty, and

his powers as a speaker and preacher, and

his abiding, always evident religious faith, and

his love of nature, and particularly of hybrid iris, and

his love for and pride in his wife, Ida Belle McCluer, and their son, Richmond, and

his public service to the State of Missouri, particularly as a member of the Missouri Constitutional Convention and as Director of the Campaign for the Adoption of a New Constitution, and

his service to the national Presbyterian Church, U.S.A., as a member of its Board of Christian Education, as elder, as moderator of the Synod of Missouri, as chairman of the Council of the National Presbyterian Church and Center, and many other capacities, and

his integrity, his friendliness, and his concern for all he knew, young and old, and

his further service to Lindenwood from retirement as Interim President in 1973-74, and

Whereas, Franc Lewis McCluer has passed away on March 30, 1979 at the age of 83,

Now Therefore Be It Resolved, that the Board of Directors of the Lindenwood Colleges expresses its gratitude and thanks for the long service of Franc Lewis McCluer to Lindenwood, to Westminster, and to higher education in America, extends its sympathy and good wishes to Ida Belle and Richmond, and

Be It Further Resolved, that the Secretary of the Board shall spread this resolution upon its minutes and shall send a copy of the resolution to Mrs. Franc L. McCluer.

Introduced this Sixteenth Day of April, 1979.

LINDENWOOD COLLEGES
 OPERATING BUDGET
 1978-1979
 REVISION 4

	1976-77 ACTUAL	1977-78 ACTUAL	1978-79 BUDGET	78-79 % EXP	1979-80 PROPOSED	77-78 % EXP	1977-78 YTD ACTUAL
INCOME							
1 FULL-TIME RESIDENT STUDENTS	531550.	528364.	528000.	92.8	490000.	0.0	0.
2 FULL-TIME NON-RESIDENTS	451575.	499144.	500000.	119.0	595000.	0.0	0.
3 SPECIAL STUDENTS (INCL NURSES)	96209.	127319.	185000.	144.7	267750.	0.0	0.
4 ACADEMIC FEES	70309.	78198.	75000.	106.6	80000.	0.0	0.
5 SUMMER SESSION	50755.	73475.	110000.	127.2	140000.	0.0	0.
6 CAMPUS SCHOOL	27043.	28292.	28000.	89.2	25000.	0.0	0.
7 EVENING COLLEGE	520674.	478585.	428000.	85.8	367500.	0.0	0.
8 M.B.A. PROGRAM	71075.	180485.	140000.	125.3	175500.	0.0	0.
9 MASTERS DEGREE EDUCATION	0.	0.	40000.	150.0	60000.	100.0	0.
10 MASTERS DEGREE THEATRE	0.	0.	10000.	100.0	10000.	100.0	0.
11 LINDENWOOD 4	385403.	494653.	485000.	110.4	535500.	0.0	0.
12 NURSING PROGRAM (ST. LUKE'S)	48333.	43596.	45000.	100.0	45000.	0.0	0.
13 FOREIGN STUDENT CENTER	52900.	39800.	88000.	107.9	95000.	0.0	0.
14 TOTAL TUITION AND FEES	2305826.	2571911.	2662000.	108.4	2886250.	0.0	0.
15 ENDOWMENT	222589.	214328.	214000.	112.1	240000.	0.0	0.
16 GIFTS AND GRANTS	193822.	213384.	390000.	56.4	220000.	0.0	0.
17 SCHOLARSHIPS	40851.	11910.	10000.	100.0	10000.	0.0	0.
18 MISCELLANEOUS	48599.	48393.	62000.	84.6	52500.	0.0	0.
19 THEATER	0.	0.	78000.	76.9	60000.	100.0	0.
20 TOTAL EDUCATIONAL AND GENERAL	2811690.	3059926.	3416000.	101.5	3468750.	0.0	0.
AUXILIARY ENTERPRISES							
21 RESIDENCE HALLS	158355.	144258.	145000.	114.9	166700.	0.0	0.
22 FOOD SERVICE	221397.	213331.	215000.	114.4	246000.	0.0	0.
23 BOOKSTORE	146993.	150374.	155000.	103.2	160000.	0.0	0.
24 CONFERENCES	86996.	92401.	100000.	100.0	100000.	0.0	0.
25 S. L. F. C.	101102.	135266.	135000.	132.5	179000.	0.0	0.
26 STUDENT CENTER	0.	0.	10000.	120.0	12000.	100.0	0.
27 ATHLETIC FIELD	0.	0.	35000.	100.0	35000.	100.0	0.
28 MISCELLANEOUS	49400.	59661.	5600.	89.2	5000.	0.0	0.
29 TOTAL AUXILIARY INCOME	764244.	795291.	800600.	112.8	903700.	0.0	0.
30 TOTAL INCOME	3575934.	3855217.	4216600.	103.6	4372450.	0.0	0.

EXPENSES	1976-77 ACTUAL	1977-78 ACTUAL	1978-79 BUDGET	78-79 % EXP	1979-80 PROPOSED	77-78 % EXP	1977-78 YTD ACTUAL
INSTRUCTION/HUMANITIES							
31 ART DEPARTMENT	89163.	96152.	80125.	105.1	84234.	0.0	0.
32 COMMUNICATION ART-DRAMA	57146.	146659.	138360.	99.7	138000.	0.0	0.
33 COMMUNICATION ART-BROADCASTING	26316.	29952.	28699.	106.0	30442.	0.0	0.
34 COMMUNICATION ART-JOURNALISM/PHOTO	0.	12168.	9061.	206.5	18715.	0.0	0.
35 ENGLISH	64164.	68168.	68469.	106.4	72882.	0.0	0.
36 MODERN LANGUAGES	50629.	42688.	30345.	105.6	32072.	0.0	0.
37 MUSIC	69644.	75213.	71403.	106.7	76228.	0.0	0.
38 RELIGION-PHILOSOPHY	15946.	16983.	17171.	120.9	20775.	0.0	0.
39 TOTAL	373009.	487983.	443633.	106.6	473348.	0.0	0.
INSTRUCTION/SCIENCES AND SOCIAL SCIENCES							
40 BIOLOGY	41760.	44874.	39053.	157.8	61638.	0.0	0.
41 CHEMISTRY	37920.	37526.	40644.	105.8	43033.	0.0	0.
42 MATHEMATICS	53082.	55954.	53221.	108.5	57747.	0.0	0.
43 NURSING	0.	0.	54360.	84.6	45989.	100.0	0.
44 PHYSICAL EDUCATION-GENERAL	27358.	30145.	30168.	106.5	32135.	0.0	0.
45 PHYSICAL EDUCATION-RIDING	42705.	40011.	38194.	103.1	39395.	0.0	0.
46 EDUCATION	65884.	89711.	66922.	112.2	75141.	0.0	0.
47 EDUCATION GRADUATE	0.	6030.	26955.	107.5	28982.	0.0	0.
48 HISTORY	35665.	37781.	30203.	138.6	41889.	0.0	0.
49 POLITICAL SCIENCE	32245.	33581.	29301.	106.3	31172.	0.0	0.
50 PSYCHOLOGY	44809.	48542.	35810.	109.1	39069.	0.0	0.
51 SOCIOLOGY	15456.	16962.	22788.	180.6	41169.	0.0	0.
52 TOTAL	396889.	441117.	467619.	114.9	537359.	0.0	0.
INSTRUCTION/BUSINESS AND ECONOMICS							
53 BUSINESS ADMINISTRATION	79027.	82154.	95815.	122.2	117111.	0.0	0.
54 ECONOMICS	0.	0.	0.	0.0	0.	100.0	0.
55 MASTER'S DEGREE PROGRAM IN BUSINESS	27894.	30066.	32700.	105.8	34605.	0.0	0.
56 TOTAL	106921.	112220.	128515.	118.0	151716.	0.0	0.
57 INSTRUCTION/EVENING COLLEGE	138677.	147015.	120000.	100.0	120000.	0.0	0.
INSTRUCTION/ LINDENWOOD 4							
58 ST. CHARLES-ST. LOUIS CENTER	150573.	165201.	250658.	98.5	247067.	0.0	0.
59 LOS ANGELES CENTER	95047.	69034.	18634.	0.0	0.	0.0	0.
60 WASHINGTON, D.C. CENTER	70241.	81317.	17252.	0.0	0.	0.0	0.
61 TOTAL	315862.	315552.	286554.	86.2	247067.	0.0	0.
INSTRUCTION/ OTHER PROGRAMS							
62 COMMON COURSE	1867.	1361.	1185.	148.6	1761.	0.0	0.
63 NURSING PROGRAM - ST. LUKES HOSPITAL	7801.	10984.	10060.	107.9	10861.	0.0	0.
64 FOREIGN STUDENT CENTER LANGUAGE PROGRAM	29509.	25025.	38927.	108.1	42117.	0.0	0.
65 MEDICINE	0.	0.	32300.	107.0	34588.	100.0	0.
66 SUMMER SESSION	34865.	52289.	59370.	107.1	63618.	0.0	0.
67 CAMPUS SCHOOL	27308.	22737.	17387.	107.4	18676.	0.0	0.
68 GENERAL INSTRUCTIONAL EXPENSE	23366.	69675.	18000.	100.0	18000.	0.0	0.
69 TOTAL	124717.	182071.	177229.	106.9	189621.	0.0	0.
INSTRUCTIONAL SUPPORT/LIBRARY							
70 SALARIES, WAGES, AND BENEFITS	55158.	71583.	61911.	95.0	58873.	0.0	0.
71 EQUIPMENT, SUPPLIES, SERVICES	10995.	3526.	3024.	182.5	5519.	0.0	0.
72 BOOKS, PERIODICALS, BINDING	41752.	38739.	34356.	112.6	38700.	0.0	0.
73 TOTAL	107905.	113848.	99291.	103.8	103092.	0.0	0.

	1976-77 ACTUAL	1977-78 ACTUAL	1978-79 BUDGET	78-79 % EXP	1979-80 PROPOSED	77-78 % EXP	1977-78 YTD ACTUAL
STUDENT SERVICES							
74	DEAN'S OFFICE - WOMEN'S COLLEGE	31996.	32777.	33253.	95.0	31620.	0.0
75	DEAN'S OFFICE - MEN'S COLLEGE	36263.	35788.	29515.	0.0	0.	0.0
76	DEAN'S OFFICE - EVENING COLLEGE	43791.	45692.	34685.	0.0	0.	0.0
77	DEAN'S OFFICE - COLLEGE 4	50873.	42974.	58330.	112.3	65506.	0.0
78	ATHLETIC PROGRAM-MEN AND WOMEN	16786.	15170.	18100.	99.6	18031.	0.0
79	COUNSELLING OFFICE	15612.	16077.	15320.	39.1	6000.	0.0
80	STUDENT BANK	0.	0.	0.	0.0	0.	100.0
81	ADMISSIONS OFFICE	121609.	148649.	161125.	135.3	218132.	0.0
82	REGISTRAR	35034.	38332.	29950.	123.5	37008.	0.0
83	VETERAN'S AFFAIRS	7166.	6677.	5710.	107.2	6123.	0.0
84	HEALTH CENTER	10240.	10434.	5350.	108.0	5783.	0.0
85	FINANCIAL AID OFFICE	11755.	8894.	0.	0.0	0.	0.0
86	STUDENT ACTIVITIES	0.	8067.	8000.	107.0	8560.	0.0
87	TOTAL	381131.	409531.	399338.	99.3	396763.	0.0
88	TOTAL INSTRUCTION AND STUDENT SERVICES	1945114.	2209337.	2122179.	104.5	2218968.	0.0
ADMINISTRATION							
89	PRESIDENT'S OFFICE	78121.	79086.	79000.	95.8	75695.	0.0
90	BOARD OF TRUSTEES	623.	1034.	1000.	160.0	1600.	0.0
91	DEVELOPMENT/PUBLIC REL (FROM 78-79)	56702.	124837.	110926.	107.7	119539.	0.0
92	BUSINESS OFFICE	70691.	74356.	76000.	120.2	91424.	0.0
93	DIRECTOR ADMIN SERVICES (TO 77-78)	28998.	0.	0.	0.0	0.	100.0
94	DEVELOPMENT OFFICE (TO 77-78)	49267.	0.	0.	0.0	0.	100.0
95	PROVOST	0.	0.	27966.	155.8	43580.	100.0
96	TOTAL	284403.	279313.	294892.	112.5	331838.	0.0
GENERAL INSTITUTIONAL EXPENSE							
97	TRANSPORTATION	14825.	10825.	8000.	111.8	8950.	0.0
98	MAIL ROOM	7267.	5152.	10460.	188.4	19715.	0.0
99	SWITCHBOARD/TELEPHONE SERVICES	14067.	12695.	10650.	97.8	10424.	0.0
100	ALUMNI/PLACEMENT (TO 77-78)	23857.	0.	0.	0.0	0.	100.0
101	PUBLIC RELATIONS (TO 77-78)	36828.	0.	0.	0.0	0.	100.0
102	DATA PROCESSING	34775.	39340.	58301.	119.6	69754.	0.0
103	WORD PROCESSING	0.	0.	55313.	116.4	64420.	100.0
104	PUBLICATIONS AND PRINTING	0.	0.	30825.	57.8	17830.	100.0
105	AUDIT EXPENSE	10096.	8610.	10000.	110.0	11000.	0.0
106	MEMBERSHIP DUES	11818.	16322.	15000.	110.0	16500.	0.0
107	INSURANCE	39669.	43661.	46000.	124.4	57250.	0.0
108	SPECIAL EVENTS	0.	12899.	12000.	110.0	13200.	0.0
109	INVESTMENT COUNSEL AND SERVICE	10597.	8881.	8000.	100.0	8000.	0.0
110	RENTAL PROPERTY EXPENSE	7649.	2288.	1550.	19.3	300.	0.0
111	INTEREST/OPERATING FUNDS	14162.	27096.	50600.	415.0	210000.	0.0
112	INTEREST/PLANT FUNDS	31920.	124867.	161500.	18.5	30000.	0.0
113	PENSIONS AND SPECIAL PAYMENTS	24827.	23797.	24000.	350.0	84000.	0.0
114	STAFF RECRUITING AND MOVING EXPENSE	7438.	2055.	6000.	110.0	6600.	0.0
115	DISABILITY INSURANCE	0.	0.	0.	0.0	0.	100.0
116	UNEMPLOYMENT INSURANCE	8823.	21083.	20000.	80.0	16000.	0.0
117	LONG RANGE PLANNING AND LEGAL FEES	17374.	7546.	7500.	100.0	7500.	0.0
118	ADVERTISING (TO 78-79)	0.	13385.	0.	0.0	0.	0.0
119	PUBLICATIONS (TO 78-79)	26404.	22185.	0.	0.0	0.	0.0
120	MISCELLANEOUS EXPENSE/CONTINGENCY FUND	3897.	59701.	4000.	375.0	15000.	0.0
121	TOTAL GENERAL INSTITUTIONAL	346302.	462388.	539699.	123.4	666443.	0.0

		1976-77 ACTUAL	1977-78 ACTUAL	1978-79 BUDGET	78-79 % EXP	1979-80 PROPOSED	77-78 % EXP	1977-78 YTD ACTUAL
PHYSICAL PLANT OPERATIONS								
122	SALARIES, WAGES, BENEFITS	222541.	207227.	227000.	90.7	224099.	0.0	0.
123	SUPPLIES AND SERVICES	23218.	10170.	19000.	86.3	16400.	0.0	0.
124	ELECTRICITY	65844.	67096.	70000.	110.0	77000.	0.0	0.
125	HEAT/NATURAL GAS/OIL	60234.	73212.	76000.	118.6	83023.	0.0	0.
126	WATER	17118.	17347.	17000.	110.0	18700.	0.0	0.
127	BUILDING REPAIRS	83753.	118925.	115000.	111.2	127932.	0.0	0.
128	TOTAL	472711.	493977.	518000.	105.6	547154.	0.0	0.
77-78 Actual/78-79 Projection								
129	PURCHASING TO (78-79)	2662000	18055.	22708.	0.	0.0	0.0	0.
130	SECURITY	214000	76095.	45768.	54635.	103.0	56293.	0.0
131	TOTAL EDUCATIONAL AND GENERAL EXPENSE	3142682.	3513491.	3529405.	108.2	3820696.	0.0	0.
132	STUDENT FINANCIAL AID	305908.	261488.	260000.	86.5	225000.	0.0	0.
AUXILIARY ENTERPRISES								
133	CONFERENCES	107874.	55432.	81080.	108.3	87845.	0.0	0.
134	S. L. F. C. EXPENSE	65502.	62198.	60000.	152.1	91300.	0.0	0.
135	BOOKSTORE-POST OFFICE	141774.	141443.	138847.	110.3	153174.	0.0	0.
136	FOOD SERVICE	200349.	190261.	190000.	116.0	220400.	0.0	0.
137	RESIDENCE HALLS	171776.	157574.	175000.	107.2	187761.	0.0	0.
138	STUDENT CENTER EXPENSE	0.	0.	10000.	110.0	11000.	100.0	0.
139	ATHLETIC FIELD EXPENSE	0.	0.	10000.	0.0	0.	100.0	0.
140	MAIL ROOM/XEROX	0.	0.	0.	0.0	0.	100.0	0.
141	MISCELLANEOUS	17992.	10371.	0.	0.0	0.	0.0	0.
142	TOTAL AUXILIARY	705268.	617279.	664927.	113.0	751480.	0.0	0.
143	TOTAL EXPENSES	518000	4153860.	4392258.	4454332.	107.6	4797176.	0.0
144	TOTAL INCOME	3513491	3575934.	3855217.	4216600.	103.6	4372450.	0.0
145	DEFICIT (SURPLUS)	260000	577925.	537041.	237732.	424726.	0.	0.

not include Summerstage 1978 deficit of approximately 593,767

April 16, 1979

THE LINDENWOOD COLLEGES
St. Charles, Missouri
CASH FLOW PROJECTION
SUMMARY OF FINANCIAL DATA

April 16, 1979

Month	Transaction		Notes Payable	
	Annual Data	Operating Account Changes	Year-to-Date	
	77-78 Actual/78-79	Projection	77-78/78-79	Actual
<u>INCOME</u>				
Tuition and Fees	2571911	2662000	2553936	2705963
Endowment	214328	214000	154740	167295
Gifts & Grants	213384	390000	111825	194353
Miscellaneous	60303	150000	42215	93571
Total Educational & General	3059926	3416000	2862718	3161184
Auxiliary Enterprises	795291	800600	693321	794131
TOTAL INCOME	3855217	4216600	3556039	3955315
<u>EXPENSES</u>				
Instructional	1799801	1722841	1113909	1264495
Student Services	409536	399338	299658	289297
Total Instructional & St. Services	2209337	2122179	1413567	1553792
Administration	279313	298767	216046	248177
General Institutional Exp.	462388	539699	323234	490746
Physical Plant Operations	516685	518000	390120	430998
Security	45768	54635	36171	39848
Total Educ. & Gen. Expense	3513491	3533280	2396285	2763563
Student Financial Aid	261488	260000	254896	176994
Auxiliary Expenses	617279	664927	462627	538376*
TOTAL EXPENSES	4392258	4458207	3113809	3478933*
TOTAL INCOME	3855217	4216600	3556039	3955315
SURPLUS (DEFICIT)	(537041)	(241607)	442229	317878*

*Does not include Summerstage 1978 deficit of approximately \$93,767

April 16, 1979

CASH FLOW PROJECTION

<u>Month</u>	<u>Transaction</u>	<u>Operating Account Changes</u>	<u>Notes Payable</u>
April 30			
Receipts	\$119,117		
Disbursements	300,062		
Decrease	100,445		
Acquire Notes Payable	100,000		\$2,100,000
Net change		-445	
May 31			
Receipts	\$338,225		
Disbursements	415,360		
Decrease	77,135		
Acquire Notes Payable	75,000		\$2,200,000
Net Change		-2135	
June 30			
Receipts	\$168,000		
Disbursements	283,000		
Decrease	115,000		
Acquire Notes Payable	115,000		\$2,275,000
Net change		-0	
July 31			
Receipts	\$170,000		
Disbursements	262,000		
Decrease	92,000		
Acquire Notes Payable	90,000*		\$2,390,000
Net Change		-2000	
August 31			
Receipts	\$300,000		
Disbursements	235,000		
Increase	65,000		
Retire Notes Payable	65,000		
Net Change		-0	2,480,000

	1976-77 ACTUAL	1977-78 ACTUAL	1978-79 BUDGET	78-79 % EXP	1978-79 YTD ACTUAL	77-78 % EXP	1977-78 YTD ACTUAL
PHYSICAL PLANT OPERATIONS							
122 SALARIES, WAGES, BENEFITS	222541.	207227.	227000.	81.3	184654.	76.1	157883.
123 SUPPLIES AND SERVICES	23218.	10170.	19000.	61.5	11696.	120.2	12228.
124 ELECTRICITY	65844.	67096.	70000.	81.2	56887.	82.7	55541.
125 HEAT/NATURAL GAS/OIL	60234.	73212.	70000.	92.3	64622.	86.9	63686.
126 WATER	17118.	17347.	17000.	108.7	18487.	67.2	11672.
127 BUILDING REPAIRS	83753.	118925.	115000.	82.3	94649.	74.9	89105.
128 TOTAL	472711.	493977.	518000.	83.2	430998.	78.9	390120.
129 PURCHASING TO (78-79)	18055.	22708.	0.	0.0	0.	75.5	17145.
130 SECURITY	76095.	45768.	54635.	72.9	39848.	79.0	36171.
131 TOTAL EDUCATIONAL AND GENERAL EXPENSE	3142682.	3513491.	3533280.	78.2	2763563.	68.2	2396285.
132 STUDENT FINANCIAL AID	305908.	261488.	260000.	68.0	176994.	97.4	254896.
AUXILIARY ENTERPRISES							
133 CONFERENCES	107874.	55432.	81080.	59.4	48204.	85.2	47228.
134 S. L. F. C. EXPENSE	65502.	62198.	60000.	134.9	80956.	99.9	62162.
135 BOOKSTORE-POST OFFICE	141774.	141443.	138847.	110.4	153363.	87.2	123406.
136 FOOD SERVICE	200349.	190261.	190000.	56.2	106848.	57.6	109739.
137 RESIDENCE HALLS	171776.	157574.	175000.	78.0	136636.	70.5	111172.
138 STUDENT CENTER EXPENSE	0.	0.	10000.	123.4	12345.	100.0	0.
139 ATHLETIC FIELD EXPENSE	0.	0.	10000.	0.2	21.	100.0	0.
140 MAIL ROOM/XEROX	0.	0.	0.	0.0	0.	100.0	0.
141 MISCELLANEOUS	17992.	10371.	0.	0.0	0.	85.9	8918.
142 TOTAL AUXILIARY	705268.	617279.	664927.	80.9	538376.	74.9	462627.
143 TOTAL EXPENSES	4153860.	4392258.	4458207.	78.0	3478933.	70.8	3113809.
144 TOTAL INCOME	3575934.	3855217.	4216600.	93.8	3955314.	92.2	3556039.
145 DEFICIT (SURPLUS)	577925.	537041.	241607.	(476381.)	(442229.)

EXPENSES

	1976-77 ACTUAL	1977-78 ACTUAL	1978-79 BUDGET	78-79 % EXP	1978-79 YTD ACTUAL	77-78 % EXP	1977-78 YTD ACTUAL
STUDENT SERVICES							
74	31996.	32777.	33253.	75.5	25134.	74.9	24551.
75	36263.	35788.	29515.	82.3	24295.	73.9	26452.
76	43791.	45692.	34685.	67.7	23491.	74.5	34052.
77	50873.	42974.	58330.	32.4	18931.	78.5	33748.
78	16786.	15170.	18100.	61.5	11133.	59.4	9013.
79	15612.	16077.	15320.	75.5	11568.	61.8	9939.
80	0.	0.	0.	0.0	0.	100.0	0.
81	121609.	148649.	161125.	78.7	126870.	73.1	108805.
82	35034.	38332.	29950.	107.6	32237.	74.1	28422.
83	7166.	6677.	5710.	91.5	5228.	73.9	4938.
84	10240.	10434.	5350.	70.2	3759.	63.8	6666.
85	11755.	8894.	0.	****	-94.	85.4	7596.
86	0.	8067.	8000.	84.2	6741.	67.8	5469.
87	381131.	409531.	399338.	72.4	289297.	73.1	299658.
88	1945114.	2209337.	2122179.	73.2	1553792.	63.9	1413567.
ADMINISTRATION							
89	78121.	79086.	79000.	80.5	63612.	74.3	58764.
90	623.	1034.	1000.	140.0	1400.	137.4	1421.
91	56702.	124837.	114801.	79.8	91666.	80.5	100525.
92	70691.	74356.	76000.	92.1	70005.	74.4	55335.
93	28998.	0.	0.	0.0	0.	100.0	0.
94	49267.	0.	0.	0.0	0.	100.0	0.
95	0.	0.	27966.	76.8	21493.	100.0	0.
96	284403.	279313.	298767.	83.0	248177.	77.3	216046.
GENERAL INSTITUTIONAL EXPENSE							
97	14825.	10825.	8000.	89.7	7177.	85.7	9287.
98	7267.	5152.	10460.	125.2	13101.	112.8	5816.
99	14067.	12695.	10650.	93.7	9988.	32.5	4130.
100	23857.	0.	0.	0.0	0.	100.0	0.
101	36828.	0.	0.	0.0	0.	100.0	0.
102	34775.	39340.	58301.	86.8	50611.	64.5	25386.
103	0.	0.	55313.	67.8	37505.	100.0	0.
104	0.	0.	30825.	126.7	39072.	100.0	0.
105	10096.	8610.	10000.	98.5	9850.	100.0	8610.
106	11818.	16322.	15000.	132.6	19897.	98.4	16072.
107	39669.	43661.	46000.	112.6	51822.	106.0	46310.
108	0.	12899.	12000.	46.8	5623.	59.8	7725.
109	10597.	8881.	8000.	3.7	300.	72.6	6456.
110	7649.	2288.	1550.	96.8	1501.	81.3	1861.
111	14162.	27096.	50600.	55.8	28264.	65.6	17781.
112	31920.	124867.	161500.	98.9	159867.	79.0	98763.
113	24827.	23797.	24000.	83.4	20027.	75.0	17870.
114	7438.	2055.	6000.	38.3	2303.	89.4	1839.
115	0.	0.	0.	****	2695.	100.0	0.
116	8823.	21083.	20000.	49.3	9869.	61.4	12965.
117	17374.	7546.	7500.	42.6	3200.	100.0	7546.
118	0.	13385.	0.	0.0	0.	84.5	11314.
119	26404.	22185.	0.	7.4	0.	99.8	22157.
120	3897.	59701.	4000.	451.6	18067.	2.2	1338.
121	346302.	462388.	539699.	90.9	490746.	69.9	323234.

EXPENSES		1976-77 ACTUAL	1977-78 ACTUAL	1978-79 BUDGET	78-79 % EXP	1978-79 YTD ACTUAL	77-78 % EXP	1977-78 YTD ACTUAL
INSTRUCTION/HUMANITIES								
31	ART DEPARTMENT	89163.	96152.	80125.	77.4	62026.	59.8	57533.
32	COMMUNICATION ART-DRAMA	57146.	146659.	138360.	90.6	125459.	72.6	106616.
33	COMMUNICATION ART-BROADCASTING	26316.	29952.	28699.	97.6	28016.	73.5	22028.
34	COMMUNICATION ART-JOURNALISM/PHOTO	0.	12168.	9061.	63.9	5798.	52.3	6372.
35	ENGLISH	64164.	68168.	68469.	61.9	42424.	54.1	36905.
36	MODERN LANGUAGES	50629.	42688.	30345.	74.0	22477.	58.3	24898.
37	MUSIC	69644.	75213.	71403.	75.2	53749.	57.0	42925.
38	RELIGION-PHILOSOPHY	15946.	16983.	17171.	69.1	11672.	61.4	10430.
39	TOTAL	373009.	487983.	443633.	79.3	351825.	63.0	307710.
INSTRUCTION/SCIENCES AND SOCIAL SCIENCES								
40	BIOLOGY	41760.	44874.	39053.	69.1	27019.	63.4	28487.
41	CHEMISTRY	37920.	37526.	40644.	54.2	22039.	62.6	23495.
42	MATHEMATICS	53082.	55954.	53221.	69.5	37023.	53.7	30098.
43	NURSING	0.	0.	54360.	48.4	26339.	100.0	0.
44	PHYSICAL EDUCATION-GENERAL	27358.	30145.	30168.	76.9	23205.	52.1	15734.
45	PHYSICAL EDUCATION-RIDING	42705.	40011.	38194.	72.6	27742.	67.0	26831.
46	EDUCATION	65884.	89711.	66922.	75.2	50347.	55.0	49374.
47	EDUCATION GRADUATE	0.	6030.	26955.	46.1	12441.	97.7	5897.
48	HISTORY	35665.	37781.	30203.	45.0	13592.	51.2	19361.
49	POLITICAL SCIENCE	32245.	33581.	29301.	62.7	18391.	56.0	18831.
50	PSYCHOLOGY	44809.	48542.	35810.	64.6	23142.	55.9	27170.
51	SOCIOLOGY	15456.	16962.	22788.	51.0	11626.	49.6	8429.
52	TOTAL	396889.	441117.	467619.	62.6	292911.	57.5	253711.
INSTRUCTION/BUSINESS AND ECONOMICS								
53	BUSINESS ADMINISTRATION	79027.	82154.	95815.	72.0	69007.	44.9	36895.
54	ECONOMICS	0.	0.	0.	0.0	0.	100.0	0.
55	MASTER'S DEGREE PROGRAM IN BUSINESS	27894.	30066.	32700.	55.8	18270.	91.3	27456.
56	TOTAL	106921.	112220.	128515.	67.9	87278.	57.3	64351.
57	INSTRUCTION/EVENING COLLEGE	138677.	147015.	120000.	79.4	95301.	70.1	103154.
INSTRUCTION/ LINDENWOOD 4								
58	ST. CHARLES-ST. LOUIS CENTER	150573.	165201.	250658.	74.4	186685.	65.0	107447.
59	LOS ANGELES CENTER	95047.	69034.	18634.	98.3	18330.	70.9	48968.
60	WASHINGTON, D.C. CENTER	70241.	81317.	17262.	99.4	17162.	69.0	56190.
61	TOTAL	315862.	315552.	286554.	77.5	222178.	67.3	212605.
INSTRUCTION/ OTHER PROGRAMS								
62	COMMON COURSE	1867.	1361.	1185.	74.7	886.	16.8	229.
63	NURSING PROGRAM - ST. LUKES HOSPITAL	7801.	10984.	10060.	49.4	4973.	66.9	7353.
64	FOREIGN STUDENT CENTER LANGUAGE PROGRAM	29509.	25025.	38927.	88.2	34368.	76.7	19200.
65	MEDICINE	0.	0.	32300.	79.3	25642.	100.0	0.
66	SUMMER SESSION	34865.	52289.	59370.	98.3	58381.	82.0	42900.
67	CAMPUS SCHOOL	27308.	22737.	17387.	76.7	13348.	64.2	14600.
68	GENERAL INSTRUCTIONAL EXPENSE	23366.	69675.	18000.	66.0	11885.	19.0	13293.
69	TOTAL	124717.	182071.	177229.	84.3	149485.	53.5	97577.
INSTRUCTIONAL SUPPORT/LIBRARY								
70	SALARIES, WAGES, AND BENEFITS	55158.	71583.	61911.	62.7	38839.	58.7	42069.
71	EQUIPMENT, SUPPLIES, SERVICES	10995.	3526.	3024.	46.2	1398.	74.4	2625.
72	BOOKS, PERIODICALS, BINDING	41752.	38739.	34356.	73.5	25276.	77.7	30103.
73	TOTAL	107905.	113848.	99291.	65.9	65514.	65.6	74797.

LINDENWOOD COLLEGES
 OPERATING BUDGET
 1978-1979
 3/32/79

	1976-77 ACTUAL	1977-78 ACTUAL	1978-79 BUDGET	78-79 % EXP	1978-79 YTD ACTUAL	77-78 % EXP	1977-78 YTD ACTUAL
<i>Boards of The Lindenwood Colleges</i>							
INCOME							
1 FULL-TIME RESIDENT STUDENTS	531550.	528364.	528000.	92.9	490859.	99.4	525392.
2 FULL-TIME NON-RESIDENTS	451575.	499144.	500000.	111.6	558485.	99.9	498885.
3 SPECIAL STUDENTS (INCL NURSES)	96209.	127319.	185000.	123.9	229392.	100.9	128581.
4 ACADEMIC FEES	70309.	78198.	75000.	95.6	71724.	86.2	67450.
5 SUMMER SESSION	50755.	73475.	110000.	105.0	115527.	100.0	73475.
6 CAMPUS SCHOOL	27043.	28292.	28000.	86.8	24320.	100.0	28300.
7 EVENING COLLEGE	520674.	478585.	428000.	84.8	363023.	100.8	482635.
8 M.B.A. PROGRAM	71075.	180485.	140000.	118.6	166160.	99.8	180127.
9 MASTERS DEGREE EDUCATION	0.	0.	40000.	121.0	48400.	100.0	0.
10 MASTERS DEGREE THEATRE	0.	0.	10000.	73.6	7367.	100.0	0.
11 LINDENWOOD 4	385403.	494653.	485000.	105.1	509906.	101.0	499853.
12 NURSING PROGRAM (ST. LUKE'S)	48333.	43596.	45000.	67.7	30493.	67.5	29435.
13 FOREIGN STUDENT CENTER	52900.	39800.	88000.	102.6	90305.	100.0	39800.
14 TOTAL TUITION AND FEES	2305826.	2571911.	2662000.	101.6	2705963.	99.3	2553936.
<i>B.S. and M.S. Degrees in Education Sciences</i>							
15 ENDOWMENT	222589.	214328.	214000.	78.1	167295.	72.1	154740.
16 GIFTS AND GRANTS	193822.	213384.	390000.	49.8	194353.	52.4	111825.
17 SCHOLARSHIPS	40851.	11910.	10000.	36.5	3650.	52.6	6270.
18 MISCELLANEOUS	48599.	48393.	62000.	81.5	50533.	74.2	35945.
19 THEATER	0.	0.	78000.	50.4	39388.	100.0	0.
<i>Fund Raising and Development Committee</i>							
20 TOTAL EDUCATIONAL AND GENERAL	2811690.	3059926.	3416000.	92.5	3161183.	93.5	2862718.
<i>Auxiliary Enterprises</i>							
21 RESIDENCE HALLS	158355.	144258.	145000.	103.8	150539.	100.0	144258.
22 FOOD SERVICE	221397.	213331.	215000.	97.5	209820.	99.1	211498.
23 BOOKSTORE	146993.	150374.	155000.	99.9	154902.	88.3	132927.
24 CONFERENCES	86996.	92401.	100000.	104.0	104067.	66.4	61358.
25 S. L. F. C.	101102.	135266.	135000.	113.0	152579.	70.1	94899.
26 STUDENT CENTER	0.	0.	10000.	96.9	9697.	100.0	0.
27 ATHLETIC FIELD	0.	0.	35000.	25.0	8780.	100.0	0.
28 MISCELLANEOUS	49400.	59661.	5600.	66.8	3742.	81.0	48380.
29 TOTAL AUXILIARY INCOME	764244.	795291.	800600.	99.1	794131.	87.1	693321.
30 TOTAL INCOME	3575934.	3855217.	4216600.	93.8	3955314.	92.2	3556039.

Agenda

Boards of The Linderwood Colleges

June 26, 1979

1. Call to Order - Robert Hyland
2. Minutes of Meetings of February 13 and April 16, 1979
3. Approval of candidates for degrees
4. Report of the President
5. Report of the Provost
 - a. B.S. and M.S. Degrees in Valuation Sciences
 - b. Associate of Arts and Applied Psychology in evening college
 - c. Constitution and By Laws of The Linderwood Nurses Association
 - d. Promotions
6. Other Reports
 - a. Fund Raising and Development Committee
 - b. Faculty Board Liaison Committee
 - c. Summerstage Contract
 - d. Linderwood College/St. Charles Presbyterian Church Corporation
 - e. Nominating Committee
 - f. Search Committee
7. Motions and Resolutions
8. Adjournment
9. Executive Session

CC: Board members

THE LINDENWOOD COLLEGES
ST. CHARLES, MO 63301

TO: Members of the Faculty, Administration, and Staff

FROM: William C. Spencer *WCS*

June 25, 1979

Today Mr. Alex Garland Wheelles, Jr., formerly Director of Maintenance for the Northwest Plaza Shopping Center, reported for duty as Director of Operations. In 1961 Garland received a bachelor of science in mechanical engineering degree from Georgia Tech, and in 1962 a degree from the University of Georgia in turf management. He has completed advanced study at the University of Missouri in horticulture.

Prior to his four years of service at Northwest Plaza, where he supervised a large staff, he spent five years as buildings and grounds divisional superintendent for the Getz Corporation in Atlanta. Earlier he worked for Dixie Pipeline Company and the Taylor Instrument Company. He is married, father of two children, and lives at 2156 Lakeview Drive in St. Louis County.

Mr. Wheelles will welcome your greetings in his office, Room 17, Roemer Hall, or about the campus as he is becoming oriented to his new responsibilities. I'm confident that you will enjoy becoming acquainted with him.

WCS:MY

CC: Board members

SUMMER DEGREE CANDIDATES 1979

Fuszner, Anne

BS

Moore, Willie R.

BS

Cavanagh, Dennis L.

MBA

England, Ada Lee

MA/ED

Shannon, John Thomas

MBA

Myers, Judith K.

MS/ED

To: Board of D

From: Robert H

Date: June 21, 1979

Enclosed herewith is memo with attachments from John Biggs for your perusal.

Also, for your information, the Search Committee chaired by George Brown has received a number of applications for the office of president and will report to the board Tuesday. The committee has been increased by the addition of Howard Barnett from the faculty and Tracy Hillory from the alumni.

The Agenda for the June 26 meeting is enclosed.

The Lindenwood Colleges

Saint Charles, Missouri 63301 - (314) 946-6912

To: Board of Directors

From: Robert Hyland

Date: June 21, 1979

Enclosed herewith is memo with attachments from John Biggs for your perusal.

Also, for your information, the Search Committee chaired by George Brown has received a number of applications for the office of president and will report to the board Tuesday. The committee has been increased by the addition of Howard Barnett from the faculty and Tanya Mallory from the alumni.

The Agenda for the June 26 meeting is enclosed.

Of course, underlying the "cash crisis" is the continuing chronic deficits in Lindenwood's annual results. The deficit for the 1978 school year was \$537,000. We do not yet know the final numbers for the 1978-79 deficit, but we know it will be large. A current estimate is set out in the second column of Table II. We have a number of stringent steps which lead to the proposed budget for 1979-80 which is slightly in the black. Whether we make that budget or not is a terribly important question for the School, and clearly our past performance leads the bankers to have serious doubts.

WASHINGTON UNIVERSITY



ST. LOUIS, MISSOURI 63130

JOHN H. BIGGS
VICE CHANCELLOR FOR
FINANCIAL AFFAIRS

End of Month	Amount of Debt	Increase
March	\$2,100,000	
April	2,250,000	\$150,000
May	2,385,000	135,000
June	2,520,000	135,000
October	2,420,000	(75,000)

To: Robert Hyland
From: John H. Biggs
Date: June 19, 1979

It is essential that the Lindenwood Board of Directors have a clear understanding of the financial crisis that faced the College this spring, and which will continue month to month through the summer. The letter from the First National Bank rather clearly sets out the concerns of the Bank about extending substantial further credit to the College this summer. Given the good faith effort of the Bank to help us out, the Board needs to deal with the substance of their recommendations.

The "crisis" for colleges always arises in terms of inadequate current cash to meet payrolls. I think this situation is summarized in Table I attached which shows the debt level projections for the College in each month during the summer of 1979. \$2,100,000 was the maximum we could borrow on the basis of the unrestricted endowment. We went by that amount substantially in April and came within a fraction of turning back payroll checks. There was a similar emergency in the last two days of May and it would appear that we are faced with the same situation in June, July, and August.

Of course, underlying the "cash crisis" is the continuing chronic deficits in Lindenwood's annual results. The deficit for the 1978 school year was \$537,000. We do not yet know the final numbers for the 1978-79 deficit, but we know it will be large. A current estimate is set out in the second column of Table II. We have a number of stringent steps which lead to the proposed budget for 1979-80 which is slightly in the black. Whether we make that budget or not is a terribly important question for the School, and clearly our past performance leads the bankers to have serious doubts.

TABLE II

LINDEN TABLE I

DEBT LEVEL PROJECTIONS - 1979

	<u>End of Month</u>	<u>Actual for</u> 1977-78	<u>Amount of Debt</u>	<u>Estimate</u> of 1978-79 <u>Actual</u>	<u>Increase</u>	<u>Proposed</u> <u>Budget</u> 1978-79
Total Tuition	March	\$2,571,911	\$2,100,000	2,713,000		\$2,896,000
Other Income	April	1,283,306	2,250,000	1,561,000*	\$150,000	1,566,000
Total	May	\$3,855,217	<u>2,385,000</u>	4,274,000	<u>135,000</u>	4,432,000
	June		2,520,000		135,000	
Expenditures	July	\$4,392,258	2,720,000	4,341,000*	200,000	4,432,000
	August		2,785,000		65,000	
Deficit	September	<u>\$ 537,041</u>	2,495,000	<u>267,000</u>	(295,000)	<u>-0-</u>
	October		2,420,000		(75,000)	

*Includes \$150,000 for the Flame of Truth award as income and provides for the 1978 Summerstage subsidy

TABLE II

LINDENWOOD RESULTS

June 26, 1979

	<u>Actual for 1977-78</u>	<u>Estimate of 1978-79 Actual</u>	<u>Proposed Budget 1978-79</u>
Total Tuition	\$2,571,911	\$2,713,000	\$2,896,000
Other Income	<u>1,283,306</u>	<u>1,561,000*</u>	<u>1,566,000</u>
Total	\$3,855,217	\$4,274,000	\$4,452,000
Expenditures	\$4,392,258	\$4,541,000*	4,452,000
Deficit	<u>\$ 537,041</u>	<u>\$ 267,000</u>	<u>-0-</u>

*Includes \$150,000 for the Flame of Truth award as income and provides for the 1978 Summerstage subsidy

Agenda

Boards of The Lindenwood Colleges

June 26, 1979

1. Call to Order - Robert Hyland
2. Minutes of Meetings of February 13 and April 16, 1979
3. Approval of candidates for degrees
4. Report of the President
5. Report of the Provost
 - a. B.S. and M.S. Degrees in Valuation Sciences
 - b. Associate of Arts and Applied Psychology in evening college
 - c. Constitution and By Laws of The Lindenwood Nurses Association
 - d. Promotions
6. Other Reports
 - a. Fund Raising and Development Committee
 - b. Faculty Board Liaison Committee
 - c. Summerstage Contract
 - d. Lindenwood College/St. Charles Presbyterian Church Corporation
 - e. Nominating Committee
 - f. Search Committee
7. Motions and Resolutions
8. Adjournment
9. Executive Session

LINDENWOOD COLLEGES STUDENT CENTER CAMPAIGN FUND

June 26, 1979

	PAID	PLEDGE
JACK TLAPEK	\$ 40,000.00	
CHROMALLOY CORPORATION	25,000.00	
JOHN C. HANNEGAN	6,000.00	\$ 4,000.00
LINDENWOOD SESQUICENTENNIAL FAIR (1977)	6,470.00	
MR. AND MRS. JOHNSON	5,000.00	
FIRST NATIONAL BANK/ST. CHARLES (P. Knoblauch)	1,000.00	4,000.00
MR. AND MRS. RAYMOND W. HARMON	1,000.00	4,000.00
ROLAND PUNDMANN	4,000.00	
JANE CRIDER	1,500.00	2,500.00
DOROTHY WARNER	2,000.00	
DR. AND MRS. JACK WIPFLER	2,000.00	
LEWIS AND CLARK MERCANTILE BANK	2,000.00	
LINDENWOOD FAIR (1978)	1,500.00	
GEORGE BROWN	1,192.00	
BAND FESTIVAL	1,175.00	
BARBARA HAMILL	1,000.00	
RUTH WATKINS	1,000.00	
GLADYS STOCKSTROM	500.00	500.00
MR. AND MRS. ENGLISH	1,000.00	
FIRST STATE BANK/ST. CHARLES	1,000.00	
McKELVEY BUILDING & REALTY COMPANY	1,000.00	4,000.00
WILBAR CORPORATION	1,000.00	4,000.00
SOUTHWESTERN BELL TELEPHONE/ST. CHARLES	1,000.00	4,000.00
ROBERT HYLAND	- 0 -	500.00
DR. AND MRS. WILLIAM C. SPENCER	500.00	
ARMAND STALNAKER	500.00	
DOROTHY PAUL	500.00	
RAUCH DEVELOPMENT COMPANY	500.00	
RAUCH LUMBER COMPANY	500.00	
DOROTHY J. TRUMP	500.00	
MR. AND MRS. JEFFERSON MILLER	484.00	
BOONSLICK MEDICAL GROUP	350.00	
MR. AND MRS. WALTER METCALFE	250.00	
KURTZ CONCRETE	250.00	
ST. CHARLES QUARRY	250.00	
MR. AND MRS. ARTHUR GOODALL	200.00	
MR. AND MRS. HATALA	200.00	
MRS. E. SHULLER	200.00	
JOHN BIGGS	100.00	
DORIS CROZIER	100.00	
MISS MILDRED HEYE	100.00	
ELSIE BALDWIN	100.00	
MR. AND MRS. BORNSTEIN	100.00	
MISS AGNES CURRIE	100.00	
PATRICIA JENSEN DOMIN	100.00	
MR. AND MRS. HOWLAND	100.00	
MRS. DONALD McINNES	100.00	
MRS. LEO PLOTZ	100.00	
RUFKAHR DISTRIBUTORS, INC.	100.00	
FRED J. VACEK	100.00	
MRS. FRED WHALEN	100.00	
57 DONORS (\$5 - \$99 gifts)	1,339.00	

\$115,430.73

\$ 27,500.00

TOTAL

\$142,930.00

CONSTITUTION AND BY-LAWS OF THE
LINDENWOOD NURSES ASSOCIATION.

PREAMBLE

This Association is organized as a non-profit Association and not for the pecuniary profit of its officers or members; it may not issue stock, dividends, and no part of its net income shall inure to the benefit of any officer or member. Any balance of money remaining after full payment of association obligations of any and all kinds shall be devoted to the educational and charitable purposes for which it is organized. The purpose of this association is to promote, foster, encourage and assist in perpetuating the Nursing Department of the Lindenwood Colleges, and to advance the cause of education and learning in the nursing profession.

ARTICLE I.- MEMBERSHIP

- Sec. 1. Membership in this Association shall consist of all students in the Bachelor of Science in Nursing program and all other nurses matriculating at the Lindenwood Colleges, who have requested membership in the Association.
- Sec. 2. All members of this Association shall be active members, except alumni of the BSN program who, at their request, may be admitted on an inactive status. Inactive members will be assessed annual dues at reduced rates and be exempt from other assessments; they may participate in and enjoy all the privileges and preogatives of active membership except that of the ballot and holding office.

ARTICLE II.- OFFICERS

- Sec. 3. Except as otherwise provided by the by-laws or required by law, the control of the Association, its affairs and properties shall be vested in its Officers.
- Sec. 4. The officers of the Association shall be a president, president-elect, secretary and treasurer. All officers shall be members of the Association in good standing, and shall hold office for one year or until their successors are elected and qualified.
- Sec. 5. All officers shall be elected by written ballot in the month of November of each year at a time to be specified by the Nominations Committee.
- Sec. 6. The officers shall perform all duties usually prescribed for their respective offices, or such duties as may be assigned them by the President.
- Sec. 7. The resignation of any officer shall be tendered to the President and President-Elect in writing, and will become effective when accepted by a majority vote of the officers.

- Sec. 8. If any vacancy shall occur in any office the President-Elect shall appoint a member of the Association in good standing to fill the unexpired term of office.
- Sec. 9. No officer shall receive, in any form, pay or compensation from the Association.

ARTICLE III.- MEETINGS

- Sec. 10. The Annual Meeting of this Association shall be held in November at a place to be selected by the Officers of the Association.
- Sec. 11. Three meetings of the Association shall be held during the school year during the months of September, November, and February. Additional meetings may be called by the Officers of this Association.
- Sec. 12. Notice of all meetings shall be provided not less than fourteen days prior to such meeting.
- Sec. 13. The members of the Association present shall constitute a quorum for all meetings of the Association.

ARTICLE IV.- DUES AND FINANCES

- Sec. 14. The dues of this Association shall be a one-time fee of \$10.00 and shall be payable by October 1st of the year enrolled as an active member. If the dues of any member remain unpaid for a period of 60 days, the Treasurer of the Association shall mail a notice of delinquency to said member. If the dues of any member remain unpaid for 30 days after notice of being over-due, said member shall thereafter automatically lose his right to vote or hold office, and shall be subject to removal of membership from the Association.
- Sec. 15. All money collected by the Association shall be deposited or kept with a Bank, Trust Company, or Savings and Loan Association doing business in the State of Missouri, whose deposits are protected, and from this account shall be paid the general expenses of the Association.

ARTICLE V.- COMMITTEES

- Sec. 16. The President and President-Elect shall appoint all standing and special committees, and shall serve as ex-officio members of all appointed committees. Report of appointment of such committees shall be given at the first meeting after formation of the committee. Membership of such committees shall be open to all members of the Association.

ARTICLE VI.- NOMINATIONS

- Sec. 17. The President shall appoint, no less than 30 days before the Annual Meeting, a committee on nominations, which shall consist of four members, to nominate candidates

- Sec.17. (Con't.)
for officers of the Association. The chairman of the committee shall be elected from among the members of the committee. Candidates shall be nominated by at least a majority vote of the committee's members, and a report signed by the members of the committee shall be filed with the President and President-Elect 21 days prior to the Annual Meeting. The Secretary shall notify the members prior to the Annual Meeting of the candidates.
- Sec.18. Offices to be considered for nomination each year will be president-elect, secretary and treasurer. Members of the nominations committee are ineligible for nomination.
- Sec.19. Nominations of members for officers may be made from the floor at the Annual Meeting.

ARTICLE VII.- DISSOLUTION

- Sec.20. In the event of dissolution of this Association all assets of the Association, after all prior debts have been met, shall be distributed to the Nursing Department of the Lindenwood Colleges.

ARTICLE X.- AMENDMENTS

- Sec.21. Amendments to these by-laws shall be considered at the annual meeting of the Association, and shall become effective if a majority of the members at such meeting, in person, vote in favor of such change in the by-laws.

MOTIONS AND RESOLUTIONS

1. Motion to adopt the following resolutions:

- a. The following persons are authorized to sign checks on bank accounts for The Lindenwood Colleges, two signatures being required:

John S. Burd, James F. Hood, Joseph W. Schwarzbauer,
Mary E. Yonker.

- b. That any of the following be authorized to enter the safety deposit box at First National Bank of St. Charles:

John S. Burd, James F. Hood, Joseph W. Schwarzbauer,
Mary E. Yonker

- c. That P. J. Wyand or John A. Bornmann be authorized to sign Federal Alcohol Reports on behalf of The Lindenwood Colleges.

- d. That Jeanne H. Huesemann be made a trustee of the General American Retirement Plan to replace Doris Crozier.

2. Motion to approve audit by Boyd, Franz, and Stephans for the year ending May 31, 1979.

3. Motion to approve B.S. and M.S. degree programs in Valuation Sciences.

4. Motion to approve Associate of Arts degree program in Applied Psychology in Evening College.

5. Motion to approve Constitution and Bylaws of the Lindenwood Nurses Association.

6. Motion to approve promotion of John McClusky, Craig Eisendrath, James Evans, C. Edward Balog, and Anne Perry from Assistant to Associate Professors, and Dominic Soda from Associate to full Professor without change in compensation.

Board of Trustees

Mrs. E. H. Batten

Mrs. J. L. Smith

Honorary Life Members

Arthur S. Gossett

Mrs. Arthur Stockman

Mrs. Gordon Watkins

CONFIDENTIAL

CONFIDENTIAL

MINUTES OF THE
JOINT MEETING
OF THE
BOARDS
OF
THE LINDENWOOD COLLEGES*

The meeting of the Board of Directors of The Lindenwood Colleges, honorary life members of the Board, and Board of Overseers of the colleges was held at The Lindenwood Colleges in Young Lounge, June 26, 1979, pursuant to call and notice given each member of the Board in accordance with the bylaws. Chairman Robert Hyland called the meeting to order at 12:25.

The following members of the Board of Directors, being a quorum, and members of the Board of Overseers and honorary life members were present:

Board of Directors

- David E. Babcock
- John H. Biggs
- George W. Brown
- Mrs. Russell J. Crider
- Mrs. James C. Hamill
- John C. Hannegan
- Robert Hyland
- Walter L. Metcalfe, Jr.
- Jefferson L. Miller
- Roland T. Pundmann
- John Tlapek
- Mrs. Dorothy Warner
- E. J. Wipfler, Jr., M.D.

Board of Overseers

- Mrs. K. K. Barton
- Mrs. J. L. Smith

Honorary Life Members

- Arthur S. Goodall
- Mrs. Arthur Stockstrom
- Mrs. Horton Watkins

*-The Lindenwood Colleges. Founded in 1827 and chartered in 1853 as Linden Wood Female College. New corporate structure of Lindenwood Female College approved by Circuit Court of St. Charles County, March 7, 1977.

The following members of the Administration were present:

- William C. Spencer, President
- John S. Burd, Administrative Director of Lindenwood Evening College and Lindenwood College for Individualized Education
- Patrick F. Delaney, Jr., Dean, Lindenwood College for Men
- Frank W. Hetherington, Director of Admissions and Student Aid
- James F. Hood, Provost
- Jeffrey G. Nemens, Director of Development and Public Relations
- Joseph W. Schwarzbauer, Director of Financial Planning and Administration
- Mary Yonker, Assistant to the President and Assistant Secretary of the Board of Directors

The meeting was opened with silent prayer.

Mr. Metcalfe moved that the minutes of April 16 be amended to include the following resolution clarifying continuation of payments to Ida Belle McCluer of a special pension which Franc L. McCluer had received following his retirement until his death. The motion was seconded and passed.

RESOLVED, that in recognition of the deep respect and admiration for Dr. and Mrs. Franc L. McCluer and in consideration of Dr. McCluer's understandings in his capacity as interim president of the Colleges, the sum of \$352.33 shall be paid by the College to Mrs. McCluer each month to terminate upon her death or upon cessation of College operations.

The minutes of the meeting of February 13 were approved as distributed and the minutes of the meeting of April 16 were approved as amended.

Mr. Hyland read the following letter from Mrs. McCluer:

I want to thank you and the other board members of Lindenwood Colleges for continuing Bullet's pension to me. I am so very grateful to you and the others who made it possible. It will make life less worrisome for me. I just received notice a few days ago that my monthly payment here would be raised ninety-eight dollars a month. I was much surprised at the high rate of increase but the pension will certainly help.

I want to congratulate you on the fine award you are to receive. I know Bullet would be pleased about it. Bullet worried about me and how I would be able to cope and I hope and believe he knows what you have done for me.

Most sincerely,

Ida Belle McCluer

A motion was made, seconded and passed that the following candidates for degrees be awarded the appropriate degrees upon satisfactory completion of requirements:

Anne Fuszner	BS
Willie R. Moore	BS
Dennis L. Cavanagh	MBA
Ada Lee England	MA/ED
Judith K. Myers	MS/ED
John Thomas Shannon	MBA

Mr. Hyland announced that this will be Dr. Spencer's last meeting as President of The Colleges, and as of July 1 will become consultant to the Board of Directors for one year. On behalf of the Boards Mr. Hyland wished Dr. and Mrs. Spencer well and expressed the hope that they will visit the campus often.

President Spencer announced that Alex Garland Wheelles, Jr. has been employed as Director of Operations. Mr. Wheelles was formerly Director of Maintenance for the Northwest Plaza Shopping Center. He has a bachelor of science degree in mechanical engineering from Georgia Tech, a degree in turf management from the University of Georgia, and has completed advanced study at the University of Missouri in horticulture.

Commencement was a tremendous success, President Spencer continued, mainly due to David Babcock's speech. A new fence has been installed around the football/soccer field for which a gift will be received from the St. Louis Quarterback Club. Work is being completed on the art building and the terrace between Parker Hall and the field. Dr. Spencer thanked Mr. Hannegan and Mr. Tlapek, who deserve major credit for the completion of the Student Center Campaign. Verbal assurance has been received from Monsanto Fund that a substantial gift will be made during the coming year for general support.

Dr. Spencer said that he had enjoyed working with members of the Lindenwood Board. He said that his interest in Lindenwood and its future will continue

unabated. He and Mrs. Spencer have purchased a home at 18 Otter Cove Drive, Old Saybrook, Connecticut 06475 - telephone 203-388-9291.

Mr. Goodall asked if Mr. Miller had been consulted in regard to Mr. Wheelles' appointment. Mr. Miller replied that he and Mr. Hyland had both interviewed Mr. Wheelles and had concurred in the appointment. Mr. Goodall said that he would like to go on record as opposing the appointment because he felt that we did not need a man of this calibre in this position.

Provost Hood reported that the first stage of reorganization that was discussed earlier has been completed with the appointment of a Dean of Students. Five candidates were interviewed and the position has been offered to Dr. Harriet Marsh, who is presently Associate Dean of Students at Western Washington University, Bellingham, Washington. Dr. Marsh holds the Doctor of Education degree from Teachers College, Columbia University. She also holds the Master of Arts from Teachers College, Master of Religious Education from New York Theological Seminary, and the Bachelor of Arts from the University of Wisconsin. The Faculty Council recommended Dr. Marsh for this position. She will begin work August 1.

Following explanation of the B.S. and M.S. degree programs in Valuation Sciences through Lindenwood 4, this program being primarily for appraisers, a motion was made, seconded and passed to approve the B.S. and M.S. degree programs in Valuation Sciences through Lindenwood 4.

A motion was made, seconded and passed to approve the Associate of Arts degree program in Applied Psychology in the Evening College. This program will be done with existing courses and would be for those who want to work in social agencies at sub-levels.

Dr. Hood explained that those in the nursing program wish to form a campus recognized association. A motion was made, seconded and passed to approve the

Constitution and Bylaws of the Lindenwood Nurses Association, copy of which is attached to the agenda.

On the recommendation of Dr. Hood and Faculty Council a motion was made, seconded and approved to promote John McClusky, Craig Eisendrath, James Evans, C. Edward Balog, and Anne Perry from Assistant to Associate Professors, and Dominic Soda from Associate to full Professor without change in compensation.

Dr. Hood recommended that the second part of the reorganization which is the appointment of a Dean of Faculty be postponed pending the election of a new president. Members of the Boards agreed that this should be postponed.

Mr. Hyland thanked Dr. Hood for the work he has done since September as Provost.

Mr. Babcock, Chairman of the Finance Committee, called attention to the serious cash flow and to Mr. Biggs' letter of June 19, and attachments, to Robert Hyland, copy of which was sent to Board members prior to the meeting and copy of which is attached to the official copy of the minutes. He added that he, Mr. Biggs, Mr. Hyland and Mr. Miller had worked with First National Bank in St. Louis to secure loans to meet the April and May payrolls. The bank has stated they do not see much future in making further loans until Lindenwood takes some very positive steps. The steps outlined in Mr. William K. Carson's letter of June 4 are:

1. Action taken by the Board directing that within 90 days, the farmland be listed with an agent and at terms approved by the Bank. Proceeds from the sale of the land would repay the Bank's debt.
2. Action taken by the Board seeking liquidation of the Israeli bonds to reduce debt. With a 5½% interest rate, this liquidation obviously benefits the College. Our discussion with bond dealers and the local Israeli Bond Office indicate that the assignability and subsequent liquidation of Israeli bonds is difficult. However, the original owner can receive payment on the bonds at 100% par value within 90 days of written demand for redemption. We feel it appropriate that the Board ask the Fund for Higher Education to initiate the redemption, with the proceeds used to retire our debt.

3. Action taken by the Board instructing the Controller and staff to readdress the 1979-80 budget so that cash flow from operations is sufficient to allow some repayment of bank debt. While not detailing the specific amount, we would hope it would be at least in excess of \$100,000.
4. Indication from the Board as to their plans for liquidating the unrestricted assets originally pledged behind the Stadium debt. The resultant reduction in bank debt would reduce the interest burden on the College.
5. Indication from the Board as to other plans to improve liquidity or reduce debt; e.g., the projected sale of a home owned by the College with proceeds to be used to reduce debt. We would also like to know what specific actions are being taken to improve funds flow through alumni contribution campaigns, matching grants, etc.
6. Indication from the Board as to other developments that materially affect the short or long-term viability of the College. An example would be the possible sale of the Stadium to the Football Cardinal organization.

Obviously, the Bank is looking to the Board's strong commitment to achieve a surplus budget, to liquidate assets to reduce the bank burden, and to improve the overall financial position of the College so that it is credit worthy. Again, prior to any future requests for funds, we need the Board's response to the specific items outlined above. Overall, we need a response that shows acknowledgement of the depth of the College's problems and also a maximum commitment to seeking a solution.

Mr. Babcock continued by saying that we are on a month-to-month basis with the bank and must report to them every month what we are doing and where we are, and that a response should be made to the bank following this meeting.

It was pointed out that the Israeli bonds are in the process of being liquidated, and authorization to sell property not used for educational purposes was given at the last meeting.

Following further discussion the following motions were made:

1. A motion was made, seconded and passed to direct the Finance Committee and the Administration to use the proceeds from the sale of the Israeli bonds and the sale of the residential property to reduce the debt.
2. A motion was made, seconded and approved to authorize the Finance Committee and Mr. Metcalfe to negotiate with the bank the terms of the mortgage note on the farm property, not including any part of the property used by or useful to the college.

3. A motion was made, seconded and passed to authorize John Hannegan's committee to seek liquidation of the farm property on the best possible terms as soon as prudently possible with the proceeds to be used to reduce the bank debt.
4. A motion was made, seconded and passed to authorize the Chairman of the Board and the Finance Committee to refinance the debt on the stadium according to terms more advantageous to the college with any proceeds to be used to reduce the debt or the interest being paid by the college.
5. A motion was made, seconded and passed to direct the Administration to determine how the budget can be reduced by \$50,000 during the 1979-80 school year on a contingency basis if enrollment in the fall is short of the amount budgeted.
6. A motion was made, seconded and passed to ask Mr. Nemens to develop a development fund for alumni matching gifts from foundations and corporations in order to develop new gifts.

Mr. Hannegan, Chairman of the Fund Raising and Development Committee, reported that the goal of \$140,000 for the Student Center Campaign Fund has been reached. He thanked those on the Board who contributed and especially Mr. Tlapek for his gifts and Mr. Hyland for the gift from Chromalloy. He also thanked Dr. and Mrs. Spencer for their efforts in raising money, and Mr. Nemens for pushing and winding up the campaign.

Mr. Pundmann, Chairman of the Faculty-Board Liaison Committee, reported that the committee reviewed a number of candidates for the position of Dean of Faculty but felt nothing should be done until a new president has been elected.

Mr. Hannegan reported that the SUMMERSTAGE contract will be finalized in the next few days. Dr. Wipfler announced that actors have been given notice that SUMMERSTAGE will close in two weeks if advance ticket sales do not increase. Mr. Hyland commended Dr. and Mrs. Wipfler for the hard work they have done in promoting SUMMERSTAGE.

Mrs. Watkins reported that the Board of Directors of the Lindenwood College-St. Charles Presbyterian Church Corporation met June 23. There was a lengthy discussion of the fact that the college is using the building much less than it

was in the early years of the building and the college representatives on the Board feel that the college is paying more than it should be paying for maintenance. The members of the Board felt they could not make a decision immediately about what should be done and appointed a committee to make a proposal. Mr. Thomas Ballard, a representative from the church, and Mr. Pundmann, from the college, will meet and review the problem. Another meeting will be held in August. It was recommended by the Lindenwood Board that if it can be worked out legally and financially, the church-college board should be told the college would be willing to divest itself of ownership in the property.

Dr. Wipfler, Chairman of the Nominating Committee, made the following report:

Presently there are two vacancies on the Board of Directors. The committee feels it is imperative to wait until after a new president is elected before making nominations to fill these vacancies. The committee feels that key leaders of the St. Louis community are needed to fill these vacancies.

A motion was made, seconded and passed that the following be reelected to the Board of Directors for the term 1979-82. Since they were elected in 1977, when the reorganization took place, and served until 1979, they have not served full terms:

A motion was made, seconded and passed that the following persons are authorized to sign checks on bank accounts of Lindenwood Colleges, two signatures being required: John S. George W. Brown, Joseph W. Schwarzbauer, Mary E. Youker, and

Robert Hyland
Jefferson L. Miller
John Tlapek
Mrs. Dorothy Warner

The following slate of officers for 1979-80 was presented:

A motion was made, seconded and passed the following resolution:
RESOLVED, that the following sign checks on bank accounts for Lindenwood Colleges, two signatures being required: John S. George W. Brown, Joseph W. Schwarzbauer, Mary E. Youker, and Mrs. Russell J. Crider) Members of the Executive Committee at Large

Robert Hyland, Chairman
David E. Babcock, Vice Chairman
Walter L. Metcalfe, Jr., Secretary
John H. Biggs, Treasurer

A motion was made, seconded and passed to accept the above slate of officers, and empowered to charge any checks so signed to our account with it; regardless of to whom such checks are payable.

There are now three members of the Board of Overseers - Mrs. K. K. Barton, Mrs. J. L. Smith, and Mrs. Warren McK. Shapleigh. Upon the recommendation of the Nominating Committee no change will be made in the Board of Overseers at this time.

Since Article III, Section 1, of the Bylaws states: "The Executive Committee shall consist of five members of the Board, and shall include the Chairman of the Board, the Vice Chairman of the Board, the Secretary of the Board, the Treasurer of the Board and one additional member elected by the Board...", a motion was made, seconded and passed to amend this section to read: "The Executive Committee shall consist of six members of the Board, and shall include the Chairman of the Board, the Vice Chairman of the Board, the Secretary of the Board, the Treasurer of the Board and two additional members elected by the Board..."

Mr. Brown, Chairman of the Presidential Search Committee, reported that the committee met June 25 for several hours. They reviewed the recommendations of the sub-committee which had gone over all applications. Four candidates will be asked to come for interviews in the next few weeks. Mr. Metcalfe reported that the Board Search Committee had been supplemented by Dr. Howard A. Barnett, from the faculty, and Mrs. Tanya Mallory, President of the Alumni Association. Over one hundred applications have been received and reviewed to date.

A motion was made, seconded and passed that the following persons are authorized to sign checks on bank accounts for The Lindenwood Colleges, two signatures being required: John S. Burd, James F. Hood, Joseph W. Schwarzbauer, Mary E. Yonker.

A motion was made, seconded and passed to adopt the following resolution:

RESOLVED, that the following persons are authorized to sign checks on bank accounts for The Lindenwood Colleges, two signatures being required: John S. Burd, James F. Hood, Joseph W. Schwarzbauer, Mary E. Yonker, and/or to endorse checks payable to this Company and/or to issue, negotiate and/or reduce to cash any such checks so signed or endorsed. THE FIRST STATE BANK OF ST. CHARLES is hereby directed and empowered to charge any checks so signed to our account with it; regardless of to whom such checks are payable, including checks payable to cash or to officers or persons signing such checks or any officer or person individually.

Walter L. Metcalfe, Jr.
Secretary of the Board

RESOLVED, FURTHER, that the authority hereinbefore given to said officers be and remain irrevocable so far as the FIRST STATE BANK OF ST. CHARLES is concerned until it be notified in writing of the revocation of such authority and shall in writing acknowledge receipt thereof.

A motion was made, seconded and passed that any of the following are authorized to enter the safety deposit box at First National Bank of St. Charles: John S. Burd, James F. Hood, Joseph W. Schwarzbauer, Mary E. Yonker.

A motion was made, seconded and passed that the Purchasing Agent or John A. Bornmann be authorized to sign Federal Alcohol Reports on behalf of The Lindenwood Colleges.

A motion was made, seconded and passed that Jeanne H. Huesemann be made a trustee of the General American Retirement Plan to replace Doris Crozier.

A motion was made, seconded and passed to approve the audit by Boyd, Franz, and Stephans for the year ending May 31, 1979.

Mr. Hyland expressed regret that this would be Dean Delaney's last meeting since he has resigned to accept a position as Academic Vice President of Framingham State College, Framingham, Massachusetts, and expressed appreciation for all that he has done for students and faculty at Lindenwood.

A motion was made, seconded and passed to adjourn into Executive Session.

During the Executive Session, Mr. Hyland stated it would be advisable to clarify administration relationships effective with Dr. Spencer's resignation.

After discussion, a motion was made, seconded and passed that James F. Hood, Provost of the Colleges, be, and he shall act as chief administrative officer of the Colleges to serve at the pleasure of the Board.

There being no further business, the meeting was adjourned.

Walter L. Metcalfe, Jr.
Secretary of the Board

May 10th.

Mrs. Franc L. McCluer
245 Union Boulevard
St. Louis, Missouri 63108

Dear Mr. Hyland:

I want to thank you and the other board members of Lindenwood College for continuing Bullet's pension to me. I am so very grateful to you and the others who made it possible. It will make life less worrisome for me. I just received notice a few days ago that my monthly payment here would be raised ninety-eight dollars a month. I was much surprised at the high rate of increase but the pension will certainly help.

I want to congratulate you on the fine award you are to receive. I know Bullet would be pleased about it. Bullet worried about me and how I was unabled to cope and I hope and believe he knows what you have done for me.

Most sincerely

Ida Belle McCluer

WASHINGTON UNIVERSITY



ST. LOUIS, MISSOURI 63130

JOHN H. BIGGS
VICE CHANCELLOR FOR
FINANCIAL AFFAIRS

	<u>End of Month</u>	<u>Amount of Debt</u>	<u>Increase</u>
	March	\$2,100,000	
To: Robert Hyland	April	2,250,000	\$150,000
From: John H. Biggs			
Date: June 19, 1979	May	2,385,000	135,000
	June	2,520,000	135,000
	October	2,420,000	(75,000)

It is essential that the Linderwood Board of Directors have a clear understanding of the financial crisis that faced the College this spring, and which will continue month to month through the summer. The letter from the First National Bank rather clearly sets out the concerns of the Bank about extending substantial further credit to the College this summer. Given the good faith effort of the Bank to help us out, the Board needs to deal with the substance of their recommendations.

The "crisis" for colleges always arises in terms of inadequate current cash to meet payrolls. I think this situation is summarized in Table I attached which shows the debt level projections for the College in each month during the summer of 1979. \$2,100,000 was the maximum we could borrow on the basis of the unrestricted endowment. We went by that amount substantially in April and came within a fraction of turning back payroll checks. There was a similar emergency in the last two days of May and it would appear that we are faced with the same situation in June, July, and August.

Of course, underlying the "cash crisis" is the continuing chronic deficits in Linderwood's annual results. The deficit for the 1978 school year was \$537,000. We do not yet know the final numbers for the 1978-79 deficit, but we know it will be large. A current estimate is set out in the second column of Table II. We have a number of stringent steps which lead to the proposed budget for 1979-80 which is slightly in the black. Whether we make that budget or not is a terribly important question for the School, and clearly our past performance leads the bankers to have serious doubts.

TABLE II

TABLE I

DEBT LEVEL PROJECTIONS - 1979

	<u>End of Month</u>	<u>Actual for</u> 1977-78	<u>Amount of Debt</u>	<u>Estimate</u> of 1978-79 <u>Actual</u>	<u>Increase</u>	<u>Proposed</u> <u>Budget</u> 1978-79
Total Tuition	March	\$2,571,911	\$2,100,000	2,713,000		\$2,898,000
Other Income	April	1,283,306	2,250,000	1,561,000*	\$150,000	1,568,000
Total	May	\$3,855,217	<u>2,385,000</u>	2,274,000	<u>135,000</u>	2,432,000
	June		2,520,000		135,000	
Expenditures	July	\$4,392,258	2,720,000	4,341,000*	200,000	4,452,000
	August		2,785,000		65,000	
Deficit	September	\$ 337,041	2,495,000	267,000	(295,000)	-0-
	October		2,420,000		(75,000)	

*Includes \$150,000 for the Plans of Truth award as income and provides for the 1978 Summerstage subsidy

TABLE II

LINDENWOOD RESULTS

	<u>Actual for 1977-78</u>	<u>Estimate of 1978-79 Actual</u>	<u>Proposed Budget 1978-79</u>
Total Tuition	\$2,571,911	\$2,713,000	\$2,896,000
Other Income	<u>1,283,306</u>	<u>1,561,000*</u>	<u>1,566,000</u>
Total	\$3,855,217	\$4,274,000	\$4,452,000
Expenditures	\$4,392,258	\$4,541,000*	4,452,000
Deficit	<u>\$ 537,041</u>	<u>\$ 267,000</u>	<u>-0-</u>

*Includes \$150,000 for the Flame of Truth award as income and provides for the 1978 Summerstage subsidy

George W. Brown
 Mrs. Russell J. Crider
 Mrs. J. L. Smith
 John C. Hennegan
 Robert Hyland
 Walter L. Metcalfe, Jr.
 Jefferson L. Miller
 Roland T. Pashorn
 Mrs. Dorothy Warner
 E. J. Wipfler, Jr., M.D.

Board of Directors

Mrs. K. E. Barton
 Mrs. J. L. Smith

Honorary Life Members

Arthur S. Goodall
 Mrs. Arthur Stockstrom
 Mrs. Barton Watkins

The Lindenwood Colleges... Founded in 1827 and chartered in 1829 as Lindenwood College, now corporate structure of Lindenwood University College, organized by Circuit Court of St. Charles County March 7, 1977.

CONFIDENTIALMINUTES OF THE
JOINT MEETINGCONFIDENTIAL

John S. Burd, Associate in charge of Lindenwood Evening
College and Lindenwood College for Individualized Education
James P. Hood, Provost
Joseph W. Schafer, Director of Financial Planning and
Administration

OF THE
BOARDS
OF
THE LINDENWOOD COLLEGES*

St. Louis, Missouri
August 8, 1979

The meeting was opened with silent prayer.

A special meeting of the Board of Directors of The Lindenwood Colleges, honorary life members of the Board, and Board of Overseers of the colleges was held at the Bogey Club in St. Louis County on August 8, 1979, pursuant to call and notice given each member of the Board in accordance with the bylaws. Chairman Robert Hyland called the meeting to order at 12:00.

The following members of the Board of Directors, being a quorum, and members of the Board of Overseers and honorary life members were present:

Board of Directors

John H. Biggs
George W. Brown
Mrs. Russell J. Crider
~~Mrs. James C. Hamill~~
John C. Hannegan
Robert Hyland
Walter L. Metcalfe, Jr.
Jefferson L. Miller
Roland T. Pundmann
Mrs. Dorothy Warner
E. J. Wipfler, Jr., M.D.

Board of Overseers

Mrs. K. K. Barton
Mrs. J. L. Smith

Honorary Life Members

Arthur S. Goodall
Mrs. Arthur Stockstrom
Mrs. Horton Watkins

*-The Lindenwood Colleges. Founded in 1827 and chartered in 1853 as Linden Wood Female College. New corporate structure of Lindenwood Female College approved by Circuit Court of St. Charles County March 7, 1977.

The following members of the Administration were present:

John S. Burd, Associate Dean in charge of Lindenwood Evening
College and Lindenwood College for Individualized Education
James F. Hood, Provost
Joseph W. Schwarzbauer, Director of Financial Planning and
Administration

The meeting was opened with silent prayer.

The first item of business on the agenda was a report on financial matters.

Mr. Biggs updated his memorandum of June 19, 1979 which had been circulated to the Board prior to the June 26 meeting. He reported on the cash position and additional borrowings taken since the last board meeting and anticipated. He reviewed bank funding of payroll in April, 1979 in the amount of a \$150,000 advance, May payroll funding of \$135,000, June payroll funding of \$115,000, and July payroll funding of \$150,000. Borrowings from First National Bank in St. Louis now total \$1,750,000 plus the Super Turf loan of \$198,615.72.

Mr. Metcalfe then reviewed the security given the bank for its loans. The bank's demand for a deed of trust on the "Farm" property and the differences between the Board and the Bank with respect to the amount of property to be subjected to the deed of trust were outlined. Documents reflecting the Bank's position were signed by Dr. Spencer without proper authorization. After full discussion, upon motion of Mr. Biggs, duly seconded, the following resolutions were adopted unanimously:

WHEREAS, FIRST NATIONAL BANK IN ST. LOUIS (the "Bank") has from time to time made loans to this corporation evidenced by the following notes:

\$240,000 Installment Note dated July 19, 1978

\$1,200,000 Collateral Demand Note dated June 12, 1979

\$285,000 Demand Note dated June 21, 1979

\$115,000 Second Deed of Trust Demand Note dated June 29, 1979

\$150,000 Collateral Note dated July 31, 1979

August 8, 1979

WHEREAS, as security for the repayment of the above described notes and any other indebtedness of this corporation to the Bank, the following security instruments have been executed and delivered to the Bank:

Deed of Trust and Security Agreement dated June 12, 1979, covering approximately 73 acres of real property in St. Charles County, Missouri, more particularly described on Exhibit A hereto (the "Farm Property")

New Collateral Pledge Agreement dated June 12, 1979

Assignment of Contract Rights dated July 13, 1978

Security Agreement dated June 12, 1979

Second Deed of Trust and Security Agreement (securing only the \$115,000 Second Deed of Trust Demand Note dated June 29, 1979) covering the Farm Property

RESOLVED, that it is in the best interest of this corporation to have borrowed from the Bank sums evidenced by the above identified notes on the terms and at the rates of interest set forth therein and to secure repayment of such borrowed sums to have granted the Bank the security interests set forth in the above identified security instruments, and

RESOLVED FURTHER, that all acts of William C. Spencer, Robert Hyland, Fred R. Fisher and James F. Hood in executing and delivering to the Bank the above identified notes and security instruments, together with Uniform Commercial Code Financing Statements and any other related documents, statements and certificates are hereby ratified, confirmed and affirmed in all respects, and

RESOLVED FURTHER, the President of this corporation is hereby authorized to execute and deliver, and the secretary to affix the corporate seal, to a Third Deed of Trust Demand Note in substitution for the above identified \$150,000 Collateral Note dated July 21, 1979 and a Third Deed of Trust covering the **Farm Property**, and

RESOLVED FURTHER, that ratification of the deeds of trust covering the Farm Property above identified is conditioned upon release of such deeds of trust upon reduction of currently outstanding indebtedness by \$650,000.00.

RESOLVED FURTHER, that a copy of all notes and security instruments identified herein be filed with the minutes of this meeting.

The next order of business was a report of the presidential search committee.

George Brown, chairman of the committee, summarized search status and asked

Mr. Metcalfe to review with the Board the details of the selection process and

findings of the committee. A written report to the Board of Directors and Board of Overseers was distributed.

Summarizing, Mr. Metcalfe reported that the description of the role of the new president and profile were approved by the Board at the April 16, 1979 meeting. A search committee was appointed consisting of George Brown, Chairman, John Biggs, Jane Crider, John Hannegan and Walter Metcalfe, Secretary. Thereafter and with the approval of the Chairman of the Board, the committee was increased by the addition of Tanya Mallory, President of the Alumni Association, and Howard Barnett. A sub-committee of the search committee was formed to review the credentials of each of the more than 100 candidates or nominees. The names of 15 persons were submitted to the full committee for review. Thereafter four persons were invited for on-campus interviews with faculty, students, alumni, and board members. Comments and observations were compiled and the recommendations were referred to the executive committee for review and that committee interviewed two candidates. Subject to the approval of this Board, the resume of Dr. Robert Johns was presented to the Board and full discussion followed. Following a report on terms of employment, on motion of Mr. Brown, seconded by Mr. Metcalfe, the Board voted unanimously to appointed Dr. Robert Johns President of the college subject to the pleasure of the Board and in accordance with the terms of the employment agreement presented to the meeting.

Dr. Johns was then invited into the meeting and was formally introduced to the Board as Lindenwood's seventeenth president.

After remarks by Dr. Johns, the meeting was adjourned.

Walter L. Metcalfe, Jr.
Secretary of the Board

188,000 Weyerhaeuser 8.62Z 10-1-00

(The above collateral being held by Mercantile Trust Company N.A.)

500 Mobil Corp, Com

600 Amer Tel & Tel, Com

600 General Motors Corp, Com

700 Missouri Pacific Corp, Com

1,200 Tenneco Inc, Com

2,100 Allegheny Power System Inc, Com

1,400 Continental Corporation, Com

800 Interco Inc, Com

1,300 RCA Corp, Com

800 United Technologies, Com

(If space provided is insufficient check here and see memorandum attached for continued description of Collateral.)

And the undersigned agree(s) that,

1. All Collateral presently held or now or hereafter received by the Bank as security for any liability of the undersigned, (excepting, however, any security interest in or lien upon real estate which is the principal residence of the undersigned) may also be held by the Bank for any other liability of any of the undersigned to the Bank, whether direct or indirect, absolute or contingent, and whether such liability exists at the time of receipt of such Collateral or arises thereafter and the Bank may resort to the same in such order as it may elect. The Bank presently has a security interest in the from time to time balances in accounts of the undersigned at the Bank.

2. The undersigned authorize(s) the Bank, its assigns, or the from time to time holder of the Note or any of the undersigned's said liabilities, to cause any Collateral which may at any time be pledged hereunder to be transferred, in such manner as the Bank may determine, to its or their names, or into the names of it or their nominees, and this shall be full authority to make such transfer.

3. In case any of the Collateral should decline in market value, or whenever, in the opinion of the Bank, the Collateral is insufficient to secure the existing liabilities, direct and contingent, such additional Collateral as shall be satisfactory to the Bank will be deposited with it on demand.

4. If any of the undersigned shall fail to deposit such additional Collateral as and when demanded, or shall fail to meet at maturity any liability, either to the Bank or to any other party, or if any of the undersigned shall be declared insolvent by any court, or unable to meet his debts as they mature, or shall fail in business, or if there shall be appointed a receiver of any of the property of any of the undersigned, or if any of the undersigned shall make an assignment for the benefit of creditors, or if there shall be commenced by or against any of the undersigned proceedings, voluntary or involuntary, to declare any of them a bankrupt or for any other relief under any of the provisions now in force or hereinafter enacted of any law relating to bankruptcy, or if there shall be entered any judgment or decree against any of the undersigned, or if any writ of attachment, garnishment or execution shall be issued against any of the undersigned, or if any endorser, surety, guarantor of the payment of the Note or of any other obligation of any of the undersigned to the Bank shall be declared insolvent, or unable to meet his debts as mature, by any court, or shall die or suffer any judgment or decree to be rendered against him or shall suffer a receiver to be appointed for any of his property or shall voluntarily seek relief, or have involuntary proceedings brought against him, under any provision now in force or hereinafter enacted of any law relating to bankruptcy, then, upon the happening of any such events, the Note shall, at the option of the Bank, immediately mature and become forthwith due and payable, or the Bank, without exercising such option of having the Note matured, may offset as against the liabilities of any of the undersigned to the Bank the liability, if any, of the Bank for any reason to any of the undersigned and the Bank may apply any balance of any bank deposit of any of the undersigned to the payment of the Note and any other liabilities of any of the undersigned

to the Bank, whether the Note or other liabilities be then due or not.

5. Upon the maturity of the Note (whether maturity be according to the face of the Note or by virtue of the exercise of the option hereinabove given the Bank), or upon the maturity of any indebtedness of the undersigned, the Bank may, without notice or demand, forthwith realize upon any property of the undersigned in its possession and receive the proceeds therefrom, and may also, without demand, advertisement or notice, sell at public or private sale, or at any exchange or broker's board, at such prices as it may deem best, and either for cash or on credit, or for future delivery, any part or all securities or property of any kind held by it as Collateral or on which it may have a lien for the indebtedness of the undersigned as hereinabove provided, and with the right in the Bank at any such sale, public or private, to purchase the whole or any part of such securities or property so sold, free from any right or equity of redemption in the undersigned, any such right or equity of redemption being hereby expressly waived by the undersigned.

6. From the proceeds of any sale hereunder there shall be deducted the amount of all expenses, legal and otherwise, in connection therewith, and the balance shall be applied, first, in payment of the Note and any other liability of the undersigned to the Bank, the surplus, if any, to go to the undersigned, who shall remain liable in the event of any deficiency.

7. The Bank shall not be liable for failure to demand or present for payment or otherwise, protest, give notice of protest or non-payment, or other notice, or for failure to sue on any Collateral deposited hereunder, but shall only be liable to account for what it actually collects or receives on account thereof.

8. All property held by the Bank as Collateral under this agreement may, from time to time, with the consent of the Bank be withdrawn or released or exchanged for other property which may likewise be successively withdrawn, released or exchanged without prejudice to the rights of the Bank against any endorser or guarantor of the Note, and all substituted property shall be held by the Bank subject to all the terms of this agreement.

9. Upon any transfer of the Note described above and this agreement, the Collateral held under this agreement at the time of transfer, or any part thereof, may be delivered to the transferee, who shall thereupon become vested with all the rights and powers above given to the Bank in respect to the Collateral which may be so transferred. In the event of such transfer of the Note and this agreement, the Bank or other transferor of the Note shall not be required to deliver or account to the undersigned for the Collateral so transferred, and shall not be further liable to the undersigned therefor.

10. All rights and powers of the Bank hereunder shall inure to anyone who may at any time be the holder of the Note, and all agreements herein shall bind the successors, assigns, heirs and personal representatives of the undersigned.

Each signer hereby acknowledges receipt of a copy of the above Collateral Demand Note and COLLATERAL PLEDGE AGREEMENT fully completed, correctly describing and fully identifying the property to which this security interest relates.

PLEDGOR
William C. Spencer
 PLEDGOR

**COLLATERAL DEMAND NOTE
(Finance Charge Not Deducted)**

Renewal 01991 PHK

March 31, 1979

(DATE)

On demand, and if no demand be made, then on the 31st day of December, 19 79, the undersigned, for value received, jointly and severally promise to pay to **FIRST NATIONAL BANK OF ST. CHARLES, St. Charles, Mo.**
(the "Bank") OR ORDER at its office in St. Charles, Mo.

TWO HUNDRED SEVENTY THOUSAND AND NO/100 DOLLARS (\$ 270,000.00), together with interest thereon (on the basis of a year of 360 days) at the rate of Prime Rate per centum per annum prior to maturity, and from maturity at the rate of eight per centum per annum and to pay said interest monthly. If this note shall not be paid at maturity and shall be placed in the hands of an attorney for collection, the undersigned further promise to pay a reasonable attorney's fee for collection, whether or not litigation should be commenced in aid thereof. Demand for payment, protest, and notice of dishonor are hereby waived by all who are or shall become parties to this instrument.

This note is secured by the following Collateral Pledge Agreement.

AMOUNT FINANCED \$ 270,000.00
FINANCE CHARGE \$ _____
TOTAL OF PAYMENTS \$ _____
First National Bank in St. Louis
ANNUAL PERCENTAGE RATE Prime Rate %

RECORD OF PRINCIPAL PAYMENTS		
		Balance

Address Kingshighway and First Capitol Drive
St. Charles, Missouri 63301

Robert Hyland (CUSTOMER'S SIGNATURE) **Chairman of Board**

Endorser(s): _____

William Spencer (CUSTOMER'S SIGNATURE) **President**

COLLATERAL PLEDGE AGREEMENT

As collateral security for the payment of the above Note (the "Note") and on the date thereof, the undersigned hereby assigns, pledges and delivers to the Bank the following described property of which the undersigned hereby warrants that the undersigned is in good faith the owner, free of liens and claims of any kind whatsoever (except any property pledged hereunder with the written consent of the owner thereof filed with the Bank), all of which, together with the proceeds thereof, and any other property of the undersigned now or hereafter held by the Bank as security for the indebtedness of any of the undersigned to the Bank is hereinafter referred to as the "Collateral".

DESCRIPTION OF COLLATERAL

- | | |
|--|---|
| 600 Baxter Travenol Inc, Com | 500 Eastman Kodak Co, Com |
| 700 Crown Zellerbach, Com | 188,000 Weyerhaeuser 8.62% 10-1-00 |
| 800 Emerson Electric Corp. Com | 131 Int. Bus Machines Corp, Com |
| 600 Gannett Co., Inc. Com | 500 Monsanto Co., Com |
| 1,500 May Dept. Stores Co., Com | 2,000 Ralston Purina Co, Com |
| 1,000 Phillips Petroleum Co., Com | 193,000 Sears, Roebuck Co Deb 8.625 10-1-95 |
| 1,400 Squibb Corp, Com | |
| (The above collateral being held by St. Louis Union Trust Company) | |
| 800 Aetna Life & Casualty, Com | 500 Chase Manhattan Corp, Com |
| 25,000 Comm Credit Co 8% due 1-15-81/80 | 800 Commonwealth Edison Co., Com |
| 1,500 Consolidated Freightwaye Inc, Com | 800 Dow Chemical Co, Com |
| 400 Exxon Corp, Com | 600 Gatz Corp Common |
| 18,000 Gen Amer Trans Corp 8.60% 6-1-91 | 30,000 Goodyear Tire & Rub 8.60% 9-30-95 |
| 150 Int Bus Machines Corp, Com | 300 International Tel & Tel Pfd 5 Ser 0 |
| 2,000 Kellwood Co, Com | 1,500 May Dept. Stores Co, Com |
| 500 Monsanto Co, Com | 25,000 JC Pen Finl Corp 9.45% 10-15-81 |
| 25,000 Public Ser El & Gas 4.875% 9-1-87 | 600 Revlon Inc. Common |
| 700 Richard-Merrell Inc. | 30,000 Sears Roebuck Co Deb 8.625 10-1-95 |

NOTICE: See other side for important information →

700 Standard Oil Indiana
 25,000 US Treas Note 7.875 due 5-15-86
 188,000 Weyerhaeuser 8.62% 10-1-00

30,000 Sun Oil Co 8.5% due 11-1
 25,000 US Treas Note 8 8-15-86

No. 01001
 To: FRESH

(The above collateral being held by Mercantile Trust Company N.A.)

500 Mobil Corp, Com
 600 Amer Tel & Tel, Com
 600 General Motors Corp, Com
 700 Missouri Pacific Corp, Com
 1,200 Tenneco Inc, Com

2,100 Allegheny Power System Inc, Com
 1,400 Continental Corporation, Com
 800 Interco Inc, Com
 1,300 RCA Corp, Com
 800 United Technologies, Com

(If space provided is insufficient check here and see memorandum attached for continued description of Collateral.)

And the undersigned agree(s) that,

1. All Collateral presently held or now or hereafter received by the Bank as security for any liability of the undersigned, (excepting, however, any security interest in or lien upon real estate which is the principal residence of the undersigned) may also be held by the Bank for any other liability of any of the undersigned to the Bank, whether direct or indirect, absolute or contingent, and whether such liability exists at the time of receipt of such Collateral or arises thereafter and the Bank may resort to the same in such order as it may elect. The Bank presently has a security interest in the from time to time balances in accounts of the undersigned at the Bank.

2. The undersigned authorize(s) the Bank, its assigns, or the from time to time holder of the Note or any of the undersigned's said liabilities, to cause any Collateral which may at any time be pledged hereunder to be transferred, in such manner as the Bank may determine, to its or their names, or into the names of it or their nominees, and this shall be full authority to make such transfer.

3. In case any of the Collateral should decline in market value, or whenever, in the opinion of the Bank, the Collateral is insufficient to secure the existing liabilities, direct and contingent, such additional Collateral as shall be satisfactory to the Bank will be deposited with it on demand.

4. If any of the undersigned shall fail to deposit such additional Collateral as and when demanded, or shall fail to meet at maturity any liability, either to the Bank or to any other party, or if any of the undersigned shall be declared insolvent by any court, or unable to meet his debts as they mature, or shall fail in business, or if there shall be appointed a receiver of any of the property of any of the undersigned, or if any of the undersigned shall make an assignment for the benefit of creditors, or if there shall be commenced by or against any of the undersigned proceedings, voluntary or involuntary, to declare any of them a bankrupt or for any other relief under any of the provisions now in force or hereinafter enacted of any law relating to bankruptcy, or if there shall be entered any judgment or decree against any of the undersigned, or if any writ of attachment, garnishment or execution shall be issued against any of the undersigned, or if any endorser, surety, guarantor of the payment of the Note or of any other obligation of any of the undersigned to the Bank shall be declared insolvent, or unable to meet his debts as mature, by any court, or shall die or suffer any judgment or decree to be rendered against him or shall suffer a receiver to be appointed for any of his property or shall voluntarily seek relief, or have involuntary proceedings brought against him, under any provision now in force or hereinafter enacted of any law relating to bankruptcy, then, upon the happening of any such events, the Note shall, at the option of the Bank, immediately mature and become forthwith due and payable, or the Bank, without exercising such option of having the Note matured, may offset as against the liabilities of any of the undersigned to the Bank the liability, if any, of the Bank for any reason to any of the undersigned and the Bank may apply any balance or any bank deposit of any of the undersigned to the payment of the Note and any other liabilities of any of the undersigned

to the Bank, whether the Note or other liabilities be then due or not.

5. Upon the maturity of the Note (whether maturity be according to the face of the Note or by virtue of the exercise of the option hereinabove given the Bank), or upon the maturity of any indebtedness of the undersigned, the Bank may, without notice or demand, forthwith realize upon any property of the undersigned in its possession and receive the proceeds therefrom, and may also, without demand, advertisement or notice, sell at public or private sale, or at any exchange or broker's board, at such prices as it may deem best, and either for cash or on credit, or for future delivery, any part or all securities or property of any kind held by it as Collateral or on which it may have a lien for the indebtedness of the undersigned as hereinabove provided, and with the right in the Bank at any such sale, public or private, to purchase the whole or any part of such securities or property so sold, free from any right or equity of redemption in the undersigned, any such right or equity of redemption being hereby expressly waived by the undersigned.

6. From the proceeds of any sale hereunder there shall be deducted the amount of all expenses, legal and otherwise, in connection therewith, and the balance shall be applied, first, in payment of the Note and any other liability of the undersigned to the Bank, the surplus, if any, to go to the undersigned, who shall remain liable in the event of any deficiency.

7. The Bank shall not be liable for failure to demand or present for payment or otherwise, protest, give notice of protest or non-payment, or other notice, or for failure to sue on any Collateral deposited hereunder, but shall only be liable to account for what it actually collects or receives on account thereof.

8. All property held by the Bank as Collateral under this agreement may, from time to time, with the consent of the Bank be withdrawn or released or exchanged for other property which may likewise be successively withdrawn, released or exchanged without prejudice to the rights of the Bank against any endorser or guarantor of the Note, and all substituted property shall be held by the Bank subject to all the terms of this agreement.

9. Upon any transfer of the Note described above and this agreement, the Collateral held under this agreement at the time of transfer, or any part thereof, may be delivered to the transferee, who shall thereupon become vested with all the rights and powers above given to the Bank in respect to the Collateral which may be so transferred. In the event of such transfer of the Note and this agreement, the Bank or other transferor of the Note shall not be required to deliver or account to the undersigned for the Collateral so transferred, and shall not be further liable to the undersigned therefor.

10. All rights and powers of the Bank hereunder shall inure to anyone who may at any time be the holder of the Note, and all agreements herein shall bind the successors, assigns, heirs and personal representatives of the undersigned.

Each signer hereby acknowledges receipt of a copy of the above Collateral Demand Note and COLLATERAL PLEDGE AGREEMENT fully completed, correctly describing and fully identifying the property to which this security interest relates.

PLEDGOR

PLEDGOR

First National Bank
 St. Louis
 A First Union Bank
 510 Locust
 P.O. Box 267
 St. Louis, MO 63166
 355

COLLATERAL PLEDGE

As collateral security for the payment of the within note and any renewal or extension thereof, and for the liabilities, present or future, absolute or contingent, direct or indirect, of any of the undersigned to the First National Bank in St. Louis, Missouri, the undersigned hereby assigns, pledges and delivers to said Bank the following described property which the undersigned hereby warrants that the undersigned is in good faith the owner, free of liens and claims of all kinds (except any property pledged hereunder with the written consent of the owner thereof filed with the Bank), to

Collateral in their possession now or here-
after, or any substitutes therefor,

undersigned agree(s) that, as additional security for said within note and all other liabilities owing the Bank, the Bank shall have a lien for the amount of all the aforesaid liabilities and claims due to or interest of the undersigned in any other property in possession of the Bank and also upon the balance of any deposit account of the undersigned with the Bank at the time of the making of this agreement, and the Bank, in its discretion, may resort to any or all of the securities, money or property hereby pledged, and in such order as it may elect. The undersigned authorizes the Bank, its assigns, or the from time to time holder of this note or any of the undersigned's said liabilities, to cause any shares of stock of any corporation to be transferred, in such manner as the Bank may determine, to its or their names, or into the names of it or their nominees, upon the order of the corporation issuing such shares, and this shall be full authority to such corporation to make such transfer. All collateral now or hereafter received by the Bank as security for any liability of the undersigned may also be held by said Bank for any other liability of the undersigned to the Bank, whether direct or contingent, and whether said liability exists at the time of receipt of such collateral security or arises thereafter. In the case any of the securities above pledged should decline in market value, or whenever, in the opinion of the Bank, the collateral is insufficient to secure the existing liabilities, such additional collateral as shall be satisfactory to the Bank will be deposited with it on demand. If any of the undersigned shall fail to deposit such additional collateral as and when demanded, or shall fail to meet at maturity any liability, either to the Bank or to any other party, or if any of the undersigned shall be declared insolvent, or unable to meet his debts as they mature, by any court, or shall fail in business, or if there shall be appointed a receiver of any of the property of any of the undersigned, or if any of the undersigned shall make an assignment for the benefit of creditors, or if there shall be commenced by or against any of the undersigned proceedings, voluntary or involuntary, to declare any of them a bankrupt or for any other relief under any of the provisions now in force or hereinafter enacted of any law relating to bankruptcy, or if there shall be entered any judgment or decree against any of the undersigned, or if any writ of attachment, garnishment or execution be issued against any of the undersigned, or if any endorser, surety, guarantor of the payment of the within note or of any other obligation of any of the undersigned to the Bank shall be declared insolvent, or unable to meet his debts as mature, by any court, or shall suffer any judgment or decree to be rendered against him or shall suffer a receiver to be appointed for any of his property or shall voluntarily seek relief, or have involuntary proceedings brought against him, under any provision now in force or hereinafter enacted of any law relating to bankruptcy, then, upon the happening of any such event, the within note shall, at the option of the Bank, immediately mature and become forthwith due and payable, and the undersigned, without exercising such option of having such note matured, may offset as against the liabilities of any of the undersigned to the Bank the liability, if any, of the Bank to any of the undersigned to the Bank, whether such note or other liabilities be then due or not. Upon the maturity of the within note (whether maturity be according to the face of the note or by virtue of the exercise of the option hereinabove given the Bank), or upon the maturity of any indebtedness of the undersigned, the Bank may, without notice or demand, forthwith apply any balance of any deposits of the undersigned with said Bank toward the payment of the within note and of any or all of the liabilities of the undersigned to said Bank, and may likewise forthwith realize upon any property of the undersigned in its possession, or receive the proceeds therefrom, and may also, without notice to the undersigned, unless required to be given by applicable law, and without demand or advertisement, sell the same at private sale, or at any exchange or broker's board, at such prices as it may deem best, and either for cash or on credit, or for future delivery, any part or all securities or property so sold, held by it as collateral security or on which it may have a lien for the indebtedness of the undersigned as hereinabove provided, and with the right in said Bank at any such sale or private sale, to purchase the whole or any part of such securities or property so sold, free from any right or equity of redemption in the undersigned, any such right or equity of redemption hereby expressly waived by the undersigned. If the applicable law should require that notice of intended disposition of the pledged property be given, such notice to the undersigned shall be deemed to have been properly given if sent by prepaid mail at least five days before the intended sale or other disposition, addressed to the undersigned either at the address hereinabove given, or at such other address as shown on the records of the Bank. The proceeds of any sale or other disposition hereunder may be applied to all expenses incidental thereto, including reasonable attorney's fees and legal expenses; then to the payment of the within note and any other liability of the undersigned to the Bank; then to the payment of any other party having a security interest in said property, if required by law; and, if any, to go to the undersigned, who shall remain liable for any deficiency. The Bank shall not be liable for failure to demand or present for payment or otherwise, protest, give notice of protest or non-payment, or other notice, or for failure to collect the securities deposited hereunder, but shall only be liable to account for what it actually collects or receives on account thereof. The above described property and all property held by the Bank as collateral under this agreement may, from time to time, with the consent of said Bank be withdrawn or exchanged for other property which may likewise be successively withdrawn, released or exchanged without prejudice to the rights of this Bank against any endorser of the within note, and all substituted property shall be held by the Bank subject to all the terms of this agreement. Upon any transfer of this note and agreement the collateral held under this agreement at the time of transfer, or any part thereof, may be delivered to the transferee, and upon becoming vested with all the rights and powers above given to said Bank in respect to the collateral which may be so transferred. In the event of such transfer of this note and this agreement the Bank or other transferee of the within note shall not be required to deliver or account to the undersigned for the collateral so transferred, and shall be further liable to the undersigned therefor. All rights and powers of the Bank hereunder shall inure to any one who may at any time be the holder of the within note, and all agreements herein shall bind the successors, heirs and personal representatives of the undersigned.

Lindenwood Female College

By: X 

St. Louis, Missouri, this 31st
 July, 19 79

Please sign on both sides.

DEMAND NOTE

\$285,000.00

St. Louis, Missouri
JUNE 12, 1979

On demand, and if no demand be made, then on December 31,, 1979, the undersigned, LINDENWOOD FEMALE COLLEGE and THE LINDENWOOD COLLEGES, Missouri corporations, jointly and severally, promise to pay to the order of FIRST NATIONAL BANK IN ST LOUIS (the "Bank"), at the principal office of the Bank in the City of St. Louis, Missouri, the principal sum of Two Hundred Eighty-Five Thousand Dollars (\$285,000.00), together with accrued interest thereon as hereinafter specified.

The undersigned also promise to pay interest on the from time to time unpaid principal balance hereof at a rate per annum, prior to maturity, equal to the from time to time prime rate of interest which the Bank charges on 90-day loans to its most creditworthy borrowers (the "Prime Rate"), such interest rate to change simultaneously with each change in the Bank's Prime Rate. After maturity or demand, this note will bear interest at a rate per annum equal to three percent (3%) in excess of the rate in effect at maturity or demand. Accrued interest is to be paid monthly commencing July 1, 1979 and on the first day of each month during the term of this note.

All interest on this note shall be calculated on the basis of the actual number of days elapsed over a year of three hundred sixty (360) days. If any payment due on this note is payable on a Saturday, Sunday or a day which is a legal holiday in the State of Missouri, then such payment will be made on the next business day, the amount of such payment, in such case, to include all interest paid to the date of actual payment.

The undersigned shall have the right to prepay all or any part of the balance of this note at any time or from time to time without premium or penalty, provided that all prepayments shall be applied first to interest and the balance, if any, to principal.

This note shall always be construed as a demand instrument, callable by the holder at any time, with or without reason.

This note is secured by (i) a Deed of Trust of even date herewith executed by Lindenwood Female College covering certain property in St. Charles County, Missouri, (ii) a New Collateral Pledge Agreement of even date herewith executed by an Lindenwood Female College and The Lindenwood Colleges and (iii) an Assignment of Contract Rights dated July 13, 1978 executed by Lindenwood Female College and The Lindenwood Colleges; and (iv) a Security Agreement of even date herewith executed by Lindenwood Female College and The Lindenwood Colleges.

The undersigned also promise to pay, in addition to the full amount due hereon, all expenses incurred by the holder in enforcing this note, including, without limitation, the reasonable fees and expenses of any attorney to whom this note is referred for collection (whether or not litigation is commenced) or for representation in proceedings under any bankruptcy or insolvency law.

The undersigned, as maker, and all others who are or shall become primarily or secondarily liable on this note, hereby agree that this note may be renewed one or more times, the time for payment thereon extended, the interest rate or other terms of the indebtedness thereon modified, and any party released or any action taken or omitted regarding security therefor (including surrender or release of any collateral or failure to perfect a lien), and that the foregoing may be done without notice and without releasing any of them except as otherwise expressly agreed in writing. Demand for payment, protest and notice of dishonor are hereby waived by all who are or shall become parties to this instrument, and said parties agree that failure of the holder to exercise any of its rights hereunder in any instance shall not constitute a waiver thereof.

LINDENWOOD FEMALE COLLEGE

BY William P. Spencer
President (Title)

THE LINDENWOOD COLLEGES

BY William P. Spencer
President (Title)

COLLATERAL DEMAND NOTE

\$1,200,000.00

St. Louis, Missouri
June 12, 1979

On demand, and if no demand be made, then on December 31, 1979, the undersigned, LINDENWOOD FEMALE COLLEGE and THE LINDENWOOD COLLEGES, Missouri corporations, jointly and severally promise to pay to the order of FIRST NATIONAL BANK IN ST. LOUIS (the "Bank"), at the principal office of the Bank in the City of St. Louis, Missouri, the principal sum of One Million Two Hundred Thousand Dollars (\$1,200,000.00), together with accrued interest thereon as hereinafter specified.

The undersigned also promise to pay interest on the from time to time unpaid principal balance hereof at a rate per annum, prior to maturity, equal to the from time to time prime rate of interest which the Bank charges on 90-day loans to its most creditworthy borrowers (the "Prime Rate"), such interest rate to change simultaneously with each change in the Bank's Prime Rate. After maturity or demand, this note will bear interest at a rate per annum equal to three percent (3%) in excess of the rate in effect at maturity or demand. Accrued interest is to be paid monthly commencing July 1, 1979 and on the first day of each month during the term of this note.

All interest on this note shall be calculated on the basis of the actual number of days elapsed over a year of three hundred sixty (360) days. If any payment due on this note is payable on a Saturday, Sunday or a day which is a legal holiday in the State of Missouri, then such payment will be made on the next business day, the amount of such payment, in such case, to include all interest paid to the date of actual payment.

The undersigned shall have the right to prepay all or any part of the balance of this note at any time or from time to time without premium or penalty, provided that all prepayment shall be applied first to interests and the balance, if any, to principal.

This note shall always be construed as a demand instrument, callable by the holder at any time, with or without reason.

This note is secured by (i) a Deed of Trust of even date herewith executed by Lindenwood Female College covering certain property in St. Charles County, Missouri, (ii) a Collateral Pledge Agreement of even date herewith executed by Lindenwood Female College and The Lindenwood Colleges and (iii) Assignment of Contract Rights dated July 13, 1978 executed by Lindenwood Female College and The Lindenwood Colleges; and (iv) a Security Agreement of even date herewith executed by Lindenwood Female College and The Lindenwood Colleges.

The undersigned also promise to pay, in addition to the full amount due hereon, all expenses incurred by the holder in enforcing this note, including, without limitation, the reasonable fees and expenses of any attorney to whom this note is referred for collection (whether or not litigation is commenced) or for representation in proceedings under any bankruptcy or insolvency law.

This note evidences the renewal of a certain Collateral Demand Note originally dated May 31, 1978 executed by The Lindenwood Colleges and from time to time renewed. The principal balance of said note is merged herein.

The undersigned, as maker, and all others who are or shall become primarily or secondarily liable on this note, hereby agree that this note may be renewed one or more times, the time for payment thereon extended, the interest rate or other terms of the indebtedness thereon modified, and any party released or any action taken or omitted regarding security therefor (including surrender or release of any collateral or failure to perfect a lien), and that the foregoing may be done without notice and without releasing any of them except as otherwise expressly agreed in writing. Demand for payment, protest and notice of dishonor are hereby waived by all who are or shall become parties to this instrument, and said parties agree that failure of the holder to exercise any of its rights hereunder in any instance shall not constitute a waiver thereof.

LINDENWOOD FEMALE COLLEGE

By William P. Shewee
President (Title)

THE LINDENWOOD COLLEGES

By William P. Shewee
President (Title)

JH by MS

SECOND DEED of TRUST
DEMAND NOTE

\$115,000.00

St. Louis, Missouri
June 29, 1979

On demand, and if no demand be made, then on October 1, 1979, the undersigned, LINDENWOOD FEMALE COLLEGE and THE LINDENWOOD COLLEGES, Missouri corporations, jointly and severally, promise to pay to the order of FIRST NATIONAL BANK IN ST LOUIS (the "Bank"), at the principal office of the Bank in the City of St. Louis, Missouri, the principal sum of One Hundred Fifteen Thousand Dollars (\$115,000.00), together with accrued interest thereon as hereinafter specified.

The undersigned also promise to pay interest on the from time to time unpaid principal balance hereof at a rate per annum, prior to maturity, equal to the from time to time prime rate of interest which the Bank charges on 90-day loans to its most creditworthy borrowers (the "Prime Rate"), such interest rate to change simultaneously with each change in the Bank's Prime Rate. After maturity or demand, this note will bear interest at a rate per annum equal to three percent (3%) in excess of the rate in effect at maturity or demand. Accrued interest is to be paid monthly commencing July 1, 1979 and on the first day of each month during the term of this note.

All interest on this note shall be calculated on the basis of the actual number of days elapsed over a year of three hundred sixty (360) days. If any payment due on this note is payable on a Saturday, Sunday or a day which is a legal holiday in the State of Missouri, then such payment will be made on the next business day, the amount of such payment, in such case, to include all interest paid to the date of actual payment.

The undersigned shall have the right to prepay all or any part of the balance of this note at any time or from time to time without premium or penalty, provided that all prepayments shall be applied first to interest and the balance, if any, to principal.

This note shall always be construed as a demand instrument, callable by the holder at any time, with or without reason.

This note is secured by (i) a Second Deed of Trust of even date herewith executed by Lindenwood Female College covering certain property in St. Charles County, Missouri, (ii) a New Collateral Pledge Agreement dated June 12, 1979 executed by an Lindenwood Female College and The Lindenwood Colleges and (iii) an Assignment of Contract Rights dated July 13, 1978 executed by Lindenwood Female College and The Lindenwood Colleges; and (iv) a Security Agreement dated June 12, 1979 executed by Lindenwood Female College and The Lindenwood Colleges.

The undersigned also promise to pay, in addition to the full amount due hereon, all expenses incurred by the holder in enforcing this note, including, without limitation, the reasonable fees and expenses of any attorney to whom this note is referred for collection (whether or not litigation is commenced) or for representation in proceedings under any bankruptcy or insolvency law.

The undersigned, as maker, and all others who are or shall become primarily or secondarily liable on this note, hereby agree that this note may be renewed one or more times, the time for payment thereon extended, the interest rate or other terms of the indebtedness thereon modified, and any party released or any action taken or omitted regarding security therefor (including surrender or release of any collateral or failure to perfect a lien), and that the foregoing may be done without notice and without releasing any of them except as otherwise expressly agreed in writing. Demand for payment, protest and notice of dishonor are hereby waived by all who are or shall become parties to this instrument, and said parties agree that failure of the holder to exercise any of its rights hereunder in any instance shall not constitute a waiver thereof.

LINDENWOOD FEMALE COLLEGE

By

William C. Johnson
(Title)

THE LINDENWOOD COLLEGES

By

W. A. H.
(Title)

99K

INSTALLMENT NOTE

\$240,000.00

St. Louis, Missouri
July 19, 1978

FOR VALUE RECEIVED, the undersigned, LINDENWOOD FEMALE COLLEGE, jointly and severally promise to pay to the order of FIRST NATIONAL BANK IN ST. LOUIS at its principal banking offices in the City of St. Louis, Missouri, the principal sum of Two Hundred Forty Thousand Dollars (\$240,000.00) together with interest on the from time to time principal balance at a rate, prior to maturity, of nine and one-half percent (9½%) per annum and after maturity by acceleration or otherwise, of twelve percent (12%) per annum. This note shall be payable as follows:

Seven consecutive annual installments payable commencing September 1, 1978 and on the first day of each September thereafter through September 1, 1984, of principal and interest of \$44,170.95 each.

A final (eighth) installment payable September 1, 1985 of all unpaid principal and accrued interest.

This note is secured by an "Assignment of Contract Rights" of even date herewith and a "Collateral Pledge Agreement" dated March 31, 1978.

The undersigned shall have the right at any time to prepay in whole or in part the principal amount of this note without premium or penalty. No prepayment shall obligate the Bank to make additional advances. All prepayments shall be in currently available funds and shall be applied first to accrued interest and the balance, if any, to installments of principal in the inverse order of their maturity.

If any installment under this note is not paid at the time and place specified herein, if there should occur a default under the above referenced "Assignment of Contract Rights" or "Collateral Pledge Agreement", or if the undersigned becomes insolvent or a party to any bankruptcy proceedings, then the entire unpaid balance shall become immediately due and payable at the election of the holder hereof and the holder may proceed to collect the same at once.

If this note shall not be paid at maturity and shall be placed in the hands of an attorney for collection or in connection with any proceedings under the Bankruptcy Act, the undersigned hereby promises to pay the reasonable fees and expenses of such attorney in addition to the full amount due hereon, whether or not litigation shall be commenced.

Demand for payment, protest and notice of dishonor are hereby waived by all who are or shall become parties to this instrument.

LINDENWOOD FEMALE COLLEGE

By [Signature]
By Fred R. Fisher, Controller

THIS NOTE DESCRIBED IN INSTRUMENT
BEARING SERIAL NUMBER.....**10624**
FILED FOR RECORD ON

JUN 15 1979

WAS PRESENTED TO ME AND IS IDENTIFIED
AS ONE OF THE INSTRUMENTS DESCRIBED
IN AND SECURED BY SAID DEED OF TRUST.

ARTHUR A. TEGETHOFF

DEPUTY Recorder of St. Charles, Mo.
Arthur A. Stewart

Excerpts from the Minutes of the Board of Control, the Executive Committee, and the Board of Directors:

From the August 19, 1976 minutes of the Finance Committee:

The discussion moved to integrate the two previous subjects of cash flow and capital expenditures.

1. It was determined that financing should be secured that would free the unsecured \$600,000 line of credit presently with the First National Bank of St. Charles and that in the future this same \$600,000 should be restricted to operational expenditures.
2. It was determined that Mr. Knoblauch should pursue through his sources to establish a \$1.2 million, fully secured line of credit (short-term) to cover capital expenditure projects. The term of the line of credit should be six months. In the interim, the possibility of securing all capital expenditures through the new Missouri Educational Facilities Board will be pursued. If this can be followed to fruition, bonds would be issued for permanent financing. The foregoing approach for both interim and permanent financing are subject to approval of the Board of Control.

From the October 6, 1976 minutes of the Board of Control:

Following a discussion of the meeting of the Finance Committee on August 18, 1976, Mr. Pundmann moved that the Board of Control accept the recommendation of the Finance Committee and authorize the President to secure a credit facility of up to \$1.2 million through the First National Bank of St. Charles to finance current capital expenditures. This is in addition to the \$600,000 line of credit already authorized for operating purposes at the same bank. The formal motion authorizing the loan and pledging unrestricted endowment assets as collateral is attached to and made a part of these minutes. The motion was seconded by Mr. Brown and passed.

From the February 25, 1977 Board of Control minutes:

Mr. Berg distributed a summary of the capital improvement program expenditures as of February 21, 1977. Total capital expenditures to date are \$1,266,146 with a balance still payable of \$61,552. Mr. Brown moved that the authorized limit for borrowing for the capital improvement program be increased to \$1,330,000. The motion was seconded by Mrs. Hall and passed.

From the March 10, 1977 Board of Directors minutes:

Mr. Hyland reported that the Board of Control met on February 25 for the last time....Actions taken by the Board of Control since the last meeting of the Boards include:...

The capital improvement program of The College was reviewed. This included the new athletic field and amphitheater, the renovation of the new Cobbs Hall Conference Center, the new covered riding arena, the new roads and parking lots, the conversion of Butler Hall from a residence hall into faculty and administrative offices, improvements to the president's house and the college dining room for a total capital investment of approximately \$1,330,000. Interim financing for the projects has been arranged through the First National Bank of St. Charles, pledging unrestricted assets as collateral, with the intention of obtaining long-term financing through the new tax-exempt Health and Education Facilities Commission of the State of Missouri.

From the June 1, 1977 Board of Directors minutes:

A motion was made, seconded and approved to increase the college's borrowing limit for capital improvement projects from \$1,330,000 to \$1,500,000, pledging unrestricted endowment assets as collateral.

From the July 11, 1978 Executive Committee (Conference Call) Minutes:

Mr. Hyland explained that expenses in connection with the football/soccer field were: \$275,000 for Super Turf, \$40,000 less \$20,000 gift = \$20,000 to Fred Weber Co., \$24,000 to Maplewood Construction Co., sweeper and liner \$10,000 totaling \$335,000. In addition there will be miscellaneous expenses to take care of erosion, etc.

Mr. Bidwill had made a gift of \$100,000 to Lindenwood which will be applied to the above expenses. Application has been made to First National Bank in St. Louis for a loan in the amount of \$240,000, using the Football Cardinal contract as the main security. Under this contract Lindenwood will be paid \$25,000 a year for eight years. The old loan of \$1,200,000 would stand as it. Authorization was given for a line of credit of \$1,500,000; \$1,200,000 has been used.

Mr. Babcock moved to authorize a loan of \$240,000 with First National Bank in St. Louis, the terms to be worked out by the Chairman.

Mr. Brown seconded the motion which was passed.

[Faint signatures and titles of officers: The President of the Corporation, Chairman of the Corporation, President of the College, Vice President of the College]

RESOLUTIONS OF CORPORATE BOARD
Authority to Procure Loans

I HEREBY CERTIFY that I am the duly elected and qualified Assistant Secretary of Lindenwood Female College and the keeper of the records and corporate seal of said Corporation; that the following is a true and correct copy of resolutions duly adopted at a meeting of the Board of Directors thereof held in accordance with its By-Laws at its offices at St. Charles, Missouri, on the 6th day of October, 1976, and that the same are now in full force.

RESOLUTIONS

RESOLVED, That the officers of this corporation or their successors in office are hereby authorized, in the name of the corporation, to arrange for the granting of a continuing line of credit with the First National Bank of St. Charles, to an amount not exceeding \$1,200,000 for capital purposes and an additional \$600,000 for current operations.

RESOLVED FURTHER, That the Vice President of the Corporation or the Treasurer of the corporation and the President of the College or the Vice President of the College are hereby authorized to execute and deliver on behalf of the corporation from time to time promissory notes evidencing the indebtedness of the corporation on such further terms and conditions as to payment dates and interest rates as they may deem advisable.

RESOLVED FURTHER, that said Bank be and it is hereby authorized and directed to pay the proceeds of any such loans or discounts as directed by the persons so authorized to sign.

RESOLVED FURTHER, that this resolution shall continue in force, and said Bank may consider the holders of said offices and their signatures, respectively, to be and continue as set forth in the certificate of the Secretary of this corporation accompanying a copy of this resolution when delivered to said Bank or in any similar subsequent certificate, until notice to the contrary in writing is duly served on said Bank.

I HEREBY FURTHER CERTIFY that the following named persons have been duly elected to the offices set opposite their respective names, that they continue to hold these offices at the present time, and that the signatures appearing hereon are the genuine, original signatures of each respectively:

Mary J. Hill Vice President of the Corporation

[Signature] Treasurer of the Corporation

[Signature] President of the College

[Signature] Vice President of the College

IN WITNESS WHEREOF, I have hereunto affixed my name as Secretary and have caused the corporate seal of said Corporation to be hereto affixed this 10th Day of November, 1976.

Mary E. Yonker Mary E. Yonker, Assistant Secretary

RESOLUTIONS OF CORPORATE BOARD
Authority to Pledge Securities

I HEREBY CERTIFY that I am the duly elected and qualified Assistant Secretary of Lindenwood Female College and the keeper of the records and corporate seal of said Corporation; that the following is a true and correct copy of resolutions duly adopted at a meeting of the Board of Directors thereof held in accordance with its By-Laws at its offices at St. Charles, Missouri on the 6th day of October, 1976, and that the same are now in full force.

RESOLUTIONS

WHEREAS, by a Resolution dated the 6th day of October, 1976, certain officers of this Corporation were authorized to borrow from the First National Bank of St. Charles up to \$1,800,000 under a line of credit; and

WHEREAS, the First National Bank of St. Charles is requiring as a condition of extending said line of credit that certain Collateral be pledged to said Bank under a Collateral Pledge Agreement which has been examined by all the members of this Board; and

WHEREAS, it is deemed in the best interest of this Corporation to obtain said loan on such a secured basis,

NOW THEREFORE, be it resolved that the Vice President of this Corporation or the Treasurer of this Corporation and the President of this College or the Vice President of this College are hereby authorized to execute and deliver on behalf of this Corporation a Collateral Pledge Agreement in substantially the same form presented to this Board, thereby pledging in accordance with the terms of said Agreement the Collateral listed thereunder, which is held in this Corporation's Unrestricted Endowment Fund, TD 50 45277 00, managed and held by St. Louis Union Trust Company, and in this Corporation's Unrestricted Endowment Fund 098390L62, managed and held by the Mercantile Trust Company.

I HEREBY FURTHER CERTIFY that the following named persons have been duly elected to the offices set opposite their respective names, that they continue to hold these offices at the present time, and that the signatures appearing hereon are the genuine, original signatures of each respectively:

Mary J. Hall Vice President of the Corporation
[Signature] Treasurer of the Corporation
Delaine C. Spencer President of the College
Richard Berg Vice President of the College

IN WITNESS WHEREOF, I have hereunto affixed my name as Assistant Secretary and have caused the corporate seal of said Corporation to be hereto affixed this 10th Day of November, 1976.

Mary E. Yonker Mary E. Yonker, Assistant Secretary

MINUTES
EXECUTIVE COMMITTEE
AUGUST 24, 1979

The Executive Committee of the Board of Directors of The Lindenwood Colleges convened at the Noonday Club, St. Louis, August 24, 1979, at 12:15. Present were: Robert Hyland, David E. Babcock, George W. Brown, Mrs. Russell J. Crider, Jefferson L. Miller, guest, and Robert Johns

Chairman Hyland convened the meeting and discussed some of the general situations confronting the college and asked Mr. Johns to explain the problems that had arisen in connection with the contract with Food Service Management. Mr. Johns gave a general description of the situation and our contract with Food Service Management, and indicated that Boyd, Franz, and Stephans, Lindenwood's auditors, and representatives of Coopers and Lybrand, auditors for the St. Louis Football Cardinals, are currently doing an audit and will report back within the week on their findings.

Mr. Johns explained the need to relocate students from Ayres to Irwin and Parker. Parents of all students under the age of 21 will be notified of this move and will be given the option to have their son or daughter relocated to a dormitory that is not divided.

A resolution was passed commending Dr. James F. Hood on his service and performance during the period between presidents.

A resolution was passed commending Mary Yonker on her service not only during this period but during the years she has been at Lindenwood. The President was notified to increase her compensation by \$2,000 a year beginning August 1, 1979.

There was a general discussion about programs for Master's in Business Administration. Mr. Johns indicated that he would like to visit with Mr. Chapman about giving some assistance in this area.

After other general items of discussion the meeting was adjourned at 1:30.

Robert Johns
Secretary Pro Tem

AGENDA
EXECUTIVE COMMITTEE
OF
BOARD OF DIRECTORS
THE LINDENWOOD COLLEGES
OCTOBER 16, 1979

I. Call to order - Mr. [Name]

I. Call to order

II. Food Service Management - St. Louis Cardinals-Lindenwood College problem

III. Audit and losses

IV. Need for new faculty contracts for next year.

V. Personnel replacements

VI. Other business

VII. Adjournment

A. Report of the President - President Johns

B. Other business

V. Adjournment

The Lindenwood Colleges

San Charles, Missouri 63301

AGENDA BOARDS OF THE LINDENWOOD COLLEGES 1979 OCTOBER 16, 1979

I. Call to order - Mr. Hyland

II. Minutes of meetings of June 26 and August 8, 1979

III. Reports of Board committees

A. Fund-raising and Development - Mr. Hannegan

B. Finance - Mr. Biggs

C. Facilities - Mr. Miller

D. Board-Faculty Liaison - Mr. Pundmann

E. Executive - Mr. Hyland

IV. Executive Session - Mr. Hyland

A. Report of the President - President Johns

B. Other business

V. Adjournment

The Lindenwood Colleges

Saint Charles, Missouri 63301

October 12, 1979

President Robert Johns
The Lindenwood Colleges
St. Charles, MO 63301

Dear Dr. Johns:

I wish to request an immediate appropriation of \$7,465 for the purchase of instructional equipment in the Department of Communication Arts. Secondly, I request an additional \$300 be immediately added to the monthly departmental budget for the employment of a second part-time audio engineer.

As you know, I am new to the faculty of The Lindenwood Colleges. I have inherited a good news-bad news situation in the broadcasting area of the Communication Arts Department. Lindenwood has a great reputation in preparing quality graduates for professional broadcasting. Approximately 15% of all day-time Lindenwood students are Communication Arts majors. Projections indicate the potential to triple the number of majors recruited over the next three years. We have the potential for maintaining the best broadcast education program within a 450 mile radius.

However, we are facing a serious crisis. The restrictions in the budget of recent years has led to a major deterioration of the equipment used in the broadcasting program. Our biggest problem stems from the lack of equipment maintenance. In fact, the earlier emergency appropriation of \$800 was the only thing that kept KCLC-FM on the air.

Over the past several years, broadcast equipment has been deteriorating and wearing out. The Communication Arts Department made the decision to place all available funds in the operation of KCLC-FM. Since money was not available to replace worn-out equipment, all operational equipment was transferred to the KCLC broadcast control room. There is no operational equipment left for the instruction of beginning students. This fall 24 students are enrolled in the basic radio production class. To this point, I have concentrated on the theoretical aspects of radio production. However, this is a "hands-on" type course and if instructional equipment is not in operation by November 1, I will have to give every member of the class the grade of "incomplete" and wait for the procurement of instructional equipment.

We have an excellent chief engineer in Paul Grundhauser. Paul is a full-time engineer with KMOX-CBS radio. However, Paul is only employed on a part-time basis with Lindenwood and cannot maintain all of the present equipment. He does the best he can in two days time each week. (His services far exceed the \$300 he is paid each month.) Thus, we desperately need a second part-time engineer to maintain equipment. Bill Ott, another a KMOX-CBS radio engineer,

PRODUCTION STUDIO EVALUATION

has agreed to work with us if funding is available. Bill is a former KCLC-FM chief engineer and is extremely competent. If both engineers were available we would be able to better maintain our existing equipment, install new equipment, and extend the life expectancy of each piece of broadcast equipment in our possession. Thus, the addition of a second part-time engineer will actually save money on the long-term basis.

Enclosed with this letter is a list of equipment for purchase. I have prepared the list with the aid of our chief engineer. The equipment was drawn up with the following considerations: life expectancy, cost efficiency, and availability. All equipment would be available and could arrive on campus within 7 days of a telephone order.

In addition, I have included an evaluation of the equipment in the current KCLC production studio. This room was intended for instructional purposes for the basic radio production students. To summarize the evaluation, the cost of repairing each item will exceed the cost of replacement.

In summary, our Communication Arts Program is in a crisis situation. We immediately need \$7,465 to teach the basic class in the broadcasting program. We need to immediately employ a second part-time engineer to help maintain existing equipment and prevent further deterioration. This request and appropriation will by no means solve all of our problems, however, we will be able to maintain our program and turn the corner on its current downhill slide.

I am at your convenience to answer any questions pertaining to this request.

Sincerely,

James A. Wilson

Jim Wilson
Director of Broadcasting

JW:lm

PRODUCTION ROOM EQUIPMENT LIST (mono)

Qty	Equipment	Manufacturer's ID #	Price \$	Total price
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PRODUCTION STUDIO EVALUATION

<u>Necessary Major Items of Equipment</u>	<u>Status of Present Equipment</u>
Studio control and remote unit, Sparta 5-mix solo, 2 turntables, preamps, cartridge and styl, with step attenuators	AC-155C (Catal) \$2800.00 \$2800.00
2 reel-to-reel tape recorders	1 reel-to-reel tape recorder (vintage early 1960s, does not record consistently, does not change speeds, very low quality reproduction)
2 turntables	1 turntable with no turn arm and a questionable motor 1 turntable which operates but the speed of revolution is inconsistent
2 cartridge tape machines (1 player and 1 recorder and player)	1 recorder/player (player portion malfunctions 100% of the time) 1 player (player portion malfunction approximately 33% of the time) (Both machines have extremely low reproduction quality and would be of mediocre quality if totally rebuilt.)
1 control board (5-6 channels)	1 control board (6 channels) which was not designed for our purposes (1 channel is non-functional, 2 channels short-out regularly, most electrical components need to be replaced)
microphones	1 mediocre quality microphone but others could be used when not in use at KCLC

The above is a "bare bones" type list for a viable production studio and control room. Not included in the costs listed above is the labor for installation. This will be a workable production facility, but will not be capable of everything that the other FM control room is capable of now. The prices listed above are current as of September 19, 1979.

PRODUCTION ROOM EQUIPMENT LIST (mono)

<u>Qty</u>	<u>Equipment</u>	<u>Manufacturer's ID #</u>	<u>Price @</u>	<u>Total price</u>
1	Studio control and remote unit, Sparta 5-mixer console, 2 turntables, preamps, cartridge and styli, with step attenuators	AC-155C (Cetec)	\$2800.00	\$2800.00
2	Tape decks, TEAC, stereo, 10½ inch recorder/reproducer, 7½-15 IPS	3300SX-2T (TEAC)	\$1000.00	\$2000.00
1	Cart machine, ITC PD-II, mono, recorder/reproducer	PD-II Recorder/Reproducer	\$895.00	\$ 895.00
2	Spools, wire, Belden #8451 1000 feet, gray jacket	Belden #8451	\$79.45	\$ 158.90
5	Microphone desk stands, Atlas Model DS-7	DS-7 (Atlas) (order from Olive)	\$7.15	\$ 35.75
1	Rack cabinet, Bud, dim. 69 7/8" x 22" x 21"	60-2304GGY (Bud) (order from Olive)	\$392.80	\$ 392.80
2	Patch bays, McCurdy Model SA 10802	SA 10802 (McCurdy)	\$115.00	\$ 230.00
5	Patch cords, McCurdy Model SA 10133	SA 10133 (McCurdy)	\$15.00	\$ 75.00
1	Microphone mixer, TEAC, Model 2 with meter bridge	Model 2 (TEAC)	\$600.00	\$ 600.00
1	Microphone boom for control room, LEL Model MB-360	MB-360 (LEL) (order from LEL #6425)	\$62.00	\$ 62.00
2	Boxes, crimp connectors, Vaco, insulated, wire size 18-22, stud size #8, 1000pcs	63208 (Vaco) (order from Olive)	\$63.01	\$ 126.02
32	Barrier strips, TRW Model 18-141	18-141 (TRW) (order from Olive)	\$2.70	\$ 86.40

The above is a "bare bones" type list for a viable production studio and control room. Not included in the costs listed above is the labor for installation. This will be a workable production facility, but will not be capable of everything that the other FM control room is capable of now. The prices listed above are current as of September 19, 1979.

October 11, 1979

ENROLLMENT REQUIREMENTS

1980-81

PROPOSED FEE STRUCTURE

<u>Type of Student</u>	<u>Now</u>	<u>Capacity</u>	<u>Difference</u>	<u>Enrollment</u>
<u>TUITION</u> (12-16 hrs, full-time)				
Overload \$100 s.h., (over 16 hours)				
		<u>Present</u>		<u>Effective June 1, 1980</u>
Full-time	223	\$2,975	227	\$ 3,300
Activity Fee	476	75	24	110
Health Fee		30		50
Part-time: Day		85 s.h.		100 s.h.
Evening		75 s.h.		75 s.h. up to 9 s.h.
	101			100 s.h. for over 9 hours

ROOM AND BOARD

Room	\$ 600-1,000	\$ 800-1,200
Board	1,225	1,500

COURSE FEES

Lab	\$ 5-15	\$ 15
Studio	10-35	50
Travel	as needed	as needed
Riding Instruction	115-175	250
Stable Rental	125	150
Practice Teaching	100	125
Music	45-90	90-180 (1-2 s.h.)
Graduation	30-35	35
Practicum/Critical Life Evaluation	(30+7) - 40	40 per hour
Application fee (for admission)	15	25

REGISTRATION FEES

Late Fee	\$ 25
Course Change	10

CONFIDENTIAL

CONFIDENTIAL

MINUTES OF THE
JOINT MEETING
OF THE
ENROLLMENT REQUIREMENTS
1980-81

THE LINDENWOOD COLLEGES*

<u>Type of Student</u>	<u>Now</u>	<u>Capacity</u>	<u>Difference</u>	<u>Recruitment</u>
Full-time in dorms	204	450	246	300
Full-time day	273	500	227	300
Evening-Undergraduate	476	500	24	50
Evening:				
MBA	181			
M.Ed.	63			
Master's Theatre	<u>4</u> 248	350	102	200
L.C. 4				
Undergraduate	128			
Graduate	<u>75</u> 203	260	57	100

Board of Directors

- David E. Babcock
- John H. Blum
- George W. Brown
- Mrs. Russ J. Crider
- Mrs. James C. Hamill
- John C. Hannegan
- Robert Hyland
- Walter L. Metcalfe, Jr.
- Jefferson L. Miller
- Roland T. Pundman
- Mrs. Dorothy Warner
- E. J. Wipfler, Jr., M.D.

Board of Overseers

- Mrs. K. K. Barton

Honorary Life Members

- Mrs. Arthur Stockstrom

* - The Lindenwood Colleges Founded in 1827 and chartered in 1853 as Linden Wood Female College. New corporate structure of Lindenwood Female College approved by Circuit Court of St. Charles County March 7, 1977.

The following members of the Administration were present:

CONFIDENTIAL

MINUTES OF THE

CONFIDENTIAL

JOINT MEETING

OF THE

BOARDS

OF

THE LINDENWOOD COLLEGES*

Robert Johns, President
 John S. Burd, Associate in Charge of Lindenwood Evening
 College and Lindenwood Board for Individualized Education
 Frank W. Hetherington, Director of Admissions and Student Aid
 James F. Hood, Treasurer
 Harriet Marsh, Dean of Students
 Joseph W. Schwarzbauer, Director of Financial Administration
 Mary Yonker, Assistant to the President and Assistant Secretary

St. Charles, Missouri
 October 16, 1979

The meeting of the Board of Directors of The Lindenwood Colleges, the Board of Overseers and honorary life members of the Board was held at The Lindenwood Colleges in the Red Room of Ayres Dining Hall, October 16, 1979, pursuant to call and notice given each member of the Board in accordance with the bylaws.

Chairman Robert Hyland called the meeting to order at 1:00 P.M.

The following members of the Board of Directors, being a quorum, members of the Board of Overseers and honorary life members were present:

Board of Directors

Mr. Hyland David E. Babcock
 John H. Biggs
 George W. Brown
 Mrs. Russell J. Crider
 Mrs. James C. Hamill
 John C. Hannegan
 Robert Hyland
 Walter L. Metcalfe, Jr.
 Mr. Biggs Jefferson L. Miller
 Roland T. Pundmann
 Mrs. Dorothy Warner
 E. J. Wipfler, Jr., M.D.

Board of Overseers

Mrs. K. K. Barton

Honorary Life Members

Mrs. Arthur Stockstrom

* - The Lindenwood Colleges Founded in 1827 and chartered in 1853 as Lindenwood Female College. New corporate structure of Lindenwood Female College approved by Circuit Court of St. Charles County March 7, 1977.

The following members of the Administration were present: it was some time

back taking Robert Johns, President
John S. Burd, Associate Dean in charge of Lindenwood Evening
the Board College and Lindenwood College for Individualized Education
Frank W. Hetherington, Director of Admissions and Student Aid
The James F. Hood, Provost
Harriet Marsh, Dean of Students
report. Joseph W. Schwarzbauer, Director of Financial Planning and
Administration
Mr. Mary Yonker, Assistant to the President and Assistant Secretary
of the Board of Directors

since the last Board meeting. The Executive Committee is charged with the ongoing
Mr. Robert F. Kelly, of Boyd, Franz & Stephans, Certified Public Accountants,
of the college under President Johns' leadership and most of the meetings, there-
attended part of the meeting.

fore, have been dialogue meetings. Cancelling the contract with Food Service
The meeting was opened with silent prayer.

Management and the need to relocate students from Ayres Hall to Parker Hall were
Mrs. James C. Hamill asked that her name be deleted as being present at
the main items discussed at the September 17 meeting.

the meeting on August 8, 1979 since she was not at the meeting. A motion was
made, seconded and passed to approve the minutes of the August 8, 1979 meeting

made, seconded and passed to approve the minutes of the August 8, 1979 meeting
President Johns, Miss Yonker, and Mr. Kelly were asked to remain for the executive
as corrected.

session. Other members of the administration were excused from the meeting.

Mr. Hyland read a letter from Deann D. Smith (Mrs. J. L.) resigning from
the Board of Overseers because she and her family have moved to Oklahoma which
auditors. A letter from Boyd, Franz & Stephans has been submitted to the Executive
makes it impossible for her to attend meetings on a regular basis. A motion
Committee to explain what the auditors are doing and what they will do. A copy
was made, seconded and approved to accept Mrs. Smith's resignation with regret.

of the letter is attached to the official copy of the minutes. Mr. Kelly said
Mr. Biggs, Chairman of the Finance Committee, reported that the new budget
that he had met with the new controller when he came a year ago and offered
will be reviewed shortly. Some of our debts have been paid, but the college is
assistance but has not been called on for it. When the auditors came out early
not yet out of trouble. Members of the Finance Committee and President Johns
in July, they were informed that the books were not ready and were asked to come
met with bank officers. It was the consensus that this was an instructional
back in two weeks. After the audit was started, it was found that many accounts
meeting and that changes recommended by bank officers had been made. Mr. Biggs
were not in agreement and not handled properly. It has been necessary for the
also reported that the audit for last year has not been completed but there
auditors to make \$2 adjustments to date
probably will be a deficit of over \$400,000.

Mr. Kelly gave the following General Fund figures as of last May:
Mr. Miller, Chairman of the Facilities Committee, said that the main topic
of the committee is the possible sale of the farm. Arrangements have been made
to have technical aerial photographs of the property taken. The value of the

October 16, 1979

property for residential development probably is not as high as it was some time back taking into consideration building costs, interest and other developments the Board imagined before. Various uses of the property are being investigated.

The Chairman of the Board-Faculty Liaison Committee, Mr. Pundmann, had no report.

Mr. Hyland reported that the Executive Committee has had several meetings since the last Board meeting. The Executive Committee is charged with the ongoing of the college under President Johns' leadership and most of the meetings, therefore, have been dialogue meetings. Cancelling the contract with Food Service Management and the need to relocate students from Ayres Hall to Parker Hall were the main items discussed at the September 17 meeting.

A motion was made, seconded and passed to meet in executive session. President Johns, Miss Yonker, and Mr. Kelly were asked to remain for the executive session. Other members of the administration were excused from the meeting.

At President Johns' request, Mr. Kelly reported on the findings of the auditors. A letter from Boyd, Franz & Stephans has been submitted to the Executive Committee to explain what the auditors are doing and what they will do. A copy of the letter is attached to the official copy of the minutes. Mr. Kelly said that he had met with the new controller when he came a year ago and offered assistance but has not been called on for it. When the auditors came out early in July, they were informed that the books were not ready and were asked to come back in two weeks. After the audit was started, it was found that many accounts were not in agreement and not handled properly. It has been necessary for the auditors to make 82 adjustments to date.

Mr. Kelly gave the following General Fund figures as of last May:

Cash		\$114,597
Accounts receivable	\$150,970	
Reserve	103,142	47,828
Accounts receivable other		22,500
Inventories		62,992
NDSL		98,375
Investments		10,500
Prepaid equipment		30,824
Prepaid expense		<u>1,668</u>
		\$388,744
Bank overdraft		\$115,170
Payable and agency account		<u>637,324</u>
		\$752,494
Notes payable		<u>2,583,615</u>
Deficit		2,947,365
Increase in borrowing		\$700,000
Construction		380,634
Deficit		480,000
Donation		100,000

Mr. Kelly continued by saying that President Johns had asked the auditors to look carefully into various accounts. One of the things they see is probably revamping the accounting system in order to furnish more complete information and to have close checks. The financial report has not been completed because of some unusual problems.

President Johns elaborated on Mr. Kelly's report by saying that the next step will be for Boyd, Franz & Stephans to develop an accounting system applicable to this type of institution, which we are now attempting to staff. We have had a situation that is not uncommon, but is improper. The bookstore is now entirely a separate enterprise with a separate bank account. The bookstore will be expected to make a profit of 18% on sales. Food service funds were co-mingled and funds were handled improperly. The contract of Food Service Management has been cancelled and we are now managing our own food service. The dormitories will be set up as separate funds. There is a capacity for 450 in dormitories and Cobbs Hall will be taken out of use as a conference center and will be used

for students. The horsemanship program will be a separate entity. The cost per student in this program is \$726 for which we have been charging \$150. There has been no inventory of animals, feed, etc. and this will be corrected immediately. The student center will also be a separate account, as well as the radio station and the theatre.

Mr. Kelly left the meeting.

President Johns began his report by saying that if the college ultimately should close, creditors might claim against the Board. There has been no neglect on the part of the Board, however, but on the part of the Administration. The President believes that it is his responsibility to keep the Board informed of the condition of the college as he sees it. He does not anticipate management structural changes. There is a place for a successful liberal arts college here. It is his plan to have 70% women and 30% men in the full-time student body. The Evening College will remain primarily as it is. The Admissions Office has been given targets for enrollment for the coming year. The President then commented on some changes he has made and some he will make. There are a few endowed scholarships but other scholarships are actually discounts and will be reduced and eventually eliminated. Nothing can be ordered or purchased without the approval of the President or the Director of Financial Planning and Administration. No check can be sent without the President's approval. The plant is not in as bad repair as it appears to be, but the maintenance has been very poor. This will be corrected. The President tries to cover every building on the campus every day. Ayres Hall is out of use because it had not been properly maintained and supervised, and it was dangerous for students to live in the building. Dormitories and furnishings last year were damaged in excess of \$50,000. The room contract this year states that students will replace any damage they do at the full current new retail price, plus 25% service and handling charge. All labor costs will be

charged at the rate of \$12.50 per hour, and shall be in addition. Thirty days after notification all costs billed to the student and not paid shall bear the maximum legal interest charges allowed by law. A complete inventory system is being developed. Faculty loads are presently figured at 7 courses a year a person regardless of the number of students. The numbers most commonly used are 12 credit hours a term times 20 students, making 240 student contact hours. At the present time only two faculty members are teaching a full load. Many, however, put in a full work load.

President Johns emphasized that he had complete confidence that conditions can be corrected and that the college will be out of the red by July 1981. At that time efforts will be made to recover endowment funds. He said that he could not with integrity ask people to give money until we are certain that our accounts are in proper shape.

A series of four letters will be sent to alumni by the end of the fiscal year with a goal of \$750,000 being received from alumni by July 1980. Meetings with alumni are being set up in various cities.

Many students want to assist in any way they can. Various activities are being planned for them including having them call their friends who are still in high school during the evenings on the WATS line urging them to come to Lindenwood. When applications are received from prospective students, an administrative officer will call the student inviting her/him and her/his parents to visit the campus.

President Johns said he would like the Board to meet not less than three times a year with the next Board meeting being in late January or early February. Board members will be polled to find the most convenient date for everyone. In addition, meetings will begin at 9:00 A.M. so that Board members can take time to look at facilities with meetings ending at 4:00 P.M.

In concluding his report President Johns said he will keep Board members informed by mail of good developments as well as bad, and has instructed people responsible for printing that Board members are to be on the list for everything.

Mr. Hyland commented that the progress in the last few months under the leadership of the new president has been tremendous and that hopefully we are on the way to salvation of the college.

Following a question as to how the President plans to use Board members, President Johns said that he had made an agreement the day he was employed that he would never ask Board members for money. They will know the financial condition of the college at least every sixty days and their respective consciences can be their guide. He did ask for the cooperation of Board members in getting him in to see some people who can help the college. Mrs. Terrie Rollings, who is now Consulting Coordinator for the Development Program, will be in touch with Board members.

On the recommendation of Mr. Pundmann it was agreed that the Secretary of the Board should write Boyd, Franz & Stephans that if there are any irregularities they should contact the Chairman of the Board and not the Administration. A copy of the letter will be sent to all members of the Board.

Mr. Metcalfe reported that on the President's recommendation a separate Executive Payroll Account will be set up so that these checks do not go through the Business Office. The checks will be prepared by Mr. Metcalfe's office at no charge to the college. On motion made, seconded and passed, the following

resolution was adopted:

RESOLVED, That the Mercantile Bank of St. Charles County be and it hereby is designated as a depository of funds of The Lindenwood Female College in a commercial checking account, to be designated on the books of the Bank as Payroll account.

October 16, 1979

FURTHER RESOLVED, That funds in such checking account with said Bank be subject to withdrawal or debit from time to time upon checks, notes, drafts, bills of exchange, acceptances, or other instruments or orders for the payment of money when signed, drawn, made or accepted in behalf of this company by the following officers and/or agents of the Company:

Walter L. Metcalfe, Jr.
 William F. Neal
 Edward W. Rolle

FURTHER RESOLVED, That any officer or agent of this Company be, and hereby is, authorized to deposit any of the funds of this Company in said checking account, for deposit or collection, without endorsement or with endorsement (by stamp or otherwise), without designation of such Officer or agent making the endorsement of this Company.

FURTHER RESOLVED, That Bank is hereby authorized to pay any instrument referred to in the second paragraph, and to charge same against said checking account carried with Bank by this Company, when executed as therein provided, without any duty of inquiry as to the circumstances of issue or disposition of the proceeds, and even if payable to the individual order of the person hereinabove authorized to sign, or countersign, whether payable to Bank, or any other, for his account, or payable to cash or bearer and presented for payment by him or for deposit to his account or in payment of his individual obligation.

FURTHER RESOLVED, That the Secretary or other officer of this Company be, and hereby is, authorized to certify to Bank the names of the present officers of this Company and other persons authorized to sign for it and the offices, respectively, held by them, together with specimens of their signatures; and in case of any change of any office holder, the fact of such change and the name of any new officer together with specimen of his signature; and Bank is hereby authorized to honor any instrument signed by any new officer or officers in the foregoing resolutions.

FURTHER RESOLVED, That until the Bank has actually received notice in writing from the Secretary or any officer of this Company of any change in these resolutions, Bank is authorized to act in pursuance hereof and shall be indemnified and saved harmless by this Company from any loss or liability incurred by it in acting pursuant to these resolutions.

The undersigned further certifies that the present officers of said Company, and the offices respectively held by them, are as follows:

Robert Hyland	Chairman
David E. Babcock	Vice Chairman
Walter L. Metcalfe, Jr.	Secretary
John Biggs	Treasurer
Robert Johns	President

BOYD, FRANZ & STEPHANS

CERTIFIED PUBLIC ACCOUNTANTS

10131 CORPORATE SQUARE DRIVE

St. Louis, Missouri 63132

October 16, 1979

Board Minutes

- 9 -

JOSEPH S. STEPHANS, C.P.A.

ROBERT F. KELLY, C.P.A.

(314) 391-1400

There being no further business, the meeting was adjourned.

September 25, 1979

Mary Yonker
Assistant Secretary

Approved:

President and
Board of Directors
The Lindenwood Colleges
St. Charles, Missouri 63301

Walter L. Metcalfe, Jr.

Secretary Re: Preliminary Management Report

Gentlemen:

In connection with our audit of The Lindenwood Colleges as of May 31, 1979 we reviewed the accounting system and the system of internal control. At this date we have not completed the audit, but we believe it is essential to inform management of certain weaknesses in the accounting system and the system of internal controls. Although our audit procedures were not conducted so as to disclose all weaknesses in the accounting system and system of internal controls, we have noted deficiencies in areas of internal controls, recording of transactions, Endowment Funds, NDSL Fund, Plant Funds and offer the following comments and recommendations which are not all inclusive nor are they listed in the order of importance:

We received the trial balance for the year ended May 31, 1979 on July 24, 1979. Since obtaining the trial balance adjustments to income and expense accounts have totaled approximately \$890,000.

The substantial adjustments indicate that any statements, reports, comparison to budgets, etc. based on the books and records would be inaccurate. We will comment on the adjustments of individual accounts in the following paragraphs:

Cash

Cash accounts required adjustments in excess of \$258,000. This was due mainly to not recording Endowment Fund income for the entire year. The operating fund bank account had not been reconciled since February, 1979. No one has the specific responsibility for reconciliation of cash accounts.

September 25, 1979

BOYD, FRANZ & STEPHANS

CERTIFIED PUBLIC ACCOUNTANTS

JOSEPH B. STEPHANS, C. P. A.
ROBERT F. KELLY, C. P. A.

10131 CORPORATE SQUARE DRIVE
ST. LOUIS, MISSOURI 63132

(314) 991-4400

September 25, 1979

The President and
Board of Directors
The Lindenwood Colleges
St. Charles, Missouri 63301

Re: Preliminary Management Report

Gentlemen:

In connection with our audit of The Lindenwood Colleges as of May 31, 1979 we reviewed the accounting system and the system of internal control. At this date we have not completed the audit, but we believe it is essential to inform management of certain weaknesses in the accounting system and the system of internal controls. Although our audit procedures were not conducted so as to disclose all weaknesses in the accounting system and system of internal controls, we have noted deficiencies in areas of internal controls, recording of transactions, Endowment Funds, NDSL Fund, Plant Funds and offer the following comments and recommendations which are not all inclusive nor are they listed in the order of importance:

We received the trial balance for the year ended May 31, 1979 on July 24, 1979. Since obtaining the trial balance adjustments to income and expense accounts have totaled approximately \$890,000.

The substantial adjustments indicate that any statements, reports, comparison to budgets, etc. based on the books and records would be inaccurate. We will comment on the adjustments of individual accounts in the following paragraphs:

Cash

Cash accounts required adjustments in excess of \$258,000. This was due mainly to not recording Endowment Fund income for the entire year. The operating fund bank account had not been reconciled since February, 1979. No one has the specific responsibility for reconciliation of cash accounts.

The general ledger reflected a balance of \$5,300 while the detail was less than \$1,000. The detail listing was not readily available but required an analysis of the general ledger account. The required adjustment was the result of incorrect journal entries.

The Lindenwood Colleges

September 25, 1979

All transactions must be recorded properly in order for the books and records to reflect the financial condition of The College. All bank accounts must be reconciled monthly and the reconciliation approved by someone other than the party preparing the reconciliation or recording cash transactions. The reconciliation should be agreed to the general ledger balance.

Accounts receivable - Students

The accounts receivable detail print-out was not in agreement with the general ledger control account by approximately \$17,000. After detail analysis it was discovered this was mainly the result of a key punch error. The accounting department personnel did not know they should compare totals of input data to computer prepared schedules.

We have increased the provision for accounts receivable doubtful of collection by \$66,000 as of May 31, 1979. We had established at May 31, 1978 a provision for doubtful accounts of \$38,000. This provision totaling \$104,000 represents amounts due from students which are at least one year old.

The billing and collection procedures are not co-ordinated between accounting department and the registrar's office.

We recommend that all detail print-outs be agreed monthly to the general ledger control account. We also recommend billing and collection procedures be co-ordinated between accounting department, registrar's office and attendance of the students in class. Also a policy should be established as to when payment must be received from the student before permitting the student to return to class.

Accounts receivable - Conferences

The accounts receivable were not in agreement with the detail schedule. This required an adjustment of approximately \$9,000. Also Mr. P. J. Wyand informed us that the charges for conferences conducted during the year amounting to \$2,400 will not be collectible.

We again recommend the detail listings be agreed to the general ledger. We also recommend the billing procedures be reviewed and, if necessary, deposits be obtained in advance.

Accounts receivable - Campus

The general ledger reflected a balance of \$5,300 while the detail was less than \$1,000. The detail listing was not readily available but required an analysis of the general ledger account. The required adjustment was the result of incorrect journal entries.

The Lindenwood Colleges

September 25, 1979

Again, detail accounts receivable records must be maintained and in agreement with the general ledger control accounts. Comments on journal entries are later in this report.

Accounts receivable - Miscellaneous

The general ledger showed a balance of \$33,500 while the detail was \$5,500. This account had not been reconciled since October, 1978.

All accounts must be reconciled monthly and should be the specific responsibility of an assigned individual.

Accounts receivable - Delinquent

The accounting department personnel were not able to furnish us a list of the receivables thereby requiring detail analysis of the account.

Subsidiary ledger should be maintained for all detail accounts.

Summerstage - 1978

The expenses of Summerstage 1978 were reflected as an asset on the balance sheet of The College. This required a net adjustment to expense of \$104,000.

Accounts payable

The detail list of accounts payable had not been reconciled with the general ledger for the entire year. The detail list was out of balance with the control account by approximately \$79,000.

Our analysis of the records disclosed additional unrecorded liabilities of approximately \$81,000.

The responsibility for reconciling accounts payable should be assigned to an individual. Also in order to reflect the operations of The College, the accounts payable list must be complete.

Accrued salaries

The accrued salaries detail did not agree with control account by approximately \$65,000. This was the result of reissued payroll checks for part of the year being classified as accounts receivable and part of the year being a duplicate charge for salaries to the departments. This account had not been reconciled since October, 1978.

The Lindenwood Colleges

September 25, 1979

Payroll taxes withheld, etc.

Payroll tax accounts had to be adjusted to the detail payroll reports.

Reserve accounts

Many of the reserve accounts were not used properly and required adjustment at May 31, 1979.

Endowment Funds

On September 24, 1979 after repeated requests we obtained a trial balance as of May 31, 1979 of the Endowment Funds. A review of the print-out disclosed that substantial adjustments will be required to properly reflect investment transactions. This was the first trial balance that had been prepared for a year.

We recommend monthly trial balances of the Endowment Funds along with a review of the transactions to properly record activities in the accounts.

NDSL Funds

The accounts reflected on the records are not in agreement with the loan servicer records. We have requested these records be brought into agreement but as of September 25, 1979 this has not been accomplished.

The Current Fund NDSL account for The College advances has not been adjusted for any transactions during the year.

Loan Fund

The Loan Fund transactions have not been recorded for the year. Also the prior year audit adjustments have not been recorded.

Living Trust Funds

The principal transactions in the Living Trust Funds were not recorded for the year. Also a portion of the income transactions received on the Living Trust Funds assets was posted to incorrect accounts.

Plant Fund

The transactions in the Plant Fund were not recorded for the year.

The Lindenwood Colleges

September 25, 1979

Journal Entries

On many journal entries the accounting department personnel could not locate supporting documents or explain the entries as recorded. Also some journal entries were made in reverse of the proper order.

Journal entries should be approved by someone other than the preparer and should be filed with supporting documents.

Computer System

The computer programs have been changed and added to many times. The individual currently directing the computer operation has little knowledge of accounting and accounting systems.

The budget and income reports generated by the computer are incorrect. Items which should have been reductions to income were actually recorded as additions to income.

The Endowment Funds trial balance which we repeatedly requested was promised for August 13-17th. Due to the computer being down, key punch problems and processing problems, the trial balance was prepared as of September 24, 1979.

The key punch operator at times overrides the coding of the account to be charged.

System of internal controls

Our examination of documents at the safe deposit box and The College vault failed to locate four notes receivable and deeds of trust on property owned by The College.

We recommend all securities be located and kept in the safe deposit box.

Cash receipt pages are not prenumbered.

We recommend prenumbered cash receipt pages and a review of the system for handling to assure that records are not lost or destroyed.

Certain employees may perform several functions in the receipt of cash, recording, depositing and reconciling funds.

We recommend as a strengthening of internal control, a review of the duties of employees be made and the functions be segregated wherever possible.

The Lindenwood Colleges

September 25, 1979

The bookstore personnel do not prepare a report for the accounting department reconciling cash register tapes with the money turned in.

Students have access to separate rooms of the bookstore which are not readily observed by the bookstore attendant.

We recommend a daily reconciliation report of cash be prepared and also consideration be given to restricting certain areas of the bookstore.

Employees counting inventory do not have written instructions for counting the inventory on hand at year end. Also a standard format is not used for recording the inventory.

We recommend complete detail instructions be prepared and furnished to employees responsible for counting inventory at year end. The detail instructions should include inventory count, method of valuation and extension of items included in inventory. Also a standard format should be adopted.

Payroll personnel was not experienced or adequately supervised. This resulted in incorrect entries being made and schedules prepared that did not agree with supporting records.

All accounting personnel should be properly trained and supervised to competently perform their duties.

All checks are to be signed by two individuals. We noted that check no. 7921 was processed with only one signature.

The individual processing disbursements should check that the established accounting procedures are followed.

Contracts are not readily available in a central location.

We recommend a central filing location be established for all contracts.

Employment records covering W-4 forms, employment contracts, etc. were not readily available. Some records were in personnel and some records were in payroll department.

We again recommend a central area for filing these records with an individual responsible for maintaining current records.

The Lindenwood Colleges

September 25, 1979

Purchase orders or requisitions are not always signed and sometimes are not prepared.

We recommend all purchase orders be properly approved and disbursements not made without an approved purchase order.

The data processing department lacks adequate internal controls covering documentation of programs, key punch procedures, and control of input and output data.

Conclusion

In order for any accounting system to function properly there must be qualified technical personnel capable of classifying, recording and interpreting the transactions of The College.

We recommend a qualified individual be employed as soon as possible to supervise the accounting department.

After obtaining the proper individual, the accounting system and the computer application should be thoroughly analyzed. We recommend a new system including procedural manuals be designed and implemented.

Since this is a preliminary report, there may be other areas which we will wish to comment on at a later date.

We shall be pleased to discuss the above items with you at your convenience.

Yours very truly,

Boyd Ranz + Stephens

[Signature]
Robert Johns
President

President Johns: In regard to the above resolutions I cast my vote as follows:

Resolution No. 1	<input checked="" type="checkbox"/> Approved	<input type="checkbox"/> Not approved
Resolution No. 2	<input checked="" type="checkbox"/> Approved	<input type="checkbox"/> Not approved
Resolution No. 3	<input checked="" type="checkbox"/> Approved	<input type="checkbox"/> Not approved
Resolution No. 4	<input checked="" type="checkbox"/> Approved	<input type="checkbox"/> Not approved

David E. Babcock
David E. Babcock

The Lindenwood Colleges

Saint Charles, Missouri 63301 - Office of the President

December 5, 1979

TO MEMBERS OF THE BOARD OF DIRECTORS OF THE LINDENWOOD COLLEGES:

Since Joseph W. Schwarzbauer will be leaving the employ of Lindenwood December 15 and James D. Sands has been employed as Business Manager and Controller, we need new resolutions in regard to financial matters:

I will appreciate it, therefore, if you will return to me the attached copy of this letter indicating your vote on the following resolutions:

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Any two of the following persons: John S. Burd, Associate Dean; James F. Hood, Provost; James D. Sands, Business Manager and Controller; Mary E. Yonker, Assistant to the President.


2. RESOLVED, that any of the following be authorized to enter any and all safety deposit boxes of The Lindenwood Colleges:

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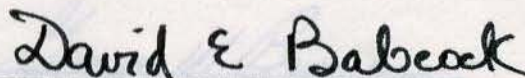
Sincerely,


Robert Johns
President

RJ:MY

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David E. Babcock

Approved by Board

The Lindenwood Colleges

Saint Charles, Missouri 63301 - Office of the President

December 5, 1979

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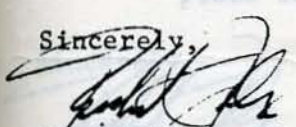
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Sincerely,


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George W. Brown

The Lindenwood Colleges

Saint Charles, Missouri 63301 - Office of the President

December 5, 1979

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Sincerely,

Robert Johns
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President

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Resolution No. 2	<input checked="" type="checkbox"/> Approved	<input type="checkbox"/> Not approved
Resolution No. 3	<input checked="" type="checkbox"/> Approved	<input type="checkbox"/> Not approved
Resolution No. 34	<input checked="" type="checkbox"/> Approved	<input type="checkbox"/> Not approved

Jane Crider
Jane Crider

The Lindenwood Colleges

Saint Charles, Missouri 63301 - Office of the President

December 5, 1979

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Barbara Hamill
Barbara Hamill

The Lindenwood Colleges

Saint Charles, Missouri 63301 - Office of the President

December 5, 1979

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President

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Robert Hyland

The Lindenwood Colleges

Saint Charles, Missouri 63301 - Office of the President

December 5, 1979

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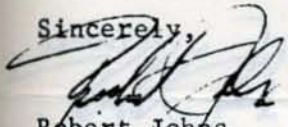
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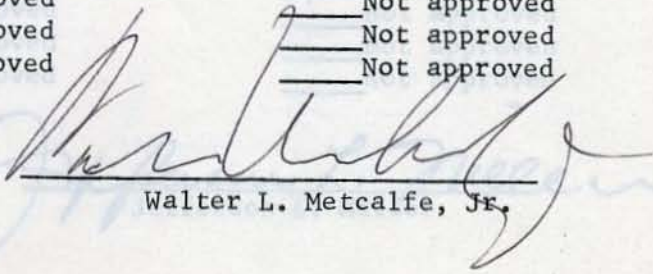
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Walter L. Metcalfe, Jr.

The Lindenwood Colleges

Saint Charles, Missouri 63301 - Office of the President

December 5, 1979

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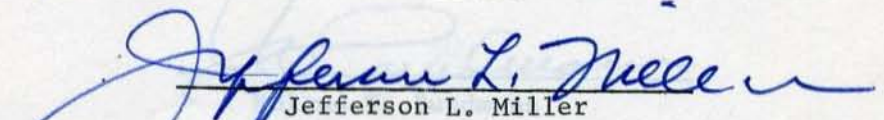
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Jefferson L. Miller

The Lindenwood Colleges

Saint Charles, Missouri 63301 - Office of the President

December 5, 1979

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Resolution No. 4	<input checked="" type="checkbox"/> Approved	<input type="checkbox"/> Not approved


Roland T. Pundmann

12/9/79

The Lindenwood Colleges

Saint Charles, Missouri 63301 - Office of the President

December 5, 1979

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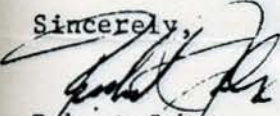
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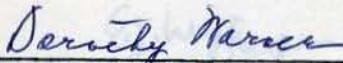
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Dorothy Warner

12/9/79

The Lindenwood Colleges

Saint Charles, Missouri 63301 - Office of the President

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Since Joseph W. Schwarzbauer will be leaving the employ of Lindenwood December 15 and James D. Sands has been employed as Business Manager and Controller, we need new resolutions in regard to financial matters:

I will appreciate it, therefore, if you will return to me the attached copy of this letter indicating your vote on the following resolutions:

- 1. RESOLVED, that the following persons are authorized to sign checks on any and all checking accounts and withdrawal slips on savings accounts for The Lindenwood Colleges:

Any two of the following persons: John S. Burd, Associate Dean; James F. Hood, Provost; James D. Sands, Business Manager and Controller; Mary E. Yonker, Assistant to the President.

- 2. RESOLVED, that any of the following be authorized to enter any and all safety deposit boxes of The Lindenwood Colleges:

John S. Burd, Associate Dean; James F. Hood, Provost; James D. Sands, Business Manager and Controller; Mary E. Yonker, Assistant to the President.

- 3. RESOLVED, that James D. Sands, Business Manager and Controller, be authorized to make short term investments of surplus college operating funds in such vehicles as commercial paper, treasury bills, certificates of deposit, etc.

- 4. RESOLVED, that James D. Sands, Business Manager and Controller, be elected Administrator of the General American Retirement Plan in place of Joseph W. Schwarzbauer.

Sincerely,

Robert Johns
Robert Johns
President

RJ:MY

President Johns: In regard to the above resolutions I cast my vote as follows:

Resolution No. 1	<input checked="" type="checkbox"/> Approved	<input type="checkbox"/> Not approved
Resolution No. 2	<input checked="" type="checkbox"/> Approved	<input type="checkbox"/> Not approved
Resolution No. 3	<input checked="" type="checkbox"/> Approved	<input type="checkbox"/> Not approved
Resolution No. 34	<input checked="" type="checkbox"/> Approved	<input type="checkbox"/> Not approved

E. J. Wipfler, Jr.

E. J. Wipfler, Jr., M.D.

David E. Babcock

DEC 6 - 1979

December 5, 1979

PROPOSED FEE STRUCTURE

Effective
June 1, 1980

TO MEMBERS OF THE EXECUTIVE COMMITTEE:

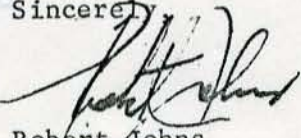
- Robert Hyland
- David E. Babcock ✓
- George W. Brown
- Mrs. Russell J. Crider
- John C. Hannegan
- Walter L. Metcalfe, Jr.

You will recall that at the Executive Committee meeting October 11 we approved charges for 1980-81. Enclosed is copy of that schedule.

After discussion with my colleagues we believe that some of these charges should be increased. I am, therefore, enclosing new proposed fee structure.

Please sign and return as soon as possible the attached copy of this letter indicating whether you approve the new proposed fee structure. We want to notify students before they leave for the holidays of the charges for next year.

Sincerely,



Robert Johns
President

RJ:MY
Encs.

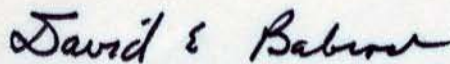
Registration Fees

Late Fee President Johns: \$ 25

Course Change 10

I approve do not approve the proposed

fee structure dated December 5, 1979.



David E. Babcock

December 5, 1979

December 5, 1979

PROPOSED FEE STRUCTURE

<u>Tuition</u>	<u>Present</u>	<u>Effective June 1, 1980</u>
Full-time (12-16 hours)	\$2,975	\$3,400
Overload (over 16 hours) \$100 s.h.		
Activity Fee	75	110
Health Fee (resident students)	30	50
Part-time: Day	85 s.h.	100 s.h.
Evening	75 s.h.	75 s.h. up to and including 9 s.h. 100 s.h. over 9 s.h.
LC IV undergraduate	99 s.h.	100 s.h.
LC IV graduate	110 s.h.	110 s.h.
MA Ed./MBA	110 s.h.	110 s.h.
 <u>Room and Board</u>		
Room - Parker, McCluer, Cobbs	\$ 600-1,000	\$ 900-1,300
- Other dormitories	600-1,000	800-1,200
Board	1,225	1,600
 <u>Course Fees</u>		
Lab	\$ 5-15	\$ 25
Studio	10-35	50
Travel	as needed	as needed
Riding Instruction	115-175	300
Stable Rental	125	165
Practice Teaching	100	125
Music	45-90	90-180 (1-2 s.h.)
Graduation	30-35	35
Practicum/Critical Life Evaluation	(30+7) - 40	40 per hour
Application fee (for admissions)	15	25

Registration Fees

Late Fee	\$ 25
Course Change	10

I approve do not approve the proposed fee structure dated December 5, 1979.

George W. Brown
Approved by Executive Committee

December 5, 1979

TO MEMBERS OF THE EXECUTIVE COMMITTEE:

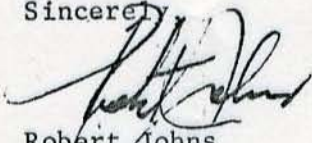
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David E. Babcock
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Sincerely,



Robert Johns
President

RJ:MY
Encs.

President Johns:

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fee structure dated December 5, 1979.



George W. Brown
Approved by Executive Committee

December 5, 1979

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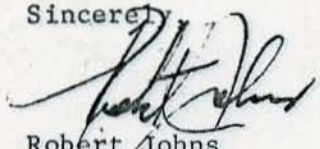
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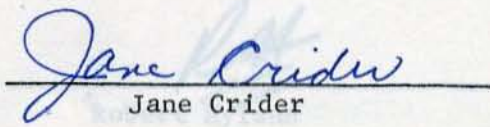


Robert Johns
President

RJ:MY
Encs.

President Johns:

I approve do not approve the proposed
fee structure dated December 5, 1979.



Jane Crider

December 5, 1979

TO MEMBERS OF THE EXECUTIVE COMMITTEE:

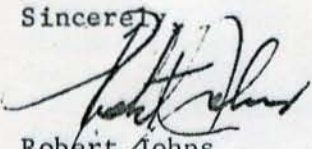
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David E. Babcock
George W. Brown
Mrs. Russell J. Crider
John C. Hannegan
Walter L. Metcalfe, Jr.

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Sincerely,


Robert Johns
President

RJ:MY
Encs.

President Johns:

I approve do not approve the proposed
fee structure dated December 5, 1979.


Robert Hyland

The Lindenwood Colleges

Saint Charles, Missouri 63301 - Office of the President

December 5, 1979

St. Louis, Missouri
November 26, 1979

TO MEMBERS OF THE EXECUTIVE COMMITTEE:

- Robert Hyland
- David E. Babcock
- George W. Brown
- Mrs. Russell J. Crider
- John C. Hannegan
- Walter L. Metcalfe, Jr. ✓

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Sincerely,

Robert Johns
President

RJ:MY
Encs.

President Johns:

I approve do not approve the proposed fee structure dated December 5, 1979.

Walter L. Metcalfe, Jr.

CONFIDENTIAL

CONFIDENTIAL

MINUTES OF THE
JOINT MEETING
OF THE
BOARDS
OF
THE LINDENWOOD COLLEGES*

St. Louis, Missouri
November 26, 1979

A special meeting of the Board of Directors of The Lindenwood Colleges, the Board of Overseers and honorary life members of the Board was held at the Missouri Athletic Club, St. Louis, Missouri, November 26, 1979, pursuant to call and notice given each member of the Board in accordance with the bylaws. The meeting was called to handle several matters that must be taken care of prior to the next regular meeting. Chairman Robert Hyland called the meeting to order at 12:55 P.M.

The following members of the Board of Directors, being a quorum, members of the Board of Overseers and honorary life members were present:

Board of Directors

- David E. Babcock
- George W. Brown
- Mrs. James C. Hamill
- John C. Hannegan
- Robert Hyland
- Walter L. Metcalfe, Jr.
- Jefferson L. Miller
- Roland T. Pundmann
- Mrs. Dorothy Warner

Board of Overseers

- Mrs. K. K. Barton
- Mrs. Warren McK. Shapleigh

Honorary Life Members

- Arthur S. Goodall

* - The Lindenwood Colleges. Founded in 1827 and chartered in 1853 as Linden Wood Female College. New corporate structure of Lindenwood Female College approved by Circuit Court of St. Charles County March 7, 1977.

The following members of the Administration were present:

Robert Johns, President
Mary Yonker, Assistant to the President and Assistant Secretary
of the Board of Directors

Mr. Robert F. Kelly, of Boyd, Franz & Stephans, Certified Public Accounts, attended the meeting.

Mr. Kelly reported that the audit has been completed and commented on it. Copy is attached to the official copy of the minutes.

Mr. Hyland reported that the Executive Committee has had quite a few meetings both in person and in telephone conversations. As a result of these meetings President Johns has further measures to suggest to correct the serious financial difficulties of the college.

President Johns began by saying that he would like to discuss the financial situation in several contexts. He must determine the direction of his responsibility as President. Does Lindenwood find itself in a situation of financial exigency or is it just an emergency? Do we want to continue, or to close? He believes it is his responsibility to make recommendations, listen to the discussion, and follow the directions of the Board.

There have been deficits for a number of years, and this must be corrected. Recruiting activities and the number of recruiters have been increased in order to bring more students to Lindenwood. Applications for grants of various kinds - Federal, State and private - are being made. Reduction of maintenance crews has caused rapid deterioration especially of Ayres Hall, Niccolls Hall, the kitchen, and the Fine Arts Building. This will be corrected. Another consideration to be addressed today is the utilization to which faculty is being put.

The alternatives are to try to make adjustments by making changes in long range finances, and adjusting expenditures.

President Johns asked that the Board consider adjusting the number of faculty and staff. The faculty-student ratio is very low and must be corrected. Forty to forty-three percent of the faculty is tenured. Most of them have teaching loads of seven courses per year regardless of the number of students or the preparation needed for the courses. The normal load in most colleges and universities is 240 student contact hours per week. However, only three faculty members at Lindenwood exceed the 240 contact hours.

Based on these considerations President Johns said he needs the advice of the Board as to whether to reduce and/or increase utilization of faculty. Part of this alternative is to identify part-time and full-time non-tenured faculty. Approximately \$150,000 could be saved next year by eliminating some twenty non-tenured persons and by not filling vacancies as they occur. Notice must be given to most of these persons by December 15, 1979. President Johns said he also believes he should go before the tenured faculty explaining the financial situation and ask them to increase their loads in the long terms by three semester hours, and three semester hours in January. Contract revision is required in order to make clear the duties of full-time faculty to the college.

President Johns recommended the Board move immediately to reduce part-time and full-time non-tenured personnel even at the expense of some programs in the college. It was recommended also that the Board state it does not now find it to be in the best interests of the college to ask for a reduction in tenured personnel, but that the Board hopes the President will be able to work out with those having tenure a program where they might teach a heavier, more normal teaching load.

President Johns then repeated the basic needs - to produce more revenue by producing more students, serving as many as possible, and to raise as much money as soon as possible. For the latter he needs the help of Board members

in identifying individuals and corporations. Board members must understand the serious financial condition of the college.

Mr. Babcock elaborated by saying that the Board should know that it appears we will probably have a deficit of \$350,000 this year and the serious cash flow problem continues. It is anticipated that the budget will be balanced after this year. In the next sixty days the Finance Committee will put together a financial plan which will eliminate some of the interest now being paid. He also said that it is important for members of the Board to transmit their feelings as to their potentialities of fund raising to the Administration.

After further discussion it was the consensus of the Board to follow President Johns' recommendation in regard to faculty.

President Johns then summarized the immediate cash needs of the college. Following discussion, motion was made, seconded and passed to adopt the following resolution:

WHEREAS, First National Bank in St. Louis has from time to time made loans to the College, and

WHEREAS, the College will require additional funds for its operations,

BE IT RESOLVED, that it is in the best interest of the College to borrow from the First National Bank in St. Louis an additional \$350,000 on a secured basis, and

FURTHER RESOLVED, that the Chairman of the Board, the President and the Secretary of the College be, and they are hereby, authorized to execute and affix the corporate seal, and deliver to the First National Bank in St. Louis a Second Deed of Trust Demand Note in the principal amount of \$350,000 and a Second Deed of Trust covering the Farm Property and such other related documents as may be required.

Mr. Hyland read a letter from John H. Biggs submitting his resignation from the Board of Directors. A motion was made, seconded and passed to accept Mr. Biggs' resignation with regret.

A motion was made, seconded and passed to accept the recommendation of the Executive Committee that John C. Hannegan be elected temporary Treasurer and Chairman of the Finance Committee.

There being no further business the meeting was adjourned at 2:10 P.M.

Mary Yonker
Assistant Secretary

Approved:

Walter L. Metcalfe, Jr.
Secretary

THE LINDENWOOD COLLEGES

FINANCIAL REPORT

MAY 31, 1979

BOYD, FRANZ & STEPHANS
CERTIFIED PUBLIC ACCOUNTANTS
ST. LOUIS, MISSOURI

BOYD, FRANZ & STEPHANS

CERTIFIED PUBLIC ACCOUNTANTS

JOSEPH B. STEPHANS, C. P. A.
ROBERT F. KELLY, C. P. A.

10131 CORPORATE SQUARE DRIVE
ST. LOUIS, MISSOURI 63132

(314) 991-4400

October 19, 1979

To The Board of Directors
The Lindenwood Colleges
St. Charles, Missouri

We have examined the balance sheet of The Lindenwood Colleges as of May 31, 1979, and the related statement of changes in fund balances and statements of revenues and expenses for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

Collateral for notes payable has been pledged to more than one lender as explained in Note 2. Also, sufficient collateral for government borrowings was not available from unrestricted funds as required in indenture agreement of 1969, as further explained in Note 3.

The accompanying financial statements have been prepared on the basis of accounting principles applicable to a going concern. This basis presumes that cash will be available to finance future operations and that the realization of assets and settlement of liabilities will occur in the ordinary course of operations.

In our opinion, subject to the effects of the matters discussed in the preceding paragraphs, the financial statements referred to above present fairly the financial position of The Lindenwood Colleges at May 31, 1979 and the changes in fund balances and statements of revenues and expenses for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding period.

Notes to Financial Statements

Other Statements for the Year Ended
May 31, 1979:

Boyd Franz + Stephens

Balance Sheet	1
Notes to Financial Statements	1a
Changes in Fund Balances	2
Revenues and Expenses	3
Auxiliary Enterprises Revenues and Expenses	4
Administrative and Student Services Expenses	5
Institutional and General Expenses	6
Instructional and Library Expenses	7
Plant Operation, Maintenance and Security Expenses	8
Restricted Income Funds	9
Endowment Funds - Assets and Income	10
Endowment Funds Principal	11

THE LINDENWOOD COLLEGES
INDEX TO FINANCIAL STATEMENTS
MAY 31, 1979

	<u>Statement Number</u>
Balance Sheet	1
Notes to Financial Statements	1a
Other Statements for the Year Ended May 31, 1979:	
Changes in Fund Balances	2
Revenues and Expenses	3
Auxiliary Enterprises Revenues and Expenses	4
Administrative and Student Services Expenses	5
Institutional and General Expenses	6
Instructional and Library Expenses	7
Plant Operation, Maintenance and Security Expenses	8
Restricted Income Funds	9
Endowment Funds - Assets and Income	10
Endowment Funds Principal	11

* * * * *

THE LINDENWOOD COLLEGES

BALANCE SHEET

MAY 31, 1979

ASSETS

CURRENT FUND ASSETS:

Cash			\$	116,681	
Accounts receivable:					
Students - net of reserve	\$	40,310			
Other		<u>33,836</u>		74,146	
Advances -					
National Direct Student Loan Fund - net of reserve				86,334	
Notes receivable, students				3,514	
Investments (market value \$9,950)				10,500	
Inventories, at cost (first-in first-out basis)				62,992	
Prepaid expenses:					
Equipment	\$	30,284			
Insurance		1,439			
Summer school		231			
Supplies		<u>585</u>		32,539	
Deposit				<u>425</u>	\$ 387,131

ENDOWMENT FUND ASSETS:

Statement No. 10:

Unrestricted:

Cash			\$	452	
Due from current fund				4,761	
Securities:					
Bonds, notes and commercial paper (market value \$730,860)	\$	784,765			
Stocks (market value \$1,136,659)		<u>1,137,371</u>		1,922,136	
Notes receivable				51,686	
Real estate				<u>26,745</u>	

\$ 2,005,780

Restricted:

Cash			\$	714	
Securities:					
Bonds, notes and commercial paper (market value \$852,821)	\$	907,234			
Stocks (market value \$730,292)		<u>654,276</u>		1,561,510	
Due from current fund				45,933	
Due from unrestricted fund				<u>4,154</u>	

\$ 1,612,311

3,618,091

See Notes to Financial Statements.

LIABILITIES AND FUND BALANCES

CURRENT FUND LIABILITIES AND FUND BALANCE:

Bank overdraft	\$	114,992	
Accounts payable		456,669	
Deferred student fee income		43,522	
Student activities accounts		9,220	
Student recreation		6,070	
Gifts and grants for special purposes		52,458	
Notes payable		2,583,616	
Restricted income funds, Statement No. 9		6,094	
Due to National Direct Student Loan Fund		23,741	
Due to endowment fund		50,694	
Due to loan fund		4,648	
Due to plant fund		<u>14,043</u>	
Total Liabilities	\$	3,365,767	
Current funds balance (deficit), Statement No. 2		<u>(2,978,636)</u>	\$ 387,131

ENDOWMENT FUND PRINCIPAL BALANCES:

Unrestricted:

Due to restricted principal	\$	4,154	
Unrestricted fund balance		<u>2,001,626</u>	

\$ 2,005,780

Restricted:

Restricted fund balance		<u>1,612,311</u>	3,618,091
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THE LINDENWOOD COLLEGES

BALANCE SHEET

MAY 31, 1979

ASSETS

NATIONAL DIRECT STUDENT LOAN FUND ASSETS:

Due from current fund	\$ 23,741	
Student loans receivable	<u>883,695</u>	\$ 907,436

LOAN FUNDS ASSETS:

Accounts receivable - students	\$ 985	
Due from current fund	<u>4,648</u>	5,633

LIVING TRUST FUNDS ASSETS:

Securities:		
Bonds	\$ 39,227	
Stocks	<u>5,999</u>	45,226

PLANT FUND ASSETS:

Due from current fund	\$ 14,043	
Investments	150,000	
Land and improvements	279,520	
Buildings	8,983,833	
Equipment	<u>1,202,103</u>	10,629,499

\$ 15,593,016

THE LINDENWOOD COLLEGES
NOTES TO FINANCIAL STATEMENTS
MAY 31, 1979

LIABILITIES AND FUND BALANCES

NATIONAL DIRECT STUDENT LOAN FUND PRINCIPAL:

U.S. Government loan fund	\$ 865,061	
Institutional loan fund	98,375	
National Direct Student Loan Fund deficit	(56,000)	\$ 907,436

LOAN FUNDS PRINCIPAL:

The Peggy Proctor Larkin Memorial Student Loan Fund	\$ 1,630	
The Hollenbeck Student Loan Fund	1,775	
The Helen Holmes Hudson Student Loan Fund	1,020	
The R. Crider Student Loan Fund	100	
The Bremen Van Bibber Memorial Textbook Loan Fund	260	
The Sammy A. Hall Student Loan Fund	25	
Continuing Education Student Loan Fund	823	5,633

LIVING TRUST FUNDS PRINCIPAL:

McCluer Living Trust	\$ 29,977	
Crider Living Trust	9,250	
Betzler Living Trust	5,999	45,226

PLANT FUND LIABILITIES AND FUND BALANCES:

Plant fund balance, Statement No. 2	\$ 9,293,754	
Margaret L. Butler General Fund	282,259	
Lillie P. Roemer Memorial Fund	96,486	
Long-term Science Building Bonds of 1966 (Note 3)	\$ 407,000	
Long-term Library Addition Bonds of 1968 (Note 3)	198,000	
Long-term Art Building Bonds of 1969 (Note 3)	352,000	957,000
		<u>10,629,499</u>
		<u>\$ 15,593,016</u>

Physical Properties

Buildings and Improvements are stated at cost. The Colleges capitalize major additions to plant assets.

THE LINDENWOOD COLLEGES
NOTES TO FINANCIAL STATEMENTS
MAY 31, 1979

Note 1: A summary of significant accounting policies and major accounting principles and practices followed by The Lindenwood Colleges are as follows:

Fund Accounting

Note 2: In order to ensure observance of limitations and restrictions placed on the use of the resources available to The Colleges, the accounts are maintained in accordance with the principles of "fund accounting". This is the procedure by which resources for various purposes are classified for accounting and reporting purposes into funds that are in accordance with activities or objectives specified.

Accrued interest and dividends receivable on investments and certain accrued expenses have not been recorded in the accounts nor has provision been made for depreciation of plant, buildings and equipment, including property used in auxiliary operations. Such treatment is consistent with the previously established policy of The Colleges and is in keeping with similar practices followed by nonprofit educational institutions.

Current Funds

Current funds are separated into those which are restricted by donors or grantors and those which are unrestricted. Restricted funds may only be expended for the purpose indicated by the donor or grantor whereas the unrestricted funds are available for use as determined by The Colleges.

Endowment Fund

Restricted endowment funds are subject to the restrictions of gift instruments which provide for the perpetual investment of principal and only the income is available for utilization by The Colleges. Unrestricted endowment funds have been established for the same purposes as restricted endowment funds, however, any portion of the principal can be expended. All realized gains and losses on investment transactions are treated as additions to or subtractions from principal of the individual funds. Investments are stated at cost, except those received by gift which are stated at market or appraised value at date of receipt.

Physical Properties

Buildings and improvements are stated at cost. The Colleges capitalize major additions to plant assets.

THE LINDENWOOD COLLEGES
NOTES TO FINANCIAL STATEMENTS
MAY 31, 1979

Note 3: Retirement Plan (continued)

The Colleges have a retirement plan which is contributory on the part of employees. The plan provides for contributions of 5% of the employees' earnings to be made by The Colleges.

Note 2: Notes payable of \$2,583,616 consist of short-term loans of \$2,385,000 and long-term loans of \$198,616. The short-term loans bear interest at the St. Louis prime rate and are payable as follows:

<u>Lender</u>	<u>Amount</u>	<u>Maturity</u>	
First National - St. Charles	\$ 165,000	August 31, 1979	Secured
First National - St. Charles	270,000	December 31, 1979	Secured
First National - St. Charles	465,000	December 31, 1979	Unsecured
First National - St. Louis	1,200,000	June 30, 1979	Secured
First National - St. Louis	150,000	July 31, 1979	Secured
First National - St. Louis	<u>135,000</u>	September 1, 1979	Secured
	\$ <u>2,385,000</u>		

As of May 31, 1979 the Unrestricted Endowment Fund and \$150,000 Israel bonds which are assets of the Plant Fund have been pledged to secure the above notes. However, in some cases the same security has been pledged to each lender.

The long-term note is due First National of St. Louis bearing interest at 9 1/2% payable in annual principal installments of \$25,000 with maturity in 1985. This note is secured by the St. Louis Football Cardinal contract.

Note 3: Long-term Bonds - The bonds bear interest at 3% per annum and are to be secured by an Endowment Fund Escrow account sufficient to yield an annual income of not less than \$35,000. However, as of May 31, 1979 unrestricted securities were not sufficient to meet this requirement. The bonds mature as follows:

Long-term Science Building Bonds of 1966
 mature February 1, 1980 through February 1,
 1996 in varying amounts ranging from
 \$19,000 to \$33,000.

THE LINDENWOOD COLLEGES
NOTES TO FINANCIAL STATEMENTS
MAY 31, 1979

Note 3: Long-term Bonds (continued)

Long-term Library Addition Bonds of 1968
 mature August 1, 1979 through August 1,
 1998 in varying amounts from \$8,000 to
 \$14,000.

Long-term Art Building Bonds of 1969
 mature August 1, 1979 through August 1,
 1999 in varying amounts ranging from
 \$12,000 to \$21,000.

Note 4: The College's tax returns for the years ended June 15, 1977 and May 31, 1978 are being examined by the I.R.S. and the agent has proposed additional tax of approximately \$17,000 on unrelated business income. The College has not agreed to this proposal and the examination has not been concluded.

Note 5: The College has leased word processing equipment with the following annual rental payments:

<u>Year Ended</u> <u>May 31,</u>	
1980	\$ 28,668
1981	21,272
1982	2,730

Note 6: The College is named defendant in a \$20,000 suit for additional costs on the stadium. The College has filed a counterclaim against the plaintiff seeking a judgment in the sum of \$115,550 plus punitive damages. These cases are pending and counsel is unable to estimate the outcome as of the audit date.

THE LINDENWOOD COLLEGES
STATEMENT OF CHANGES IN FUND BALANCES
FOR THE YEAR ENDED MAY 31, 1979

	<u>Current Fund</u>
Revenues and other additions:	
Educational tuition and fees	\$ 2,722,147
Endowment revenue	241,686
Gifts, grants and bequests	230,531
Auxiliary enterprises	928,097
Other revenue	30,091
Realized gain on investments	
Library books capitalized	
Construction costs capitalized	
Total revenues and other additions	\$ <u>4,152,552</u>
Expenditures and other deductions:	
Administrative and student service expenditures	\$ 686,428
Institutional and general expenditures	741,616
Instructional and library expenditures	1,643,128
Plant operations, maintenance and security expenditures	590,256
Auxiliary enterprises expenditures	768,149
Student financial aid expenditures	211,430
Expended to current fund	
Total expenditures and other deductions	\$ <u>4,641,007</u>
Transfers among funds - additions (deductions):	
Retirement of bond indebtedness	\$(40,000)
Expenditures for construction:	
New student center	(48,191)
Gifts for new student center	49,583
Expenditures for equipment:	
Sports field	{ 342,495 }
Equipment	{ 1,568 }
Write off of obsolete assets	
Unrestricted endowment funds for operations	52,000
Total transfers	\$(<u>330,671</u>)
Net increase (decrease) for the year	\$(<u>819,126</u>)
Fund balance (deficit) at beginning of the year	\$(<u>2,159,510</u>)
Fund balance (deficit) at end of the year	\$(<u>2,978,636</u>)

See Notes to Financial Statements.

STATEMENT OF REVENUE AND EXPENSES
FOR THE YEAR ENDED MAY 31, 1971

National Direct Student Loan Fund	Student Loan Funds	Endowment Funds		Plant Funds
		Unrestricted	Restricted	
\$	\$	\$	\$	\$
		134,480	108,062	164,552
10,249		12,954	56,639	14,043
			2,352	14,932
				49,583
<u>\$ 10,249</u>		<u>\$ 147,434</u>	<u>\$ 167,053</u>	<u>\$ 243,110</u>
\$ 264	200	\$	\$	\$
4,187	(200)	134,480	107,206	
<u>\$ 4,451</u>	<u>\$ -</u>	<u>\$ 134,480</u>	<u>\$ 107,206</u>	<u>\$ -</u>
\$	\$	\$	\$	\$
				40,000
				48,191
				(49,583)
				342,495
				1,568
				(128,414)
		(52,000)		
<u>\$ -</u>	<u>\$ -</u>	<u>\$ (52,000)</u>	<u>\$ -</u>	<u>\$ 254,257</u>
\$ 5,798	\$ -	\$ (39,046)	\$ 59,847	\$ 497,367
<u>\$(61,798)</u>	<u>\$ 5,633</u>	<u>\$ 2,040,672</u>	<u>\$ 1,552,464</u>	<u>\$ 8,796,387</u>
<u>\$(56,000)</u>	<u>\$ 5,633</u>	<u>\$ 2,001,626</u>	<u>\$ 1,612,311</u>	<u>\$ 9,293,754</u>

THE LINDENWOOD COLLEGES
STATEMENT OF REVENUES AND EXPENSES
FOR THE YEAR ENDED MAY 31, 1979

Revenues: Total educational and general revenue -			
Educational and general:			\$ 3,093,513
Student tuition fees:			
Resident	\$	485,792	
Day	\$	544,764	
Special		222,753	
Summer		115,528	
Campus		22,150	
Evening		358,327	
M.B.A. Program		165,785	
Academic fees		77,952	
Lindenwood IV		511,944	
Nursing program	\$	42,060	
Foreign student center		90,305	
M.A. Education		48,825	
M.A.A. Theatre		11,345	
			\$ 2,697,530
Endowment:			
Unrestricted funds, Statement No. 10	\$	134,480	
Restricted funds - exclusive of \$76,234 applicable to scholarships:			
Bible instructor's salary fund	\$	3,988	
Spahmer Prize Fund		35	
Roemer Maintenance Fund		6,818	
Nell Quinlan Reed - Chair of Mathematics		7,179	
Thomas H. and Lucie J. Cobbs Fund		11,524	
Janet Harper Stine Fund		40	
Jean Elizabeth Hale Fund		362	
Mildred Webster Spargo Schramm Library Fund		368	
Dr. Alice Parker - Chair of English Literature Fund	\$	658	
			165,452
Gifts and grants:			
Individuals	\$	119,202	
Corporations		53,691	
Alumnae		17,704	
Charitable foundations		30,079	
Parents Fund		2,155	
Special gifts		2,000	
Federal and state government		5,700	
			230,531
Total educational and general revenue - forward			\$ 3,093,513

See Notes to Financial Statements.

THE LINDENWOOD COLLEGES

STATEMENT OF REVENUES AND EXPENSES

FOR THE YEAR ENDED MAY 31, 1979

Total educational and general revenue - brought forward		\$ 3,093,513
Other:		
Application fees	\$ 17,480	
Forfeited fees	3,377	
Rents	27,619	
Miscellaneous	<u>2,472</u>	50,948
Auxiliary enterprises, Statement No. 4		928,097
Student aid:		
Gifts for scholarships	\$ 3,760	
Endowment revenue restricted to scholarships	<u>76,234</u>	<u>79,994</u>
Total revenues		\$ <u>4,152,552</u>
Expenses:		
Educational and general:		
Administrative and student services expenses, Statement No. 5	\$ 686,428	
Institutional and general expenses, Statement No. 6	741,616	
Instructional and library expenses, Statement No. 7	1,643,128	
Plant operations, maintenance and security expenses, Statement No. 8	<u>590,256</u>	\$ 3,661,428
Auxiliary enterprises, Statement No. 4		768,149
Student financial aid:		
Assistants	\$ 55,814	
Scholarships	123,163	
Grants and other aid	<u>32,453</u>	<u>211,430</u>
Total expenses		\$ <u>4,641,007</u>
Excess of expenses for the year		\$ <u>488,455</u>

See Notes to Financial Statements.

THE LINDENWOOD COLLEGES
STATEMENT OF AUXILIARY ENTERPRISES, REVENUES AND EXPENSES
FOR THE YEAR ENDED MAY 31, 1979

Revenues:	
Residence halls	\$ 148,160
Dining halls	208,254
Bookstore	170,934
Conferences	116,156
Tea Room and miscellaneous	100,983
S.L.F.C.	<u>183,610</u>
Total revenues, Statement No. 3	\$ <u>928,097</u>
Expenses:	
Residence halls	\$ 160,341
Dining halls	195,037
Bookstore	162,290
Conferences	50,084
Tea Room and miscellaneous	15,459
S.L.F.C.	81,070
Summerstage - net	<u>103,868</u>
Total expenses, Statement No. 3	\$ <u>768,149</u>
Total student services expenses	<u>383,683</u>
Total administrative and student services expenses, Statement No. 3	<u>768,149</u>

See Notes to Financial Statements.

THE LINDENWOOD COLLEGES
STATEMENT OF ADMINISTRATIVE AND STUDENT SERVICES EXPENSES
FOR THE YEAR ENDED MAY 31, 1979

Administrative expenses:	
Board of Trustees	\$ 1,525
President's office	75,598
Vice President's office	27,415
Special events and commencement	11,431
Controller's office	84,240
Development office	94,561
Director of administrative services	<u>8,055</u>
Total administrative expenses	\$ <u>302,825</u>
Student services expenses:	
Dean's office - Lindenwood College I	\$ 30,403
Dean's office - Lindenwood College II	29,014
Dean's office - Evening College	30,939
Dean's office - Lindenwood IV	37,363
Athletic Program	<u>19,763</u>
Counseling office	15,414
Admissions office	165,746
Registrar	35,168
Veteran's affairs	6,320
Health center	5,055
Assistant to the Deans	<u>8,418</u>
Total student services expenses	\$ <u>383,603</u>
Total administrative and student services expenses, Statement No. 3	\$ <u>686,428</u>
general expenses, Statement No. 3	\$ <u>741,616</u>

See Notes to Financial Statements.

THE LINDENWOOD COLLEGES
STATEMENT OF INSTITUTIONAL AND GENERAL EXPENSES
FOR THE YEAR ENDED MAY 31, 1979

Instructional expenses:		
Humanities:		
Art	\$ 87,722	
Drama	173,231	
Broadcasting	33,268	\$ 12,110
Journalism - photo	6,722	10,075
Language	67,973	13,857
Switchboard	31,647	20,315
Alumni and placement office	75,357	21,578
Publications and public information	16,837	51,170
Data processing		51,458
Word processing		49,414
Total institutional expenses		\$ 229,977
General expenses:		
Auditing	41,214	\$ 9,850
Membership dues	62,610	16,451
Insurance	18,146	50,383
Investment counseling and service	20,472	9,549
Rental property expense	28,737	1,796
Interest	34,757	216,924
Interest - government loans	20,058	29,610
Pensions and special payments		25,045
Staff recruiting and moving expense	\$ 100,856	2,766
Unemployment insurance		9,872
Bad debts expense	26,687	76,888
Miscellaneous		62,505
Total general expenses	\$ 224,678	\$ 511,639
Total institutional and general expenses, Statement No. 3	19,140	\$ 741,616
Other expenses:		
Commons Course	\$ 1,224	
Nursing Program	48,292	
Foreign Student Center Language Program	43,819	
Summer Session	59,828	
Campus School	16,039	169,022
General instructional expenses		14,736
Total instructional expenses		\$ 1,553,855
Library expenses:		
Library operations	\$ 57,579	
Equipment, supplies and services	1,497	
Periodicals, binding and miscellaneous	15,265	
Library books - addition to assets	14,932	89,273
Total instructional and library expenses, Statement No. 3		\$ 1,643,128

See Notes to Financial Statements.

THE LINDENWOOD COLLEGES

STATEMENT OF INSTRUCTIONAL AND LIBRARY EXPENSES

FOR THE YEAR ENDED MAY 31, 1979

Instructional expenses:

Humanities:

Art	\$ 87,722	
Communication Art - drama	173,231	
Communication Art - broadcasting	33,468	
Communication Art - journalism - photo	6,722	
English	67,973	
Modern Language	31,647	
Music	75,357	
Religion and Philosophy	<u>16,837</u>	\$ 492,957

Sciences and Social Sciences:

Biology	\$ 36,870	
Chemistry	36,669	
Mathematics	52,404	
Physical Education - general	29,144	
Physical Education - riding	41,214	
Education	62,610	
Masters' Degree in Education	18,146	
History	20,472	
Political Science	28,737	
Psychology	34,757	
Sociology	<u>20,058</u>	381,081

Business and Economics:

Business Administration	\$ 100,856	
Masters' Degree in Business Administration	<u>24,687</u>	125,543

Evening College

107,240

Lindenwood IV:

St. Charles and St. Louis	\$ 224,678	
Los Angeles	19,140	
Washington, D.C.	<u>19,458</u>	263,276

Other Programs:

Commons Course	\$ 1,224	
Nursing Program	48,292	
Foreign Student Center Language Program	43,819	
Summer Session	59,628	
Campus School	<u>16,059</u>	169,022

General Instructional expenses

14,736

Total instructional expenses

\$ 1,553,855

Library expenses:

Library operations	\$ 57,579	
Equipment, supplies and services	1,497	
Periodicals, binding and miscellaneous	15,265	
Library books - addition to assets	<u>14,932</u>	89,273

Total instructional and library expenses, Statement No. 3

\$ 1,643,128

See Notes to Financial Statements.

THE LINDENWOOD COLLEGES

STATEMENT OF PLANT OPERATION, MAINTENANCE AND SECURITY EXPENSES

FOR THE YEAR ENDED MAY 31, 1979

	Balance May 31, 1978	Income for the Year	Total	Charges for the Year	Balance May 31, 1979
Plant operation and maintenance expenses:					
Salaries, wages and benefits	269	80	2	\$ 218,231	\$ 2,44
Office and janitorial supplies and services				496	
Electricity		818	818	84,611	218
Heat				94,355	
Water		3,968	3,968	18,106	988
Repairs and maintenance of buildings and campus upkeep		11,524	11,5	123,683	\$ 539,482
Security expenses		958	958	958	<u>50,774</u>
Total plant operation, maintenance and security expenses, Statement No. 3			164	164	\$ <u>590,256</u>
Garrett Scholarship Fund		8,960	8,960	8,960	
Nannie S. Goodall Memorial Scholarship Fund		3,994	3,994	3,994	
Jean Elizabeth Hale Fund		362	362	362	
Nancy Drury Hardy Scholarship Fund		3,589	3,589	3,589	
Laura J. Heron Scholarship Fund		80	80	80	
Karen Howlett Scholarship Fund		81	81	81	
Mary F. and Benjamin E. Jelkyl Memorial Scholarship Fund		7,069	7,069	7,069	
Mary E. Lear Scholarship Fund		3,671	3,671	3,671	
Linnemann Scholarship Fund		2,393	2,393	2,393	
Guy C. Motley Scholarship Fund		542	542	542	
Mr. and Mrs. Harold Mull Scholarship Fund		16	16	16	
Dr. Alice Parker - Chair of English Literature Fund		658	658	658	
Readers Digest Foundation Scholarship Fund		997	997	997	
Holl Quinlan Reed - Chair of Mathematics		7,179	7,179	7,179	
Ritter Scholarship Fund		430	430	430	
John L. Roemer Maintenance Fund		10,338	10,338	6,818	3,520
Mary Easton Sibley Scholarship Fund		7,976	7,976	7,976	

See Notes to Financial Statements.

THE LINDENWOOD COLLEGES
STATEMENT OF RESTRICTED INCOME FUNDS
FOR THE YEAR ENDED MAY 31, 1979

	Balance May 31, 1978	Income for the Year	Total	Charges for the Year	Balance May 31, 1979
Dorothy Holtkamp Badgett Bible Memory Fund	\$ 2,369	\$ 80	\$ 2,449	\$	\$ 2,449
Lenore Anthony Borgeson Memorial Scholarship Fund		818	818	818	
James Gay and Margaret L. Butler Bible Fund		3,988	3,988	3,988	
Thomas H. and Lucie J. Cobbs Fund		11,524	11,524	11,524	
Ethel B. Cook Scholarship Fund		958	958	958	
Eve Cunliff Scholarship Fund		164	164	164	
The Eswin Scholarship Fund		7,978	7,978	7,978	
John T. and Maud J. Garrett Scholarship Fund		8,960	8,960	8,960	
Nannie S. Goodall Memorial Scholarship Fund		3,994	3,994	3,994	
Jean Elizabeth Hale Fund		362	362	362	
Nancy Drury Hardy Scholarship Fund	2,431	1,158	3,589	3,589	2,094
Laura J. Heron Scholarship Fund		80	80	80	
Karen Howlett Scholarship Fund		81	81	81	
Mary F. and Benjamin E. Jelkyl Memorial Scholarship Fund		7,069	7,069	7,069	
Mary E. Lear Scholarship Fund		3,671	3,671	3,671	
Linnemann Scholarship Fund		2,393	2,393	2,393	
Guy C. Motley Scholarship Fund		542	542	542	
Mr. and Mrs. Harold Null Scholarship Fund		16	16	16	
Dr. Alice Parker - Chair of English Literature Fund		658	658	658	
Readers Digest Foundation Scholarship Fund		997	997	997	
Nell Quinlan Reed - Chair of Mathematics		7,179	7,179	7,179	
Ritter Scholarship Fund		430	430	430	
John L. Roemer Maintenance Fund		10,338	10,338	6,818	3,520
Mary Easton Sibley Scholarship Fund		7,976	7,976	7,976	

See Notes to Financial Statements.

THE LINDENWOOD COLLEGES

STATEMENT OF RESTRICTED INCOME FUNDS

FOR THE YEAR ENDED MAY 31, 1979

	Balance May 31, 1978	Income for the Year	Principal Total	Charges for the Year	Balance May 31, 1979
Richard C. Spahmer Prize Fund	\$ 24	\$ 40	\$ 64	\$ 35	\$ 29
Mildred Webster Spargo Schramm Library Fund		368	368	368	
Kathryn Irwin Schafer Scholarship Fund		12,021	12,021	12,021	
Sidney W. and Sylvia N. Souers Scholarship Fund		1,122	1,122	1,122	
Janet Harper Stine Fund		40	40	40	
Pearle-Aiken Smith Syers Scholarship Fund		9,685	9,685	9,685	
Alma Malbray Tally Scholarship Fund		80	80	80	
Watson Scholarship Fund for Ministers' Daughters		1,021	1,021	1,021	
Crider Scholarship Fund		2,539	2,539	2,539	
Kyle Scholarship Fund	38	108	146	50	96
Total	\$ 2,431	\$ 110,869	\$ 113,300	\$ 107,206	\$ 6,094
Total Butler-Pease Fund		\$ 641,873	\$ 669,911	\$ 42,868	
Total unrestricted funds		\$ 2,005,780	\$ 1,951,153	\$ 134,480	
Restricted funds:					
Consolidated funds:					
Bonds and commercial paper		\$ 481,791	\$ 454,277	\$ 49,971	
Registered notes		425,443	398,544	19,484	
Common stocks		581,616	663,523	37,143	
Due from current fund		45,933	45,933		
Due from unrestricted fund		4,154	4,154		
Cash		714	714		
Total consolidated funds		\$ 1,539,651	\$ 1,569,143	\$ 106,598	
Nannie S. Goodall Memorial Scholarship Fund:					
Mutual funds		\$ 51,924	\$ 44,869	\$ 3,430	
Preferred stock		1,250	1,331		
Common stocks		5,017	4,934		
Total Nannie S. Goodall Memorial Scholarship Fund		\$ 58,191	\$ 51,134	\$ 3,430	

See Notes to Financial Statements.

THE LINDENWOOD COLLEGES

STATEMENT OF ENDOWMENT FUNDS - ASSETS AND INCOME

FOR THE YEAR ENDED MAY 31, 1979

<u>Condensed Combined Statement</u>	<u>Principal</u>		<u>Income</u>
	<u>Book Value</u>	<u>Quoted Value</u>	
Unrestricted funds:			
Consolidated funds:			
Bonds, notes and commercial paper	\$ 530,552	\$ 495,245	\$ 49,172
Common stocks	749,721	702,373	35,760
Total securities	\$ 1,280,273	\$ 1,197,618	\$ 84,932
Real estate	26,745	26,745	3,000
Notes receivable	51,686	51,686	3,680
Due from current fund	4,761	4,761	
Cash	442	442	
Total consolidated funds	\$ 1,363,907	\$ 1,281,252	\$ 91,612
Margaret L. Butler - Nellie B. Eastlick (Pease) Fund:			
Bonds	\$ 254,213	\$ 235,615	\$ 22,973
Preferred stock	27,910	15,563	1,125
Common stocks	359,740	418,723	18,770
Cash	10	10	
Total Butler-Pease Fund	\$ 641,873	\$ 669,911	\$ 42,868
Total unrestricted funds	\$ 2,005,780	\$ 1,951,163	\$ 134,480
Restricted funds:			
Consolidated funds:			
Bonds and commercial paper	\$ 481,791	\$ 454,277	\$ 49,971
Registered notes	425,443	398,544	19,484
Common stocks	581,616	665,523	37,143
Due from current fund	45,933	45,933	
Due from unrestricted fund	4,154	4,154	
Cash	714	714	
Total consolidated funds	\$ 1,539,651	\$ 1,569,145	\$ 106,598
Nannie S. Goodall Memorial Scholarship Fund:			
Mutual funds	\$ 51,924	\$ 44,869	\$ 3,438
Preferred stock	1,250	1,331	136
Common stocks	5,017	4,934	420
Total Nannie S. Goodall Memorial Scholarship Fund	\$ 58,191	\$ 51,134	\$ 3,994

See Notes to Financial Statements.

THE LINDENWOOD COLLEGES
STATEMENT OF ENDOWMENT FUNDS - ASSETS AND INCOME
FOR THE YEAR ENDED MAY 31, 1979

<u>Condensed Combined Statement</u>	<u>Principal</u>		<u>Income</u>
	<u>Book Value</u>	<u>Quoted Value</u>	
Restricted funds (continued):			
Mary F. and Benjamin E. Jelkyl Memorial Scholarship Fund:			
Mutual funds	\$ 4,678	\$ 3,985	\$ 277
John and Lucille Thomas Music Scholarship Fund:			
Mutual funds	\$ 9,791	\$ 9,650	\$ -
Total restricted funds	\$ 1,612,311	\$ 1,633,914	\$ 110,869
Total endowment funds	\$ 3,618,091	\$ 3,585,077	\$ 245,349
<u>S U M M A R Y</u>			
Unrestricted:			
Cash	\$ 452	\$ 452	\$ -
Due from current fund	4,761	4,761	-
Bonds, notes and commercial paper	784,765	730,860	72,145
Stocks	1,137,371	1,136,659	55,655
Notes receivable	51,686	51,686	3,680
Real estate	26,745	26,745	3,000
Total unrestricted assets	\$ 2,005,780	\$ 1,951,163	\$ 134,480
Restricted:			
Cash	\$ 714	\$ 714	\$ -
Bonds, notes and commercial paper	907,234	852,821	69,455
Stocks, common and preferred	587,883	671,788	37,699
Mutual funds	66,393	58,504	3,715
Due from current fund	45,933	45,933	-
Due from unrestricted fund	4,154	4,154	-
Total restricted assets	\$ 1,612,311	\$ 1,633,914	\$ 110,869
Total endowment funds	\$ 3,618,091	\$ 3,585,077	\$ 245,349
Ethel B. Cook Scholarship Fund	13,318	516 (a)	13,834
Readers Digest Foundation Scholarship Fund	13,874	530 (a)	14,404
Sydney W. and Sylvia N. Souera Fund	15,615	597 (a)	16,212
Ritter Scholarship Fund	5,987	229 (a)	6,216
The Eswin Scholarship Fund	111,022	4,243 (a)	115,265
Janet Harper Stine Fund	555	21 (a)	576
Nell Quinlan Reed Chair of Mathematics	99,890	3,818 (a)	103,708

See Notes to Financial Statements.

THE LINDENWOOD COLLEGES
STATEMENT OF ENDOWMENT FUNDS PRINCIPAL
FOR THE YEAR ENDED MAY 31, 1979

	<u>Balance May 31, 1978</u>	<u>Increase (Decrease)</u>	<u>Balance May 31, 1979</u>
Unrestricted funds:			
Margaret L. Butler - Nellie B. Eastlick (Pease) Fund	\$ 615,725	\$ 25,616 (a)	\$ 641,341
Unrestricted endowment surplus fund	1,424,947	(12,662) (a) (52,000) (d)	1,360,285
Total unrestricted funds	<u>\$ 2,040,672</u>	<u>\$ (39,046)</u>	<u>\$ 2,001,626</u>
Restricted funds:			
Dorothy Holtkamp Badgett Bible Verse Memory Fund	\$ 1,110	\$ 42 (a)	\$ 1,152
James Gay and Margaret L. Butler Bible Fund	55,495	2,121 (a)	57,616
John T. and Maud J. Garrett Scholarship Fund	124,674	4,765 (a)	129,439
Nannie S. Goodall Memorial Scholarship Fund	56,666	373 (b) 1,152 (c)	58,191
Laura J. Heron Scholarship Fund	1,110	42 (a)	1,152
Guy C. Motley Fund	7,549	289 (a)	7,838
Mr. and Mrs. Harold Null Scholarship Fund	223	9 (a)	232
John L. Roemer Endowment Maintenance Fund	143,851	5,498 (a)	149,349
Mary Easton Sibley Scholarship Fund	110,990	4,242 (a)	115,232
Jean Elizabeth Hale Fund	5,041	193 (a)	5,234
Richard C. Spahmer Fund	555	21 (a)	576
Watson Fund	14,207	543 (a)	14,750
Dr. Alice Parker - English Literature Fund	9,156	350 (a)	9,506
Ross Allen Jelkyl Theatre Fund	94,519	3,612 (a)	98,131
Karen Howlett Scholarship Fund	1,127	43 (a)	1,170
Eve Cunliff Scholarship Fund	2,275	87 (a)	2,362
John and Lucille Thomas Scholarship Fund	9,378	413 (b)	9,791
Ethel B. Cook Scholarship Fund	13,318	516 (a)	13,834
Readers Digest Foundation Scholarship Fund	13,874	530 (a)	14,404
Sydney W. and Sylvia N. Souers Fund	15,615	597 (a)	16,212
Ritter Scholarship Fund	5,987	229 (a)	6,216
The Eswin Scholarship Fund	111,022	4,243 (a)	115,265
Janet Harper Stine Fund	555	21 (a)	576
Nell Quinlan Reed Chair of Mathematics	99,890	3,818 (a)	103,708

See Notes to Financial Statements.

THE LINDENWOOD COLLEGES
STATEMENT OF ENDOWMENT FUNDS PRINCIPAL
FOR THE YEAR ENDED MAY 31, 1979

	Balance May 31, <u>1978</u>	Increase (Decrease)	Balance May 31, <u>1979</u>
Restricted funds (continued):			
Jelkyl Scholarship Fund	\$ 4,608	\$ 70 (b)	\$ 4,678
Pearle-Aiken Smith Syers Memorial Scholarship Fund	134,762	5,150 (a)	139,912
Mary E. Lear Scholarship Fund	51,082	1,952 (a)	53,034
Linnemann Scholarship Fund	33,296	1,273 (a)	34,569
Lenore Anthony Borgeson Memorial Scholarship Fund	11,391	435 (a)	11,826
Thomas H. and Lucie J. Cobbs Fund	160,355	6,128 (a)	166,483
Nancy Drury Hardy Scholarship Fund	49,946	1,909 (a)	51,855
Kathryn Irwin Schaefer Scholarship Fund	167,277	6,393 (a)	173,670
Mildred Webster Spargo Schramm Library Fund	5,126	196 (a)	5,322
Alma Malbray Tally Scholarship Fund	1,110	42 (a)	1,152
Crider Scholarship Fund	35,324	1,350 (a)	36,674
Frankie M. Kyle Scholarship Fund	<u> </u>	<u>1,200 (c)</u>	<u>1,200</u>
Total restricted funds	\$ <u>1,552,464</u>	\$ <u>59,847</u>	\$ <u>1,612,311</u>
Total funds	\$ <u>3,593,136</u>	\$ <u>20,801</u>	\$ <u>3,613,937</u>

Notes concerning changes in funds:

- (a) Gains or (losses) from sale of securities
- (b) Dividends reinvested
- (c) Gifts received
- (d) Transfer to current funds

See Notes to Financial Statements.

8081

1884