

## REPORT OF THE PRESIDENT

September 11, 1978

1978-79 promises substantial progress toward our common goal. A number of you will recall that four years ago the evening division of the liberal arts college was the only net contributor to the balance sheet. A consultant team had predicted the closing of the college within a couple of years unless new directions were taken. Four years later I believe that, in spite of pressures and stresses, the future is potentially bright.

Tomorrow in New York we will kick off a major campaign to honor Dave Babcock and to help Lindenwood. Later in the month in Los Angeles, during October in St. Louis, and finally in November back again in New York the campaign will conclude. In addition to honoring its new Board member Lindenwood will benefit in three important ways: addition to our capital funds, enhancement of Lindenwood visibility on the national level, and promotion of Lindenwood among the business leaders in St. Louis. Clarence Barksdale is chairing the St. Louis Committee with the help of Bob Hyland, Armand Stalnaker, and Al Fleishman, and other similar committees are at work in New York and California.

John Hannegan and our new development director have met to consider a fund-raising campaign. Jeff Nemens has contacts in St. Louis and Kansas City, and has achieved success in Missouri as a fund-raiser. He will also work closely with Dave Babcock and me on the New York, Los Angeles, and St. Louis events.

Prospects are good this year for growth in nursing, business administration, teacher education, theatre, English as a Second Language, and art therapy and counseling in Lindenwood 4. Each of these programs, except in Lindenwood 4 is based in the liberal arts, and each student enrolled must elect numerous courses in liberal arts departments. This is especially true in the nursing and theatre programs where students elect most of their studies in the traditional departments.

Now that the stadium and conference center are completed we look forward to rapidly increasing revenues from these facilities. In addition to the St. Louis University contract for soccer, other field and stadium events have been scheduled. We are asking and receiving \$550 rental for single sports events or \$700 daily rental for stadium-field events, plus all concession and parking income. Conference bookings are continuing to increase. These of course help us to offset the normal room and board losses during the academic year.

If the problem of the productive use of 60 acres of farmland can be quickly and finally resolved, Lindenwood will then begin to benefit from this underutilized resource. The problem has plagued Lindenwood for too many years; firm decisions must now be made to provide both short-term and longer term income from this valuable endowment asset.

Finally, let me say a few words about roles and responsibilities within a college community.

In times of transition and pressure it is important that channels of communication remain open, but it is equally important that roles and responsibilities are clearly understood. Boards of trustees of colleges and universities must determine institutional policies, appoint and advise the chief executive officer and provide for the financial well-being of the institution. The president must operate the institution for the Board in accordance with its policies and decisions, appoint and supervise faculty and staff, delegate responsibilities as appropriate using established channels of communication and consultation in the decision-making process. Faculty members must teach and assist students through approved academic programs and individual counseling, participate through committees and as individuals in academic decision-making, and advise the administration on a wide variety of issues and problems. In addition to being learners, students may offer suggestions, comments, and advice to faculty members, administrators, and the president.

When each constituency conscientiously carries out its responsibilities and does not encroach on nor assume the roles or responsibilities of others, then the institution functions effectively. If, however, as an example, board members or the president try to control, censor, and criticize a professor's planning or teaching of a course, his counseling or grading of a student, or his service in the institution, objections will be immediately raised and board and/or president will be told emphatically that they have infringed on academic freedom. If board members go beyond their proper roles, if a president preempts academic decisions, if faculty members try to decide matters that are properly those of the board or administration, or if students promote themselves as policy makers or institutional evaluators, confusion is created and an institution is thrown into crisis.

Within the past month a mole-hill has grown into a mountain; opinions, fears, and frustrations have been elevated to a dangerous level. By acting prudently and sensitively, by clarifying who does what, and by seeing that normal and workable procedures are followed, a major crisis can be avoided. In this critical year of Lindenwood's transition, facing not only the need to balance the budget, but also to mount effective student recruitment, fund-raising, and public relations campaigns while simultaneously undergoing highly sensitive accreditation visits by both the North Central Association and the National Council on Accreditation of Teacher Education, disorganization, continued bickering and upheaval must be carefully avoided, for these conditions alone can produce disaster. Many colleges in recent years that have failed have failed under these conditions. Over the past fifteen years I have been deeply involved with colleges in various transitional stages. Human anxieties and frustrations are always present, just below the conscious action level, especially when intensified by

financial uncertainties. It sometimes takes only a small tactical move by a Board member, the president, or anyone in a powerful position to quickly convert gripes, bickering, or discontent into a major crisis. No new issue or problem is required. Because the institution itself is in an unstable and highly vulnerable state, even simple procedural changes or well-intentioned inquiries by powerful persons can be the igniting sparks. The college community may then be rapidly transformed into an over-excited, irrational assembly. Perspectives are lost, suspicions are generated, gossip and slander dominate whispered conversations, fears are intensified, and productive work is subordinated or left undone. Disorganization follows, and the institution is seriously, sometimes critically damaged. In any event, a long interim period must elapse before stability is restored.

This is not a fictional scenario; literature on recent college disruptions and closings poignantly document these sequences. Finally, to repeat, members of the Lindenwood community must be encouraged to reassume their proper responsibilities, control their emotions and frustrations, support even tacitly those who have other responsibilities, and work to avoid chaos. Any other course during 1978-79 would be a disaster for the institution and all those associated with it. I pledge my assistance in doing anything I can to achieve these ends.

I appreciate your loyalty and concern for our college in being present today to share in beginning the new academic year.

(Similar report made to Executive Committee September 8, 1978)

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REPORT OF THE PRESIDENT  
TO THE BOARDS OF  
THE LINDENWOOD COLLEGES  
SEPTEMBER 11, 1978

Summer session 1978 was the most successful in the history of Lindenwood. More than 1,000 class seats were occupied; the income was more than 40% greater than anticipated. The MBA program continued to grow rapidly this summer, and preliminary indications suggest a larger enrollment this fall than in any previous term during the first three years of its operation. The undergraduate program in business administration is expanding rapidly; many more students are electing business as a field of study than any other academic field. The graduate program in education is beginning its second year, is growing, and has already produced substantial net income; the undergraduate teacher education program has also grown in both quality and enrollment under new leadership, and is now one of the most successful academic programs in the college. The announcement of the new nursing degree program attracted more than 500 inquiries, will enroll 40-50 students in its first term, and probably will more than double its enrollment in the Spring Term. It is likely that it will produce net income in its first year of operation. Now that the Lindenwood 4 centers in California and the District of Columbia are being phased out because they could not become self-supporting in their first three years, the St. Charles and St. Louis centers, which are growing, will carry themselves and produce this year net income for Lindenwood. The English as a Second Language programs are enjoying rapid growth, will produce net income, and simultaneously provide a useful recruiting tool for the undergraduate programs. The Bachelor of Medicine program will at least hold its own this year and, with more effective recruitment, will add students while continuing to produce net income and prestige for Lindenwood during 1978-79. The theatre department in one year increased its under-

graduate majors more than four-fold (from 6 to 27), and added part-time students in both the undergraduate and graduate programs. This department, based on 1977-78 attendance at performances, will probably produce net income in 1978-79. New faculty members have been selected and appointed in education and business administration to replace those who have moved to accept promotions or much higher salaries.

Stadium revenues this summer amounted to \$37,490 compared to \$25,726 in 1977; this occurred in only 4 weeks of operation compared to 6 weeks in 1977. Contracts have been negotiated with St. Louis University to accommodate their soccer games. This should generate about \$20,000 for Lindenwood, and is scheduled not to conflict with either Lindenwood athletic teams or the Cardinals. Incidentally, the Cardinals will pay an additional \$4,000 to use Lindenwood's practice facilities during September. Income from conferences is increasing and we believe this trend will continue during the coming year. During the summer a new word-processing center (the modern term for a stenographic-secretarial pool) was set up to provide better and faster secretarial and duplicating services for the administration and faculty; simultaneously it will save money by reducing the need for a number of often underutilized office secretaries. In offices where non-secretarial administrative assistance is needed, student or part-time help can be provided at sharply-reduced cost. In July, on Dr. Barnett's suggestions, offset equipment was installed to provide Lindenwood with quicker and less costly, but equally high quality, printing-publishing capacity as compared to outside commercial services; this new office is currently producing forms, brochures, posters, and the annual catalog. During the coming year it will handle student publications, and will be used as an added teaching facility under Dr. Barnett for students in writing, journalism and

related fields. You all know that the new Student Center was completed this summer; it is now in use and all features, including the snack bar, will be fully operational within the next couple of weeks. The stadium is of course completed and is fully operating.

The 1978-79 operating budget details were presented to the Finance Committee on August 30. John Biggs was asked by the Finance Committee to review this budget and he has done so. Based on conservatively realistic projections of income and cautiously-calculated projections of expenditure, we can come very close in 1978-79 to a balanced position; with even a little bit of luck we could come out in the black for the first time in 12 years.

A brief note on administrative organization and key personnel.

Dr. John Burd on July 1 assumed new responsibilities as director of the Evening College, and on September 15 will additionally become director of Lindenwood 4. These two colleges will then operate under one administrator rather than two, saving money and improving opportunities for adult students. Considerable time was spent this summer in identifying and employing a director of admissions and financial aid, a director of development and public relations, and a director of financial planning and administration. In my judgment Lindenwood is fortunate indeed to have found Frank Hetherington, a recognized national leader in college admissions, Jeffrey Nemens, recommended by the president of the Missouri Colleges Fund as one of the state's outstandingly successful fund-raisers, and Joseph Schwarzbauer, identified and strongly supported by John Biggs and his Washington University colleagues. Happily I was able to persuade these men to join us.

The recruitment and admission of full-time resident and non-resident undergraduate students in the liberal arts college probably will fall short of our expectations. While it is true that these students are the most difficult and costly to recruit, it is evident that effective recruitment-admissions procedures have not been carried out over the past couple of years. We cautiously project not more than a 7% decline for 1978-79 and thus, allowing for the higher tuition and fees rates, anticipate income in this category to remain close to last year's total. The Evening College enrollment and income will decline in the fall; hopefully by spring we can remedy part of the situation by intensive program development and recruiting. However, we have been seriously hurt by a massive advertising campaign mounted this summer by the St. Louis community colleges. In addition, these public institutions substantially reduced their tuition rates while we had to increase ours, making the tuition gap wider and, combined with the advertising blitz, are causing one-course undergraduate students to transfer to Florissant. We have reduced our anticipated Evening College income by \$50,000, or about 11%, to allow for this. We hope the impact is no greater than anticipated. While we can expect some increase in 1978-79 in income from gifts, grants, and earned income, the effective income from the endowment used to support the operating budget will be significantly reduced, primarily because of the \$1.5 MM bank loan; at 9%, debt service alone will be \$135M. This particular matter needs thorough review and courageous decision-making by the Board.

Another frustrating situation is the widespread apprehension, even fear, among the liberal arts faculty that Lindenwood as a liberal arts college, if not as an institution, will fail. These fears are realistic ones and deserve continuing thoughtful attention, but any tendency to seek scapegoats must be tempered. Like



many other departmentally-organized, single-purpose, liberal arts colleges, Lindenwood faces a serious structural problem. It has too many (about 50) professors whose primary professional preparations and interests are to serve full-time resident (about 200) and non-resident (about 300) students. It requires a student body about 15-17 times the size of the faculty (that is, about 750-850 full-time students) to provide a \$14,000 salary to a professor. Lindenwood has slightly more than half as many full-time students as are needed to reach even this modest level. In 1973-74 there were 498 students in these categories; in 1977-78 there were 495. The problem is further complicated by room and board expense and income, for in effect we have a "hotel" operating at 25-30% capacity (200 beds out of 750-800 possibles) with "guests" who continually desire improvements and additional amenities. Boards of Trustees in some colleges facing a similar situation (Bryn Mawr in Pennsylvania is a distinguished example) have opted to dismiss faculty members, eliminate underutilized departments, merge with other colleges, or take other drastic, cost-reducing actions, including closing the college. Or, as I understand, Stephens College in Columbia is planning to lease unused land for shopping centers or other commercial uses with land titles reverting after 15 or 20 years to the college. At Lindenwood since 1974 we have tried to counterbalance these losses with new undergraduate and graduate programs, and new projects that would be capable of producing short-term net revenues. Among new programs were an expanded Evening College, Lindenwood 4, the MBA and other graduate programs, nursing and other health service programs, teacher education, and theatre arts. New projects included the stadium, covered riding arena, conferences, summer institutes and workshops and summer professional theatre. Only three of these programs and projects (Lindenwood 4, stadium, and summer theatre) did not produce net revenues in their first year. Nevertheless the traditional liberal arts faculty is frustrated for lack

of students, lack of funds to update and upgrade their course offerings, envious of programs and projects that receive support (especially when these do not quickly produce net revenues), and fearful that their disciplines, their jobs, or liberal arts in general will be replaced by vocationally-oriented programs and money-making projects. They want reaffirmation of the centrality of the liberal arts and reassurance that support for these disciplines will continue. The fact that the budget must be brought into balance before reaffirmations and reassurances can honestly be given, and before significant additional financial support can be promised, is an essential truth; nevertheless impatience, irritations, frustrations, and fears remain.

The dilemma created by these frustrations and fears is difficult to resolve. To disregard them is to risk intensification of their anxieties and insecurities. To acquiesce to pressure is to risk continuing and enlarging budget deficits at a time when Lindenwood's unrestricted reserves are fully used to collateralize loans. To discuss and rediscuss the same basic problems and to plead for patience and understanding is difficult when impatience, frustration, and fear predominate. Perhaps the most constructive course is again to offer whatever reassurances are reasonable and possible, to avoid words and actions that are in any way divisive or non-supportive, and to provide modest amounts of additional financial support to allay fear and offset frustration. Time and stability are important ingredients if Lindenwood is to continue as a viable institution; hasty decisions under pressure, fragmentation of the community into hostile sub-groups, and lack of strong Board support for its policies and its leadership, and disruption of efforts to achieve a sound financial base for the institution are at all costs to be avoided.

of maintenance, repairs and general upkeep of the church and the like. Following her report, Mr. Metcalfe was asked to review the legal relationships between the church and the college and to report back to the committee at our next meeting.