MINUTES OF BOARD OF TRUSTEES
SOUTHWESTERN AT MEMPHIS
January 20-21, 1983
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1-83-1 The regular meeting of the Board of Trustees of Southwestern At Memphis was held in the Edmund Orgill Room, S. DeWitt Clough Hall, on the campus, at 1:15 p.m., Thursday, January 20, 1983, pursuant to written notice. The meeting was called to order by the Chairman, Mr. Frank M. Mitchener, Jr., and it was opened with prayer by Mr. Jere Nash, Jr.

1-83-2 The roll was called by the Secretary, Mr. S. Shepherd Tate. Members present were:

Synod of the Mid-South	Elected by Trustees	Synod of Red River
Robert H. Buckman, '84	Walter P.Armstrong,Jr.,'83	John H. Crabtree, '83
Joseph R. Crosby, '83	Neville F. Bryan, '85	Jessie Falls, '83
Richard F. Keathley, '83	Charles P. Cobb, '83	Henry Goodrich,'84
Frank E. Lankford, '85	Robert F. Fogelman, '83	Murray O. Rasberry, '84
Frank M. Mitchener,Jr.,'84	Margaret R. Hyde, '84	Robert H. Seal, '85
Jere Nash, Jr., '83	W. Neely Mallory, '84	Robert B. Smith, '85
S. Herbert Rhea, '85	Joseph Orgill III,'85	
Henry B. Strock, Jr., '83	William B. Rudner, '85	Faculty Trustees
	Eleanor B. Shannon, '83	Julian T.Darlington, '83
	S. Shepherd Tate, '84	William Larry Lacy, '85
Ex Officio Member	Norfleet R. Turner, '85	E.Llewellyn Queener, '84
James H. Daughdrill, Jr.	John C. Whitshitt, '85	
		Student Trustees
Life Trustees		Debra Sue Efird (Debbie)
Paul T. Jones		Charles Wallace Parrott (Chip)
Edmund Orgill		Albert Brian Sanders

Present by Invitation		
Bill Allen	Tom Kepple	Robert E. Nelson, Consultant
Ray Allen	Don Lineback	Peyton Rhodes, Pres. Emeritus
Peggy Arnold	Mary Jo Miller	C.V. Scarborough
Gerald Duff	Mary Mooney	Winton Smith
Jo Hall		Loyd Templeton

The following were absent:

Synod of the Mid-South	Elected by Trustees
Edgar H. Bailey, '84	Winton M. Blount, '83
Bruce E. Campbell, '85	Nancy H. Fulmer, '85
Ray U. Tanner, '85	Martin B. Seretean, '84
Richard A.Trippeer,Jr.'84	Hewitt P. Tomlin, Jr.,'83
	John M. Tully, '84
	Anne Wilson, '84

1-83-3 A motion was duly made, seconded and passed that the minutes of the meeting of the Board of Trustees held on October 14-15, 1982, be approved as prepared and previously mailed to the Trustees.

1-83-4 The Chairman introduced and welcomed Mr. Frank E. Lankford, a new member of the Board who had to miss his first meeting of the Board because he was out of the country on company business.

1-83-5 The Chairman called upon Dr. Robert B. Smith who discussed the relationship between the College and the Synod of Red River and the proposed "Covenant Between Southwestern At Memphis and The Synod of Red River." Dr. Smith pointed out that this Covenant must be approved by the Southwestern Board of Trustees and then in the summer of 1983 approved by the Synod of Red River. (Ex. A., pp. 6-10)

1-83-6 The Chairman called upon Dean Gerald Duff for his report. Dean Duff discussed Term III and the work in the courses for that term.

1-83-7 The Chairman then called upon President Daughdrill for his report. The President stated that he would prefer to give his report later and not preempt the reports to be made by the various administrators and committees. He did point out that on page 16 of the Agenda materials there was a memorandum from him to the Committee on Development dated January 10, 1983, in which he recommended the approval of retaining Robert E. Nelson Associates of Chicago to conduct a study of our Development Program. The President then introduced Mr. Nelson who made some observations relative to our Development Campaign. (Ex. B., p. 11)

1-83-8 At 1:45 the Board recessed to attend the meetings of the various standing committees. Mr. Edmund Orgill was asked to meet with the Development Committee, Dr. Paul Tudor Jones, with the Students and Campus Life Committee, and Dr. Peyton Nalle Rhodes, with the Buildings and Grounds Committee.

FRIDAY, JANUARY 21, 1983

1-83-9 The Board of Trustees resumed the meeting on Friday, January 21, 1983 at 8:45 A.M. in the Edmund Orgill Room of the S. DeWitt Clough Hall on the campus.

The meeting was called to order by the Chairman, Mr. Frank M. Mitchener, Jr. Mr. Herbert Rhea opened the meeting with prayer. The roll was called by the Acting Secretary, Mr. John C. Whitsitt.

Members of the Board present were:

Synod of the Mid-South	Elected by Trustees	Synod of Red River
Robert H. Buckman, '84	Walter P.Armstrong,Jr.,'83	John H. Crabtree, '83
Bruce E. Campbell,'85	Neville F. Bryan, '85	Jessie Falls, '83
Joseph R. Crosby, '83	Charles P. Cobb, '83	Murray O. Rasberry, '84
Frank E. Lankford, '85	Robert F. Fogelman, '83	Robert H. Seal, '85
Frank M. Mitchener,Jr.,'84	Margaret R. Hyde, '84	Robert B. Smith, '85
Jere Nash, Jr., '83	W. Neely Mallory, '84	
S. Herbert Rhea, '85	Joseph Orgill III,'85	Faculty Trustees
Henry B. Strock, Jr., '83	William B. Rudner, '85	Julian T.Darlington, '83
	Eleanor B. Shannon, '83	William Larry Lacy, '85
Ex Officio Member	John M. Tully, '84	E.Llewellyn Queener, '84
James H. Daughdrill, Jr.	Norfleet R. Turner, '85	
	John C. Whitsitt, '85	Student Trustees
Life Trustees		Debra Sue Efird (Debbie)
L. Palmer Brown		Charles Wallace Parrott (Chip)
		Albert Brian Sanders

Present by Invitation

Bill Allen	Tom Kepple	Mary Mooney
Ray Allen	Don Lineback	Peyton Rhodes, Pres. Emeritus
Peggy Arnold	Bob Llewellyn	C.V. Scarborough
Gerald Duff	Mary Jo Miller	Winton Smith
Jo Hall		Loyd Templeton

The following were absent:

Synod of the Mid-South	Elected by Trustees	Synod of Red River
Edgar J. Bailey, '84	Hewitt P. Tomlin,Jr.,'83	Henry Goodrich, '84
Richard F. Keathley, '83	Winton M. Blount, '83	
Ray U. Tanner, '85	Nancy H. Fulmer, '85	
Richard A.Trippeer,Jr.'84	Martin B. Seretean, '84	
	S. Shepherd Tate, '84	
	Anne Wilson, '84	

1-83-10 The Chairman called for the reports of the standing committees:

1-83-11 COMMITTEE ON BOARD DIRECTIONS AND LEADERSHIP - Mr. Joseph Orgill III reported in the absence of Chairman Walter P. Armstrong, Jr. (Ex. C., p. 12)

A motion was made, seconded, and passed that the proposed Covenant with the Synod of Red River be adopted. (Ex. A., pp. 6-10)

1-83-12 A motion was made, seconded and passed that Dr. Henry B. Strock, Jr. be nominated to the Synod of the Mid-South for re-election to Southwestern's Board of Trustees Class of 1985.

1-83-13 A Motion was made, seconded and passed that Mrs. Linda Graham McCarty be recommended to the Synod of the Mid-South for election to Southwestern's Board of Trustees, Class of 1985.

1-83-14 Mr. Orgill reported that two more vacancies remained in the Class of 1985 to be nominated by Southwestern to the Synod of the Mid-South, and that two trustee candidates have been approached. It was moved, seconded and passed that the Committee on Board Directions and Leadership continue discussions with the trustee candidates and be authorized to submit their names to the Synod of the Mid-South as soon as possible.

1-83-15 Mr. Orgill reported that the Committee recommends adoption of the Faculty Early Retirement Program (Ex. D., pp. 13-16) contingent upon approval by the Faculty and Educational Program Committee and the Finance Committee.

1-83-16 COMMITTEE ON BUILDINGS AND GROUNDS - Mr. Robert Buckman reported in the absence of Chairman Edgar Bailey. (Ex. E., pp. 17-28)

Mr. Buckman reported that funding for the Diehl Memorial is complete.

1-83-17 Upon motion duly made, seconded and passed, the Board approved the Committee's recommendation that:

> The Charles Edward Diehl Memorial, as modified by the Buildings and Grounds Committee, be completed in time for dedication at Homecoming 1983.

1-83-18 COMMITTEE ON ENROLLMENT - In the absence of Chairman Henry Goodrich, Mr. Robert Fogelman reported. Report accepted as filed. (Ex. F., pp. 29-30)

Mr. Fogelman reported an increase in applications of 62% over last year. He said that 67% of Southwestern students receive some form of aid totaling $2.8 million, or $4,140 per student.

1-83-19 COMMITTEE ON DEVELOPMENT - Mr. Charles Cobb, Chairman. (Ex. G., p. 31) (see also Ex. B., p. 11)

Upon motion duly made, seconded, and carried, the Board voted to:

1. Employ Mr. Robert E. Nelson for approximately 90 days as Consultant to the Committee in connection with an evaluation of the college's public relations and fund-raising programs.

2. Not include the Bellingrath endowment funds as part of funds received under the $50 million Capital Funds Campaign.

Without the Bellingrath funds, $28 million has been raised in capital funds.

Mr. Robert Buckman was commended for his leadership in the Trustees portion of the annual fund, with $198,100 having been pledged or received.

1-83-20 COMMITTEE ON FACULTY AND EDUCATIONAL PROGRAM - Miss Margaret Hyde, Chairman. (Ex. H., pp. 32-35)

Miss Hyde reported that the Committee recommends adoption of the Faculty Early Retirement Program contingent upon approval by the Finance Committee. (Ex. D., pp. 13-16)

1-83-21 COMMITTEE ON FINANCE - Mr. Herbert Rhea, Chairman. (Ex. J., pp. 36-56)

1-83-22 Mr. William Rudner was called on to report for the Investment Committee. Total return was 19.5% in 1982 as compared with 5.1% in 1981. The committee continues to evaluate the performance of the fund managed by Vaughn, Nelson and Hargrove. Earnings in the fund over and above the 5% distributed to the college will be invested in the short-term cash fund managed by the college rather than invested by Vaughn, Nelson and Hargrove.

1-83-23 Upon motions duly made, seconded and passed, the Board of Trustees voted to:

1. Convert currently held shares of common stock of Guaranty Trust Savings and Loan Association to an account with Home Federal Savings and Loan Association. (see pp. 36 & 46)

2. Open an account with First Tennessee Bank of Kingsport, Tennessee, for the purpose of establishing a Controlled Disbursements Program to improve cash management. (see pp. 36 & 47)

3. Establish a money market fund with "The Common Fund" with an investment limit of $350,000 to be used on "as needed" basis for optimizing cash utilization. (see pp. 36 & 47)

4. Approve the preliminary budget for 1983-84 reflecting a $381,000 contingency account (budget surplus). (see pp. 37 & 49)

5. Adopt the Proposed Early Retirement Program (Ex. D., pp. 13-16) as recommended by the Committees on Development, Faculty and Educational Program and the Finance Committee. (The budget will need to be

adjusted when definitive actuarial costs for those wishing early retirement are known.) Estimated financial impact is as follows:

Maximum estimated impact during FY 84	$111,736*
Maximum estimated impact during FY 85	69,404
Maximum estimated impact during FY 86	84,064
TOTAL	$265,204

*For tax purposes most faculty will not actually want payment in a single year; therefore, the impact will probably be spread out over three years.

Specific and detailed wording of resolutions (1), (2) and (3) above is contained in the committee report.

1-83-24 COMMITTEE ON STUDENTS AND CAMPUS LIFE - Dr. Robert B. Smith reported for Chairman John Tully. (Ex. K., pp. 57-59)

The Committee meeting with student participation was reported as positive and affirmative. Communications are open and much has been achieved. A "beautiful" relationship between Trustees and students exists. A need for more counseling in career development and placement was strongly urged by the students.

Considerable discussion followed as to how the college could respond to the need.

Upon motion duly made, seconded and passed the President was requested to carefully consider the position of Career Development and Placement as a possible full-time position at Southwestern.

1-83-25 COMMITTEE ON HONORARY DEGREES - In the absence of Chairman Walter Armstrong, President Daughdrill reported the following recommendations:

Upon motion duly made, seconded, and passed, the persons recommended by the Committee to receive Honorary Degrees were approved. (The list will be published after honorands have accepted and will be reported in April 1983 minutes).

After Dr. Daughdrill reviewed the list of candidates for this year's commencement speaker, a motion was duly made, seconded, and passed that all would make excellent commencement speakers and therefore the list be approved.

1-83-26 President Daughdrill then presented his report. (Ex., L., pp. 60-61) He gave an account of the past ten years at Southwestern. Dr. Daughdrill summed-up his report by saying that Southwestern has never been stronger; that a long-range plan is in place; a plan for excellence is in place and a 10-year budget is in place. Southwestern's goal is to be the "Best College in the South and the Best Church Related College in the Nation." Dr. Daughdrill's report was accepted with appreciation and a standing ovation.

1-83-27 There being no further business, the meeting was adjourned at 10:45 A.M.

John C. Whitsitt, Jr., Secretary Pro Tem

COVENANT

SOUTHWESTERN AT MEMPHIS
AND
THE SYNOD OF RED RIVER

I. PURPOSE OF THE COVENANT

The purpose of this Covenant is threefold: to define the nature and scope of the relationship of Southwestern At Memphis and the Synod of Red River, Presbyterian Church in the United States; to enable the College and the Synod to fulfill effectively their respective missions in higher education; and to provide a solid basis for mutual understanding and support.

II. HISTORY OF THE RELATIONSHIP

For more than a century, Southwestern has had a vital ongoing relationship with the Presbyterian Church in Louisiana. The relationship began in 1873 when the Synod which included Louisiana joined five other regional Presbyterian synods in the cooperate effort (the "Plan of Union") to operate the institution as the single Presbyterian college for the entire six state region. When the Synod of Louisiana was created in 1903, Southwestern continued as the official Presbyterian college of the Synod. In 1973, the Synod became a part of the new Synod of Red River and brought only two institutions -- Southwestern and Evergreen School of Minden, La. -- into the new four state regional Synod. In its relationship with the Synod, Southwestern recognizes its historical ties to Louisiana and continues to emphasize its service to this area. Since 1975, a covenant between Southwestern and the Synod has been used to express their mutual understanding and shared commitment to Christian higher education in the region.

III. PARTIES TO THE COVENANT AND MUTUAL UNDERSTANDING

The parties to this Covenant are: Southwestern At Memphis, an undergraduate college operating under its governing board, the Board of Trustees; and the Synod of Red River, a judicatory body of the P.C.U.S., or its ecclesiastical successor.

A. Southwestern At Memphis

Southwestern is a church-related college of liberal arts and sciences, which provides students with an experience of living in a Christian community of sensitivity, mutual concern, and awareness of the world; and which emphasizes developing the whole person: physically, spiritually, and intellectually. In line with its mission to foster the achievement of genuine scholarship and sound learning, Southwestern seeks to graduate men and women who encounter a broad range of intellectual and value-oriented

experiences--men and women who will be competent, concerned citizens as well as enlighted, self-motivated human beings.

Founded in 1848 in Clarksville, TN, Southwestern first entered into a relationship with the Presbyterian Church in 1855 as Stewart College, a name which was changed to Southwestern Presbyterian University in 1875, the year in which the Charter of Incorporation was granted by the State of Tennessee. When the college moved to Memphis in 1925, it adopted as its official name Southwestern, and in 1946 it was changed to Southwestern At Memphis. Pursuant to the "Plan of Union" of 1873, as subsequently modified and recently formulated in 1973, the Corporation of Southwestern At Memphis is recognized to be an official covenant institution of the Synod of Red River and the Synod of the Mid-South of the P.C.U.S. The charter of Southwestern was last amended in 1980.

B. The Synod of Red River

The Synod is a court of the Presbyterian Church in the United States as defined in the Book of Church Order (BCO) 17-5 with jurisdiction as set forth in BCO 14. As the court of the Church, the Synod exists to enable, enhance and engage in mission. In higher education, this mission is to inform, stimulate, coordinate and channel the witness of Jesus Christ in and through educational institutions and to encourage more active involvement in the many expressions of the Church's concern for educational quality and wholeness.

C. Mutual Understanding

The parties to this Covenant are independent, neither being controlled by the other. They are, however, interdependent in that they work together to accomplish their common mission. Their mutuality of purpose is rooted deeply in the history and tenets of the Presbyterian Church. Our Church has been a leader in founding and supporting institutions of higher education in this country, based on the belief that the persistant search for truth and knowledge is integral for the faith pilgrimage.

Both parties to this Covenant embrace the Biblically defined tasks of education: the transmission of past revelation and human achievement, the inculcation of moral values, and the preparation for productive and responsible involvement in social, political and economic spheres of life.

IV. RESPONSIBILITIES UNDER THE COVENANT

A. Southwestern At Memphis

The Board of Trustees of Southwestern At Memphis has adopted a statement of Christian Commitment and Church Relationship which provides the background for many of these responsibilities of the college under the

Covenant:

1. To provide opportunities for regular corporate worship by members of the campus community.
2. To demonstrate active concern for social justice and human mercy, through such means as the "Kinney" program and other outreach activities.
3. To conduct an educational program in which a large majority of the faculty are Christians; to create a climate in which the Christian faith is reasonably and persuasively presented; and to explore the relationships between religion and other facets of life.
4. To express concern for students as individuals by providing an atmosphere where personal relationships are important, and where values, ideals and commitments are mediated.
5. To require study of the Bible and its relationship with history and culture.
6. To provide intellectual stimulus to the Church through research, the publication of scholarly articles and books, by providing leaders, library and location for Church education conferences, and through its alumni serving as fulltime Church professionals.
7. To educate students to become active, knowledgeable participants in the Church, in society, and in the world.
8. To assure Christian governance and leadership by maintaining the practice that a large majority of trustees and administrators be Christians.
9. To provide services for the Church such as preachers for pulpit supply, the Southwestern Singers, and leadership for Church conferences and councils.
10. To secure Synod's General Council approval before undertaking any capital campaigns involving local churches in the Synod.
11. To make continued efforts at increasing minority/ethnic representation among students, faculty and the Board of Trustees.

B. The Synod of Red River

The Synod of Red River has adopted a Statement on Mission in Higher Education that provides the background for these responsibilities of the Synod under the Covenant:

1. To inform presbyteries and congregations of developments in the world of public and private higher education, and of how these developments impact on Southwestern and the other Synod institutions.
2. To support and encourage innovative educational programs at Southwestern (e.g. in life-long learning, lay theological training, and development of minority leadership).

3. To provide staff support to carry out a partnership in Church-wide higher education ministries, including having one Synod staff member serve as the official liaision to Southwestern.
4. To enhance the ministry of Southwestern to strengthen the mission of the Church.
5. To create opportunities for affirming and supporting the awareness that all persons employed at Southwestern are engaged in ministry.
6. To assist Southwestern in student recruitment, and in securing endowment funds in addition to annual funding.
7. To encourage support by individual Presbyterians of Southwestern's capital fund programs and planned giving programs through trusts, bequests, and other estate plans.
8. To develop and maintain appropriate ecumenical relationships and structures at state, regional, and local levels for cooperative higher education ministries involving Southwestern.
9. To develop a list of potential Synod representatives to the Boards of Synod's institutions of higher education, and to have this list available for each Board's nominating committee as it considers prospective Board candidates.
10. To periodically review this Covenant.

C. Common Commitment

Each party affirms the statements of belief and purpose of the other and hereby covenants to support and encourage the other in pursuing their mission.

V. ACCOUNTABILITY AND COMMUNICATION

A. Accountability

1. Six members of the College's Board of Trustees are elected by the Synod of Red River only upon nomination by Southwestern's Board to the appropriate committee of Synod, in three equal classes for three-year terms. The classes are staggered and no Synod-elected Board member may serve more than three terms consecutively.
2. The appropriate committees of both the Synod and the College shall meet together every three years to discuss long-range plans for the election of Trustees.
3. Southwestern will make annual provision at one of its regular Board meetings for the Trustees elected by the Synod of Red River and by the Synod of Mid-South to meet and review their mutual interests and involvement with the College.
4. Synod will ask one of its trustees to provide to the Higher Education Work Group a summary of significant points raised at the annual meeting with the trustees of the Synod of Mid-South.
5. If Southwestern At Memphis should cease to operate as an institution of higher education, the Board of Trustees is charged with the disposition of property, except to the extent that donors have imposed restrictive reversion clauses on their individual gifts to the College.

B. Communication

1. Southwestern will provide Synod with copies of its Annual Audit, Annual Report, Minutes of its Board meetings, and other significant documents.
2. The Synod will provide Southwestern with a copy of its Annual Audit, Minutes of the Synod meetings, and other significant documents.
3. Southwestern will have a representative at the Annual Meeting of the Synod, and will be active in the work of Synod's Higher Education Forum.
4. The Synod will provide a periodic opportunity for Southwestern's president to serve as the representative of all Synod institutions to the General Council.
5. Southwestern will periodically invite Synod's staff liaison to visit the campus and to meet with members of the college community, including the Board of Trustees.
6. The Synod and the Board of the College shall each appoint a person to see that the provisions of this Covenant are brought to the attention of each entity.
7. The text of this Covenant shall be printed in the Minutes of Synod and published in other appropriate means of communication.
8. The Covenant shall be summarized in the Southwestern catalog and made available to the members of the Southwestern faculty and staff and to other constituencies as appropriate.

C. Review and Amendment of the Covenant

1. This Covenant will be reviewed every three years following approval. The review team will be composed of three persons appointed by each party. The review team may elect to try to coordinate its meeting with that of the covenant review team from the Synod of the Mid-South.
2. This Covenant may be amended by the action of the Synod of Red River and the Board of Southwestern At Memphis.
3. Special review of the Covenant relationship can be initiated either by Southwestern or Synod.

VI. FORMAL APPROVAL

This Covenant shall become effective upon formal approval by the Synod of Red River and the Board of Trustees of Southwestern At Memphis, each meeting in regular session.

To: Committee on Development

From: James H. Daughdrill, Jr.

Date: January 10, 1983

I recommend your approval of hiring Robert E. Nelson Associates of Chicago to conduct a study of our Development program. This requires an additional capital budget of $15,300 (See note below.) The last study was done prior to the announcement of our Development Campaign eight years ago.

Mr. Nelson has done consulting work with a number of other institutions, including Washington and Lee, DePauw, and several church-related colleges. The campaign at W & L exceeded its goal by $6 million, and the administration and campaign leaders speak highly of Mr. Nelson's work.

The study would entail:

1) Evaluation of the college's public relations and fund raising programs, including a critique of communications with donors and potential donors, fund raising techniques and materials, and reporting methods.

2) Evaluation of Development Office support systems, staffing and budgeting.

3) Analysis of Board of Trustee perceptions of Development Program objectives, their sense of "ownership" of institutional objectives, and their evaluation of staff services in support of board activities.

4) Evaluation of the way leaders of other constituent groups view Southwestern.

5) Evaluation of volunteer groups.

6) Evaluation of Southwestern's current fund raising and future potential, together with strategy recommendations for Development.

NOTE: The cost of the study will be $23,800 including travel and related expenses. At the April Board meeting I will ask the Board to consider whether to retain Mr. Nelson on a continuing basis. If we do retain him on this basis he will be available to begin in June at a cost of $3,500 per month.

We have in the current year's capital funds budget $12,000 for a consultant's fees. Thus an additional $15,300 ($23,800 + 3,500 - 12,000 = $15,300) is needed. The amount included for the June consultant's fee will be spent only if the Board decides in April to retain Mr. Nelson.

COMMITTEE ON BOARD DIRECTIONS AND LEADERSHIP - January 21, 1983

The meeting was called to order at 2:45 P.M. Members present were: faculty member Julian T. Darlington, Trustees Frank M. Mitchener, Jr., and Joseph Orgill III, who acted as Chairman in the absence of Dr. Walter P. Armstrong, Jr. Also present were President Daughdrill and Mrs. Jo Hall.

After discussion and review, it was moved, seconded, and unanimously voted that the committee recommend that the Board endorse the proposed Covenant with the Synod of Red River.

A discussion ensued with respect to the four members of the Board whose names must be submitted to the Synod of the Mid-South for election by the Synod.

It is noted that three of the present four incumbent Trustees, Mr. Jere Nash, Mr. Richard F. Keathley and Mr. Joseph R. Crosby, would not be eligible to continue as Trustees because they had completed three terms, moved out of the area of the Synod, and would be 70 years old at the time of election, respectively.

With this in mind the committee recommended re-election of Dr. Henry Strock and nomination to elect Mrs. Linda Graham McCarty. President Daughdrill advised the committee that he was in contact with the two potential trustees, and the committee discussed the situation and decided to ask that the Board allow the committee to continue discussions with the potential trustees and be authorized to submit their names to the Synod of the Mid-South when they accept. It was moved, seconded and unanimously voted that the above course of action be taken.

In order to more properly evaluate potential trustees for the future, it was suggested that a meeting be held in February for this purpose.

The final order of business involved the recommendation that the Board adopt the Faculty Early Retirement Program as outlined by President Daughdrill. This was done contingent upon approval by the Faculty and Educational Program Committee and the Finance Committee.

There being no further business, the meeting was adjourned.

RETIREMENT POLICIES AFFECTING ALL RETIREES

1. Health Insurance

   The college provides health insurance for all retirees and their spouses. (See Note A)

2. Information on Projected Retirement Income

   Likely monthly income from pension and social security at some projected retirement date in the future, or information on how to assemble such data, shall be available from the Director of Personnel.

3. Information on Projected Fringe Benefits

   Information on fringe benefits that may be expected in retirement also will be available from the Director of Personnel.

4. An Active Retirement

   Faculty members, as part of their long-term preparation for retirement, may participate actively in Southwestern's program of continuing and adult education. (See Note B)

5. Perquisites for Retired Faculty Members.

   Retired faculty members will have continuing fringe benefits related to Burrow Library and to campus athletic and performing events.

6. Lump Sum Annuity Settlement Option

   Retirees will be given (by VALIC only) the option of getting their entire accumulation as a single payment ("lump sum") at the time of retirement, for "rolling over" into another investment.

COSTS OF PROPOSED NEW POLICIES

Costs to Faculty Members for Early Retirements

Faculty members' lifetime pension income will be determined at the time of their retirement by the size of the accumulated equity in their pension account and by their actuarially determined life expectancy. Properly speaking, therefore, an early retirement does not "cost" anything. However, monthly pension income in retirement will be substantially larger if they go on teaching to age 70 rather than retiring at age 62 or 65. Three considerations readily account for this. (1) They contribute to their pension accumulation for five more years. (2) Their funds already accumulated are earning money for five additional years. (3) When they are 70 rather than 65, their accumulated pension funds can be divided into a smaller number of years of life expectancy.

Faculty members considering early retirement should recognize that these policies, while designed to help facilitate early retirements financially, will not wholly counteract the reduction of monthly income that will result from early or phased retirement, once full retirement has been reached.

TOWARDS FACILITATING EARLY RETIREMENTS

1. Five Month Limitation (February 1 through June 30, 1983)

We consider that the early retirement options about to be described and recommended should be clearly conceived as a limited-term program for specific situations that the college faces in this decade, and not as a newly established and on-going fringe benefit. Therefore, these options will be available for five months only after adoption by the Board of Trustees for faculty members who choose to retire early.

2. Eligibility

The early retirement options described are for consideration by full-time faculty members only who will have completed at least fifteen years of full-time service to the college, including sabbaticals by the time of their full retirement, or by the beginning of their phased retirement if that is the option they are choosing. Each individual early retirement plan must be approved by the participating faculty member, the VP-Dean of the College and the President.

3. Severance Payments

The VP-Dean of the College and the President are authorized to offer one-time severance payments to be agreed upon by the participating faculty member, the VP-Dean of the College and the President.

a. Eligibility: As found on page 2.

b. Maximum size of severance payments:

For faculty members retiring at age:	A severance payment of:
62 (or earlier)	150% of salary
63 or 64	125%
65	100%
66	75%
67	50%
68	25%
69 or 70	None

c. Payment shall usually be in a manner to defer income tax. For example, the college might contribute to the faculty member's TIAA or VALIC account the maximum allowable under Section 415 of the Internal Revenue Code and put the balance into an excess benefit plan sponsored by the college under which benefits would be directly disbursed to the individual.

4. Phased Retirement

As an alternative participating faculty members may, upon approval by the VP-Dean of the College and the President, have the option to teach a partial load, up to 40%, during several years prior to full retirement, on a reduced salary. The following policies shall guide phased retirement:

a. Eligibility: As found on page 2.

b. The faculty member entering phased retirement may teach up to 40% of a normal load. This might be in the form of full-time teaching during either Term I or Term II. Or it might be in the form of teaching courses spread through the year, in an arrangement negotiated between the VP-Dean and President, in consultation with the department concerned, and the individual faculty member. (The 40% figure derives from the college's present 3-term calendar.)

c. Since part-time teachers are difficult to accommodate in certain departments, the phased retirement option can be made available to a faculty member only if the teaching arrangements that can be worked out are agreeable to the department concerned.

d. During the years between the beginning of phased retirement and entry into full retirement, the faculty member will be guaranteed continued employment as if he or she had continued on a full-time basis. The percentage of full-time employment guaranteed will be whatever is negotiated, up to a maximum of 40%.

e. Fringe benefits, conditions of employment, and health benefits will continue until full retirement on the same basis as part-time faculty.

f. The faculty member who has entered phased retirement will not be eligible for sabbaticals.

g. Financial arrangments:

1. The faculty member may begin drawing Social Security benefits.

2. The faculty member may begin drawing TIAA/CREF benefits.

3. The college will pay the professor without reducing his or her social security benefits at the time of beginning phased retirement.

4. Upon agreement by the participating faculty member, the VP-Dean of the college and the President, the college may open a new pension account for the professor, paying into it up to the maximum of what a normal pension contribution would have been if the professor had continued teaching full-time and earning a full-time salary, including the average annual increments. College payments to this supplemental annuity will cease when the professor enters full retirement or reaches age 70.

NOTES

Note A - Health Insurance

Financial planning for retirement must recognize that the passing years will probably bring need for increased medical services. But this is particularly difficult to plan for, since the costs for medical services have been increasing even more rapidly than secular inflation.

At present, the college provides major medical coverage (Blue Cross/Blue Shield) for retirees and their spouses, without cost to the retired employee or spouse. Dental coverage ceases with retirement.

Since this policy mitigates the impact of inflation on retirees, it is an important way in which the college already facilitiates early retirements.

Note B - An Active Retirement

An intellectually active life in retirement is important to a retired faculty member's well-being. With full retirement, the teaching of undergraduates ends. But scholarly pursuits and teaching in continuing education are not necessarily ended.

Teaching adults in continuing education requires different skills from degree-oriented, undergraduate teaching. If retired faculty members are to have continuing intellectual contributions to make in this forum, it is important that they begin trying their hand some years before they actually retire.

Note C - The Option of a Single-Payment Annuity Settlement at the Time of Retirement

Under Southwestern's contracts with TIAA and VALIC, retiring employees can receive as an immediate lump sum a maximum of 10% of their accumulation. Ninety percent must be taken on some sort of annualized basis.

In the current financial environment, retiring employees could secure a more advantageous return if they could withdraw their entire accumulated retirement fund and reinvest it. Current tax law removes disadvantages, if the funds are simply "rolled over."

The rule against withdrawing more than 10% of the TIAA/CREF retirement accumulation as a lump sum is probably not negotiable. VALIC does allow such withdrawal.

Buildings and Grounds Committee January 20, 1983

The Buildings and Grounds Committee met January 20, 1983, at 2:17 p.m. in the Frances Falls Austin Building. Members in attendance were: Dr. Henry Strock, Mr. Robert Buckman, Mrs. Jessie Falls, Prof. David Ramsey, Prof. John Olsen, Mr. Ted deVillafranca and Mr. Roy Twaddle, ex officio. Also present were Dean Tom Kepple, Dr. Peyton Rhodes, and student host Richard Barnes. Diehl Memorial architect, Mr. Jim Williamson and Mr. Bruce Burr, of Burr & Cole Consulting Engineers, Inc. were present during parts of the meeting.

In the absence of Chairman Edgar Bailey, Dr. Henry Strock opened the meeting and requested Dean Kepple review the construction progress of Hassell Hall. Dean Kepple reported construction was on schedule and that with luck the Music Department will move in before Term I next fall. He suggested that the committee tour the building at the next meeting. Dedication is planned for April 1984 meeting.

Dean Kepple showed the current drawings of Diehl Memorial project. The project has not changed significantly since the committee reviewed it last October, except that no definite plans have been developed for the line of oaks. Once the court and the gateway are completed, further study will be made to determine what changes, if any, will be made in the line of oaks. Mr. Jim Williamson showed a sample of the Pennsylvania slate that will be used on the statue base and on the surrounding benches. He explained that the surface of the court would be slightly uneven. There will be no concrete base under the slate, but there will be three different layers of sand and gravel--the bottom layer will be coarse gravel, the second layer will be smaller gravel and the top layer will be sand. Discussions followed regarding the gate, electric lanterns and details for lettering. Mr. Williamson informed the committee that the paving material could be handled in two different ways: (1) Slate paving similar in shape and color to the library terrace, or (2) Bluestone which is similar to slate, but costs much less. After viewing samples the committee agreed that the slate should be used. Dean Kepple stated that the funding for the statue, the courtyard and the gateway is complete. Mr. Williamson stated that construction, if the project is approved, will begin in June 1983 and will be finished in late August 1983. Dr. Strock read President Daughdrill's memo dated January 10, 1983:

> The Diehl Memorial will be a visible reminder of the strength of character, the inspiration, and the influence of the man who made Southwestern At Memphis the special place it is.
>
> Funding for the Diehl Memorial is complete. Therefore I recommend the Charles Edward Diehl Memorial, as modified by the Buildings and Grounds Committee, be completed in time for dedication at Homecoming, October 1983.

Motion was made, seconded and carried that the Diehl Memorial be completed in time for dedication at Homecoming, October 1983.

Dean Kepple gave some history on preliminary plans regarding the Frazier Jelke concrete deterioration. Mr. Bruce Burr, of Burr & Cole Consulting Engineers, reviewed with the committee several alternate ways of solving the concrete and leak problems. (See Attachment #1)

Mr. Burr answered numerous questions about the best approach to the problems and the cost involved. Mr. Burr will bring his final recommendations and cost estimate to the committee at the April 1983 meeting.

Dean Kepple noted that there are a number of construction projects planned for the near future--the Library renovation, replacement of University, Stewart and Evergreen, and expansion of the Refectory. He asked the committee to be thinking about a proper process for selecting architects for these future projects. A brief discussion was held and committee members gave some ideas on this subject. A proposal regarding selection of architects will be made at the April meeting.

There being no further business, meeting was adjourned.

ATTACHMENT 1

BURR & COLE
CONSULTING ENGINEERS, INC.

155 SCOTT STREET
MEMPHIS, TENNESSEE 38112

901 / 452-9676

BRUCE W. BURR, P.E.
B. JACK COLE, P.E.

January 19, 1983

Attn: Mr. Thomas Kepple, Jr.
Director of Administrative Services
Southwestern at Memphis
2000 N. Parkway
Memphis, Tennessee 38112

Re: Frazier Jelke Science Center - North Wall and Terrace

Gentlemen:

We are writing to report our progress on the study phase of our design services for the correction of waterproofing and pavement deterioration for the referenced areas.

The scope of our study has been limited to the correction of problems at the terrace paving, provision at doorways for handicapped access, and the replacement of waterproofing on the north wall between the areaways. We will also comment on some other conditions noted which deserve attention. The selection of the best system of repair will be based on obtaining the most permanent feasible system; however, the difficulty of obtaining an ideal solution is much greater with an existing building than in new construction. For instance, removal of stone at the perimeter of the terrace to replace the waterproofing behind the stone would be very expensive and in some cases virtually impossible. In this preliminary report we will summarize the feasible alternatives that we see at this time and the approximate construction costs in 1983.

We have gathered information on the existing conditions from interviews with original contractors involved and Southwestern personnel, review of the construction drawings, specifications, and correspondence from your file, general inspection, and from inspection of two sample areas where paving was removed and waterproofing exposed.

The existing deteriorated conditions which we noted are:

1. Terrace pavement is heavily deteriorated.
2. Recent ceiling leaks have occured beneath planters at four or five locations and beneath the terrace at two or three locations.
3. Recent leaks through basement walls have occured extensively at north wall and some at south and west walls.

Mr. Thomas Kepple, Jr.
Jan. 19, 1983
Page two

4. Coping stones and stone bases have many potential leaks at cracked mortar and/or sealed joints.
5. The structural expansion joint does not effectively go through the stone coping at the east courtyard.
6. Stone facings at courtyards have been displaced due to expansion and possibly ice formation.
7. Surface of dirt at planters has settled along edges so that water cannot get to drains on surface.
8. We understand that revisions to waterproofing in planters have not provided for positive slope of waterproofing to drains. Positive slope should be considered in further work on planter waterproofing.

A. Terrace Paving

The terrace paving is 4 inches thick with an exposed washed gravel finish and is separated into 5 foot squares by redwood 2 x 4's. The surface is badly spalled in many areas. Such deterioration could be caused by poor concrete quality (high water cement ratio, low strength, poor curing methods, no air entrainment) poor finishing methods, the high adsorption characteristics of the gravel, and the use of deicing salts. We do not feel that replacement of only the bad sections of paving is practical since deterioration of the rest of the paving is likely over the next 10 years.

The choice of the best paving alternative is closely tied to the selection of waterproofing materials. The three alternatives we are suggesting are shown on the attached sheet No. 1. Some of the factors are as follows:

1. Poured-in-place Concrete Paving Advantages are lower cost, surface sheds water before it gets to waterproofing below, and uniform color and finish are possible. Disadvantages are potential thermal movement damage and freeze-thaw damage if joints are not maintained clean and water-tight, quality of concrete and curing is usually somewhat less than pre-cast concrete, and greater thermal movement relative to the waterproofing membrane is likely.

2. Pre-cast Concrete Paving on Pedestals Advantages are that all joints are open and free drainage occurs below the pavers, the membrane is accessible by removing pavers, very little thermal movement occurs relative to membrane, and high quality concrete and finish are more easily obtained. Disadvantages are high cost, and loading is limited to light wheel loads. These pre-cast pavers would be installed on specially made pedestals.

3. Pre-cast Concrete Paving Above Existing Paving Our review of the reinforcement in the structure of the Terrace indicates that this additional superimposed paving load will still allow a live load at the paving of 50 PSF (which is the normal live load for a parking deck.) Advantages and disadvantages of this system are the same as system No. 1 plus the significant advantage that demolition of the existing paving and subsequent damage to the existing waterproofing would be avoided. A disadvantage is that raising the paving elevation causes revisions at the perimeter access points. This system has not been explored as thoroughly as the others at this point.

B. Terrace Waterproofing

The existing terrace waterproofing is placed on a light weight concrete slab placed over 2" thick foam glass insulation. The concrete slopes from 2-3/4" thickness at high points to 3/4" thickness at drains. The coal tar pitch membrane is a 5 ply system of pitch, then 15 pound tarred felt, followed by pitch, then glass fabric, pitch, 15 pound felt, pitch, glass fabric, pitch and 15 pound felt. The membrane is covered with 1/8" thick butt jointed molded protection boards, then sand, PVC film, and the 4" thick concrete paving. This membrane is reported to be continuous under stone at perimeter although some of the waterproofing at edges is reported to have been damaged during masonry construction. Recollection of the edge conditions was not uniform by the various contractors (masonry, waterproofing, and general); it is possible that flashing behind stone is a 2 coat cloth fiber. The waterproofing membranes being considered at this point are shown on sheet No. 2. Since cost of the various membranes is similar, selection will be based on predicted and proven performance, available guarantee, suitability of substrate, compatibility with existing membrane, protection of occupied spaces, detailing of building cracks and joints, and available experienced applicators. We anticipate that a 24 hour flood test would be required to check each completed portion of the membrane for leaks. The adhered membranes have the advantage that a leak in the membrane usually occurs right above where it appears below. A loose membrane can allow water to travel significant distances between the membrane and the structure before penetrating the structure and the leak is difficult to find. Also flashing at the perimeter will be more difficult with the loose membrane.

C. Perimeter Alternatives We do not at this time recommend removal of the stone and replacement (shown in Option 2 on Sheet No. 3) since the cost is extremely high and the potential leakage at these points can be greatly reduced by sealing the stone joints as shown in Option B. We would expect the waterproofing to be tucked into a sawed joint at the base of the stone (Option A).

Mr. Thomas Kepple, Jr.
Jan. 19, 1983
Page four

D. North Wall Waterproofing The waterproofing at this portion of the north wall has been reworked several times and still leaks. The reported problems are that the concrete wall has potential movement at the expansion joint, and the vertical control joints in wall. Also, evidently no waterstops were installed at construction joints and PVC membrane was placed in a horizontal construction joint providing an easy path for leaks. The sloping haunch is putting extra strain on the waterproofing causing it to pull loose at this point. We propose a two or three ply glass fabric and mastic waterproofing after cleaning off the existing waterproofing and detailing all of the cracks and joints so they can absorb some movement. Excavation for this waterproofing will require special shoring to avoid damage to the adjacent Student Center patio wall and paving and the storm sewer adjacent to this wall. Details of this wall waterproofing are shown on Sheet No. 4.

E. Handicapped Access In all of the mentioned paving systems we will be able to make the paving flush at doorways and gently warped down.

F. Budget At this point the budget range is wide, depending on which alternatives are selected. We have estimated the north wall waterproofing to cost approximately $50,000. The precast paving on pedestals would cost approximately $17/SF or $442,000. for the 26,000 SF of paved area. The pre-cast paving on top of the existing paving with a new loose membrane would cost approximately $8/SF or $208,000. for the 26,000 SF.

We plan to present preliminary drawings, outline specifications, and a cost estimate for your review prior to the April Board of Trustees meeting. Please let us know if you have any questions at this time.

Sincerely,

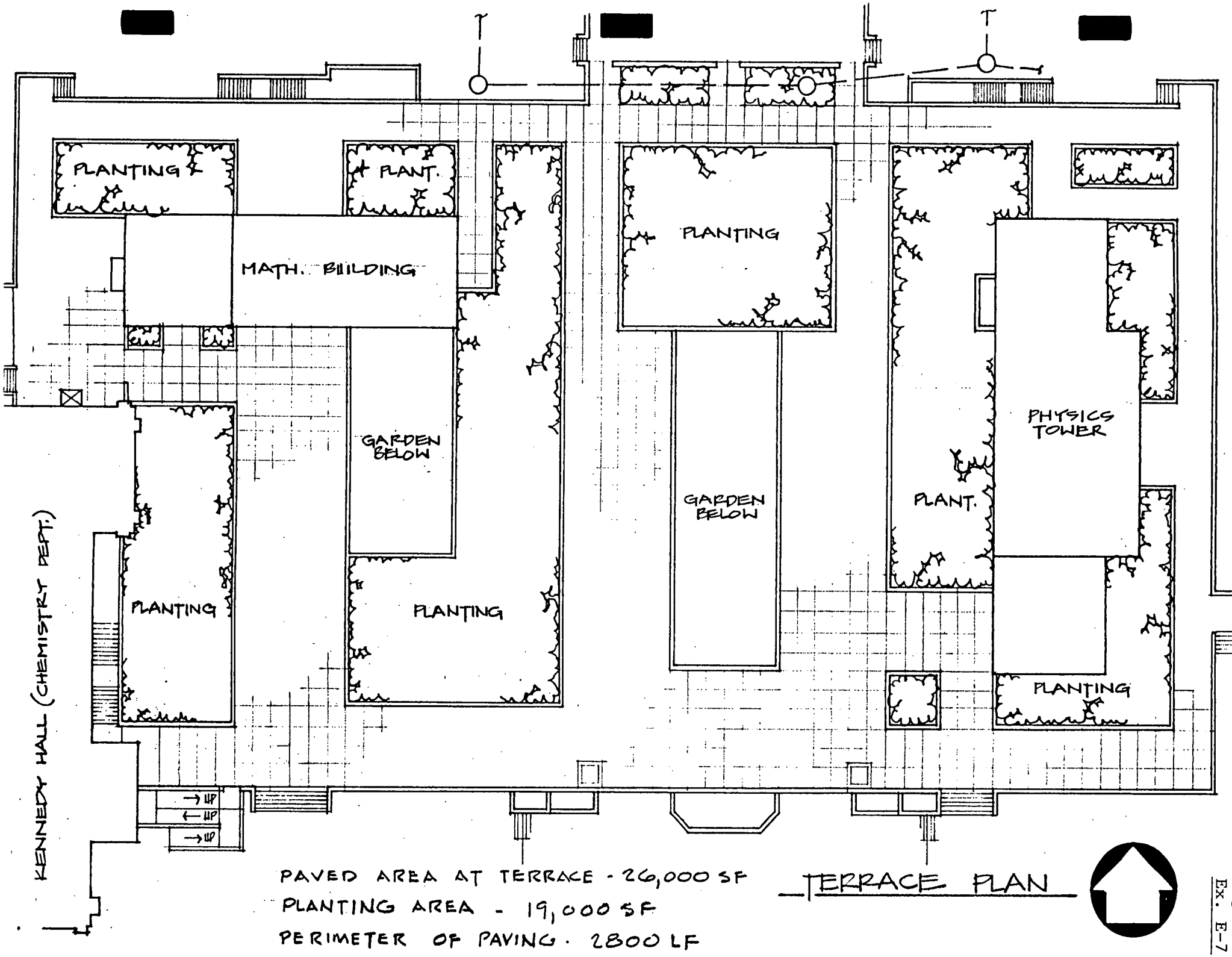
BURR & COLE CONSULTING ENGINEERS, INC.

Bruce W. Burr

Bruce W. Burr

BWB:jc

Enclosures



PAVED AREA AT TERRACE - 26,000 SF
PLANTING AREA - 19,000 SF
PERIMETER OF PAVING - 2800 LF

TERRACE PLAN

BURR & COLE
CONSULTING ENGINEERS, INC.
155 Scott Street
Memphis, Tennessee 38112

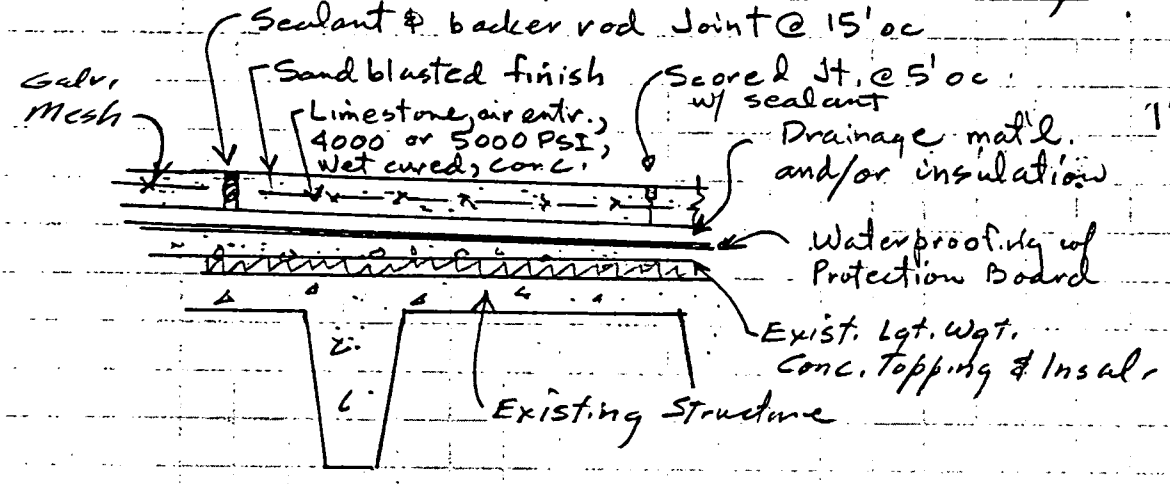
Client: Southwestern at Memphis
Project: Frazier Jelke Science Ctr.

Job No.: _____ Subject: Terrace Paving Ex. E-8
Calc. By: BWB Date: 1/83
Chkd. By: _____ Date: _____
Sheet No.: 1 Of 5

Paving Alternatives

Cost

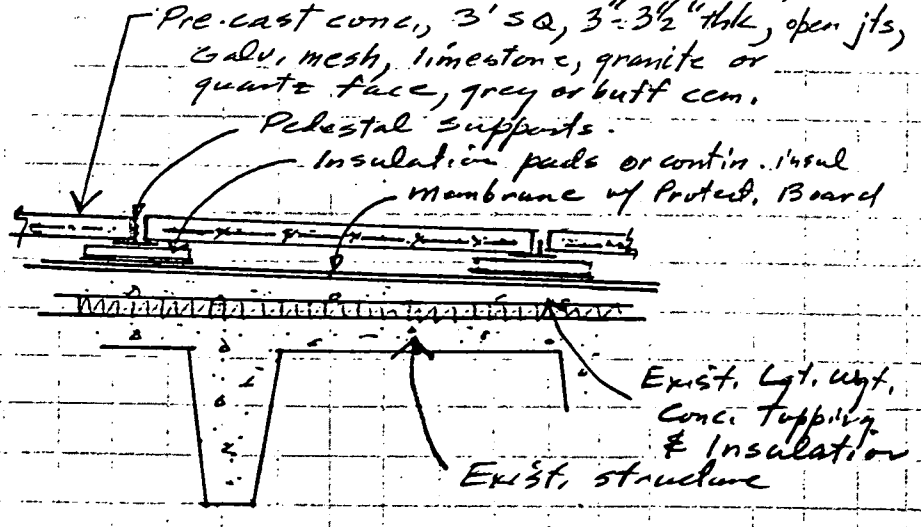
1. Poured-in-place Concrete Paving



conc. $2.50 - 3.25/SF

1" insul. + $.50 - .65/SF

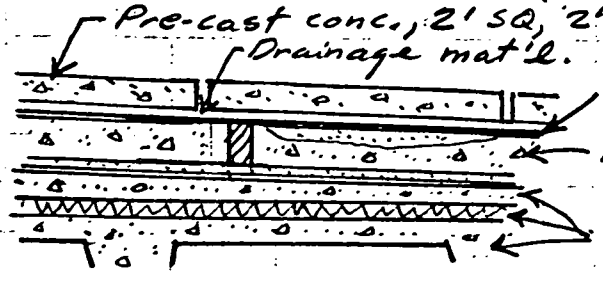
2. Pre-cast Concrete Paving on Pedestals



pavers $10.00 - 11.00/SF

1" insul. + $.50 - $.65/SF

3. Pre-cast Concrete (or Limestone) Above Existing Paving



conc. paving $2.50 - 3.00/SF

stone paving $6.00 - 8.00/SF

BURR & COLE
CONSULTING ENGINEERS, INC.
155 Scott Street
Memphis, Tennessee 38112

Client: Southwestern at Memphis
Project: Frazier Jelke Science Center

Job No.: _____ Subject: Terrace Waterproofing Ex. E-9
Calc. By: BWTB Date: 1/83
Chkd. By: _____ Date: _____
Sheet No.: 2 Of 5

Waterproofing Alternatives

	Preparation	Guarantee	Membrane Cost
1. Bituthene or Polyguard self-adhering sheet of 50mil. polyethylene/rubberized asphalt.	existing membrane remains - apply base sht. & 1-15# ply over exist. membrane	mat'l by Mfr. labor by installer	1.50/± SF
2. Tremprat 150 - hot applied rubberized asphalt - .125" thick	should remove exist. membrane to fix cracks	5 yr L&M possible	1.25-1.5 /SF
3. EPDM loose membrane Carlisle, Gates, Goodrich	exist remains if not wet	mat'l. by Mfr. labor by Installer	1.50-2.00/SF
4. 3M Fluid membrane 50 mil thickness, cold applied membrane	must go on smooth level latex or epoxy conc.	5 yr. L&M possible	1.25-1.50/SF
5. Tremprat 50, two component, cold applied, 60 mil thickness membrane	can go on exist topping after W.P. is removed & primed. questionable	none avail.	

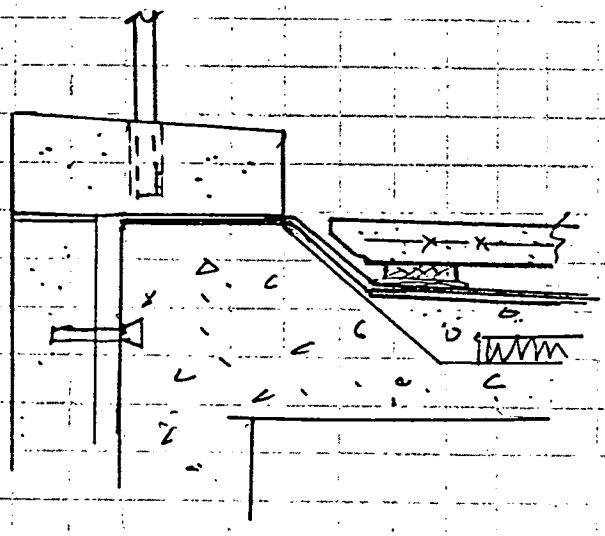
BURR & COLE
CONSULTING ENGINEERS, INC.
155 Scott Street
Memphis, Tennessee 38112

Client: Southwestern at Memphis
Project: Frazier Jelke Science Center

Job No.: _____ Subject: Terrace Flashing Ex. E-10
Calc. By: BWB Date: 1/83
Chkd. By: _____ Date: _____
Sheet No.: 3 Of 5

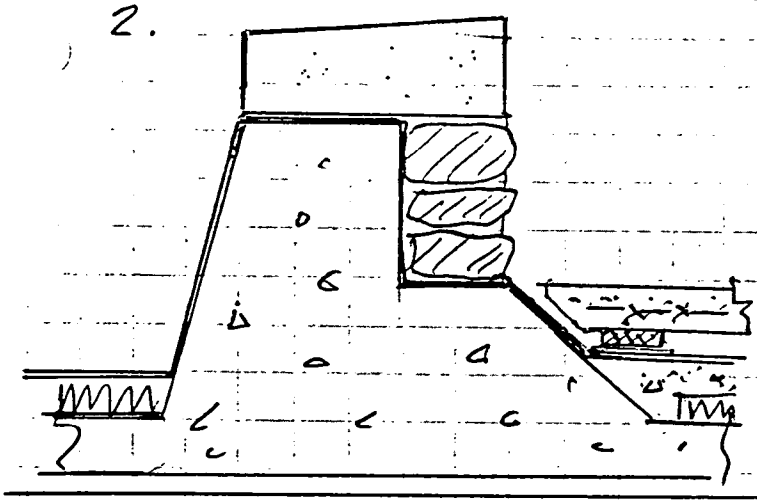
Perimeter Alternatives

1.



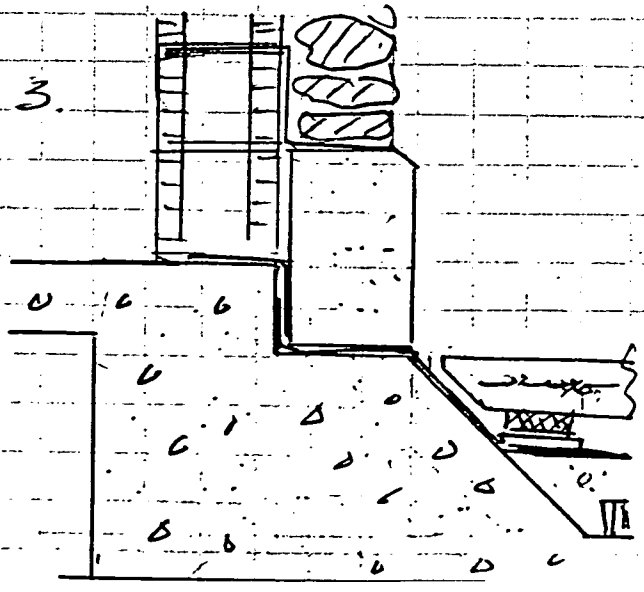
option	cost
(A) Tuck-in new waterproofing @ bottom of stone	$4-$5/LF
(B) Remove grout from stone jts. & fill w/ sealant	$1 - 1.50/LF
(C) Remove stone & railing & reinstall after waterproofing	$25. $30/LF

2.



option	cost
(A) Tuck-in waterproofing @ stone joint	$4, $5/LF
(B) Remove grout jts. & seal	$1 - 1.50/LF
(C) Remove stone coping & rubble & reinstall after waterproofing	$25 - $30/LF

3.



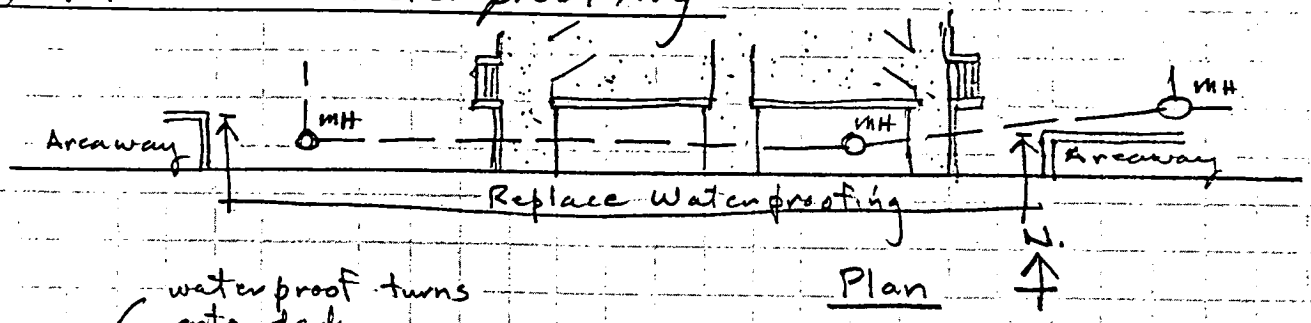
option	cost
(A) Tuck-in W.P. @ stone joint	$4 - $5/LF
(B) Remove grout in stone joints and fill w/ 2 part sealant	$1 ±/LF
(C) Remove stone base in alternate pieces & rework flashing	$100./LF

BURR & COLE
CONSULTING ENGINEERS, INC.
155 Scott Street
Memphis, Tennessee 38112

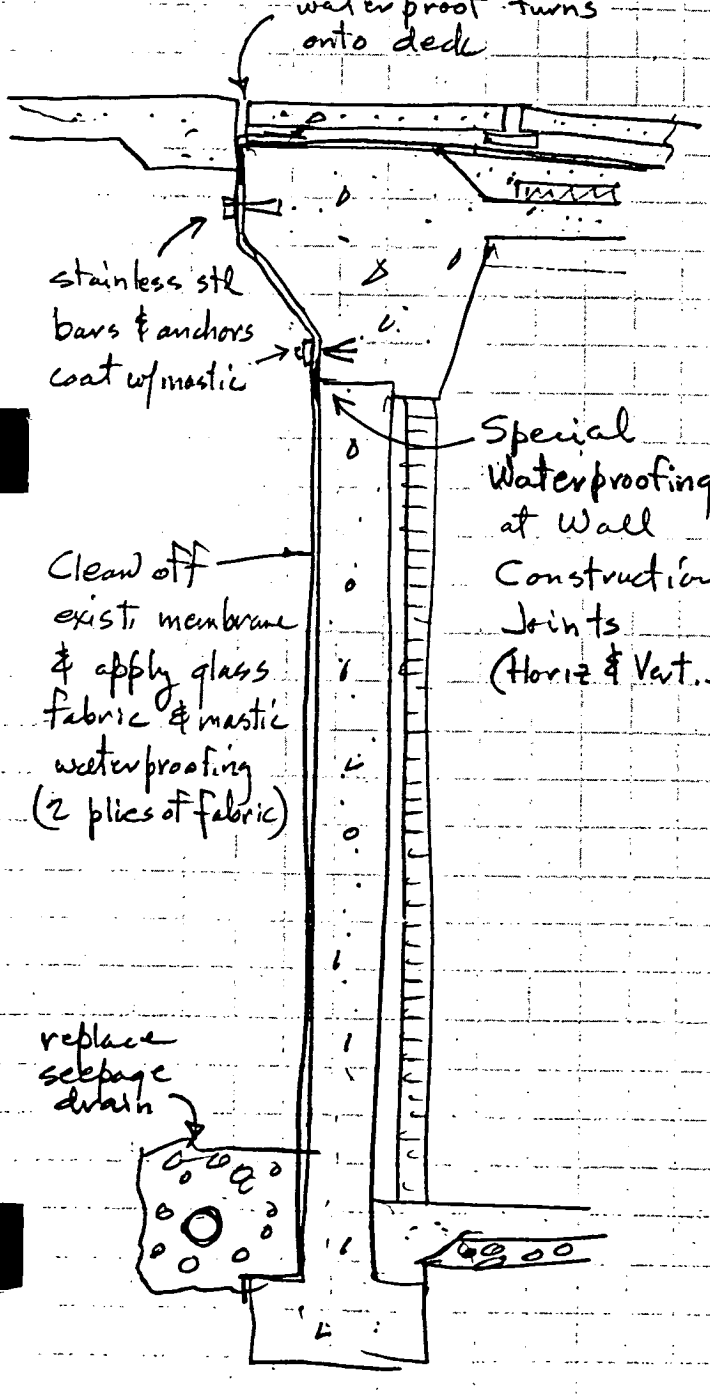
Client: Southwestern at Memphis
Project: Frazier Jelke - Science Ctr

Job No.: _____ Subject: North Wall
Calc. By: BWB Ex. E-11 Date: 1/83
Chkd. By: _____ Date: _____
Sheet No.: 4 Of 5

North Wall Waterproofing



Plan



Cost Range

$45,000 to $50,000.

BURR & COLE
CONSULTING ENGINEERS, INC.
155 Scott Street
Memphis, Tennessee 38112

Client: Southwestern at Memphis
Project: Frazier - Jelke Science Ctr.

Job No.: _____ Subject: Terrace Paving Co.
Calc. By: BWB Date: 1/83
Chkd. By: _____ Date: _____
Sheet No.: 5 Of 5

Item:	Type of Paving #1 Poured-in-place	#2 Pre-cast/Pedestals	#3 Pre-cast over Exist.
Remove exist. paving	$1.75/SF	$1.75/SF	-
Install leveling membrane	.85	.85	1.00
Install membrane & protection board	2.25	2.25	2.50
Perimeter flashing	.50	.50	.75
Paving (average)	2.90	10.50	2.75
Seal stone joints at perimeter	.15	.15	.15
Rework drains	.40	.40	.40
	$8.80/SF	$16.40	$7.55
Add Insulation	.50	.50	.50
	$9.30/SF	$16.90	8.05

Add Contingencies

REPORT OF THE COMMITTEE ON ENROLLMENT - January 21, 1983

No guests appeared for our open meeting for discussion so the committee proceeded to its business agenda.

Dean Templeton reported on nominations received for the seven full tuition, room and board scholarships. 375 student nominees have been recorded and it is anticipated that an additional 20 or so are pending, and the final nomination pool will be approimately 400. To date, 122 scholarship nominees have applied for admission to the college. All nominees must apply by February 15 in order to be considered for competition.

Mrs. Mary Jo Miller described the selection process which is as follows: the Admissions Office staff will propose four finalists for each of the seven full scholarships. These students will be notified by March 14, and will be invited to the campus for interviews to be held on March 21. Interview committees, one for each of the scholarships to be awarded, will be composed of three members of the faculty, one student, and two off-campus representatives invited by the President and the Chairman of the Board of Trustees. Each committee will be asked to rank candidates 1 through 4 with one being the highest category. All finalists and those participating in the selection process will be invited for dinner at the President's home. The scholarship winners will be contacted by phone and asked to notify us of their acceptance of the scholarship within one week.

Mrs. Miller then reported on applications received to date which total 419. This compares to 271 as of this date a year ago, an increase of 62%. Mrs. Miller expressed her appreciation to the Board of Trustees for their active support and involvement with particular thanks to Mr. Henry Goodrich, Mr. John Crabtree, Mr. Robert Smith, Mrs. Neville Bryan, Mr. Frank Lankford and Mr. Jere Nash. Mrs. Miller also distributed a full summary of fall recruiting activities and projected recruiting efforts for January through May of this year. In the general discussion that followed, three ideas of particular merit were proposed. These include: (1) letters to prospective students from individual faculty members representing a student's academic interests; (2) telephone calls and/or personal letters to prospective students from current Southwestern students who have acted as host or hostess for a prospect's campus visit; (3) taking greater advantage of our church-relationship by asking trustees and alumni to speak briefly before church congregations and to include the new 36-Facts on the Southwestern brochure in church bulletins. (This was done by Trustee John Crabtree in two churches in Baton Rouge, and it is felt that an extension of this approach would be very helpful.)

Dean Templeton reported on visits of consultants to Southwestern including that of Dr. Warren Martin, scholar-in-residence of the Carnegie Foundation; Dr. Lee Stetson, director of admissions, The University of Pennsylvania; and twelve high school counselors invited as guests of the college to act as a consultant panel. Although Dr. Stetson's final report has not been received, the Admissions and Enrollment staffs and others involved in the sessions feel that they have been beneficial.

Dean Templeton reported that a market reseach firm has been selected and work has begun that includes both qualitative and quantitative research. Interviews will begin early in February in Phase I, and in Phase II over 400 telephone

interviews will be completed. Findings will be in hand for a complete report to the Board of Trustees at its April meeting. In the area of Financial Aid, Dean Ray Allen reported on the number of Southwestern students receiving aid for the current 1982-83 college year. Taking every student into account and all financial aid received, 67.19% of the student body is receiving a total of $2,798,683 for an average of $4,140 per student receiving aid.

1983-84 projections were presented as well as an update on federal and state financial aid allocations which are set for 1983-84.

There was general discussion on recruiting in the Memphis area and on the promotional possibilities for recruiting inherent in the college's third term. Professor Larry Lacy pointed out that creative academic offerings not only hold merit in their own right, but might well help to build a prospective student's interest in Southwestern.

There being no further business, the meeting was adjourned.

REPORT OF COMMITTEE ON DEVELOPMENT - January 21, 1983

Chairman Charles Cobb opened the meeting with a report that the $50 Million Commitment has secured a little over $28 Million of its goal in capital and annual gifts, as of this January 14. This does not include the $21.9 Million Bellingrath endowment and is based on the Development Committee's recommendation below.

Dean Don Lineback gave a status report on several projects in the Development Program. The best news is the completion of funding for the Diehl Memorial. Hassell Hall, the new music building is 85% funded. Library renovation is on its way with a first gift from the project chairman, Mr. Mike Cody, for an endowed collection in Political Science.

Mr. Cobb asked for discussion concerning recognition of the $21.9 Million Bellingrath endowment alongside the Development Campaign. The committee voted to recommend to the Board that we count none of the Bellingrath Endowment in the $50 Million Commitment.

Mr. Cobb introduced Mrs. Brenda Eckles, a new member of the Develoment Staff. Mrs. Eckles described her work in maintaining computer records, and working with volunteers in the Development Campaign.

Mr. Robert E. Nelson, an institutional consultant from Chicago, presented a proposal for a study of our Development Program. Mr. Nelson and his firm would evaluate the college's public relations and fund-raising programs, including support systems, staffing, budgeting, and the role of trustees in the light of Southwestern's mission. A motion was passed unanimously to retain Mr. Nelson to complete this study in the next ninety days.

Ms. Mary Mooney reported a 15% increase in the Southwestern Fund at mid-year in the annual campaign. Particular areas of strength are reunion giving in the alumni division and new membership in major gift clubs. Ms. Mooney deemed the new Benefactor level of the Charles E. Diehl Society a great success in attracting six members with gifts of $15,000 or more. This was a recommendation of Diehl Society President Robert Buckman.

In estate planning progress, Mr. Winton Smith reported that 70% of the capital campaign total has been raised in deferred gifts, not including the Bellingrath endowment.

Mr. Smith announced the end of a year-long effort has resulted in a new computer program for Southwestern from Harvard's planned-giving administration. The computer program provides the capability to calculate financial effects of charitable gifts under various assumptions in a matter of minutes.

REPORT OF THE COMMITTEE ON FACULTY AND EDUCATIONAL PROGRAM - January 21, 1983

The meeting was called to order at 2:30 P.M. Members present: Miss Margaret Hyde, Mr.John Crabtree, Mr. Neely Mallory; Students Brian Sanders and Diane Mount; Professors Peter Ekstrom, Allen Barnhardt; Ex-officio members Dean Gerald Duff and Robert Llewellyn.

Dean Duff reported on the current recruiting efforts for full-time, tenure-track, positions in English, International Studies, Mathematics-Computer Science, Business Administration, and Religion. The Dean gave a general assessment of the College's ability to attract strong candidates in these areas. A discussion followed of the College's policy on personnel allocation and reassignment.

Ms. May Maury Harding reported on the current status of the Continuing Education Center. A summary of Ms. Harding's report is attached. (pp. 34-35) Of special note are new programs focusing on foreign policy issues in 1983 and on the nuclear energy/nuclear war issues; the increase in the number of faculty involved in the Center is very significant.

Dean Duff distributed copies of the report of the faculty Committee on Tenure and Promotion, an advisory committee to the Vice President and Dean of the College. The Faculty approved the procedures and standards contained in the report at its December meeting. Dean Duff discussed the merits of the document. Under the new provisions the faculty committee will evaluate candidates for tenure and promotion, and make recommendations to the Dean of the College. The difficulty in making and the necessity to make evaluative judgments of teaching effectiveness were reviewed.

Dean Llewellyn presented the outline of the "Track B" Humanities requirement (p.33) in light of recently approved changes in the curriculum of the Department of Religion. The Committee discussed its compliance with the Bellingrath-Morse stipulations and the Board's resolution on Biblical studies. A copy of the outline is attached.

Dean Duff introduced the recommendations for early retirement policies. Copies are included in the agenda packet for the Board meeting. Dean Duff discussed the general reasons why early retirement policies might be of value to the faculty and to the College. The nature of the provisions in the plan, e.g. "windows," who initiates discussion, privileges of faculty and of the College, were discussed.

*The motion was made to approve. The motion was seconded. The vote was unanimous in favor of the proposal.

The floor was open for general discussion. Mr. Mallory raised questions about the Visiting Professor Program. Mr. Crabtree asked about the general attitude that exists between the faculty and the administration. The faculty members present responded. Dean Duff asked the students present to respond as well.

* Requires vote by the Board

The "Track b" Humanities requirement with the revised curriculum in the Department of Religion:

A. Biblical Studies: Two (2) courses to be chosen from the following courses; the courses are to be taken in the freshman year.

Religion	100	Introduction to the Bible*
	110	The Religion of the Hebrews*
	120	The Beginnings of Christianity*
	200	Biblical Theology
	212	Pentateuch
	213	Prophets
	214	Wisdom Literature/Psalms
	215	Apocalyptic
	218-219	Selected Topics in Old Testament
	223	Synoptic Gospels
	224	Gospel of John
	225	Paul's Epistles
	226	The Epistle to the Romans
	228-229	Selected Topics in New Testament

*Either 100 or 110 or 120 must be taken as a prerequisite for the other Bible courses. 100, 110, 120 are offered in Term I. (Humanities 101 and 102 may be substituted as the prerequisite for the other Bible courses.)

B. Philosophy and/or Religion: Two (2) courses to be chosen from the following courses:

Philosophy	201	Introduction to and History of Philosophy
	304	Ethics
	334	Philosophical Theology
	350	Philosophy of Religion
	510	Medieval Philosophy
	515	Existentialism
Religion	131	Introduction to Theology
	231	The Quest for Meaning
	334	Philosophy of Religion
	335	Modern Theology
	342	Religion and Psychology
	345	Pain, Suffering and Death
	346	Phenomenology of Religion
	151	Introduction to Theological Ethics
	357	Social Issues in Ethical and Religious Perspective
	160	Christianity in Western Culture
	161	Living Religions and Modern Man
	263	Religion in America
	264	Judaism

C. Literature and History. Three (3) additional courses from the following areas, subject to the conditions stated:

(1) Literature, both English and foreign; no more than two courses to be chosen from those coded C2 in the "courses of Instruction."

(2) History; no more than two courses to be chosen from those coded C4 in the "Courses of Instruction."

Board of Trustees - Committee on Faculty and Educational Program - Jan. 20, 1983

Report on the Continuing Education Program

Last spring I reported to you that 1981-82 had been a good year for continuing education at Southwestern and I am pleased to be able to tell you, although 1983 has only just begun, this year holds promise and we will probably do better than last. Again I am using as criteria: new, interesting, and varied programs; new participants being attracted to the Center along with the retention of many who have supported the program over the years; an increasing response from faculty members in designing and conducting continuing education courses; and income.

All of the courses advertised in the fall brochure had healthy enrollments in spite of the fact that we were able to get very little newspaper or other publicity. We had fourteen study groups plus a workshop, "Inventing Your Future: Exploring Personal, Professional and Social Alternatives" and The Institute for Executive Leadership. The Center also hosts a group of about eighty selected high school students in a civic education program called Focus Memphis. The total number of those participating this fall was slightly less than four hundred.

Fourteen courses are described in the bulletin which was mailed January 3rd. The Center's mailing list has increased to about 2,700 names. We also included the approximately 2,700 Memphis alumni of Southwestern in this mailing. The Alumni Executive Council recently appointed a committee on continuing education which has expressed interest in helping to promote the program. We have also discussed the idea of planning activities specifically designed for alumni of the college. We are getting a good response to the variety of offerings that are being made available this winter and spring but it is a bit early to determine whether all will materialize. Many of those who have responded have identified themselves as alumni.

Twenty-five members of the Southwestern faculty will be involved in the program this year either conducting courses or serving as resource leaders or lecturers for sessions of courses. The total last year was fifteen. I read with interest the report recommending active participation in the program of continuing education by faculty planning ahead for retirement. I would like to pursue the idea with interested faculty members.

Another Southwestern Elderhostel was held last summer including participants from eleven different states as well as several Memphis commuters. All were enthusiastic about their stay on campus and many are making plans for a return visit this year. The two faculty members who taught in the Elderhostel enjoyed the experience and found these "over-sixties" to be interested and interesting participants. As you know, Elderhostel is a national program and Southwestern's program is included in their nationwide promotional efforts. Our continuing education program has received national recognition over the years and I believe it is important to tie in with programs having this kind of outreach whenever it is appropriate and feasible.

Consequently, I welcomed the invitation of David Mathews, President of the Charles F. Kettering Foundation, to become a member of the Domestic Policy

Association and help in the development of the National Issues Forum. We organized two groups here last fall, one at the college and another at First Tennessee Bank. The DPA is holding a conference next month at the Gerald R. Ford Presidential Library which is being co-hosted by former Presidents Ford and Carter and will include about forty of the nation's leading policy and opinion makers along with twelve citizen representatives from last fall's forums. A member of the Southwestern group, Stoy Bailey, was selected as a representative and I was asked to host and facilitate a teleconference here. The Ann Arbor meeting and the teleconferences should receive considerable national publicity.

I am also trying to keep up my work in futures studies since that also keeps Southwestern's name before national and regional audiences. I am still co-director of the Southern Future Society and also made a presentation at the World Future Society Assembly in Washington in July. I also coordinate a local group of futurists which includes business men and women and other educators.

In conclusion, I would like to share with you some concerns about the future of the continuing education program. The staff is as small as it has ever been since I became involved in 1952. Interest in the program seems to be growing among the faculty, the alumni, and Memphis area residents in general. We could have a greater impact both locally and nationally with additional staffing. Also, in order to maintain the program in its present state, some thought should be given and action taken in regard to someone who could assist Granville Davis with the Institute for Executive Leadership and eventually assume the directorship of this program which has attracted prestigious participants to the Center in the past as well as providing a great deal of financial support.

Report of the Finance Committee - January 20, 1983

The Finance Committee meeting convened at 2:00 p.m. in the Hill Board Room of Palmer Hall. Members in attendance were: Mr. S. Herbert Rhea, Chairman, Mr. William B. Rudner, Jr., Mr. John C. Whitsitt, Ms. R. Sue Legge, Mr. Rodney A. Grunes, Mr. Chip Parrott, Mr. Davis Howe, and Mr. William B. Allen,Jr. Guests of the committee were: Mrs. JoAnn Haley, Mr. Ned Moore, Ms. JoAnna McIntosh, and Ms. Mary Goodloe.

The committee held an open session with those students present. Mr. Chip Parrott asked if it were possible that Southwestern could better use the athletic facilities and improve the intramural program. Mr. Rhea indicated he would mention this to the Board. The committee discussed with the students the financial aid program of the College. They indicated that the opportunities for financial aid were better communicated this year than before.

Mr. Rudner presented the Investment Committee report. The market value of the endowment fund managed by Vaughan, Nelson & Hargrove at 12/31/82 was approximately $13,500,000. The total return was 19.5% in 1982. Mr. Rudner indicated that the fund as ranked by A. G. Becker, Inc. was in the upper third of all funds in the Becker universe for all years except 1980. Mr. Rudner said the Investment Committee had decided that earnings over and above the 5% distributed to the college would be invested in the Southwestern short-term cash fund rather than invested with Vaughan, Nelson & Hargrove.

Next Mr. Allen presented his report on the Current Financial Status (attachment #1). He explained several line items and indicated there were no foreseeable problems. Mr. Allen reported on the Development Campaign Report through 12-31-82 (attachment #2). Mr. Allen then presented his Cash Management Report for the three months ending December 1982 (attachment #3).

The committee then reviewed the Policy for Cash Management Investments (attachment #4) and the list of approved banks for domestic bankers' acceptances (attachment #5). The committee at this time approved the policy and list as written.

The committee next considered a request of the Development Committee concerning endowed scholarships (attachment #6). Mr. Rhea explained that the proposal would give the Dean of Development the option to assure a donor that all income would be paid out from their endowment fund rather than just the 5% total return amount. Mr. Allen indicated this proposal is a good option to have but because of complexities in the internal administration of these funds, it is not the preferred form of a gift. This option would be available to persuade donors reluctant to contribute to Southwestern because of our 5% pay-out. Mr. Rudner made a motion to approve this proposal as recommended in President Daughdrill's memorandum of 1-10-83, Mr. Whitsitt seconded and the committee approved.

The committee considered a resolution to convert the shares of common stock of Guaranty Trust Savings and Loan Association to an account with Home Federal Savings and Loan Association (attachment #7). This is due to a merger between these two associations. Mr. Whitsitt made a motion to approve the resolution as written, Mr. Rudner seconded and the committee passed the motion.

The committee next considered a resolution to open an account with First Tennessee Bank of Kingsport, Tennessee for the purpose of establishing a Controlled Disbursements Program to improve cash management (attachment #7). Mr. Allen stated that this would enable him to know the exact dollar amount of checks clearing every night. Mr. Rudner made a motion to approve the resolution as written, Mr. Whitsitt seconded and the committee passed the motion.

The committee discussed a resolution to establish a money market fund account with The Common Fund (attachment #7). Mr. Allen gave the committee some backround information on the Common Fund and discussed their performance. Mr. Whitsitt made a motion to approve this resolution and to amend the Policy for Cash Management to include The Common Fund account with the stipulation that there be a maximum limit of $350,000 invested in it. Mr. Allen will redraft the current policy (attachment #4) and will mail out the revised policy before the April meeting. Mr. Rudner seconded and the committee approved the motion.

The committee next reviewed the 1983-84 Budget (attachment #8). Mr. Rhea indicated there were slight changes but that the budget was based on the same assumptions as previously discussed. Mr. Rudner made a motion to approve the 1983-84 budget as submitted, Mr. Whitsitt seconded and the committee passed the motion.

Mr. Allen presented data on the proposed early retirement program for the committee's information. He also distributed the Property Status Report. The report on real estate owned by Southwestern is given to the committee in January of every year for their information.

There being no further business the committee adjourned at 3:55 p.m.

Southwestern At Memphis

Current Funds Unrestricted - Unappropriated

For the Six Months Ending December 31

	1982-83			1981-82		
	Year to Date Actual	Annual Budget	%	Year to Date Actual	Annual Budget	%
Income:						
Tuition and Fees	$4,636,876	$5,296,463	87.5	$4,262,345	$4,836,000	88.1
Continuing Education	18,031	28,000	64.4	25,865	26,000	99.5
Church Gifts and Grants	42,357	107,000	39.6	48,025	100,000	48.0
Interest and Other	379,875	606,900	62.6	473,954	358,500	132.2
Endowment	1,454,291	1,525,000	95.4	391,948	725,000	54.1
Annual Support Program	325,445	857,000	38.0	375,288	783,000	47.9
Total Education & General	$6,856,875	$8,420,363	81.4	$5,577,425	$6,828,500	81.7
Auxiliary Enterprises	2,145,083	2,469,750	86.9	2,019,490	2,163,289	93.3
Student Aid	73,007	124,800	58.5	42,940	245,764	17.5
Total Income	$9,074,965	$11,014,913	82.4	$7,639,855	$9,237,553	82.7
Expense:						
Instruction and Research	$1,333,744	$3,399,017	39.2	$1,163,847	$3,096,000	37.6
Athletics	210,395	419,719	50.1	194,946	381,013	51.2
Library	217,750	383,170	56.8	198,565	352,463	56.3
Student Services	407,981	815,155	50.0	334,220	695,491	48.1
Plant Operation & Maintenance	692,262	1,438,365	48.1	581,972	1,207,609	48.2
General Administration	667,743	1,326,020	50.4	501,460	1,167,572	42.9
Total Education & General	$3,529,875	$7,781,446	45.4	$2,975,010	$6,900,148	43.1
Auxiliary Enterprises	709,607	1,427,972	49.7	600,842	1,188,469	50.6
Student Aid	1,347,490	1,462,389	92.1	1,135,943	1,128,000	100.7
Budget Committee Contingency	11,439	343,106	3.3		20,936	
Total Expense	$5,598,411	$11,014,913	50.8	$4,711,795	$9,237,553	51.0
Excess of Income Over Expense	$3,476,554			$2,928,060		

Development Campaign Report
Cumulative Through December 31, 1982

Receipts restricted for endowment	$28,274,621.18*
Other capital restricted receipts	5,150,173.29*
Unrestricted capital gifts on hand	350,421.47*
Capital campaign expenses	449,030.18*
Total capital receipts	$34,224,246.12*
Plus: Outstanding pledges reported by the Development Office	9,089,313.14
Total capital gifts and pledges	$43,313,559.26
Less: Bellingrath endowment (not counted in campaign)	(21,921,395.34)
Plus: Total annual receipts since 6/30/77 reported by Development office	6,666,027.00
Total in Development Campaign this does not include the $21.9 million Bellingrath endowment	$28,058,190.92

$$\frac{\text{Total Receipts for Endowment}}{\text{Total Capital Receipts minus Campaign Expenses}} = \frac{28,274,621.18}{33,775,215.94} = 83.7\%$$

*Reported by Comptroller

Cash Management Report
December 1982

	October	November	December
I. Daily Averages			
Average High Yield Investments	$6,034,506	$5,403,302	$6,435,080
First Tennessee Operating Account	20,822	42,968	47,064
Other Accounts	3,291	3,548	20,289
Total Daily Average	$6,058,619	$5,449,818	$6,502,433
Percent of Cash in High Yielding Investments	99.60%	99.15%	98.96%
II. Investment Income			
Interest Received	$ 21,525	$ 16,972	$ 20,881
Gains from Sales	2,768	778	658
End of Period Accrual	228,044	267,542	313,334
Less Prior Accrual	(184,534)	(228,044)	(267,542)
Total Income	$ 67,803	$ 57,248	$ 67,331
Simple Annualized Yield	13.43%	12.61%	12.43%
Comparative Rates:			
90 Day T-bills	7.68%	8.03%	7.95%
90 Day C. D.'s	9.64%	8.96%	8.68%
III. Investments at End of Period			
Certificates of Deposit	$ 700,000 12.4%	$ 400,000 7.0%	$1,200,000 17.4%
Bankers' Acceptances	3,834,998 68.0	3,878,756 68.2	4,510,436 65.2
U. S. Government	1,105,660 19.6	1,105,660 19.5	1,105,660 16.0
Other		300,000 5.3	100,000 1.4
Total	$5,640,658 100.0%	$5,684,416 100.0%	$6,916,096 100.0%
Less: Shares Owned by Other Funds	(2,190,555)	(2,207,316)	(2,204,662)
	$3,450,103	$3,477,100	$4,711,434
Weighted Average Maturity (days):			
Non-Government	94	89	71
Government	246	216	185
Total Weighted Average	124	103	89

SUBJECT: Policy for Cash Management Investments SECTION: 84.1 PAGE: 1 of 3

UPDATED: 10/15/82

I. Purpose

This policy establishes the types of acceptable investments and various limits on these investments which can be purchased in the Cash Management Program administered by the Administrative Services Division.

Southwestern will purchase acceptable investments which will maintain a high level of return within an acceptable level of risk.

II. Prescribed Types of Investment Securities and Limitations

A. The following investment securities are acceptable for the Cash Management Program:

1. U. S. Government Treasury Bills
   a) No limit on amount.
   b) Current maturities will not exceed 365 days.

2. U. S. Government Treasury Notes
   a) No limit on amount.
   b) Current maturities will not exceed two years.

3. Obligations of Agencies of the U. S. Government
   a) No limit on amount.
   b) Current maturities will not exceed 365 days.

4. Certificates of Deposit with Major Memphis Financial Institutions (Deposits Insured)
   a) The amount of certificates of deposit from any one institution will not exceed the lesser of twice the federal deposit insurance amount or 2% of stockholders' equity.
   b) Total direct obligations of any one institution, including certificates of deposit, are subject to the limitations discussed in section III.
   c) Maturities will not exceed six months.

5. Certificates of Deposit with Non-Memphis Financial Institutions (Deposits Insured)
   a) The amount of certificates of deposit from any one institution is not to exceed the amount of federal deposit insurance.
   b) The Finance Committee may approve a select list of major U. S. capital market financial institutions which will be exempted from the limitation in (a) above.

c) Total direct obligations of any one institution, including certificates of deposit, are subject to the limitations discussed in Section III.

d) Maturities will not exceed six months.

6. Repurchase Agreements and Reverses

a) Total amount of repo's will not exceed the lesser of $1,000,000 or 2% of stockholders' equity.

b) Total direct obligations of any one institution, including repos, are subject to the limitations discussed in section III.

c) Maturities will not exceed thirty days for repo's.

d) No limitations apply to reverses.

7. Domestic Bankers Acceptances

a) Total amount of bankers' acceptances from any one bank will not exceed the lesser of $1,000,000 or 2% of stockholders' equity.

b) Purchases are limited to the fifty largest domestic banks (ranked according to deposits).

c) Other domestic banks may be specifically approved by the Finance Committee.

d) Total direct obligations of any one institution, including bankers' acceptances, are subject ot the limitations discussed in section III.

e) Current maturities will not exceed six months.

8. Eurodollar Placements

a) Placement will only be made with specifically approved London branches of U. S. banks.

b) Total direct obligations of any one institution, including Eurodollar placements, are subject ot the limitations discussed in section III.

c) Maturities will not exceed ninty days.

9. Commercial Paper

a) The total amount of paper which can be purchased from any one institution will not exceed $500,000.

b) Paper will only be purchased that is rated by Moody's as P-1 or by Standard & Poor's as either A-1 or A-2.

c) The Finance Committee may specially approve certain institutions which will be exempted from (b) above.

d) Current maturities will not exceed thirty days.

10. Loans guaranteed by full faith and credit of the United States government which have an active secondary market.

a) The amount of guaranteed loans shall not exceed $500,000 from any one lender.

b) No loan will be purchased at a price which exceeds 102.

c) Total guarranteed loans held by Southwestern will be subject ot the general limitation described in section III.A.

B. Investment in equity securities is prohibited

C. Deposit rankings and amount of equity as referenced above in II.A., will be determined as of the latest available audited financial statements.

III. General Limitations

A. Southwestern will not purchase investment securities from any one organization that will cause the total cost of all securities issued by that organization and held by the college to exceed the greater of $500,000 or 25% of the total cash and cash equivalents as of the beginning of the month.

B. Total direct obligations of any one institution shall not exceed the lesser of $1,000,000 or 2% of stockholders' equity.

C. There is no limitation on the amount of U. S. Government or Agency securities except for the limitations on guaranteed loans discussed in section II.A.10.

IV. Investment Review

A. The Comptroller will distribute a monthly performance report on the activities of the Cash Management Program to the President, the Dean of Administrative Services, the Chairman of the Finance Committee and other interested parties.

B. The Comptroller will submit at each Finance Committee meeting a list of institutions which have been specifically exempted from certain limitations as described in section II.A. or other specifically approved institutions for certain types of investments. The committee will review this list and vote on any changes it feels necessary.

C. The Comptroller may request the committee to add certain institutions to the list described in IV.B. above at the regular meetings of the Finance Committee, or he may circulate this request by mail between meetings. A unanimous vote of the Finance Committee will be necessary to add any specially approved institutions.

D. The Comptroller may request the committee to add specific investment instruments, with appropriate limitations, to section II.A. as market characteristics change over time.

12/01/82

The Finance Committee has approved the following banks whose domestic bankers' acceptances may be purchased by Southwestern in accordance with section II.7.b. and II.7.c. of the Policy for Cash Management Investments.

Rank	Name of Bank
1	Bank of America, San Francisco
2	Citibank, New York
3	Chase Manhattan, New York
4	Manufacturers Hanover, New York
5	Morgan Guaranty, New York
6	Chemical Bank, New York
10	Bankers' Trust, New York
11	Wells Fargo, San Francisco
12	Crocker National, San Francisco
13	First Interstate of California, Los Angeles
14	Marine Midland, Buffalo
15	Mellon Bank, Pittsburgh
16	Irving Trust, New York
19	Bank of New York
20	First National, Dallas
21	National Bank of Detroit
22	Republic Bank, Dallas
23	First City National, Houston
24	Texas Commerce, Houston
25	Republic National, New York
27	Union Bank, Los Angeles
29	Southeast Bank, Miami
30	National Bank of North America, New York
32	Wachovia, Winston-Salem
45	First Union National Bank, Charlotte
	Union Planters Bank, Memphis
	First Tennessee Bank, Memphis
	Commerce Union Bank, Nashville
	National Bank of Commerce, Memphis

To: Finance Committee

From: James H. Daughdrill, Jr.

Date: January 10, 1983

Regarding the following request of the Development Committee:

Southwestern has established a record number of new endowed scholarships in recent years. At the end of fiscal year 1981 the total number of endowed scholarships was 132; last year we added 12 new scholarships.

We believe we can further encourage new endowed scholarships if:

At the time a scholarship is established, the donor will be given the choice - -

1) to have the full income (the percent income earned by the Southwestern endowment for the previous year times the assets of the scholarship fund) used each year to support the recipient

or

2) to have 5% of the scholarship fund's assets used each year to support the student, with any excess earnings (based on the Southwestern endowment earnings above 5%) being added to the scholarship fund's assets.

Option (1) would provide more income but no growth; option (2) would provide less income, but would protect the principal and allow it to grow in perpetuity.

A donor who intends to add to his scholarship fund might choose option (1), but the donor who makes a one-time gift might prefer option (2).

I recommend the following:

Be It Resolved That, as of July 1, 1983, all individual endowment funds invested in pooled assets will share pro rata in the average income, gains and losses of all pooled assets, including real estate, after the 5% total return amount and management fees have been paid to the current fund. However, any losses will not exceed an amount which would reduce the funds below the original principal. Any such excess losses will be charged against general endowment.

Be It Further Resolved That, the Dean of Development is authorized to offer potential donors of named endowments the option of paying out all earnings of the previous year to the purpose of the named endowment rather than the 5% total return amount. This option will be made available only to gifts of $100,000 or more and will be invested in the Southwestern Money Market Fund.

TO: Finance Committee

FROM: James H. Daughdrill, Jr.

DATE: January 5, 1983

SUBJ: Explanation of Board Resolutions

I recommend three resolutions:

A) The first resolution authorizes Southwestern At Memphis to convert the shares of common stock of Guaranty Trust Savings and Loan Association, which were given to Southwestern in prior years, to a Federally Insured Passbook Savings Account in Home Federal Savings & Loan Association in accordance with the Merger and Reorganization Agreement entered into between these two Associations.

RESOLUTION

BE IT RESOLVED THAT HOME FEDERAL SAVINGS & LOAN ASSOCIATION, Memphis, Tennessee, be and it is hereby designated as a depository of this corporation, and that an account in said bank, in the name of, for and on behalf of this corporation be opened

SOUTHWESTERN AT MEMPHIS - #03-00-27771-5

BE IT FURTHER RESOLVED, That delivery to Home Federal Savings & Loan Association, Memphis, Tennessee of funds, checks, drafts or other property, with or without endorsement, and, if endorsed, in whatever manner effected, unless specifically restricted, shall be authority to said association to place the same to the credit of the company, and such credits may be withdrawn by check, draft or other instrument executed for the company by the following any two signatures:

Frank M. Mitchener, Jr., Chairman of the Board
James H. Daughdrill, Jr., President
Gerald A. Duff, Vice president and Dean of the College
S. Shepherd Tate, Secretary
John C. Whitsitt, Treasurer
Thomas R. Kepple, Jr., Dean of Administrative Services
William B. Allen, Jr., Comptroller

and the association shall be under no obligation to see or make inquiry as to the application of funds so withdrawn, even though such withdrawal order may be payable to the agent of the company executing same, and the funds be withdrawn for his individual use or credit.

BE IT FURTHER RESOLVED, That this resolution revokes and supersedes any previous resolution of the Board of Trustees of Southwestern At Memphis or its Executive Committee affecting these accounts in this association.

B) The second resolution authorizes Southwestern At Memphis to open an account with the First Tennessee Bank of Kingsport, Tennessee for the purpose of establishing a Controlled Disbursements Program to improve cash management.

RESOLUTION

BE IT RESOLVED THAT FIRST TENNESSEE BANK, Kingsport, Tennessee, be and it is hereby designated as a depository of this corporation, and that an account in said bank, in the name of, for and on behalf of this corporation be opened

SOUTHWESTERN AT MEMPHIS - #1017060

BE IT FURTHER RESOLVED, That delivery to First Tennessee Bank, Kingsport, Tennessee of funds, checks, drafts or other property, with or without endorsement, and, if endorsed, in whatever manner effected, unless specifically restricted, shall be authority to said bank to place the same to the credit of the company, and such credits may be withdrawn by check, draft or other instrument executed for the company by the following any two signatures:

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and the bank shall be under no obligation to see or make inquiry as to the application of funds so withdrawn, even though such withdrawal order may be payable to the agent of the company executing same, and the funds be withdrawn for his individual use or credit.

BE IT FURTHER RESOLVED, That this resolution revokes and supersedes any previous resolution of the Board of Trustees of Southwestern At Memphis or its Executive Committee affecting these accounts in this bank.

C) The third resolution authorizes Southwestern At Memphis to establish a money market fund account with The Common Fund. The Common Fund is designed strictly for colleges and universities and has shown excellent returns from a well diversified and prudently managed portfolio.

BE IT RESOLVED THAT the Dean of Administrative Services is authorized to enter into a Trust Agreement with The Philadelphia National Bank for the purpose of arranging for the management of that portion of Southwestern At Memphis funds which are normally invested in short-to-intermediate term, fixed dollar securities. The Dean of Administrative Services, or the Comptroller, in their discretion may from time to time deposit such funds with The Philadelphia National Bank with the understanding that the bank will invest these funds in The Common Fund for Short Term Investments under the terms set forth in the Plan dated September 9, 1974. The persons named below are authorized in respect of this institution's investments under said Trust Agreement to make deposits and withdrawals, to give instructions to and otherwise effect transactions with The Philadelphia National Bank.

BE IT FURTHER RESOLVED THAT a special deposit account in the name of this institution to be entitled "Southwestern At Memphis Special Account for Disbursement of Short Term Investment Funds (Special Account)" be hereby established or maintained with The Philadelphia National Bank (the "Bank") solely for the purpose of disbursing funds and assets held in trust by the Bank under Trust Agreement dated January 21, 1983, between this institution and the Bank (the "Trust Fund").

BE IT FURTHER RESOLVED THAT the Bank is hereby authorized to remit by wire, or other means of transfer which do not involve checks, all funds which are so directed by any one of the following persons, subject to the understanding that their authorization to withdraw funds is limited to instructions to remit such withdrawals to another bank or savings and loan to deposit to the credit of Southwestern At Memphis in that institution:

Frank M. Mitchener, Jr., Chairman of the Board
James H. Daughdrill, Jr., President
Gerald A. Duff, Vice president and Dean of the College
S. Shepherd Tate, Secretary
John C. Whitsitt, Treasurer
Thomas R. Kepple, Jr., Dean of Administrative Services
William B. Allen, Jr., Comptroller

BE IT FURTHER RESOLVED, That this resolution revokes and supersedes any previous resolution of the Board of Trustees of Southwestern At Memphis or its Executive Committee affecting these accounts in this bank.

To: Finance Committee

From: James H. Daughdrill, Jr.

Date: January 10, 1983

I recommend the following preliminary budget for 1983-84:

SUMMARY

For The Fiscal Year Ending June 30, 1984

	Actual 1981-82	Budget 1982-83	Budget 1983-84
Income:			
Tuition	$4,661,908	$5,122,000	$5,828,760
Fees	176,718	181,850	162,090
Room and Board	1,928,594	2,139,500	2,238,075
Gifts and Grants	1,013,081	964,000	1,061,000
Endowment Income	884,685	1,525,000	1,870,000
Other Income	1,230,517	1,061,950	1,019,573
Tuition ShortFall	-0-	286,000	-0-
Total Income	$9,895,503	$11,280,300	$12,179,498
Expense:			
Salaries and Fringe	$5,227,132	$5,825,003	$6,248,641
Non-Salary	3,965,871	5,455,297	5,930,857
Total Expense	$9,243,003	$11,280,300	$12,179,498
Surplus	$ 625,500	$ -0-	$ -0-

Income Budget Detail
For The Fiscal Year Ending June 30, 1984

	Actual 1981-82	Budget 1982-83	Budget 1983-84
Tuition and Fees:			
Tuition-based on 985-FY83/ 1028-FY84 students	4,661,908	5,122,000	5,828,760
Tuition - Summer School	1,840	32,000	32,000
Applied Music Fees	57,988	70,750	46,000
Special Course Fees	27,631	18,000	18,000
Application Fees	11,415	13,600	14,790
Extra Hours	9,120	8,000	7,500
Graduation & Miscellaneous Fees	33,803	9,000	10,800
Registration & Transcripts	2,600	2,500	3,000
Continuing Education	32,321	28,000	30,000
	4,838,626	5,303,850	5,990,850
Room and Board:			
Room - based on 840-FY83/ 825-FY84 students	1,060,034	1,176,000	1,235,850
Board - based on 820-FY83/ 805-FY84 students	868,560	963,500	1,002,225
	1,928,594	2,139,500	2,238,075
Gifts and Grants:			
Church	117,596	107,000	118,000
Annual Support Program	778,842	857,000	943,000
Other Gifts and Grants (1)	116,643	-0-	-0-
	1,013,081	964,000	1,061,000
Endowment Income (2)	884,685	1,525,000	1,870,000
Other Income:			
Theatre Series	-0-	-0-	28,153
Bookstore	293,990	320,000	350,000
Interest-based on 12% FY83/ 8% FY84	657,282	453,000	360,000
Swimming Pool	4,707	14,000	17,500
Indirect Cost Recovery	30,885	23,500	32,700
Summer Conferences	26,975	55,400	35,000
Miscellaneous Income	36,038	5,000	10,650
Traffic Fines	6,931	5,500	6,500
WLYX	16,852	10,250	9,500
Dividends, Royalties & Commissions	25,048	18,500	28,420
College Work-Study	124,827	124,800	124,800
Athletic Income	6,982	5,000	5,350
ARA/PUB Work-Study	-0-	27,000	11,000
	1,230,517	1,061,950	1,019,573
Tuition ShortFall	-0-	286,000	-0-
TOTAL INCOME BUDGET	9,895,503	11,280,300	12,179,498
Note:			
Tuition Rate		5,200	5,670
Room Rate		1,400	1,498
Board Rate		1,175	1,245
		7,775	8,413

(1) Incorporated into endowment income.
(2) 5% of June 30, 1982 endowment market value ($37,389,950).

Non-Salary Expense Budget Detail

For The Fiscal Year Ending June 30, 1984

	Actual 1981-82	Budget 1982-83	Budget 1983-84
EDUCATIONAL AND GENERAL			
Instruction & Research			
Art	5,391	8,006	8,350
Religion	2,686	2,621	2,630
English	3,141	3,036	2,765
Foreign Languages	4,845	5,138	4,850
Language Center	962	1,048	1,220
Music	14,267	19,140	17,660
Philosophy	1,222	818	1,035
Theatre & Media Arts	7,463	6,982	7,420
McCoy Theatre Series	-0-	-0-	28,153
Anthropology & Sociology	5,389	4,821	5,100
Economics & Business	5,432	6,112	6,535
Education	1,956	2,314	2,130
History	1,994	2,265	2,315
International Studies	6,722	4,950	5,420
Political Science	2,389	3,397	3,975
Psychology	3,186	3,313	3,285
Biology	18,884	18,742	19,930
Chemistry	14,974	15,712	17,610
Mathematics	2,654	2,752	3,800
Physics	5,138	5,019	5,130
Interdisciplinary	96	-0-	275
Computer Center	39,701	67,950	76,200
Man Course	2,070	2,522	2,675
Continuing Education	31,586	27,692	28,700
Summer School	744	4,945	3,400
WLYX	14,220	15,000	10,855
Summer Scholars	3,943	-0-	-0-
British Studies & Multinational Economics	-0-	1,800	2,600
Total Instruction & Research	201,055	236,095	274,018
Library	148,159	159,790	176,155
Athletics	130,108	136,890	145,800

	Actual 1981-82	Budget 1982-83	Budget 1983-84
Student Services			
Admissions	88,927	101,518	110,127
Plan for Excellence	0	27,000	28,980
Registrar	6,544	7,912	8,120
Financial Aid Office	13,254	21,500	13,381
Plan for Excellence	0	12,000	0
Dean of Students	16,560	18,790	20,291
Health Services	10,079	11,973	12,555
Counseling Center	4,877	5,285	5,728
Student Center	10,651	10,155	10,865
Publications Board	28,020	28,780	30,800
Student Government	3,569	2,965	3,173
Black Student Association	2,000	2,000	2,090
Social Commission	15,157	15,400	16,450
Kinney Program	1,591	1,500	1,600
Swimming Pool	4,372	9,320	9,730
Total Student Services	205,601	276,098	273,890
Plant Operations & Maintenance			
Administrative Services	24,135	29,062	31,965
Housekeeping	28,590	30,955	31,025
Security	2,238	2,600	2,560
Repairs & Maintenance	61,915	65,645	70,240
Grounds	10,428	11,290	12,080
Utilities	187,134	219,000	245,000
Trucks & Autos	751	-0-	-0-
Total Plant Operation & Maint.	315,191	358,552	392,870
General Administration			
Board Meetings	4,434	9,000	9,000
President's Office	72,045	100,695	109,723
Plan for Excellence	0	81,000	117,360
Dean of the College	53,522	58,214	70,483
Comptroller's Office	35,083	46,160	48,215
Clearing	8,694	-0-	-0-
Total General Administration	173,778	295,069	354,781

	Actual 1981-82	Budget 1982-83	Budget 1983-84
General Institutional			
Development	52,285	56,465	60,636
Institutional Advancement	64,299	75,848	81,367
Plan for Excellence	0	30,000	44,940
Insurance	65,972	82,350	82,450
Telephone	-0-	-0-	21,750
Investment Management Fees	46,183	-0-*	-0-*
Total General Institutional	228,739	244,663	291,143
AUXILIARY ENTERPRISES			
Guest Suites	-0-	-0-	835
Bookstore	234,764	248,146	275,643
Residence Halls	246,740	278,802	305,033
Food Service	697,632	773,353	812,129
Summer Conferences	8,849	18,910	17,300
Total Auxiliary Enterprises	1,187,985	1,319,211	1,410,940
STUDENT FINANCIAL AID	1,370,007	1,800,929	2,196,750
BUDGET COMMITTEE EMERGENCY FUND	5,248	28,000	32,885
RENOVATION AND REPLACEMENT	-0-	314,000	381,625
TUITION SHORTFALL	-0-	286,000	-0-
TOTAL BUDGET	$3,965,871	$5,455,297	$5,930,857

*For budgeting purposes, endowment income has been shown net of expected investment management fees.

January 20, 1983

TO: Finance Committee

FROM: James H. Daughdrill, Jr.

RE: Estimated Costs of the Proposed Early Retirement Program

For Your Information

1) How will we pay for the retirements?

With funds from anticipated future surplus and with funds if a replacement is paid a lower salary than the predecessor. If no surplus is realized, the costs will be charged to the Capital Renovation and Replacement account.

2) How much do we expect it to cost?

This question is complicated by how many will retire under the program, what option they choose, and the actual negotiated cost of each package. That is why we have not tried to establish a line item in the budget.

The biggest impact would be that all who retire will choose the lump sum severance plan. (If they choose the phased retirement program the immediate impact will be less. The maximum salary will be $6,600 for those age 65 and older, $4,920 for those under age 65.) Our current estimate is that a maximum of nine professors will choose early retirement.

The projected financial impact is as follows:

Maximum estimated impact during FY 84	111,736*
Maximum estimated impact during FY 85	69,404
Maximum estimated impact during FY 86	84,064
Total	265,204

*For tax purposes most faculty will not actually want payment in a single year; therefore, the impact will probably be spread out over three years.

PROPERTY STATUS REPORT

Property Being Held as of January 1, 1983

Property	Location	Estimated Value	Year Received	Status
Phillippi	Phillippi, WV	$ Unknown	1965	59.5 acres. This piece of property has been income producing for us with sales of timber, a natural gas well has been drilled but not yet connected. Currently we have a proposed coal lease.
Thorn	1. Houston, TX	6,000 total	1967	7.20% of a 12.5% undivided interest.
	2. Houston, TX		1973	3.83% of a 12.5% undivided interest.
Picard	1. Ridgeway Rd. Memphis, TN.	50,000	1977	4.9 acres, 2.8 under TVA easement.
	2. Ridgeway Rd. Memphis, TN.	6,000	1979	14.326 acres under TVA easement.
Moore	Cherokee Village, AR.	7,000	1978	One undeveloped lot in a vacation village.
T. White	Neely Rd. Memphis, TN.	80,842 (est.)	1980-4	Total of 60% undivided interest in 36 acres given over four years.
Hunter	Cherokee	4,500	1980	One undeveloped lot in a vacaction village.
Newman/Cody	1. Dent Rd. Memphis, TN.	24,000	1979	4% undivided interest in 200 acres.
	2. Dent Rd. Memphis, TN.	12,000	1980	2% undivided interest.
	3. Dent Rd. Memphis, TN.	12,000	1981	2% undivided interest.
	4. Dent Rd. Memphis, TN.	12,000	1982	2% undivided interest.
	5. Dent Rd. Memphis, TN.	12,000	1982	2% undivided interest.
				7.5 acres were sold in March 1981 with the proceeds being reinvested in the property. Southwestern's interest in the sale was $1,350.

Property	Location	Estimated Value	Year Received	Status
Gooch	182 E. H. Crump Memphis, TN.	9,431	1980	16.67 interest in a long term net ground lease (year 2011) of an 86 unit Travel Lodge motel that produces an income of $816.72 per year.
Montesi	5014 Poplar Memphis, TN.	436,000	1981	50% interest in Montesi building. Net net lease with options until 2013.
Retained Life Estate 1	70378 Pecos Drive Riverside, CA.	105,000	1981	10% interest.
Retained Life Estate 2	3943 Lakewood Memphis, TN.	155,000	1982	100% interest.

REPORT OF THE COMMITTEE ON STUDENTS AND CAMPUS LIFE - January 21, 1983

The Committee on Students and Campus Life met on January 20, 1983, at 2:00 P.M. in Voorhies Social Room. The following persons were present: Trustees Richard Keathley, Robert Seal, Eleanor Shannon, Robert Smith; Professors Llewellyn Queener, David Kesler; Students Dawn McGriff, Laura Hollandsworth, Rick Sullivan; Guests Susan Brush-Harr, Sherard Edington, Deirdre Teaford, Paul Fromberg, Michael Eads; and ex-officio members Dean C.V. Scarborough and Assistant Dean of Students Frayna E. Goodman.

There was an open discussion session. The main topics of discussion were career counseling and placement, and college chaplaincy.

The meeting formally convened at 3:00 P.M. Ms. Susan Brush-Harr, the College Placement Officer, reported on her activities in the placement area. She gave specific information about individual counseling, program development, and efforts to improve information systems available to students. The committee expressed its excitement about these activities. The committee discussed how crucial the placement office was to the life of the college. The committee recommended that the administration consider making the position of Career development and Placement Officer a full-time position. This was in no way to indicate that the position of chaplain was not extremely important.

Dean Scarborough was asked to report on student retention and a new mood on campus. He gave the committee the "Term I Attrition" statistics for 1981-82 and 1982-83 (page 59) noting the decline in Freshman attrition this year. He then asked Mr. Michael Eads, SGA President, to report on student actions relating to Term III and the resulting attitudes among students on campus. Ms. McGriff discussed student participation in the process to improve Term III in the future. She was most positive about the process. She mentioned that many of the real issues concerning Term III were yet to be solved and that students had much to learn from the faculty. Mr. Eads spoke to the importance of responsible, reasoned, student actions. Mr. Smith complimented the students on their approach and Dr. Kesler complimented Mr. Eads on his presentation to the faculty.

Mr. Sherard Edington, SGA Publications Commissioner, discussed the current state of student publications. He said his goals for the year were to (1) revise the Pub Board Constitution into a workable document (2) create a sense of harmony between the publications and (3) finish off the year in the black. He said the first goal will be reached, the second is a bit much to ask for, and the third may, for this year, remain a dream. He discussed and passed around examples of each publication describing student work on each of them. He spoke of the need for larger budgets and increased advertising sales to meet the rapidly increasing cost of printing. He noted some difficulties with producing student publications and pointed to the excellent publications produced despite those difficulties.

Ms. Teaford and Mr. Fromberg, SGA Religion Commissioners, discussed their plans for a Religious Symposium in April. The topic, "Peace Making", was chosen and The Rev. Jim Watkins, the Associate Director of the Presbyterian Peace Making organization, will be the speaker. Mr. Fromberg explained the origin of the idea and their hopes for the symposium. Ms. Teaford discussed possible sermon and seminar topics to be used.

Mr. Eads was asked to discuss other student concerns. He said Term III and Career Development were the concerns he wished to note and they had been discussed earlier in the meeting. He noted that student interest in the Prospective Students Weekend was enthusiastic this year. He reported on the good progress with the College Bowl program sponsored by SGA.

Dr. Smith spoke of his and the committee's appreciation for the presentations made and adjourned the meeting.

January 19,1983

TERM I - ATTRITION

	1981-82	1982-83	
Freshman			
Male	8	3	
Female	9	3	
	17	6	
Sophomore			
Male	6	4	
Female	7	5	
	13	9	
Junior			
Male	3	3	(1 returning)
Female	0	1	(1 returned)
	3	4	
Senior			
Male	0	2	(2 returning)
Female	0	1	(1 returning)
	0	3	
Transfers			
Male		4	
Female		2	
		6	
Totals	33	28	(1 returned)
			(4 returning)

PRESIDENT'S REPORT TO THE SOUTHWESTERN BOARD OF TRUSTEES 1/21/83
James H. Daughdrill, Jr.

As some of you noted last night at our house, we have been at Southwestern ten years. Those of you who braved the snow saw the beautiful tray given to us by the Board of Trustees. I told Libby this morning that it was suitable for a lord of the manor to have his breakfast served in bed. We couldn't come to agreement on that, so I had my breakfast over here at the doughnut and coffee table this morning.

We appreciate your generous kindness -- the tray is elegant and the presentation last night was a total surprise.

These have been ten good years for us. Last night time flashed quickly before my eyes and for one time in my life I had nothing to say. Jocelyn Rudner said she was delighted to know I could be speechless! The tray was in a great huge box -- you can imagine it if you weren't there. Bobby Fogelman thought we were going to be presented a lifesize picture of Frank Mitchener. We were delighted that it was the tray, instead!

You have already heard, I think, all of the facts that I am going to mention, but I will try to pull them together. I deferred making my report yesterday so these facts would not come from me but would come from those who appropriately should announce them because they worked more closely with the faculty, admissions, development, etc.

I am very proud and very grateful to the members of the faculty, administration and Board of Trustees because Southwestern, in its entire history, has never been stronger or more beautiful or more exciting than it is today.

The mission of Southwestern has been restated with clarity. Our long range plans are in place -- these plans are in three parts -- you're familiar with all three. One is the Capital Funds Goals -- this is the supply side. Next this is the improvement side, our Plan for Excellence. The third, and one that joins the first two together, is our Ten Year Budget projection. All of these will be revised, as we do annually, and presented to you at the April meeting.

Our applications for enrollment are up 62% ahead of this time last year. Annual giving is up 15%, and this increase is in the year in which the Bellingrath endowment was announced. I feared that annual support might plateau or pause, but as Frank Mitchener mentioned, because of Bob Buckman's leadership in the Diehl Society and because of the generosity of so many, Southwestern's progress did not plateau or pause. We will continue the progress that the college has made in the past few years.

We have 376 nominations for our top seven scholarships. This shows that our marketing strategy to build competition and to build participation with the church and with alunni who make nominations, is a good one. My alma mater had 250 nominations for its four top scholarships after the fourth year. We have 376 after the first year. So our marketing strategy is working -- it will take some fine tuning -- but it is working.

Our academic program is also stronger. The outstanding faculty of Southwestern has improved in the quality of teaching as noted by student evaluations. They are receiving increased recognition for their scholarship and publications and

creative activities. Dean Duff gave you a report of that at the October meeting. I predict that the Clarence Day Award Committee will have a difficult time arriving at a decision in that particular area of accomplishments of the Southwestern faculty this year.

I remember when our goal was to end the fiscal year -- the first fiscal year in seven years--in the black. You have just approved a budget for 1983-84 that not only is balanced but has a substantial contingency. We believe that it, too, will end in the black -- the eleventh straight budget to do so.

I remember when our goal was to increase faculty salaries to the national average of four year institutions (Category IIB). Today we stand at 114% of national average. Our present goal is to reach the number one level on the AAUP scale -- the 80th percentile in faculty salaries. With the budget you have just approved, I think we will pass that goal next year and will need to set our sights still higher, for excellent teaching and scholarship should be rewarded.

I remember when our goal was to end deferred maintenance. Today, when many colleges are letting their physical plants deteriorate, ours has never been in better shape. Our total debt service on the physical plant is less than $100,000 a year -- that includes principal and interest -- and some of that is HUD money at 3%, 40 years.

I remember when faculty tenure was 81% with no defined standards for recommending tenure. Today, the faculty has very high standards, and they are moving toward the goal of 67%.

I remember when our goal was to get rid of a deficit of one and a quarter million dollars. We had to borrow money from March through September every year. Now we not only do not borrow money any month of the year, but we earn income on the float that Bill Allen manages very ably.

I remember when you had to look at some dated document to find out much about Southwestern's church relationship. Today Bible is required again, a chaplain serves the campus community, and there are regular worship services in two different faiths on our campus. We are back to the values upon which the college was founded.

I remember when our Capital Funds Goal was $20 Million, and we were laughed at for saying it. Today our Goal is $50 Million and nobody laughs.

I remember standing here when I didn't have to look at you over reading glasses. I remember when I was not greyheaded, not a grandfather, and other things which I will not tell you.

Today, as you well know, our goal is to be The Best College in the South and The Best Church-Related College in the Nation. This is not only an appropriate time to express to you the pride and appreciation I feel for your leadership; it is a time when we all share that pride and are grateful to God and to each other for Southwestern's accomplishments.

In its long history, Southwestern has never been stronger or more beautiful or more exciting than it is today. We stand on the many tall shoulders of leaders in the past. And we stand at yet another threshold. Although our Capital Funds Goals, Plan For Excellence and Budget Projects make up a ten year plan, I predict that within five years all of these goals will have to be revised again.

I am proud to be part of Southwestern as we continue on the course charted by Dr. Diehl -- "to pursue genuineness and excellence."