

RHODES

FOUNDED 1848

Board of Trustees Minutes

January 23 and 24, 1997

RHODES
IS COMMITTED
TO BEING ONE OF
THE FINEST COLLEGES
OF THE LIBERAL ARTS
AND SCIENCES IN
THE WORLD.

BOARD OF TRUSTEES

Minutes of the Board of Trustees Rhodes College January 23 and 24, 1997

- 1-97-1**
- The regular meeting of the Board of Trustees of Rhodes College was held in the Edmund Orgill Room, S. DeWitt Clough Hall, on the campus at 1:00 p.m., Thursday, January 23, 1997 pursuant to written notice.
 - The dedication of the Bryan Campus Life Center, named in honor of Mrs. Catherine Wilkerson Bryan, was held preceding the meeting.
 - The meeting was called to order by the Chair, Mr. Frank M. Mitchener, Jr.
 - The Trustees were asked to pause for a moment of silent prayer in memory of Mildred Whitsitt, wife of former trustee, John C. Whitsitt, who died in November. Also remembered was Carol Boswell, wife of John Boswell, who was recovering from cancer, Red Blount who was home with the flu, and Harold Ohlendorf who was recuperating from a fractured hip.
 - The meeting was opened with prayer by Student Trustee, Michael J. Faber.

- 1-97-2** • The roll was called by Secretary, Mr. Kenneth F. Clark, Jr. Those present were:

Trustees

Edgar H. Bailey '97
James H. Barton '98
Jack R. Blair '98
J. Bayard Boyle, Jr. '99
Neville F. Bryan '99
Robert H. Buckman '97
Bruce E. Campbell, Jr. '98
Kenneth F. Clark, Jr. '99
John H. Crabtree, Jr. '99
J. Robert Dobbins '97
Nancy H. Fulmer '99
John D. Gladney '99
Ted M. Henry '98
Nancy J. Huggins '97
John C. Hugon '98
J. L. Jerden '98
W. Ralph Jones III '97
James R. Lientz, Jr. '98
W. Neely Mallory '97
William J. Michaelcheck '98
Frank M. Mitchener, Jr. '97
Joseph Orgill III '98
Harry J. Phillips, Sr. '99
James H. Prentiss III '99
K.C. Ptomey, Jr. '97
Wayne Steele Sharp '99
Elizabeth L. Simpson '97
John C. Sites, Jr. '97
James A. Thomas III '97
David D. Watts '98

The following were absent:

Trustees

John M. Boswell III '97
J. Lester Crain '98
Tommie S. Dunavant '98
Bryan M. Eagle '98
Donald H. Farris '99
Billy M. Hightower '98
Barbara Rosser Hyde '97
John B. Maxwell, Jr. '99
David R. McWilliams '99
Vicki Gilmore Roman '97
John M. Wallace III '99
Spence L. Wilson '99

Life Trustees

L. Palmer Brown
Charles P. Cobb
S. Herbert Rhea
P.K. Seidman

Honorary Trustees

Mertie W. Buckman
William S. Craddock
Nettie Schilling
Charles R. Sherman
Frances Tomlin Tigrett
Russel L. Wiener
Alvin W. Wunderlich, Jr.

Ex Officio Member

James H. Daughdrill, Jr.

Faculty Trustees

Steve Gadbois '98
Michael C. Nelson '97
Gail P.C. Streete '99

Guests

Corella Bonner
Carol Clark
Douglas M. Lawson
John McGauley

Student Trustees

Michael J. Faber
Robert P. Marus
Frank L. O'Connor

Present By Invitation

William D. Berg
J. Allen Boone
Terese J. Buscher
Arthur L. Criscillis
Sherry J. Fields
Brian E. Foshee
David L. Harlow
Marcia A. Hendrix
Mel K. Hokanson
Charles N. Landreth
N.P. McWhirter
Helen W. Norman
Charlotte P. Parks
John M. Planchon
Loyd C. Templeton, Jr.
Debra M. Warren
Arthur M. Weeden, Jr.

Life Trustees

Winton M. Blount
Paul Tudor Jones
Robert D. McCallum
William C. Raspberry

Staff

David J. Wottle

Honorary Trustees

Robert W. Amis
Bland W. Cannon
Thomas Fearn Frist, Sr.
Frank M. Norfleet
Harold F. Ohlendorf
Lorna Anderson Reimers
John B. Ricker, Jr.

- Mr. Clark declared a quorum was present (see Exhibit A, page 9 for Board Committee list).

- 1-97-3 • Mr. Mitchener introduced new trustee, Mrs. Nancy H. Fulmer, '51, Memphis, Tennessee.
- 1-97-4 • The Board approved as mailed the minutes of the Board of Trustees meeting held on October 17 and 18, 1996.
- 1-97-6 • President Daughdrill introduced special guests, Corella Bonner and Carol Clark. Known as Billie to her close friends, she and her daughter, Carol, came especially for the Bryan Campus Life Center Dedication and have been invited to attend the Students and Campus Life Committee Meeting. Mrs. Bonner's Foundation, The Corella and Bertram F. Bonner Foundation provides scholarships at 22 colleges and to 60 Rhodes students. She is a special friend of the College and at last year's commencement received an honorary degree from Rhodes.
- 1-97-7 • President Daughdrill introduced the new Admissions video that was then viewed.
- 1-97-8 • Mr. Mitchener asked Herbert Rhea to serve as acting chair of the Finance Committee.
- 1-97-9 • The Trustees were reminded of the dinner that evening at The University Club honoring Catherine Wilkerson Bryan and her family.
- 1-97-10 • The Board adjourned to committee meetings at 2:00 p.m.

Kenneth F. Clark, Jr., Secretary

Friday, January 23, 1997

- 1-97-11 • The Board of Trustees resumed its meeting on Friday, January 24, 1997 at 8:30 a.m. in the Edmund Orgill Room on campus.
 - The meeting was called to order by the Chair, Mr. Frank M. Mitchener, Jr.
 - The meeting was opened with prayer by Trustee James R. Lientz, Jr..
- 1-97-12 • The roll was called by Secretary, Mr. Kenneth F. Clark, Jr. Those present were:

Trustees

Edgar H. Bailey '97
James H. Barton '98
Jack R. Blair '98
J. Bayard Boyle, Jr. '99
Neville F. Bryan '99
Robert H. Buckman '97
Bruce E. Campbell, Jr. '98
Kenneth F. Clark, Jr. '99
John H. Crabtree, Jr. '99
J. Lester Crain '98
J. Robert Dobbins '97
Nancy H. Fulmer '99
John D. Gladney '99
Ted M. Henry '98
Nancy J. Huggins '97
John C. Hugon '98
J. L. Jerden '98
W. Ralph Jones III '97
James R. Lientz, Jr. '98
W. Neely Mallory '97
William J. Michaelcheck '98
Frank M. Mitchener, Jr. '97
Joseph Orgill III '98
Harry J. Phillips, Sr. '99
James H. Prentiss III '99
K.C. Ptomey, Jr. '97
Wayne Steele Sharp '99
Elizabeth L. Simpson '97
John C. Sites, Jr. '97
David D. Watts '98
Spence L. Wilson '99

The following were absent:

Trustees

John M. Boswell III '97
Tommy S. Dunavant '98
Bryan M. Eagle '98
Donald H. Farris '99
Billy M. Hightower '98
Barbara Rosser Hyde '97
John B. Maxwell, Jr. '99
David R. McWilliams '99
Vicki Gilmore Roman '97
James A. Thomas III '97
John M. Wallace III '99

Life Trustees

Charles P. Cobb
S. Herbert Rhea
P.K. Seidman

Honorary Trustees

Mertie W. Buckman
William S. Craddock
Frank M. Norfleet
Charles R. Sherman
Frances Tomlin Tigrett
Russel L. Wiener

Ex Officio Member

James H. Daughdrill, Jr.

Faculty Trustees

Steve Gadbois '98
Michael C. Nelson '97

Guests

Douglas M. Lawson
Michael McDonnell

Student Trustees

Michael J. Faber
Robert P. Marus
Frank L. O'Connor

Present By Invitation

William D. Berg
J. Allen Boone
Terese J. Buscher
Arthur L. Criscillis
Sherry J. Fields
Brian E. Foshee
David L. Harlow
Marci A. Hendrix
Mel K. Hokanson
Charles N. Landreth
N.P. McWhirter
Helen W. Norman
Charlotte P. Parks
John M. Planchon
Loyd C. Templeton, Jr.
Debra M. Warren
Arthur M. Weeden, Jr.

Life Trustees

Winton M. Blount
L. Palmer Brown
Paul Tudor Jones
Robert D. McCallum
William C. Raspberry

Faculty Trustee

Gail P.C. Streete '99

Staff

David J. Wottle

Honorary Trustees

Robert W. Amis
Bland W. Cannon
Thomas Fearn Frist, Sr.
Harold F. Ohlendorf
Lorna Anderson Reimers
John B. Ricker, Jr.
Nettie Schilling
Alvin W. Wunderlich, Jr.

- Mr. Clark declared a quorum was present (see Exhibit A, page 9 for Board Committee list).

1-97-30 • Report of the Committee on Investment

Mr. Michael McDonnell, Chair. (Exhibit C, page 8).

Committee report received.

1-97-14 • Report of the Campaign Executive Committee

Mr. Kenneth F. Clark, Jr. Acting Chair. (Exhibit D, page 9).

Committee report received.

1-97-15 • Report of the Committee on Development

Mr. Robert H. Buckman, Acting Chair. (Exhibit E, page 10).

Committee report received.

1-97-16 • Report of the Committee on Board Directions and Leadership

Mr. John C. Sites, Jr. '74, Chair. (Exhibit F, pages 11-13).

Committee report received.

1-97-16 • A motion was passed that The Honorable Joyce C. Broffitt be asked to serve on the Board beginning in October 1997.

1-97-24 • A motion was passed that the following be offered an honorary degree at Rhodes Commencement, May 17, 1997: Morgan Freeman, Gerry House and Isaac Tigrett.

1-97-18 • A motion was passed to recommend to the full Board a revision in The Rhodes Purpose as follows:

The Purpose of Rhodes is to serve God by

- helping students to lead lives of genuineness and excellence,
 - expanding the horizons of knowledge and scholarship, and
 - living as a community of truth, loyalty, and service in an atmosphere of academic freedom, open inquiry, and freedom of expression for all.
-

1-97-24 • Report on the Committee on Students and Campus Life

Mr. William J. Michaelcheck '69, Chair. (Exhibit G, pages 14-15).

Committee report received.

1-97-25 • Report on the Committee on Enrollment

Mrs. Elizabeth L. Simpson '58, Chair. (Exhibit H, page 16).

Committee report received.

1-97-26 • Report of the Committee on Faculty and Educational Program

Mr. W. Neely Mallory, Jr., Chair. (Exhibit I, page 17).

Committee report received.

- 1-97-28 • **Report on the Committee on Lifelong Learning**
Mr. Jack R. Blair, Chair. (Exhibit J, page 18).

Committee report received.

- 1-97-29 • **Report of the Committee on Finance**
Dr. S. Herbert Rhea, Acting Chair. (Exhibit K, pages 19-27).

Committee report received.

- 1-97-26 • **The Board voted to approve the 1997-98 preliminary operating budget.**
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- 1-97-32 • **Report of the Committee on Buildings and Grounds**
Mr. Edgar H. Bailey, Acting Chair. (Exhibit L, page 28).

Committee report received.

- 1-97-34 • Mr. Mitchener called on President Daughdrill for his closing remarks.

- 1-97-35 • President Daughdrill:

- One thing I have dreaded is that Helen Norman is leaving at the end of January. We've known for several months now that her choice is to be with her young children at a very important time of their lives.

Helen Norman is one of those people who has made a tremendous difference at Rhodes. Helen has done the best job of all the people I know who help enhance the reputation of colleges.

Watch this coming week for an article in *U.S.A. Today* about Rhodes' architecture, and in particular the Bryan Campus Life Center. These things don't just happen. I believe Helen and John McGauley worked on that story for nine months.

In the media business, you find the best angle and hope for the best. It's a business in which you can easily get discouraged. If you need your ego to depend on everyone saying yes to you, and meeting your needs, you don't want to be in Helen's business. It's a hard business because you're not always treated with respect; the media love their power. But in spite of that, Helen has worked with them and has earned their respect and she has tremendously enhanced the reputation of this College.

Good media relations translates into tangible benefits. Applications increase, students go on job interviews with employers who have heard of and have respect for Rhodes. Also, when we recruit faculty who know about the College there is a higher likelihood that they will come. Good media relations translates into real benefits.

Helen Norman won't be here every day, and we will miss that, but she will be called on for writing and special events so she will still be involved at Rhodes. Thank you, Helen, for *all* you have done for Rhodes!

- I want to thank Trustees for what you do for Rhodes. For your attendance, for the time you spend, and for the way you give. You influence others, too. You are aware that Julian Robertson gave Rhodes \$1 million to honor his good friend, Bob McCallum. Julian Robertson didn't know Rhodes, he didn't care about Rhodes, but he cared about Bob McCallum and respected Bob's association with this College. And when I talked with Bob about it, Bob says that he gets more *from* Rhodes than he's ever given *to* Rhodes. He really means that.

John and Neville Bryan gave the lead gift for the Campus Life Center. He stood up last night and talked about how wonderful that building was — not because he contributed, but because they were grateful to be associated with Rhodes.

There's a balance at Rhodes that is marvelous. People are impressed when they come and see us operate. Corella Bonner and Carol Clark said they've never seen a group of people operate like Rhodes people do, and they love to come here. They support 22 colleges and they wanted to come back for the dedication of the Bryan Campus Life Center. Why? Because there really is something special that we have going.

I believe the balance is seen by our having student-elected and faculty-elected trustees. Ninety-seven percent of colleges and universities don't have faculty or students on the Board. Every Trustee at Rhodes sees the bigger picture. We also have a tradition of a board member going to each faculty meeting. And do you know how unusual a faculty meeting is? Less than half of the colleges and universities in the United States even have faculty meetings. They have faculty senates. But our faculty as a whole deals with the curriculum as a whole, with students as a whole, with the College as a whole. We have wonderful opportunities to look over into each other's areas and see the diversity and see the things we have in common, and appreciate to each other.

Our budgeting process is a trustworthy process — budget team of students, faculty and staff. All our processes on campus are trustworthy. If you feel you have been mistreated, there are appeals processes. If your budget is inadequate to meet that year's needs through no fault of your own, there is a Budget Team Emergency Fund. A faculty member who is invited to present a paper at a meeting in the spring is not told, "You can't go because it wasn't in the budget a year ago."

During a recent site visit by the accrediting group American Association for Liberal Education, our students were commended for their participation and interest in the Purpose Statement revision process. The AALE team were impressed that our students cared about the process.

Another example: It may take eight minutes for our housekeepers to clean a dormitory room, but if they add a smile and greet a student, that is a value-added which adds greater self-esteem to the student *and* the employee. If we don't go that extra step, then we're going to lose the soul of the College.

We educate students, but we educate each other and we continually learn from each other.

So congratulations, Rhodes Trustees, on being a leader of an institution that works, and works beautifully!

Mr. Chairman, that concludes my remarks.

1-97-36 • The meeting went into executive session at 11:30 a.m.

Kenneth F. Clark, Jr., Secretary

BOARD OF TRUSTEES COMMITTEES FOR 1996-97

Board Committees		Faculty Member	Student Member	Staff (Non-Voting)
Board Directions & Leadership John C. Sites, Jr., Chair • Neville F. Bryan J. Lester Crain, Jr. Frank M. Mitchener, Jr. • Joseph Orgill III	Winton M. Blount L. Palmer Brown Charles P. Cobb Robert D. McCallum	Ben W. Bolch		Loyd C. Templeton, Jr. Helen W. Norman
Buildings & Grounds Edgar H. Bailey, Chair • Billy M. Hightower J. L. Jerden John B. Maxwell, Jr. K. C. Ptomey, Jr.	Loma A. Reimers Nettie Schilling Frances T. Tigrett Russel L. Wiener	Steve Gadbois #	Kristen Rauschkolb	Brian E. Foshee William D. Berg
Development James A. Thomas III, Chair • John M. Boswell III Robert H. Buckman • Kenneth F. Clark, Jr. • John M. Wallace III David D. Watts	Mertie W. Buckman William C. Rasberry P.K. Seidman	Michael C. Nelson #	Robert P. Marus #	Arthur L. Criscillis Charlotte P. Parks
Enrollment Elizabeth L. Simpson, Chair • James H. Barton Tommie S. Dunavant Bryan M. Eagle Donald H. Farris James H. Prentiss	Robert W. Amis Charles R. Sherman	Gail C. Streete #	Michael Faber #	David J. Wottle Arthur M. Weeden, Jr.
Faculty & Educational Program W. Neely Mallory, Jr., Chair • Bruce E. Campbell, Jr. • John H. Crabtree, Jr. • Nancy J. Huggins Barbara R. Hyde David R. McWilliams Harry J. Phillips, Sr.	Bland W. Cannon William S. Craddock, Sr. Paul T. Jones Frank M. Norfleet	Terri Lindquister	Yohaam Demel	John M. Planchon
Finance Spence L. Wilson, Chair • Jack R. Blair J. Bayard Boyle, Jr. • John C. Hugon James R. Lientz, Jr. Vicki G. Roman Wayne S. Sharp	S. Herbert Rhea John B. Ricker, Jr.	Deborah N. Pittman	Frank O'Connor #	J. Allen Boone N. P. McWhirter
Students & Campus Life William J. Michaelcheck, Chair • J. Robert Dobbins Nancy H. Fulmer John D. Gladney Ted M. Henry W. Ralph Jones III	Harold F. Ohiendorf Alvin W. Wunderlich, Jr.	Dee Birnbaum	Anita Person	Melody K. Hokanson Charles N. Landreth
Investment Michael McDonnell, Chair J. Bayard Boyle, Jr. Bruce E. Campbell, Jr. Joseph Orgill III Harry J. Phillips, Sr.	L. Palmer Brown	Brian W. Shaffer		J. Allen Boone N. P. McWhirter
Audit Edgar H. Bailey, Chair • John B. Maxwell, Jr.	L. Palmer Brown P. K. Seidman	Pamela H. Church		N. P. McWhirter
Lifelong Learning Jack R. Blair, Chair • Bruce E. Campbell, Jr. W. Ralph Jones III James H. Prentiss	P. K. Seidman	Frank O. Mora		John M. Planchon
Information Technology Donald H. Farris, Chair • Robert H. Buckman Bryan M. Eagle	John A. Williams, <i>ex officio</i>	Carolyn Schriber	Thomas A. Jackson	John M. Planchon Charles L. Lemond

• Executive Committee Member
Elected by Faculty or Students

• Frank M. Mitchener, Jr., *ex officio*, all committees
• James H. Daughdrill, Jr., *ex officio*, all committees

• David L. Harlow, *ex officio*, all committees
Revised January 2, 1997

Report of the Committee on Investments

Mr. Michael McDonnell, Chair — January 24, 1997.

We have a good investment report. The managed assets of the endowment at the start of the year were about \$120 million and at the end of the year they were \$141.6 million. The total value of the endowment was \$135 million at the start of 1996 and \$163 million as of December 31, 1996. That's an increase of 19.4 percent.

Approximately \$71 million are in managed equities in the investment pool. Having rebalanced approximately \$7.5 million from stocks to fixed income during the year, we are a good bit more conservative than we were a year ago. Of that \$71 million, the managed equities have increased to \$90 million over the year, an increase of 28%, which compares to 23% for Standard and Poors 500.

The Rhodes' endowment performance has been stellar in the last two years which is exhibited in our ranking by Cambridge and Associates' NACUBO Endowment Study. With preliminary comparative numbers out we rank 19th (out of 352 colleges) for one-year performance; 22nd for three years; and 20th in five year annualized investment return. A sample of those ranking higher are Harvard, Yale, Rice, Emory, and Agnes Scott, so we're not in bad company.

Report of the Campaign Executive Committee

Mr. Kenneth F. Clark, Jr., Acting Chair — January 24, 1997.

The 150th Anniversary Campaign continues to make significant progress. In fact, since our last meeting, we have added over \$12 million to the Campaign's total. At your table you will see a green sheet of paper, which is the Campaign's Summary Report. As you can see, we have received just over \$39 million toward our highest priority objectives; approximately \$18 million in annual support and over \$51 million in deferred gifts. Total commitments have reached \$108.3 million toward our goal of \$120 million.

The \$30 million Trustee Challenge has been particularly effective in encouraging others to give. This challenge fund provides an additional \$1 for each \$2 dollars contributed toward either the deferred or one of the highest priority objectives. To date, almost \$10 million of the \$15 million fund has been claimed.

The Campaign Associates, a group of volunteers working with us to meet the goal, have given and raised over \$3.8 million dollars in a little under a year. Their work has provided a real boost to the Campaign.

The Margaret Hyde Council, chaired by Beth Simpson '58, formed to identify potential women benefactors held their second meeting on January 14. They have identified some 50 potential prospects and will begin making calls. Their next meeting will be February 27. They will sponsor women's estate planning seminar in the spring. This is a group which, I believe, will have a tremendous impact on giving to Rhodes over the long term.

As you can see from the summary report I referred to earlier, the Campaign has tremendous momentum. In fact, at this juncture it seems to have a life of its own. None of us dreamed we would be so far toward our goal at this time.

The focus of our efforts is on meeting the \$120 million goal — and even going beyond it. Rhodes' 150th Anniversary Campaign was undertaken to have a lasting impact on life of the College — and it already has. The dedication of the Bryan Campus Life Center is the most tangible evidence of that impact, but it can also be seen in the new scholarships that have been funded and professorships established. We now have the opportunity to exceed our own expectations and provide Rhodes with an even stronger financial base as it moves into the 21st century.

Thank you, that concludes my report.

Report of the Committee on Development

Mr. Robert H. Buckman, Acting Chair — January 24, 1997.

The Development Committee heard about the wonderful progress of the 150th Anniversary Campaign, which Ken Clark has reported to you. We also heard about the remarkable success of this year's annual fund.

You have at your place a sheet with the heading "Rhodes College Annual Fund." Without going over every item on the report, but I do want to mention a couple of areas.

Look at the total in gifts and pledges to date, which is about two-thirds of the way down the page. This year's gifts and pledges are up almost 17% over last year at the same time, with over \$2 million committed to date — and last year was a record year for the Annual Fund we are comparing this year's numbers to very strong numbers from last year.

Two divisions in the Annual Fund are going extremely well. Parents have already exceeded their goal for the year and they are still at work. Also, Trustees. I want to thank all of you for your very generous commitment to this year's annual fund. As you can see, Trustees' commitments are running almost 31% ahead of last year at the same time.

Finally, note the Diehl Society results. Under Jim Thomas' leadership, the Diehl Society is up almost 24%, with \$886,551 in commitments. Many of you in this room participated in building a challenge fund for the Diehl Society and others of you responded to the challenge by increasing your gifts. Because of the very generous response by so many, the Diehl Society has a real chance to raise \$1 million dollars for the Annual Fund!

The Diehl Society will be having a Diehl Dinner in New York City, hosted by Bill and Pam Michaelcheck. This dinner will be held at the Union Club on April 10, 1997. I know that many of you go to New York on business and you may want to schedule a trip then. Others like to go to New York for entertainment and shopping, and this would be a good excuse to go! In short, I hope that many of you will be able to attend this event.

We also heard a report from Sue Matthews, who joined Rhodes on November 1, 1996 as Director of Planned Giving. She comes to the College with an undergraduate degree from Duke and a law degree from University of Memphis. She discussed her marketing plan for 1997, and it is very well thought out and very ambitious. I think we are going to be hearing good results from her work.

That concludes my report.

Report of the Committee on Board Directions and Leadership

Mr. John C. Sites, Jr. '74, Chair — January 24, 1997.

The meeting was called to order in the Orgill Room at 2:15 p.m.

Members present for the committee meeting were: John C. Sites, Jr. Chair, Neville F. Bryan, L. Palmer Brown, Charles P. Cobb, Frank M. Mitchener, Jr., Joseph Orgill III, James H. Daughdrill, Jr., Loyd C. Templeton, Jr., Helen W. Norman, Ben W. Bolch, Sherry J. Fields, and John McGauley. Those absent: J. Lester Crain, Jr., Winton M. Blount, and Robert D. McCallum.

Mr. Sites announced that Dunbar Abston, Michael McDonnell, Phillip McNeill, James O'Donnell and Bruce Parker have accepted our invitation to join the Board of Trustees.

Trustees rotating off the Board at the end of this term are Edgar Bailey, Nancy Huggins, K. C. Ptomey, Jr., Vicki Roman, and Jim Thomas.

Upon the resignation of Trustee John Boswell from the Board, a motion was made and passed to elect **Judge Joyce Broffitt to the Class of 2000.**

Dr. William R. Ferris, Director of the Center for the Study of Southern Culture and Professor of Anthropology at the University of Mississippi and Dr. Elizabeth Caldwell '69, Harold Blake Walker Professor Pastoral Theology, McCormick Seminary, Chicago, IL have accepted Rhodes' offer of an honorary degree at Commencement, May 17th.

The motion was passed that the following candidates be offered an honorary degree at Commencement: Mr. Issac Tigrett, Founder, Hard Rock Cafes and House of Blues; Mr. Morgan Freeman, native Memphian, actor; and Dr. Gerry House, Superintendent of Memphis City Schools.

The Board unanimously approved the following change in the Rhodes Purpose:

The Purpose of Rhodes is to serve God by

- helping students to lead lives of genuineness and excellence,
- expanding the horizons of knowledge and scholarship, and
- living as a community of truth, loyalty, and service **in an atmosphere of academic freedom, open inquiry, and freedom of expression for all.**

Mr. John McGauley, President of Gehrung Associates reported on national publicity Rhodes has had since our last meeting.

The meeting was adjourned at 3:45 p.m.

Report of the Committee on Students and Campus Life

Mr. William J. Michaelcheck '69, Chair — January 24, 1997.

The Committee on Students and Campus Life was called to order by Chairman William Michaelcheck at 2:15 p.m. in the Robinson Social Room, Robinson Hall. Members in attendance were: Nancy Fulmer, Bob Dobbins, John Gladney, Ted Henry, Ralph Jones, Al Wunderlich, and Dee Birnbaum; Ex-Officio members present were Melody Hokanson and Charles Landreth. Special guests present were Corella Bonner and Carol Clark of the Bonner Foundation. Present by invitation were staff members Billy Newton, Libby Robertson, Mike Clary, and Claire Coleman; and students Bryant Benson, Rob Robinson, and Damon Norcross.

Dr. Billy Newton, Chaplain and Director of Community Service, outlined the four-year history, the benefits and community service responsibilities of the Bonner Scholarship Program at Rhodes. Rhodes is one of only 21 colleges who are recipients of scholarships from the Corella and Bertram F. Bonner Foundation of Princeton, New Jersey. The first class of Bonner scholars was graduated in 1996. The Foundation provides 10 Bonner scholarships annually to the College. Heather Lea, Service Coordinator, enumerated various service opportunities in which Bonner scholars engage. She emphasized that the opportunities range from working with individuals, to major projects and are designed to fit the aptitudes and the concerns of each individual scholar. Damon Norcross expressed some of the benefits he had experienced as a Bonner Scholar, especially growth in understanding himself, problems that exist in the community, and the importance of service itself.

Bryant Benson, President of the Honor Council, and Rob Robinson, President of the Social Regulations Committee, presented an overview of the long tradition, the function and effectiveness of these respective student-run organizations at Rhodes. Bryant explained that the Honor Council oversees adherence to the Honor Code with respect to accountability in matters of students' personal honesty. Rob defined the SRC's area as intervening in students' actions which in any way might infringe on another's physical well-being, respect or personal property. Both the HC and the SRC function within strict guidelines that have been finely tuned by long tradition. The focus of both organizations is educating the community to behavior that is acceptable at Rhodes and behavior that is not. Honor Council educational projects this year have included a formal honor code signing ceremony, an educational session for first-year students during Orientation, a "Know the Code" campaign during Orientation, and educational leaflets placed in the Refectory. Discussion followed.

Dr. Libby Robertson, Director of Counseling Services and Convener of the Sexual Harassment/Assault Education Committee, addressed Rhodes' response to the issues of sexual harassment, a matter for concern on all college campuses. Dr. Robertson stated that the concern is protecting an atmosphere that is most conducive to Rhodes' academic ideal. In its commitment to the pursuit of effective campus programs on sexual harassment, Rhodes had adopted a strong college policy statement that incorporates the elements of education, sanctions for violations, and fair and respectful treatment for all involved parties. She stated that this year there have been 14 educational programs presented on campus with over 1,400 people attending one or more of these programs. Dr. Robertson added that Rhodes recognizes that creating a healthy campus environment also includes support of campus leadership; and continuous training of all persons responsible for policy, educational programs, and review of procedures. Discussion followed.

Mike Clary, Director of Athletics, commented on Rhodes Athletics and the Division III Philosophy, the mission of intercollegiate athletics at Rhodes. He explained that rather than operating a sports program for income purposes, Rhodes' program operates for the development of the whole person. Rhodes athletes do not receive athletic grants or aid; they play because they love to participate and compete. The Rhodes athlete is expected to maintain his grade point average and attend classes just as any other student at the College with no exceptions "because he/she is an athlete". With all the expectations placed upon the Rhodes' athlete, the participation in Rhodes' sports programs has grown from 250 to 350 (one fourth of the student enrollment) over the last three or four years. Director Clary presented highlights of recent Rhodes intercollegiate success and also expressed optimism on the impact of the Bryan Campus Life Center on programming in social, recreational, fitness, and intercollegiate sports areas.

Damon Norcross, Vice President of the Rhodes Student Government, presented an update of the activities of the RSG during first semester. Recent accomplishments he outlined include: instituting new liaisons to student organizations, overseeing the creation of a new Pub Board constitution as well as the production of the 1996-97 annual, co-sponsored events with the Kinney Program, the

Black Student Association, the Martin Luther King Day panel, and the Midnight Madness event. In addition, Damon reported that the RSG sponsored the first annual Treat & Feed on Halloween, collecting canned goods for Memphis Food Bank, and supported the student-run soup kitchen, Souper Contact. During the last month of Fall '96 semester, the RSG spent many man hours facilitating dialogue regarding the purpose statement. He stated that the dedication to this topic and desire to take an active, concerned role in the campus community was the major accomplishment of the Ad Hoc Committee on the Purpose Statement and the student body.

Mel Hokanson, Dean of Student Affairs, brought a very positive report from Cabinet. Freshman retention figures are very good, which indicates that orientation and educational programs now in place are bearing fruit. The Career Services program, Career Tracks, directed to first year students was very well attended; 125 students or one-fourth of the class signed up, and 80 students actually participated. Parent feed-back on the Career Tracks program has been excellent.

There being no further business, the meeting was adjourned at 3:30 p.m.

Report of the Committee on Enrollment

Mrs. Elizabeth L. Simpson '58, Chair — January 24, 1997.

The Committee on Enrollment was called to order at 2:10 p.m. by Chairperson Elizabeth Simpson with the following members in attendance: Mr. James Barton, Mr. Michael Faber, Mr. Jim Prentiss, Mr. Charles Sherman, Dr. Gail Streete, Mr. Art Weeden and Ms. Terese Buscher.

Admissions Report

Director of Admissions Terese Buscher began the session by discussing the results of Early Decision, an admission option available to students who definitely know they want to attend Rhodes in August, 1997. We have had a good year in terms of Early Decision having received 9 more applications than last year and 7 more deposits. The academic quality of our Early Decision deposits is very comparable with the last two years.

In terms of regular decision applications, we are currently 5% ahead of last year's number of applications and close to our record pace of two years ago. The academic quality of the applicant pool to date is quite strong again this year. The average applicant ranks in the top 10% of their graduating class, has a 3.6 grade point average and has an average SAT of 1272 and ACT of 28.

Dr. Gail Streete asked how the number of applications from African-American students looked so far. Ms. Buscher replied that we are well ahead of last year in African-American applications. There was some discussion of the efforts being made to convert those applicants to enrolled students.

There was also some discussion about the new video and how it is being sent to prospective students. Mr. Jim Prentiss suggested that the admissions office send a copy of the video to every accepted student who had not already viewed it. Ms. Buscher responded that cost might be a factor, but the idea was certainly worthy of consideration by Dean David Wottle upon his return.

Director of Financial Aid Art Weeden reported that his office has already received the first electronic transmissions of the need analysis for students applying for financial aid next year and the system is working well.

Ms. Buscher also discussed the admission office's efforts to bring the recruiting process a year earlier. Currently, our major recruiting efforts take place in the spring of a student's junior year in high school. However, recent research by Maguire Associates has revealed that over 50% of high school juniors have selected a first choice college before the middle of their junior year. Our new initiative is proactive and will encourage student interest in Rhodes during their sophomore year. We trust that this earlier contact will encourage students to develop a bond with the College at an earlier age.

There being no further business, the meeting was adjourned at 2:40 p.m.

Report of the Committee on Faculty and Educational Program

Mr. W. Neely Mallory, Jr., Chair — January 24, 1997.

Members Present:

Board: Mr. Mallory, Mr. Crabtree, Mr. Craddock, Mr. Phillips, and Mr. Campbell

Faculty: Professors Terri Lindquister and Katheryn Wright

Student: Mr. Yohaam Demel

Staff: Dean Planchon, Ms. Harlow, Ms. Handwerker

Mr. Mallory called the meeting to order and introduced Peggy Harlow, Coordinator of Disability Services at Rhodes.

Ms. Harlow gave the committee a brief history of the Disability Act. Prior to the passing of the American Disabilities Act in 1990, private institutions like Rhodes were not required by law to provide accommodations for students with disabilities. With the passing of the American Disabilities Act, any institution accepting federal funds is required to make programs and facilities accessible to people with disabilities.

Ms. Harlow explained to the committee who is covered by ADA and how it affects our students; how students needing accommodation are identified; how documentation received on those students is evaluated and verified; and who decides on accommodations and what those accommodations are. Ms. Harlow told the committee that 1 1/2% of Rhodes students are self identified as needing some sort of accommodation.

Dean Planchon told the committee that a subcommittee of the Curriculum Committee has been established to determine the curricular essentials for a Rhodes degree. These curricular essentials form the cornerstone in determining what accommodations are reasonable. He then introduced Associate Professor Katheryn Wright, chair of that subcommittee. Professor Wright told the committee that there is much to be considered in establishing the curricular essentials for a Rhodes degree in order to maintain the integrity of a Rhodes degree while still making reasonable accommodations for students with disabilities. Professor Wright stated that federal law mandates institutions of higher education take "reasonable" measures to make education accessible and non-discriminating to qualified students with disabilities. She noted that reasonable accommodations fall under four basic categories:

- Testing and evaluation methods (for example giving extra time on an exam)
- Adaptation of teaching methods (for example using closed-caption videos or tape recording lectures)
- Substitution of courses/requirements (for example substituting a history or culture course for foreign language requirements)
- Course/requirement waivers (for example waiving foreign language or math requirements)

The latter two are the most problematic and are being hotly debated in colleges and universities across the country.

Professor Wright stated that the law is not asking the college to make curricular changes, modifications and accommodations that would compromise the integrity of the curriculum. However, the burden of proof, showing that an element of the curriculum is essential to the education program and that waiving it would compromise the academic integrity of the institution, is on the college. Professor Wright then told the committee what steps are being taken within the divisions of the college to determine the curricular essentials for a Rhodes degree.

Dean Planchon reported that a number of trustees had responded to the invitation to attend classes while on campus for the Board of Trustees meeting. The invitation, issued by the office of Academic Affairs on behalf of the Committee on Faculty and Educational Program, will be sent again before the Spring meeting of the Board. There being no further questions, discussion, or new business, the meeting was adjourned.

Report of the Committee on Lifelong Learning

Mr. Jack R. Blair, Chair — January 24, 1997.

The meeting of the Committee on Lifelong Learning was called to order by Mr. Jack Blair, chair, on January 9, 1997. Those present: Mr. Ralph Jones, trustee; Dr. Frank Mora, faculty member; Dr. John Planchon, Director of Meeman Center, and Chancellor David Harlow. Guests of the committee: Shirley Stone, Meeman Center Administrative Assistant.

Dean Planchon presented the committee with the final year-end figures for the Meeman Center. Meeman programs contributed \$155,005.64 to the reserve fund. Residential programs (for example: National Faculty, Continuing Legal Education and National Cheerleaders), non-residential programs, and the Institute for Executive Leadership all contributed to the reserve. This exceeded the projected surplus by \$45,000.

Dean Planchon presented the committee with the 1997 Meeman Center for Lifelong Learning catalogue. He noted that this catalogue was a new format, including the entire year of Meeman programs and services for 1997. This format was designed to bring attention to all aspects of the Meeman Center in a cost-efficient manner. Though the Lifelong Learning courses for the fiscal year ending June 30, 1996 brought 59 people to campus and involved seven professors, they did not contribute to the reserve. Rather, the Center lost \$5,234 by offering these courses. However, the center will continue to offer them as part of its outreach to introduce the community to Rhodes professors and other resources at the Meeman Center. A goal for the future is to at least cover the direct costs of offering the Lifelong Learning courses.

Dean Planchon also reported that a survey had been taken from 50 colleges comparable to Rhodes regarding a conference center. Of the 50 schools contacted, only 13 had a facility of any type to house individuals and/or groups. Most facilities in this group of 13 were small and were more similar to bed-and-breakfast facilities than conference centers. Dean Planchon stated that officials at Rhodes were still doing research on several different possibilities regarding the conference center.

There being no further business, the meeting was adjourned.

Report of the Committee on Finance

Dr. S. Herbert Rhea, Acting Chair — January 24, 1997.

The meeting of the Committee on Finance was called to order by Mr. Herbert Rhea, acting Chair, at 2 p.m., Thursday, January 23, 1997 in the Hill Board Room, Palmer Hall.

The following individuals were present: Mr. Herbert Rhea, Mr. John Hugon, Mr. Jim Lientz, Mr. Bayard Boyle, Ms. Wayne Sharp, Mr. Jack Blair, Dr. Deborah Pittman, Mr. Frank O'Connor, Dean Allen Boone and Mr. N. P. McWhirter.

Mr. McWhirter briefed the committee on the status of the college insurance program (attachment #1). Our primary insurer is The St Paul with current insured values on buildings and contents at approximately \$120,000,000. Combined general liability insurance and umbrella coverage is at \$15,000,000 and Director's and Officer's liability coverage is carried at \$5,000,000. Insurance for earthquake and flood is being carried at \$70,000,000, providing loss coverage for approximately 60% of the total physical plant and equipment. The committee requested that the College investigate over the next year increasing this coverage (possibly another \$20,000,000) with a corresponding increase in the deductible from \$250,000 to \$1,000,000.

Mr. McWhirter then reviewed the real estate holdings of the College commenting on the numerous properties sold in recent years.(attachment #2). Over the past few years the College has aggressively marketed its real estate holdings, selling approximately 30 parcels. Currently, we own only six Parkway House units and have only one jointly owned parcel (Neely Rd) which is still on the market.

Dean Boone reviewed the year-to-date income/expense budget summary (attachment # 3) through the period ending December 31, 1996. Through the first six months of the fiscal year total income-to-date was up slightly compared to the same period a year ago. Annual fund receipts are up sharply, reflecting an increase in pledges to-date. This is a very good trend in our Development area. On the expense side of the ledger, total expenditures through December were up slightly from the same period a year ago. Of note is the fact that our financial aid expenditures are within the budget. All in all, the College should end the year in good shape with adequate funds available for R & R priorities.

The next item of business was a review of the 1997-98 preliminary operating budget (attachment #4). The fundamental assumptions include a steady enrollment projection and a slight decrease in budgeted residence hall occupancy, although it represents an increase in actual numbers in the present year. With respect to student charges, the rates for tuition, room, and board will increase 5.9%, 0%, and 0% respectively, for an average increase of 4.5%. There is a large increase (18.8%) in income coming from the Endowment due to the extraordinary gains in market value the past three years. On the expense side, it was noted that some of the more significant percentage increases reflect the opening of the Bryan Campus Life Center (utilities, athletic and physical plant budgets). The increase in the minimum wage has driven the work study/campus employment budget up by about 18%. However, the financial aid budget is increasing by 4.9%, slightly higher than the combined TRB increase of 4.5%. The amount budgeted for R & R has been increased from about 2.3% to 2.6% of total operating revenue. It is hoped that this percentage can be raised back to about 3% as the interim financing for the CLC is phased out. Finally, the amount budgeted for debt service will decrease by 8.3% given lower than anticipated draws on our CLC construction line of credit. **The preliminary operating budget was approved unanimously as recommended and will be presented to the Board for approval.**

Mr. Boone briefly discussed the status of our construction line of credit with Suntrust Bank. The College anticipates drawing no more than \$5-6 million on our \$10 million dollar line of credit given the receipts to-date for the project. Outstanding receipts will retire this indebtedness as they are received by the College over the next 3-4 years.

Mr. McWhirter then discussed improvements to our telephone system since last summer. The College installed a new Northern Telecom PBX switch and Octel Voice processing system prior to the beginning of the school year. In addition, Rhodes has just contracted with NextLink Inc., a subsidiary of McCaw Telecommunications, to install ISDN digital phone lines replacing the old analog copper trunk lines. These new fiber optic lines enhance our phone, data, and network capabilities in addition to providing specific "911" location detection ability from any phone on campus. While the change did necessitate a change in our phone prefix, the college will enjoy significantly less expensive trunk line charges in the future. Deregulation of the telecommunications industry has sparked a lot of competition among various service providers.

There being no further business, the meeting adjourned at 3 p.m.

RHODES COLLEGE
SUMMARY OF INSURANCE
01/17/97

COVERAGE PACKAGE:	COMPANY	TERM	PREMIUM	VALUES/ LIMITS	DEDUCTIBLE
BUILDINGS & CONTENTS	THE ST. PAUL	7/1/96-7/01/97	\$149,636	\$119,531,602	\$5,000
GENERAL LIABILITY	THE ST. PAUL	7/1/96-7/01/97	INCL	\$1,000,000	NONE
COMMERCIAL UMBRELLA	THE ST. PAUL	7/1/96-7/01/97	INCL	\$9,000,000	NONE
OWNED & NON-OWNED AUTO	THE ST. PAUL	7/1/96-7/01/97	INCL	\$1,000,000	\$100/\$500
BOILER AND MACHINERY	THE ST. PAUL	7/1/96-7/01/97	INCL	\$10,000,000	\$5,000
FINE ARTS FLOATER	THE ST. PAUL	7/1/96-7/01/97	INCL	\$200,000	\$250
EQUIPMENT FLOATER	THE ST. PAUL	7/1/96-7/01/97	INCL	\$102,078	\$250
EDP	THE ST. PAUL	7/1/96-7/01/97	INCL	\$1,736,695	\$1,000
CRIME	THE ST. PAUL	7/1/96-7/01/97	INCL	\$1,000,000	NONE
PRIMARY EARTHQUAKE & FLOOD	THE ST. PAUL	7/1/96-7/01/97	INCL	\$10,000,000	\$250,000/25,000
WORKERS' COMPENSATION	THE ST. PAUL	7/1/96-7/01/97	\$87,232	\$100/500/100	NONE
EXCESS COMMERCIAL UMBRELLA	CHUBB	7/1/96-7/01/97	\$5,000	\$5,000,000	NONE
BUILDER'S RISK	THE ST. PAUL	7/1/96-7/01/97	\$7,600	\$9,500,000	\$5,000
DIRECTORS & OFFICERS LIABILITY	PHILADELPHIA	3/28/96-3/28/97	\$18,506	\$5,000,000	\$1,000/\$2,500
ADDITIONAL LAYERS OF DIC:					
EARTHQUAKE & FLOOD	SCOTTSDALE	7/1/96-7/01/97	\$18,193	\$10,000,000	NONE
EARTHQUAKE & FLOOD	HARTFORD SPECIALTY	7/1/96-7/01/97	\$13,100	\$15,000,000	NONE
EARTHQUAKE & FLOOD	WESTCHESTER FIRE	7/1/96-7/01/97	\$12,000	\$10,000,000	NONE
EARTHQUAKE & FLOOD	FIREMAN'S FUND	7/1/96-7/01/97	\$6,000	\$5,000,000	NONE
EARTHQUAKE & FLOOD	ROYAL	7/1/96-7/01/97	\$15,000	\$15,000,000	NONE
EARTHQUAKE & FLOOD	AMERICAN NATIONAL	7/1/96-7/01/97	\$5,000	\$5,000,000	NONE

Property Status Report - December 31, 1996

Property	Location	Estimated Value	Year Acquired	Status
Thorn	1. Houston, TX 2. Houston, TX	\$6,000 total	1967 1973	7.20% of a 12.5% undivided interest. 3.83% of a 12.5% undivided interest. Currently leased.
T. White	Neely Road Memphis, TN	\$78,000	1980-84	Total of 60% undivided interest in 36 acres given over four years.
Montesi	5014 Poplar Memphis, TN	\$763,500	1981	50% interest in Montesi bldg. Net lease with options until 2013. Annual lease revenue is \$58,376.
Parkway House	Unit #105	\$44,579	1986	One bedroom unfurnished unit with 741 sq.ft.
Parkway House	Unit #208	\$69,244	1986	Two bedroom unfurnished unit with 1,151 sq.ft.
Parkway House	Unit #311	\$52,339	1986	One bedroom furnished unit with 870 sq.ft.
Parkway House	Unit #904	\$83,863	1983	Three bedroom furnished unit with 1394 sq. ft.
Parkway House	Unit #906	\$86,510	1986	Two bedroom unfurnished unit with 1,438 sq.ft.
Parkway House	Unit #1010	\$70,387	1986	Two bedroom unfurnished unit with 1,170 sq.ft.

(All Parkway House units are currently leased)

SUMMARY

INCOME AND EXPENSE REPORT DECEMBER 31, 1996

	1/12 BUDGET	DECEMBER ACTUAL	6/12 (50.0%) BUDGET	YEAR TO DATE ACTUAL	ACTUAL/ BUDGET	ANNUAL BUDGET	1996-97 ACTUAL/ BUDGET	1995-96 ACTUAL/ BUDGET
INCOME:								
TUITION & FEES	1,960,692.33	1,042,981.73	11,764,154.00	19,292,701.46	163.99%	23,528,308.00	81.99%	82.31%
MEERMAN CENTER	53,025.00	7,530.00	318,150.00	121,239.79	38.10%	636,300.00	19.05%	24.11%
INTEREST & OTHER	67,376.67	86,665.32	404,260.00	503,201.95	124.47%	808,520.00	62.23%	63.69%
ENDOWMENT INCOME	440,926.25	440,926.25	2,645,557.50	2,645,557.50	100.00%	5,291,115.00	50.00%	50.00%
ANNUAL SUPPORT PROGRAM	189,583.33	560,067.95	1,137,500.00	1,155,722.50	101.60%	2,275,000.00	50.80%	39.41%
TOTAL EDUCATION & GENERAL	2,711,603.58	2,138,171.25	16,269,621.50	23,718,423.20	145.78%	32,539,243.00	72.89%	72.21%
AUXILIARY ENTERPRISES	432,913.00	8,712.21	2,597,478.00	4,971,400.93	191.39%	5,194,956.00	95.69%	95.19%
STUDENT AID	10,416.67	63,716.00	62,500.00	63,716.00	101.94%	125,000.00	50.97%	52.75%
TOTAL EDUCATION & GENERAL	3,154,933.25	2,210,599.46	18,929,599.50	28,753,540.13	151.89%	37,859,199.00	75.94%	75.53%
EXPENSE:								
INSTRUCTION & RESEARCH	948,698.33	864,877.48	5,692,190.00	5,068,416.89	89.04%	11,384,380.00	44.52%	40.85%
ATHLETICS	114,799.25	133,072.99	688,795.50	796,110.19	115.58%	1,377,591.00	57.79%	58.31%
LIBRARY	83,676.00	60,459.10	502,056.00	600,592.91	119.62%	1,004,112.00	59.81%	54.56%
STUDENT SERVICES	250,376.83	244,979.85	1,502,261.00	1,528,843.82	101.76%	3,004,522.00	50.88%	46.78%
PLANT OPER & MAINT	242,046.42	175,907.41	1,452,278.50	1,366,330.72	94.08%	2,904,557.00	47.04%	46.72%
GENERAL ADMINISTRATION	507,349.50	312,015.57	3,044,097.00	2,505,419.29	82.30%	6,088,194.00	41.15%	42.58%
TOTAL EDUCATION & GENERAL	2,146,946.33	1,791,312.40	12,881,678.00	11,865,713.82	92.11%	25,763,356.00	46.05%	43.96%
AUXILIARY ENTERPRISES	222,116.83	235,314.27	1,332,701.00	970,368.67	72.81%	2,665,402.00	36.40%	44.07%
MEERMAN CENTER	42,473.33	18,013.86	254,840.00	223,574.95	87.73%	509,680.00	43.86%	39.70%
STUDENT AID	661,621.75	30,504.00	3,969,730.50	7,889,127.00	198.73%	7,939,461.00	99.36%	98.40%
TOTAL EDUCATION & GENERAL	3,073,158.24	2,075,144.53	18,438,949.50	20,948,784.44	113.61%	36,877,899.00	56.80%	56.10%
EXCESS OF INCOME / EXPENSE		135,454.93		7,804,755.69				
BUDG COMM CONTINGENCY	10,941.67	0.00	65,650.00	8,000.00	12.18%	131,300.00	6.09%	7.84%
RENOVATION & REPLACEMT	70,833.33	0.00	425,000.00	28,313.70	6.66%	850,000.00	3.33%	4.15%
TOTAL EDUCATION & GENERAL	3,154,933.24	2,075,144.53	18,929,599.50	20,985,098.14	110.85%	37,859,199.00	55.42%	54.42%
EXCESS OF INCOME / EXPENSE		135,454.93		7,768,441.99				

TO: Committee on Finance
FROM: James H. Daughdrill, Jr.
DATE: January 23, 1997
RE: 1997-98 Operating Budget

I recommend the following operating budget for 1997-98:

	Budget 1996-97	Budget 1997-98
INCOME:		
Tuition	\$22,294,258	\$23,628,113
Fees	2,084,470	2,029,737
Room & Board	5,107,956	4,907,644
Gifts & Grants	2,275,000	2,380,000
Endowment	5,291,115	6,288,445
Other Income	806,400	894,850
Total Income	\$37,859,199	\$40,128,789
EXPENSE:		
Compensation	\$18,124,896	\$19,331,243
Non-Compensation	19,734,303	20,797,546
	\$37,859,199	\$40,128,789

	96-97	% CHANGE	97-98
BUDGET ASSUMPTIONS:			
Tuition Rate	\$16,392	5.9%	\$17,360
Room	\$2,890	0.0%	\$2,890
Board	\$2,220	0.0%	\$2,220
Student Activity Fee	\$158	0.0%	\$158
TOTALS:	\$21,660	4.5%	\$22,628
Ave. Enrollment (FTE)	1390		1390
Dormitory Occupancy	1020		980

	96-97		97-98
INCOME BUDGET:			
TUITION AND FEES:			
Tuition	\$22,215,258	5.9%	\$23,527,313
Tuition-Summer School	\$20,000	125.0%	\$45,000
Summer Writing/Scholars	\$59,000	-5.4%	\$55,800
European Studies	\$800,800	-10.7%	\$715,000
Student Activity Fees	\$219,620	0.0%	\$219,620
Applied Music Fees	\$30,000	50.0%	\$45,000
Special Course Fees	\$26,000	15.4%	\$30,000
Application Fees	\$94,000	0.0%	\$94,000
Extra Hours	\$7,000	42.8%	\$10,000
Graduation & Misc. Fees	\$38,750	-5.2%	\$36,750
Registration & Transcripts	\$4,500	0.0%	\$4,500
Meeman Center	\$636,300	0.6%	\$640,067
Micro Center	\$15,000	6.7%	\$16,000
Music Academy	\$212,500	3.0%	\$218,800
TOTAL:	\$24,378,728	5.2%	\$25,657,850
ROOM & BOARD:			
Room	\$2,888,844	-3.9%	\$2,775,556
Board	\$2,219,112	-3.9%	\$2,132,088
TOTAL:	\$5,107,956	-3.9%	\$4,907,644
GIFTS AND GRANTS:			
Church	\$26,000	-42.3%	\$15,000
Annual Support Program	\$2,249,000	5.2%	\$2,365,000
TOTAL:	\$2,275,000	4.6%	\$2,380,000
ENDOWMENT INCOME:	\$5,291,115	18.8%	\$6,288,445
OTHER INCOME:			
Theater	\$20,500	0.0%	\$20,500
Bookstore	\$72,000	0.0%	\$72,000
Interest Income	\$285,000	5.3%	\$300,000
Swimming Pool	\$0	100.0%	\$52,000
Miscellaneous Income	\$500	0.0%	\$500
Traffic Fines/Vehicle Reg.	\$34,000	17.6%	\$40,000
Dividends, Royalties, Commissions	\$77,050	6.4%	\$82,000
College Work-Study	\$125,000	12.0%	\$140,000
Athletic/CLC Income	\$31,150	8.0%	\$33,650
Telephone	\$125,200	-6.4%	\$117,200
Parkway House	\$36,000	2.8%	\$37,000
TOTAL:	\$806,400	11.0%	\$894,850
TOTAL INCOME BUDGET:	\$37,859,199	6.0%	\$40,128,789

EXPENSE BUDGET:	1996-97			1997-98			% CHANGE COMP.	%CHANGE NON-COMP.	TOTAL % CHANGE
	COMPENSATION (SAL+BENEFITS)	NON-COMP. EXPENSES	TOTAL	COMPENSATION (SAL+BENEFITS)	NON-COMP. EXPENSES	TOTAL			
EDUC. & GENERAL:									
Art	\$240,205	\$22,490	\$262,695	\$259,086	\$38,392	\$297,478	7.9%	70.7%	13.2%
Religious Studies	\$729,837	\$15,405	\$745,242	\$732,764	\$17,085	\$749,849	0.4%	10.9%	0.6%
English	\$816,565	\$21,730	\$838,295	\$859,359	\$23,527	\$882,886	5.2%	8.3%	5.3%
Foreign Languages	\$841,371	\$23,027	\$864,398	\$885,301	\$30,165	\$915,466	5.2%	31.0%	5.9%
Language Center	\$35,491	\$2,618	\$38,109	\$36,838	\$12,405	\$49,243	3.8%	373.8%	29.2%
Music	\$402,867	\$26,266	\$429,133	\$418,292	\$30,827	\$449,119	3.8%	17.4%	4.7%
Philosophy	\$204,468	\$3,421	\$207,889	\$215,662	\$3,359	\$219,021	5.5%	-1.8%	5.4%
Theater/Med Arts	\$284,803	\$34,151	\$318,954	\$298,946	\$32,612	\$331,558	5.0%	-4.5%	4.0%
Search/Values Course	\$0	\$6,528	\$6,528	\$0	\$6,597	\$6,597	0.0%	1.1%	1.1%
Summer Writing/Scholars	\$28,508	\$30,344	\$58,852	\$22,440	\$32,500	\$54,940	-21.3%	7.1%	-6.6%
Music Academy	\$199,075	\$13,500	\$212,575	\$200,851	\$12,000	\$212,851	0.9%	-11.1%	0.1%
European Studies	\$84,821	\$702,075	\$786,896	\$88,191	\$625,000	\$713,191	4.0%	-11.0%	-9.4%
Anthro & Sociology	\$184,350	\$13,491	\$197,841	\$196,676	\$13,771	\$210,447	6.7%	2.1%	6.4%
Economics & Business	\$715,051	\$20,891	\$735,942	\$923,090	\$22,068	\$945,158	29.1%	5.6%	28.4%
MS/Accounting	\$18,114	\$6,508	\$24,622	\$18,839	\$6,508	\$25,347	4.0%	0.0%	2.9%
Education	\$58,215	\$4,600	\$62,815	\$60,426	\$4,432	\$64,858	3.8%	-3.7%	3.3%
History	\$608,858	\$16,658	\$625,516	\$608,746	\$17,847	\$626,593	0.0%	7.1%	0.2%
International Studies	\$384,121	\$16,230	\$400,351	\$419,454	\$17,046	\$436,500	9.2%	5.0%	9.0%
Political Science	\$437,715	\$18,704	\$456,419	\$460,972	\$19,436	\$480,408	5.3%	3.9%	5.3%
Psychology	\$391,257	\$14,342	\$405,599	\$387,223	\$15,079	\$402,302	-1.0%	5.1%	-0.8%
Biology	\$626,577	\$50,945	\$677,522	\$671,576	\$53,905	\$725,481	7.2%	5.8%	7.1%
Chemistry	\$418,970	\$36,653	\$455,623	\$378,890	\$38,188	\$417,078	-9.6%	4.2%	-8.5%
Mathematics & Comp. Sci.	\$297,395	\$14,617	\$312,012	\$403,369	\$15,463	\$418,832	35.6%	5.8%	34.2%
Physics	\$362,547	\$14,242	\$376,789	\$381,768	\$15,442	\$397,210	5.3%	8.4%	5.4%
Summer School	\$26,024	\$0	\$26,024	\$27,013	\$0	\$27,013	3.8%	0.0%	3.8%
Computer Center	\$391,695	\$208,099	\$599,794	\$451,285	\$215,105	\$666,390	15.2%	3.4%	11.1%
Library	\$531,677	\$427,614	\$959,291	\$551,867	\$451,180	\$1,003,047	3.8%	5.5%	4.6%
Research & Faculty Devel.	\$84,029	\$126,000	\$210,029	\$87,220	\$129,780	\$217,000	3.8%	3.0%	3.3%
Media Center	\$0	\$5,250	\$5,250	\$0	\$5,250	\$5,250	0.0%	0.0%	0.0%
American Studies	\$0	\$1,000	\$1,000	\$0	\$1,000	\$1,000	0.0%	0.0%	0.0%
Asian Studies	\$0	\$1,000	\$1,000	\$0	\$1,000	\$1,000	0.0%	0.0%	0.0%
Urban Studies	\$0	\$1,300	\$1,300	\$0	\$1,300	\$1,300	0.0%	0.0%	0.0%
Women's Studies	\$0	\$1,000	\$1,000	\$0	\$1,000	\$1,000	0.0%	0.0%	0.0%
Dean Academic Affairs	\$624,580	\$212,473	\$837,053	\$675,748	\$225,483	\$901,231	8.2%	6.1%	7.7%
TOTAL:	\$10,029,186	\$2,113,172	\$12,142,358	\$10,721,892	\$2,134,752	\$12,856,644	6.9%	1.0%	5.9%

STUDENT SERVICES:	COMPENSATION (SAL+BENEFITS)	NON-COMP. EXPENSES	TOTAL	COMPENSATION (SAL+BENEFITS)	NON-COMP. EXPENSES	TOTAL	% CHANGE COMP.	%CHANGE NON-COMP.	TOTAL % CHANGE
Athletics	\$813,587	\$435,770	\$1,249,357	\$936,359	\$480,360	\$1,416,719	15.1%	10.2%	13.4%
Swimming Pool	\$10,779	\$15,000	\$25,779	\$29,590	\$22,000	\$51,590	174.5%	46.7%	100.1%
Counseling Center	\$141,884	\$9,384	\$151,268	\$147,272	\$9,662	\$156,934	3.8%	3.0%	3.7%
Career Services	\$127,043	\$22,368	\$149,411	\$135,836	\$26,082	\$161,918	6.9%	16.6%	8.4%
Admissions	\$546,204	\$455,859	\$1,002,063	\$565,524	\$474,568	\$1,040,092	3.5%	4.1%	3.8%
Registrar	\$133,545	\$17,356	\$150,901	\$138,618	\$17,725	\$156,343	3.8%	2.1%	3.6%
Financial Aid Office	\$192,426	\$63,007	\$255,433	\$199,734	\$66,348	\$266,082	3.8%	5.3%	4.2%
Chaplain/Kinney	\$76,959	\$7,374	\$84,333	\$79,881	\$7,712	\$87,593	3.8%	4.6%	3.9%
Dean Of Students	\$284,786	\$79,551	\$364,337	\$287,349	\$80,417	\$367,766	0.9%	1.1%	0.9%
Campus Safety	\$401,701	\$18,655	\$420,356	\$415,167	\$20,120	\$435,287	3.4%	7.9%	3.6%
Student Activity Fund	\$0	\$141,216	\$141,216	\$0	\$141,216	\$141,216	0.0%	0.0%	0.0%
Residential Life	\$27,468	\$33,126	\$60,594	\$64,407	\$33,126	\$97,533	134.5%	0.0%	61.0%
Multi-Cult. Aff.	\$0	\$6,696	\$6,696	\$0	\$6,488	\$6,488	0.0%	-3.1%	-3.1%
Health Services	\$40,177	\$31,871	\$72,048	\$41,318	\$45,331	\$86,649	2.8%	42.2%	20.3%
Student Center	\$0	\$17,374	\$17,374	\$0	\$20,757	\$20,757	0.0%	19.5%	19.5%
TOTAL:	\$2,796,559	\$1,354,607	\$4,151,166	\$3,041,055	\$1,451,912	\$4,492,967	8.7%	7.2%	8.2%
PLANT OPER. & MAIN.:	COMPENSATION (SAL+BENEFITS)	NON-COMP. EXPENSES	TOTAL	COMPENSATION (SAL+BENEFITS)	NON-COMP. EXPENSES	TOTAL	% CHANGE COMP.	%CHANGE NON-COMP.	TOTAL % CHANGE
Housekeeping	\$927,559	\$63,270	\$990,829	\$945,930	\$71,460	\$1,017,390	2.0%	12.9%	2.7%
Physical Plant	\$838,347	\$191,265	\$1,029,612	\$873,313	\$226,215	\$1,099,528	4.2%	18.3%	6.8%
Utilities	\$0	\$560,677	\$560,677	\$0	\$602,696	\$602,696	0.0%	7.5%	7.5%
Grounds	\$244,872	\$54,807	\$299,679	\$254,170	\$56,904	\$311,074	3.8%	3.8%	3.8%
Mailroom	\$47,450	\$8,923	\$56,373	\$49,252	\$9,190	\$58,442	3.8%	3.0%	3.7%
TOTAL:	\$2,058,228	\$878,942	\$2,937,170	\$2,122,665	\$966,465	\$3,089,130	3.1%	10.0%	5.2%

GENERAL ADMINISTRATION:	COMPENSATION	NON-COMP.	TOTAL	COMPENSATION	NON-COMP.	TOTAL	% CHANGE	%CHANGE	TOTAL %
	(SAL+BENEFITS)	EXPENSES		(SAL+BENEFITS)	EXPENSES		COMP.	NON-COMP.	CHANGE
Administrative Services	\$411,457	\$155,986	\$567,443	\$427,081	\$160,665	\$587,746	3.8%	3.0%	3.6%
Board of Trustees	\$0	\$62,834	\$62,834	\$0	\$64,719	\$64,719	0.0%	3.0%	3.0%
Pres. Plan for Excellence	\$0	\$122,804	\$122,804	\$0	\$127,612	\$127,612	0.0%	3.9%	3.9%
Hill/Pres Acad Discr Fund	\$0	\$75,000	\$75,000	\$0	\$125,786	\$125,786	0.0%	67.7%	67.7%
President's Office	\$367,334	\$95,650	\$462,984	\$381,283	\$86,735	\$468,018	3.8%	-9.3%	1.1%
Chancellor's Office	\$393,525	\$115,924	\$509,449	\$408,468	\$159,159	\$567,627	3.8%	37.3%	11.4%
Comptroller	\$425,958	\$86,000	\$511,958	\$525,051	\$88,600	\$613,651	23.3%	3.0%	19.9%
Development	\$916,113	\$309,829	\$1,225,942	\$952,257	\$325,327	\$1,277,584	3.9%	5.0%	4.2%
College Relations	\$209,920	\$82,775	\$292,695	\$217,892	\$100,243	\$318,135	3.8%	21.1%	8.7%
Desk-Top Publishing	\$42,665	\$18,515	\$61,180	\$44,285	\$19,290	\$63,575	3.8%	4.2%	3.9%
Public Information	\$168,360	\$138,196	\$306,556	\$174,753	\$156,915	\$331,668	3.8%	13.5%	8.2%
Insurance	\$0	\$304,000	\$304,000	\$0	\$313,100	\$313,100	0.0%	3.0%	3.0%
Staff Training & Devel.	\$0	\$30,000	\$30,000	\$0	\$30,900	\$30,900	0.0%	3.0%	3.0%
TOTAL:	\$2,935,332	\$1,597,513	\$4,532,845	\$3,131,070	\$1,759,051	\$4,890,121	6.7%	10.1%	7.9%
AUXILIARY ENTERPRISES:	COMPENSATION	NON-COMP.	TOTAL	COMPENSATION	NON-COMP.	TOTAL	% CHANGE	%CHANGE	TOTAL %
	(SAL+BENEFITS)	EXPENSES		(SAL+BENEFITS)	EXPENSES		COMP.	NON-COMP.	CHANGE
Residence Halls	\$69,370	\$490,900	\$560,270	\$69,370	\$510,790	\$580,160	0.0%	4.1%	3.6%
Food Service	\$0	\$1,735,000	\$1,735,000	\$0	\$1,741,843	\$1,741,843	0.0%	0.4%	0.4%
Meeman Center	\$209,605	\$300,075	\$509,680	\$217,564	\$407,653	\$625,217	3.8%	35.9%	22.7%
McCoy Theater	\$0	\$20,500	\$20,500	\$0	\$20,500	\$20,500	0.0%	0.0%	0.0%
Parkway House	\$0	\$36,000	\$36,000	\$0	\$37,000	\$37,000	0.0%	2.8%	2.8%
Telephone System	\$26,617	\$164,162	\$190,779	\$27,628	\$169,000	\$196,628	3.8%	2.9%	3.1%
Debt Service	\$0	\$1,554,038	\$1,554,038	\$0	\$1,425,000	\$1,425,000	0.0%	-8.3%	-8.3%
TOTAL:	\$305,592	\$4,300,675	\$4,606,267	\$314,562	\$4,311,786	\$4,626,348	2.9%	0.3%	0.4%
STUDENT FINANCIAL AID:	\$0	\$7,939,461	\$7,939,461	\$0	\$8,330,321	\$8,330,321	0.0%	4.9%	4.9%
STUDENT WAGES:	\$0	\$567,633	\$567,633	\$0	\$670,000	\$670,000	0.0%	18.0%	18.0%
BUDGET CONTINGENCY:	\$0	\$132,300	\$132,300	\$0	\$138,915	\$138,915	0.0%	5.0%	5.0%
RENO. & REPLACEMENT:	\$0	\$850,000	\$850,000	\$0	\$1,034,344	\$1,034,344	0.0%	21.7%	21.7%
GRAND TOTALS:	\$18,124,897	\$19,734,303	\$37,859,199	\$19,331,244	\$20,797,546	\$40,128,789	6.7%	5.4%	6.0%
UNALLOCATED BUDGET			\$0			\$0			

Report of the Committee on Buildings and Grounds

Mr. Edgar H. Bailey, Chair — January 24, 1997.

The meeting was called to order at 2:20 p.m. by Mr. Edgar H. Bailey, Chair with the following members present: J.L. Jerden, K.C. Ptomey, Jr., Russel L. Wiener, Frances Tigrett, Nettie Schilling, Steve Gadbois, Kristen Rauschkolb, William D. Berg and Brian E. Foshee.

Mr. Bailey welcomed members of the committee and asked Mr. Foshee to proceed with the agenda items.

Mr. Foshee reported on the construction progress of the Bryan Campus Life Center. Mallory-Hyde and Bryan Hall - Building B have been completed and is currently occupied by intercollegiate sports, intramural sports, general recreation and athletic offices. Bryan Hall - Building C is very close to completion with a target opening date of early March. The exterior rubble stone has been completed and the slate roof and flashing work are approximately 95% complete. The ceilings, floors, wainscot and trim on the first and second floors of Bryan Hall have been completed. In the multi-sports forum, the running track structure is complete and painting continues. The wood sports floor installation is underway and the synthetic sports floor installation will begin the week of February 3. The tennis complex has been completed.

Mr. Foshee presented elevation drawings of the Chemistry building and reviewed conceptual plans prepared by the Crump Firm Architects. The new building will be located on the south lawn, west of the Rollow Avenue of Oaks. Mr. Foshee reported that a proposal to the F. W. Olin Foundation seeking a grant to plan, construct and furnish the building has not been submitted. The Olin Foundation informed the College in December that the Foundation was suspending grant applications for at least one year, while they conducted an internal review of their grant process. The anticipated project cost for this building is \$13.5 million.

Mr. Foshee discussed a recent contract with Bell South Mobility to install a cellular transmitter site on the campus. The College has agreed to lease a portion of Halliburton Tower to Bell South Mobility for the installation of several transmitters. The transmitters will not be visible in the tower nor will the transmitters interfere with the operation of the College. Bell South Mobility has agreed to provide the College with monthly lease payments, reimbursement of all utility costs and to complete improvements to the physical plant by replacing an older boiler. Bell South Mobility has also agreed to make a donation to the endowment fund to provide a scholarship. The committee requested that Mr. Foshee explore the possibility of requesting a larger endowment gift in lieu of monthly lease payments. Work will begin on the transmitter site this spring.

Kristen Rauschkolb expressed concerns on behalf of the Stewart Hall residents concerning poor acoustics, cracked plaster and deteriorating windows. Mr. Foshee stated that the Crump Firm is currently studying Stewart Hall and he will report their findings to the committee at the April Board meeting.

There being no new business, the committee adjourned at 3:05 p.m.