MEMORANDUM REPORT for Sister Mary Elvira, O.S.F., President, COLLEGE OF ST. FRANCIS, Joliet, Illinois, following visit of Reverend Edward V. Stanford, O.S.A., April 30th to May 3rd, 1962, under the Administrative Consultant Program of the Association of American Colleges.

Dear Sister Mary Elvira:

This report is intended to record briefly and informally the chief comments and suggestions which resulted from the discussions held with you and members of your staff on the occasion of my recent visit to the College of St. Francis. During that visit to the college I was concerned chiefly with such organizational improvements as are calculated to assist the College in embarking on a full-fledged development program.

The topics which we discussed with this situation in mind can be grouped under the following general headings: External organization; Financial Reporting; Faculty Organization; and Development Program.

EXTERNAL ORGANIZATION

Legal Status. The College of St. Francis operates under a charter granted originally to the Sisters of the Third Order of St. Francis in May of 1874, under the legal title; "THE COMMUNITY OF THE THIRD ORDER OF ST. FRANCIS OF JOLIET." The original "ARTICLES OF ASOCIATION" provided for the establishing of a community house for the Sisters and for the founding and maintenance of a "Seminary of learning for young ladies."

The Articles of Association were amended in 1920 to include other "institutions of learning" and specifically "Colleges of Liberal Arts" etc., and also "to establish and conduct orphanages and homes for orphans, children and working girls; and to promote Christian morals and benevolence."

In July 1942 the Articles of Association were again amended, this time under the legal title, "Congregation of the Third Order of St. Francis of Mary Immaculate, Joliet." The purposes were again enlarged to include three categories of institutions: (a) colleges; (b) elementary and secondary schools; (c) schools for the mentally retarded, etc.
From the above it is apparent that the College has no separate and distinct legal status. Even the name under which the College operates and is commonly known, has little resemblance to its legal title. Until quite recently this was a common occurrence with religious communities of women. To meet modern conditions, however, most religious communities have changed, or are in the process of changing from a single civil corporation for all their activities to separate civil corporations for such various important activities as colleges, academies and hospitals.

Separate Incorporation. It is recommended that the College of St. Francis be separately incorporated, without delay. Apparently there are no legal difficulties in the way. As you know, I discussed this proposal with both the legal counsel of the Congregation, Mr. Donald V. Tracy, and the legal counsel of the College, Mr. Hayes Kennedy.

The advantages of separate incorporation have been discussed at some length with all interested parties at the College so I will only list the chief advantages here. Separate incorporation will do much for the morale of the College; it will make it possible for the College to have its own board of trustees; it will center more responsibility on this board and upon the College staff. It will help the College make a greater appeal for support to prospective corporate and private benefactors, to individuals, groups and private agencies. It will improve the possibility of being remembered in wills and bequests. It will smooth the way for obtaining Federal loans and grants. It will divide the corporate responsibility of the religious Congregation and thus avoid the risk that is associated with "keeping all one's eggs in the same basket." This is no minor consideration at a time when law courts are no longer recognizing exemption of charitable corporations from suits and when heavy damage judgments are being assessed against large corporations.

The incorporation of the College as a separate civil entity will, of course, not affect the Motherhouse Corporation. Its legal rights and privileges will remain intact, even the authority to establish and conduct colleges.

Articles of Incorporation. The Articles of Incorporation (or Association prepared for the College should be as specific as possible about the legal rights and privileges of the College and should deal with the management of the College only in general terms, allowing for
the preparation of bylaws that will be more specific. If it is necessary to mention, for example, the number of members on the Board of Trustees, some leeway should be permitted such as "not less than five nor more than nine."

Board of Trustees. Among the advantages of having the College incorporated separately from the Motherhouse are: laymen can be brought in on the Board of Trustees and the Board can be specially adapted to the College and be made functional. It is to be hoped that such a board would meet frequently, even monthly, during the college year. For further information see sample bylaws for a Board of Trustees appended to this report as EXHIBIT "A" and also the article "A Functional Board of Trustees" in the February, 1961, issue of The Catholic Educational Review.

It is interesting to note that the original Articles of Association for the Community of the Third Order of St. Francis of Joliet provided for a Board of eleven Directors, six Sisters and five Laymen "elected from among the respectable citizens or residents of Joliet not being members of the Association." In 1920 this was changed by amendment to a Board of five Directors. At present these Directors are comprised of the Mother General and the four members of her Council. It should be noted also that the current catalogue of the College uses the phrase "Board of Trustees" and lists seven members. To be consistent the new Articles of Incorporation for the College should take note of this.

Legal title to Assets. At present, as I recall, only the value of furniture and equipment appear in the financial report as capital assets. After the College has been incorporated as a separate legal entity with its own board of trustees, it will be important to transfer to the College corporation title to such land and buildings as it completely occupies or will occupy. It is my understanding that the buildings presently involved are designated Tower Hall and St. Albert Hall. It is important to boost the capital assets of the College as high as can be done legitimately so that its financial reports will be comparable to the financial reports of other similar colleges.

Auxiliary Lay Board. In addition to lay representation on the Board of Trustees, it is a practical necessity for a Catholic college to have an auxiliary board of dedicated laymen who have been carefully
screened and selected for their ability and willingness to serve the College, especially along the lines of a modern "development program."

At the present time you have an Advisory Board of sixteen members. The purposes stated in Article II of the Bylaws of this Board cover the areas that are proper to the type of auxiliary board I am talking about. Apparently this Board has done an outstanding job of building good public relations for the College through their annual Caritas dinner. This has proved to be quite a social event and brings in annually to the College a tidy sum of several thousand dollars.

However, I cannot quite satisfy myself that this Advisory Board is of the calibre to assist a full-fledged development program. Possibly the statement in Article VI of the Bylaws is the source of my doubt. It says: "Members of the Advisory Board shall have no financial obligation in connection with the performance of their duties. The Advisory Board is not established to serve as a fund-raising committee." This statement seems to be in conflict with Article II, Section 4 and with at least one of the purposes of the Caritas dinner.

FINANCIAL REPORTING

Auditor's Report. The Financial Report for the year ending June 30, 1961, prepared by George Begley and Company, Certified Public Accountants of Chicago, impressed me as excellent in almost every respect. It follows faithfully the form that is customary in college and university accounting. It is easy to read and understand. It should be possible to prepare readily from this report summary statements of current income and expenses that would prove quite interesting to students, parents, alumni and friends of the College. For example, such a statement would show that during the scholastic year 1960-1961, students paid only 35.9% of the cost of their education. This is well below the national average. The report could also show that for every dollar paid in student tuition and fees, the Congregation contributes to the College one dollar and forty-one cents through contributed services.

FACULTY ORGANIZATION

It seems quite evident that the faculty is over-organized at present, at least on paper. There are six (6) divisions, twenty-one (21) departments, and ten (10) standing faculty committees. Presumably
all of these faculty units have chairman—a total of thirty-seven (37) chairmen out of a full-time faculty of less than fifty (50) members. Assuming that a faculty member should be a functional mem-
ber of only one department, it would appear that there are six (6)
one-man departments, six (6) two-men departments, and three (3) three-
men departments. This leaves not more than six departments really
large enough to hold regular meetings.

A streamlined faculty organization would be both feasible and
practicable if, instead of twenty-seven (27) divisions and departments,
we could have six (6) functional departments or divisions as follows:
Theology and Philosophy; Fine Arts (Art, Music, Speech & Drama);
Natural Science (Biology, Chemistry, Physics and Mathematics); Language
and Literature (Classical Languages, German, Romance Languages, and
English); Social Science (Economics, History, Sociology); Community
Services (Home Economics, Education, Library Science, Health and
Physical Education).

If these faculty units are to be called "divisions," the word
"department" ought to be eliminated from the catalogue. If they are
to be called "departments," that word will also have to be eliminated
whenever applied to individual subject-matter fields.

These faculty units will be fully defensible and functional. Here
are some of the more obvious advantages of this proposal:

It will eliminate the one, two, and three-men departments and
provide functional units to which definite responsibilities can be
delegated. For suggestions as to type of responsibilities that might
be assigned, see Article XIV in the sample set of bylaws sent to you.

Once assigned to the Chairmen these duties can be shared with other
members of the department.

It will be easier to insist on regular departmental meetings and
the keeping and circulating of minutes for the same.

It will be easier for the Dean of the College to be in regular
communication with six rather than twenty-seven department or division
chairmen.

Functional departments will help greatly to relieve the Dean of
an overburden of details.

It will facilitate collaboration in subject matter fields where
there should be common interest.
In some instances, at least, it will greatly assist in budget preparation and control.

DEVELOPMENT PROGRAM

My comments and recommendations on separate incorporation for the College, on the board of trustees, on the auxiliary lay board, financial reporting, and the rest, have all been motivated by the desire to provide a proper foundation on which the College can undertake an active development program and appeal for financial support on a much broader basis than at present. The initiating of such a program is probably the greatest present need at the College of St. Francis. It is an important undertaking which will require substantial expenditures together with the united and sustained efforts of trustees and advisory board members, as well as administrators, faculty, members, students, parents, and friends of the College.

I got the impression, from remarks made by faculty members, that my talk to the faculty enkindled some enthusiasm for a development program. It is important to capitalise on this without delay. Even before the College obtains a new Charter and its own board of trustees, the faculty can become involved in some of the planning. It is recommended that you immediately appoint a small faculty committee comprised of younger members of the faculty who are not in administrative posts, and supply them with copies of John A. Pollard's book, Fund-Raising for Higher Education. Ask them to read this book, discuss it in committee and come up with a proposal about what the faculty can do for a development program, for submission to the entire faculty.

As soon as practicable one person should be designated to head up this important area of administration. Meanwhile there is much work to be done in building up annual alumnae giving, an annual parent's fund and even an annual students' fund, before one looks for funds from outsiders. Usually funds from individual donors, from business, and industry and other sources, can be obtained only when it can be shown that alumnae and all who are directly benefited by the College have done their part.