

WILLIAM RAINEY HARPER COLLEGE  
34 West Palatine Road  
Palatine, Illinois

A G E N D A  
August 11, 1966

- I. Call to Order
- II. Roll Call
- III. Approval of Minutes
- IV. Approval of Bills
- V. Communications
- VI. Unfinished Business
  - A. Jayne property acquisition report.
  - B. Report on capital construction funds and State Junior College Board conference. Chairman Haas.
- VII. New Business
  - A. Recommendation for the appointment of Registrar-Admissions. (Exhibit A)
  - B. Recommendation for the appointment of Director of Institutional Development - Community Relations. (Exhibit B)
  - C. Recommendation for the opening of position - Director of Nursing Education. (Exhibit C)
  - D. Resolution for the sale of bonds.
    - (a) Report and recommendation of amortization schedule - Municipal Research representative. (Exhibit D)
  - E. Report of the Fringe Benefit Committee - Policy recommendations for
    - 1. Definition of Employees )
    - 2. Travel regulations & credit cards ) Exhibit E
    - 3. Health provisions )
    - 4. Interim fringe benefit package for employees of Harper College )
  - F. Recommendations of specifications for receiving proposals on data processing equipment. (Exhibit F)
  - G. Recommendations of guidelines for advisory committees to Board of Harper College. (Exhibit G)
  - H. Review Outline of Arthur D. Little Report.
- VIII. President's Report
- IX. Other
- X. Adjournment to August 25, 1966 - 8:00 P.M. , 799 Kensington Road, Mt. Prospect, Illinois.



ADMINISTRATIVE OFFICES

# William Rainey Harper College

34 WEST PALATINE ROAD • PALATINE, ILLINOIS 60067  
TELEPHONE 358-9100

August 9, 1966

Dear Trustee:

Enclosed you will find the Agenda for the regular board meeting of August 11th. Please note the absence of Exhibit "D" and materials relating to Item "H" under new business. These items will be brought to the board meeting.

In a separate packet, independent of the meeting materials, you will find the State Junior College Board recommendation of allocations for capital outlay funds and an article in the Wall Street Journal relating to the rising cost of construction. Under unfinished business, Item "B", we plan to discuss the capital fund allocations and future commitments of the State Junior College Board.

I shall look forward to seeing you on the evening of August 11th at 8:00 P. M. at 799 Kensington Road.

Sincerely,

Robert E. Lahti  
President

rel/d  
encl.

MINUTES OF REGULAR MEETING  
OF THE BOARD OF JUNIOR COLLEGE  
DISTRICT NO. 512, COOK COUNTY,  
ILLINOIS, HELD AT 799 Kensington Rd.  
IN SAID DISTRICT, AT 8:00  
O'CLOCK P.M., ON THE 11th DAY  
OF August, 1966.

\* \* \* \*

The President called the meeting to order and directed the Secretary to call the roll.

Upon roll call the following members answered present:

John A. Haas, Jessalyn M. Nicklas, Milton C. Hansen,

Richard L. Johnson, Paul O'Dea and James J. Hamill

The following members were absent from the meeting:

A. M. Bernstein (Member Bernstein arrived at the meeting following the roll call)

After various items of business were duly transacted the Board discussed the first phase of the building program deemed most advantageous to be commenced at this time, the estimated cost thereof, the need to borrow money and issue bonds in evidence thereof, such bonds to be a part of the bonds authorized at the election held in and for the district on June 4, 1966 and after a further discussion of the details of the proposed sale of said bonds, Member Bernstein presented the following resolution and the same was read in fu'

STATE OF ILLINOIS )  
COUNTY OF COOK ) SS

I, Jessalyn M. Nicklas, do hereby certify that I am the duly qualified and acting Secretary of the Board of Junior College District Number 512, Cook County, Illinois, and as such I am the keeper of the records and files of the Board of said District.

I do further hereby certify that the foregoing constitutes a full, true and complete transcript of the minutes of the meeting of the Board of said District, held on the 11th day of August, 1966, insofar as same relates to the adoption of a resolution providing for advertising for the sale of \$3,375,000 Bonds of said District, a true and correct copy of which said resolution, as adopted, appears in the foregoing transcript of the minutes of said meeting.

IN WITNESS WHEREOF, I hereunto affix my official signature at W. Prospect, Illinois, this 11<sup>th</sup> day of August, 1966.

Jessalyn M. Nicklas  
Secretary, Board of Junior College  
District Number 512



Section 2. That this resolution shall be in full force and effect immediately upon its passage.

Passed August 11th, 1966

Vote: (Insert names)

AYE: Haas, Nicklas, Hansen, Johnson, O'Dea,

Hamill and Bernstein

NAY: none

APPROVED:

JOHN A. HAAS (S)  
President

ATTEST:

JESSALYN M. NICKLAS (S)

Secretary

Member Bernstein moved and member  
O'Dea seconded the motion that said  
resolution be adopted.

After a full and complete discussion of said resolution,  
the President directed the Secretary to call the roll for a vote  
thereon and upon the roll being called the following members voted:

Aye: Haas, Nicklas,, Hansen, Johnson, O'Dea,  
Hamill and Bernstein

The following members voted:

Nay none

Whereupon the President declared the motion carried and  
the resolution adopted.

Other business not pertaining to the adoption of the  
resolution providing for the public sale of the \$3,375,000 Bonds  
proposed to be issued was duly transacted.

Signed: JOHN A. HAAS (S)  
President

JESSALYN M. NICKLAS (S)  
Secretary

WILLIAM RAINEY HARPER COLLEGE  
BOARD OF JUNIOR COLLEGE DISTRICT 512  
COOK COUNTY, ILLINOIS

MINUTES OF REGULAR BOARD MEETING, AUGUST 11, 1966

CALL TO ORDER: The meeting of the Board of Junior College District No. 512 was called to order at 8:10 p.m. at 799 Kensington Road, Mount Prospect, Illinois by President Haas.

ROLL CALL: Present: Haas, Hamill, Hansen, Johnson, O'Dea, and Nicklas.

Absent: Bernstein

Others Present: Jack Vandermyn, The Day; Larry Frazee, Arlington Heights News; Marty Moser, Paddock Publications, Ralph P. Klatt, Des Plaines-Suburban Times, Thomas C. Zay, Mun. Res. Assoc.; Alan S. Gage Barrington.

MINUTES: Member O'Dea moved and Member Hansen seconded the approval of the minutes of the regular meeting of July 14, 1966 amended as follows:  
Mr. Hamill entered the meeting at 8:20 p.m. and it was ascertained that his vote was cast in the affirmative on all motions brought before the board.

BILLS: Member Hamill moved and Member Johnson seconded the approval of the payroll of August 31, 1966 and the invoices of August 11, 1966 in the amount of \$19,844.68. Upon roll call, the vote was as follows:

Aye: Haas, Hamill, Hansen, Johnson, O'Dea and Nicklas

Nay: None

COMMUNICATIONS: NONE

UNFINISHED BUSINESS: (Jayne Property) Mr. Hines, attorney for Harper College, reported to the board that he has been in communication with Mr. Jayne and they will be meeting in the near future. A report will be made to the board at the next meeting. Mr. Hines indicated that it is difficult to arrange meetings with Mr. Jayne due to Mr. Jayne's many commitments.

Capital Const.  
Funds & State  
Junior College  
Board Conference

Dr. Lahti reported on the Thursday, August 11, 1966 meeting with the State Junior College Board. Dr. Lahti feels all junior colleges are unified in their approach and all are in the same position with respect to building fund needs. Final decision on the allocation of available state funds is to be made by the board on Friday, August 12, 1966. Projected square foot costs on Harper College facilities have been checked by computer by CRS. With the 4.5 million dollar projected state allocation, we could construct the college center and a minimum heating plant. We would not be able to construct facilities for science necessary for a minimal liberal arts program. The state junior college board plans to ask the state legislature for a \$40,000,000. deficiency appropriation in order to enable the six Class I Junior Colleges to complete all of the phase I construction.

Mr. Hamill asked if the state board has questioned other colleges on how they secured their population and enrollment projection. Dr. Lahti reported they had; and in one case the state board altered the projection using Harper College's method to arrive at a new projection.

Member Bernstein arrived at 8:38 p.m.

NEW BUSINESS:  
Director of  
Admissions and  
Registrar

Member Hamill moved and Member Hansen seconded the appointment of Donn B. Stansbury, Director of Admissions and Registrar, at an annual salary of \$14,000.00. Upon roll call, the vote was as follows:

Aye: Haas, Hamill, Hansen, Johnson, O'Dea, Nicklas, and Bernstein.

Nay: None

Director of  
Institutional  
Development &  
Community Re-  
lations

Member Johnson moved and Member Bernstein seconded the appointment of Mr. John H. Upton, Director of Institutional Development and Community Relations, at an annual salary of \$14,000.00. Upon roll call, the vote was as follows:

Aye: Haas, Hamill, Hansen, Johnson, O'Dea, Nicklas and Bernstein.

Nay: None

NEW BUSINESS:  
(Continued)  
Director of  
Nursing Educa-  
tion

Dr. Lahti stated the need for urgency in appointing the Director of Nursing Education in order to meet state regulations for an approved nursing program. Dr. Pankratz also commented on the need for opening this position. Member Johnson recommended a salary range of \$10,000. - \$14,000. in view of the competitive market.

Member Hansen moved and Member Johnson seconded the motion to establish the position of Director of Nursing at a salary range of \$10,000. - \$14,000. Upon roll call, the vote was as follows:

Aye: Haas, Hamill, Hansen, Johnson, O'Dea,  
Nicklas, and Bernstein.

Nay: None

Sale of Bonds

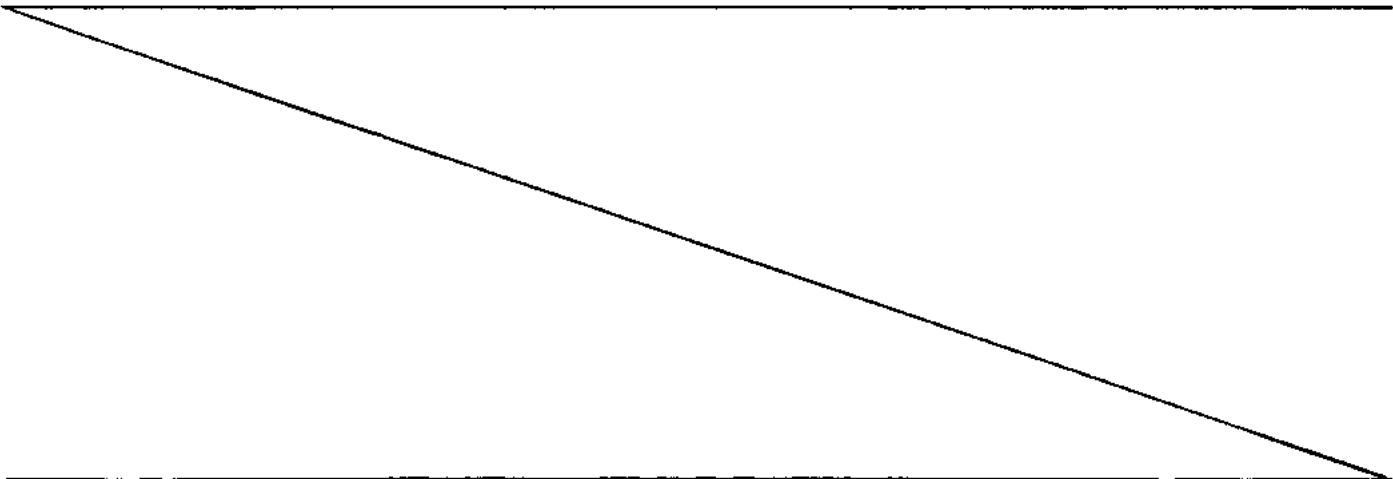
Mr. Zay, representative of Municipal Research Associates reported to the board. Chairman Haas questioned the board for agreement on the specifications set forth for M.R.A.; no objections were voiced. Mr. Zay discussed the amortization schedules with the board and recommended Schedule "C" for adoption.

Member Bernstein moved and Member O'Dea seconded the motion to adopt the bond sale resolution. Upon roll call, the vote was as follows:

Aye: Haas, Hamill, Hansen, Johnson, O'Dea,  
Nicklas, and Bernstein.

Nay: None

(RESOLUTION ATTACHED TO OFFICIAL MINUTES)



RESOLUTION directing advertisement for bids for the sale of \$3,375,000 Bonds of Junior College District No. 512, County of Cook and State of Illinois.

WHEREAS, pursuant to a resolution heretofore adopted by the Board of Junior College District No. 512, County of Cook and State of Illinois on May 3, 1966, a special election was called to be held in and for said Junior College District on June 4, 1966, for the purpose of voting upon the question of issuing bonds of said District to the amount of \$7,375,000 for the purpose of borrowing money to pay the cost of a site for junior college purposes and to build and equip suitable buildings thereon and to provide funds for transfer to the Illinois Building Authority in accordance with provisions contained in Article V of the Public Junior College Act of the State of Illinois and which said election was duly called, held, proper notice given thereof, proper ballots used thereat, and by resolution adopted on ~~May 3,~~ <sup>June 9,</sup> 1966, it was determined that the election carried, that the proposition submitted had received the requisite approval of the voters of the District and that the Board was authorized to proceed with the issuance of bonds of said District to the amount of \$7,375,000 for the purpose as authorized at said election; and

WHEREAS, of said bonds in the aggregate amount of \$7,375,000 authorized to be issued at said election it is necessary and for the best interests of the District that bonds in the aggregate amount of \$3,375,000 be issued at this time in order to provide funds necessary to acquire a site for junior college purposes and to commence the construction of suitable buildings thereon, including the transfer of funds to the Illinois Building Authority in accordance with the provisions contained

in Article V of the Public Junior College Act of the State of Illinois, and of said bonds proposed to be issued at this time it is for the best interests of the District that said bonds be six hundred seventy-five in number, be numbered consecutively from 1 to 675, inclusive, be of the denomination of \$5,000 each, and become due serially \$175,000 on December 1, 1968 and \$200,000 on December 1 of each of the years 1969 to 1984, inclusive, and that the interest maturing on said bonds be payable on December 1, 1967 and semiannually thereafter; and

WHEREAS, it is the desire of this Board that said bonds in the aggregate amount of \$3,375,000 be sold at this time and that such bonds be publicly advertised for sale and sold for the best bid specifying the lowest rates of interest, not to exceed four and three-quarters per cent (4-3/4%) per annum, payable on December 1, 1967 and semi-annually thereafter, and on the basis of the lowest interest cost to the District:

NOW, THEREFORE, Be It Resolved by the Board of Junior College District No. 512, County of Cook and State of Illinois, as follows:

Section 1. That this Board will receive bids for the sale of said \$3,375,000 Bonds, as above referred to, on the 15th day of September, 1966, at 8:00 o'clock P.M. on said day, and that the Secretary of this Board be and he is hereby ordered and directed to publish notice of such sale in the Daily Bond Buyer, a newspaper published in the City and State of New York and having a general circulation in the financial centers of the United States and which carries as a part of its services, financial news and advertisements, and also to mail notice of such sale to not less than ten banks, companies and financial institutions who are engaged in the business of purchasing securities and having offices

in the City of Chicago, Illinois, and also to all those companies who have shown an interest in the purchase of bonds to be issued by the District, a list of such companies being on file in the office of the Secretary of the Board, the date of the publication of such notice to be not less than ten (10) days prior to the date set for such sale and the date of the mailing of such notice to be not less than ten (10) days prior to the date set for such sale and that such notice of sale shall be in substantially the following form:

NOTICE OF SALE  
OF  
\$3,375,000 BONDS OF  
JUNIOR COLLEGE DISTRICT NO. 512  
COUNTY OF COOK AND STATE OF ILLINOIS

NOTICE IS HEREBY GIVEN that sealed bids will be received by the Board of Junior College District No. 512, County of Cook and State of Illinois, until the hour of 8:00 o'clock P.M., on the 15th day of September, 1966, at High School District #214 Administration Center, located at 799 N. Kensington Road, Mt. Prospect, Illinois, within said District, for the purchase of bonds of said Junior College District described as follows:

\$3,375,000 School Bonds, dated September 1, 1966, of the denomination of \$5,000 each, interest payable on December 1, 1967 and semi-annually thereafter, and said bonds to become due serially \$175,000 on December 1, 1968 and \$200,000 on December 1 of each of the years 1969 to 1984, inclusive, without option of prior payment.

Said bonds were authorized pursuant to an election held in and for said District on June 4, 1966, and are being issued for the purpose of borrowing money to pay the cost of a site for junior college purposes and to commence the building and equipping of suitable buildings thereon, including providing funds for transfer to the Illinois Building Authority in accordance with the provisions contained in Article V of the Public Junior College Act of the State of Illinois.



Both principal and interest on said bonds, as above described, will be payable at such place in the State of Illinois as may be mutually agreed upon between the purchasers and said District. Said bonds may be registered as to principal only in the name of the holder on the books of the Treasurer who receives the taxes of said District. Said bonds will be general obligations of said District payable from ad valorem taxes levied upon all the taxable property in the District without limitation as to rate or amount.

The assessed valuation of <sup>all</sup> taxable property in the District for the year 1965, as equalized and determined by the Department of Revenue is \$ 713,352,902.00. After the issuance of the bonds above described, the total aggregate indebtedness of the District of every kind and character whatsoever will not exceed \$ 3,375,000.00. The population of the District is approximately 200,000.

The bonds will be awarded to the responsible bidder on the basis of the lowest interest cost to the District, but no bid will be considered for less than par or bearing an interest rate greater than four and three quarters per cent (4-3/4%) per annum. Bids must be for all of said bonds and bidders shall specify the rate of interest in multiples of one-eighth of one per cent (1/8 of 1%) per annum and/or one-tenth of one per cent (1/10 of 1%) per annum. Not more than four different interest rates for said entire issue of bonds will be considered but the same rate must apply to all bonds of the same maturity and interest maturing must be evidenced by only one interest coupon during the pertinent interest period. Any bid providing for the use of supplemental interest coupons will not be considered. The repetition of an interest rate will not be considered as a different rate. In determining the best bid the interest cost to the District will

be computed by determining the interest from the date of the bonds to maturity at the rate or rates specified by the bidder after deducting therefrom any premium offered. For informational purposes only and not to be considered as a part of the bid, the net interest cost and the effective interest rate shall be stated in each bid.

All proposals should be enclosed in a sealed envelope marked on the outside "Proposal for Bonds" and addressed to Jessalyn M. Nicklas, Secretary of the Board of Junior College District No. 512, County of Cook and State of Illinois, 34 West Chicago Avenue ~~Street~~, Palatine, Illinois. As a guarantee of good faith, each proposal must be accompanied by a certified check or cashier's check in the amount of \$73,500, drawn upon an incorporated bank or trust company and made payable to the order of the Treasurer of Junior College District No. 512, County of Cook and State of Illinois, this amount to be retained by the District pending full performance by the successful bidder and to be forfeited to the District as agreed upon liquidated damages in the event of the failure of the successful bidder to take up and pay for the bonds when ready. The checks of the unsuccessful bidders will be returned to them immediately upon the rejection of their bids. In the event of the inability of the Board of said District to deliver said bonds to the purchaser in accordance with the terms of this notice within sixty (60) days after the date of the sale said good faith check will, at the option of the purchaser, be promptly returned to the purchaser.

Bids will be opened at a meeting of the Board of said District to be held at 8:00 o'clock P.M., on September 15th, 1966, at the Board Room in the High School District #214 Administration Center, 799 N. Kensington Road ~~Street~~, Mt. Prospect, Illinois, at which time and place the

bids will be publicly read and the award made to the successful bidder.

The District will furnish the necessary printed bonds without cost to the purchaser. The bonds will be delivered with the unqualified approving opinion of Chapman and Cutler, Attorneys, Chicago, Illinois, said opinion to be paid for by the District and all bids must be so conditioned.

Delivery of the bonds will be made within forty-five (45) days from the date of sale in the City of Chicago, Illinois, elsewhere at the expense of the purchaser.


At the request of the purchaser, the District will provide for the printing of the approving opinion of bond counsel on the back of the bonds.

The Board has prepared an official statement containing information concerning the history, growth and population of the District, the figures pertaining to the <sup>underlying</sup> bond indebtedness, and records of tax collections, which statement will be furnished upon request to Jessalyn M. Nicklas, Secretary, 34 West Chicago Avenue Street, Palatine, Illinois. Telephone: 358-9100.

The District reserves the right to reject any and all bids and to waive informalities in the bid accepted.

By order of the Board of Junior College District No. 512, County of Cook and State of Illinois.

Dated this 11th day of August, 1966.

  
Secretary

New Business:  
(Continued)  
Fringe Benefit  
Committee

Member Johnson Reporting: Dr. Lahti discussed personnel policies, Mr. Gatts of Mount Prospect was recommended as an independent consultant in drawing up an insurance program. A resume of Mr. Gatt's personal qualifications was presented to the board.

Member Johnson moved and Member Bernstein seconded the motion to engage Mr. Gatt as insurance consultant at a fee not to exceed \$500. Upon roll call, the vote was as follows:

Aye: Haas, Hamill, Hansen, Johnson, O'Dea, Nicklas, and Bernstein.

Nay: None

Discussion of Employee classifications followed. Chairman Haas suggested that Mr. Hines work with the Fringe Benefit Committee on definition of employee classifications. Mr. Johnson directed Mr. Hines to review classifications of employees and report at the next meeting.

Recommendations of Spec. for receiving proposals on data processing equipment. It was recommended by Dr. Lahti that this item be tabled until the September meeting in order to permit the administration to seek the aid of professional organizations and other individuals in finalizing the specifications. Item was tabled until the September meeting.

Recommendations of Guidelines for Advisory Committees to board. Chairman Haas recommended this item be tabled until September in order to provide the board additional time to study the proposed guideline. Item tabled. Dr. Perry discussed the results of the evening meeting of the State Junior College Board. Dr. Perry indicated that Chicago Junior College had presented to the State Board, a plea for additional funds in view of the fact they had overlooked a federal regulation which permitted them to use only 10% of their federal funds in constructing Phase I of their building program. As a result of this plea, final decision on the allocation of state funds was to be delayed until Friday morning.

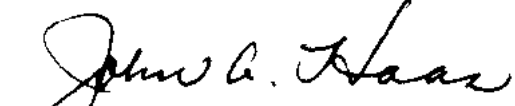
Arthur D. Little Report Dr. Lahti presented a progress report on the educational information received from Arthur D. Little to date.

PRESIDENT'S  
REPORT

Dr. Lahti called to the attention of the board, the article in the Wall Street Journal on rising costs of construction. Dr. Lahti extended congratulations to James Perry on receiving his Ph.D. Chairman Johnson extended congratulations on behalf of the Board. Dr. Pankratz reported on the survey of potential facilities for temporary classrooms in the fall of 1967.

Member Johnson moved and Member Nicklas seconded the motion to adjourn the meeting to August 25, 1966, at 8:00 p.m., 34 West Patatine Road, Palatine, Illinois.

  
Secretary Nicklas

  
President Haas

WILLIAM RAINY HARPER COLLEGE  
DISTRICT NO. 512  
PALATINE, ILLINOIS 60067

EDUCATIONAL FUND EXPENDITURES - August 11, 1966

Payee	Description	Account Number	Check Number	Amount	Account Total
Edward C. McAuliff	Accounting	1-501.21	393	\$ 405.00	
Frank M. Hines	Legal Services	1-501.22	394	867.50	
Robert L. Kocher	Edit Man. for Jun. Col. Journal	1-501.29	395	35.00	
Universal Stationers, Inc.	Supplies	1-501.31	396	204.82	
Palatine Office Supply	"	1-501.31	397	38.42	
E. W. Boehm Company	"	1-501.31	398	332.35	
Moore Bus. Forms, Inc.	"	1-501.33	399	175.83	
Carousel Travel & Tours	Travel-Adminis.	1-501.72	400	162.00	
Robert E. Lahti	" "	1-501.72	401	57.92	
Dorothy Decker	" "	1-501.79	402	6.80	
Carousel Travel & Tours	" "	1-502.71	403	33.00	
American Ass. of J.C.	Publications	1-501.90	404	4.70	
Bureau of Bus. Practice	"	1-501.90	405	16.08	
Day Publications, Inc.	Help Wanted Adver.	1-501.90	406	60.69	
Paddock Publications	" " "	1-501.90	407	37.40	
Public Affairs Com., Inc.	Subscription	1-501.90	408	5.00	
The Municipal Year Book e Star	Publication	1-501.90	409	10.00	
Western Concessions	Help Wanted Adver.	1-501.90	410	9.00	
Xerox Corporation	Luncheons	1-501.90	411	27.80	
Community Camera	Rental-Office Mach.	1-508.61	412	387.04	
Horder's	Screen	1-563.0	413	30.00	
International Bus. Mach., Corp.	Furniture	1-563.0	414	1,047.20	
Pitney-Bowes, Inc.	Office Equipment	1-563.0	415	835.00	
Universal Stationers, Inc.	" "	1-563.0	416	901.75	
Petty Cash	Shelving Units	1-563.0	417	41.44	
			418	<u>1,441.51</u>	

TOTAL EDUCATIONAL FUND EXPENDITURES

\$7,173.25

WILLIAM RAINEY HARPER COLLEGE  
DISTRICT NO. 512  
PALATINE, ILLINOIS 60067

BUILDING FUND EXPENDITURES - August 11, 1966

<u>Payee</u>	<u>Description</u>	<u>Account Number</u>	<u>Check Number</u>	<u>Amount</u>
Ill. Bell Telephone Co.	Telephone	2-506.54	419	\$ 265.78
Hinrichs Electric	Maintenance-Electrical	2-507.20	420	10.00
Chalet Builders	" -Carpentry	2-507.20	421	1,396.00
Shamrock Best Main. Service	" -Cleaning	2-507.22	422	150.00
Roy LaLonde	Building Rental	2-508.62	423	1,018.33
Petty Cash			424	<u>35.98</u>

TOTAL BUILDING EXPENDITURES

\$2,876.09

WILLIAM RAINEY HARPER COLLEGE  
34 WEST PALATINE ROAD  
PALATINE, ILLINOIS

STATEMENT OF POSITION  
EDUCATIONAL FUND  
July 31, 1966

<u>ASSETS</u>	<u>ACCOUNT NUMBER</u>	<u>AMOUNT</u>
CASH:		
Imprest Fund	101.	\$ 5,000.00
Cash in Bank	101.	140,036.62
INVESTMENTS		<u>124,540.28</u>
Total Assets		\$269,576.90
<u>LIABILITIES</u>		
PAYROLL DEDUCTIONS PAYABLE:		
Teachers' Pension	204.1	\$ - -
Withholding Tax	204.2	- -
Social Security	204.31	<u>31.05</u>
Total Liabilities		\$ 31.05
<u>FUND BALANCE</u>		
FUND BALANCE - July 31, 1966	300.0	<u>\$269,545.85</u>
Total Liabilities & Fund Balance		\$269,576.90



WILLIAM RAINEY HARPER COLLEGE  
34 WEST PALATINE ROAD  
PALATINE, ILLINOIS

STATEMENT OF POSITION  
BUILDING FUND  
July 31, 1966

<u>ASSETS</u>	<u>ACCOUNT NUMBER</u>	<u>AMOUNT</u>
CASH:		
Cash in Banks	101.3	\$ 35,807.74
INVESTMENTS	102.0	<u>46,830.72</u>
Total Assets		<u>\$ 82,638.46</u>
FUND BALANCE	300.0	<u>\$ 82,638.46</u>

WILLIAM RAINEY HARPER COLLEGE  
34 WEST PALATINE ROAD  
PALATINE, ILLINOIS

STATEMENT OF POSITION  
SITE AND CONSTRUCTION FUND  
July 31, 1966

ASSETS

AMOUNT

CASH:

Cash in Banks

\$(90,017.25)

FUND BALANCE

\$(90,017.25)

Edwards 11"

August 12, 1966

R E L E A S E

The Board of William Rainey Harper College, upon recommendation of President Robert E. Lanti and Dean of Student Affairs James Harvey, approved the appointment of Donn B. Stansbury, 38, of Arlington Heights as Director of Admissions and Registrar, effective August 15, 1966.

Mr. Stansbury attended high school and college in Iowa obtaining his M.A. degree in Guidance from the University of Iowa. He has also completed additional graduate work at the University of Illinois and the University of Iowa.

Mr. Stansbury taught and served as counselor in Nichols, Iowa, and Cedar Rapids, Iowa, before coming to Arlington Heights High School in 1962 as a counselor. Since coming to Arlington Heights High School he has been appointed Director of Pupil Personnel Services.

Mr. Stansbury brings a fine background of preparation and experience in the area of student personnel services to the position of Director of Admissions and Registrar. In this position he will be responsible for providing information on the college, carrying out pre admissions counseling and for admitting new students. He will also be responsible for developing the records and registration system of the college.

The father of four children he and his wife Delores reside at 506 S. Dryden in Arlington Heights.

NEWS RELEASE  
August 11, 1966

Upon recommendation of President Robert Lahti, the Board of Trustees of Harper College approved the appointment of John H. Upton as Director of Institutional Development and Community Relations effective September 6, 1966.

As Director of Development and Community Relations, Upton will be responsible for keeping the administration and the board apprised of available sources of financial aid for operation of and construction of college facilities, as well as the coordination of projects with local businesses, and state and federal agencies. In addition, Upton will assist in keeping the community well informed on all activities of the college.

Upton comes well qualified to accept the challenges of this position as a result of broad experience in business and industry, higher education and as a radar and navigation officer in the United States Navy. At age 33, Upton has earned a B.A. degree from the University of Michigan, an M. B. A. degree from the same institution and is presently concluding a Ph.D in higher education.

John Upton and his wife, Kathleen, have two children.

QUALIFICATIONS FOR DIRECTOR OF NURSING EDUCATION

Personal Qualities:

1. Good health and ability to devote considerable energy to the important task of directing and developing a nursing program leading to the Associate in Arts Degree.
2. Demonstrated ability to deal effectively with other nurses and hospital personnel in an administrative capacity.
3. Between 25-45 years of age.

Professional Qualifications:

1. A minimum of a Masters Degree in Education or Nursing Education with successful administrative experience in the nursing area.
2. A strong undergraduate program in health science and related disciplines.

Professional Strengths:

1. A sensitivity to the need for a nursing program within the framework of the Comprehensive Community College.
2. A dedication to the objectives of the nursing profession, requiring high ethical standards in fulfilling humanitarian goals.
3. Ability to exemplify leadership in a spirit of cooperation and mutual understanding with other staff members.

Anticipated Employment Date and Salary Range:

1. Employment Date: Immediately
2. Salary Range: \$10,000 - \$12,000, depending upon experience and educational background.

Professional Employees

- A. The term "faculty" shall include members of the teaching staff together with the principal administrative offices, librarian, directors or coordinators of various testing or research programs and/or persons with similar duties on the College staff.
- B. The term "teaching staff" shall include professors, instructors, or their equivalent performing part-time or full-time teaching duties.

Full-time Professional Employee

A full-time professional employee is one who is employed on a contract basis and is regularly scheduled for 12 or more teaching hours or its equivalent.

Part-time Professional Employee

A part-time professional employee is one who is employed on a contract basis and is regularly scheduled for seven (7) or more teaching hours or its equivalent, but less than 12 hours.

Classified Employees

Classified personnel are defined as all employees other than professional employees (see above) who serve in a non-academic capacity.

Classified Full-time Employee

A full-time classified employee is one who is regularly employed and regularly scheduled for 30 hours or more per week.

Classified Part-time Employee

A part-time classified employee is one who is regularly employed and regularly scheduled for a minimum of 20 hours, but less than 30 hours, per week.

WILLIAM RAINEY HARPER COLLEGE

RECOMMENDED POLICIES

TRAVEL REGULATIONS

1. It is the policy of the College to issue domestic travel credit cards to the President, Vice Presidents and Deans. At the discretion of the President's office domestic air travel credit cards will be issued to selected faculty members and other administrative staff.

- (a) It is expected that air travel will be second class on two class service, and third class on three class service for all trips that are two hours or under in flight time.
- (b) On air trips in excess of two hours second class tickets are authorized on planes offering three class service.
- (c) First class service is authorized on single class service and when seats are not available on two or three class service on desired flights.
- (d) Foreign travel at the expense of the College must be authorized on an individual basis by the President's office. Under such circumstances, international air credit cards may be issued.

2. Travel by rail is at first class service.

3. When travel is by personal automobile on official business for the College, it will be reimbursed at the rate of ten cents per mile within a radius of 150 miles. Beyond that distance the equivalent air fare shall be used to determine reimbursement.

4. Travel advances may be made to employees of the College in an amount equal to the anticipated costs of the trip.

5. All expenses will be reimbursed for living outside of the Chicago area while on official business of the College.

6. Two leased automobiles shall be provided for college officials for use in conducting business in behalf of the College.

RECOMMENDED POLICIES  
(continued)

CREDIT CARDS

7. Telephone credit cards may be issued to the President, Vice President, and Deans. At the discretion of the President's office, telephone credit cards will be issued to selected faculty members and administrative staff.

8. The College shall not pay for, nor be liable for, credit cards other than air and telephone cards issued by the College, even though the use of such credit cards is primarily for the interests of the College.

HEALTH PROVISIONS

SICK LEAVE

Sick leave is granted as a privilege to employees of Harper College and is the position of the Board that sick leave be used for sick leave purposes in accordance with the following regulations.

1. Leave for minor illnesses which do not require a physician, will be ratified after notifying the appropriate supervisor. If an employee is absent for more than three consecutive work days, he must upon request submit a statement of disability from his physician in order to qualify for sick leave credit.

If a person is convalescing at home from a period of sickness or accident, he must report to the appropriate supervisor of the College either in person, by telephone, or by letter at least once a week during convalescence. The College reserves the right to seek the advice and consent of a physician of their choice in order to determine whether an individual may be entitled to benefits.

Sick leave may be cumulative up to 180 days at the rate of one (1) day per month per full year of service. Sick leave for part-time employees may be cumulative at the rate of 1/2 day per month up to a maximum of 90 days.

No payment for unused sick time accrued will be made.



RECOMMENDED POLICIES  
(continued)

2. Family Illnesses and Bereavement

An employee by notifying and making arrangements with the College, may take up to three (3) days leave for illness or bereavement in the immediate family. In cases of family emergencies or hardships, limited additional leave may be arranged through the College administration. Members of the immediate family are defined as: mother, father, foster parents, husband, wife, son, daughter, brother, sister, or any relative living in the immediate household.

3. Health Examinations and Chest X-rays

Physical exams and chest X-rays are required of all personnel at the time of employment ~~by~~ the College. Such examinations shall be recorded on a form provided by the Board. The Board may require physical and/or a mental examination whenever a question of fitness may arise. Initial examination upon employment and examinations requested by the Board, will be ~~underwritten~~ <sup>provided</sup> at Board expense.

Regular medical and dental examinations and tests are the responsibility of the employee except when they are necessary as treatment for an injury or sickness in conjunction with College business.

SPECIFICATIONS FOR HARPER COLLEGE

Computer System Proposals

This set of specifications is to be used by all manufacturers or their representatives in submitting proposals for the Harper College computer system. All proposals are to be submitted to the Director of Data Processing and Research. Proposals are to be submitted in writing not later than September 1, 1966. Final decision on the selection of equipment will be the responsibility of the Board of Trustees of Harper College.

The College will be developing a comprehensive educational computer center, serving the administrative and instructional needs of faculty and students. A total, integrated administrative information system will be implemented. Applications and uses will include:

- Admissions and Registration
- Financial Accounting-Receipts and Disbursements
- Centralized Supply Inventory, Distribution, and Purchasing
- Bookstore Inventory, Sales Control and Sales Analysis
- Institutional Cost Analysis
- Guidance and Counseling Services
- Instructional Testing Services
- Student Record Maintenance
- Library Inventory and Circulation
- Staff Personnel Records

A comprehensive vocational-technical education program in computer and information science will be offered. There will be a variety of day and evening courses in the college preparation program and the terminal education program.

The computer system will be used in other educational programs such as mathematics, science, social studies, and business. Faculty and student research assistance will be provided by the computer center. In addition, services of the educational data processing center will be made available to elementary and secondary schools in the college district.

The proposal must indicate the unit identification number and model number (where appropriate), monthly lease rate, purchase price, and delivery

schedule from date of order. Educational allowances, if granted, must be specified and requirements for receiving such allowances clearly stated. Equipment maintenance programs must be described in full, clearly stating services which are included in lease and purchase agreements. The rates for all maintenance services which are billed to the customer under lease and purchase agreements must be stated.

The proposed system must be modular in design, capable of being expanded without extensive re-writing of supporting software. All equipment submitted on the proposal must be new equipment, of the latest manufacturer design.

The following represent minimum requirements for equipment, software, training support, installation support, and educational material and supplies. All proposals must include reference to each item, either indicating the features of the proposed item or non-availability of the item. The final configuration of the system will be the decision of the Administration and Board of Harper College.

#### I. Equipment Specifications

##### A. Central Processor

1. Solid-state circuitry
2. Minimum main memory capacity of 65,000 characters or equivalent
3. Variable instruction length
4. Decimal and binary arithmetic capabilities including multiply and divide
5. High-low-equal compare
6. Indexing and indirect addressing capabilities
7. Financial edit instructions
8. Communication capability with automatic program interrupt
9. Interval timer for automatic interrupt
10. Multi-program or simultaneous operating capabilities

##### B. Input/Output Unit Capability

1. Card Reader
  - a. Capable of handling 80 column punched card
  - b. Minimum read speed--400 cards per minute
2. Card Punch (may be an integral unit with card reader)
  - a. Capable of handling 80 column punched card
  - b. Minimum punch speed--100 cards per minute
3. Printer
  - a. One hundred thirty two characters per line print capacity
  - b. Minimum speed of 600 LPM at maximum output
  - c. Variety of standard and optional character sets available.

4. Typewriter Operator Console

- a. A typewriter console to provide communication between operator and the system must be available.
- b. Must provide for operator-to-program or program-to-operator communications.

5. Random Access Storage

- a. Main drive unit(s) must have removable storage devices to provide for off-line data storage.
- b. On-line storage capacity of not less than 20,000,000 alpha-numeric characters.

6. Communications Terminals

- a. Both typewriter (or other similar type of printer) and visual display remote communications terminals must be available.
- b. Remote terminals connected by cable to the central processor via appropriate buffer or control unit.
- c. Terminal located up to 2,000 feet from central processor location.

7. Optical Mark Page Reader

- a. Must be capable of reading standard 8 $\frac{1}{2}$ " x 11" paper documents or standard 80 column size cards.
- b. Must be capable of providing input directly into the central processor via appropriate buffer or control unit.
- c. Feeding of individual documents must be under program control.

8. Paper Tape Reader

Punched paper tape reader capable of handling 5, 6, 7, or 8 track codes must be available.

C. Control Units

The proper control unit for each input/output device must be listed with the proposed device. If an individual control unit is shared by two or more devices, list the unit with all devices but indicate the lease and purchase price only once.

II. Software Specifications

A. Operating System

A complete operating system must be available upon delivery of equipment. The operating system must be capable of providing complete control over the entire system including such functions as program loading, memory allocation, time sharing among concurrent programs, library search, and communications between console operator and operating programs.

B. Data Handling Programs

A complete series of data handling programs must be available at the time of delivery of equipment. This series must include an input/output program capable of handling all I/O functions for all I/O units delivered with the system, a data sort and collate program for the random access device installed, and a library of scientific and mathematical subroutines.

C. Specific Applications Programs

A student class scheduling and pupil master file processing program and an information retrieval system must be available at the time of delivery of the system.

D. Program Assemblers and Compilers

The following assembler and compiler programs are to be available at the time of submitting the system proposal:

1. Symbolic Language Assembler
2. COBOL Compiler
3. FORTRAN Compiler
4. PL 1 Compiler must be available or in the development stage.
5. A course writer language for use with CAI (Computer Assisted Instruction) must be available not later than six months following installation of system.

III. Customer Training Support

The proposal must contain a list of customer training classes in programming, system operation, and educational applications which are offered on a regularly scheduled basis.

IV. Installation Support

The proposal must present in detail the type of installation support (e.g. systems design assistance, programming assistance, physical planning assistance, etc.) that is available. In addition, the proposal must show the number of hours of pre-installation and post-installation program test time that will be provided.

V. Educational Materials and Supplies

A brief description of the various educational materials and supplies which are available from the manufacturer must be included in the proposal. Availability of technical manuals, programming aids, and audio-visual aids for classroom instruction must be indicated.

GUIDELINES FOR ORGANIZATION AND FUNCTION  
OF ADVISORY COMMITTEES

The Board of Education of Harper College has established specific objectives for the institution which are consistent with the role of the community college in a modern, dynamic and highly technological society. Among these objectives, the following relate directly to the educational program to be offered at Harper College:

1. To offer the first two years of transfer or pre-professional education of the highest quality to each student and to prepare him within his chosen field of study with a sound background commensurate with the first two years of education at a four-year college or university.
2. To provide technical-vocational training programs, with certification, to enhance the student's employment opportunities; to provide retraining courses to facilitate the student's adjustment to and reemployment in a labor market of changing technological demands.
3. To provide appropriate general education for all citizens, assisting them in preparing for a more effective participation in a free society as well as for personal and cultural enrichment in an era which promises more and more leisure time.
4. To offer opportunities for adults in the community to initiate or to continue a collegiate education.

In order to fulfill the objectives stated above, the Board and faculty must be constantly aware of information on the redistribution of employment opportunities, new occupations, job standards, and specialty requirements. The use of advisory committees provides an opportunity for community leaders in business, industry, and government to participate in the planning of the educational program and contribute valuable counsel and service to the board, administration, and faculty of Harper College in meeting the objectives of the institution.

In accordance with the policies of the Board and Administration of Harper College, the following guidelines on objectives, responsibilities, and organization are established to assist advisory committees in fulfilling their vital role.

#### OBJECTIVES

The primary objective of the advisory committee will be to provide a communications channel between the Board and Administration of Harper College, and leaders in various professional and vocational fields. Through this communication channel, the faculty of Harper College will be able to maintain a constant awareness of the changing vocational and professional needs of business, industry, and government and thus respond to these needs by providing a modern, dynamic educational program.

#### RESPONSIBILITIES

The following responsibilities are assigned to the committees:

- Recommend content of vocational and professional educational programs.
- Recommend standards for selection of students for various professional and vocational educational programs.
- Recommend space and equipment needed.
- Evaluate programs and make recommendations for improvement.
- Keep the college informed as to changes occurring in the vocations and professions.
- Assist in opening avenues of employment to those trained.
- Assist in locating qualified instructional personnel.
- Publicize programs and secure community cooperation.

A written report containing the recommendations and evaluations of the committee is to be submitted to the appropriate designate of Harper College at a date established by the Chairman of the committee and the college designate.

#### ORGANIZATION

Advisory committees will serve as continuing committees subject to regulations and policies of the Board of Trustees of Harper College. The term of office of committee members shall be one year. However, members may be reappointed from year to year. The advisory committees will convene on invitation of the Administration on stated occasions whenever necessary.

### MEMBERSHIP

A list of interested persons wishing to serve on an advisory committee, along with recommendations, will be submitted to the Board of Trustees of Harper College. The Board will select not less than seven (7) nor more than fifteen (15) persons to serve as members of an advisory committee. One or more (not more than three) representatives of the administrative or instructional faculty of the College will serve as members of the committee.

### STRUCTURE

Each advisory committee will elect a chairman and will recognize a Harper College representative as Secretary. The Secretary will be responsible for all correspondence, duplicating, and communications under the direction of the committee.

### MEETING

Each advisory committee will hold a "formation" meeting within ten (10) days after receiving notification from the College of the convention of the committee. The committee will then hold such additional meetings as are deemed necessary by the Chairman. Place and time of meetings are to be a decision of the committee. Existing facilities of the College will be made available for meetings of the advisory committees and will be considered the office headquarters where all records, monies and supplies will be housed.



ILLINOIS JUNIOR COLLEGE BOARD  
 223½ East Washington Street  
 Springfield, Illinois 62706

July 21, 1966

To: Gerald W. Smith, Executive Secretary

From: James S. Spencer

Subject: Allocation of State Grants, July 1, 1966 Closing Date

The material which follows represents the objective computation of Capital Fund Grants according to the criteria and procedure approved by the Illinois Junior College Board. In addition, three adjustments in the procedure are presented and briefly explained and substantiated. The final page of the document represents, in my judgment, a fair and equitable distribution of the available funds to the six participating institutions.

The matter of the approval of the individual campus plans with respect both to type and quality of facilities to be included in Phase I and in the total project can be made on the basis (1) of a more thorough examination of the data available in the application and the attached exhibits, (2) conferences with individual college officials and (3) the presentation by college officials to the Illinois Junior College Board on August 11.

Adjustment Number One:

The criteria and formula for objective determination of State Grants resulted in the following grants from State Funds. No adjustments in any data were made.

<u>Financial Efficiency Index</u>	<u>Educational Need Index</u>	<u>Mean Index</u>	<u>Dist. No.</u>	<u>College</u>	<u>State Grant</u>
.1594	.1801	.16975	503	Black Hawk	\$ 3,479,875.00
.2145	.2132	.21385	504	Triton	4,383,925.00
.1492	.1558	.15250	505	Sauk Valley	3,126,750.00
.1775	.1312	.15435	503	Chicago	3,164,175.00
.1693	.1709	.17010	511	Rock Valley	3,487,050.00
.1301	.1488	.13945	512	W. R. Harper	2,858,725.00
TOTAL 1.0000	1.0000				<u>\$20,500,000.00</u>

Adjustment number one amounted to eliminating Chicago City College District 508 from the computational process since in this process it was entitled to \$3,164,175.00 while it was requesting only \$2,675,077.75. Thus, the objective computation involved in the proportional allocation of \$20,500,000.00 less \$2,675,077.75 or \$17,824,922.25. This permits the proportional allocation of \$489,097.25 - the difference between \$3,164,175.00 and \$2,675,077.75 - in additional funds among the remaining five institutions.

Adjustment Number Two:

Projected Enrollment Data for Triton:

F.T.E. at Occupancy adjusted from 5519 to 3000

F.T.E. to be accommodated from 5010 to 3500

F.T.E. Increase from 1966-67 to 1970-71 from 6037 to 3500

## Rationale For Adjustment Number Two

TRITON COLLEGE  
Enrollment Adjustment

## High Estimate of the Young Formula with National Grade-to-Grade Retention Ratios

4952	Freshmen	1965-66
<u>.94</u>	become	
4655	Sophomores	1966-67
<u>.90</u>	become	
4190	Juniors	1967-68
<u>.92</u>	become	
3855	Seniors	1968-69
<u>.92</u>	Graduate	
3547	in June 1969	
<u>.33</u>	Enter Triton Junior College Freshmen-Full-Time - 1969-70	
1170		
<u>.60</u>	Remain on in Triton Junior College as Sophomores - Full Time - 1970-71	
702		
1872	Total Triton Junior College-Freshmen & Sophomores - Full Time 70-71	
<u>2</u>	Times as many part-time as full-time students	
3744	Part-time Students (carrying an average of 5 semester hours)	
<u>.33</u>		
1236	F.T.E. of Full-Time Students - Triton College	
1872	Full-time students	
3108	Full-Time-Equivalent Enrollment - 1970-71	

This 3,108 figure represents a liberal estimate on the underlying public and non-public high school enrollment as of 1965-66. It does not consider growth in this underlying enrollment, but this is not required since our projections can run only to the 1970-71 academic year. Therefore, the 3,500 F.T.E. estimate would appear to be a reasonable adjustment in these crucial criteria. The secondary school retention ratios are taken from The Digest of Educational Statistics, 1964, Department of Health, Education and Welfare.

COMPUTATION OF INDEX

Educational Need Criteria - Phase I

	2	3	4	5	6
	P.T.E. Enrollment to be Accommodated	Numerical Increase F.T.E.	Number Baccal. Oriented	Number Occupa. Oriented	Number Adult and Continuing Education
	Proportion by Facilities	Proportion 65-67/70-71	Proportion Courses	Proportion Courses	Proportion Courses
	.1702	.1851	.1686	.2040	.3982
	2,750	2,715	290	162	45
	3,500*	3,500*	268	298	0-
	2,498	1,950	221	168	45
	2,918	4,746	194	77	0-
	3,193	3,193	136	89	23
	14,859	16,104	1,109	794	113
	1.0000	1.0000	1.0000	1.0000	1.0000
	4	3	2	2	2
	Weight Times Proportion	Weight Times Proportion	Weight Times Proportion	Weight Times Proportion	Weight Times Proportion
	.7404	.5058	.5230	.4080	.7964
	.9420	.6519	.4834	.7506	.0000
	.6724	.3635	.3986	.4232	.7964
	.7856	.8841	.3498	.1940	.0000
	.8596	.5949	.2452	.2242	.4072
	4.0000	3.0000	2.0000	2.0000	2.0000
	18,000	18,000	18,000	18,000	18,000
	5	3	2	2	2
	TOTAL	TOTAL	TOTAL	TOTAL	TOTAL
	3,8246	4,0714	3,3094	3,6140	3,1806
	18,000	18,000	18,000	18,000	18,000

Index  
*Enrollment*  
*Facilities*  
*Index*

(available)

COMPUTATION OF INDEX

Educational Need Criteria - Phase I

Dist. No.	Institution	1		2		3		4		5	
		F.T.E. Enrollment @ Occupancy	F.T.E. Enrollment to be Accommodated	F.T.E. Enrollment to be Accommodated	F.T.E. Enrollment to be Accommodated	Numerical Increase F.T.E.	Number Baccal. Oriented Courses	Number Baccal. Oriented Courses	Number Occupa. Oriented Courses	Proportion	Proportion
503	Black Hawk	2,053	2,750	.1702	.1851	2,715	290	.2615	162	.2040	
504	Triton	3,000*	3,500*	.2487	.2355	3,500*	268	.2417	298	.3753	
505	Sauk Valley	1,582	2,498	.1311	.1681	1,950	221	.1993	168	.2116	
511	Rock Valley	3,379	2,918	.2801	.1964	4,746	194	.1749	77	.0970	
512	W. R. Harper	2,050	3,193	.1699	.2149	3,193	136	.1226	89	.1121	
TOTAL		12,064	14,859	1.0000	1.0000	16,104	1,102	1.0000	794	1.0000	
WEIGHT		5	4	3	2	2	2	2	2	2	
		Weight Times Proportion									
503	Black Hawk	.8510	.7404	.5058	.5250	.4834	.4080	.4080	.4080	.4080	
504	Triton	1.2435	.9420	.6519	.6519	.3633	.7506	.7506	.7506	.7506	
505	Sauk Valley	.6555	.6724	.8841	.8841	.5949	.4232	.4232	.4232	.4232	
511	Rock Valley	1.4005	.7856	.8495	.8495	.5949	.1940	.1940	.1940	.1940	
512	W. R. Harper	.8495	.8596	.5949	.5949	.30000	.2242	.2242	.2242	.2242	
TOTAL		5.0000	4.0000	3.0000	3.0000	3.0000	2.0000	2.0000	2.0000	2.0000	

*Revised  
Efficiency  
Index*

Dist. No.	Institution	Index
503	Black Hawk	3.8246
504	Triton	4.0714
505	Sauk Valley	3.3094
511	Rock Valley	3.6140
512	W. R. Harper	3.1806
TOTAL		3.1767
TOTAL		1.0000

\*Adjusted figure (supporting data available)

Financial Efficiency Criteria - Phase I

3

Times Proportion	Equated Cost		Gross		Decimal		Met		Decimal	
	Proportion	Sq. Ft.	Sq. Ft.	Reciprocal	Equivalent	Proportion	Sq. Ft.	Reciprocal	Equivalent	Proportion
.2130		\$35.81	1/35.81	.0279	.1935	\$51.33	1/51.33	.0195	.2066	
.1982		32.57	1/32.57	.0307	.2129	50.16	1/50.16	.0199	.2108	
.1834		33.44	1/33.44	.0299	.2073	55.66	1/55.66	.0180	.1907	
.2031		36.34	1/36.34	.0275	.1907	54.63	1/54.63	.0183	.1938	
.2023		35.47	1/35.47	.0282	.1956	53.52	1/53.52	.0187	.1981	
1.0000				.1442	1.0000			.0944	1.0000	
(1)					(1)				(1)	

Gross Sq. Ft. F.T.E.

Times Proportion	Gross		F.T.E.		Decimal		Reciprocal		Decimal	
	Proportion	Sq. Ft.	Occupancy	Reciprocal	Equivalent	Proportion	Equivalent	Proportion	Equivalent	Proportion
1/3,816.83	.000262	142.76	142.76	1/142.76	.00700	.1855				
1/2,816.94	.000355	100.90	100.90	1/100.90	.00991	.2626				
1/3,938.33	.000254	185.97	185.97	1/185.97	.00538	.1426				
1/3,788.09	.000264	90.02	90.02	1/90.02	.01111	.2945				
1/5,262.93	.000190	231.14	231.14	1/231.14	.00433	.1148				
	.001325				.03773	1.0000				
						(1)				

Index Educational Need

Times Proportion	Index Educational Need
3	6
4	6
5	6
TOTAL	6
.2066	.1990
.2108	.2367
.1907	.1846
.1938	.2134
.1981	.1663
1.0000	1.0000

Value Divided by the IBM Regional Index. Available) (See Page 2)

Financial Efficiency Criteria - Phase I

CRITERION

1

2

3

Dist. No.	Institution	IBM <sup>*</sup> Regional Index	1		2		3		Dec		
			Regional Net	Gross Proportion	Equated Cost	Gross Sq. Ft.	Reciprocal	Decimal		Equated Cost	Net Sq. Ft.
503	Black Hawk	.95	.6978	.2130	\$35.81	1/35.81	.0279	.1935	\$51.33	1/51.33	.0
504	Triton	1.00	.6493	.1932	32.57	1/32.57	.0307	.2129	50.16	1/50.16	.0
505	Sauk Valley	.96	.6008	.1834	33.44	1/33.44	.0299	.2073	55.66	1/55.66	.0
511	Rock Valley	.98	.6651	.2031	36.34	1/36.34	.0275	.1907	54.63	1/54.63	.0
512	W. R. Harper	1.00	.6627	.2023	35.47	1/35.47	.0282	.1956	53.52	1/53.52	.0
	TOTAL		3.2757	1.0000			.1662	1.0000			.0

WEIGHT

Equated Cost  
F.T.F. to be accommodated

Gross Sq. Ft. @ Occupancy  
F.T.F.

5

(1)

Dist. No.	Institution	Equated Cost	F.T.F. to be accommodated	4		5		6		Dec
				Reciprocal	Decimal	Reciprocal	Decimal	Reciprocal	Decimal	
503	Black Hawk	\$3,816.83	1/3,816.83	.000262	.1977	142.76	1/142.76	.00700	.1855	.0
504	Triton	2,816.94	1/2,816.94	.000355	.2679	100.90	1/100.90	.00991	.2626	.0
505	Sauk Valley	3,938.33	1/3,938.33	.000254	.1917	185.97	1/185.97	.00538	.1426	.0
511	Rock Valley	3,788.02	1/3,788.02	.000264	.1993	90.02	1/90.02	.01111	.2945	.0
512	W. R. Harper	5,262.93	1/5,262.93	.000190	.1434	231.14	1/231.14	.00433	.1148	.0
	TOTAL			.001325	1.0000			.03773	1.0000	.0

WEIGHT

Weight Times Proportion

Dist. No.	Institution	Weight Times Proportion					TOTAL	Index Educational Need
		1	2	3	4	5		
503	Black Hawk	.2130	.1936	.2066	.3954	.1855	1,1940	.1990
504	Triton	.1982	.2129	.2108	.5358	.2626	1,4203	.2367
505	Sauk Valley	.1834	.2073	.1907	.3834	.1426	1,1074	.1846
511	Rock Valley	.2031	.1907	.1938	.3986	.2945	1,2807	.2134
512	W. R. Harper	.2023	.1956	.1981	.2868	.1148	.9976	.1663
	TOTAL	1.0000	1.0000	1.0000	2.0000	1.0000		1.0000

\*McCoe-Berger-Mansueto, Inc.

\*\*Equated Costs Equal Application Value Divided by the IBM Regional Index.

\*\*\*Adjusted Figure (Supporting Data Available) (See Page 2)

COMPUTATION OF STATE GRANT OBJECTIVE CRITERIA

Index	Index Financial Efficiency 1990	Total	Mean Index Total	State Appropriation	Amount of State Grant	Amount of Federal Grant	State & Federal 75%
25	.4115	.20575	\$17,824,922.25	\$3,667,477.75	\$1,000,000.00	\$4,667,477.75	
62	.4629	.23145	17,824,922.25	4,125,578.25	1,000,000.00	5,125,578.25	
68	.3694	.18420	17,824,922.25	3,283,350.68	1,000,000.00	4,283,350.68	
08	.4142	.20710	17,824,922.25	3,691,541.40	953,821.00	4,645,362.40	
67	.3430	.17150	17,824,922.25	3,056,974.17	-0-	3,056,974.17	
00	2.0000	1.0000		\$17,824,922.25	\$3,953,821.00	\$21,778,743.25	
25	\$6,223,303.67	\$10,022,411.00	\$6,516,808.25	\$2,675,077.75	\$2,099,039.00	\$4,774,116.75	
26	6,834,104.33	12,467,780.00	8,350,835.00	\$20,500,000.00	\$6,052,860.00	\$26,552,860.00	
33	5,711,134.24	9,594,447.00	6,195,835.25		.5481	.4940	
64	6,193,816.53	11,118,424.18	7,384,997.14		.5953	.5299	
11	4,075,965.56	18,129,550.40	13,597,162.80		.5571	.4999	
11	\$29,038,324.33				.2248	.2248	
72	6,365,489.00	\$6,365,489.00	\$2,675,077.75		100,	100,	
53	\$35,403,813.33	\$67,698,101.58	\$44,720,716.19		.5230	.4584	

Per Cent State Grant is of Request for State Grant

Per Cent Phase I Approval is of Phase I Project

Total State Request

Total Phase I Project

Total Approved Project 100%

COMPUTATION OF STATE GRANT  
OBJECTIVE CRITERIA

	Index Educational Need	Index Financial Efficiency	Total	Mean Index Total : 2	State Appropriation	Amount of State Grant	Amount of Federal Grant
503 Black Hawk	.2125	.1990	.4115	.20575	\$17,824,922.25	\$ 3,667,477.75	\$1,000,000.00
504 Triton	.2262	.2367	.4629	.23145	17,824,922.25	4,125,576.25	1,000,000.00
505 Sauk Valley	.1838	.1846	.3684	.18420	17,824,922.25	3,283,350.68	1,000,000.00
511 Rock Valley	.2008	.2134	.4142	.20710	17,824,922.25	3,091,541.40	953,821.00
512 W. R. Harper	.1767	.1663	.3430	.17150	17,824,922.25	3,056,974.17	.00
Sub-Total	1.0000	1.0000	2.0000	1.0000		\$17,824,922.25	\$3,953,821.00
508 Chicago						\$ 2,675,077.75	\$2,099,039.00
TOTAL						\$20,500,000.00	\$6,052,860.00
	Local 25%	Total Approved Project 100%	Total Phase I Project	Total State Request	Total	Per Cent These I Approve is of These I Project	
503 Black Hawk	\$1,557,825.92	\$ 6,223,303.67	\$10,022,411.00	\$ 6,516,808.25		.6209	
504 Triton	1,708,526.08	6,834,104.33	12,467,780.60	8,350,835.00		.5481	
506 Sauk Valley	1,427,783.56	5,711,134.24	9,594,447.00	6,195,835.25		.5953	
511 Rock Valley	1,547,454.13	6,193,816.53	11,118,424.18	7,384,997.14		.5571	
512 W. R. Harper	1,018,991.39	4,075,965.56	18,129,550.40	13,597,162.80		.2248	
Sub-Total	\$7,259,581.08	\$29,038,324.33	\$ 6,365,489.00	\$ 2,675,077.75		100.	
508 Chicago	\$1,591,372.25	6,365,489.00	\$67,698,101.58	\$44,720,716.19		.5230	
TOTAL	\$8,850,953.33	\$35,403,813.33					



Adjustment Number Three:

The computation of the proportional allocation of the \$17,824,922.25 among the five remaining institutions with the enrollment adjustments explained in adjustment number two being used in lieu of the enrollment projections appearing in the Triton application resulted in the distribution appearing in Tables I, II and III of the attached material. The State Grants are repeated here:

<u>District No.</u>	<u>College</u>	<u>State Grant</u>
503	Black Hawk	\$ 3,667,477.75
504	Triton	4,125,578.25
506	Sack Valley	3,283,350.00
511	Rock Valley	3,691,541.40
512	W. R. Harper	<u>3,056,974.17</u>
	Sub-Total	\$17,824,922.25
508	Chicago	<u>2,675,077.75</u>
	Total	\$20,500,000.00

The major discrepancy appearing on the above allocation appeared to be that obtaining between Triton and Harper. This conclusion is based upon Harper's projected F.T.E. in 1970-71 of 3,193 and Triton's adjusted F.T.E. of 3,500 for the same year. It was therefore concluded that these two figures were too similar to justify the \$1,068,604.08 discrepancy in the allocation of State Grants appearing on page 5. Therefore, Adjustment Number Three is recommended for use in an attempt to bring the recommended State Grants into closer alignment with the projected F.T.E. of the two institutions. This is done by use of the following formula:

$$\text{Triton Grant} = \frac{\text{Triton's Computed Grant} + \text{Harper's Computed Grant}}{\frac{\text{F.T.E. Enrollment to be Accommodated at Triton} + \text{F.T.E. Enrollment to be Accommodated at Harper}}{\text{times}}} \text{ F.T.E. to be Accommodated at Triton}$$

$$\text{Harper Grant} = \frac{\text{Triton's Computed Grant} + \text{Harper's Computed Grant}}{\frac{\text{F.T.E. Enrollment to be Accommodated at Triton} + \text{F.T.E. Enrollment to be Accommodated at Harper}}{\text{times}}} \text{ F.T.E. to be Accommodated at Harper}$$

Thus:

$$\begin{aligned} \text{Triton Grant} &= \frac{\$4,125,578.25 + \$3,056,974.17}{3,500 + 3,193} \text{ times } 3,500 \\ &= \frac{\$7,182,552.42}{6,693} \text{ times } 3,500 \end{aligned}$$

$$\$1,073,143,944 \text{ times } 3500 = \$3,756,003.80$$

$$\begin{aligned} \text{Harper Grant} &= \frac{\$4,125,578.25 + \$3,056,974.17}{3,500 + 3,193} \text{ times } 3,193 \\ &= \frac{\$7,182,552.42}{6,993} \text{ times } 3,193 \\ &= \$1,073.143944 \text{ times } 3,193 = \$3,426,548.62 \end{aligned}$$

Total Triton Grant	\$3,756,003.80
Total Harper Grant	<u>3,426,548.62</u>
Total	\$7,182,552.42

Accordingly, the following Phase I Project Approval dollar amounts are recommended:

RECOMMENDED ALLOCATION

Dist. No.	INSTITUTION	Amount of State Grant	Amount of Federal Grant	Amount of State and Federal Grants 75%	Amount of Local Share 25%	Amount of Approved Projects Phase I 100%
503	Black Hawk	\$ 3,667,477.75	\$ 1,000,000.00	\$ 4,667,477.75	\$1,555,825.92	\$ 6,223,303.67
504	Triton	3,756,003.80	1,000,000.00	4,756,003.80	1,585,334.60	6,341,338.40
506	Sauk Valley	3,283,350.68	1,000,000.00	4,283,350.68	1,427,783.56	5,711,134.24
508	Chicago	2,675,077.75	2,099,039.00	4,774,116.75	1,591,372.25	6,365,489.00
511	Rock Valley	3,691,541.40	953,821.00	4,645,362.40	1,548,454.13	6,193,816.53
512	V. R. Harper	3,426,543.62	-0-	3,426,543.62	1,142,182.87	4,568,731.49
TOTAL		\$20,500,000.00	\$ 6,052,860.00	\$26,552,860.00	\$8,850,953.33	\$35,403,813.33

ILLINOIS JUNIOR COLLEGE BOARD  
 223½ East Washington Street  
 Springfield, Illinois 62706

TABLE I  
 Cost Per Acre of Site, Site Clearance, Site Improvement  
 and Total Cost Per Acre for Same  
 by College and Totals

Cost of Site	Cost Per Acre	Cost of Site Clearance	Cost Per Acre	Cost of Site Improvements	Cost Per Acre	Cost of Site, Site Clearance and Site Improvements	Total Cost Per Acre
\$ 315,942.00	\$ 2,679.29	\$ 25,000.00	\$ 212.00	\$ 815,644.00	\$ 6,916.93	\$ 1,156,586.00	\$ 9,808.22
3,472,000.00	52,665.89	-0-	-0-	957,000.00	14,522.00	4,429,000.00	67,207.89
150,000.00	1,000.00	3,600.00	24.00	1,106,000.00	7,373.33	1,259,600.00	8,397.33
3,578,600.00	188,476.33	400,000.00	21,067.05	1,034,400.00	54,479.38	5,013,000.00	264,022.75
496,900.00	2,289.86	-0-	-0-	826,200.00	3,807.37	1,323,100.00	6,097.24
<u>1,475,000.00</u>	<u>7,230.39</u>	<u>-0-</u>	<u>-0-</u>	<u>2,150,000.00</u>	<u>10,539.22</u>	<u>3,625,000.00</u>	<u>17,769.61</u>
<u>\$9,488,442.00</u>	<u>\$ 12,262.03</u>	<u>\$428,600.00</u>	<u>\$ 553.88</u>	<u>\$6,889,244.00</u>	<u>\$ 8,903.05</u>	<u>\$16,806,286.00</u>	<u>\$ 21,718.96</u>

ILLINOIS JUNIOR COLLEGE BOARD  
 223½ East Washington Street  
 Springfield, Illinois 62706

TABLE I  
 Cost Per Acre of Site, Site Clearance, Site Improvement  
 and Total Cost Per Acre for Same  
 by College and Totals

Dist. No.	Institution	Ares in Site	Cost of Site	Cost Per Acre	Cost of Site Clearance	Cost Per Acre	Cost of Site Improvements	Cost Per Acre	Total Cost Per Acre
503	Black Hawk	117.92	\$ 315,942.00	\$ 2,679.29	\$ 25,000.00	\$ 212.00	\$ 815,644.00	\$ 6,916.93	\$ 7,804.12
504	Triton	65.90	3,472,000.00	52,685.89	-0-	-0-	957,000.00	14,522.00	67,207.89
506	Sauk Valley	150.00	150,000.00	1,000.00	3,600.00	24.00	1,106,000.00	7,373.33	8,373.33
508	Chicago	18.987	3,578,600.00	188,476.33	400,000.00	21,067.05	1,034,400.00	54,479.38	243,946.43
511	Rock Valley	217	496,900.00	2,289.86	-0-	-0-	826,200.00	3,807.37	6,097.23
512	W. R. Harper	204	1,475,000.00	7,230.39	-0-	-0-	2,150,000.00	10,539.22	17,769.61
	TOTAL	773.807	\$9,488,442.00	\$ 12,262.03	\$428,600.00	\$ 553.88	\$6,889,244.00	\$ 8,903.05	\$16,665.96

ILLINOIS JUNIOR COLLEGE BOARD  
 223½ East Washington Street  
 Springfield, Illinois 62706

Table III (Amended)

Total Project Cost; Variable Costs; Total Project Cost Less Variable Costs  
 to Five Foot Line; Application Value Per Square Foot Cost  
 and Equated\* Per-Square-Foot Cost of Same

Total Cost Site & Site Development	Total Cost Less All Site Costs	Total Cost Less All Site Costs, Utility Facility	Utility Facility	Utility Connections Beyond 5 ft. line	Net Cost to 5 Foot Line	Gross Sq. Ft. in Project	Per Sq. Ft.	Less All Site Costs & Central Utility Facility	Cost Per Sq. Ft.
\$ 1,156,586	\$ 11,029,089.00	\$ 128,000	\$ 10,901,089.00	258,000	\$ 10,643,089.00	352,663	\$34.55	\$31.27	\$30.91
4,429,000	22,212,423.00	403,000	21,810,423.00	775,000	21,035,423.00	664,713	40.08	33.42	32.81
1,259,600	14,392,670.00	155,000	14,237,670.00	233,000	14,004,670.00	476,200	32.87	30.22	29.90
5,013,000	18,207,970.00	794,000	17,413,970.00	150,000	17,263,970.00	431,000	53.88	42.25	40.40
1,323,100	14,511,877.13	243,687	14,268,190.13	207,302	14,060,888.13	445,160	35.57	32.60	32.05
3,625,000	26,083,150.40	1,120,000	24,963,150.40	340,000	24,623,150.40	803,830	36.96	31.06	31.06
\$15,006,286	\$106,437,179.58	\$2,842,687	\$103,594,492.58	1,963,302	\$101,631,190.58	3,173,566	\$38.83	\$33.54	\$32.64
							\$39.34	\$34.00	\$33.10

ILLINOIS JUNIOR COLLEGE BOARD  
 223½ East Washington Street  
 Springfield, Illinois 62706

Table III (Amended)

Total Project Cost; Variable Costs; Total Project Cost Less Variable Costs  
 to Five Foot Line; Application Value Per Square Foot Cost  
 and Equated\* Per-Square-Foot Cost of Same

Dist. No.	Institution	MBM Regional Index	Total Gross Cost	Total Cost Site & Site Development	Total Cost Less All Site Costs	Total Cost Less All Site Costs, Utility Facility	Utility Connections Beyond 5 ft. Line	Net Cost to 5 Foot Line	Gross Sq. Ft. in Project	
										\$
503	Black Hawk	.95	\$12,185,675.00	\$ 1,156,586	\$11,029,089.00	\$ 128,000	\$ 10,901,089.00	258,000	\$ 10,643,089.00	352,666
504	Triton	1.00	26,641,423.00	4,429,000	22,212,423.00	402,000	21,810,423.00	775,000	21,035,423.00	664,711
506	Sauk Valley	.96	15,652,270.00	1,259,600	14,392,670.00	155,000	14,237,670.00	233,000	14,004,670.00	476,200
508	Chicago	1.00	23,220,970.00	5,013,000	18,207,970.00	794,000	17,413,970.00	150,000	17,263,970.00	431,000
511	Rock Valley	.98	15,834,977.13	1,323,100	14,511,877.13	243,687	14,268,190.13	207,302	14,060,888.13	445,100
512	W.R. Harper	1.00	29,708,150.40	3,625,000	26,083,150.40	1,120,000	24,963,150.40	340,000	24,623,150.40	803,833
TOTAL AND/OR MEAN VALUE			\$123,243,465.58	\$16,606,286	\$106,437,179.58	\$2,842,687	\$103,594,492.58	1,963,302	\$101,631,190.58	3,173,560

\*Application value divided by MBM Regional Index

ILLINOIS JUVENILE COLLEGE BOARD  
 223½ East Washington Street  
 Springfield, Illinois 62706

TABLE IV (Amended)

Total Future Enrollment in Terms of Full Time Equivalent Students,  
 Full Time Equivalent Day Students and Full Time Day Students  
 and the Equated\* Per Student Cost on Total Project Cost;  
 Total Project Cost Less All Site Costs, Total Costs Less All Site Costs,  
 Cost of Central Utility Facility, and Cost to Five Foot Line

Enrollment	Equated Total Cost			Equated Total Cost Less Site Costs			Equated Total Cost Less Site & Central Utility Facility Costs			Equated Total Cost To Five Foot Line		
	Per F.T.E. Student	Per FTE Day Student	Per Full Time Day Student	Per F.T.E. Student	Per FTE Day Student	Per Full Time Day Student	Per F.T.E. Student	Per FTE Day Student	Per Full Time Day Student	Per F.T.E. Student	Per FTE Day Student	Per Full Time Day Student
1,000	\$3,206.74	\$4,008.44	\$4,275.64	\$2,902.39	\$3,627.99	\$3,669.65	\$2,868.71	\$3,585.88	\$3,824.95	\$2,800.81	\$3,501.02	\$3,734.
1,079	4,390.47	5,961.38	6,531.36	3,660.58	4,970.33	5,445.56	3,594.33	4,880.33	5,347.00	3,466.62	4,706.96	5,157.
1,787	2,872.01	3,691.29	4,305.36	2,872.02	3,691.29	4,305.38	2,612.46	3,357.69	3,916.27	2,569.70	3,302.74	3,852.
1,800	4,003.61	4,888.62	6,110.78	3,139.31	3,833.26	4,791.57	3,002.41	3,666.10	4,582.62	2,976.55	3,634.52	4,543.
1,000	3,029.83	3,909.54	4,039.53	2,776.63	3,582.88	3,702.01	2,720.05	3,522.71	3,639.85	2,690.39	3,471.53	3,586.
1,500	3,961.03	4,244.02	4,570.48	3,477.75	3,726.16	4,012.79	3,328.42	3,566.16	3,840.48	3,283.09	3,517.59	3,788.
1,166	\$3,621.98	\$4,464.23	\$4,961.46	\$3,139.03	\$3,858.33	\$4,268.07	\$3,055.81	\$3,756.04	\$4,174.39	\$2,997.90	\$3,684.86	\$4,095.



ILLINOIS JUNIOR COLLEGE BOARD  
 223½ East Washington Street  
 Springfield, Illinois 62706

TABLE IV (Amended)

Total Future Enrollment in Terms of Full Time Equivalent Students,  
 Full Time Equivalent Day Students and Full Time Day Students  
 and the Equated\* Per Student Cost on Total Project Cost,  
 Total Project Cost Less All Site Costs, Total Costs Less All Site Costs,  
 Cost of Central Utility Facility, and Cost to Five Foot Line.

Dist. No. & Institution	Maximum Projected Enrollment		Equated Total Cost		Equated Total Cost Less Site Costs		Equated Total Cost Less Site & Central Utility Facility Costs	
	Total FTE Students	Total Full Time Day Students	Per F.T.E. Student	Per FTE Day Student	Per F.T.E. Student	Per FTE Day Student	Per F.T.E. Student	Per FTE Day Student
503 Black Hawk	4,000	3,200	\$3,206.74	\$4,008.44	\$2,902.39	\$3,627.99	\$2,868.71	\$3,585.88
504 Triton	6,068	4,469	4,390.47	5,961.38	3,660.58	4,970.33	3,594.33	4,880.38
506 Sauk Valley	5,677	4,417	2,872.01	3,691.20	2,872.02	3,691.20	2,612.46	3,357.69
508 Chicago	5,800	4,750	4,003.61	4,888.62	3,199.31	3,893.26	3,002.41	3,666.10
511 Rock Valley	5,333	4,133	3,029.83	3,909.54	2,776.68	3,582.88	2,730.05	3,522.71
512 W.R. Harper	7,500	7,000	3,961.08	4,244.02	3,477.75	3,726.16	3,328.42	3,566.16
Total and/or Mean	34,378	27,969	\$3,631.98	\$4,464.23	\$3,139.03	\$3,858.33	\$4,288.07	\$3,756.04

\*Application Value Divided by MBH Regional Index

Illinois Junior College Board  
 223½ East Washington Street  
 Springfield, Illinois 62705

TABLE V

Total Projected Enrollment in Terms of Full Time Equivalent Students,  
 Full Time Equivalent Day Students and Full Time Day Students,  
 the Number of Square Feet Provided in Each Project for Same,  
 and the Ratio Between Maximum Projected F.T.E. Day Students  
 and 1960 District Population

Dist. No.	Institution	Maximum Projected Enrollment			Gross Square Feet		
		Per F.T.E. Student	Per FTE Day Student	Per Full Time Day Student	Per FTE Day Student	Per Full Time Day Student	Per Full Time Day Student
503	Black Hawk	4,000	3,200	3,000	83.17	110.21	117.55
504	Triton	6,668	4,469	4,079	109.54	148.74	162.96
506	Sauk Valley	5,677	4,417	3,787	83.88	107.81	125.75
508	Chicago	5,800	4,750	3,800	74.31	90.73	113.42
511	Rock Valley	5,333	4,133	4,000	83.47	107.71	111.29
512	W. R. Harper	7,500	7,000	6,500	107.13	114.83	123.67
TOTAL AND/OR MEAN		34,378	27,969	25,166	92.31	113.47	126.11

Wall Street Journal  
Tuesday  
9/2/66

## Public Works Woes

### Projects Face Delays, Cutbacks as Bids Soar Far Beyond Estimates

Pittsburgh Stadium Will Get  
Narrower Aisles; Oakland  
Subway Becomes Costlier

### How 'Hungry' Are Builders?

By JOHN BARNETT

Staff Reporter of THE WALL STREET JOURNAL.

PITTSBURGH — The skyrocketing cost of construction is turning out to be downright calamitous for many public works projects.

From a sports stadium here to a bridge over the Mississippi to a subway in Oakland, Calif., public projects are being stalled on the drawing boards by contractors' bids that recently have ranged 100% or more above budgeted estimates. Reason: Labor and material costs are rising so fast that they are outracing the projections of planners.

Bids on a new football-baseball stadium here came in the other day at a minimum of 46% over the designers' estimate. Illinois officials were shocked to receive only one bid—at 122% over their estimate—for paving a new bridge across the Mississippi River at East St. Louis. Earlier, the San Francisco Bay Area Rapid Transit District got a low bid that was 28% over its estimate for a mile-and-a-half section of subway in downtown Oakland.

Every one of these bids was rejected. So have dozens of other bids on public works projects across the country. The turndowns involve such jobs as installing utilities in two college dormitories in Virginia, erecting five day-care centers for the mentally ill in New Jersey and building a student health clinic in Illinois.

#### Projects Aplenty

This budget-busting inflation of construction costs has come at a critical time, when blueprints for public works are being cranked out at a notably hectic pace. Engineering News Record, a trade magazine, estimates the value of new public works projects announced from Jan. 1 through mid-July at \$11,652,600,000, up 38% from the first 28 weeks of last year.

In contrast with private owners who can frequently negotiate a better price if bids are too high, public works officials more often than not are forced by law to reject over-budget bids out of hand. They must then either redesign cheaper versions of their projects or somehow persuade taxpayers to authorize extra money. Either way, the projects are delayed—while costs soar even higher.

As price tags for construction work climb, businessmen—such as Chairman Roger Blough of U.S. Steel Corp.—worry openly about the effects of such building inflation. "We're concerned about the increase in construction costs," Mr. Blough told a recent news conference. "I think it's quite an unhealthy develop-

#### Costlier Materials

Besides labor cost increases, contractors complain that there have been significant advances in the prices of such materials as structural and fabricated steel, copper, plywood, lumber and concrete. "I'd say our average overall materials cost increase is 5% so far this year," says Charles B. Solomon, vice president of George B. H. Macomber Co., a big Boston-based construction concern.

Adding to the confusion, contractors contend, is a failure on the part of public-works architects and engineers to stay up to date on these cost increases, so that they can work up realistic estimates for public agencies. "These people have got to come down off Cloud Nine and look at the facts," declares builder Louis R. Perini, who says his Perini Corp. has had a number of bids lower than those of competitors rejected lately, including one on the Oakland subway, because they still were too far over estimates.

Some public officials suspect that contractors also may be jacking up their bids because they are so loaded with work in these boom times that they don't particularly want more. When the low bids on the Pittsburgh stadium added up to a staggering total of \$38 million, compared with the designers' estimate of \$26 million, Burrell Cohen, head of the city's stadium authority, asserted: "Apparently the general contractors are just not hungry."

Contractors bristle at such charges. "I chase all over this cockeyed country looking for work," explodes Mr. Perini. William E. Naumann, chairman of Arizona's M. M. Sundt Construction Co. declares: "It's ridiculous to say contractors aren't competitive. It costs money to work up bids, and after you beat your brains out on a bid you don't want it to be rejected."

The evidence is mixed on the question of whether bid construction firms are profiting from the inflation in building costs. Earnings of Stone & Webster, Inc., dropped 3% in the second quarter from the 1965 level. Koppers Co. and Dravo Corp. both suffered profit declines in the first half of this year and blamed higher wage and material costs. But Perini Corp. more than doubled its net income

# Pittsburgh Stadium Will Get Narrower Aisles; Oakland Subway Becomes Costlier

## How 'Hungry' Are Builders?

By JOHN BARNETT

Staff Reporter of THE WALL STREET JOURNAL

**PITTSBURGH** — The skyrocketing cost of construction is turning out to be downright calamitous for many public works projects.

From a sports stadium here to a bridge over the Mississippi to a subway in Oakland, Calif., public projects are being stalled on the drawing boards by contractors' bids that recently have ranged 100% or more above budgeted estimates. Reason: Labor and material costs are rising so fast that they are outracing the projections of planners.

Bids on a new football-baseball stadium here came in the other day at a minimum of 46% over the designers' estimate. Illinois officials were shocked to receive only one bid—at 122% over their estimate—for paving a new bridge across the Mississippi River at East St. Louis. Earlier, the San Francisco Bay Area Rapid Transit District got a low bid that was 28% over its estimate for a mile-and-a-half section of subway in downtown Oakland.

Every one of these bids was rejected. So have dozens of other bids on public works projects across the country. The turndowns involve such jobs as installing utilities in two college dormitories in Virginia, erecting five day-care centers for the mentally ill in New Jersey and building a student health clinic in Illinois.

### Projects Aplenty

This budget-busting inflation of construction costs has come at a critical time, when blueprints for public works are being cranked out at a notably hectic pace. Engineering News Record, a trade magazine, estimates the value of new public works projects announced from Jan. 1 through mid-July at \$11,652,600,000, up 38% from the first 28 weeks of last year.

In contrast with private owners who can frequently negotiate a better price if bids are too high, public works officials more often than not are forced by law to reject over-budget bids out of hand. They must then either redesign cheaper versions of their projects or somehow persuade taxpayers to authorize extra money. Either way, the projects are delayed—while costs soar even higher.

As price tags for construction work climb, businessmen—such as Chairman Roger Blough of U.S. Steel Corp.—worry openly about the effects of such building inflation. "We're concerned about the increase in construction costs," Mr. Blough told a recent news conference. "I think it's quite an unhealthy development (and) a very serious drain on the economy."

Contractors say their bids are high because labor and material costs in recent months have risen so sharply they can't do the work for less. The Associated General Contractors of America reports that a sampling of 149 construction trades labor settlements this year shows an average hourly rate increase of 27 cents, or 6.2%. "Last year's settlements averaged less than 5%," says William E. Dunn, executive director of the association, "and for the five years before that the average was under 4%." In addition to paying a higher base wage, many contractors report skilled labor is so scarce that they are forced to guarantee expensive overtime to attract workers.

### Costlier Materials

Besides labor cost increases, contractors complain that there have been significant advances in the prices of such materials as structural and fabricated steel, copper, plywood, lumber and concrete. "I'd say our average overall materials cost increase is 5% so far this year," says Charles B. Solomon, vice president of George B. H. Macomber Co., a big Boston-based construction concern.

Adding to the confusion, contractors contend, is a failure on the part of public-works architects and engineers to stay up to date on these cost increases, so that they can work up realistic estimates for public agencies. "These people have got to come down off Cloud Nine and look at the facts," declares builder Louis R. Perini, who says his Perini Corp. has had a number of bids lower than those of competitors rejected lately, including one on the Oakland subway, because they still were too far over estimates.

Some public officials suspect that contractors also may be jacking up their bids because they are so loaded with work in these boom times that they don't particularly want more. When the low bids on the Pittsburgh stadium added up to a staggering total of \$38 million, compared with the designers' estimate of \$26 million, Burrell Cohen, head of the city's stadium authority, asserted: "Apparently the general contractors are just not hungry."

Contractors bristle at such charges. "I chase all over this cockeyed country looking for work," explodes Mr. Perini. William E. Naumann, chairman of Arizona's M. M. Sundt Construction Co. declares: "It's ridiculous to say contractors aren't competitive. It costs money to work up bids, and after you beat your brains out on a bid you don't want it to be rejected."

The evidence is mixed on the question of whether bid construction firms are profiting from the inflation in building costs. Earnings of Stone & Webster, Inc., dropped 3% in the second quarter from the 1965 level. Koppers Co. and Dravo Corp. both suffered profit declines in the first half of this year and blamed higher wage and material costs. But Perini Corp. more than doubled its net income in the first quarter and looks forward to a "very good" year—after a loss in 1965—Mr. Perini recently told shareholders.

### High Rejection Rate

Whatever the reasons for rising costs, construction bids are being rejected at a remarkably high rate and the evidence suggests that designers and contractors both have their

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# Public Works Woes: Projects Face Delays, Cutbacks as Expenses Soar

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problems. "There's no such thing as all black and all white in a situation like this," says Francis S. Lorenz, Illinois public works director. "There's a lot of gray in between."

The Pittsburgh stadium project is a case in point. Its designers say they got their cost figures directly from suppliers whom they expected to bid on the project. As of January, the architects and engineers were told the "in-place" costs for the stadium's 10,000 tons of structural steel would range from \$480 to \$540 a ton. Actual bids on the project seven months later, however, ran more than \$800 a ton.

Concrete poured in place—the stadium would have required 100,000 cubic yards of it—was estimated to cost \$65 a yard. The bid prices averaged \$90.

Contractors felt they had legitimate reasons for bidding so high. Faced with a severe shortage of skilled labor in the Pittsburgh area, they were nonetheless required by the stadium authority's proposed contract to finish the stadium within 20 months, in time for the 1968 baseball season. Although the bidders are reluctant to discuss their calculations, it is understood that some added as much as 25% to their labor-cost estimates to cover anticipated overtime to meet the deadline.

"It's all just impossible," says one of the stadium's exasperated designers. "Who can anticipate all these things?"

If anybody could have anticipated the problems the designers hired by the stadium authority should have had a good chance of doing it, judging from their past records. Michael Baker, Jr., Inc., an architectural-engineering firm that helped in the design work, has done \$6 billion worth of estimating in its 23-year history, and it claims its projections have been accurate within an average 1.5% above or below actual costs. Deeter-Ritchey-Sippel, architects for the stadium, claims contracts on its past \$61 million worth of work have come in at an average of 0.7% below estimates.

The results of the stadium miscalculation will be felt by Pittsburgh sports fans. The

new home of their baseball Pirates and football Steelers won't be nearly as comfortable as the designers had hoped, nor will it be in operation by April 1968.

## Staid Stadium

In rejecting all bids, the stadium authority instructed its engineers and architects to redesign an "austere" stadium that can be built within the budget. This means less convenient seating arrangements, narrower aisles, fewer special box seats, a scaled-down stadium club and other such sacrifices. Moreover, the redesign will mean a delay until next spring in the start of construction; meantime, costs likely will rise further. "What we'll have to do," remarks one designer, "is design a \$20 million stadium that we can get for \$26 million."

Private companies and such institutions as hospitals and colleges seem to have far less trouble with their construction budgets than public officials. The private bodies have the fiscal flexibility either to negotiate with contractors or simply to shrug their shoulders and accept a somewhat high bid on the theory that things will only get worse if they wait.

Griffin Hospital, Derby, Conn., opened bids in June on a new wing that was budgeted at \$3.3 million. The low bid was \$4.6 million, 38% over the estimate.

But hospital officials decided they needed the new wing regardless.

"We can't fool around waiting six or eight months for a new design," says Frederic Nicewicz, assistant administrator. "We've been running at 100% occupancy for a year and a half now."

So, hospital officials are sitting down with representatives of the contractor, W. J. Megin Co., and figuring out ways to cut some costs. "If we can knock \$600,000 or so off the price," says Mr. Nicewicz, and "increase our mortgage another \$600,000 or so, and that should do it."

Father Louis Kleff, treasurer of the University of Scranton, didn't even try to negotiate in June when the school got a low bid of \$1,592,700 on its plans for a new physical education center, although the bid was 10%

over estimates. "We couldn't change the building," "and if we waited to go out to bid again it would just be worse."

Many companies try to keep their construction costs in line by negotiating directly with contractors rather than soliciting bids. This is a ploy that rarely is open to public works agencies, which usually are required by law to operate purely on a take-it-or-leave-it bid basis. "We're able to shop around," says a spokesman for one manufacturing concern, "We can be a lot more selective than a public agency and we can get a lot better idea what we're up against before we commit ourselves to a figure."

Some big companies maintain their own staffs of construction experts, who serve in effect as the companies' own general contractors. Aluminum Co. of America believes that having such a staff in constant touch with the construction situation pays off. "We're not

having any problems with our estimates," says an Alcoa spokesman. "Our people are very much aware of the labor and materials cost increases, and we've been able to plan for them."

One indication of this planning: Alcoa has revised its capital spending plans for 1966 to provide for an outlay of \$190 million, up from the original estimate of \$175 million. More than half the increase, says a spokesman, is due to the sharp rise in construction costs.

There's evidence that some public agencies are at least trying to get their cost figures up-to-date. San Francisco's Transit District is re-estimating its subway project to see how much money it will need beyond a \$79 million bond issue passed in 1962. District engineers have offered a preliminary guess that the cost will exceed the bond receipts by between \$107 million and \$163 million. Whatever it turns out to be, the district hopes it can get the addi-

tional money from the Federal Government.

Illinois Public Works Director Lorenz, taking note of the failure to get an acceptable bid for paving the bridge over the Mississippi, recently warned that the state may start deferring work in the East St. Louis area unless

construction costs there get into line with those in other areas of the state. He conceded, however, that "we're finding bids are getting out of line all over the state, and I'm afraid it's not going to get any better in the foreseeable future."