

index	
Candidates for Council.....	2
Candidates for Commissioner.....	3
Elections elsewhere.....	3
Location of polls.....	3
Collegian endorsements.....	8

# the daily Collegian 20\*

Monday, Nov. 7, 1983  
Vol. 84, No. 75 20 pages University Park, Pa. 16802  
Published by students of The Pennsylvania State University

## Student Affairs VP could be phased out

By GAIL JOHNSON  
Collegian Staff Writer

According to a preliminary flow chart illustrating University President Bryce Jordan's plans for reorganizing his administration, the position of vice president for the Office of Student Affairs will be dissolved.

The flow chart, which depicts Jordan's restructuring plans as of mid-October, realigns student services under the senior vice president for administration, Richard E. Grubb, said a source for The Daily Collegian. The flow chart was supplied by that source, who has asked to remain unnamed.

However, Jordan said last night that many of the decisions concerning the reorganization have not yet been made final and will be further discussed today.

"By Friday, we may have something permanent but if we don't, we'll just leave it off the agenda (for this week's meeting of the University Board of Trustees)," he said.

The restructuring of the administration will create two chains of command to the Office of the President as opposed to the three that have previously existed, the source said. According to the plan, many of the offices under the former position of provost of the

University will be realigned under the senior vice president for administration.

Four separate divisions will report to Grubb, including the Division of University Relations, the Division of Counseling and Health Services, the Division of Residential Services and the Division of Student Activities.

During the onset of the reorganization, Grubb will also head the Division of University Relations, the source said.

According to the flow chart, the deans of the academic colleges will be more closely tied to the Office of the President, which includes the President and the executive vice president. The administrators of the Commonwealth Educational System will report directly to the executive vice president.

A second source, who also asked to remain anonymous, said he thinks William W. Asbury, executive assistant to the president for administration, will report to the Office of the President.

The source also said all positions will be filled by current University personnel.

The process of reorganizing the administration of student services has been one of Jordan's concerns since he took office July 1. He has repeatedly stressed the need to

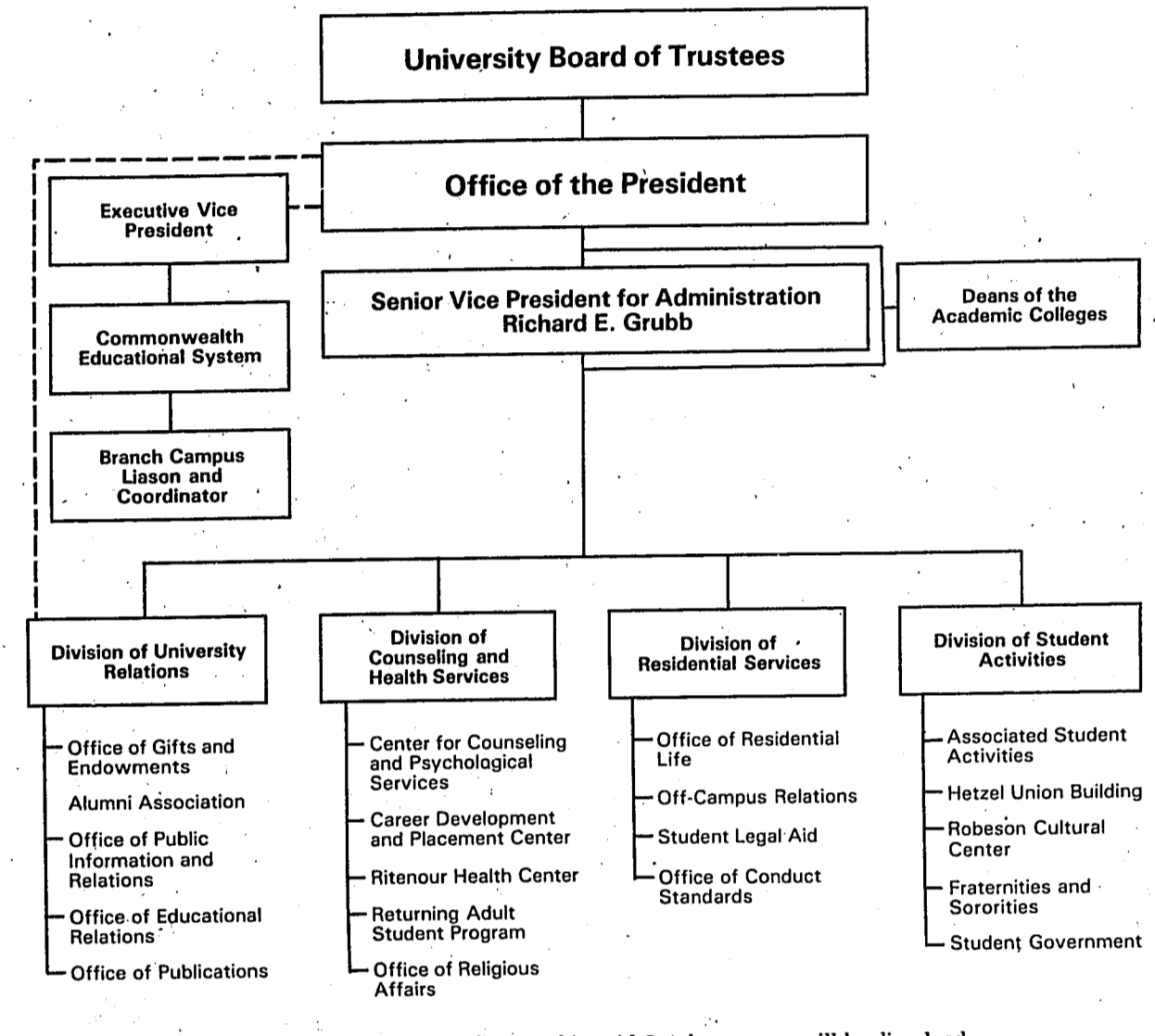
coordinate these services in order to better serve students.

The final product of the reorganization process is scheduled to be revealed at the trustees meeting this Friday. The plan may go into effect as early as Dec. 1, the first source said.

Jordan, however, said that because no permanent plan has been established, it has not yet been determined when the plan will go into effect.

According to the first source, nine objectives were considered during the development of the reorganization plan, including:

- The separation of academic support services and student services.
- The creation of coordinating relationships among service units.
- The alignment of student services under a senior executive officer(s).
- A limit on the number of officers reporting to senior executive officer.
- The organization of units that will use both academic and administrative staffs.
- An upgrading of the role of colleges in working for academic quality and direction.
- The creation of academic support services and student services according to the needs of the campuses.



• The creation of an administration that can accommodate future change.

• The maintenance of coherent University relations functions.

The source said solutions to at least two potential problems were being discussed in mid-October. One such solution was the possibility of creating a student advocate since the Office of the Vice President for Student Affairs — which formerly was supposed to serve in a student advocacy role — will be dissolved.

The administration is also considering creating an office under the division of counseling and health services to direct students who have problems that do not fit into one specific office.

## Deregulation applauded by bankers

Editor's Note: Following is the first of a two-part series examining the deregulation of the banking industry. Today's story focuses on local bankers' impressions of deregulation and its overall impact on the banking industry. Tomorrow's story will focus on the local effects of deregulation and future effects and trends within the industry.

By DAN LEVINE  
Collegian Staff Writer

Because of deregulation, the banking industry is entering a new age that will "eventually allow banks to show their personalities," the regional vice president of Mid-State Bank said.

Dean E. McKnight said, "There was a point where banks were heavily regulated and all banks were the same. Today that is simply not true. Each bank has chosen its own competitive environment as to what customers it wants to service."

"That's what deregulation is all about. (Banks) have the freedom to do whatever (they) feel comfortable with. That also gives the customer greater freedom of choice," he said.

McKnight said banks needed deregulation to compete with non-financial entities entering the banking field without regulatory restrictions, reserve requirements or regulatory agencies to control them.

Large brokerage houses, insurance companies and

investment firms encouraged people who carried large balances in banks to transfer their funds into the other institution's higher yield accounts, he said.

"We were not free to compete; we were seeing our deposit base eroded. What (the other financial entities) were doing was skimming off the very top deposits that were high balance (accounts)," McKnight said.

"The result of that was — and is under deregulation — that banks are paying higher interest to those people who keep bigger deposit balances, and those people who keep lesser deposit balances and have more transactions are paying more," he said.

However, McKnight said banks have not reached the point of charging realistic prices for the services a checking account provides. The average demand deposit (checking) account would have to pay service charges of about \$17 per month to pay for itself, he said, or the account would have to be maintained at a \$2,700 average balance.

Without deregulation, McKnight said other financial entities were drawing the big balances away from the banks, thus leaving the high transaction and low balance accounts — which are expensive to carry — to be handled by banks.

"That's why it was necessary that we do something to protect those big balances," he said.

Please see DEREGULATION, Page 20

## Alexander Court:

### Owners reactivate reduction

By ALICE RUDOLPH  
Collegian Staff Writer

A.W. & Sons Enterprise, owner of Alexander Court apartments, has reactivated its original rent reduction proposal to tenants in 21 medium-sized, two-bedroom apartments in the building, the general manager of A.W. & Sons said Friday.

Daniel Kienle said the offer is retroactive to the date the leases began on Aug. 22.

Under this offer, rent in those apartments would be reduced by \$38.65 per month until the termination of the tenants' leases. This reduction would be in addition to a \$10 rent reduction those tenants received in late August when they discovered that their apartments, then termed large, two-bedroom apartments, were smaller than

other large, two-bedroom apartments in the building.

Because the offer is retroactive, Kienle said tenants would also receive rent credits for September, October and part of August, plus a reduction in their security deposits for a total credit of \$130.55 for each apartment.

Last week A.W. & Sons sent letters explaining the offer to the tenants of those 21 apartments. The letter stated that a breakdown in communications between A.W. & Sons and the tenants had become apparent.

Kienle said some residents told him they liked the proposal and would discuss it with their roommates, because all tenants in an individual apartment must reach an agreement. Some tenants have said they need time to think about the offer, he added.

Kienle said he has set no time limit within which tenants in individual apartments must accept the offer. He said he would give the tenants enough time to "digest" the proposal before withdrawing it.

Sue Lord, a member of the Organization for Town Independent Students, said she hopes the tenants take the time to carefully consider the offer and determine whether it is equitable. They should think about what it means to them and whether it is what they are looking for, she added.

Lord also said she received on Friday final floor plans of Alexander Court, which the architect had submitted to Centre Region Code Enforcement.

She said the plans would be taken to a real estate appraiser to determine whether damages would be worth pursuing.

monday	
inside	
• The School of Music is organizing a choir tour of Europe.....	Page 4
• Phi Kappa Tau fraternity was fined \$25 for violating the Borough noise ordinance and charge \$25 for court costs.....	Page 5
• Sports takes a look at the Nittany Lions' victory Saturday over Brown.....	Page 11
• Arts previews the Douglas Albert Gallery's new fibre art exhibit.....	Page 18
• The Courts in a malpractice suit awarded the largest damage verdict in County history Friday.....	Page 20
index	
Arts.....	18
Classifieds.....	16
Opinions.....	8
Sports.....	11
State/nation/world.....	6
weather	
Partly sunny and milder today with a high of 56. Partly cloudy and cold tonight. Low of 36. Mostly sunny and pleasant tomorrow with a high near 59.....by Glenn Rolph	



Photo by Thomas Swarr

All together now  
Members of the Brown and Penn State Bands get together for a little fun during the game Saturday. Please see related stories, Page 11.