

A I F: The Final Report -- Passing the Torch

August 2003

Introduction

At Reunion 2000, when AIF still had a Board of Directors, it met upstairs in the Olive Kettering Library and talked about closing down. Friends of the College were still excited about our idea of pulling all Antioch operations, coast to coast, back into what everyone seemed to agree was the heart and soul of the institution -- its residential co-op program in YS. But the few people who run the AU Corporation hadn't even considered that idea, much less talked about it. And yes, it was their decision to make -- legally, financially, absolutely. It seemed to be time to fold our tents and let nature take its course. We decided that day to set and publicize a deadline for disbursing the Independence Fund, thinking that might stimulate interaction with the decision-makers. It almost did -- but not quite.

All that was three years ago. Looking back, it's amazing how many things did change, especially turnover in personnel - chancellors, board chairs, trustees, presidents, deans, directors, faculty -- all drifting in and out, mitigating against productive AIF/BOT discourse. What did not change in any lasting way was the official refusal of the trustees to enter into direct talks with AIF. The June 30th deadline passed with no agreement enabling AIF to release its Independence Fund to the existing institution; it went instead to over 100 tax-deductible organizations (including Antioch College/University) chosen by its donors. As for the idea, we leave it in the public domain, passing the torch to new strategists.

This final report is by no means the whole AIF story. Its purpose is merely to tell stakeholders what happened between our 2001 Annual Report (mailed June '02, when negotiations began to seem likely) and our last progress-report (mailed June '03 -- AU's administrative counter to our final 8 Proposals, plus AIF's immediate response). Nothing official transpired after that. Here's a preview of content:

[Page 2] 1-A chronology of AIF/ BOT negotiations, ruthlessly condensed

[Page 3] 2- What happened to the Independence Fund

[Pages 3-15] 3-AIF's major proposal(s) as submitted last November, and Pres. Straumanis' February reply

[Page 15] 4-Background on our 8 compromise proposals (mailed to you recently, so not included here)

[Pages 15-20] 5- Enclosures: Two recent AIF documents previously unpublished, and our final Endorser List

One last enclosure [pages 21-23], reprinted with permission from the 6/26/03 and 7/3/03 editions of the Yellow Springs News, describes AIF's denouement -- perhaps more even-handedly than the principal players might have done. Underlining, added by AIF, highlights basic information of interest to AIF readers who live far from Yellow Springs. What occurred between those two editions was AIF's deadline, ending the possibility of our huge lump-sum gift. Three days later, in an unprecedented budget- balancing move, Antioch officials had decided to begin liquidating College assets (real estate in YS).

Finally, a reminder that this is a direct report to AIF stakeholders -- yours to share. We offer no wider distribution, although copies can be obtained "at cost." Our sincere thanks to each of you for your participation over the years.

Katy Cobb Jako '54 and Connie Pelekoudas, AC faculty emeritus

1. Chronology of AIF / BOT Negotiations

Note: As potential donors since January 1997, AIF routinely asked the AU Board of Trustees (BOT) to discuss with us the College's status in the institution. Some private conversations occurred, but officially the BOT made no response, so AIF set a deadline for disbursing the Independence Fund.

July 2000: The AIF Board, after setting Spring'03 as its official end-date, asked for and was granted an introductory meeting with Chancellor. Jim Hall. Several broad issues were cordially and briefly discussed in his YSO office the next morning. Further communications took place by phone & correspondence.

April 2001: Mediator Dick Salem facilitated a YSO meeting between Katy Jako, Jim Hall and his assistant Paul Ewald. Five points of agreement were reached. One called upon Jako to write to the BOT's ad hoc Committee on Structure and Governance. She did so, but received no reply.

June 2001: Following the BOT meeting, it was reported that Chancellor. Hall, BOT Chair Krinsky and AC Pres. Devine were all "stepping down." Plans for replacements were vague, but Hall's contract lasted up until January '03, so informal AIF/ BOT contacts continued despite anticipated shifts in leadership.

Dec'01-Feb'02: Mediator Salem took the lead in arranging for AIF to meet with trustee leaders. Time, place, manner, and agenda were approved: 4 pm. 2/6/02, Los Angeles campus. One of the trustees phoned with apologies a few days before that date, saying "everything had changed" and the meeting was no longer possible. AIF tried unsuccessfully to reschedule. Craiglow replaced Hall in mid-February.

June 2002: AC's new president initiated a meeting in YS with some local AIF Advisors. It was their understanding that she had been authorized to represent the BOT in talks with AIF (then represented by Jako and Pelekoudas) during its final year. Salem offered to mediate/facilitate these discussions.

7/28/02: Without discussing content or implications, Pres. Straumanis flatly rejected AIF's initial proposal-- a brief outline of steps by which we thought an AIF/ BOT agreement might be attainable. It was tabled. She then described (and we discussed) her concept of AC's uniqueness/ centrality in the university, which she agreed to put into writing and distribute by mail for further discussion in August.

8/23/02: In a wide-ranging session focused mostly on Centrality, we talked about how trustees might endorse/implement that concept, and how it might be combined with AIF's first proposal, which had been tabled. AIF agreed to produce a new document that all three discussants could work on via emails, and that the president could carry to the BOT for consideration.

11/22/02: New comprehensive AIF document submitted to the president's office for BOT consideration.

02/24/03: President's reply by email. While its rationales/arguments were deemed plausible, she had *not* shared it with the BOT in February, and did not plan to do so. Two common concerns were noted in her reply: 1) ensuring BOT respect for AdCil's role in governance, and 2) clari! AC's control over its assets, possibly including additional legal safeguards -- a "firewall."

3/20/03: As a compromise, and building upon the common concerns noted above, AIF took its November document *off* the table, and substituted eight very specific proposals for changes in AU's existing By-Laws. Both parties and the mediator collaborated on revisions for a month.

4/17/03: Final submission of 8 AIF proposals to define the centrality of the College within the University.

5/31/03: Pres. Straumanis & Chancellor Craiglow countered with a 2-part Resolution (containing no changes in any By-Laws) for action by the BOT at their June 5-7 meeting. AIF's immediate written acceptance of this proposed action was requested, and the subsequent release of its \$1.22 million to Antioch College.

6/1/03: AIF replied. As an association with a clearly stated purpose, it could neither co-sponsor a Resolution wholly unrelated to that purpose, nor could it release the Independence Fund as a result of BOT action adopting said Resolution. No further written proposals were exchanged through June 30, 2003.

2. Disbursing the Independence Fund

The potential lump-sum gift represented by the Fund at its apex was \$1.22 million, free and clear. How much AIF spent is unknown; it came from volunteers' household budgets, unrecorded. But AU's 1987-93 Capital Campaign had spent up to 440 for each dollar raised, so 'free and clear' is significant.

The vast majority of those dollars were 'designated' long before AU replied to our final 8 "compromise proposals." In June, we sent the Secondary Designation (SD) list to donors who hadn't yet made up their minds, asking for their SDs. Most made their choices, and by July we were ready to do the arithmetic.

An estimated \$160,000 (13%) was in documented bequests to a 'more independent' Antioch College. That was deducted on July 1. Remaining for distribution to donors' SDs was \$1,058,600 in cash. Some donors (whose contributions were usually small ones never did furnish an SD, but our list clearly represented the charitable interests of most of our constituents. The sum total of all undesignated monies (including small quarterly dividends) was simply divided among SDs on the list.

The grantmaking process was long and complicated, but late in August all grant-recommendation forms had been completed, submitted, approved and if not paid were at least in process. You saw the SD list in June, so it's not included in this report. Everyone agrees that it is 'very Antiochian.' Educational organizations were the most popular category of recipients -- a huge variety of them. But by far the most money (though from fewer donors) went into medical research. Grants to the "Antioch" category (including the Review and the Glen as well as the Antioch College Annual Fund) = \$15,360.

So much for money. It was never AIF's main event, just its way of proving that College supporters would gladly pay for sorely needed changes in Antioch priorities, with \$1.22 M instantly available. Yet five people (3 chancellors, I trustee, 1 president) decided that AU would consider no changes of any sort -- and that was that! The money will still win victories for humanity, but not the ones we had in mind.

3. AIF's Major Proposals

This was an 11-page opus sent to Pres. Straumanis, the BOT's negotiator. We're including the whole thing -- partly to save time, but also because no other document contains "the case" that AIF presented (albeit indirectly) to AU trustees. You may prefer to skim it, which is fine, but its inclusion makes it accessible to the studious few. Only the size of the print has been changed, to save a little paper!

Here's an excerpt from the cover-letter, dated November 22, 2002:

"In this document, we want to back up and do a better job of describing the kind of agreement for which AIF seeks board approval, and to explain why we believe today's trustees might consider it. Both we and they are volunteers and investors. Their only reward and AIF's only reason for addressing them, is to see a better institution to invest in -- more competitive, more successful. So the argument we make is the oldest one in the books: enlightened self-interest.

"For fiduciaries, consolidating a small but complex school around the national college whose name it bears is a conventional way to reduce corporate costs and clarify future directions. But for this school, it can also revitalize both the original campus and its most generous donors. AC's well-known campus democracy is important to its faculty, its students and yes, its alumni. The lack of a truly self-governing community, not a problem for non-residential programs, is a predictable and recurring problem for a college with Antioch's history and public image.

"We begin with Centrality, adapted from your August proposal, and go on to suggest ways to implement that idea -- to make it operational. We do appreciate the magnitude & the difficulty of the task -- reflecting the magnitude/ difficulty of 'the problem.' Nonetheless, my guess is that some trustees understand the need for meaningful change and, as a group, they alone have the authority to bring it about."

[The rest of the document appears, verbatim, on pages 4 through 13.]

[AIF's Major Proposals, cont'd]

The Concept of Centrality

(adapted from Joan Straumanis' 8/18/02 proposal)

AU trustees recognize the College as founder and parent institution of today's university system. Antiochian values (e.g., education for citizenship and service to humanity) originated there, along with its distinctive co-op plan and Community Government. Throughout the institution's history, the centrality of Antioch College remains a simple reality in the minds of its major supporters, including (in all but a few of those years) its governing boards.

Pres. Straumanis suggests that the present Board is likely to agree with such a formulation, and to formally affirm the following ramifications:

A. The Board, its administrators and the non-residential campuses are each committed to maintaining the College as a national residential liberal arts program. However, the College is not formally and reciprocally responsible for the survival of the University or of any of the non-residential campuses.

B. The College has a unique relationship with the university Board. The other campuses have Boards of Overseers while AU trustees constitute the College's only external body providing both oversight and protection. It follows that (a) the Board is committed to the long-term financial stability of the College, and participates in Capital Campaigns that directly benefit the College, and (b) College leaders have special access to the Board, and vice versa, as needed.

C. As provider of venture capital in the past, and of most endowment funds to date, the College holds a unique financial position in the present system. Unlike other campuses, the College is not required to maintain reserve funds, nor does it contribute overhead for university maintenance. A previous debt, said to be owed by the College to the non-residential campuses, remains on the books, but the bulk of it was erased during the 2002-03 budgeting process.

By acknowledging the centrality of the College, today's Board indicates its willingness to consider further actions, consistent with the above statements, that build "the centrality of the College" into the formal organization of the institution.

The two characteristics of the agreement AIF seeks

1. It is institutional in scope, improving the College's status relative to that of other campuses

The degree-granting institution is one legal entity, incorporated in 1852 "to possess and carry on" a college in Yellow Springs under the direction of its trustees. The addition of distant 'centers' brought the status of the residential college into question (see Appendix A). Many Boards took specific actions, institutional in scope, to transfer assets and authority from the "YS campus" to System administrators, in effect lowering the status of AC. Now, with its traditional and informal centrality more widely accepted, current trustees can act to formally raise the College's position in the institution. E.g., by restoring 1) ownership! control of assets, and 2) AdCil's traditional role in governance, particularly in the selection of major policy-makers.

2. It is legal and binding assuring the long-term centrality of the College in the institution.

Any agreement resulting from these negotiations will represent a formal Board response to widespread concerns dating back to "the expansion," and is likely to include appropriate changes to the institutional charter. As such, we believe it warrants direct consideration by trustees whose charge is to protect the institution as a whole, and to safeguard its future.

[AIF's Major Proposals, cont'd]

Current events that argue for an agreement in 2003

A. "Tidal Wave II" -- positive but temporary demographics

Children of the 'boomers' now provide a huge over-supply of college-bound youth, but the 'wave' flattens out about 2010, so competition among independent liberal arts colleges will tighten. With its 'centrality' and control of assets assured, the College needs those last 7 years of the wave to build enrollment and regain a competitive footing among its traditional peers.

B. An endowment campaign that needs to be ignited

Legal ownership & control of Antioch's endowment are stubborn issues of concern to College donors familiar with the school's fiscal history. The 2003 Board, by acting to implement the concept of centrality, can directly address and relieve those concerns. That could get the Campaign rolling.

C. Antioch College Sesquicentennial -- a potential PR windfall

An "AU Sesquicentennial" has no positive PR value. Antiochians and H.Ed. professionals who know the history will scoff. But stories on the 150-yr celebration, combined with "news" of Board actions to enhance the status of Antioch College, would surely be picked up by the press and seen by many of 'the disaffected' as a new and exciting reason to re-connect.

D. New Trustees on the FY2003 Board

At least 60% of the present voting members were seated in 2001 or 2002. (One first came aboard in 1980; all others (8) from '95 to '98.) Today's Board played no part in re-structuring the school as a "federation" in 1992. Yet they may be called upon to judge the efficacy of that unique and complex structure, or to improve upon its cost-effectiveness. This agreement can be a step in that process.

E. New administrative talent at all levels

The chairman of the Board, AU's chancellor, and AC's president (plus 2 other presidents) were all appointed Feb through June of 2002. Yet top-level leadership, so necessary for the College but so difficult in the present federation, remains unsettled. If this new team can work out an agreement with AIF for a more conventional model, it may slow down turnover rates and increase stability.

F. New acting Chancellor: a gift of time

Antioch is poised between its 18th and 19th administrations. Three of the last four brought about sweeping organizational changes, leaving behind a small school unsure of its direction. Jim Hall, the first to be hired as a Chancellor, tried to lead by constant negotiations and resigned early. With no rush to launch another Search, implementing Centrality can help to improve the job description.

G. The end of AIF's timetable

The million dollars is but a drop in the bucket, donated by a handful of 'friends of the College' -- those we happened to contact. Each person we did contact stands for hundreds that we didn't. Why turn it (and them) down without responding to the fundamental questions they raise? Their Fund is evidence of widespread concern about the status of the College among would-be donors -- and of their fervent hope that it can be improved. It should also be an incentive for the Board to restore to the College its status as the degree-granting institution -- not one of several, but the one authorized by the Ohio Board of Regents to grant Antioch degrees regardless of where they are earned; and the one that decides what it takes to earn one.

Sixteen trustees (9 from 'centers') attended the 1977 meeting that, at Pres. Birenbaum's request, transferred that authority to a previously non-existent university. As an institution, that university has gained neither academic recognition nor firm fiscal footing. Yet no one (except AIF) has asked them to transfer it back to Antioch College. Pres. Straumanis could do that. They just might do it. That would make headlines in the N Y Times Education section - free!

[AIF's Major Proposals, cont'd]

Centrality of the College -- What's in it for the trustees?

A. A leader who "can run a tight ship

The 1984-85 Board, facing serious leadership problems, provided the model by hiring Pres. Guskin to rebuild the College. For six years he used 'the centrality of the College' to pull Antioch together in YS. He set priorities, cut costs, gained the confidence of 'friends of the College' and conducted a successful Capital Campaign. Then, inexplicably, he de-centralized it: increased costs, decreased its ability to live within its means, and replaced institutional leadership with constant negotiations. Ten years later AU is like a fleet of ships, each with its own compass, in its own ocean, with no flagship. Current trustees' acceptance of College centrality, and a search based on that concept, can give them the leader they need -- one who can run a tight ship and can say where it is going.

B. As an alternative to "federalism," it can lighten their work-load

This "federal model" (a name Pres. Guskin chose for his decentralization plan) is otherwise non-existent in H.Ed.. For 3 decades and led by 3 presidents, Antioch trustees approved 3 big changes: the network in '72, the university in '77, and the 'federation' in '92. In each case, fiduciary oversight became more difficult. Trustees had to make planning decisions formerly handled in the context of a central campus, informed by institutional research and with active faculty participation. Now, with no central campus and no system-wide research, all six components try to define AU's goals and policies. Even so, ULC decisions go first to the Chancellor and then to the Board which has become, by default, the only body left to struggle with big issues -- like The Future of Antioch.

C. A timely surge of investor confidence

Non-residential units are more "pay as you go" operations, so it falls mainly to the College to attract the long-term support that can raise this institution's bottom-line. Cash (e.g., endowment) from alumni & friends is a start. But equally important -- moreso in the long run, since their competence and enthusiasm determine program quality -- are (1) the faculty & staff who invest their careers and (2) new students & their families who invest pivotal years of their lives. Clearly, the confidence of all three groups was badly shaken years ago. Firm assurances of 'the centrality of the College' in Antioch's future plans can give it a big boost.

D. A sense of accomplishment among trustees themselves?

Comments of former members seem rarely to reflect fond memories of the trustee experience, and the composition of the current Board (see Current Events-D, above) indicates considerable turnover since 1991 -- the 'freshmen' who, had any of them remained, would now be completing term-limits. 'Centrality of the College' is a fundamental issue that Boards since the mid-60s have either struggled with or struggled to avoid. Regardless of what decision they make, it's an issue that deserves a place on their agenda, and one that they have to feel good about addressing.

E. A more competitive institution -- one they can brag about

Trustees are busy professionals with other things on their minds, not typically looking to move mountains. Still they give time and talent to protect a school that can be as competitive as any in the nation. Neither educators nor financiers ever laid plans for a 5-campus system called Antioch University, yet that's the hand today's trustees were dealt. Its history is written, but they can claim bragging rights for its future, knowing full well that in the private sector, schools that can't compete have no future. AU's competitors range from Brandeis to the Univ of Phoenix -- not too hopeful. AC's competitors range from Bryn Mawr to Wartburg - familiar territory. Trustees cannot wipe out the competition. They can, however, choose the race Antioch can win.

[AIF's Major Proposals, cont'd]

Centrality of the College -- Implementation

We agree that it's good to articulate the idea of the College's centrality, and for the Board to formally accept statements to that effect. But AIF's interest is in implementing that idea -- to actually put the College at the center of the institution. Our July "outline" made only brief mention of the two alternative proposals that are discussed in some detail on the following pages:

A. To unify the institution: Designate today's system as Antioch College

This one reverses the name-change that Pres. Birenbaum talked his Board into adopting in 1977. It would be the most exciting for our endorsers, and would generate the best "press."

OR

B. To de-federalize the university: Make AC (the principal campus of AU

This one reverses Pres. Guskin's administrative re-structuring plan which gave us the "federal model," board-approved in Feb '92 and slowly implemented through Feb '98. It won't make the same splash in the press, but it can bring the campuses into a better balance and can improve the prognosis for the College.

Both alternatives represent ideas that our endorsers expect us to discuss with the Board. Their donations were made with the understanding that we would "make the case" for them. Since our initial 'outline' was quickly tabled, we present them again (with background and rationales previously omitted) as ways and means of building upon and implementing the Centrality concept.

We also recognize that **other paths to an agreement** might be explored as well. For example:

1. The notion of AC itself being incorporated as a separate legal entity with ownership of assets, but still connected to an AU Corp., conceptualized as the "holding company."
2. Establishing an **AC Foundation**, again a separate (501c3) entity with legal ownership and control of College assets, **to serve as a 'firewall'** of sorts. Preliminary research indicates precedents for arrangements of this nature at other college/ universities.

In short, today we are replacing AIF's earlier "outline," tabled in July, with the two alternative Proposals that follow. Hundreds of Antiochians view them as reasonable ways to revoke certain policies that preclude centrality for the College. Voting members of the Board may even share that view -- no way of knowing until they are made aware of it.

At the same time, we leave the door open to any promising ideas that may hold hope for an early resolution - the two outlined above, or others that may emerge. A "more independent" College (less subject to external authority/jurisdiction) is still our goal. To that end, we hope to shape a single proposal that all of us directly involved can support, that can justify AIF's gift, and that Pres. Straumanis can present persuasively to the Board.

(1st alternative) **A Proposal to Unify the Institution:
Designate today's 5-campus system as Antioch College**

By far the most efficient, cost-free and non-intrusive method of achieving AC's legal, financial and psychological independence is the one that Antioch College trustees adopted in Oct 1977: a simple name- change. Their action, fully implemented in the next **11 weeks** through the Ohio Board of Regents, defined Antioch as an independent university (AU) with some 25 or 30 loosely joined and fairly entrepreneurial units, all but one providing adult and/or professional training. Ownership of all institutional assets, tangible and intangible, automatically transferred to the new corporation. More difficult to transfer, however, were the school's reputation, image and educational mission. All three became and have remained ambiguous since then.

[AIF's Major Proposals, cont'd]

It was something of a de-facto change. The 1976 *Carnegie Classification* had already moved AC from edition (plus one in between) classified AU as "LibArts I." So that same 1977 argument (i.e., that the new name is "a more cogent presentation of what Antioch really has become") applies again in 2003. The four remaining regional programs are highly productive, but each is known only within a modest radius of its site. The College, while far less productive, still provides the institution's heritage and public "image" which, nationwide, remains that of a "distinctive liberal arts college." It also provides the bulk of the university's donors and endowment. So which shall it be and why? Only the Board can decide which designation is more advantageous to the future of the institution.

This idea has been around for decades, usually expressed as a question: "Why does the College need a university?" or "How does having a university benefit AC?" or similar. The reply is invariably "Money -- they have it, we don't." The reason they have it is because the school was re-named. It remained the same school, with the same amount of money. Only the ownership changed. The 1977 Board *decided* (along with Pres. Birenbaun) that it was *to the school's advantage* to be called a university. In fact, as things turned out, it was not to the school's advantage. Enrollments declined further, more "centers" were closed, fiscal problems worsened, and that president was urged to resign with his university in shambles. Had a charismatic leader emerged at that point with a comprehensive plan to re-incorporate rather than merely/rebuild the College, the 1985 Board might have cheered. That didn't happen, of course, but this is 18 years later. It could happen now. There is precedent.

The last ten years ("federalism") again weakened the College's position vis-a-vjs the rest of the system, while the university as a whole also suffered declines in enrollments, fiscal shortfalls and changes in its leadership structure. Yet in 2002 the Straumanis presidency seems to have gained the confidence of the Board while AU Chancellor Hall vacated his position 10 months early, leaving future *institutional* leadership up for grabs. Clearly, this will be another year of hard choices, especially at the College. The 2003 Board might be ready to decide that, all things considered, it may indeed be *more advantageous for Antioch to be called a College*.

As to its being "efficient, cost-free and non-intrusive," just a few words about each claim.

Efficient: Authorizing a name-change takes less than an hour. Even in the organizational chaos of 1977, it was done with one vote, and charter revisions were completed shortly thereafter. Today, all five units are firm and stable. Every educational function of the university continues within an institution whose name is recognized and respected nationwide, in keeping with the 'centrality of the College.' Once trustees adopt that goal, the overall design falls easily into place and can be implemented in due course, without disturbing any ongoing educational process and with very few personnel changes.

For example, bringing graduate programs into the College creates the need for a new position that for now we call Dean of Graduate & Continuing Education. As liaison between the College and its non residential campuses, s/he provides leadership & oversight, and reports to the president. That office would also be responsible for most of the coordination of budgets & programs now handled in the Chancellor's Ofc, which can gradually be phased out.

Cost-free: Except for a boost (from AIF) in gift-income, budget impact of this option is likely to be negligible in FY03, and favorable from FY04 forward. Phasing out the Chancellor's Office will decrease overall operating costs. AC's legal ownership of its name, heritage, endowment, real estate and affiliates (like WYSO and the Glen) is sure to have a positive impact on the generosity of its alumni and friends. Regional campuses continue to be self-sufficient as always.

Non-intrusive: No educational program is affected by implementing this option. Rather than comprising a "university system," the five would comprise a residential liberal arts college with external graduate and degree-completion programs. The non-residential programs remain "semi-autonomous" as always. Each recruits and maintains faculty, staff and students for its programs, so in that sense their institutional status is unchanged. A new "deanship" enhances their ability to collaborate with one another. But other than that, they are free to maintain their regional identities and serve their own communities, with no routine involvement in College governance.

[AIF's Major Proposals, cont'd]

We fully acknowledge the political difficulties that accompany this name-change proposal. We really don't know how President Birenbaum persuaded College trustees to adopt the previous one, but he did. So if "history repeats itself," this seems like the right time for someone to present today's University trustees with the same opportunity -- one that allows them to adopt a new vision and a new name with which to kick-off a successful Capital Campaign. -

Every Board from FY79 through FY02 did its level best to implement the Birenbaum vision without further damaging the College. As a result, AC has survived on subsidies from the non-residential campuses. But now it needs more than that. It needs a plan for getting through the next ten years.

(These 7 "Implications of this Proposal for ..." appeared on a separate page.)

1) Implications for the changed role of the College, if any:

- a) It is the main campus — it owns and administers the larger institution. Other campuses are semi-autonomous branches.
- b) Its president is CEO.

2) Implications for any name changes that follow from the changed role:

- a) Antioch College, in its own name, is an IRS-approved 501c3 Non-Profit organization eligible to receive tax-deductible gifts and bequests directly.
- b) It is owned by the Antioch College Corporation and overseen by the Antioch College Board of Trustees
- c) Ohio Bd of Regents would designate it as a 'college' rather than as a 'university.'

3) Governance implications:

- a) Add a liaison (Dean of Grad/Cont'ng Educ) to coordinate! oversee programs & budgets of the non-residential campuses, and who reports to AC president (See above, under 'Efficient' and under 'Non-intrusive')
- b) AdCil's traditional role in institutional governance is fully restored.
- c) Chancellor's Office is gradually phased out
- d) BOT still has final oversight of everything, but the entity they protect is a college with external programs. It no longer strives to become "a real university" or to compete with leading private universities nationwide.
- e) Other campuses are relatively self-governing, but they play no formal role in College governance. Their Dean" represents them, and may assemble a Council similar to ULC to promote planning, collaboration, etc.

4) Legal implications:

- a) AC ownership of all institutional assets, both tangible and intangible.
- b) Nothing in the proposal about this yet, but we assume that other campuses could "opt out" of their affiliation with the College if they so desired.

5) Accreditation implications:

- a) Extremely positive we believe, as long as the ratio of assets to liabilities improves.

6) Implications for the adult campuses:

- a) Some may worry that in this new model, the work of the graduate/adult programs may be de-valued. To us, that seems highly unlikely — not only because of their financial stability but also given the very positive tone of the Straumanis administration.
- b) Their Registrars are "branch administrators" of the main RO in Yellow Springs, in order to promote consistency of 'policy & procedures.' That's the front line of quality control, without which an Antioch degree loses value.

7) Implications for the University:

- a) It is replaced by the College. Same corporation — different name — revoking the October 1977 Board's "name change" Resolution.

[AIF's Major Proposals, cont'd]

(2nd alternative) **A Proposal to Dc-Federalize the Institution**

Make Antioch College the Principal Campus of Antioch University

Our July proposal mentioned this idea, but it was not tied specifically to the College. This time, we offer it as a second way of implementing 'the-centrality of the College.'

Tried and true. it's the conventional model

The fall 2000 edition of Antioch Notes (Vol 64, No. 1), "Federation: Revisiting Structure and Governance at Antioch University," provide this overview:

"Some independent universities operate at multiple sites, but with a very few exceptions these sites are branches of the principal campus, which administers most of their internal academic and fiscal processes." (p. 6) (James W. Hall)

If the vast majority of such private universities give a principal campus overall responsibility for academic & fiscal administration, AU might well do the same - for budgetary reasons if for no other. In fact, until 1972 when it had over 20 'centers,' Antioch was a good example of the principal-campus model. Then, perhaps for expediency, Pres. Dixon "split" his administration in two, leaving prior governance processes ineffective, and putting more decisions into the hands of trustees and/or personnel from the new 'centers.' Despite all the gradual consolidations and dual-presidencies since then, that "split" has not yet been healed.

2003 could be the right time to do it. AC's sudden expansion was indeed difficult and controversial, but those disputes ended long ago. Today's non-College programs are stable and well administered at their respective sites. For at least a dozen years now, their relationships with the College have been good. The Straumanis administration seeks to improve them further, while still maintaining the basic centrality of the College. This model can help her to do both.

This conventional model can also promote objective system-wide institutional research and planning, so useful for decision makers at other schools. Rather than ignoring the distinctions between the two kinds of education AU offers (residential LibArts, and non-residential graduate! continuing), AU can design a coherent and potentially competitive institution. It can deal purposefully with the differing needs and contributions of its two circular components, while realizing the economies that other multi-campus universities in the private sector already enjoy.

Antioch's experiment with NO principal campus (i.e.. the "model")

That same issue of Antioch Notes indicates that the NCA, in its 1993 accreditation review, asked for evidence that would support the efficacy of the federal model, a plan to (a) remove AC from its 'central' role by putting all five units on the same line in the organizational chart, and to (b) replace a dual- presidency with I chancellor and 5 presidents. Such evidence was not available in 1993, as it was only a plan, gradually implemented through early 1998. So in order to prepare for this year's NCA review, the Chancellor inquired into its early outcomes. He found that:

"Since implementation of the federal model, the university has experienced almost complete change in its leadership; it has experienced a modest down turn in student enrollment, placing real constriction upon available revenues; and it has seen an absolute decline in the extramural support that funded important new creative efforts in the past.

"These changed conditions require that we reassess the model's appropriate ness for the future. Other models can be conceived in theory. Other models might work in a different campus alliance. ..." (p. 9) (James W. Hall)

[AIF's Major Proposals, cont'd]

O'Toole & Bennis, experts on corporate and governmental federalism, call it "a difficult structural form to manage — perhaps the most difficult...." They recommend it for huge monolithic organizations (e.g., the Republic of China) that need to be broken into manageable units. Higher education contains no such organizations. Regardless of size, institutions are inherently sub-divided by discipline, by purpose, by level, by geography, etc. -- *none* more so than Antioch. Thus, the rationale for restructuring AU as a 'federation' has always been somewhat unclear.

With no other 'federated' schools to go by, AU is a case-study. And as an experiment in system governance it seems to produce mixed results. *As a university*, the negative results noted above have continued. The chancellor it recruited left office early; turnover among trustees seems higher; budget shortfalls are still common, etc. *As single units*, we can only assume five different results, some more positive than others, but the impact of "federalism" upon the College was wholly negative. When College and University were perceived, both in YS and nationwide, as one institution led by one president, both gained stature and acceptance in the public eye. When perceived as dissimilar, led by different people in different places toward different missions, that public acceptance falters.

Problems with the ' leadership structure

Chancellorships belong in huge, comprehensive systems in the public sector. An article in the March '96 *AAHE Bulletin* (p.7) says, "... we've reached a right compromise with the term, reserving it for heads of state systems of higher education." Until 1997, Antioch CEOs were hired to "preside" over a small school in the private sector, as Pres. Guskin did through FY94. But his Decentralization plan called for employing both a non-CEO/ president (Crowfoot) to lead the College and a CEO/ chancellor (himself) to lead the University -- i.e., to (1) coordinate its five programs and to (2) act as gatekeeper between the 'main campus' and the Board.

That arrangement, further separating top-level decision makers from the educational programs they serve, was difficult from the start. The new title passed from Guskin to Watts (Acting) to Hall to Craiglow (Acting). Let's examine the two main functions of this experimental Chancellorship, and ask how it might be modified to enhance the 'centrality of the College.'

Program coordinator The NCA approved Antioch's first Masters program in 1962, and countless others since then. So far no CEO has yet sought a qualified Dean of Adult Graduate studies to lead & coordinate those programs, but it would still be timely in 2003. Such a Dean, reporting to the president, sustains the logic and the economy of the principal-campus model. Today, with only the College and four stable, well-administered campuses remaining, there is every reason to question AU's need to pay a Chancellor top dollar for work that a CEO is not really in the best position to perform, since it is basically curricular in nature. That function can be handled more effectively, and at lower cost, by a Dean with expertise in developing solid, reputable graduate programs.

Gatekeeper This function is essentially an artifact of the Chancellorship itself. From FY88 to FY95, the president of the 'main campus' was also the president of the university, so access to the Board by one was automatically access by both.. While never formalized, that arrangement had many positive fiscal & academic impacts: a successful Capital Campaign that pulled the University out of fiscal crisis, the best accreditation report since 1958, improved morale in YS and among Antioch supporters nationwide, etc. By comparison, the Chancellor-led years after FY95 have been problematic, mostly for the College but also for the system as a whole.

President Straumanis clearly favors greater collaboration between AU's programs, and envisions a future in which both College and graduate schools contribute to its success. With the "new Dean" in her cabinet to handle routine coordination and leadership "in the field," she would seem to be ideally suited to lead the institution forward. The principal-campus model provides a vehicle for doing that, non-intrusively and non-disruptively.

[AIF's Major Proposals, cont'd]

(These 7 “**Implications of this Proposal for ...**” appeared on a separate page.)

- 1) Implications for a changed role of the College, if any:
 - a) It becomes the main campus of Antioch University and plays a larger role in its administration without affecting ownership by the AU Corporation.
 - b) Its president may eventually become-CEO, but that could be a 2- or 3-stage process involving a new Deanship and a gradual transition.
 - c) Rather than “1 of 5 campuses,” the College is “1 of 2 curricular components,” linked by a new Dean who leads and coordinates the non-residential campuses.

- 2) Implications for any name changes that follow from the changed role: [none]

- 3) Governance implications:
 - a) President of AC doubles as President of AU, and speaks for “Antioch.” S/he is selected jointly by the residential campus community (AdCiI) and the Board of Trustees. S/he chairs AdCiI, Faculty mtgs, etc. re: campus governance; and consults w/ new Dean re: institutional goals and policies.
 - b) Dean of an Adult! Graduate division reports to President and speaks for the Network. S/he is selected by and chairs a “Network Leadership Council” (or similar). Subject to normal Board oversight, s/he provides leadership for non-residential campuses.
 - c) The Chancellor’s Office is gradually phased out as collaboration between new Dean and AC President becomes effective. Univ-wide staff reports to Acting Chanc during transition; then to President. VP/Finance and VP/Devmt positions move into the principal campus.
 - d) Chief administrators of Network campuses complete tenure as presidents; their future replacements may be hired as provosts.

- 4) Legal implications:[none]

- 5) Accreditation implications: Quite positive in several respects.
 - a) NCA always criticizes AU’s failure to use data-driven institutional research for planning purposes. As presently ‘de-centralized,’ comparable system-wide data (e.g., on enrollments, completions, programs, costs, etc) are virtually impossible to compile. This model addresses that problem by combining 1) a system-wide RO on the principal campus + “branch registrars” at other sites, with 2) access to MIS data so necessary for administrative planning & cost control.
 - b) The obvious economies of RE-centralizing functions will reduce AU’s administrative payroll dramatically, improving its ‘precarious’ financial status, another NCA concern.
 - c) The matter of “institutional mission” is always central to accreditation reviews. AU’s mission, defined somewhat differently on each campus, is difficult to articulate; it’s equally difficult for the NCA to assess the degree to which the school as a whole is achieving it. The 2003 team would likely welcome news of a “de-federalized” institution led by a principal campus that they already understand.

- 6) Implications for the adult campuses:

Educationally, none — programs are unaffected. Only their roles in governance change.

- 7) Implications for the university:

The major impact of a principal campus model will be to clarify Antioch University’s image in the outside world, where it has been blurred for its entire 25-year history. That, in turn, can have a benign effect on recruitment and retention at all levels, from students and faculty through to CEOs and trustees.

[AIF's Major Proposals, cont'd]

Appendix A

Board actions affecting the college's institutional status

1853 -1962	Single-campus liberal arts college (OH) w/ some overseas AEA sites 1957+	1
1963	Acquired Putney GSE [School of Education] (VT)	2
1966	Added another GSE (DC) -	3
1967	Added 2 GSEs (OH, PA) and another Center (HI)	6
1968	Another GSE (MD)	7
1969	Another Center (MD)	8
1970	Added 5 Centers (MD, DC, TX, NY, OR)	13
1971	Added 7 Centers (PA, CA, NY, WV, MN, NM, TX)	20
1972	Added 5 Centers (OH, CA, DC, NY, MD)	25
[1972-3	By-Laws revision defined Antioch as a 'network,' not a 'college']	
1973	Added 6 Centers (MD, CO, TX, MN, BC, MA)	31
1974	Added 2 Centers (IL, AK)	33
1975	Added 3 Centers (CA, WA, OH)	36
1977	Added 1 Center (CA)	37
[1978	AU Corp replaced AC Corp as owner of all assets]	
1979	Added 1 Center (HI)	38

The bulk of the expansion took place during the Dixon administration (1959-1975), and 3/5 of all additions occurred in four years, 1970 through '73. By the time his presidency ended in 1975, Antioch College was not classified (in the Carnegie publications) as a selective liberal arts college, but as a less- selective comprehensive university.

Closures (or mergers, transfers, spin-offs, etc.) began in 1969, accelerated in 1974 and continued through the Birenbaum administration (1976-1985). With the change of corporate ownership, all institutional assets were transferred to the University by 1978, and the College began to be "subsidized" by the more profitable centers in 1978-79. Interestingly, the much downsized University was then re classified as a liberal arts college.

Facing fiscal crisis, the 1984 AU Board, used its authority to bring the focus back to YS. Pres. Guskin centralized the system cost-effectively around the College, assumed simultaneous leadership of both entities, directed the last closures to date about 1990, regained a measure of alumni support, and conducted a highly successful capital campaign which, for a time, improved the fiscal health of the entire institution. Yet no steps were taken to codify those changes.

Led by the same president, the 1992 Board reversed course by adopting his policy of "Decentralization" ('federal model'), still in effect. It puts all five remaining campuses, including the College, on the same line in the organizational chart, negating the 'central position' it had held informally and temporarily.

----- end of Proposals submitted Nov 22, 2002-----

So, patient reader, that's the package that AIF commended to the trustees' attention toward the end of last year. Even a brief hearing at their Feb '03 meeting, we reasoned, could open the door to direct talks in time to reach an agreement of some sort before our deadline.

A long and thoughtful reply came from Pres. Straumanis by email on Feb 24, 2003. It was copied to a number of people, so now that confidential negotiations have ended, we can share it with you:

Katy, please forgive my unconscionable delay in replying to your very careful document, but the College has suffered a series of significant difficulties this winter that have taken my full attention. In addition, preparing my analysis and response was quite a challenge for me. I hope that what follows is as respectful of your efforts as I mean it to be, and proves helpful in moving us forward.

[AIF's Major Proposals, cont'd]

I very much appreciate your perception of the concept of Centrality as a breakthrough and a basis for further discussion. I hope that my inattention has not been too much of a distraction, and that we are able to pick up where we left off - with an exchange of proposals about how best to ensure and institutionalize that centrality in practice, so as to address the core concerns that led to the original formation of the AIF.

What I heard your message to be requesting, and why.

You are requesting two specific actions to be taken by the Board of Trustees:

1. Change the name of Antioch University back to Antioch College.
2. Change the charter of the University so that the College is the "principle campus", with the president of the College serving as president of the whole five-campus system as well (the "early Guskin" model). A new Dean of Graduate and Continuing Education, reporting to the President, would be responsible for management of the four non-residential campuses.

While I am sure I will not do justice to the nuances of your extensive argument in doing so, let me summarize your reasons by saying that you attribute many of the College's difficulties during the past decades to ambiguity in its external identity and reputation, and weakness of the College's position within the University. Although you have argued in the past that the University structure is inefficient, and that considerable savings could be realized by the simplifications suggested here, such an argument is mentioned only in passing in the present document.

My general response to your proposals.

As you will recognize, many of the points I will make here have been a part of our oral discussions at three meetings during the past year.

Your plan is a plausible one, and arguably has some advantages over the present University structure. It would be well worth considering as an option if we were in the process of creating a new institution from scratch. It might even have made sense as a proposal for the operating structure of Antioch when the decision was being made during the 90s to separate the administrations of the College and the University.

But my position is that the current structure is functioning reasonably well, at least well enough so that spending the enormous amount of energy and political capital it would take to change it cannot be a priority for me. Furthermore, I simply am not persuaded that the problems the college has suffered flow significantly from the institution's structure, or that changing the governance structure or name would have any real effect on the reputation or financial health of the College (with the notable exception of the good that would certainly come from the AIF gift itself).

I am forced to regard the changes you propose to be mostly symbolic, and without the potential for significant real impact even if they were to be implemented. Some of your arguments seem to rest on the assumption that the world pays attention to our name, and our status as a university, and would give more attention to us if these were altered. My experience is that this is far from the truth. Even our own constituents and our Yellow Springs neighbors are sometimes confused about our name and our structure, and while the world does indeed know the name "Antioch", it knows and understands little about the issues which concern you and your members. Our reputation as a College - such as it is - will not change if we change our name or our structure. We retain the name College for most practical purposes, and are known as a college by our current and prospective students, and by the consortia to which we continue to belong - consortia consisting exclusively of liberal arts colleges.

For these reasons I can't be your partner in presenting or promoting the changes you propose to the Board of Trustees. However, since I am interested in real change, real centrality for the College within the University, I maintain hope that we can find common ground. I would like to put further energy into two main points for further discussion:

1. Strengthening the role and recognition of AdCil in choosing College leadership, and ensuring that the Board respects that role.
2. Reassuring all constituencies that the College is viable and gaining strength, and that money contributed to the College for use by the College would never be used for any

[AIF's Major Proposals, cont'd]

other purpose. Perhaps there are additional legal safeguards - a "firewall"- that could be put in place for this purpose, but my belief is that restricted funds must, by law, be used for the purposes established by the donor. Of course Antioch is committed to carrying out the wishes of its donors. We are launching a Capital Campaign on behalf of the College (not the University), so this message must be credible to our alumni and other donors, or the campaign will fail.

I hope that you, Katy, and the AIF fund will provide the leverage needed to secure the first goat, and that I can help AIF members find a way to the second.

I have made detailed notes on the various points made in your document, Katy, and I will either write them up for you or FAX my annotated copy to you before our next meeting.

Believe me, I share your goal of "a more independent College (less subject to external authority)." My constant refrain is that I want to leave Antioch College financially and psychologically autonomous and healthy. Let's work together towards that end, making real change and healing the divisions that exist today.

Donors to AIF are among those who love the College most, and I want to re-inspire them to contribute their energies as well as their material support, especially in time for the Capital Campaign, especially in time for the Sesquicentennial. If we cannot come to agreement, Katy, and have no resolution to announce, we will leave a generation of alumni worrying and wondering whether the College is worthy of their support. Please help me to bring them in from the cold!

Many thanks for all your efforts and for listening to me, too. Yours, Joan

[Note to readers This ENDS the 'Major Proposals' section. Returning now to Final Report.]

4. AIF Compromise: 8 New Proposals

The only reason for this brief section is to explain AIF's sudden and drastic "change of course" in early spring 2003. You got the 'new proposals' with our June progress report, so they are not included. Here we briefly recap the process that led up to them.

The president's reply (above) made it clear that, for whatever reasons, the 2003 Board had not seen our 'major proposals' at all. If there was to be any chance for an AIF/ BOT agreement enabling the Fund to go to the College, it must be based on a new AIF initiative — simple and concise, one that could be discussed and voted up-or-down in the few months remaining on our calendar.

Months earlier, an attorney with expertise in higher education law, affiliated with neither AIF nor AU, had critiqued AU's By-Laws with an eye to improving AC's position in the university. Antioch had amended its by-laws more or less constantly since the 70s, so that was a familiar route for trustees. For AIF, it was a massive compromise, but one we felt we could defend as small but meaningful steps toward the original "transition" to which AIF'ers had contributed so generously. Our eight proposals were submitted in March, and the mediator worked with both the president and AIF on revisions for about a month. The final revised version went to the president's office on April 17.

AIF had let it be known informally that AC's gift of \$1.22 M depended mostly upon BOT action on only two of the proposals (1 & 8, corresponding roughly to the two areas that the president's Feb 24 email had suggested for further discussion). #1 was about legal control of AC's gift income, including almost all of the university's endowment. To serve as the needed "firewall," AIF proposed establishing an Antioch College Foundation into which all AC monetary assets were to be transferred, and into which the Independence Fund could be deposited forthwith. #8 restored AdCil's governing role in the institution, which had been deleted from Antioch's charter when it was legally re-designated as a university in the late '70s.

You know the rest of the story. Not only were none of the proposals acted upon but, as far as we can tell, voting members of the Board didn't discuss them at all. It was an executive decision made by four salaried employees and approved only by the Board Chair, all five being quite content with the status quo.

[**Note to readers:** That completes the text of our Final Report. Pages 16-20 are enclosures, FYI.]

A Short History of Antioch's Chancellorship

- 1990-91 First envisioned by AU/AC Pres. Guskin, in his "administrative restructuring plan."
- Feb. 1992 Proposed to! approved by BOT, as part of Decentralization (later called Federalism)
- Spring 1993 Efficacy of the federal structure was questioned in NCA's accreditation report.
- July 1994 Both the Chancellorship and a new (separate) AC Presidency were implemented.
Guskin titles: Chanc. of AU and Pres. of the AU Corp. Crowfoot title: Pres. of AC.]
- Oct 1996 Crockett/Mulhauser proposal (to reinstate AU/AC dual-presidency) defeated by BOT.
- April 1997 The first Chancellor-Search was launched; advertised in Chronicle of H.Ed.
- Aug 1997 James W. Hall appointed Chancellor for five years, Jan1998 through Dec 2002.
- Sept 1997 Chanc. Guskin left office, moving as a tenured professor to the Seattle campus.
- Oct 1997 Interim Chancellor (and AU VP/Finance) Watts served for 3 months.
- Jan 1998 Chancellor Hall took office in Yellow Springs.
- FY2000 Noting fiscal problems, Hall suggested a comprehensive review of the federal model.
- June 2001 Ch. Hall declined to seek contract renewal; planned to retire as of January 2003.
- Feb 2002 BOT replaced Chanc. Hall. *Acting* Chanc (& A/NE Pres) Craiglow remained in Keene, NH.
- June 2002 Trustees postponed plans for a 2nd Chancellor-Search, leaving Craiglow in charge.

In FY01 the cost of this one position, first budgeted in FY95, was \$204,000 [60K in salary + \$44K in benefits], per data from the 11/22/02 Chron H.Ed. Four men have held it but only one, who resigned early, was recruited through an academic search process.

Following NCA-mandated closure of two big campuses in 1990, Antioch was cost-effectively centralized around the College. From '86 to '94, one president led the college, the university, the corporation, and Antioch's most successful Capital Campaign. FY03 trustees might do well to consider the advantages of adapting that basic leadership structure to their present needs: to (1) develop a competitive institution, and to (2) conduct another successful Campaign.

No other 'federation' has ever existed in higher education. Pres. Guskin's plan, seriously questioned by his own VP/Finance, was Board-approved with no hard data re: its probable impact on university-wide budgets, or on governance/leadership in general. Many questions were raised later-- by the NCA, by AC (faculty, alumni-board, donors), by trustees, even by the CEO hired in 1997. The brief, unquiet history of this chancellorship seems to suggest the need for revisions in order to attract and retain strong candidates in the academic marketplace.

Katherine L. Jako, 2/20/03

Antioch Investments: 1963-1990

Incorporated in 1852, Antioch is still *one* corporation. What is now AU began in 1963 when the AC Corp acquired an unaccredited graduate school in Vermont. Subsequent Boards (both AC & AU) invested heavily in adult! graduate ‘centers,’ opening & closing dozens of them for 27 fairly chaotic years. This is a review of that period’s fiscal impact upon the residential college.

1963-72 These controversial “start-up” years entailed sustained deficit spending by the AC Corp. It was thought that, like other adult programs, the Centers would thrive and turn profits for AC, but that rarely happened. In any event, start-up funds were taken (“borrowed” ?) from resources of the original liberal arts college, regarded as ‘one of the best’ throughout the ‘60s. -

1972 Pres. Dixon split his ‘Network’ away from the ‘YS campus,’ taking AdCil out of College-wide fiscal planning. Both halves (Network led by the CEO; YS campus led by an interim Dean) still belonged to the AC Corp. When trustees approved the “split,” did they ascertain the size of the debt owed to the original college by the Network? How much endowment had been “borrowed?”

1972-77 For 5 years of two-administration bookkeeping, additions to! subtractions from that “debt” may be hard to calculate. Enrollment in YS declined from almost 2,500 to just over 1,300 but it’s safe to assume that: (a) the *original* campus was solvent through 1977; (b) the Network, which opened 17 and closed 13 units in this period, was spending more than it took in; and (c) assets of the YS campus (e.g., endowment, alumni, goodwill, reputation etc kept the corporation afloat

Oct. 1977 Trustees of the AC Corp (with two administrations) *legally designated* it as the AU Corp with *dozens* of units including a *residential* college. Did the books of the new entity carry forward an indebtedness to the YS campus? Can that debt be expressed in 2003 dollars? Or did the name-change wipe out prior fiscal records, making *all* units equal and starting the College over at zero?

1978-90 In fiscal crisis, AU had to invest in a long series of costly closures. By 1990, it had *almost* come full circle. Only 3 units were left outside of YS; the college seemed to be rebuilding; and AU remained among the most marginal of ‘private universities.’ Antioch College still furnished its marketing image, its name-recognition, and (most important) *its Capital Campaign investors*.

* * * * *

Now, 13 precarious fiscal years later, College alumni are asked to *endow* [to provide a *permanent* source of income to] this *university* whose 25-yr history of managing College assets inspires so little confidence. AIF proposes that the College form a *separate* corporation (e.g., an AC Foundation) to receive, manage and report on its own monetary assets, particularly its own endowment. With such a *legal firewall* securely in place between the resources of Antioch’s liberal arts college and those of its other components, reluctant investors (including AIF) may once again invest generously in the school that invented “co-operative education for liberal arts undergraduates” -- Antioch College.

Katherine L. Jako (Rev. May 2003)

**AIF Petition
Endorsements**

Fay Huffinan Abelson
 Irma R. Abrams
 Robert M. Abrams
 Barbara Dole Acosta
 James A. Aldrich *
 Louise Sanford Aldrich
 Dorothy Hall Alexander *
 Pauline J. Johnson Alexander
 William E. Alexander *
 Bennett Alford
 Lezli Alford
 Joseph L. Anderson
 Laura Jarrells Anderson
 Anonymous (4)
 David E. Apter
 Eleanor Selwyn Apter
 John Arras
 Connie Sekerak Austin
 Karen Lelli Austin
 Rob Austin
 John D. Ayer
 Edythe Scott Bagley
 Esther L. English Bailes
 Daniel Bailey
 Deborah S. Bakan
 Carrie Theis Baldwin *
 Robert F. Baldwin, Jr.
 Penny Hartshorne Jones Barbera
 Rex Barger
 James D. Bargerstock
 Eric R. Bass
 G. William Bauer
 Rodney Bean
 Alan M Beasley
 Barbara J. Dinsmore Beasley
 Patricia McAdoo Beasley
 Frederick S. Beckner
 Nao Okuda Belser
 William L. Belser
 Judith Ginsberg Bender
 Jan Franklin BenDor
 Michael David BenDor
 Mary Maureen Bennett
 Ruth F. Bent
 Nancy (Terry) Hanis Beresford
 Ernest P. Bicknell, II
 Harvey Birenbaum
 Roberta Messner Block
 Gregory Blodgett
 Edward H. Bohike
 Annabel Dawson Boissevain
 Mathew G. Boissevain
 Mary Alice Bond
 Richard G. Bond
 Alan Booth
 Menucha Boomer
 Mary Brombacher Bieri Bowman
 Emma L. Brackett
 Charlotte Thomas Breckenridge
 Gary J. Brick
 Lorie Silber Brillinger
 Rosa Engel Bromberg
 Kathan Brown
 Margaret (Peggy) Fisher Brown *
 Thomas Edward Brown
 James G. Bruce
 Myron (Mike) H. Burnstein
 Don E. Burris
 Laura Menken Butler
 Marian Lippitt Cameron
 H. Theodore Campbell
 Jean M. Hayward Campbell
 Theresa Black Carlson
 Lorenzo L. Carter
 Patrick A. Cates
 Shannon A. Cates
 Kenneth H. Champney
 Margaret (Peg) Palmer Champney
 John H. Chandler
 Gordon A. Chapman
 Mary W. Chapman
 Elisabeth Christensen Wadleigh
 Roberta (Bobbie) Lester Churchill
 Elizabeth (Betty) Gates Clegg
 John C. Cobb, Jr.
 Michael Cohen
Richard D. Colburn
 Richard W. Colburn
 Richard M. Colvard
 George W. Comstock
 Cecil K. Conklin
 Carol Rubin Cook
 Jeremy Vance Cooke
 Hilda Millbank Cooley
 Alan K. Cornelius
 Ruth Fortner Cowperthwaite
 Leila Boykin Crane
 Joyce Creber
 Eleanor Neel Curry
 John W. Curry
 Thomas H. Curry
 James Poole Dahlberg
 Meredith Dallas
 Willa Dallas
 Lauretta Sanford Dankers
 Marvin Davis
 Ruth Brant Davis
 Richard S. Dawson, Jr.
 Harry Olin Deatherage
 Marilee Knebel Deatherage
 Leslie DeBartolo
 David Dempsey *
 Alvin L. Denman
 Donna K. D. Denman
 David A. Dietrick
 Bruce Dobberteen
 Sara Epstein Dobberteen
 Arthur A. Dole
 Marjorie Welsh Dole
 Susan Bishop Drum
 Steven Douglas Duffy
 Peter Dummett
 Jane Eaton
 William A. Edmundson
 Ann Weisler Edmundson
 Mark A. Edson
 Jeanne Watson Eisenstadt
 E. Rowley Elliston
 Megan Elsensohn
 Elizabeth Emrey
 Barbara Shipherd Evans
 Gordon W. Evans
 Lauryl Evans
 Kevin Evilsizor
 Betty J. Ross Farrell
 David C. Farrell
 Anne Gross Feldman
 Gordon A. Fellman
 Myra (Miki) Zorn Fetzer
 Peter G. Fetzer
 Louis Filler *
 Roger W. Fingado
 Barbara Redman Finlayson
 Edwin Z. Fisher
 Miki McBride Fisher
 Alice B. Fogel
 James R. Foreit
 Karen G. Fleischman Foreit
 Lawrence E. Fox
 Paul Fox
 Barbara Laise Francis
 Mary Hodge Frantz
 Jane Felsenthal Fraser
 Julius T. Fraser
 Eliot Fremont-Smith
 Martin L. Fried
 C. Robert Friedman
 Jeffrey Friedman
 Lenore Ann Friedman
 Nancy J. Friedman
 Martha Milligan Friese
 John Frings
 Elizabeth Wolff Simpkins Furber
 Clarke L. Gage
 Constance Crockett Gahagan
 David Galin
 Helen Irwin Gallagher
 Henry M. Gallagher
 Mark A. Gamin
 Mary E. Gamson
 William A. Gamson
Zelda Finklestein Gamson
 Tendaji W. Ganges
 Herb Gardner
 Geoffey J. Garrett
 Donald L. Gasho
 Hildred Storey Geertz
 Galen S. Gilbert
 Stacey M. Gilbert
 Peter Gilmartin
 Janet Lyttle Gleeson

Selma Kushner Goldblatt *
 Michael Paul Goldfarb
 Sanders Goldstein
 Bonnie Faye Goodell
 Reba Goodman
 Daniel H. Goodwin
 Esther Newcomb Goody
 Debra J. Gottlieb
 Joseph S. Gottlieb
 Robert Gottlieb
 Vera Cohen Gottlieb
 Andrew Goutman
 F. Lincoln Grahlf
 Judson C. Gray
 Michael R. Gray
 Robert IL Green
 Allison Greene
 Daniel J. Greene
 Fred I. Greenstein
 Phyllis Feldman Greenwood
 Barbara ("Barrie") Dallas Grenell
 Peter Grenell
 Constance Foster Griffith
 Doris Gittlen Griffith
 Wendell W. Griffith
 Elaine Shuman Grossman
 Agnes J. Forrest Grulio
 Leo Grulio *
 Gwendolyn Mumma Gunn
 Sherry R Hahn
 George Halverson
 Kit Kitchen Hamilton
 Monroe K. Harris *
 Judith M. Hart
 Sue C. Hartman
 Isabel Judd Harvey
 Gerald A. Harwood
 Thomas R. Haugsby
 Selma Hayman
 Dorothy Mason Headley
 Knud J. Helsing *
 Nancy J. Henly
 Mildred McNichols Henry
 Kimberly Braze Hermsmeier
 Stephen R. Herr
 Theresa Wilhelm Herr
 Elsie Owen Hevelin
 Dorothy Hubert *
 Roy O. Hoffman
 Betty Joan Gruver Hofstetter
 Robert P. Hofstetter
 Pamela Savoy Hogarty
 Max Holland
 Barrett Hollister
 Katharine Maxwell Hollister
 David A. Horowitz
 Ann Conlon Horvath
 Daniel D. Hotaling
 William B. Houston, Jr.
 M. K. Hudgins
 Jana Hueffed
 Carol Hunsicker
 Frances Wrobel Hurley
 Peter L. Hurst *
 Carl Dudley Hyde
 Lorena Estlow Hyde
 Frances Schonfeld Jacobs
 Karen Folger Jacobs
 Robert E. Jacoby
 Margaret Hyde Jagler
 Katherine L. Cobb Jako
 David A. Johnson
 Jean Hanson Johnson
 Michael B. Jones
 Harold (Hal) Joseph
 Robert C. Judd
 George W. Judson
 John R. Judy
 Teddi Lind Kachi
 Yukio Kachi
 Anne Wingfield Kaplan
 Richard Kaplan
 Arno Karlen
 Martin W. Keck
 Mary Mesaros Kennedy
 Barry E. Keyes
 Joan Leon King *
 Louis G. King
 Ruth Hameyer King
 Michael L. Kingston
 John Michael Kittross
 Sally Sprague Kittross *
 Fiona A. Kennedy Knox
 J. Douglas Knox
 Nancy Hedrick Knox
 Dorothy Witter Koltnow
 Peter O. Koltnow
 Andrea Tuttle Kornbluh
 John Kornbluh
 Carol Tweedie Korty
 Lawrence I. Kramer, Jr.
 Evelyn Koenig LaMers
 Thomas H. LaMers
 David L. Landes
 Wendy Frances Lang
 G. Christian Lantzsch
 Beatrice Rosenblum Larsen
 Leonard H. Larsen
 Lawrence J. Lasser
 Jon H. Lawrence
 Daniel Lednicer
 Lester P. Lee, Jr.
 Mary Bernard Leuba
 Richard J. Leuba
 Joan Levy Levitt
 Theodore Levitt
 Laurence A. Lewis
 Richard L. Lightstone
 Georgia Lloyd *
 Thomas E. Londergan
 Jay W. Lorsch
 Nancy Loughridge
 James N. Lowe
 Leona Stepek Lundy
 Richard M. Lundy
 Christopher H. Lutz
 Sally Shove Lutz
 Alison Maier
 Andrew D. Manic
 Sarah D. Manic
 Richard I'. Mansfield *
 Joseph L. Marcum
 Hubert Marshall
 Janice Kimball Marshall
 Rachelle Lubar Marshall
 Mary Catherine Mohn Martin
 Sho Maruyama
 Shannon T. Mauldin
 Dixie Kiser Maurer
 Bonner J. McAllester
 Ernest D. McDaniel
 Winifred Olsen DeVos McLaughlin
 Jerrie Michael Meadows
 Marilou Pinnick Mendel
 Alexander R. Mercer
 Bessie D. Moore Mercer
 Evelyn Catton Messer
 David P. Michener
 Gene B. Milgram
 Grace Smelo Milgram *
 Margaret J. Millard
 Bernard S. Miller *
 Daniel E. Miller
 Nasha Levitt Miller
 Niela Miller
 Norman Miller
 Marilyn Savolaine Minto
 Charles McKim Mitchell
 Walter J. Minasch
 use Bloch Moon
 Richard H. Moore
 Zerka I. Moreno
 Jane Moore Morgan
 Stanley J. Morse
 Gretchen Muller
 Kristin Muller
 Paul L. Munson
 Nicholas F. Muska
 Susan Hartman Muska
 Caroline Nappo
 Maijorie Miller Nelson
 Thomas E. Nelson, Jr.
 Nancy B. Nestegard
 F. Barry Norris
 Steven Olson
 Teresa Olson
 John F. O'Neill *
 Nancy A. Loomis O'Neill
 Judith Dehn Oplinger
 Maijorie Clapp Pasch
 Ronald W. Pasch
 Albert E. Paschkis
 Marcia I l l ff Paschkis
 Josephine Gerace Pasciullo
 Robert J. Pasciullo

Connie Pelekoudas
 Lois M. Pelekoudas
 Bernard A. Penziner
 Davis G. Phinney
 Erma H. Nash Phinney
 Mark A. Pinsky
 Robin Rubenstein Poer
 Jessie Jean Poesch
 Mark L. Pomerantz
 Ronah Gordon Posner *
 Marion Esch Potter
 Winifred Champney Pozorski
 Alexandra Pye
 Edgar W. Pye
 Joni Rabinowitz
 John K. Rains
 Hugh Lamont Randall
 David J. Raynor
 Dorothy L. Read
 Carl B. Reeverts
 Maureen Reid-Cunningham
 Elaine Sokol Reisman
 Pamela Rice Reindeiro
 Jean Sanford Replinger
 Stuart J. Rice
 Edward W. Richard
 William H. Richardson
 Ruth L. Ricket
 Thelma Whitehouse Riley
 Marie Riordan
 Shirley A. Collins Ritz
 Sonia Jaffe Robbins
 Linda B. Robinson
 Nancy Roca
 Harold W. Roeth
 Jane Rogers
 Malcolm D. Rogers
 Alan Roland
 Donald E. Ronda
 J. Arlene Heintzelman Ronda
 Arthur W. Rose
 Chris Prouty Rosenfeld
 Lyle C. Rossman
 Caroline Wingfield Roth
 Dennis M. Roth
 Joy Lipman Rubin
 Larry W. Rubin
 Gary Rudnick
 Sharon A. Salit
 John S. Sample
 Jane Sanford
 Stephen Schecter
 David Schinhofen
 Albert Schoemann
 Howard Schuman
 Josephine Miles Schuman
 John Schnurer
 E. Jack Schoop
 Alden W. Sears
 George G. Seifert
 Nancy Seifert
 Eleanor Sekerak

Emil Sekerak *
 Elizabeth Storey Selim
 Elizabeth Hayes Senf
 Rita Senf
 Thelma G. Seto
 Charlotte Teni Shaw
 Kathleen Penn Shaw *
 Keny Sheehan
 Ruth Pollack Shelley
 Thomas G. Shelby
 Os J. Shepler
 Karen L. Shirley
 Ruthe Peoples Sicherman
 Jay Siegel
 Evelyn Sikes
 Walter W. Sikes
 Frank R. Silbajoris
 Richard H. Sill
 Donna G. Silvert
 Nancy Whittemore Simon
 Andrew (Kim) Simons
 David L. Singer
 Judith Gruender Singer
 Rebecca Furlow Skinner
 Deidre Skiar
 Edna R. Small
 H. Roger Smith
 Jean Gibb Smith
 Paul Hugh ("Happy") Smith
 Richard I. Snider
 Arthur Louis Solomon
 Daniel Solomon *
 Robert H. Somers
 Lois Reminers Sparks
 Megan Rosenfeld Spencer
 Hans B. C. Spiegel
 Donald F. Stanat
 Sylvia Chi Stanat
 Joan Leah Hobbs Staples
 Joanne H. Steinhilber
 Mildred K. Nickels Stephens
 Stephen W. Stephens *
 James L. Stern
 Ward R. Stoops
 David B. Stoppelman
 William Stroder
 Anita F. Swetland
 Ruth A. Swett *
 Tekia Taylor-Lagway
 Martha(Mimi) Taylor Teghtsoonian
 Barbara Ritz Thacker
 Erik Thomsen *
 Virginia Neal Thornthwaite
 Mait Beckman Thorson
 Rebecca Lawrence Tobias
 Stephen L. Tobias
 Sally Lou Todd
 Richard W. Toelken
 Catherine Clancy Towbin
 Victoria E. Townsend
 Arthur K. Trenholme
 Gene Davenport Trolander *

Hardy W. Trolander
 John B. Trostle
 Suzanne Leseur Trostle
 Katherine Bernhardt Trow
 Martin A. Trow
 Earl M. (Mac) Unger
 William F. Van Orsdol
 John B. Van Zwieten
 Gordon F. Vars
 Paul W. Wagner
 Elizabeth Bull Waldhauer
 John J. Waldhauer
 Ellen Bass Walker
 Elizabeth Lundquist Wallace
 Leslie Waltzer
 Jonathan R. Warren
 Norma Hostetler Watson
 Betty Ann Link Webster
 Margaret E. Weeks
 Peter Weeks
 Ruth B. Weeks
 Leonora Weinblatt
 Harry Weiss
 Charles A. Wellers
 Janis Lehman Wellers
 Ralph E. Welton
 Anne (Mitzi) Wilson Wheeler
 Canton E. Wheeler
 Scott M. Wheeler
 Lynn Westerman White
 William C. White
 Beverly B. Wilder
 Timothy i. Wiles
 Elizabeth Owen Wilson
 Everett K. Wilson *
 Jean Bloch Wilson *
 Robert Louis Wilson
 Richard H. Wood, Jr.
 C. Allen Wortley
 Dale Broch Wortley
 David Yngve
 Alfred J. Zacher
 Conrad Zagory, Jr.
 Elaine Green Zimmerman
 Mark H. Zoole

Italics denote former trustees of
 Antioch College (1852-1977)
 and/or University (1978 - present)

* deceased

Over \$1.2 million at stake as Antioch negotiations stall

Robert Mihalek - Yellow Springs News - June 26, 2003

It appears that Antioch University and a group of Antioch alumni and supporters will not be able to reach an agreement that would have secured more than \$1 million for Antioch College.

Officials at Antioch and the director of AIF, or the Antioch Independence Fund, said that recent proposals made by both sides are unacceptable, and with a June 30 deadline, which was set by AIF, just days away, people involved in the situation say that the negotiations are essentially over. Even if the two sides continued to negotiate, they have a way to go to close the gap between their positions.

Katy Jako, the director of AIF, said that the group is still open to "substantive negotiations" and would extend its deadline, if the Antioch University Board of Trustees asked. But, in a phone interview from Richmond, Calif., where she lives, Jako said, what is on the table "is not particularly encouraging."

Joan Straumanis, the Antioch College president, who negotiated with Jako, said, "It looks as if no agreement is possible with the AIF. That is something I regret."

"The board certainly doesn't seem to have an appetite for more negotiations," Straumanis said later of the university Board of Trustees.

"We're not going to go out to California, we're not going to negotiate with Katy anymore," said Dan Kaplan, chair of the university Board of Trustees.

What's at stake is \$1,217,000, which AIF has raised through pledges. Formed to "fund the transition of Antioch College from its status as a dependent unit of AU to that of an independent liberal arts college in Yellow Springs," AIF would give the college its money if the group reached an agreement with the Board of Trustees that made the college "more independent," Jako said in a letter to AIF supporters, who, according to Jako, include 539 people who have either endorsed the fund or donated money to it.

If AIF can't reach an agreement with Antioch, the group plans to disperse its money to other tax-deductible organizations chosen by donors.

In an interview Sunday, Straumanis stressed that she hopes the donors and supporters of AIF will support the college. "I hope the AIF donors and members who say they are so devoted to the college will come through for us and help us financially and in other ways well into the future," she said.

At least one AIF advisor plans to do that. Barry Hollister, who held various positions at Antioch for more than 30 years and has advised AIF, said this week that he and his wife, Kay, would give their donation to the college.

Hollister supports both AIF and Antioch College. For instance, he said, the university needs to consult the college more about finances and operations, which he called a "culture of truly consultation and governance." He also said, "I think the present president and leadership of the college is very favorable."

"At the end of the day, most people in AIF will see a bright future for Antioch College and will want to support it," Kaplan said in a phone interview last Friday from his home office in Westmoreland, N.H.

Straumanis also said that she regretted the "short time" between AIF's deadline and the final proposal from the Board of Trustees, which Jako described as "restatements of the status quo." Negotiations between Straumanis and Jako started last year, and at least twice, they issued optimistic statements. After Straumanis and Jako met on Aug. 23, 2002, a statement was released saying, "In our continuing discussions we will endeavor to further narrow our differences and reach agreement on specific ways that the centrality of the college can be assured over the long term by the Board of Trustees."

In April 2003, AIF submitted what appears to be its final proposal, which defined "the centrality of Antioch College within Antioch University." The points included creating an Antioch College Foundation, controlled by the college president, to manage money and assets raised by the college, and including the college's Administrative Council (AdCil) in the selection and removal of the college's president as well as the responsibility, with the president, to manage the college and its academic programs. To implement the points, Antioch University would have to amend its bylaws.

The college foundation would be a corporation that would receive and manage the college's monetary assets, Jako said. It would serve AIF's goal to create what Jako called a "firewall between the finances of the college and the university."

["Antioch negotiations stall" cont'd]

Antioch administrators and Kaplan countered with a proposal that said endowment and annual funds donated to the college shall be “restricted for exclusive use by Antioch College,” and that alumni and others will be able to inspect endowment records and the budgets of the college and university. The proposal also said that AdCil would play an advisory role in the selection or dismissal of the college president, as well as advise the president in the management and policy-making at the college.

The two points would “provide the necessary reassurance to AIF regarding two primary concerns,” Straumanis and Jim Craiglow, the university chancellor, said in a letter to Jako. Straumanis said that the Board of Trustees regarded the proposed points as “non-issues,” since, for instance, the college controls its assets “with board oversight.” It would be illegal for the university to spend money designated for the college on anything but the college, Straumanis said.

AIF could not endorse the university’s response, Jako said, because it “indicates no change in the direction for which the fund was established.”

Straumanis pointed out that the university subsidizes the college and gives it a break on overhead services that the university provides. “For the last decade the university has been financially essential to the college’s health,” she said.

“The college could not thrive without the university,” Straumanis added.

The differences between AIF and Antioch cover more than their proposals.

Both Kaplan and Straumanis said that AIF has hurt Antioch College. AIF’s campaign caused confusion, and some have not donated funds to AIF or Antioch because they did not want to take sides, Straumanis said.

Kaplan said that AIF is “doing great harm to an institution that they say they love.” He contrasted that with the Board of Trustees, whom, he said, have contributed \$24 million to the college for various activities and needs.

He also pointed out that the Antioch College endowment has increased from \$12.2 million in 1997 to \$28.3 million last year. The college, he said, has a “dynamic president” and a “Board of Trustees that’s committed to Antioch College.”

Jako said that AIF has had a positive impact on the college. The group has “done a good job” raising consciousness and asking questions in public.

But Jako said that Antioch University “has coasted on the academic reputation of Antioch College.”

“We see no future” for the university, she said. The college would be more successful if, for example, the college faculty had the power to set graduation standards, Jako said.

Kaplan and Straumanis also disagreed with Jako’s assessment of the university. “Antioch University not only can survive, it does survive in a competitive, private market,” Straumanis said.

[End]

Antioch to sell land on south end (*Proceeds needed to balance college's budget*)

Lauren Heaton - Yellow Springs News - July 3, 2003

Antioch College needs to balance its budget this year, and to do that college and university officials have agreed to sell 22 acres of property Antioch owns on the south end of Yellow Springs.

Located behind residences on Orton Road, Glenview Drive and Stewart Drive, the property is zoned Residence A, which according to the Village Zoning Code, allows for medium-density single-family development.

Antioch also currently has the Morgan House on Limestone Street on the market, but officials hope that it will remain a bed and breakfast.

"The college is not interested in managing real estate," Antioch University vice-chancellor and CFO Glenn Watts said of the decision to sell the 22-acre property. "The land is surplus, and it has no foreseeable use by the college or the university."

In addition, Watts said the favorable housing market, the college's need for funds and the village's need for additional housing, created an opportune moment to sell the properties. The college is asking \$525,000 for the land, or approximately \$24,000 per acre.

The college has owned the property, known as Birch III, since the 1930s when Hugh Taylor Birch donated Glen Helen and other land to Antioch. A proposal to sell the land was presented to the college budget committee late this spring. Its location in the village with access to utilities and good drainage make it ideal for housing, Watts said.

One local developer had previously expressed an interest in Birch III, Watts said, and the current low-interest rates could make it more attractive to other potential home builders. Local real estate agent Jo Dunphy agreed that current rates could be a positive incentive for buyers. "Investors are going to be able to borrow at a lower rate, and that's a big boon to developers and wonderful for people who want to buy houses," Dunphy said. "And \$24,000 per acre is a very fair price, one or two buyers would be perfect for it."

The college needs the money for essential operating expenses and for student scholarships, one of the school's biggest expenses, college President Joan Straumanis said.

In her "State of the College" address on Saturday, Straumanis said that proceeds from the sale will help the college balance its budget. "There's no way we can have a balanced budget without selling the land," she said.

But officials also realize that land is a finite resource and that the school needs to find a way to stabilize its finances by attracting more students, Watts said in a recent interview published in the Antioch Record, the campus newspaper.

The university is looking for a builder or an architect with a vision for the property, Watts said. Straumanis said that the college hopes to find a socially responsible developer who would build a variety of types of housing and serve the needs of Yellow Springs.

"We'd love a developer who would pay attention to the needs of our faculty for affordable housing," she said.

Morgan House will be listed on the market next week, though it is available now. The university would consider leasing the building again, but officials prefer to sell it, Watts said.

Marianne Britton, who holds the lease on the Morgan House, closed down her bed and breakfast operation last month when health problems prevented her from continuing to manage the business. Britton has another two years to go on her 20-year lease, but she said last month that she does not want to sublease it.