

The Associated Colleges of Illinois

A History 1973-1982

**Chapter Three: ACI Raises Its Sights
for Private Higher Education**



ACI Raises Its Sights for Private Higher Education

By 1963, after a decade of fundraising, the Associated Colleges of Illinois had solidified its position as a major factor in resource development for Illinois' independent colleges. The organization now boasted twenty-seven member colleges, with the addition of the College of St. Francis (Joliet); Elmhurst College (Elmhurst); Knox College (Galesburg); National College of Education (Evanston); North Central College (Naperville); Olivet Nazarene College (Bourbonnais); and Principia College (Elsah), and after the departure of Shurtleff College and (temporarily) McKendree College.

With contributions ranging in size from \$300 to \$30,000 from as many as 500 separate organizations, ACI had nearly \$650,000 to be distributed to member colleges. Thirty-nine companies had made annual investments for each year of the organization's ten-year history, including the A. B. Dick Foundation; E. R. Moore Company; Kraft Foods Company; the Inland Steel–Ryerson Foundation; the International Harvester Foundation; and Motorola.

ACI's commitment to small independent colleges was reflected not only in the response from Illinois' business community, but also in the writings of the nation's intellectuals. Robert Hutchins, the esteemed former president of the University of Chicago, argued for the importance of the true liberal arts college

(as contrasted with the much larger, research-oriented university). In an essay written for a 1964 edition of the Association of American Colleges' book *Reflections on the Role of Liberal Education*, Hutchins declared:

The education that prepares for such a life in such a [democratic] community is liberal education. It supplies the intellectual techniques and the intellectual framework necessary to a life of learning and a life in the political dialogue. It frees a man from the prisonhouse of his class, race, time, place, background, family, and even of his nation, for the purpose of understanding and taking part in the great task of becoming human and forming a world community.

Executive Director John Huck agreed with this assessment. Writing in an ACI annual report, Huck commented:

The smaller liberal arts colleges have traditionally produced a disproportionately large number of the leaders in all branches of society. A contribution to ACI (divided among its members, 60 percent equally, and 40 percent on the basis of enrollment) overcomes the accidents of geography and superficial "popularity." There is no reason to believe that the colleges most deserving of support are all located in our most prosperous industrial centers. It would be unfortunate if we fail to recognize the contributions which have been made by colleges located in rural farming communities.

The report went on to acknowledge that voluntary support was not, in fact, the most efficient way to maintain an educational system:

Taxation is far more efficient, and far more thorough. If the private colleges are not supported voluntarily, they will not close their doors; they will simply become more and more dependent upon tax dollars until they have lost their independence and their freedom. Society, not the colleges, would be the ultimate loser.

Against this backdrop, Huck issued a challenge to ACI and its leaders: to increase annual distributions to member colleges to \$1 million.

Reaching the \$1 Million Target

Throughout the 1960s, the Associated Colleges of Illinois dedicated itself to attaining the \$1 million goal. By 1964, corporate philanthropy had become so focused on a few major universities that the term "the great squeeze" was coined to identify the pressures on small independent colleges in this funding

environment. To close this gap, ACI began to target leaders of major industries and aggressively solicit their endorsement of independent higher education. As a result, prominent business leaders added their voices to the organization's annual reports, using their considerable influence to encourage others to support ACI.

"Private education is essential to the preservation of our entire free society," said Joseph L. Block, then chairman of Inland Steel. Carl J. Gilbert, then chairman of the Gillette Company, commented, "Without corporate support, our nation's colleges and universities cannot continue as the source of trained manpower that sustains business and the wellspring of progress in the arts and sciences so vital to the health of free institutions." J. E. Swearingen, president of the Standard Oil Company, contributed this observation: "Financial support of higher education by the corporation is thus more than an opportunity; it is a clear-cut obligation."

Huck and his fellow ACI leaders also articulated a six-point benefits statement designed to help businesses understand the real value of their support. A contribution to the Associated Colleges of Illinois, they said:

- Supports the total system of higher education—by ensuring that funds are distributed to all the member colleges
- Overcomes geographic inequities—by ensuring equal contributions to colleges across all geographical areas of Illinois
- Encourages diversity—by making it unnecessary for member colleges to conform to a single accepted educational mission in order to secure support
- Spreads the base of support—by making private colleges less dependent on a single source for their voluntary income
- Reduces cost and confusion—by enabling corporations to make one contribution to many colleges
- Encourages cooperation—by allowing member colleges to collaborate on a variety of projects aimed at better financial management

Huck and his colleagues also outlined the benefits accruing to the business sector from supporting independent colleges:

- An increased talent pool for recruiting
- A more wholly educated society of consumers
- A society that values individual freedom and individual responsibility
- Quality education at the lowest cost to the taxpayer

These appeals to industry had their desired effect, and, by 1970, ACI celebrated the accomplishment of its long-term goal: It had finally reached the coveted \$1 million target. However, with a recession on the horizon and the Vietnam War spurring campus unrest nationwide, ACI's fundraising strategies faced a challenging future.

Growth and Challenge in the 1970s

By its twentieth anniversary in 1972, the Associated Colleges of Illinois had distributed nearly \$11.4 million to member colleges. Total enrollment at the colleges had increased from 14,072 in 1952 to 32,736 in 1972. Yet, in spite of this growth, or perhaps because of it, 1971–72 was a year of adjustment for many ACI member colleges. During the previous year, eighteen of the colleges had been unable to balance their budgets. The cumulative deficits of these institutions amounted to \$2.4 million.

At the beginning of this critical decade, the chairman of the ACI board was Arlo L. Schilling, president of North Central College. And for the first time, the president's position was held by a member of the business sector: Robert W. Murphy, senior vice president of Borg-Warner Corporation. The two men held these positions from 1969 to 1974 and helped lead the organization through the challenges of the early 1970s.

By its twenty-fifth anniversary in 1977, ACI support to member colleges had increased to \$1.1 million per year, and the need for this support clearly was greater than ever. Member colleges had grown substantially since the organization's inception. In 1952, average enrollment at individual colleges was 620. By 1977, this figure had risen to 1,480, and ACI served a total of nearly 44,000 students and 2,000 faculty each year. In 1952, the average operating budget of each member college was \$505,000; by 1977, it was \$4.6 million.

To mark its twenty-fifth anniversary, the Associated Colleges of Illinois challenged its corporate supporters to increase their annual giving by twenty-five percent. Many corporations responded with generous donations. ACI also established a Corporate Council, composed of representatives from top companies across the country. The council helped forge even closer ties between higher education and industry and provided expert advice to the organization in the ensuing years.

The Administrative Services Program

ACI's capacity to assist its member colleges was growing as well. Since 1959, the organization's *Administrative Services Program* had provided member colleges with significant informational and organizational resources. Originally known as the *ConServ Program (Consolidated Services)*, and renamed in 1960, the effort was established by ACI to assist member colleges with long-range planning, purchasing, insurance, and general business management. ACI believed that if the business sector was being asked to support ACI's colleges, then the colleges had to show that they could run their programs efficiently and effectively. The *Administrative Services Program* sought to achieve this goal. In 1965, ACI hired a director of administrative services. From that point forward, the program became a cornerstone of the organization's services to help member colleges enhance their management systems.

By 1977, the director of administrative services was making regular visits to ACI member college campuses, and the program included workshops for chief business officers, physical plant directors, data processing directors, financial aid officers, bookstore managers, institutional research directors, and food services directors. These highly valued workshops gave participants the opportunity to learn the latest management techniques and new developments in each field and to exchange ideas, data, and techniques. The *Administrative Services Program* rapidly became one of ACI's most important contributions to effective business management for Illinois' small private colleges.

***Creating opportunities
by building on strength.***

1952-2012



The Associated
Colleges of Illinois

Established 1952

70 East Lake Street
Suite 1418
Chicago, Illinois 60601

312.263.2391

312.263.3424 fax

www.acifund.org