

The Associated Colleges of Illinois

A History 1983-1992

**Chapter Four: A Time of
Change and Growth**



A Time of Change and Growth

In July 1981, the Associated Colleges of Illinois marked a significant milestone: John W. Huck retired after twenty years of service. Huck had helped elevate the organization to the standing it enjoyed as it began its fourth decade: At that time, ACI was recognized as a major contributor to the ability of small colleges in Illinois to maintain their financial independence. Now, under the leadership of Chairman Eugene Hotchkiss III, president of Lake Forest College, and President Gael D. Swing, president of North Central College, ACI began to consider new goals and new directions for the 1980s.

By the time the Associated Colleges of Illinois celebrated its thirtieth anniversary by reflecting on "Thirty Years of Growth," it had contributed a total of \$24 million to its member institutions, and annual distributions were approaching the \$1.5 million mark. Nearly seventy-five corporations, including AT&T, Kraft, Beatrice Foods, R.R. Donnelley & Sons, General Mills, and Marshall Field's, were leadership donors, each contributing more than \$5,000 annually. Nearly 250 other companies provided additional annual support.

And in the early 1980s, an ACI alumnus occupied the White House: Ronald Reagan had earned his bachelor's degree from Eureka College in 1932. Reagan took office in a time of significant economic uncertainty. Echoing the new

president's challenges on a national scale, independent colleges faced an uphill road to financial security. In ACI's 1982 annual report, Chairman Eugene Hotchkiss III wrote:

At a time when so much has been written about the "plight of higher education," this strong show of support from our friends [106 donors had increased their support that year] is of great importance and deeply gratifying. For while our member schools have never been strangers to tight budgets and fierce competition, this decade is an especially challenging one.

With the number of college-age individuals declining, member colleges were losing tuition revenue. The tuition gap between public and private colleges had more than doubled in the previous ten years. However, while state and local taxes funded seventy percent of the needs of state schools, public funds covered only nine percent of the budgets at ACI colleges. The combined corporate gift and tax support was three times greater per student at public schools than at independent colleges. To be certain, the need for corporate support at member colleges had never been greater.

"As an alumnus and board member of an Associated Colleges of Illinois member school, I have experienced firsthand the personal, quality education which is so characteristic of private institutions....Continuing education for adults, independent study projects, international studies, and internship programs in business and industry were all pioneered by ACI colleges and universities. Business and industry have always recognized the important role played by these colleges."

Robert A. Hanson, president, Deere & Company, Inc.

Business leaders agreed with this assessment. "There has never been a more appropriate time to reaffirm the special relationship between private colleges and private enterprise through continued and increased support to the Associated Colleges of Illinois," said Robert A. Hanson, the president of Deere & Company, Inc.

So, in the 1980s, Hotchkiss, Swing, and two executive directors, Anthony Boatman (1981–83) and Carole Whitcomb (1983–91), set out on a multifaceted mission. First, the group realized that quantifying the contributions of small

independent colleges to the economic prosperity of the Great Lakes region was critical to securing continued funding, and they commissioned a series of studies to generate these data. Second, they concluded that offering businesses the opportunity to target leadership gifts to specific programs or scholarships would help capture new donors. Thus, while unrestricted gifts continued to be the mainstay of ACI's fundraising efforts, programmatic fundraising also was undertaken. ACI's leaders in the 1980s began to broaden the organization's programs, services, and initiatives to ensure that funding so critical to their member colleges not only would continue but also would continue to grow.

Major New Initiatives

In the mid-1980s, ACI also began working with various foundations to pursue research and institute programs that would support its mission. The Borg-Warner Foundation was an early supporter, providing the resources to support an initiative called *Private Colleges: The Critical Issues*. ACI also developed a new Business and Education Forum that brought together senior executives and college presidents to address issues of mutual concern and to develop an agenda to strengthen higher education in Illinois. ACI's efforts paid off: In 1988 and 1989, the Foundation for Independent Higher Education honored the Associated Colleges of Illinois with the Charles W. L. Foreman Distinguished Performance Award for Cooperative Fund Raising.

"The Associated Colleges of Illinois is an organization that's good for the colleges and good for the donors, and deserves the full support of Illinois business and industry."

James R. Anderson, Jr., chairman, Chicago Extruded Metals Company

In 1987–88, several highly successful initiatives were launched to strengthen the bond between business and education, enhancing dialogue and communication between business and private higher education in Illinois. A leadership grant of \$500,000 from the Ameritech Foundation funded an innovative research and communications program to document the contributions that private colleges were making to the prosperity of the Great Lakes region. The Sears-Roebuck Foundation underwrote the *Faculty Awards for Teaching Excellence*, a program honoring faculty and campus leaders at Illinois colleges.

In addition, ACI concluded its *Private Colleges: The Critical Issues* program with the *Presidential Leadership Awards and Conference*. This two-day conference for college presidents, trustees, and senior administrators showcased six campus programs that had received special funding from Borg-Warner and provided a closed-door forum at which college presidents discussed issues of mutual concern.

ACI's *Business and Education Forum* was a hallmark program of the era, helping facilitate dialogue between educators and the business community. College presidents and senior business executives met quarterly, and, through the *Visiting Business Leaders Program*, senior business executives visited ACI campuses in order to experience and participate in the dynamics of education at ACI's member colleges.

"Whether located in a major city, a suburban area, or a small town, the ACI colleges have a tremendous positive impact on the local community. In addition to their academic roles, these colleges are an important part of the fiber of the community, through their sponsorship of cultural activities, athletic events, and social programs open to the entire population — a strong system of higher education is an important seam in the fabric of our society."

Wendell J. Kelley, chairman and president, Illinois Power Company

Under the leadership of Executive Director Carole Whitcomb, ACI began to build on the successes of these early programs, and in the early 1990s it instituted many new initiatives. One such program was the *Illinois Partnership for Minority Achievement*, which sought to increase the number of minority students graduating from high school, succeeding in college, and becoming productive workers. Funded by ACI Trustee and Chairman Peter S. Willmott, it would become one of ACI's most significant initiatives, and it continues today. In discussing the *Illinois Partnership for Minority Achievement* program, Whitcomb wrote:

The Illinois Partnership is a plus for all involved. Students will gain from the opportunities provided to them at the state's liberal arts colleges, their chances of graduating will be improved, and their opportunities for job placement enhanced.

With a grant from the McGraw Foundation, ACI also established the *McGraw Scholarship Fund*, which provided emergency financial aid for students who otherwise might have had to drop out of college. In addition, a grant from the Ameritech Foundation funded the *Midwest Partnership for Independent Colleges*, which documented the value of these institutions to the region and aimed to communicate their importance to the public.

“Corporations, regardless of their size, are composed of individuals, and a business’ success is due in large measure to the vitality and creativity of the people employed there. I believe that the environment found on the campuses of small private colleges are an ideal setting for developing the individuality, creativity, and initiative which is needed to succeed in today’s corporate world; no business can grow and prosper unless it continues to attract and retain well-educated, talented individuals.”

John J. Pappas, president, Teletype Corporation

Other corporate and foundation support had funded the *Tenneco Voluntary Service Awards* to recognize student volunteerism; General Motors and UPS scholarships for students who excelled at both academics and community service; and the *Sears Faculty Awards for Teaching Excellence and Campus Leadership*.

Re-articulating the Need for Support

At the end of the 1980s, ACI carefully examined its role in fundraising for independent higher education and, as a result, re-articulated several important trends that helped underscore the organization’s mission and goals:

- Corporate giving to tax-supported public institutions in Illinois had increased 128 percent in the previous five years, compared to a seventy-four-percent increase for all independent colleges.
- Combined corporate gift and tax support per student at public institutions was now three times greater than at private colleges.
- Nearly eighty-five percent of business leaders were unaware of the shift in corporate giving toward state institutions.

- Without independent colleges, Illinois taxpayers would have had to spend \$2 billion more each year to educate the students who attended them.
- Illinois' independent colleges produced forty percent of the state's baccalaureates and fifty percent of its graduate-degree holders, while enrolling only twenty-five percent of its students.
- The majority of Illinois' independent college graduates worked in business—seventy-five percent of them with Illinois firms.

As the Associated Colleges of Illinois approached the decade of the 1990s and the organization's fortieth anniversary in 1992, it faced a national economic recession once again. However, due to the hard work of its leaders, the organization was on solid financial footing and was continuing to expand its programs and services. In 1991, ACI's annual contributions reached a record high of \$1.7 million, and, as it concluded nearly forty years of service, ACI was determined to build on the successes of previous decades and move boldly toward the challenges of fundraising at the close of the twentieth century.

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

1952-2012



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