

an educated citizenry

AMERICAN COUNCIL OF TRUSTEES AND ALUMNI

2011 Annual Report

trusteeship

higher ed institutions

reform life of the mind

history

debt

grade

liberal arts

excellence

graduates

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exchange of ideas

ACTA, like no other organization, is reaching out to trustees and alumni to insist on a quality liberal arts education that is fundamental to **an educated citizenry.**

David McCullough

The American Council of Trustees and Alumni is an independent, non-profit organization committed to academic freedom, excellence, and accountability at America's colleges and universities. Founded in 1995, ACTA is the only national organization dedicated to working with alumni, donors, trustees, and education leaders across the United States to support liberal arts education, uphold high academic standards, safeguard the free exchange of ideas on campus, and ensure that the next generation receives an intellectually rich, high-quality education at an affordable price. Our network consists of alumni and trustees from more than 700 colleges and universities, including over 13,000 current board members. Our quarterly newsletter, *Inside Academe*, reaches over 12,000 readers.



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From the President

Dear Friend,

“If a nation expects to be ignorant and free, in a state of civilization, it expects what never was and never will be.” — Thomas Jefferson

It is a statement and an urgent plea.

Jefferson understood what ACTA truly believes—that America, more than any other country, demands and relies on an educated citizenry. In our system, people call the shots and hold our government accountable. We must be educated to participate meaningfully. And from the look of things, we need to be doing a better job.

We tend to refer to our Founding Fathers, but it is important to remember that they were also founding trustees. Jefferson was a trustee and founder of the University of Virginia; Madison was the father of the Constitution, but he was also a trustee of Hampden Sydney and Princeton. Hamilton was a trustee of Columbia. Franklin helped to found the University of Pennsylvania.

And this wasn’t serendipity. It was because our great Founding Fathers understood better than anyone that the strength of our society is directly dependent on the strength of our educational institutions.

That is what ACTA is all about: an educated citizenry. In the next few pages, you will see how, over the last year, we have been working vigorously to restore a quality liberal arts education across America. We’re saying “no” to the status quo of historical illiteracy, low academic standards and spiraling costs, and we have dedicated our work to making higher education stronger—and more affordable—with a focus on academic freedom, excellence and accountability.

We think too many education leaders are in denial when it comes to cost and quality. And a recent Roper Poll commissioned by ACTA shows the American public agrees. Seventy percent said our colleges and universities should ensure students are exposed to key areas of knowledge and do so more cheaply. Yet, in the most recent edition of our *What Will They Learn?* report, we found that only 20% of schools require their students to study American history or government before they graduate, and only 5% require them to study economics—despite the fact that these are essential disciplines that prepare us to govern ourselves.



We're concerned that a third of college graduates have shown no gain in analytical skills after four years of paying dearly—a tragic fact that we raised in an urgent letter to more than 13,000 trustees across the country. We think it is simply unacceptable that less than 60% of students today graduate in less than six years. And, frankly, college costs are just too high—having gone up 440% over the last 25 years.

That's why, in our offices, 24/7, we're dedicated to changing that. We're dedicated to empowering trustees and others with the information and tools to turn these trends around. Our reports are designed to bring forward the facts and offer recommendations to change the incentives in higher education.

We believe that the mission of higher education is teaching, learning, and the pursuit of truth—yes truth—and that it is incumbent on faculty and administrators to point students to what they need to know. We think that political correctness has got to go and that the essence of a strong education is a robust exchange of ideas. We believe that society thrives when there is a shared understanding—a common conversation—and that the deterioration in our public debate can be traced to the deterioration in the vigorous exchange of diverse ideas on our college campuses.

Our work is focused on these key concerns. That's why 16 years ago, ACTA was founded and, with your support, ACTA is now leading the charge in higher ed reform, seeing our message magnified and adopted around the country.

ACTA was founded on the simple proposition that American higher education is the finest in the world, and that it should remain the finest in the world.

We've still got more work to do, but with your support, we can do it.

Anne D. Neal
President

“As someone who sees the trends (many disheartening, some hopeful) from ‘in the trenches,’ I am so grateful for ACTA’s gradual but sure and well-earned ascendancy as a nationally recognized force for positive change.”

Professor Phillip Stambovsky, Fairfield University

Restoring the Core

Some colleges equip students with a rigorous, rich, and broad-based liberal arts education. Others . . . don't.

Until recently there was no way to tell which schools were which—but ACTA is changing that with our *What Will They Learn?* report.

Evaluating over 1,000 schools, *What Will They Learn?* grades virtually every major non-technical, four-year college or university in the United States. Each school receives a grade from “A” to “F” based on how many of seven core subjects it requires: Composition, Literature, Foreign Language, U.S. Government or History, Economics, Mathematics, and Natural or Physical Science.

What did we find? Many schools have abandoned their obligation to require a broad liberal arts education. And even those that haven't all too often offer a smorgasbord of courses from which students can just choose the dessert rather than a sustaining meal. Only a handful of schools get A's in our rating system, and almost 30% have two or fewer requirements. A



Academic Excellence

“Are students getting fair value in return [for their student loan dollars]? Anne Neal has been trying to help families answer that question for years. As president of the American Council of Trustees and Alumni, she believes students should leave college with a broad base of knowledge that will allow them ‘to compete successfully in our globalized economy and to make sense of the modern world.’”

William McGurn, *Wall Street Journal*

mere 20% of the institutions evaluated require U.S. Government or History, just 5% require Economics, and nearly 40% do not require college-level Mathematics. And paying a lot doesn’t necessarily get you a lot. The average tuition and fees at A schools is \$16,223; at F schools it is \$27,529.

Moreover, the courses that count for general education at some institutions—including some highly prestigious ones—are simultaneously a comedy and a tragedy. At the University of Wisconsin-Madison, “Introduction to Television” passes for the literature requirement. At Vassar, a composition course may be fulfilled by courses in hip hop or chick lit. And at Vanderbilt, the “History and Culture of the United States” requirement may be fulfilled by over 90 courses, in 18 departments, including “Country Music” and “Exploring the Film Soundtrack.”

Given these findings, it’s no surprise that our 2011 report attracted attention from media across the country. In the *Wall Street Journal*, William McGurn devoted a column to our work; Pulitzer-Prize-

winning columnist Kathleen Parker endorsed our research; and *Washington Post* higher education reporter Daniel DeVise named restoring the core as one of the top ways to reform education and cited ACTA for leading the charge.

Articles have appeared in hundreds of papers—not just the *Post* and the *Journal*, but major papers in media markets as diverse as Tampa, Portland, Indianapolis and Sacramento. In total those articles reached more than 17 million readers. *What Will They Learn?* was also featured in the *Wall Street Journal’s* *Opinion Journal Live* program, Bloomberg.com and



Anne Neal on the *Wall Street Journal’s* web broadcast.

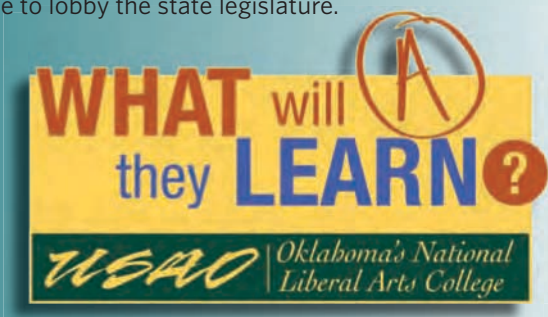


Changing Incentives

Our goal is to improve college curricula by drawing attention to the sorry state of affairs. That’s why every college trustee in our database—more than 13,000 around the country—received a report outlining the institution’s grade and a **seven-point action plan** for strengthening core requirements. We’re working with schools now to show them how to improve their grade—and their curriculum.



And here’s just one example of the positive impact we’re having. The University of Science and Arts of Oklahoma—one of ACTA’s “A” schools—posted its rating on the school website and created a special pin noting its superb performance to lobby the state legislature.



“We strive for excellence in our higher education system, and I am pleased that our colleges and universities fared particularly well in ACTA’s *What Will They Learn?* college guide. The University of Science and Arts of Oklahoma, one of only 19 institutions to receive an A, is a fine example of that effort.”

other internet media sites, education media like the *Chronicle of Higher Education* and *Inside Higher Ed*, radio programs, and blogs around the country.

Refining Our Standards

ACTA plays a national role in defining the content of a core curriculum, and we continually refine our curricular standards. This year we convened a panel of highly respected scholars to give us professional guidance on our English Composition and Literature ratings.

Dr. Mark Bauerlein, English professor at Emory University, Dr. William Rice, Director of the Division of Education Programs at the National Endowment for the Humanities, and literary historian Dr. Jonathan Rose, William R. Kenan Professor of History at Drew University, helped us refine our standards for literature and English composition courses at American colleges and universities.

For institutions to receive credit, the panel demanded clear evidence of deep reading, precise writing, and broad literary exposure—just what we look for in *What Will They Learn?*

Phyllis Hudecki, Oklahoma Secretary of Education

Making Waves in the States

Higher education reached a major milestone in 2011, albeit not one it wanted: student debt has passed \$1 trillion for the first time. Tuitions grew over 440% over the past three decades, more than four times the rate of inflation. At the same time, more than a third of graduating seniors showed little or no cognitive growth during college.

Why? Faculty and administrators often have few incentives to keep costs under control or to measure student learning and have many incentives to grow their budgets. What's more, trustees and policymakers—who should hold the line on costs—find it difficult to get good data on cost and quality, so they cannot hold universities accountable. The result? Poor learning outcomes for students and

financial pain for everyone who pays the bills.

That's where ACTA comes in. Our state reports give trustees and policymakers clear, reliable, relevant information on quality and cost. They highlight problems in a state and—through public awareness—provide an incentive to correct them. In 2011 we published three state reports—on **Idaho**, **Maine**, and **South Carolina**—and we're already seeing results.

Idaho

- At Idaho State University, which educates more than 10,000 undergraduates, every student must now take a class in U.S. history or economics as well as study literature.
- The Idaho State faculty committee agreed with ACTA, tying the very survival of higher

GETTING THE FACTS

ACTA has long argued that colleges and universities should require basic classes in core subjects like writing, U.S. history, natural science, and mathematics.

We commissioned the respected public polling firm **Roper Public Affairs & Corporate Communications** to find out what Americans think, and the survey showed that 70% agree with us. Indeed, more than half of Americans are surprised to learn that many prominent colleges and universities do not require those subjects.

What's more, nearly half of Americans say that students do not get their money's worth from colleges and universities. The responses are nearly identical for private and public institutions, suggesting widespread failure to meet students' needs in a cost-effective manner.

ACTA's What Will They Learn?TM project highlights the high cost of a college education and points out that strong core curricula are often more cost effective than the status quo. As we see it, colleges and universities must hear this wake-up call and get serious about quality and cost.

WHAT DO AMERICANS THINK ABOUT A CORE?

Results from August 2011 Roper Survey

Most Americans agree colleges and universities should require classes in core subjects. 70%

Americans just out of college, ages 25 to 34, support a core in even greater numbers. 80%

Over half of Americans say America's institutions of higher learning are doing only a fair or poor job of preparing students for the job market. 57%

WhatWillTheyLearn.com



Rating Higher Education in Virginia

ACTA released its newest state report card just after the new year, evaluating 39 public and private institutions in the Commonwealth of Virginia.



The report received extensive national and state press. In an op-ed entitled **“Are Virginia Colleges Ripping us off?”** in the **Richmond Times-Dispatch**—the largest newspaper in the state—the author began with this:

“You can observe a lot just by watching,” said Yogi Berra. A national group has been watching Virginia’s colleges and universities, and much that it has observed is not flattering.”

To read the full article and find a copy of the report, go to www.goacta.org.

education in the state to ensuring a rich liberal arts education rather than “narrowly conceived job training.”

- State funding for Idaho higher education was trimmed by the legislature, sharpening the focus on what’s necessary and what isn’t.

Maine

- For the first time in 25 years, *the University of Maine froze tuition* for in-state students after a unanimous vote by the board of trustees. This is an excellent first step to increasing affordability and clear evidence of how ACTA’s laser-focus on affordability is making a difference.
- The University of Maine System assembled a General Education Standing Committee to examine the core curriculum—the first full review in nearly two decades.

South Carolina

- ACTA spoke to a large crowd on the need to limit capital spending projects and tuition increases. One day later, the South Carolina Budget and Control Board imposed a moratorium on building projects for all public colleges and universities that raised tuition 7% or more.
- Governor Nikki Haley’s new Accountability-Based Funding initiative incorporates matters of concern raised in ACTA’s report, including degree completion, affordability and access, and educational quality.
- The board of Coastal Carolina University turned its focus on improved graduation

rates and lower tuition in the wake of ACTA's findings.

And now we've turned our eyes to the Old Dominion. ACTA's state report on **Virginia**, *The Diffusion of Light and Education: Meeting the Challenges of Higher Education in Virginia*, was released just after the new year. What are students learning in Virginia? How are schools spending their money? ACTA's report answers these questions and more by evaluating core curricula, affordability, retention and graduation rates, and governance structures at 39 public and private Virginia institutions. Coverage of the report has been extensive, with news appearing in the *Associated Press*, the *Washington Post*, the *Washington Examiner*, and major state newspapers.

The Beazley Foundation of Portsmouth, Virginia, one of the report's sponsors, used the findings to reassess its program of higher education philanthropy, which has contributed well over \$75

million to Virginia institutions. Upon review of the report, the Foundation's trustees voted to stand firm for quality and to suspend all higher education grants until institutions demonstrate that their programs provide real education benefits to students. It is a shot that is being heard around the world of philanthropy, and it is prompting a flurry of high-level discussions and proposed reforms among colleges and universities throughout Virginia.

We also worked closely with a group of engaged, active alumni at Virginia's oldest institution of higher learning—The College of William & Mary. Though it counts Thomas Jefferson among its alumni, William & Mary does not require its students to study American history, literature, composition, or economics. Fortunately, the concerned alumni of the Society for the College are working with ACTA to improve the curriculum, calling for more rigorous core standards—a message that is receiving interest, concern, and support.

“The *What Will They Learn?* study points to shortcomings in higher education that have a real impact on U.S. competitiveness. Too few schools require their students to develop a firm grounding in core subject areas, the foundation upon which later expertise can be built. This does a disservice not only to the students but also to employers seeking the capable, well-rounded employees they need to compete in the global economy.”

John Engler, former governor of Michigan
and president of Business Roundtable



Strengthening Governance

Providing Resources

Reform demands accountability. And accountability requires understanding. That's why ACTA works hard not only to send college and university trustees regular resource material, but to accompany those resources with recommendations on how to address the problems. In 2011 ACTA coordinated ten mailings to over 13,000 trustees, including letters relating to *What Will They Learn?*, state costs, and the urgent need to improve student learning outcomes.

Perhaps the hardest-hitting letter was from Professor Richard Arum, co-author of *Academically Adrift*, regarding an extensive study of student learning on college campuses. Professor Arum's letter outlined his disturbing findings: most college students show only modest cognitive growth over four years and 36% of students show *no significant growth whatsoever*. Given these distressing results, he called on trustees to demand that their universities measure student learning, institute accountability measures for departments and programs where students show little cognitive growth, and



Accountability

“In the lost spirit of *in loco parentis*, [ACTA president Anne] Neal and Arum have teamed up to take these findings to those upon whom ultimate responsibility falls: the nation’s . . . college and university trustees. In a letter sent a few weeks ago, Arum wrote that institutions not demanding a rigorous curriculum ‘are actively contributing to the degradation of teaching and learning. They are putting these students and our country’s future at risk.’ That’s a provocative charge and a call to arms. Let’s hope trustees hear it and heed.”

Kathleen Parker, *Washington Post*

take a hard look at the core curriculum to ensure that students receive a rigorous liberal arts education.

The letter came as a shock, but a necessary one. As Dick Leslie, trustee of Sweet Briar College, said, “Arum’s letter should wake up trustees of all American colleges and universities . . . Trustees need to focus on student learning first and foremost. Arum has shown us that we haven’t done so.”

Seeking to arm trustees with the knowledge to govern effectively, ACTA also partnered with the Bill & Melinda Gates Foundation and the Apex Foundation to provide our wide universe of college and university trustees with copies of *Inside the Nonprofit Boardroom*. This useful guide helps trustees to ensure that their trusteeship is effective, successful, and satisfying.

Trustees have been effusive in their praise. Dozens have expressed their gratitude—the board chairman for Syracuse University requested 70 additional copies to send to friends and colleagues, and a Virginia Military Institute trustee wrote, “Your

book comes to me at a very opportune time . . . I realized again why I am serving on the Board of Trustees . . . It was very inspirational.”

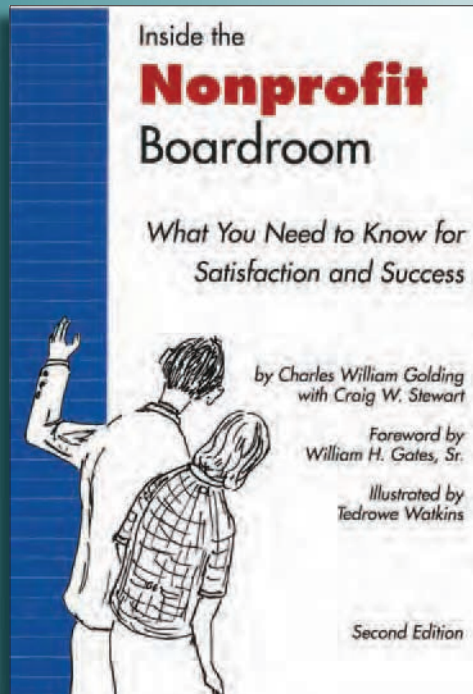
Conducting Seminars

In 2011, ACTA also continued to provide opportunities for trustees to learn about best practices. ACTA partnered with The Aspen Institute to host a seminar for trustees entitled “Academic Leadership and the Challenges Facing Higher Education.”

Trustees attended from widely-varying institutions: from universities like Pepperdine and the University of Colorado to liberal-arts colleges like Macalester and Sweet Briar. They discussed important texts relating to higher education: classics by Plato and Thomas Jefferson and cutting-edge education research by Richard Arum and Josipa Roksa’s *Academically Adrift*. They left with concrete action steps to take back to their boards: investigating measures of student outcomes, determining the content of their schools’ core curricula, and obtaining their institutions’ financial data.

Equipping Trustees

Working with the **Bill & Melinda Gates Foundation** and the **Apex Foundation**, ACTA provided our wide universe of college and university trustees copies of this important tool:



ACTA partnered with **The Aspen Institute** to host a seminar for trustees. At the event, Todd Breyfogle, Aspen's director of seminars, spoke with Gerald Bland, member of the State Council for Higher Education for Virginia.



“We then urge you to turn to ACTA for further advice and guidance as you encounter the particularly challenging governance issues ahead.”

William H. Gates, Sr. and Bruce and Jolene McCaw,
in a letter to trustees

Helping Governors

With ACTA leading the way, the accountability revolution is catching hold in higher education, and governors are key to its success. That's why, in 2011, we issued *Leading the Charge: Governors, Higher Education, and Accountability*, a guide to help governors reform public higher education in their states. The guide identifies a governor's key responsibilities in higher education. Among them: identifying priorities, ensuring trustees remain engaged, setting a reform agenda, and building public support. It also demonstrates how ACTA can help a reform-minded governor in each of these roles.

All 50 governors received the book, in addition to an analysis of the core curricula in their public institutions, providing the intellectual firepower they need to make real reform happen.

Of course, issuing reports is only part of ACTA's work in the states. Equally central is our hands-on work with trustees and the governors who appoint them. In 2011, ACTA continued our aggressive campaign to ensure greater cost-effectiveness and academic excellence through engaged governors and trustees.

Virginia, the “Mother of Presidents,” has given the nation George Washington, Thomas Jefferson, James Madison, and

five other commanders in chief. Today, however, only one Virginia public university requires its students to study American history.

ACTA is working to change that. At a conference keynoted by Governor Bob McDonnell, ACTA president Anne Neal addressed a large crowd of recently-appointed trustees. Speaking at the governor's request, she warned about rising tuition, weak curricula, and employers who find that students graduate deficient in core skills and knowledge. She also provided clear ways forward through learning assessments, a rigorous core curriculum, and engaged boards. Governor McDonnell agreed, urging trustees to be "bolder and innovative."

In the Hoosier State, ACTA appeared for a second time at the Indiana Commission for Higher

Education's annual Trustees Academy to encourage reform. ACTA's Michael Poliakoff facilitated a panel on "The Role of the Trustee in Ensuring Student Success." He presented recent findings about mediocre student learning, calling on trustees to implement objective measures and assessments. Just recently, Indiana announced a series of reforms adopting ACTA's recommendations and focusing on timely degree completion, lowering the cost of degrees, eliminating unnecessary programs, and establishing clear accountability metrics. These reforms will make the Hoosier state a model for the nation of real education reform.

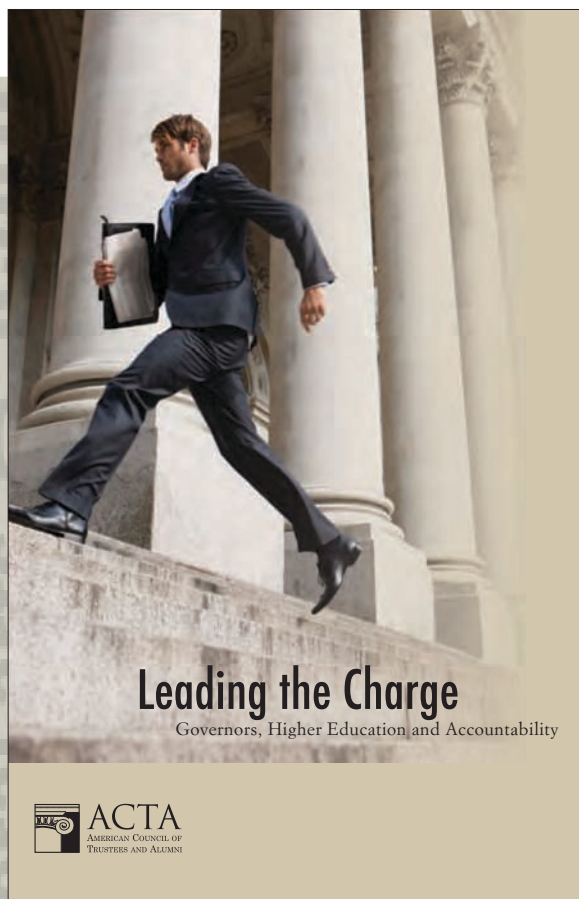
ACTA was also front and center in the Lone Star State, where some faculty and administrators had argued that engaged trustees were out of line.

REACHING OUT TO GOVERNORS

ACTA reached out to governors in 2011, providing the intellectual firepower they need to make real reform happen. All 50 governors received a copy of *Leading the Charge: Governors, Higher Education and Accountability* as well as an analysis of the core curricula in their public institutions.

Governor Mitch Daniels of Indiana, quoted in the report, gave voice to our message at a Trustees Academy in his state which ACTA attended.

"Higher education has never been so important to the health and well-being and the future of our state as it is right now . . . if we are going to make the kinds of improvement we need . . . [trustees] are going to have to press for it, and measure it, and demand results. . . Please stay back there at the school and work on how to use that money to the maximum educational success of every conceivable student; that's what we're asking you to do."



Weighing in on Penn State

When Penn State football coach Jerry Sandusky was accused of sexual abuse, ACTA gave the context no one else could. In a hard-hitting *Wall Street Journal* op-ed, ACTA president Anne Neal refused to see the Sandusky case as an isolated scandal: it is, rather, a particularly awful symptom of trustees' widespread failure to lead their institutions.

ACTA was inundated—by phone and email—with support. The local newspaper, *The Harrisburg Patriot*, in turn endorsed ACTA's call for a major restructuring of the Penn State board. The board of trustees has now elected new leadership and promised reforms and more transparency.

THE WALL STREET JOURNAL

By ANNE D. NEAL | November 30, 2011

Where Were Penn State's Trustees?

When the most highly paid employee is the football coach, it's clear something is awry.

Every generation or so, a scandal emerges that not only exposes the flaws of an institution but shakes entire industries to their foundations. For higher education, that scandal should be Penn State.

The unfolding events of the Penn State sports scandal show a major university that has been more interested in protecting itself than in educating students or serving the public. The institutional reckoning must begin and end with the governing board. It is responsible for the actions of university leaders, and its members owe taxpayers and students accountability and transparency.

The alleged sins of omission of football coach Joe Paterno, President Graham Spanier and others when it comes to Penn State's sports program are grave. And the board must address these tragic claims of child sexual abuse as a first priority.

But a larger question must be asked about governing boards generally: Are they fulfilling their responsibility to the students, families and taxpayers in a broader sense? Can the trustees guarantee that they are adhering to their educational purpose? The clear answer is no.

Edward Shils, distinguished service professor at the University of Chicago, saw the task of the university as the "discovery and teaching of truths about serious and important things." Could Penn State—or most other American universities for that matter—make such a claim today?

When the most highly paid employee is the football coach, not the president, it's clear something is awry. When football tickets and fancy student centers are the currency of the day, rather than affordable and quality education, clearly something is awry. When most classes are scheduled only between Tuesday and Thursday and the institutional answer is to build more buildings to accommodate the demand from 10 a.m. to 2 p.m.—as Penn State is doing—something is awry.

The health of our society depends directly on the health of our educational institutions, and we've got some work to do. In too many ways, the emphasis of higher education in general has become one of reputation building, not values or education. The instinct is to hide problems or pretend they don't exist rather than face them head on. At too many institutions around the country, we are graduating students who can't write or think critically and who won't be able to compete in the global marketplace.

It is that tragedy in education that prompted Professor Richard Arum and the American Council of Trustees and Alumni to write to 10,000 college and university trustees earlier this fall calling on them to act. In his letter, Mr. Arum did not mince words. He noted that "problems of learning in higher education are real, deepening, and demand urgent attention. . . . Institutions that fail to set meaningful expectations, a rigorous curriculum and high standards for their students are putting these students and our country's future at risk."

At the end of the day, we must hold boards accountable. Board members are acting in trust for taxpayers and students. If they do not act to ensure quality and integrity, then they are putting our students and our country's future at risk.

Faculty are typically committed to their disciplines. Administrators regularly focus on the growth of their institutions. It is the governing board's duty to address these competing priorities. It is the trustees' duty to ensure that the distinctive educational purpose of the American university remains at the forefront of every other activity. Every college governing board should interpret Penn State's troubles as a clear warning of what happens when institutions lose sight of their educational mission.

Ms. Neal is president of the American Council of Trustees and Alumni.

Dr. Poliakoff addressed the Texas state legislature's Joint Oversight Committee on Higher Education Governance, Excellence, and Transparency, where he emphasized boards' duties to control costs and implement objective learning measures, saying, "Informed, active boards are essential for effective higher education governance." The media were interested, covering the story locally and in the *Chronicle of Higher Education*. Meanwhile, Florida Governor Rick Scott announced reforms in Florida designed to show Texans that the 'Gators could do better.

Demanding Transparency

Changing incentives in higher education requires a multi-pronged approach. And one prong is reaching out to state legislators nationwide. One thing is for sure—too many colleges and universities are failing to show that they are adding value. That is why ACTA this year drafted and ushered in adoption of two model bills: the *Academic Assessment and Accountability in Higher Education Act* and the *Higher Education Capital Projects Transparency Act* at the American Legislative Exchange Council (ALEC), a network of state legislators that develops model legislation for state-based reform.

The assessment bill requires public universities to assess student learning gains using nationally normed, objective instruments and present those data to the public, thereby allowing voters and lawmakers to pinpoint areas of teaching and learning that need improvement. Designed to slow down higher education's insatiable desire for new buildings—when current buildings lie empty or in need of repair—the capital project bill requires a

public institution of higher education to offer the public information about average weekly usage of its classrooms and labs in order to maximize the use of current facilities. In an era when universities spend tens of millions of dollars on costly and often unnecessary buildings, the new bill provides much-needed transparency and cost-effectiveness.

ACTA's relationship with ALEC is old and deep. Michael Poliakoff was recently appointed co-chair of ALEC's Higher Education Subcommittee—a committee that ACTA president Anne Neal helped to found.

Advocating for Accreditation Reform

Virtually all of America's schools are accredited, though the accreditors' seal of approval has done nothing to stem unrelenting evidence of declining educational quality and spiraling costs. The system designed to protect taxpayer dollars by serving as a gatekeeper to federal financial aid has become opaque, bureaucratic, and wasteful. Accreditors drive up costs with demands for administrative offices, new resources, and politically correct agendas, and schools must fall in line or lose their federal funding.

For years ACTA has worked for accreditation reform as a lone voice in the wilderness. In 2011, that began to change as more and more allies began to raise questions about this costly and opaque system.

Anne Neal sits on the National Advisory Committee on Institutional Quality and Integrity

(NACIQI), which advises the Secretary of Education on accreditation and is proposing reforms. But the reforms don't go far enough. So ACTA has proposed a free-market approach. ACTA's plan would de-link accreditors from federal aid dollars and provide consumers with key information on quality and cost—certified by an independent audit. Instead of costly and prescriptive intrusion by accreditation bureaucrats, ACTA's alternative requires proof of financial solvency and key institutional audited data on student performance and cost. The power is placed where it belongs—in the hands of students and parents who will have information they need on the financial and academic health of institutions they care about.

Prominent university presidents are joining the growing chorus of accreditation critics. In recent testimony, President Shirley Tilghman of Princeton sided with ACTA's solution of de-linking, calling it necessary if accreditors continued to interfere with institutional autonomy. Jim Yong Kim, president of Dartmouth, criticized the geographic structure of accreditation as “unsuited to American higher education,” noting that accreditors often substitute their own judgment for that of an institution's trustees and administrators. Stanford provost John Etchemendy argued that “accreditation is no substitute for public opinion and market forces as a guide to the value of the education we offer.”

ACTA couldn't agree more. And in the year ahead, ACTA will continue to push for reform.



Bringing Back ROTC

An essential virtue of liberal learning is academic freedom: the freedom of professors to teach and of students to learn. In so many ways our colleges and universities have lost touch with that freedom.

But ACTA has kept fighting for it—and in 2011 we experienced great success.

For over a decade, ACTA has spoken out against a serious injustice: elite universities that ban Reserve Officers' Training Corps (ROTC) programs from their campuses. Harvard, Yale, Stanford, Columbia, and Brown—despite receiving millions of dollars from the federal government—have refused to house ROTC units on campus or permit students to receive academic credit for their activities.

Is it any wonder that the press and pundits increasingly recognize a growing chasm between the military and the rest of society?

Academic Freedom



“American universities . . . need to have as many [student-soldiers] among us as we can. They serve as models of a kind of person and citizen whom we see too rarely. Perhaps, they will inspire us, their teachers and fellow-students, to be better people and citizens as well.”

Professor Donald Kagan, Yale University, *New Haven Register*

In 2011, ACTA took aggressive strides to address that problem:

- We wrote to trustees of these schools, calling upon them to restore student choice for military service.
- We rallied Ivy League alumni, urging them to write to trustees and demand the restoration of ROTC.
- We met with many key decision-makers and influential leaders to urge ROTC support.
- We worked with renowned scholars Jacques Barzun and Donald Kagan to place prominent pieces in the *New York Times* and *New Haven Register* calling for the return of ROTC immediately before the Columbia and Yale board meetings.

And our work has paid off! Harvard led the way with official recognition for Naval ROTC. And Yale has made major progress, establishing Naval and Air Force ROTC programs on campus and offering course credit for appropriate subjects. Stanford and Columbia have also re-established ties, and Brown has recently announced the creation of an office for ROTC on campus.

ACTA praised all of these universities for doing the right thing—and we’re pressing them to continue their progress until ROTC is a full member of the campus family. That is why we have subsequently written to the boards of trustees at Harvard and Brown urging the following action steps:

- Recognize *all* branches of ROTC. Award course credit whenever appropriate.
- Provide accessible transportation to a nearby unit when an ROTC unit *cannot* be established.
- Offer courses in military history; many elite schools no longer offer even a single course in this field.

As we celebrate a successful year for students’ rights, we continue our work to ensure that student-soldiers receive the respect and support they deserve.

Advancing Informed Philanthropy

No college course should stifle free and open discussion on both sides of an issue. No college student should suffer a grading penalty because his or her political views do not coincide with the professor’s.

Winning for Student-Soldiers

ACTA has long protested the hypocrisy of highly selective institutions that take federal money but ban ROTC programs on campus. In 2011, ACTA friend Jacques Barzun took the battle to one such institution: Columbia University.

Mr. Barzun is a former provost and professor of history at Columbia University. A 1927 graduate of Columbia College, he is the author or editor of over 30 books. He received the Presidential Medal of Freedom in 2003 and the National Humanities Medal in 2010.

Less than one month after this column appeared, Columbia reopened its doors to ROTC.

THE WALL STREET JOURNAL

By JACQUES BARZUN | March 10, 2011

Columbia University's ROTC Shame

Students read Pericles on the virtue of citizen-soldiers. Too bad the college doesn't encourage that virtue in practice.

In the funeral oration of Pericles, still required reading in the renowned Core Curriculum of Columbia College, the Athenian leader reminds his embattled people that "when a citizen is in any way distinguished, he is preferred to the public service, not as a matter of privilege, but as the reward of merit." Do Columbia's administrators and trustees believe that the students in the college should live by the values they are required to learn?

In 1969, spurred by antiwar student riots, the university cancelled its Reserve Officer Training Corps (ROTC) program, which had its roots in the Columbia Midshipmen's School that trained over 23,000 naval officers in World War II. By the 1990s, after the fervor around the Vietnam War had subsided, university officials justified keeping ROTC off campus because of the military's "Don't Ask, Don't Tell" policy.

With Congress having repealed that edict last year, Columbia faculty have raised new arguments against ROTC. Some faculty members have recently circulated a petition that the military should remain banned because it continues to be a "discriminatory institution" on the basis of many reasons from physical disability to age. The basketball team disqualifies too.

The petition also vaguely warns that a few students wearing uniforms around campus would be a harbinger of "militarization."

They ignore the Eisenhower Leadership Development Program, a joint endeavor with West Point that sends dozens of commissioned and uniformed officers each year to Columbia's sacrosanct campus. They also ignore Columbia's law and medical schools, which commission students directly into the Armed Forces Judge Advocate General's Corps as well as medical residencies, and count among their faculties several active-duty military officers.

In a recent poll, 60% of Columbia students supported ROTC's return to campus. But military enrollment should not be subjected to a referendum.

After the repeal of Don't Ask, Don't Tell in October, the American Council of Trustees and Alumni wrote to Columbia's Board of Trustees asking them "to go on record now, welcoming this worthy service back to campus, since you have the ultimate oversight of matters concerning student life and welfare." As ACTA President Anne Neal has said, "This is not an excessive or unreasonable request. All we are asking is that institutional leaders—the trustees who are legally responsible for their institutions' financial and academic health—should plan to make on-campus ROTC a reality."

In the midst of this debate, Columbia's 10 or so ROTC cadets will be sent to the crash site in Afghanistan to take a 75-minute one-way ride, and arrive at Fordham University for

physical training at 6 a.m.

The armed forces have drawn some of their most celebrated leaders from Columbia. Not one but four commanders in chief, including the incumbent, studied or worked there. Educating citizen-soldiers is necessary not only for the vigor of our armed forces, but for the vitality of our universities and our republic.

Pericles concluded his remarks in ancient Athens by reminding his people that in detailing the merits of their city-state (in contrast to the characteristics of neighboring Sparta) "we are contending for a higher prize than those who enjoy none of these privileges." A citizenry's willingness to serve in its defense makes a "government that does not copy our neighbors, but is an example to them." Most will choose not to answer the call—that is acceptable, the natural result of relying on an all-volunteer military. What is not acceptable is denying the army the opportunity to even make that call.

Columbia's president and trustees must act to restore the university's long-estranged relationship with the armed forces.

Mr. Barzun is a former provost and professor of history at Columbia University. A 1927 graduate of Columbia College, he is the author or editor of over 30 books. He received the Presidential Medal of Freedom in 2003 and the National Humanities Medal in 2010.

And no professor should have his or her tenure revoked over an issue of political correctness. Unfortunately, this is not the reality on many college campuses.

Alumni and other philanthropists give huge amounts of money to higher education—over \$7 billion in 2009. Foundations gave more than \$8 billion that year. And as appropriations for higher education decline in many states, conscientious donors—now more than ever before—have a unique opportunity to inform and strengthen higher education.

But donors do not want their money to reinforce political correctness, speech codes, neglected teaching, or crazy courses—they want it to make a difference and help institutions live up to their highest ideal of academic freedom and excellence in education.

Intelligent giving is the key to maintaining our strengths and remedying our weaknesses. And ACTA's goal is to help donors ensure that their money is well spent, with a little help from our *Intelligent Donor's Guide to College Giving—Second Edition*, released in 2011. Starting with the prime directive—it's *your* money—the *Guide* offers straightforward suggestions and helpful resources for donors' consideration. This new edition brings to bear ACTA's 16 years of experience, offering profiles of exemplary donor-funded programs, as well as lessons learned about intelligent giving.

The *Guide* explains why endowed chairs and new buildings are often not the best choices, and why short-term gifts can create a bigger impact than long-term endowments. It also offers varied examples of successful giving and cautionary tales of universities that violated donor intent.

Donors and media are singing its praises. Investor and philanthropist Steven Friess praised the *Guide* in *Investors' Business Daily*, and investor and Harvard donor Frank Weil sent it to Harvard's development office, urging them to sit up and take notice.

The *Guide* has also changed donor behavior. The Class of '56 Scholarship Fund at SUNY Maritime came to ACTA after reading the guide, looking to prompt the university to implement fully their philanthropic goals. With ACTA's help, they crafted an agreement that ensured their money would fund the scholarships for which the funds were intended.

And when the late lawyer and philanthropist Herbert Wiley Vaughan established a higher education charitable trust in his will, he explicitly directed his foundation's trustees to follow the principles and guidelines in the *Intelligent Donor's Guide*. The Herbert Wiley Vaughan Charitable Trust will soon be a major funder in higher education philanthropy, and his instructions indicate that ACTA's research is changing the game in higher education philanthropy.

Tracking Political Correctness

"In any education of quality, students encounter an abundance of intellectual diversity." That is the position of the Association of American Colleges and Universities. Do schools live up to it? We answered that question in Maine and Idaho when we surveyed students at major public universities. Unfortunately, the answer is often "no."

Do some professors use the classroom to present their personal political views? In Idaho, 41.3% of students said yes; in Maine it was 47.2%. More than a third of students said that their schools offer courses in which students feel they have to agree with the professor's social or political views in order to get a good grade. In Idaho, more than 38% of students said that some courses present social or political issues in an unfair and one-sided manner; in Maine nearly half of students said the same.

Clearly, many students feel strong pressure to conform to professors' opinions; it's up to watchdog groups like ACTA to stand up for their rights.

"Wise giving to higher education requires as much care as any other purchase or investment. It's essential that donors clarify their intentions and communicate clearly—before their gifts are made Intelligent donors have a valuable ally in a group called the American Council of Trustees and Alumni."

Stephen Friess, *Investors' Business Daily*



Making Headlines

We can't effect change without public support. That is why ACTA works hard to see that our reports reach stakeholders throughout America: students, parents, trustees, alumni, policymakers, and faculty.

In 2011, news articles featuring our work appeared in papers with a combined circulation of 47 million. We appeared in over 450 publications, including the *Washington Post*, *USA Today*, the *Associated Press*, the *Wall Street Journal*, and hundreds of local and regional papers. We also appeared on numerous websites, in campus papers, and on radio and television. ACTA was featured in columns by major columnists William McGurn, Kathleen Parker, and Leonard Pitts, and discussed in higher education publications like *Inside Higher Ed* and the *Chronicle of Higher Education*. ACTA was also mentioned in two major academic studies of higher education, *Losing Our Minds* by Richard P. Keeling and Richard H. Hersh, and *The Faculty Lounges* by Naomi Schaefer Riley.



Getting the Word Out



“There’s broad agreement that the general education system is flawed, and some presidents are calling for stronger core requirements. The American Council of Trustees and Alumni in Washington has led the campaign . . .”

Daniel DeVise, *Washington Post*

ACTA has stepped into new media as well with our blog, Facebook page, and internet memes like “College: what it’s really like.” We’ve continued our direct outreach with regular mailings to 13,000+ trustees and our quarterly newsletter, *Inside Academe*, which has over 12,000 readers. In 2011, we also launched, led, and joined public presentations around the country to educate decision-makers and the public at large about challenges facing higher education.

ACTA on the Road

January — Interviewed by *Wall Street Journal* about ACTA’s *What Will They Learn?*.

February — Met with key decision-makers and influential leaders including Larry Summers, former president of Harvard, and Lieutenant Colonel Timothy J. Hall, Commanding Officer of the Army ROTC Battalion at MIT.

March — Met with Princeton president Shirley M. Tilghman on accreditation reform.

April — Presented ACTA’s *What Will They Learn?* findings to the Washington Studies Group.

Addressed Maine trustees and policymakers on the implications of ACTA’s report and ways the state can address shortcomings.

May — Participated in a Senate briefing on “Economic Recovery and the Role of Higher Education.”

June — Participated in a board meeting of the National Advisory Council for Institutional Quality and Integrity (NACIQI), which advises the Secretary of Education on higher education accreditation.

July — Co-hosted a trustee training seminar with The Aspen Institute at George Washington’s Mount Vernon.

August — Addressed the University of North Carolina board of trustees on “Sticking to the Mission: Some Thoughts for Tarheel Trustees.”

Provoking Thought

Larry Summers, former president of Harvard University and one of the nation's most dynamic and provocative thinkers, joined ACTA's ATHENA Roundtable for an interview with *Washington Post* reporter **Daniel DeVise**.

Bringing his unique perspective to issues that matter to ACTA, Summers compared universities to industrial enterprises under communism, noting that in both cases the enterprise is run, not for the benefit of the consumer, but for the benefit of the producer—in this case the faculty and administrators. He advocated exposing more students to a liberal arts education through broad-based survey courses across the disciplines, and he treated grade inflation as a moral issue: "A society that tolerates the grade inflation of its students should not be surprised when it finds the inflation of corporate earnings of those students 20 years later."



"[T]he right aspiration is for there to be more courses that provide the option of being broadly equipped by great teachers for a life of enlightened participation in society. "

Larry Summers, at ACTA's ATHENA Roundtable

September — Moderated a panel discussion at the Indiana Trustees' Academy on "The Role of the Trustee in Ensuring Student Success."

Addressed the Texas legislature's Higher Education Oversight Committee, defending trustee authority to reform schools.

October — Joined Virginia governor Robert F. McDonnell at Virginia trustee seminar.

Presented at the American Legislative Exchange Council (ALEC) Academy for Legislators on "Unacceptable Outcomes: A Call to Action."

Led a panel discussion at the Philanthropy Roundtable Annual Meeting on "How Donors Can Incentivize Change in Higher Education."

November — Held the 2011 ATHENA Roundtable at The George Washington University.

Hosted Council on Aid to Education's discussion of the CLA+ initiative.

December — Presented at "Law, Innovation, and Growth: Entrepreneurship in Higher Education Retreat," sponsored by the Kauffman Foundation.

ATHENA: Setting Priorities

This year's ATHENA Roundtable displayed ACTA's unique blend of high-minded discourse and practical policy. The conference, held at the Elliot School of International Affairs at The George Washington University, brought together scholars, policymakers, and other leaders in higher education to discuss the topic, "Setting Priorities in Higher Education."

Dr. Gordon Wood of Brown University set the tone with his keynote address, a historical lecture on "The Revolutionary Origins of the Civil War." Next was a panel discussion on "Promoting Educational Excellence and the Core Curriculum," featuring ACTA's Michael Poliakoff, former Michigan governor John Engler, and Judge Richard Bray, president of the Beazley Foundation.

Other speakers included James Van Houten, a trustee of the Minnesota State Colleges and Universities System; Peter McPherson, president of the Association of Public and Land-Grant Universities; Michael Crow, president of Arizona State University; Daniel DeVise, higher education reporter for the *Washington Post*; Larry Summers, former president of Harvard; Teresa Lubbers, Indiana Commissioner of Higher Education; and Michael Nietzel, senior advisor to Missouri governor Jay Nixon.

The conference concluded with the presentation of the seventh annual Philip Merrill Award to David McCullough, the renowned historian. McCullough, bestselling author of *John Adams* and *Truman*, has spent a career teaching history to Americans young and old, through his writing and also through

2011 PHILIP MERRILL AWARD

ACTA's Philip Merrill Award for Outstanding Contributions to Liberal Arts Education is the only award that honors individuals who have made an extraordinary contribution to the advancement of liberal arts education, core curricula, and the teaching of Western civilization and American history. It is named in honor of Philip Merrill, who tirelessly supported and affirmed the importance of academic excellence and a common core of learning in a free society.

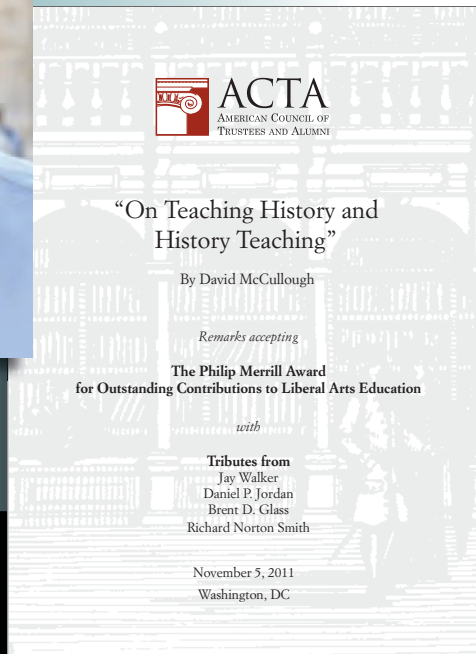
The seventh annual Merrill Award was presented to **David McCullough**, who has introduced generations to the wonders of American history. His lively and popular accounts have responded to a vast public thirst for engaging historical narratives. Through writing and public advocacy, Mr. McCullough has advanced the importance of a rich liberal arts education and helped draw attention to the urgent need for Americans to understand our history and our heritage.



Anne Neal, David and Rosalee McCullough, and Catherine Merrill Williams



David McCullough

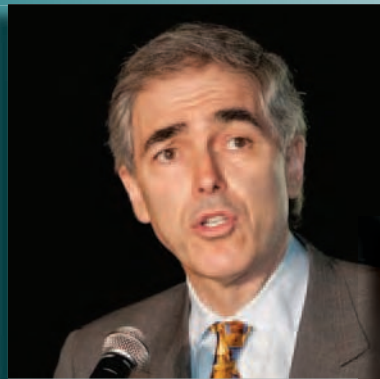


myriad public appearances and work with public television. Great friends, scholars, and leaders paid him tribute: presidential historian Richard Norton Smith; Brent Glass, director emeritus of the National Museum of American History; Daniel Jordan, former head of the Thomas Jefferson Foundation; and entrepreneur and inventor Jay Walker.

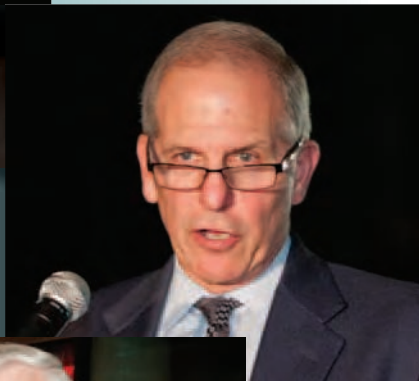
Developing Networks

ACTA's donor society members enjoy access to exclusive events where they can meet key educational leaders in an intimate setting. This year ACTA took those events nationwide: we held donor salons in Florida, Boston, New Mexico, and New York as well as DC.

In Boston, our donors met Captain Paul Mawn of Advocates for ROTC—just days before Harvard returned ROTC to campus. At another event they met Christina Hoff Sommers, a prominent scholar and author of several books, including *The War Against Boys* and *Who Stole Feminism?* And at a lunch at ACTA, our own Michael Poliakoff—who has held senior positions at the National Endowment for the Humanities, the University of Colorado, and the Pennsylvania Department of Education—discussed key issues in higher education.



Jay Walker



Brent Glass



Richard Norton Smith and Daniel Jordan



Michael Poliakoff and Judge Richard Bray



Gordon Wood



John Engler



Teresa Lubbers



Michael Nietzel



Diana Davis Spencer



Peter McPherson and Michael Crow

“We can all be glad that David McCullough and ACTA have found each other. They are fighting the same ‘good fight.’ They are keeping what Lincoln called ‘the mystic chords of memory’ humming loud and clear in America’s consciousness. In doing so, you and they are helping to preserve the very essence of America’s identity.”

Jay Walker, Chairman of TEDMED
and Walker Digital, LLC

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President, American Council of Trustees and Alumni



About Us



Stephen Trachtenberg and Arthur Rothkopf spoke at ACTA's summer seminar for staff and interns.

Staff

Anne D. Neal, Esq.
President

Michael B. Poliakoff, Ph.D.
Vice President of Policy

Lauri Kempson
Vice President of Operations

Brianna J. Estrada
Director of Development

Daniel Burnett
Press Secretary

Armand Alacbay, Esq.
Program Officer

Tom Bako
Program Officer

Jasmine Wolfe
Office Manager

William Gonch
Program Associate

Michael Kennedy
Program Associate

Research Fellows

Maurice Black, Ph.D.
Erin O'Connor, Ph.D.
Charles Mitchell

Interns and Fellows

ACTA's research-focused internships attract some of the brightest college students and recent graduates in the country. Our summer interns play a key role in developing the What Will They Learn?™ project, doing invaluable research and writing tasks. They also experience ACTA's summer speaker series, which invites eminent leaders in education reform to join our interns and staff for discussions on the future of higher education. This year's guests included former university presidents Arthur J. Rothkopf and Stephen Joel Trachtenberg; Dr. Richard Vedder, director of the Center for College Affordability and Productivity; Tao Tan, a student leader at Columbia who helped lead the campaign to return ROTC to campus; and several other accomplished reformers.

Among this year's student researchers were our Robert Lewit Fellows, recent Harvard graduate Rachel Wagley and Yale junior Bijan Aboutorabi; our first Leonard Litwin Fellow Ken Hershey, also a junior at Yale; Greg Lewin, now a senior at The George Washington University; Natasha Malik, a 2011 graduate of Patrick Henry College; and Sarah Moore, a recent graduate of Wheaton College.

2011 Financial Statements

STATEMENT OF FINANCIAL POSITION as of December 31, 2011

Assets

| | |
|------------------------------|---------------|
| Cash and Cash Equivalents | \$1,181,194 |
| Receivables | 83,897 |
| Prepayments and Other Assets | 23,215 |
| Property and Equipment | <u>50,389</u> |

Total Assets **1,338,695**

Liabilities and Net Assets

| | |
|-------------------------|----------------|
| Accounts Payable | 34,735 |
| Retirement Plan Payable | 18,690 |
| Deferred Income | <u>229,000</u> |

Total Liabilities **282,425**

| | |
|-----------------------------------|----------------|
| Unrestricted Net Assets | 743,709 |
| Temporarily Restricted Net Assets | <u>312,561</u> |

Total Net Assets **1,056,270**

Total Liabilities and Net Assets **\$1,338,695**

STATEMENT OF ACTIVITIES as of December 31, 2011

Revenue and Support

| | |
|--------------------------|--------------|
| Contributions and Grants | \$1,577,630 |
| Interest and Dividends | 687 |
| Program Revenue | 8,450 |
| Miscellaneous Income | <u>9,388</u> |

Total Revenue and Support **1,596,155**

Expenses

| | |
|------------------------|----------------|
| Program Expenses | 1,456,093 |
| Fundraising | 19,535 |
| Management and General | <u>114,487</u> |

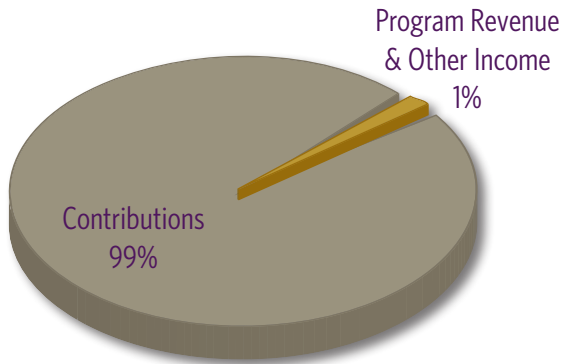
Total Expenses **1,590,115**

Change in Net Assets **6,040**

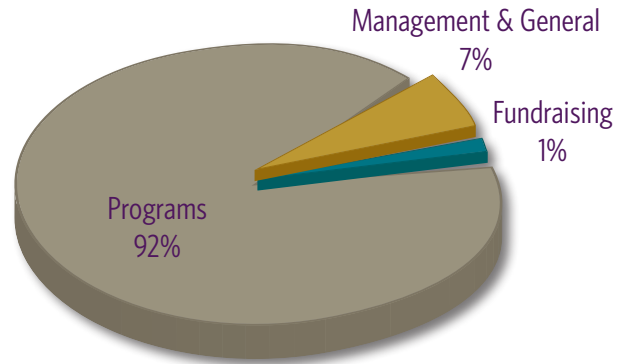
Net Assets, beginning of year **1,050,230**

Net Assets, end of year **\$1,056,270**

2011 OPERATING REVENUE



2011 OPERATING EXPENSES



In Memoriam

In 2011, we bid farewell to some very special supporters and friends:

Rynn Berry, New York

B.V. "Dexter" Brooks, Connecticut

Oscar Handlin, Massachusetts

Harry McPherson, Maryland

Stanley Rothman, Massachusetts

Herbert Wiley Vaughan, Massachusetts

James Q. Wilson, Massachusetts



ACTA
AMERICAN COUNCIL OF
TRUSTEES AND ALUMNI

American Council of Trustees and Alumni
1726 M Street, NW, Suite 802
Washington, DC 20036
Phone: 1-888-ALUMNI-8 or 202-467-6787
Fax: 202-467-6784

Email: info@goacta.org • Website: www.goacta.org