CHANCELLOR'S REPORT

TO THE

ANTIOCH UNIVERSITY

BOARD OF TRUSTEES

BACKGROUND MATERIALS

OCTOBER, 1995

Chancellor's Report to the Board of Trustees

October 20, 1995

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Discussion of New University Organizational Structure

A. **The meaning and value of the University's new federal organizational structure.** The federal structure emphasizes the following:

1. Maximizes campus autonomy while encouraging interdependence;

2. Reduces significantly need for centralized administrative costs while maintaining necessary monitoring functions and "reserve powers" to intercede when required;

3. Enhances Antiochian values while emphasizing responsiveness to student markets;

4. Enhances likelihood of University-wide cooperation in new ventures because it maintains clarity about campus boundaries;

5. Enhances likelihood of identification of campus people with University as a whole while enhancing local identification with a campus;

6. Encourages strong campus leadership while encouraging University Chancellor as a partner and collaborator;

7. Emphasizes University wide academic programming and technological integration;

8. Primary administrative costs are at campus level and are subject to accountability to local campus constituencies, which encourages less rather than more administration;

9. The federal model emphasizes that there can be no winners if there are losers among the campuses; the problem resolution emphasized is negotiation between the Chancellor and a campus/campuses or between the campuses themselves.

B. **The Board's role in strengthening federal organizational model**

1. <u>Need for Board to emphasize its continuing commitment to the success and vitality of all five campuses.</u> Given the Board's membership and history, there is concern about the strength of the Board's interest in the adult campuses. Allaying these concerns will enhance the commitment of the adult campus faculty to the University as a whole as well as emphasizing the need for the College faculty to work as partners with their colleagues throughout the University. These actions will increase the integration and strength of the whole University and all the campuses the capability to deal better with a difficult future.

2. Maintaining the strength--or strengthening--the role of the University Chancellor. The Chancellor does not need to have the type of overt authority that is required of the campus chief executives, but he/she must be seen as--and be--influential with the Board. Such upward influence enables the Chancellor to persuade and facilitate his/her work with the campus leaders individually, and through the University Policy Council.

The Chancellor has only two constituencies, the Board and the campus chief executives. To make the Chancellor's role effective the campus chief executives must know that the other constituency--the Board--will ultimately support the Chancellor as long as what he/she is proposing is reasonable. If there is disagreement between the Chancellor and the Board, then there must be a good deal of discussion between the Chancellor and the Board Chair, and if necessary the Executive Committee. The Chancellor is the Board's chief executive officer and he/she must be able to work together with the Board following a common agenda.

3. The need to emphasize the six basic principles of a federal organizational structure:(from Bennis and O'Toole)

a. non-centralization--real day-to-day power to deal with the key issues of the enterprise resides in the semi-autonomous five campuses.

b. negotiation--negotiation and bargaining within the context of University priorities is the basis for resolving differences.

c. constitutionalism--a covenant (written and unwritten) binds the allegiances of the campuses to the whole University within the context of a common commitment to the basic mission and values of Antioch. This covenant--much of it written--represents the commitments made by the Board and the campus and University leadership to each other over the last few years.

d. territoriality--a federal organization assumes that there are distinct boundaries between the campuses

e. balance of power--there is a need to have balance between the University administration and the campuses as well as between the campuses; e.g., the Chancellor cannot intervene into a campus as long as the balance--University policy and/or interests--is not violated, whether or not he/she agrees with the local campus decision or policy. The same holds true for the relationship between campuses.

f. autonomy--each campus is free to experiment and be self governing to the extent that they do not violate the fundamental principles of the University or clear University policies, e.g., every campus must have an annual balanced budget.

4. To quote Bob Krinsky: "Nose in, fingers out."--While the Board must be knowledgeable about important issues on each campus and the University, it should allow the senior

administrative leadership of the University (including the Chancellor, Vice Chancellor, College President and Provosts) as a group to struggle through difficult issues, especially as it relates to financial and management issues. This will strengthen the Chancellor's ability to resolve sensitive matters, will strengthen the ability of the senior leadership group of the University to manage the institution, and avoid having the Board micro-manage the University.

Section I

Discussion of New University Organizational Structure

C. Background Material

The following document is an excerpt from the conclusion of a book I am completing on the period 1985-1994 at Antioch University. The tentative title of the book is Recapturing A Legacy: The Rebuilding of a Visionary College. The book deals with the many events that transpired at Antioch University during those nine years, with a special focus on the College.

The excerpts included here focus on the new federal organizational structure that we have been operating under since July, 1994, and why and how we got there. I am including this material in this presentation to the Board because I believe it will give Trustees a context for understanding what is happening at the University, especially in regard to University-wide matters and the role of the Chancellor. I expect that the material will help a good many Board members who were not Trustees during the period 1991-1994 to understand some of what occurred during that period.

The excerpts focus on two main matters: the restructuring of the University and the underlying conception of the new organizational structure implemented in July, 1994.

I do hope that Board members will read this material, as I will be using some of it for part of my presentation during the Chancellor's Report on Friday morning, October 20. Of course, I would appreciate any comments you have.

CHAPTER IX(Excerpts)

CONCLUSION

A RENEWED ORGANIZATIONAL LIFE FOR A VISIONARY INSTITUTION

> Ultimately, I think, a leader should love the organization enough to help create a self-activating life for it. He or she has to love it enough to try to turn it into an environment in which others can understand and care for it, even in difficult times. A leader has to care enough about the organization to want it to be autonomous, able to function very nicely without him or her.
>
> Warren Bennis in An Invented Life

In late 1991 it became clear that the successful work we had done since 1985 could be undermined if Antioch's organizational structure was not significantly altered. In 1985-1987, most of the administrative services structure of the College was merged into the University administration to provide the support necessary--without the costs--to rebuild the College and, at the same time, intensified the centralized controls of the University to deal with the chaotic financial practices of the campuses and the University itself. The merger led to tremendous gains for the College, but in the mid-1990s this arrangement had the potential for strangling the College's development, because it made the College dependent on the University and undercut the College's sense of autonomy and integrity.

At the same time, this mid-1980s organizational strategy had changed the University so much that nine years later we were working within a very different institutional context:

> in 1985 there were seven adult campuses the largest of which had 400 students, in 1994 there were four adult campuses which ranged in size from 700 to over 1200 students;
>
> the size of the core faculty at the remaining four University adult campuses and the College had together more than doubled in this period, with a substantial increase in prior university experience and quality of the faculty hired;
>
> the operating budget of the University doubled to $40 million, the University was financially healthy and the College had recently completed a $50 million fund raising campaign;
>
> and, as a result of the success of the financial discipline--originally imposed by the University administration--and the growing size of the campuses and their administrative staff, it became apparent that we needed to fully empower the local administrators, who managed these changes, to take charge of the local processes that produced the fiscal responsibility.

Not insignificantly, the College's continued development depended upon the University's allocation of a $1 million annual subsidy, which the adult campuses would not be able to continue to generate without significant reductions in other University-wide expenses incurred by each campus.

Waiting to make the leadership and organizational changes beyond 1994 would, I believe, have seriously destabilized both the College and University. The College needed new focused energy devoted solely to its future; the University adult campuses needed a reduction in the University overhead charges and a University leader devoted solely to the interests of the University as a whole. Both the College and the adult campuses needed the organizational integrity created by greater middle level administrative autonomy. Furthermore, the University as a whole needed to face squarely its organizational, educational, technological and financial future: from the sharing of intellectual and human resources in the academic and administrative areas, to more sophisticated financial systems and planning, and to communication vehicles that integrate the University. And, it needed this to occur without the never-ending questions of whether the President is more interested in the College than other units, or people wondering whether a decision is based on university-wide or College interests.

The Trustees reviewed, discussed and consulted about the changes in the leadership structure of the University at Board meetings and in a retreat over a 14 month period in 1992 and 1993. Beginning in the summer, 1990, almost two years before these Trustee discussions began, the senior leadership of the University--President, Executive Vice President and Provosts--acting through the University Policy Council, discussed, struggled with and, then, planned a major restructuring of the University administration including the downsizing, decentralization and integration of the administrative structure of the University. Major decisions on the new leadership structure were made by the Board of Trustees in October, 1992 and June, 1993. The University Policy Council made the major decisions on the University administrative reorganization in June, 1992 and December, 1992.

Expectations were that I would continue on in my dual role as President until July, 1995. I requested a change first to January, 1995 and, then, in June 1993, that I complete the transition to the new University Chancellor role by July, 1994. The Trustees established a search and screen process for a College President in June and October, 1993; James Crowfoot was chosen as the 18th President of Antioch College on May 15, 1994 and assumed office on August 1, 1994. I became the first Chancellor of Antioch University on July 1, 1994.

In two difficult and painful meetings in July, 1992 and February, 1993, the staff of the University administration were informed that the University was being reorganized, all day-to-day administrative services were going to be decentralized to the campuses, and the staff reduced by two-thirds. The changes were concluded in December, 1993 and June, 1994. The new organizational systems were put into effect by July, 1994 and the integrated computer systems for finance have been operational since June, 1995; other integrated administrative systems will follow in the ensuing18 months.

The transition, in late 1994, is reaching its final stages, but not without the normal stresses and strains inherent in such major organizational changes, computer systems that didn't work as advertised, individuals leaving at inopportune times, and resistance in one or another quarter that had to be forcefully overcome...

Restructuring the University Administration

In mid-1995, we have nearly completed the major restructuring of the central administration of the University, which has significantly reduced the administrative overhead costs and, after accounting for increases in a new decentralized system, will save the institution about $700,000/ year in 1995, and considerably more in the years ahead. The total budget for the University is about 40 million dollars and the central administration's budget in 1993, prior to the full scale implementation of this change, was $3.3 million. Projections were that the central administration as structured would continue its 5% annual growth and by 1996-97 would have a budget of $4.1 million. While Antioch is now financially in good shape, the overhead costs needed to support the central administration had become burdensome to the campuses, especially the four adult campuses. At the same time, the central administration, which dealt very effectively with past problems, was based on a hierarchical and centralized organizational culture--what some have called command and control.

We were determined to reduce the overhead costs and change the command and control culture by decentralizing many centralized functions to the five campuses, most of which already had staffed up to deal with their increased size. We initially approached this change incrementally: that is, we started out to decrease costs by reducing the size of the central administration department by department. It took over a year to attempt the first departmental change and it became clear rather quickly that the staff's resistance and collusion would make it impossible to accomplish the entire central administrative change envisioned within a reasonable period of time, if ever. Also, the University's computer center was not up to the task. We realized that incremental change would not work and that a strategy focused on making basic structural changes was necessary.

In the summer, 1991, we decided to spend about a year developing a consensus among the senior administrative leadership of each campus and the president regarding the need to restructure the entire central administration. As we did this, we concluded that the only way we could accomplish our goal of significant reductions in university overhead expenses and decentralization to the campuses of all day to day activities was literally by starting over, and building a conception of a central administration based on a new culture and philosophy of collaboration and partnership. And, that's just what we did.

We made two key policy decisions at the senior administrative level of the University: first, that we would close down the central administration and build a new one and that once started we would not turn back--as someone once said, you can only leap over a large chasm in one jump, you can't stop in the middle. All the senior administrators were aware of this when we made our decision. Second, we would create a highly collaborative implementation process: technical resource groups for each major administrative area made up of middle level managers from each campus were created (e.g., chief fiscal officers, registrars), along with a central planning/transition group. These groups were responsible for recommending operational policies for each area to the senior leadership group of the University, the University Policy Council, made up of the chief administrator of each campus and the president, which made all the final decisions. The major requirement was that all operational policies had to follow an overall time-table and the computer systems design.

As of the summer, 1995, the restructuring of the central administration's work had been completed, about three years after we began implementation and over four years after we initiated discussions about full scale decentralization of the central administration. All the administrators in the new central administration have different responsibilities than in the old one, including the chief executive officer (University Chancellor) and, especially, the chief financial officer of the University. In turn, each of the five campuses will perform all the day to day administrative functions, many of which were previously performed centrally with a great deal of duplication on the campuses.

The savings will be a 60% reduction in the present central administration personnel-- a cut of 14 people-- and a 40-45% reduction in projected costs at the central administratiôn level (a cut of about 1.6 million dollars). When all increases to accommodate the new decentralized structure at the five campuses are taken into account, the total annual savings will be over 20% of the total projected costs of the old central administration. Moreover, as the resources of the University increase and the central administration does not, the savings will continually grow. Most significantly, the culture of the University administration has been radically altered.

What has impressed me more than anything else is not our success, which is considerable, but how much effort and continuous vigilance it has taken. And, how absolutely critical is the metaphor (and conception) that we're closing down one central administration and starting a new one. I was also impressed with how the implementation effort evolved over time and that we could not fully predict all the many outcomes, a fact that made some people uncomfortable with our level of planning...

One fascinating aspect of the entire planning effort is the paradoxical nature of the process which, at times, has been unnerving to people. A powerful hierarchical decision had to be made in order to move from a command and control to a collaborative, partnership-oriented administrative culture; a centralized decision was required to decentralize; the decentralization of the University administrative structure has led to the increased integration of the University...

In brief, the reorganization of the University administration had a number of essential goals which are being achieved:

> significantly reduce the costs of operating a University administration, thereby reducing University overhead and increasing local campus resources;
>
> rebuilding the culture of the University administration to a collaborative decision making structure;
>
> decentralizing to the local campuses all day-today administrative matters while the University monitors fiscal and administrative matters;
>
> creating a full service administration at the College and reduce by nearly 2/3 the size of the University administration, many of whom spent a considerable amount of time working on College matters;
>
> creating integrated University functions that support a decentralized administrative structure based on common standards and procedures, but local decision making following Board approved policies;
>
> build a new University-wide leadership structure that could plan and realize the potential inherent in the diversity of the University campuses and the values and conceptual commonality of the University...

But, it is instructive that while the savings over the next 5-10 years created by restructuring the central administration will be considerable, it will probably still not be enough to deal with the need to reduce the high levels of student costs and institutional expenses. Therefore, in the next three-four years, we will probably face continuing restructuring in the administrative areas throughout the University and begin the most challenging task of all, restructuring the role of faculty.

Restructuring the Leadership of the University and College

... At the Board retreat in October, 1992, the Trustees *tentatively decided* to create two positions--the College President and University Chancellor--and to change the University-campus relationship from a hierarchical to a collaborative structure. This meant that the chief executives of each campus would report to the Board through the University Chancellor rather than report to the University President, who in turn would be the only one reporting directly to the Board.

This "reporting through" structure is common in some public university systems, but can be confusing to those not familiar with its operations. Basically, this means--and was delineated in Board documents--that the campus leaders are delegated by the Board responsibility for all day-to-day functioning of the campus, but are expected to work with the Chancellor and their colleagues from other campuses, on all University-wide issues, policy development, annual budget guidelines and budget development. While the College President and the Provosts have access to the Board through reports and informal interaction, it is only in extraordinary circumstances that they would formally make proposals directly to the Board.

The Chancellor's primary responsibilities are to carry out Board policies and to make sure each campus does so, to monitor the major developments on each campus, especially in the finance and personnel areas, to lead and facilitate the senior administrative group, the University Policy Council, in developing recommendations for Board action, in working out differences among the campuses, and in providing general oversight to University administrative operations. As is probably obvious, I strongly supported the Board's action.

Following the October, 1992 retreat a special Trustee/senior administrative ad hoc committee was charged by the Board with visiting and consulting with faculty and administrators on each campus regarding the *tentative decision.* Except for the College, the campuses were supportive of the Board's decision. At the College, some of the older and anti-University faculty were suspicious; they felt the benefits received from having the University President serve simultaneously as College President would be lost. They also felt that the creation of a College President would put them on the same level as the other campuses, no longer holding a special role in the University they so disliked. Discussions with them only partially assuaged their concerns. The major positive issue for them was that the College President would have a reporting line to the Board and that the Chancellor-College President-Provost relationship was based on a partnership rather than a hierarchy. But, the ambiguity remained unsettling.

What is most interesting is that the College faculty had forgotten their experience under my two predecessors. After a while, both rejected the College and focused their efforts on the adult campuses and the Law School. The major underlying rationale for creating a separate College President was to have a chief executive concerned solely with the needs of the College. In effect, the new leadership structure takes away the option that both my predecessors and I had to decide whether or not to spend time and energy on the College or some other part of the University. A good number of Trustees and I felt that the new leadership arrangement structurally protected the College from presidential disinterest in its needs.

In June, 1993, the Board finalized their decision and approved in principle the report of the Ad Hoc Committee, which outlined the new structure. At the same meeting, they established a search and screen process for a College President. The new College President began his work on August 1, 1994. The Chancellor's office moved out of the President's offices in the College's Main building in the third week of July to temporary and very spartan offices awaiting renovation of new University administrative offices, which weren't completed until the last few days of December.

These University administrative offices are on the first floor of a building on the edge of the Yellow Springs campus, the Kettering Laboratory Building, and next to the building that houses the McGregor School. There are 12 permanent employees in four University offices who manage the central University administration for an institution of over 4000 students on five campuses in four states.

A New University Organizational Design

The new leadership and administrative organization of Antioch University has evolved from near chaos in 1985, in which some of the strongest units--New England and Seattle--were preparing to spin off on their own if the University failed, to a University with highly centrally controlled processes operating as a single unit on almost all major administrative matters except each campus' educational programs, to a new federal University structure.

This new organizational form is growing in use, especially in the business world, to deal with the paradoxes and uncertainties of the mid-to-late 1990s. It is wonderfully described in a recent (1994) book by Charles Handy, The Age of Paradox. Referring to it as federalism or federation, Handy writes the following:

> Federalism is an old idea, but its time may have come again...Federalism seeks to be both big in some things and small in others, to be centralized in some respects and decentralized in others... It endeavors to maximize independence provided there is a necessary inter-dependence; to encourage difference, but within limits it needs to maintain a strong center, but one devoted to the service of its parts; it can, and should, be led from that center but has to be managed by the parts. (p.110)
>
> ...(F)ederalism is an exercise in the balancing of power. The federal idea is an example of the second curve [i.e., self-renewing processes], but one which too few institutions or societies develop until they are forced to. It is a very different, and very uncomfortable, way of thinking about organizations. **It is messy, untidy, and always a little out of control. Its only justification is that there is no real alternative in a complicated world. No one person, or group, or executive, is so all-wise and so all-sensitive to be able to balance the paradoxes on their own, or run the place from the center, even if people were prepared to allow them We have to allow space for the small and the local.** (p. 111, emphasis added)

Like their colleague Handy, O'Toole and Bennis in their article on "Our Federation: The Leadership Imperative," discuss the issues involved in the development of a federal organizational structure. They outline the characteristics of federalism that "have remained constant since they were first described by Madison in the late Eighteenth century, and thus appear to possess almost universal validity:"

> **Non-centralization.** In federations, power resides in many semi-autonomous constituent centers, deliberately diffused for the purpose of safeguarding the freedom and vitality of those units...[A] true federal system is contractual and power cannot be rescinded unilaterally or arbitrarily by the central government (or central headquarters.)...
>
> **Negotiationism.** In federations, decisions are made in an ongoing process of bargaining between the units and the central authority--and often, between the units themselves...
>
> **Constitutionalism.** In federations, there is a written (occasionally, unwritten) convenant that binds the allegiance of the units to the basic purpose, mission, philosophy, and principles of the overarching institution.
>
> **Territoriality.** In federations, there are distinct boundaries between the constituent units.
>
> **Balance of Power.** Federations seek balance not only between the central authority and the units, but between the units as well.
>
> **Autonomy.** In a federation, the units are free to experiment and be self-governing to the extent they do not violate the fundamental principles necessary for the maintenance of the union. Of all the characteristics of federation, this is the most difficult to achieve and maintain.

We have been undertaking the development of a federation with a strong sense of common purpose, with a center that is built to lead the University and serve the major parts--the campuses--while maintaining a great deal of autonomy for each. This organizational form is well suited to our present needs and for dealing with the highly uncertain environment of higher education in the mid-1990s and beyond. But, it is a bit messy and it is not always easy for people to understand the non-hierarchical nature of a federation.

The New Challenge: 1994 and Beyond

Ambiguity and tension are inherent in the new federal organizational model we've created and in its potentially conflicting processes; localized, decentralized decision making and common university-wide policies and integrated functions; Board delegated campus-based leadership and University-wide Board delegated integrated policy development with monitoring of campus activities.

Many of the key elements of our future success can be seen in Charles Handy's discussion of what makes such a federation work:

> ...Federalism is fraught with difficulty because it is trying to manage [societal] paradox [and uncertainty]. Twin citizenship makes [federalism work]. If there is a sense

> of belonging to something bigger as well as something smaller we can accept some restrictions on our local independence if it helps the larger whole. Sovereignty is not ceded but shared. The larger unit is not only "them" but also "us."
>
> ... The life of the federal president in a large organization tends to be one long teach-in...
>
> [But,] twin citizenship needs more than flags, national anthems, and articulate visible leaders. It is lubricated by cross-fertilization, by moving people between parts and the center. In that way more people are exposed to more of the bigger reality; they not only grow themselves, but their vision and understanding of the total organization grows with them... (p.122)

Creating and operating a federal organization is not a recipe for peace and tranquillity, nor is any other organization model. It is a complex system of relationships that must be continually developed and maintained; administrative systems must be continuously monitored. O'Toole and Bennis, like their colleague Handy, discuss the difficulties of leading a federation:

> While we have stressed the advantages of federalism, the managerial difficulties inherent in the system are legion... Such structurally endemic problems as "free-riding," high transaction costs, absence of accountability, and a dozen other centrifugal forces cause most [federations] to fly apart.

Leadership is the key to success in any federal system. O'Toole and Bennis continue:

> Indeed, when we describe the emerging leadership relationship in today's federal organizations we come closest when we speak of *leaders of leaders.* In these organizations, senior leaders are followed willingly by other leaders by virtue of the formers' vision, integrity, and courage (and not just by the organizational equivalent of a yank of the crook or the nipping of a sheep dog at the heels). Importantly, because people at all levels are leaders in their own right, there is little of the resistance to change that characterizes the middle ranks of most hierarchical organizations headed by a single commander-in-chief and staffed by layers of resentful sheep. **In the emerging leadership relationship, it is far from easy for the outsider to identify the leader.** (emphasis added)
>
> In the successful federal organization, a central -- perhaps *the* central -- task of the leader of leaders thus becomes the development of other leaders...Thus, federalism does not obviate the need for leadership; instead, it focuses and redefines the task of the leader.
>
> Indeed, federalism may be a necessity for achieving true empowerment in large, complex systems. Because it stresses interdependence over independence and autonomy

> over dependence, it substitutes healthy self-control for the command and control of a hierarchy. And, if anything has been learned about human behavior in organizations and society, it is that interdependence leads to healthy cooperation, and that dependency is neither healthy or effective.
>
> In essence, federalism allows nations and corporations to have their organizational cake and eat it, too. Given proper leadership, the new federalism ... illustrates that it is possible to pursue innovation, self-governance, and autonomy, while at the same time enjoying the advantages of effective coordination, economies-of-scale, and the protection of cherished freedoms that only pluralism can provide. **Even granting that federalism is a difficult structural form to manage -- perhaps the most difficult -- it might still recommend itself on the grounds that, like democracy, it is simply better than the alternatives.** (86-89. emphasis added)

Finally, referring back to Handy's analysis of the role of the central unit of a federal organization:

> The center's role is to orchestrate the broad strategic vision, develop the shared administrative and organizational infrastructure, and create the central glue which can create synergies...(p.135)
>
> Small the center should be, and partially dispersed, but it must be strong and well informed. After all, the center carries the ultimate responsibility for the whole...Only those at the center have a view of the whole...The center's principal task is to be the trustee of the future, but it needs to be sure that the present does not run out before the future arrives. (p.137,138)

I believe, as Handy and O'Toole and Bennis do, that the ambiguity and tension created by the federation model can be creative. But, those who are aware of what happened at Antioch in the late 1960s, the 1970s and early 1980s, understand that a federal model that is poorly managed and without strong integrating forces can be torn apart by the strong centrifugal forces at work. Under such circumstances, the inherent tension in a federal model is negative, not creative. The reason for Antioch's problems are directly related, I believe, to its inability to hold in a dynamic balance strong centrifugal forces--territoriality, autonomy, lack of commitment to the institution as a whole--with equally powerful centripetal forces such as strong central leadership, strong integrating administrative systems, and accountability and commitment to the whole institution.

But, the tension inherent in a federation organizational model can be creative, if at times it is difficult and messy. In a well functioning integrated federation, leadership of the University's center is critical and different than leading a specific unit or campus. Central leadership is focused much more on a partnership, facilitation and negotiation than on directive leadership; it is much more a "leader of leaders" without the implicit or explicit authority inherent in a campus leader role. Yet, this central leader always has the capability to invoke the written or unwritten convenant that "binds the allegiance of the units to the basic purpose, mission, philosophy and principles of the overarching institution."

Integrating mechanisms are essential, especially at the major administrative and technological levels. There are also other important forces for integration in more efficient and cost saving electronic educational tools; in the interaction of key middle level managers and faculty leaders in collaborative University structures; and there is a great deal of learning that can occur across campuses as the leaders at all levels become colleagues and partners rather than competitors.

Along with the complexities involved in making a federal organizational model work are the many benefits. At Antioch University, the potential can be seen in the following examples that have occurred as we evolved to the new structure over the last few years or have the possibility of occurring in the future:

*Smaller units are closer to the student markets and can have administrative functions that are focused directly on the students to be served.

> Numerous programs on the adult campuses are examples of this entreprenurial perspective.

*The central function can have the technological sophistication and integrated technology that would be difficult to have within each part.

> Examples are Antioch's integrated management information system and electronic network, and the expertise to manage these systems.

*Human and program resources from different units that successfully implemented new and different programs can be shared, thereby avoiding the pitfalls common to new ventures.

> This cross-fertilization has occurred in the development of the education certification programs--between New England and Seattle and from Seattle to the McGregor/College joint program; it has also occurred in environmental and international programs between New England and the College. This interaction and learning across campuses has been especially noticeable recently in developments in such administrative areas as finance, human resources and the registrars. In fact, the registrarial system in Seattle has been adopted by Los Angeles and Santa Barbara.

*Because the University is dispersed in four different regions, it is not dependent on a single student market.

> This is especially important given the demographics of the different regions, Southern California and the state of Washington will experience major growth in traditional student age markets in the next decade, the Mid-West minor growth in traditional student markets and greater potential in the adult student

market; New England will experience moderate growth. This dispersion also enhances the transfer of new practices learned as a result of responding to local markets, state regulations, etc.

*The potential to create University-wide programs that build upon the diversity inherent in five campuses in four different geographical regions of the country; e.g., management, education, psychology, environment, technology in education.

*Each campus and the University as a whole has a clarity regarding commonly held values, which provides sustenance and sense of purpose to all the parts as well as the whole.

As we began the implementation of an integrated federal organizational structure on July 1, 1994, we placed major emphases on making the University Policy Council (UPC) a strong integrative group that reflects the strengths and leadership needs of a federation, as well as focusing on building the financial integration and accountability of the University through modern technology. We also focused on integrating the University through the interaction of middle-level managers from each of the campuses in official University-wide work groups responsible for policy development and implementation along with informal support and information sharing; e.g.,chief fiscal officers, registrars, human resource directors, financial aid officers.

As the most powerful administrative integrating force of the new University structure, the University Policy Council, whose general authority and responsibility is outlined in the Board's by-laws, is composed of the five chief executives from each campus, the chief executive officer and chief financial officer of the University. Twice each year in retreat meetings, the chief academic officers of each campus are added to the UPC; these academic officers also constitute an academic sub-committee of the UPC chaired by the University Chancellor. Once each year, at the annual budget review meeting, the chief financial officers of the campuses are added to the UPC; like their academic counterparts, these finance officers constitute a sub-committee of the UPC and meet at other times during the year with the University Vice Chancellor/Chief Financial Officer. In all the UPC meets six times a year, the three meetings just listed, which last from 2-3 days, and for one day prior to the three Board meetings.

Prior to July 1, 1994, the UPC was advisory to the University President; on that date it became a formal part of the governance structure of the University. The UPC is chaired by the University Chancellor, who can add members beyond the campus chief executives and Vice Chancellor as necessary. The Chancellor is expected to assure the collaboration of the campus CEOs with each other and with the Chancellor.

On December 2-4, 1994, the UPC met in San Francisco, almost nine years to the day following the December 11-12, 1985 meeting, in which key decisions were made by the President regarding the future financial discipline and integrity of the University. In 1994, the meeting was a retreat of the leaders of the University discussing Charles Handy's book <u>The Age of Paradox</u> and dealing with the implementation of the new federal structure. The three days of discussions emphasized both the paradoxes of the 1994-95 environment and the messiness and tensions of the federal model:

*having just achieved in 1993-94 the best fiscal year at Antioch in three decades, in 1994-95 we were struggling with enrollments at three of the four adult campuses as well as the College;

*the tension between the recent successful implementation of new academic programs and the realization that the academic program array that got us where we are may not be able to keep us there;

*the surprise and struggle of the new College President who found a College which has seen incredible development in the past nine years, but which is in need of major academic and administrative adjustments, as well as community building;

*the tension between the College and the adult campuses over resources and equitable treatment by the Trustees;

*the tension between choosing a new financial software package that will produce the information, reports and auditing capability needed after a false start with a previous program, and the realization that the expense of the new highly rated system is too costly for the software to reside on each campus, which means that it must be housed centrally with local access and decision making control. The tension emanates from the anxiety about telecommunicating over long distances and potential down time and the concern--or trust--about whether or not the central location means the possible re-emergence of central control.

All these factors--the benefits of a federal model where units are empowered, the need to manage the integration of the institution and the complexities of dealing with the tensions in the organization and the paradoxes of the societal environment--are part of the balancing of campus-based centrifugal forces inherent in the federal model (and in most other organizations as well) with strong centripetal forces of integration and common purpose. The balancing act becomes creative as it enhances the likelihood that people throughout the institution will be concerned with the health of the whole and, therefore, make local decisions that will enhance both their own campus and the University.

This balancing act, which I have called creative tension, requires the chief executive of each campus and the University to function as leaders in the midst of a good deal of uncertainty. Significant issues cannot always be "locked down" as in a hierarchical structure, negotiation is the mode of operation with the Chancellor as facilitator and mediator. Because campus leaders report to the Board through the Chancellor,relations between campus leaders and the Board of Trustees also become more complex.

The complexity of this federal system requires the Board Chair and Chancellor to work closely together to maintain the creative balance. Given that the Antioch University Board is composed of about 85% College graduates, the tests will be many and the wisdom of the Board's leadership will be challenged as their emotional heart feels the tug of powerful feelings for the College and its meanings in their lives. The need for Trustee vigilance about their role is as critical as that for the Chancellor-campus chief executive relationship. As one

Trustee recently stated, their role is "to keep their nose in and their fingers out" of campus and University management matters.

But the benefits for the College and each of the adult campuses will prove to be many and outweigh the new tensions, especially given the history and complexity of Antioch. For, Antioch University, which is in actuality an integrated system of campuses, provides the College and the adult campuses with the maximum amount of autonomy while maintaining the interdependence of financial resources, a common set of values that are mutually necessary for the future of each, and the potential for future sharing of human resources and new programs to the benefit of all.

Conclusion

The new organizational structure of Antioch University based on a federal model represents a bold venture to come to terms with the special needs of the institution and the uncertain and paradoxical nature of the societal environment of the late 1990s. In creating this new structure, we have made clear our continuing--and for us essential--commitment to Antioch's legacy. Doing so follows in spirit the words attributed to Thomas Masaryk, philosopher President of pre-World War II Czechoslovakia:

> You see how it is: The method must be
> absolutely practical, reasonable and realistic,
> but the whole, the conception is an eternal poem.

The methods are the integrating organizational structures and the many processes developed to make Antioch successful. But, the purposes and direction of these methods follow Antioch's legacy and values, Antioch's eternal poem.

A federal model of organization <u>is</u> messy! So, too, is an institution that attempts to live by its values. But, we are asking the right questions. We are balancing our budgets. We are continuing to increase our academic quality. And, we are creatively planning our future, not fretting about our past...

D. Background Material

Relationship between the Board, system chief executive and campus chief executive in the University of Wisconsin System and the University of North Carolina System

The following material is from the legal structures of the University of Wisconsin System and the University of North Carolina System. While these are both large public university systems, they do deal with the relationship between campus chief executives, the system chief executive and the Board. Both systems are considered to be well run and among the best in the country. In both cases, the system chief executive is called a president and the campus chief executive is called a chancellor.

The most relevant material in these legal structures have been given special emphasis. It should be noted that the relationships between the system chief executive, campus chief executive and the Board in the University of Wisconsin System is quite similar to how Antioch University is presently organized, while these relationships in North Carolina are more similar to Antioch University prior to July 1, 1994. In Wisconsin, the campus chief executive is delegated by the Board responsibility to lead his/her campus following Board policy and under the "coordinating direction" of the system chief executive. In North Carolina, the campus chief executive reports directly to the system chief executive ("subject to the direction of the President" and "The Chancellor shall be responsible to the President for the administration of the institution"), and is expected "to keep the President, and through him the Board of Governors, fully informed concerning the operations and needs of the institution."

While these large public systems of higher education are quite different from Antioch University, they must deal with some of the same problems in the relationship between the board, system chief executive and campus chief executive.

WISCONSIN STATUES
CHAPTER 36. UNIVERSITY OF WISCONSIN SYSTEM

(2) The president. The president [system chief executive] shall be president of all the faculties and shall be vested with the responsibility of **administering the system under board policies and shall direct a central administration which shall assist the board and the president in establishing system-wide policies in monitoring, reviewing and evaluating these polices, in coordinating program development and operation among institutions, in planning the programmatic, financial and physical development of the system, in maintaining fiscal control and compiling and recommending educational programs, operating budgets and building programs for the board.** The president shall appoint each vice president, associate vice president and assistant vice president of the system. The president shall fix the term of office for each vice president, associate vice president and assistant vice president of the system.

(3) The chancellors [campus chief executives]. (a) The chancellors shall be the executive of their respective faculties and institutions and shall be vested with the responsibility of **administering board policies under the coordinating direction of the president and be accountable and report to the president and the board on the operation and administration of their institutions.** Subject to board policy the chancellors of the institutions in consultation with their faculties shall be responsible for designing curricula and setting degree requirements; determining academic standards and establishing grading systems; defining and administering

institutional standards for faculty peer evaluation and screening candidates for appointment, promotion and tenure; recommending individual merit increases; administering associated auxiliary services; and administering all funds, from whatever source, allocated, generated or intended for use of their institutions.

THE UNIVERSITY OF NORTH CAROLINA
CHAPTER 1244 OF THE 1971 SESSION LAWS

Section 501. President of the University

501 A. General Authority.
The President of The University of North Carolina shall be the chief administrative and executive officer of the University. He shall have complete authority to manage the affairs and execute the policies of The University of North Carolina and its constituent institutions, subject to the direction and control of the Board of Governors and the provisions of the Code.

501 B. Relation of the President to the Board of Governors.
(1) The President, as chief executive officer of the University, shall perform all duties prescribed by the Board of Governors.

(2) The President shall make recommendations to the Board of Governors with respect to the adoption, modification, revision or reversal of policies, rules and regulations applicable to The University of North Carolina and any or all of its constituent institutions.

(7) The President shall establish administrative organizations to carry out the policies of the University.

Section 502. Chancellors of Constituent Institutions.

502 A. General Authority
The administrative and executive head of each constituent institution shall be the Chancellor, who shall exercise complete executive authority therein, subject to the direction of the President. He shall be responsible for carrying out policies of the Board of Governors and of the Board of Trustees.

502 B. **Relation of the Chancellor to the Board of Governors and the President**
(1) **It shall be the duty of the Chancellor to keep the President, and through him the Board of Governors,** fully informed concerning the operations and needs of the institution. Upon request, the Chancellor shall be available to confer with the President or with the Board of Governors concerning matters that pertain to the institution.

(3) **The Chancellor shall be responsible to the President for the administration of the institution**, including the enforcement of the decisions, actions, policies and regulations of the Board of Governors.

502 C. Relation of the Chancellor to the Board of Trustees.
(1) It shall be the duty of the Chancellor to attend all meetings of the Board of Trustees and to be responsible for keeping the Board of Trustees fully informed on the operation of the institution and its needs. The Board of Trustees may convene in executive session, consistent with State law and policy.

502 D. Relation of the Chancellor to the Constituent Institution.

(1) **Subject to policies established by the Board of Governors, the Board of Trustees or the President,** the Chancellor shall be the leader of and the official spokesman for the institution; he shall promote the educational excellence and general development and welfare of the institution; he shall define the scope of authority of faculties, councils, committees and officers of the institution; and all projects, programs and institutional reports to be undertaken on behalf of the institution shall be subject to his authorization and approval.

Section II. University Financial Data

TABLE I

ANTIOCH UNIVERSITY

Final Operating Results by Campus

After Transfers to Campus Reserves *

1990 - 1995

Year	College		New England	Seattle	Southern Cal	McGregor	Univ Admin & Univ Opers**	Total University
----	----		----	----	----	----	----	----
1990	-101,124		94,573	47,942	78,977	187,241	-241,283	66,326
1991	-132,005		204,970	108,257	198,393	54,282	-372,761	61,136
1992	-34,841		129,894	64,855	115,665	100,606	-235,541	140,638
1993	-17,397		212,720	112,911	79,680	125,000	-382,435	130,479
1994	2,458		9,462	4,794	12,527	19,138	204,178	252,557
1995	786	***	10,662	8,378	993	26,254	3,818	50,891
Total	-282,123		662,280	347,138	486,235	512,521	-1,024,024	702,027

* Note: These are the operating results reported to the Board of Trustees in October of each year. They reflect the final operating results after transfers to reserves. See Table III for results prior to transfers to reserves.

** Includes Central Admin, University Operations, Antioch Review, Glen Helen and WYSO

*** The College final includes a $500,000 bequest in probate at 6/30/95. Expected receipt 12/95. Reserves utilized to cover this amount.

TABLE II

ANTIOCH UNIVERSITY

Accumulated Carry Forward Reserves by Campus

1989/90 to 1994/95

Year	College	New England	Seattle	Southern Cal	McGregor	Univ Admin	Total University
----	----	----	----	----	----	----	----
1990	20,000	50,000	41,000	-19,206	40,000	-465,936	-334,142
1991	18,864	0	0	118,527	-40,000	-84,072	13,319
1992	-38,864	61,482	39,733	166,444	102,000	304,317	635,111
1993	0	30,991	98,623	335	150,370	220,535	500,854
1994	140,000	319,290	95,000	290,000	267,063	58,115	1,169,468
1995	-140,000	95,558	3,605	-4,995	204,764	-66,233	92,698
Total 90-95	0	557,321	277,961	551,104	724,197	-33,274	2,077,308
Pre 1990	0	225,564	0	96,192	0	147,259	469,015
Total 6/30/95	0	782,884	277,961	647,295	724,197	113,985	2,546,323

TABLE III

ANTIOCH UNIVERSITY

Final Operating Results by Campus, Before Transfers to Reserves*

1990 - 1995

Year	College	New England	Seattle	Southern Cal	McGregor	Univ Admin & Univ Opers	Total University	Direct Dollar Support to College Budget**
----	----	----	----	----	----	----	----	----
1990	-81,124	144,573	88,942	59,771	227,241	-707,219	-267,816	300,000
1991	-113,141	204,970	108,257	316,920	14,282	-456,833	74,455	300,000
1992	-73,705	191,376	104,588	282,109	202,606	68,776	775,749	350,000
1993	-17,397	243,711	211,534	80,015	275,370	-161,900	631,333	400,000
1994	142,458	328,752	99,794	302,527	286,201	262,293	1,422,025	425,000
1995	-139,214	106,219	11,984	-4,003	231,018	-62,415	143,589	1,525,000
Total 90-95	-282,123	1,219,601	625,099	1,037,339	1,236,718	-1,057,299	2,779,335	3,300,000
Trans to Reserves	0	557,321	277,961	551,104	724,197	-33,274	2,077,308	
Contributed to the Univ	-282,123	662,280	347,138	486,235	512,521			

* Note: This table represents the actual surpluses and deficits by campus in the operating budgets

** See Table XI of this section for details of University subsidies to College.

TABLE IV

ANTIOCH UNIVERSITY

Breakout of University Administration
and University Operations
1990 - 1995

Year	Central Administration *	Development**	Discontinued Operations	Auxiliary Units (WSYO, Review, Glen)	Total
----	----	----	----	----	----
1989/1990	439,020	-435,020	-673,178	-38,041	-707,219
1991	544,822	-843,396	-100,072	-58,187	-456,833
1992	633,216	-488,568	0	-75,872	68,776
1993	401,115	-452,701	0	-110,314	-161,900
1994	736,244	-474,075	0	124	262,293
1994/1995	49,098	0	0	-111,513	-62,415
Total	2,803,515	-2,693,760	-773,250	-393,803	-1,057,299

* In 1990 - 1994, Central Administration included Offices fo the University President (including Exective VP), Vice President for Finance (Personnel, Business, Financial Aid, Student Loan), University Registrar, University Computer Center, Trustee Relations and miscellaneous operations (legal, audit, debt, Trustee obligations). 1995 includes new Chancellor's office (including Vice Chancellor and TSI Computer Center).

** Development includes the operations of the Office of the VP for Development and Alumni Affairs which was solely devoted to College fund raising and alumni affairs. It does not include the expenses for the capital campaign which had an accumulated total of over $2,000,000 for 1987 - 1994 and are listed in a separate fund. The development office budget was cut from $1,200,000 to $800,000 during 1993-94 to reflect the end of the capital campaign and transferred to the College on July 1, 1994. The transfer to the College included a subsidy of $250,000.

Table V

Carry Forward Campus Reserves, Endowment & Deferred Gifts by Campus 6/30/95

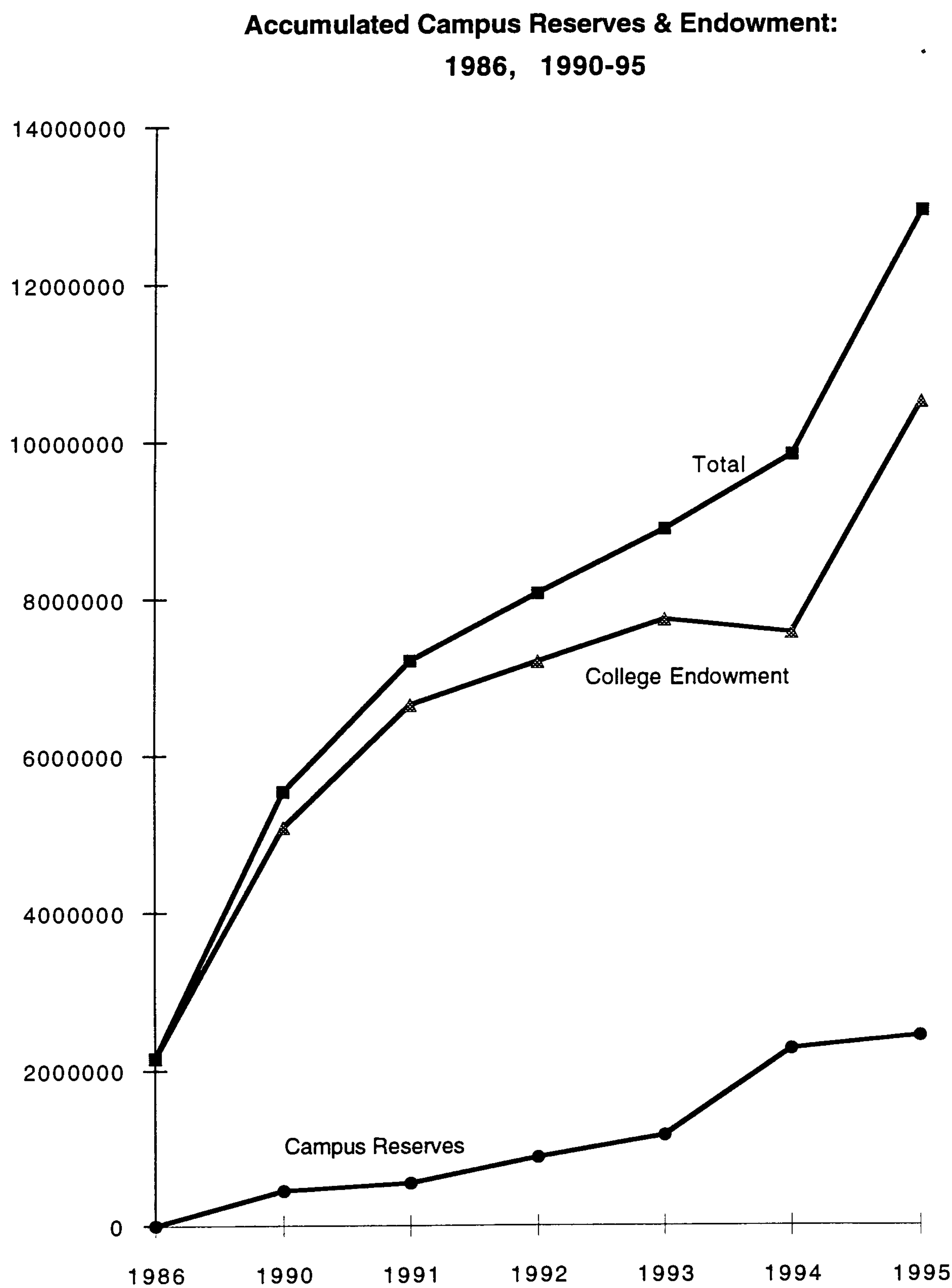
Carry Forward Reserves	College	New England	Seattle	So.Calif.	McGregor	**Total**
- Funded	-0-	$ 294,547	$98,605	$285,004	$421,763	$1,099,919
- Booked/unfunded	-0-	484,337	179,356	362,291	307,434	1,332,418
Total Carry Forward Reserves		782,884	277,961	647,295	724,197	2,432,337
Endowment (only includes dollar investments) & Restricted Reserves	$10,514,088					
Total Campus Reserves &Endowment	$10,514,088	$782,884	$277,961	$647,295	$724,197	$12,946,425
Deferred Gifts						
Unrestricted	9,813,000	-0-	-0-	-0-	-0-	-0-
Restricted	2,644,000	-0-	-0-	-0-	-0-	-0-
	$12,457,000					
Total Reserves Endowment & Deferred Gifts	$22,971,088	$782,884	$277,961	$647,295	$724,197	$25,403,425

Table VI

Accumulated Campus Reserves & Antioch College Endowment
1986, 1990-1995

	1986	1990	1991	1992	1993	1994	1995
Accumulated Carry Forward Campus Reserve	-0-	$453,550	$550,941	$881,736	$ 1,162,055	$ 2,273,408	$ 2,432,337
Invested College Endowment & Restricted Reserves* (Market Value)	$2,159,649	$5,094,057	$6,654,648	$7,196,760	$ 7,736,344	$ 7,571,200	$10,514,088
Total	$2,159,649	$5,547,607	$7,205,589	$8,078,496	$ 8,898,399	$ 9,844,608	$12,946,425

*This additional restricted reserve exists only in 1995 and represents a 1,000,000 bequest restricted to the purchase of books in the College library, but does not limit the use of the principal.



Accumulated Campus Reserves & Endowment:
1986, 1990-95
14000000
12000000
10000000
8000000
6000000
4000000
2000000
0
Total
College Endowment
Campus Reserves
1986
1990
1991
1992
1993
1994
1995

Table VII

Debt, Debt Service and Annual Lease Payments by Campus

June 30, 1995

	College	New England	Seattle	So. California	Mc Gregor	University Operations	WYSO	Total
Total Debt	$2,616,373	$5,530,000	0	0	0	$2,105,692	$190,327	$10,442,392
Debt Service Paid by Unit	418,281	494,312				146,622 130,000/gift 276,622	University Operations	1,189,215
Long Term Lease Payments by Campus	0	0	503,154	943,869	0	0	0	1,447,023

Table VIII

Campus Dollar Support for Instruction and Plant Maintenance/Rent
as Percent of Total Expenditures*

	Total Instruction	Total Budget*	Percent of Instruction	Percent Plant Maintenance/Rent
Antioch College				
1995	4,014,049	10,601,247**	38%	13.4% [11.1%]***
1996 (approved)	4,063,741	10,657,297**	38.1%	11% [8.3%] ***
Antioch New England				
1995	3,790,502	7,489,815	50.6%	10%
1996 (approved)	3,904,895	7,794,734	50.1%	9.1%
Antioch Seattle				
1995	2,903,802	5,734,754	50.6%	11.4%
1996 (Approved)	3,116,699	6,082,406	51.2%	10.1%
Antioch So. California				
1995	3,136,118	7,539,242	41.6%	14.6%
1996 (Approved)	3,434,950	8,048, 065	42.7%	14.1%
The McGregor School				
1995	1,933,986	3,904,393	49.5%	8.4%***
1996 (Approved)	2,245,166	4,544,061	49.4%	7.2%***

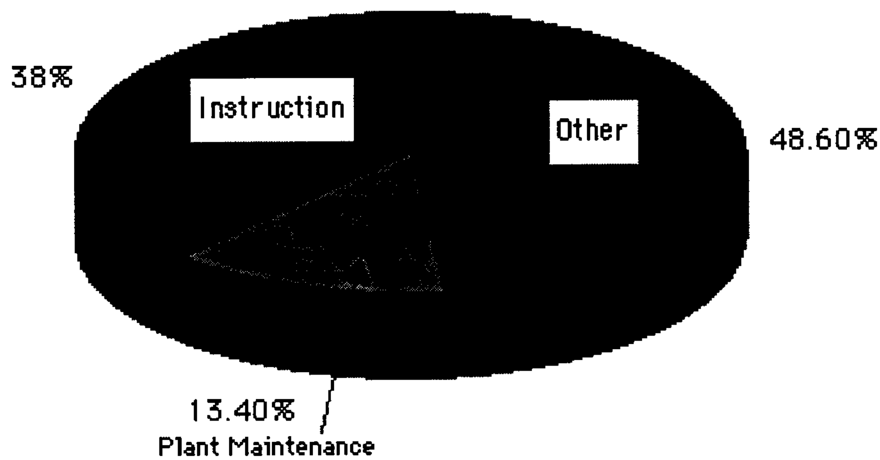
*The total expenditure budget does NOT include auxiliary enterprises, capital expenditures or retirement of debt. The College figures also do not include AEA.

**These figures include the $1,525,000 University subsidy/rebates in 1995 and $1,664,000 in 1996.

***These percentages are based on subtracting from the College plant maintenance, the annual McGregor subsidy to the College and utilizing those figures in calculating McGregor's plant costs. McGregor subsidy was $250,000 in 1995 and $289,000 in 1996.

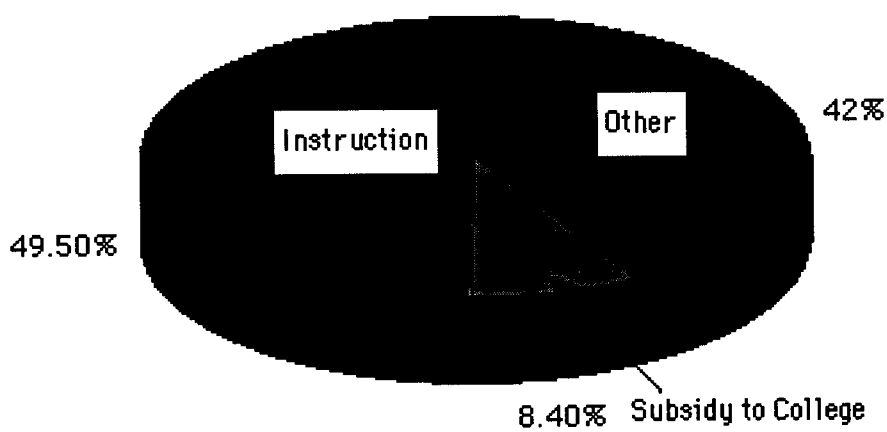
% of Campus Budget Spent on Instruction & Plant Maintenance/Rent

College: 1995



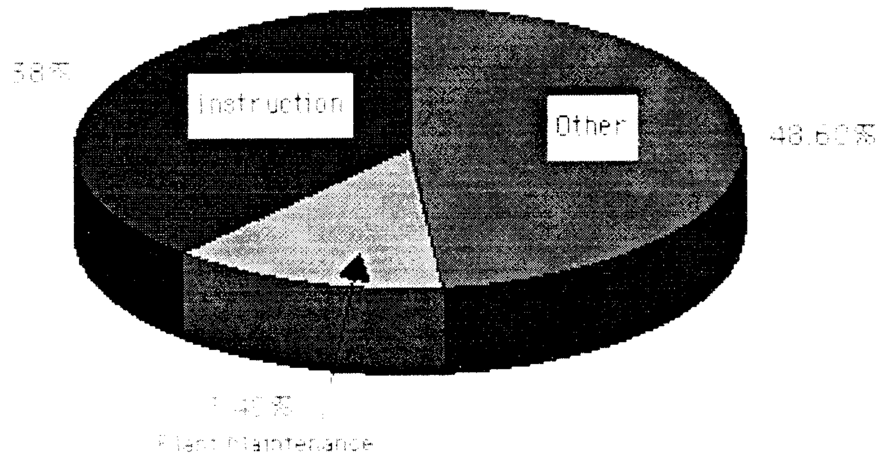
% of Campus Budget Spent on Instruction & Plant Maintenance/Rent

McGregor School: 1995



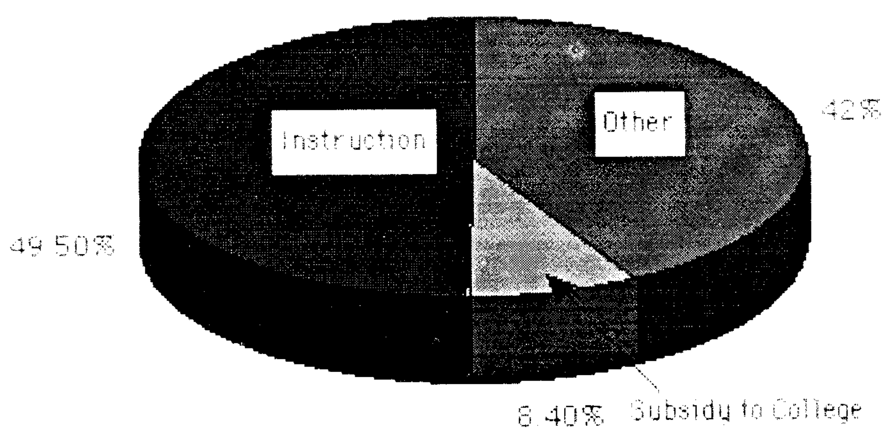
% of Campus Budget Spent on Instruction & Plant Maintenance/Rent

College 1995



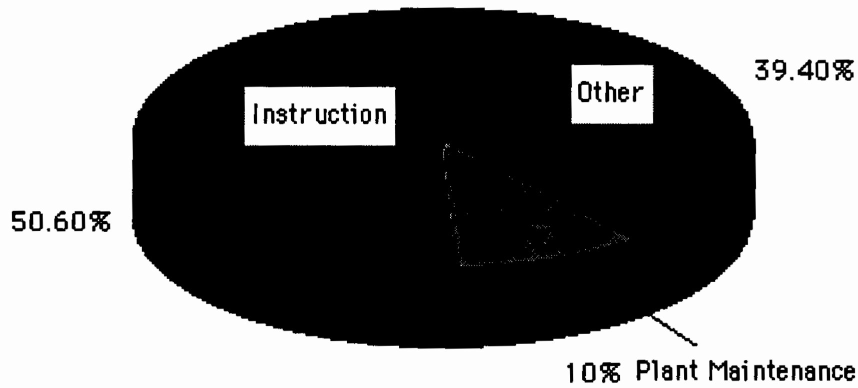
% of Campus Budget Spent on Instruction & Plant Maintenance/Rent

McGregor School 1995



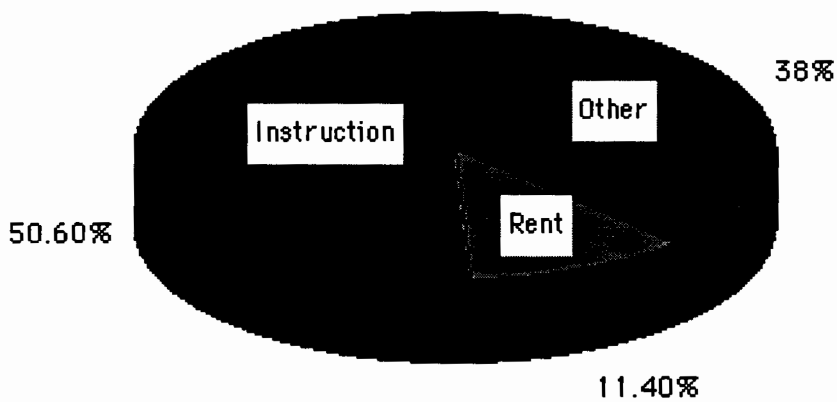
% of Campus Budget Spent on Instruction & Plant Maintenance/Rent

Antioch New England Graduate School: 1995



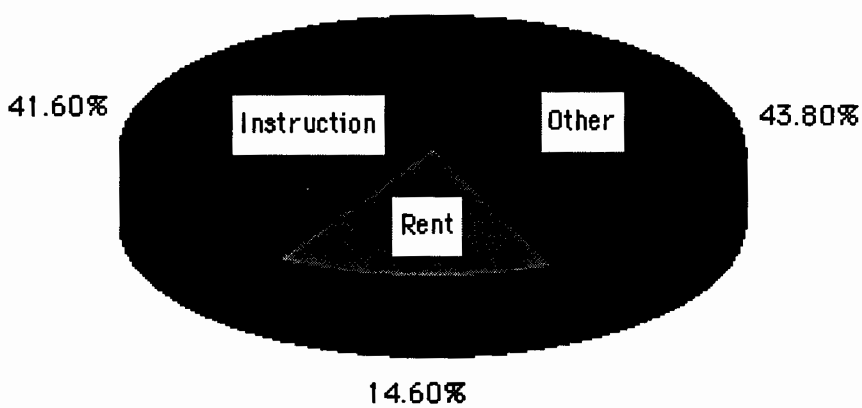
% of Campus Budget Spent on Instruction & Plant Maintenance/Rent

Seattle: 1995



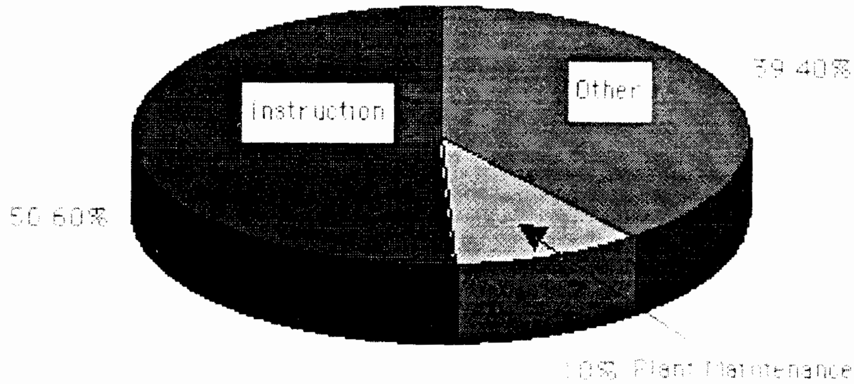
% of Campus Budget Spent on Instruction & Plant Maintenance/Rent

Southern California: 1995



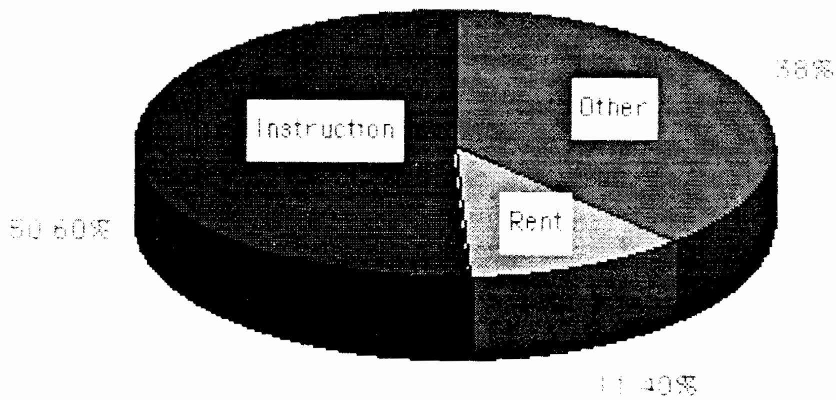
% of Campus Budget Spent on Instruction & Plant Maintenance/Rent

Antioch New England Graduate School: 1995



% of Campus Budget Spent on Instruction & Plant Maintenance/Rent

Seattle: 1995



% of Campus Budget Spent on Instruction & Plant Maintenance/Rent

Southern California: 1995

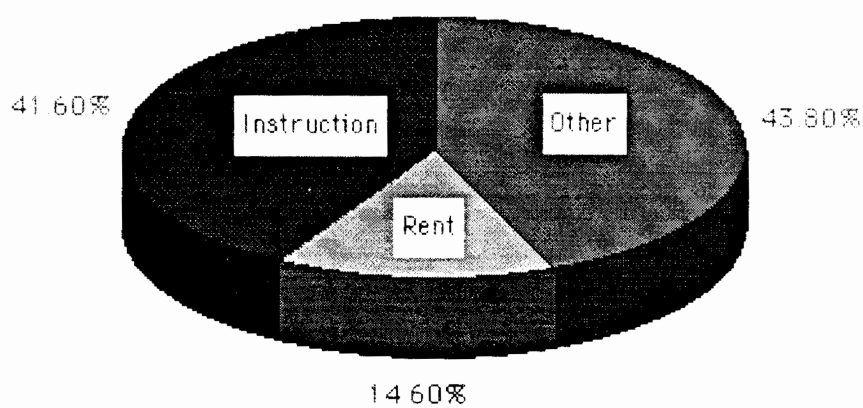


Table IX

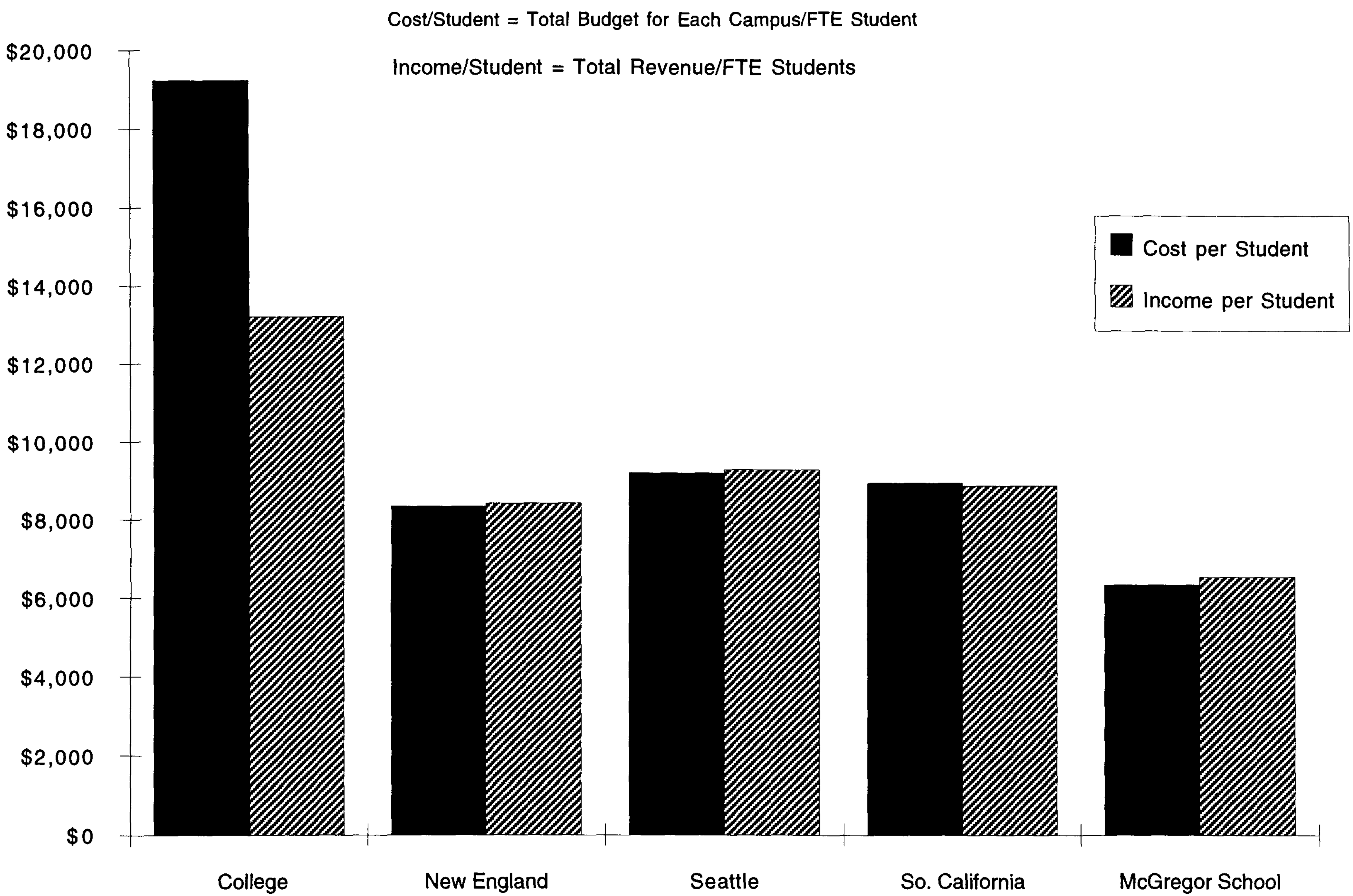
Comparison of Cost/Student and Revenue/student by Campus, 1995

	Cost/Student per Instructional Budget	Cost/Student per Total Budget *	Income per Student**
Antioch College (FTE = 551)	$7,285	$19,240	$13,215
Antioch New England (FTE = 898)	4,221	8,340	8,415
Antioch Seattle (FTE = 624)	4,653	9,190	9,276
Antioch So. Calif. (FTE = 844)	3,715	8,933	8,864
McGregor School (FTE = 616)	3,140	6,338	6,532

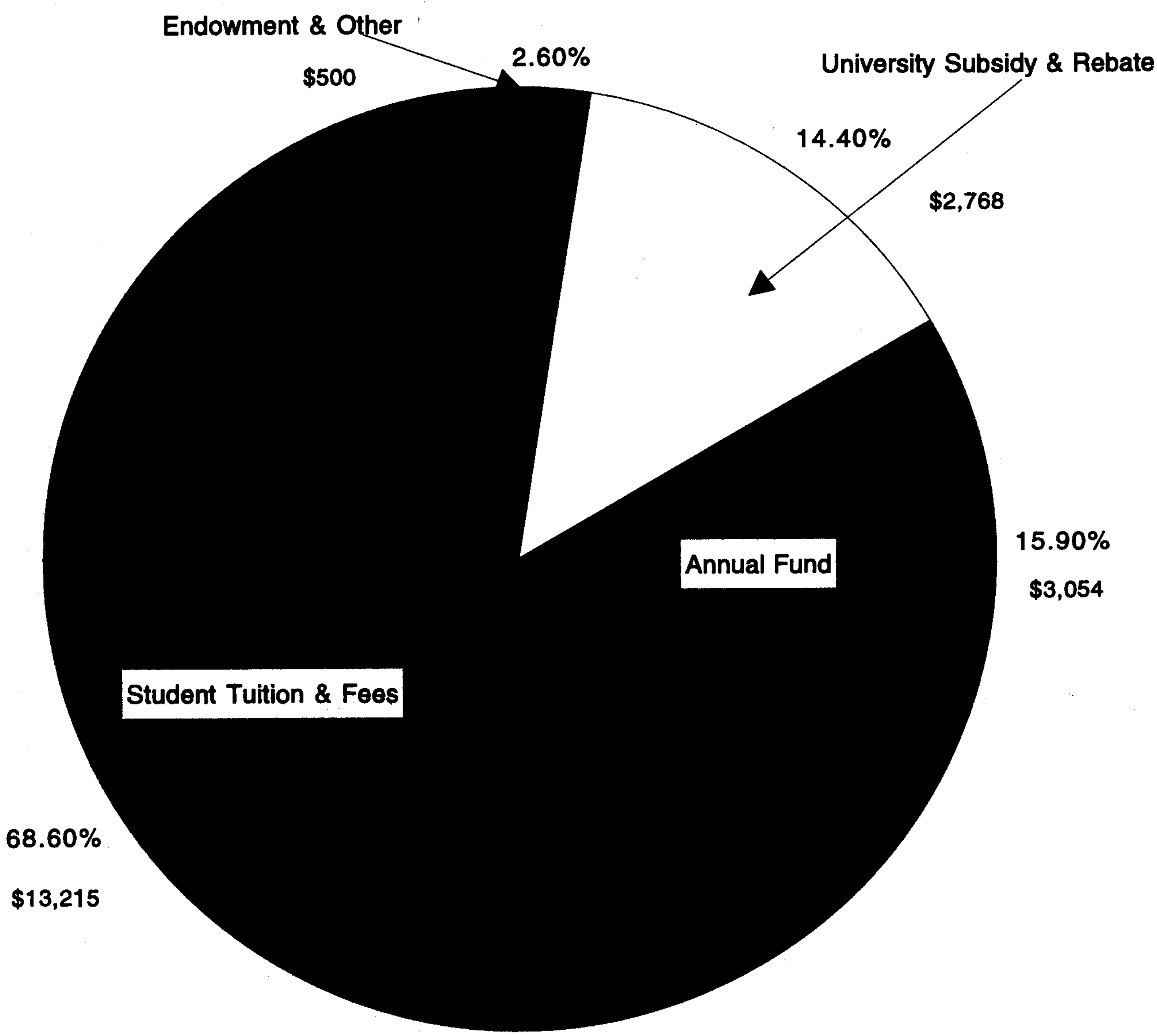
*These figures do not include auxiliary enterprises, capital expenditures or retirement of debt. The College figures do not include AEA.

**Income per student at the adult campuses where there are minimal tuition discounts is computed by dividing FTE into tuition & fee revenue at the College. The tuition and fees revenue is reduced by the tuition discount and is then divided by the FTE.

Comparison of Cost/Student & Revenue/Student for Each Campus 1994-95



Antioch College:
Sources of Income to Meet Cost Per Student: 1995



Cost per Student at 551 FTE = $19,250

Table XI

University Subsidies and Overhead Rebates to College

Direct Dollar Allocations & Equivalents [in parentheses]
1992/93-1995/6

Subsidy/Rebate*	1993	1994	1995	1996
Subsidy				
1. College Fund	$200,000	$200,000	$200,000	$200,000
2. Development Subsidy	----	-----	$250,000	$250,000
3. McGregor Subsidy to College	$150,000	$175,000	$250,000	$289,000
4. College Pres. Office	Assume Exec. V.P.costs [$180,000 equivalent]	[$180,000 equivalent]	$225,000 (includes $75,000 from McG)**	$225,000
5. Publications and P.R.	In kind; by Univ. adm. offices	covered by Univ. adm. offices	$125,000 (for 1994-1996 only)	$125,000
6. Maximum liability agreed to by UPC if College FTE less than 568				$100,000 (1995-6 only)
Total Dollar Subsidy	**$350,000**	**$375,000**	**$975,000**	**$1,114,000**
Overhead Rebate				
7. Univ. Adm. Services: Business/Personnel/ Computer/Fin Aid	In kind; by Univ. adm. offices	covered by Univ. adm. offices	**$550,000**	**$550,000**
Financial Aid Offset				
8. SEOG offset	[$150,000]	[$150,000]	[$150,000]	[$150,000]
Other				
9. Special Univ. Pres. Contingency Acct. for College	$50,000	$50,000		
Total Cash	**$400,000**	**$425,000**	**$1,525,000****	**$1,664,000****
Total Equivalents	**$330,000**	**$330,000**	**$150,000**	**$150,000**
Total Cash Subsidies and Equivalents	**$730,000**	**$725,000**	**$1, 675,000**	**$1,814,000****

*Footnotes and explanations for items 1-9 are on next three pages
**These totals have been adjusted for the $75,000 double entry under College Pres. Office in #3 and 4.

FOOTNOTES

1. **The College Fund**: This subsidy was established in the 1986 University financial plan to support the College and is a direct formula-based allocation from the adult campuses to the general operating fund of the College. (All the other items listed below are allocated from the University overhead account, unless otherwise noted.) This was approved as Board policy in 1993.

2. **Development Subsidy**: This subsidy did not include the costs for the capital campaign which were to be met by the unrestricted gifts raised during the campaign. The capital campaign costs ended on June 30, 1994 and, effective July 1,1994, the development office operating expenses were reduced from $1.2 million to the present $800,000 with a primary focus on the annual fund and planned giving. It was assumed that the College would utilize a combination of the $250,000 University subsidy, annual fund gifts and unrestricted bequests to meet these Development office operating costs. It was also understood that this University subsidy for Development would not increase. The underlying rationale was that since the College keeps 100% of the money raised, the other campuses should not be underwriting the generation of these funds beyond the $250,000 subsidy. This was approved as Board policy in 1993.

3. **McGregor Subsidy to the College**: This fund was established in 1989-90 and was arbitrarily increased by the University President based on McGregor's capabilities until a formula was established in 1993-94. The formula is set at 7% of student derived revenue and includes within it a sum of $75,000 to support the College President's Office. This was approved as Board policy in 1994, with the formula taking full effect on July 1, 1995.

4. **College President's Office**: From 1987 to 1994, the functions of the College President were carried out by the Office of the University President, which included the Executive Vice President. Prior to July, 1987, the College had a Provost who was responsible for the College campus; from July, 1987 to January, 1989, the University President acted alone. In October, 1988 the Board and the President made a decision that the President could not do both jobs without major support, so an Executive Vice President position was created. Michael Bassis filled the role in February, 1989. In the University restructuring which created a University Chancellor and College President, the Executive Vice President position was eliminated.

While it is difficult to disentangle the expenses within the University President's office, it would seem appropriate to use the full expenses of the University Executive Vice President's function as a base-line, including his assistant and support, to estimate the College President activities in the University President's office. These costs were about $180,000.

Creating a University allocation for the College President's office was necessitated by the fact that the resources that were used to fund the College Provost's office had been reallocated to other College areas and that the University had been covering the general expenses of the College President's office. The $225,000 allocation was based on an estimate of the costs of a President's office in a small liberal arts college of less than 700 students . The resources for this allocation were handled by allocating $75,000 from the 1994-95 increase in the McGregor subsidy and $150,000 from the University overhead account. This was approved as Board policy in 1993.

5. **Publications and Public Relations**: This was one of the most difficult issues in the restructuring. Originally, it was decided that this would remain an office of the University administration that would, for a modest fee, serve the needs of the College and the McGregor School as well as the University as a whole. While there was some unease among the Provosts regarding the degree of service they would receive, this became the plan. In June, 1994, after Crowfoot was appointed College President, he and the University President talked about this issue and he felt rather

strongly that the College should have an independent publications and public relations office. It was agreed that the University would subsidize the College publications and public relations effort for two years at $125,000 per year. It was understood that the College office would not continue to deal with any continuing or significant University needs in this area although it might help out from time to time.

Prior to July, 1993, the Publications and Public Relations office was two separate offices. Prior to July, 1994 the publications office, among other duties, was responsible for the publication of the Antiochian, which was a University-wide magazine sent to all University alumni and was a major expense in time, publication costs and mailing. The public relations office was responsible for serving the public relations needs of the University President. From 1991-1994, the University Director of Public Relations was assigned to provide the leadership in the major developments in the micro-computer area at the College and, to a much lesser degree, at McGregor and the University offices.

It is estimated that the real direct service to the College in publications and public relations in the past was probably in the $125,000 area. This estimate is based on the deletion of the Antiochian from the publications office and the service of the public relations director as instructional technology/computer coordinator; this latter function is one of the two computer services positions covered in the 11 positions and $550,000 administrative services allocation to the College. This is obviously rather complicated. Some confusion may result from the rather abrupt switch from a University administration activity to a College function in July, 1994. It should be noted that the UPC agreed to $125,000 annual subsidy for a two year period only.

6. **Maximum liability agreed to by UPC if College FTE less than 568.** This allocation was made by the University Policy Council for the 1995-96 year on a one time basis only to provide some transitional support to the College.

7. **University Administrative Services--Business Services/Personnel/Computer Services/Financial Aid**: The University administrative services costs in 1992-93 and 1993-94 are extremely difficult to estimate since each of these functions were needed to carry out University-wide responsibilities and included serving the College as part of that effort. The assumption by the University offices of many of the College's administrative responsibilities occurred in 1985-86, in an attempt to help the College by reducing its administrative costs; no additional resources were added to the University administration at the time.

In the planning process for the University administrative reorganization, a decision was made to determine what administrative services the College actually needed, and didn't have, rather than attempting to artificially create a cost estimate for the University services provided the College. The allocation by the University of $550,000 to the College--as an overhead rebate--to cover its administrative services function was based on a study by the College's Dean of Financial and Administrative Affairs, who utilized as an outside consultant the Vice President of Administration/Finance of Denison University, a widely regarded liberal arts college administrator who had been at Denison for many years.

It was determined that the College would need 11 positions and $550,000 to deal with the administrative services functions beginning in July, 1994. It was assumed that a new College President might want to make changes in the administrative area, but that on July, 1994, the University's responsibility was to cover the administrative services area in a traditional manner for a small liberal arts college with less than 700 students until the College was able to do it from its own resources--see last paragraph in this section. It was also assumed that if the College saved money from this arrangement it could keep the amount saved, but that if it chose to add expenses it would be responsible for them. There was never any intent to increase this amount beyond $550,000 based on inflation; it was assumed that the College would have to meet such costs from its general operating funds like every other campus of the University. In the case of the personnel area, a new College Director of Personnel felt that they needed an additional staff person, so they negotiated with the McGregor School a contract for services which enabled the College to hire the additional position.

The general underlying rationale has been that until the College tuition generated revenue is large enough to afford the needed services, the University should assure the College has adequate administrative services to deal with its type of institution within the context of Antioch University and University-wide resources. The allocation was to be in the form of a rebate from University overhead. This was where the notion of "being held harmless" came from. There was a great deal of discussion in the UPC about the level of overhead rebate support that the College should receive for the administrative services area, and it was decided to support the proposal as submitted by the College Dean of Financial and Administrative Affairs.

It should be noted that this support for College administrative services is not considered a subsidy in the same sense as items 1-5. Rather, it is part of the overhead rebate policy approved by the UPC to support the decentralization of University-wide administrative services at the College and all the adult campuses. (It should ne noted that all of the adult campuses had to add or upgrade positions to deal with the new decentralized operations and role of the University administration.) The assumption of this policy is that over time the significantly reduced costs of the University administration--which is basically on track, will lead to a reduction of University overhead from 13.75% to about 8%, thereby enabling the College to pay for its own administrative services from its own resources (and for other campuses to allocate these resources for their pressing needs). This would mean the College would have to enroll about 700 full time students. The rebate policy also asumes that until the College generates enough overhead dollars to fully fund this $550,000 University allocation, based on a reduction of the University overhead rate from 13.75% to 8%, the University will continue to provide the full $550,000. The impact of this rebate policy on the other campuses is that the College allocation of $550,000 has first call on the rebate pool. (The rebate pool is defined as University overhead @ 13.75% of student derived revenue minus the costs for operating the University administration and related University-wide expenses). Hence, if the rebate pool has $2,000,000, the College receives $550,000 and the other four campuses are allocated the remaining $1,450,000 based on their percentage contribution to University overhead.

8. **SEOG Offset**: This refers to the campus-based federal student financial aid allocated to the University. This $150,000 was originally allocated to other campuses, but as part of the 1986 University financial plan it was reallocated to the College thereby reducing dollar for dollar the Antioch grant/tuition discount needs of the College. This a direct loss for the students at the adult campuses and a cash gain for the College. The $150,000 represents about a quarter of the total SEOG received by the University. With this allocation, the entire amount of SEOG received by the University was allocated to the College. This decision to reallocate the $150,000 was approved as Board policy in 1993.

9. **University President's Special Contingency Account for the College**: This account existed for only two years and was an attempt to help the College with some one-year special costs. Given the other changes and allocations, e.g., the new McGregor School formula, this fund ended in 1994. It was felt that it would be inappropriate for the University Chancellor to have such an account and that no other campus was treated by the University administration in this manner.

Section III University Enrollment Data

A. Enrollment Data

Table I. FTE Enrollment by Campus, 1986-1995

Graph Ia: Comparison of Enrollment FTE across Campuses, 1986-1995

Table II Headcount Enrollment by , 1992-1995

Table III Total Graduates at Each Campus, 1993-1995

Graph IIIa Total Graduates at Each Campus, 1993-1995

Table IV Percentage of Graduate and Undergraduate Students (FTE) at each Campus, 1995

Table V Students of Color Enrollment by Campus, Fall, 1992-1993

B. Tuition Data

Table VI Tuition at Antioch Campuses, 1990-1995

Table VII Percentage Annual Tuition Increases by Campus, 1991-1996

From New York Times: National Averages of Tuition Increases at Private and Public Universities Compared to Inflation (CPI), 1987-1995

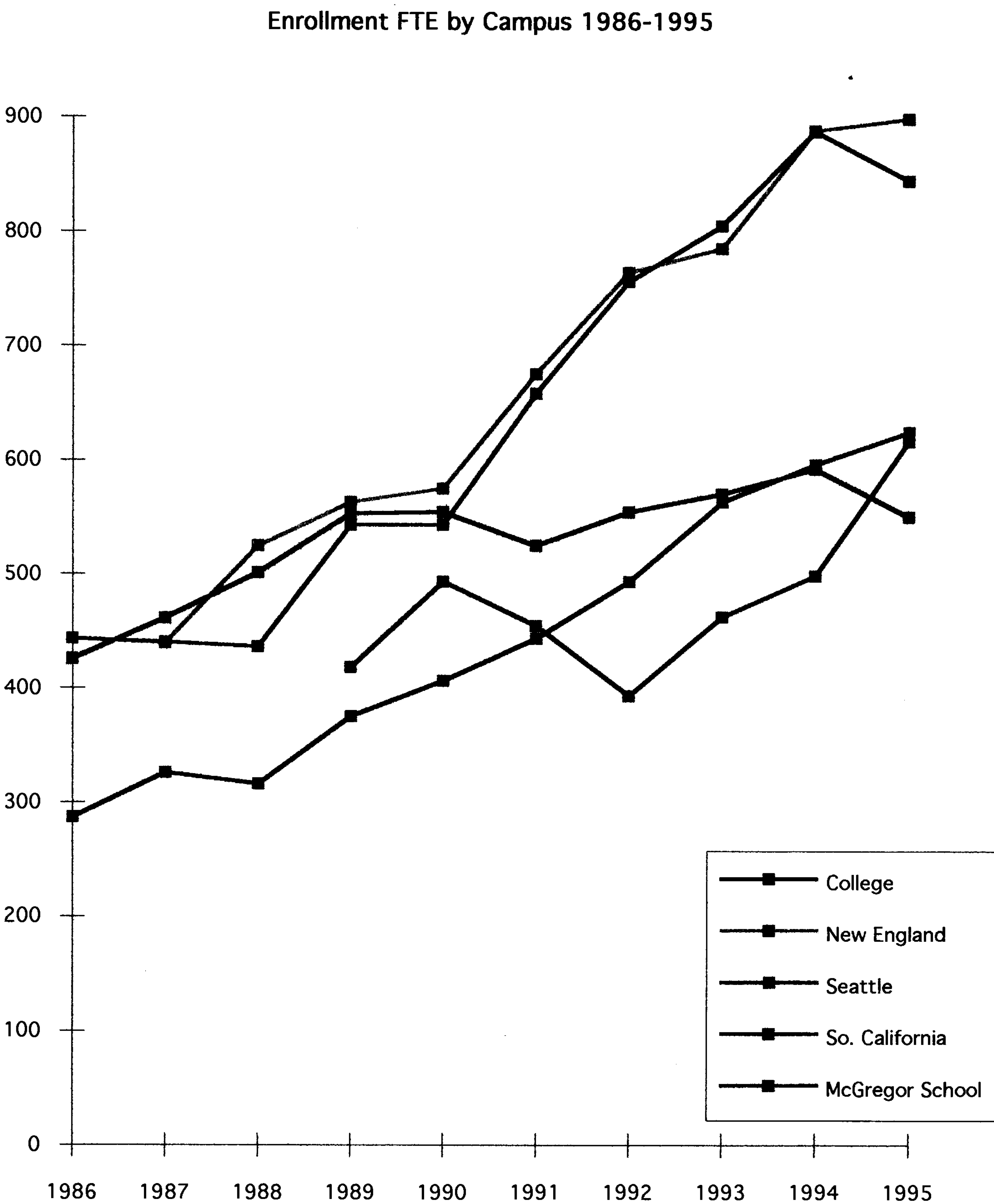
Table I

FTE Enrollment by Campus

1986-1995

	85/86	87	88	89	90	91	92	93	94	95	Percent Changes (89-94)	(85-94)
College	425	461	501	553	554	525	554	570	592	551	0%	30%
New England	443	439	525	563	575	675	764	785	888	898	60%	103%
Seattle	287	326	316	375	406	443	493	563	596	624	66%	117%
Southern Calif.	443	440	436	543	543	658	756	805	887	844	55%	91%
McGregor (SAEL)	-*	-*	-*	418	493	454	393	462	498	616	47%	
Totals	-	-	-	2452	2571	2755	2988	3185	3461	3533	44%	

*McGregor (SAEL) was created in 1988. The data for the two programs joined together (Weekend College and the IMA) were reported separately prior to 1988/89.



Enrollment FTE by Campus 1986-1995
900
800
700
600
500
400
300
200
100
0
1986
1987
1988
1989
1990
1991
1992
1993
1994
1995
College
New England
Seattle
So. California
McGregor School

Table II

Headcount Enrollment by Campus

1991/92-1994/95

	1992	1993	1994	1995
Antioch College	773	808	881	818
Antioch New England	1110	1303	1328	1439
Antioch Seattle	626	706	726	752
Antioch So. Calif.	1064	1119	1214	1181
McGregor School	649	873	924	1165
TOTAL				
Headcount	4222	4809	5073	5355
(FTE)	(2988)	(3185)	(3461)	(3533)

Table III

Total Graduates for each Campus

1992/3-1994/5

	1993	1994	1995
College	113	115	106
New England	322	336	352
Seattle	219	244	323
So. California	323	345	363
McGregor	162	161	202
Totals	1,139	1,201	1,346

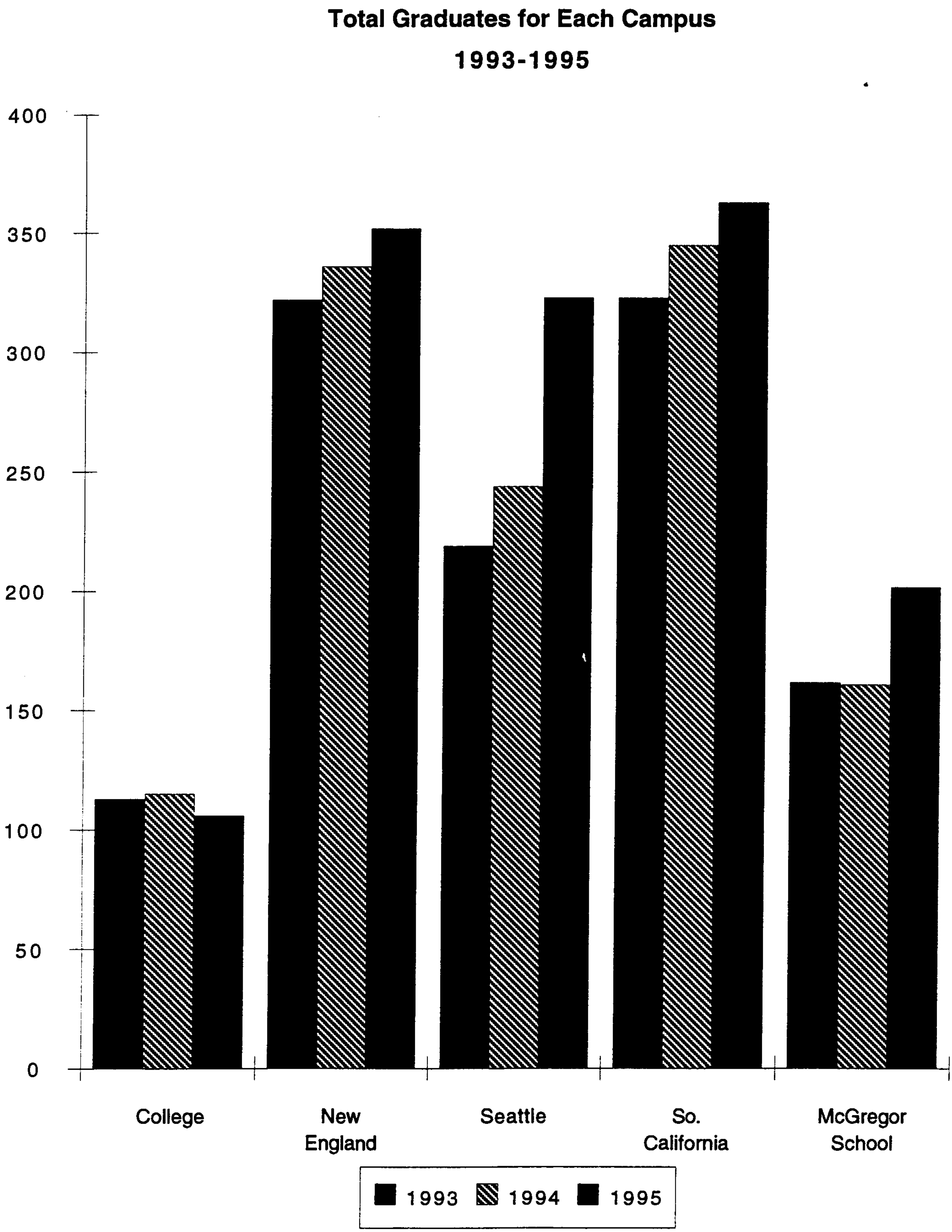

Total Graduates for Each Campus
1993-1995
400
350
300
250
200
150
100
50
0
College
New England
Seattle
So. California
McGregor School
1993
1994
1995

Table IV

Graduate and Undergraduate Student FTE Enrollments

by Campus, 1995

	Graduate FTE	%	Undergrad FTE	%
College (551 FTE)	0	0	551	100%
New England (898 FTE)	898	100%	0	0
Seattle (624 FTE)	514	82%	110	18%
So. Calif. (844 FTE)	541	64%	303	36%
McGregor (616 FTE)	386	63%	230	37%
University Totals (3,533 FTE)	2,339	66%	1,190	34%

Table V

Students of Color* Enrollment By Campus; Fall 1991 - 1994

	1991	1992	1993	1994
College	11.4 %	12.7%	15.7%	14.3%
New England	1%	.8%	2.14%	3.39%
Seattle	10%	3.9%	8.1%	9%
So. California				
Santa Barbara	6%	8%	9.6%	7.8%
Los Angeles	11%	14%	17%	17%
McGregor	13.3%	10.8%	13.16%	12.4%

* Includes African Americans, Asians, Asian Pacific Islanders, Hispanics, and Native Amercians.

Table VI

Tuition at Antioch Campuses
1989/90 - 1995/96

	1989/90	1991	1992	1993	1994	1995	1996
Antioch College							
Published Tuition (includes medical fee)	$11,200	$12,700	$13,370	$13,638	$14,886	$15,630	$16,099
Antioch New England							
Average Masters only	$ 5,840	$ 6,304	$ 6,727	$ 7,052	$ 7,405	$ 7,743	$ 8,069
Antioch Seattle							
BA Completion	$ 6,300	$ 7,050	$ 7,575	$ 7,845	$ 8,130	$ 8,415	$ 8,715
Average Masters	$ 6,525	$ 7,050	$7, 725	$ 8,385	$ 8,600	$ 9,030	$ 9,270
Antioch Southern California (includes LA & SB)							
Avg.BA Completion	$ 6,150	$ 6,698	$ 7,125	$ 7,650	$ 8,175	$ 8,560	$ 8,715
Avg.Masters	$ 6,150	$ 6,790	$ 7,300	$ 7,800	$ 8,300	$ 8,622	$ 8,640
McGregor School							
BA Completion	$ 4,140	$ 5,580	$ 6,120	$ 6,300	$ 6,480	$ 6,660	$ 6,840
Avg. Masters**	-	-	$ 9,000**	$ 7,245**	$ 6,665	$ 6,921	$ 6,940

*An academic calendar year = 3 quarters or 2 semesters. Full-time in all MA programs is assumed to be 12 credits/quarter or semester.
BA Completion full-time = 12 credits per quarter.

**Includes only MA/Management in 1991/92; MA/Management & IMA Conflict Resolution in 1992/93; does not include IMA Classic Tuition.

Table VII

Percentage Annual Tuition Increases by Campus

1991-1996*

	1991	1992	1993	1994	1995	1996
College	13.4%	5.3%	2%	9.2%	5%	3%
New England						
Masters Only	7.9%	6.7%	4.8%	5%	4.6%	4.2%
Seattle						
BA	11.9%	7.4%	3.6%	3.6%	3.5%	3.6%
Ave. Masters	8%	9.6%	8.5%	2.6%	5%	2.7%
So. Calif.						
BA	8.9%	6.4%	7.4%	6.9%	4.6%	1.9%
Ave. Masters	10.4%	7.5%	6.8%	6.4%	3.9%	2.1%
McGregor						
BA	3.5%	9.7%	2.9%	2.9%	2.8%	2.7%
Ave. Masters	---**	---**	---**	---**	3.9%	2.7%

*1991 represents the 1990/91 academic year. As in all the Tables, the year listed represents the ending year of the academic or fiscal year, e.g., 1991= 1990/1991

**These figures do not include the IMA Classic for the McGregor School; other graduate programs added in 1991-1994. Because of the number and differences in programs that came on line from 1991-1994, comparisons in tuition from year to year for graduate programs at McGregor are not helpful until 1994.

NYTimes 9/29/95

College Tuition and Fees Increase by 6 Percent

By WILLIAM H. HONAN

College tuition and fees have risen by about 6 percent in this school year, according to an annual survey released on Thursday by the College Board. As a result, the annual cost at elite colleges and universities is approaching $30,000.

"When taken together with the expectation that Congress will reduce student grant and loan programs, many young people in our society face a deeply mortgaged future," said Donald M. Stewart, president of the College Board, a nonprofit association of 3,000 schools, colleges and universities.

Undergraduates must pay about 6 percent more this year than last for tuition and fees at four-year institutions, and 4 percent to 6 percent more at two-year institutions. The cost of room and board is also rising 2 percent to 4 percent, the survey says.

"Despite these increases, the fact remains that college is still affordable for most students," Mr. Stewart said. "Students and families must keep college costs in perspective and not focus on the relatively small number of high-priced institutions."

That view was seconded by Terry Hartle, a vice president of the American Council on Education, a research and lobbying association.

"I don't want to say that college costs aren't a tremendous strain for many people," Mr. Hartle said, "but we should remember that in 1993-94, 61 percent of all American college students spent less than $3,000 in tuition and fees. There are some tremendous bargains out there."

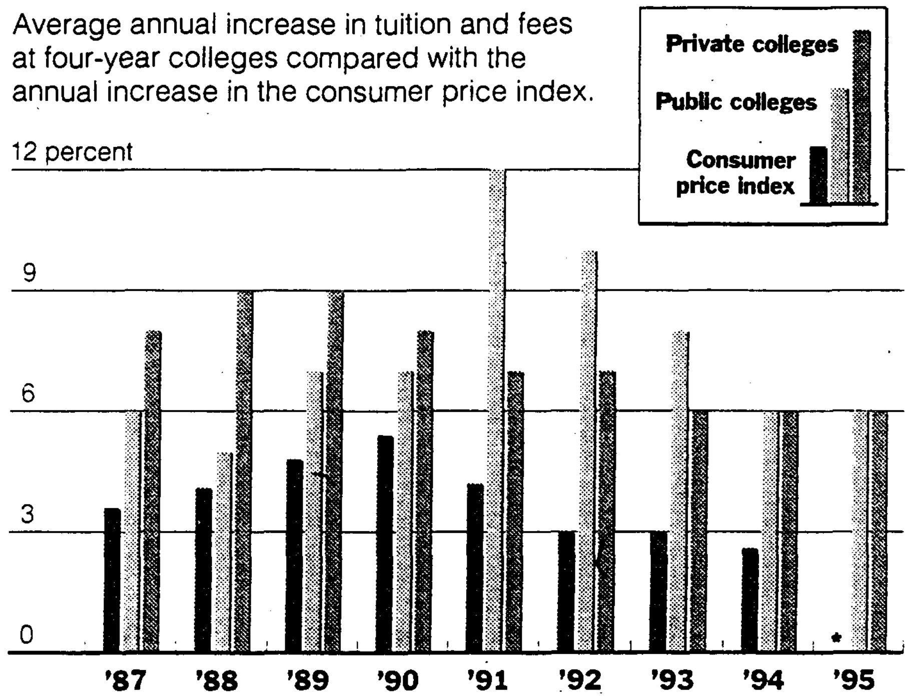
In fact, Mr. Hartle said, college costs have averaged 2 percentage points above inflation throughout this century. "It was an aberration when college costs were less than that rate during the 70's and when they were higher than that rate in the 80's. What we're seeing today is a growth rate that's back to normal."

Among the colleges that Mr. Hartle singled out as relative bargains is the University of Texas system, which enrolls 118,000 students and charges $1,623 for tuition and fees.

COMPARISON

College Costs Rise Faster Than Inflation

Average annual increase in tuition and fees at four-year colleges compared with the annual increase in the consumer price index.



Sources: The College Board, Census Bureau

*Data not available.

Another example, he said, is the State University of New York system, which enrolls 156,000 students in its four-year colleges. SUNY increased its tuition this year by $750, but an in-state student could still pay, on average, $3,900 for tuition and fees.

Among private institutions, he cited Rice University, where the full tuition is $17,013, but various discounts are offered; the average Rice student pays $9,855. In contrast, tuition and fees this year at Yale University can total nearly $28,000, without financial assistance.

Experts point to several reasons for the inexorable rise of college costs.

The first is what economists call the productivity problem. Although the salaries of professors and administrators continue to rise, the number of students does not.

Second, advanced laboratories and scholarly materials that many students need have become surprisingly costly. A subscription to Chemical Abstracts, for example, would cost a college $16,800 a year, and it is not uncommon for other journals to cost $3,000 annually.

Third, as state legislatures cut their budgets and devote more of their resources to building prisons and coping with the steady increase in the cost of programs like Medicaid, they reduce their contributions to higher education — which mostly go to public institutions — and pass an ever-larger share of college costs on to students and their families.

Finally, in pursuit of an increasingly diverse student body, colleges are devoting more resources to student aid based on need.

Section IV: Academic Program Information

A. Educational Delivery Systems at Adult Campuses

B. Academic Programs Offered on Each Campus, 1995

C. Faculty Salaries by Campus, 1995

D. Percent of Core Faculty of Color and Gender Balance by Campus, Fall Term, 1991-1993

Educational Delivery Systems at Adult Campuses*

PROGRAM	New England	Seattle	So.Calif	McGregor
Psych/ MA	Course-Based One day+Wkend	Course-Based Evening/Metro& Weekend for Commuters	Course-Based	IMA
Psy.D	Course-Based One day+Wkend			
Mgmt/MA	Course-Based One Day+Wkend Multiple Sites	Cohort/ Weekend/Mo. Hi Tech	Course-Based	Cohort/ Wkend
Education Certification	Course-Based 11/2 Day+ Wkend	Cohort/2 day per week		Cohort/2 day per week
Educ/MA		Individualized		IMA
M.Ed	Multiple Sites/Cohort One Day+Summer			
Environ				
MS	1 1/2 + Wkend			
MA				IMA/Intensive Residency
PhD	Cohort/Wkend+Hi Tech Summer Intensive			
Whole System Design/MA --OSR		Cohort/ Weekend/Mo.		
--Individualized		Course-Based		
Conflict Resolution/IMA				Cohort/Intensive Residency
Intercultural RelationsIMA				Cohort/Intensive Residency
BA Degree Completion		Course & Committee-based	LA/Course SB/Committee	One Day

*** See next page for explanation of these educational delivery systems**

Key for Educational Delivery Systems

Course Based:

This refers to a program of study that is offered through courses as compared to an intensive workshop format or individualized study.

Cohort:

This refers to a program of study where the students enter as a group and stay together throughout their graduate program. Within this cohort, the instruction may utilize courses, and/or teams working together, and/or an intensive workshop format on the weekend or during the summer. As in the case of the teacher certification programs in Seattle and McGregor, cohorts may meet a few times each week during the year; in the management programs at these campuses they meet as cohorts on the weekend. In some cases, as in the Conflict Resolution program, students come to campus for a two to three week intensive program once a year.

Intensive Residency:

This refers to a 1-3 week long intensive course of study as part of the programs overall interaction with the student. This sometimes occurs during the year, sometimes in the summer.

Committee-based:

This refers to a course of study that is highly individualized with the student and faculty adviser working closely together on the student's course of study; the student may take a number of courses at the campus or elsewhere. The overall degree plan and work of the student is approved by a committee. There have been a number of variants of this model. It was originally developed at Antioch in the 1970s and in the last ten years has evolved with more core courses offered.

One Day:

This refers to a program that meets intensively for one day and offers courses from early morning to early evening. In New England, this occurs throughout the week; at McGregor it is on Saturday, hence the name the Weekend College.

Hi Tech:

This refers to a program utilizing computer technology for the interaction between student and faculty and among students in a computer conferencing format. These programs have intensive face-to-face interaction on a monthly or less frequent basis and have continuous interaction between students and faculty in between meetings. The words Hi Tech means that there is a much more extensive use of computer interaction beyond e-mail, which is becoming more common throughout all the academic programs.

IMA:

This refers to the Individualized Masters of Arts program operated by the McGregor School, which includes a one week intensive in Yellow Springs for orientation and the development of degree plans and a one week intensive for development of thesis proposals. Beyond these meetings, the students work with mentors in their local area, may take courses at other institutions as well as their own individual study, and write a thesis--all under the general supervision and approval of a McGregor faculty member. There are a number of major programs within the IMA that have developed a more intensive residency format--Conflict Resolution, Intercultural Relations, Environment and Community. Within the IMA Classic format described here there are tracks in Psychology, Creative Writing, and Education.

B. Academic Programs offered on Each Campus

Antioch College

B.A. and B.S. Degrees with majors offered in the following areas--as of Fall, 1996:

Social and Global Studies
Self, Society and Culture
Physical Sciences
Environmental and Life Sciences
Literature, Language and Culture
Critical Humanities
The Arts
Cultural and Interdisciplinary Studies
Self Designed Majors

All students must complete a minimum of five four month co-op work assignments

Non-degree Programs--can be part of Antioch College student's studies

Antioch Education Abroad: Buddhist Studies; Brazilian Ecosystems;; European Academic Term; Antioch Germany; Women's Studies in Europe; Development Studies in Thailand;Exchange Program with Kyoto Seika University, Japan.

Calendar: Tri-Semester as of Fall, 1996

Antioch Southern California--Los Angeles and Santa Barbara

Degrees:

B.A. in Liberal Studies--Santa Barbara, Individualized/Committee-based Program

B.A. in Liberal Studies--Los Angeles with Concentrations in
- Psychology
- Gerontology
- Human Development
- Liberal Studies

M.A. in Organizational Management--Santa Barbara

M.A. in Organizational Management--Los Angeles, with concentrations in
- Human Resource Development
- Business Management/Entrepreneurship
- Organizational Behavior
- Joint BA/MAOM

M.A. in Clinical Psychology--Santa Barbara

M.A. in Clinical Psychology--Los Angeles
- M.A. in Psychology--Individualized

Calendar: Four quarter per calendar year

Antioch Seattle

Degrees:

B.A. in Liberal Studies

Core Competencies in Communicating, Thinking, Understanding Self, Understanding Society, Integrating Theory and Practice

Psychology

M.A. in Psychology
- Counseling
- Human Resource Development
- Individualized Track
- Concentrated Studies (for students outside Seattle and in the Pacific Northwest and Western Canada)

Education

M.A. in Education --Individualized Program

M.A. in Education with Teacher Certification

Teacher Certification Program--Elementary Education

Whole Systems Design

M.A. in Whole System Design--Individualized Program
M.A. in Whole System Design--Organization Systems Renewal Program

Management

Non-Degree programs:

Heritage Institute (for continuing education of teachers)

Calendar: Four Quarters per calendar year

The McGregor School of Antioch University

Degrees:

B.A. Degree Completion with Majors in

Liberal Studies
Management
Human Development

M.A. in Management

Individualized M.A. in

Conflict Resolution (Cohort Model)

Intercultural Relations (Cohort Model)

Environment and Community (Cohort Model)

Classic (Individualized) with tracks in Psychology, Creative Writing, Education and self designed

Teacher's Certification Program

Other Programs: George Meany Center for Labor Studies, in Silver Spring, MD. (est. 1973)

Non-Degree Programs

Summer Continuing Education Program for Teachers

Calendar: Quarters--four for Weekend College and Teacher Certification, three for MA in Management, IMA is an annual individualized program.

C. Faculty Salaries by Campus, 1995

Over the years, there have been requests for looking at a comparison of faculty salaries across the campuses. While this would seem a simple exercise, it isn't because of the different calendars and practices on the different campuses. Nevertheless, I have tried to undertake such a review and the tables that follow show such a comparison. But, there are some explanations needed in advance of reviewing these tables.

First, three of the adult campuses--Southern California, Seattle and McGregor--operate on a year around quarter calendar. Faculty are assumed to have a month vacation during the 12 month period, but the campuses do not treat the vacation time in the same way, although all are moving in the same direction. Also, because of the different types of delivery systems within Seattle and McGregor, faculty in different programs take their vacation in different ways. The best estimate, however, is that these three campuses have an 11 month work year with one month of vacation. In the following tables, this arrangement is called a calendar year.

Second, The New England Graduate School operates a semester system, made up of three semesters, within a 10 1/2 month calendar. Therefore, each faculty member has a six week vacation.

Third, the College operates on a three quarter academic year calendar for 10 months. Therefore, faculty have a two months vacation.

In order to make the faculty salary data comparable across campuses, the salaries were converted to monthly salaries; i.e., the total faculty salary was divided by the number of months of work--not including annual vacations, 11 months for three adult campuses, 10 1/2 months for New England and 10 months for the College. Following this, the monthly salaries were then multiplied by 11 to get a comparison of salaries based on a calendar work year and by 10 for a comparison based on a 10 month academic year.

Three Tables are presented: Table I includes the actual salaries, calendar year equivalents, and 10 month equivalents campus by campus. Table II presents only the calendar year equivalents campus by campus; and Table III presents only the 10 month academic year equivalents campus by campus.

Table I
Faculty Salary Ranges by Campus-1995
(Actual and Adjusted)

Campus	Average Salary	Salary Range Low		High
1. Southern Calif. (Calendar Yr.*)				
Calendar Yr.	$49,810	$40,917	to	$62,433
10 mo. equiv.	$45,280	$37,190	to	$56,750
2. College (10 mo. yr.)				
Calendar. Yr. equiv.	$42,409	$33,000	to	$71,181
10 mo/actual	$38,581	$30,000	to	$64,710
Includes teaching and co-op faculty, does not include librarians				
3. New England (10 1/2 mo. yr.)				
Actual	$40,312	$30,750	to	$55,445
Calendar Yr. equiv.	$42,229	$32,208	to	$58,080
10 mo. equiv.	$38,390	$29,280	to	$52,800
4. McGregor (Calendar Yr.*)				
Calendar Yr.	$40,900	$35,000	to	$55,157
10 mo. equiv.	$37,810	$31,810	to	$50,140
5. Seattle (Calendar Yr.*)				
Calendar Yr.	$37,697	$28,236	to	$52,254
10 mo. equiv.	$34,270	$25,670	to	$47,500

*Calendar Year means faculty work all year around and usually take vacation between quarters or one month a year. In order to make data comparable, a calendar year was assumed to be 11 months of work and one months vacation. The College and New England calendars were assumed not to have vacations built in. The conversions were computed by converting to a monthly salaries and multiplying by either 10 or 11 to reach the 10 month year or calendar year respectively.

Table II
Faculty Salary Ranges by Campus--1995
(Adjusted to 11 month calendar year equivalent)

Campus	Average Salary	Salary Range Low		High
1. Southern Calif. (Calendar Yr.)				
Calendar Yr.	$49,810	$40,917	to	$62,433
2. College (10 mo. yr.)				
Calendar. Yr. Equiv.	$42,409	$33,000	to	$71,181
3. McGregor (Calendar Yr.)				
Calendar Yr.	$40,900	$35,000	to	$55,157
4. New England (10 1/2 mo. yr.)				
Calendar Yr. Equiv.	$42,229	$32,208	to	$58,080
5. Seattle (Calendar Yr.)				
Calendar Yr.	$37,697	$28,236	to	$52,254

*Calendar Year means faculty work all year around and usually take vacation between quarters or one month a year. In order to make data comparable, a calendar year was assumed to be 11 months of work and one months vacation. The College and New England calendars were assumed not to have vacations built in. The conversions were computed by converting to a monthly salaries and multiplying by either 10 or 11 to reach the 10 month year or calendar year respectively.

Table III
Faculty Salary Ranges by Campus--1995
(Adjusted to 10 month academic year equivalent)

Campus	Average Salary	Salary Range Low	to	High
1. Southern Calif. (Calendar Yr.)				
10 mo. equiv.	$45,280	$37,190	to	$56,750
2. College (10 mo. yr.)				
10 mo/actual	$38,581	$30,000	to	$64,710
(Includes teaching and co-op faculty, does not include librarians)				
3. McGregor (Calendar Yr.)				
10 mo. equiv.	$37,810	$31,810	to	$50,140
4. New England (10 1/2 mo. yr.)				
10 mo. equiv.	$38,390	$29,280	to	$52,800
5. Seattle (Calendar Yr.)				
10 mo. equiv.	$34,270	$25,670	to	$47,500

*Calendar Year means faculty work all year around and usually take vacation between quarters or one month a year. In order to make data comparable, a calendar year was assumed to be 11 months of work and one month vacation. The College and New England calendars were assumed not to have vacations built in. The conversions were computed by converting to a monthly salaries and multiplying by either 10 or 11 to reach the 10 month year or calendar year respectively.

Percent of Core Faculty of Color* and Gender Balance By Campus; Fall Term, 1991-1993

	Core Faculty of Color			Core Faculty Gender Balance		
	1991	**1992**	**1993**	**1991 F/M**	**1992 F/M**	**1993 F/M**
College	15%	10%	15%	35/65%	39/61%	39/61%
New England	2%	1%	1%	54/46	55/45	53/47
Seattle	9%	6%	3%	71/29	69/31	63/37
So. Calif.						
Santa Barb.	5%	12%	9%	63/37	67/33	54/46
Los Angeles	7%	11%	10%	59/41	57/43	41/59
McGregor	0%	0%	20%	55/45	54/46	47/53

* Includes African Americans, Asians, Asian Pacific Islanders, Hispanics, and Native Amercians.

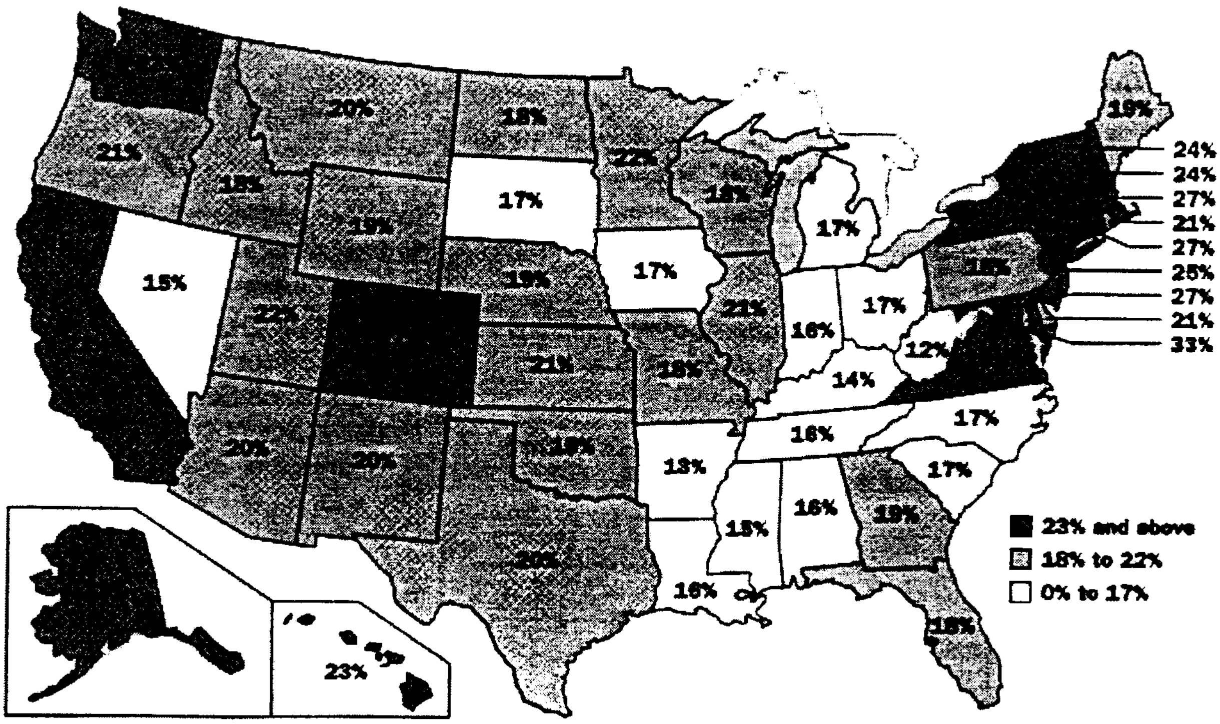
Section V

Major Issues in Antioch's Future

A. Demographic Realities: The demographic and market realities must be understood and utilized to plan the future. The enclosed charts from the Chronicle of Higher Education indicate that among the states having the greatest enrollment increases for 18-30 year olds in the next decade are two of the states in which we presently operate --California and Washington. The explosion of this age group in these two states is almost as great as in the baby boom period. There is no way that these states can handle this growth in the public sector given the economy and other pressures. How will we respond to a strong market?

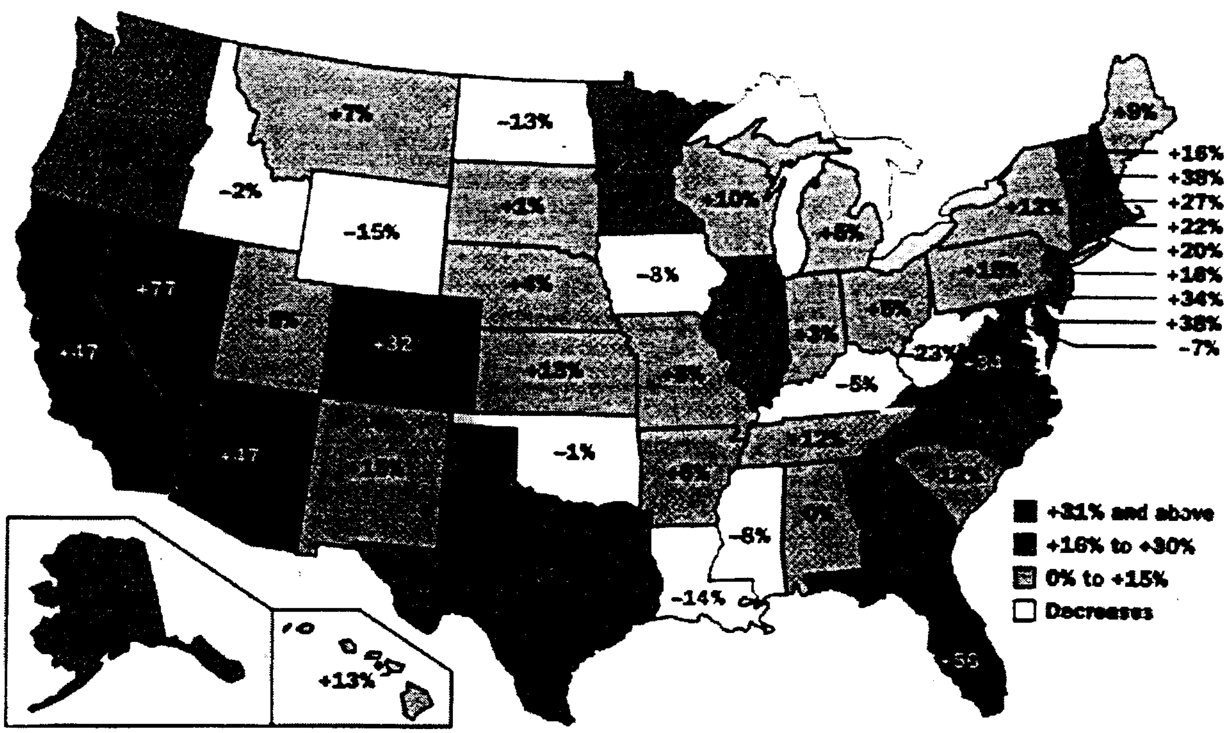
Ohio has among the lowest percentage of adults without Bachelor's Degrees. Given the cutbacks in the state systems, and our capability to serve adult students in non-residential and limited term residencies, how can we serve these markets? How can we creatively utilize electronic technologies to provide high quality, low cost education to adults in Ohio? How can we utilize the adult learning and content area expertise of the McGregor School faculty, the content area expertise of the College faculty, the physical facilities of the College as well as the new technology to serve this and other markets?

Proportion of Adults With a Bachelor's or Higher Degree, 1990



SOURCE: Census Bureau

Projected Change in the Number of High-School Graduates, 1995-96 to 2005-06



SOURCE: Western Interstate Commission for Higher Education

B. College Enrollment and Faculty Size: There is a need to deal directly with the College's likely enrollment over the next 3-5 years and size of its faculty . This should be done without placing undue strain on the ability of the College to achieve the desired results and the adult campuses ability to sustain the costs.

C. There is a need for the University to face the educational realities of the late 1990s and the 21st century

1. cost issues--ability of people to afford our tuition levels

2. using new technologies as an integral part of the educational process.

3. need for all campuses to be responsive to student markets by being entrepreneurial in what and how we offer our academic programs and to whom and where.

4. we must ask ourselves whether the educational delivery systems developed at the College in the 1920s-1950s and at the adult campuses in the 1970s will serve us well into the beginning of the 21st century. What kind of adjustments and restructuring is necessary in our educational delivery systems given the changes in the society; given the profound changes in technology; given the growing institutional costs and the unwillingness of the public to pay for them? How can Antioch keep its core educational values--the focus of the whole person and the actives student learner--and deal with the changing environment?

Note: These are excerpts from Chapter VI of Recapturing A Legacy: The Rebuilding of a Visionary College by Alan Guskin. This book is in its final draft. Please do not duplicate without permission.

CHAPTER VI (EXCERPTS)

ORGANIZATION BUILDING AND RECAPTURING THE ANTIOCH LEGACY: THE INTERDEPENDENCY

> You see how it is: The method must be absolutely practical, reasonable and realistic, but the whole, the conception is an eternal poem.
>
> Thomas Masaryk, philosopher-President of pre-World War II Czechoslovakia

Value driven institutions, especially colleges and universities, struggle with their integrity and the degree to which they are acting consistently with their values. Too often, people in these organizations are tempted to reject the material concerns of organizational functioning in favor of solely expressing and acting on their values. Yet, organizations of people, no less than individuals, need food and shelter, and even more than that, if they are to thrive.

Antioch in the 1960s and 1970s tried to decouple acting on its values from concerns for organizational functioning and in so doing flirted with the death of the institution. From 1985 onward, the underlying core focus of the Antioch rebuilding effort has been to recapture Antioch's legacy by inextricably linking organizational functioning with its values. Put somewhat metaphorically, only by creating a strong vessel are we able to hold the legacy and enable it to grow and flourish.

Making the vessel strong required an intense focus in 1985-1988 on the fiscal and administrative structures and processes of the institution; it meant that we were going to be fiscally conservative and demand adherence to responsible organizational policies, and to continue to do so even after Antioch was out of any danger financially. In Chapters II, III and IV on the College and Chapter V on the University as a whole, the financial and organizational focuses in the rebuilding process were reviewed in some depth.

These actions reflect not only the need to operate effectively and efficiently but to face the reality that the values and educational philosophy of Antioch often represent forces that can either tear at the fabric of the institution or increase the level of integration in it. With a strong organization in place--that is, one that is well run financially and administratively--the risks inherent in Antioch's values can be acted upon without unduly compromising the future of the institution. This is what the Board of Trustees had come to expect in the 1950s and 1960s as a result of strong administrative leadership for many years. It is also what made Antioch vulnerable to the excesses of the late 1960s when the organizational structure was weakened by the loss of the three major vice presidents who had run the institution for two decades under three presidents. The administration and Board failed to adequately respond under the new circumstances.

A major part of the organizational building effort from 1985-1994 has been focusing on rebuilding the College and strengthening the adult campuses. As discussed in Chapter V, this led to the closing of three campuses. Another essential component of the effort was managing the leadership transitions throughout the University. These transitions reflected a concern for both the effectiveness of each campus organizationally and the maintenance and revitalization of Antioch's values.

We received many plaudits for the organizational rebuilding efforts, but there was criticism by some, especially as the immediate danger subsided. Were these administrators more concerned with finances than academic matters? Did they really believe in Antioch's values and educational philosophy? The natural suspicion at Antioch of authority and administrators led some to wonder aloud about "professional administrators," said with a sneer. Given Antioch's values and history, it was important not to give in to this criticism even as it hurt some of those who had devoted themselves so deeply to rebuilding the College and strengthening the University.

The Values that Form the Legacy: Honoring the Bright-Side and Surviving the Dark-Side of Antioch's Values

As we reflect on Antioch's history, we know that there were--and remain--strong centrifugal forces that emerge from the legacy and that when these values are followed to an extreme they can cause the institution to spin out of control; rather than being powerful centripetal, integrating forces, the practice of these values became strong centrifugal forces that created havoc. For, when these values are seriously and intently followed, they have a radiant bright-side, but also a deep dark-side which contains the seeds of the institution's destruction.

A commitment to express one's values, to test them, and then to develop them further, sometimes produces an environment that is turbulent and a cauldron of ferment about these values. Hence there is an essential paradox at Antioch and other visionary colleges and universities: In striving for the expression--in both words and deeds--of progressive values, often the students (and sometimes faculty and others) reject or damage the very structures and processes that hold, protect and enhance the viability of acting on the institution's values.

Three basic Antioch values represent the bright/dark-side paradox:

*Focus on the student as an active learner, whole person education;
*Commitment to social justice, and a commitment to act on these values;
*Egalitarianism.

Student as Active Learner, Whole Person Education: A focus on the student as an active learner is an important component in the development of life-long learners. The bright-side of the active learner is that this value creates a powerful context for learning; students assert themselves, learning becomes more enjoyable and has more impact on the students' personal and intellectual development. Each Antioch campus emphasizes that student learning can occur in many places--inside and outside the classroom, in groups and individually--and respects the different styles of learning to which students are predisposed. Such an education can stimulate all aspects of a student's potential; the intellectual, emotional and spiritual.

In short, a focus on the student as active learner is a commitment to the education of the whole person, a commitment that goes back to the earliest days of Antioch's history. This focus forms the core of Antioch's educational philosophy which has fostered many of the creative and innovative programs for which Antioch is well-known and which led to its influence on many colleges and universities. Examples of these are the emphasis on integrating experiential learning and academic learning (e.g., the co-op program, credits for prior learning), a focus on challenging students' values and encouraging them to act on them, the use of narrative evaluations rather than grades, and an emphasis on community, participatory governance. This whole person perspective is presented in great depth in Epilogue: Part II, The Meaning of an Antioch Education.

The dark-side of this value is that the focus on the individual becomes interpreted, especially by young students, to mean the primacy of individual freedom. A sense of one's membership in a campus community and the responsibilities to such a community become subordinated to wholesale freedom. As one student at the College recently stated, he believes each College student is like a "nation-state."

The campus can become a highly volatile environment with students demanding, among other things, one person/one vote and a license to act without boundaries. As DeTocqueville wrote about Americans generally, self expression sometimes becomes self-absorption.

At the College, the focus on students creates a special turbulence. Because 18-22 year olds are at a particularly volatile stage of their lives, focusing on them tends to create an institutional climate that reflects the pushes and pulls of their life struggles. When this personal volatility is combined with the movement on and off campus resulting from the co-op program, the College environment loses some of the stability common to other campuses. Furthermore, each time students reappear at the College campus they want and expect to be involved in key decisions and do not necessarily respect what their peers accomplished in the previous quarter. At almost all other colleges and universities, the focus is on faculty, who are much more emotionally secure and tend to have a long term stake in the institution who, therefore, produce a much less volatile environment.

Focusing on the student as an active learner needs to be balanced with the equally important commitment to a sense of community and group responsibility. This is especially true when dealing with 18-25 year olds who are usually focused solely on their own development; older students at the adult campuses have many other life commitments--job and family--and the maturity that naturally limits the institutional excesses inherent in a central focus on the active student learner.

Balancing this focus on the active student learner in a residential college setting is easier said than done, but the history of the late 1960's and 1970's at Antioch, and other visionary colleges, attest to its importance if the institution is to thrive. No doubt many colleges and universities experienced disruptions in that period, but such actions usually were limited in scope by the much stronger countervailing forces of traditional institutional controls and of many students and faculty members who were uninterested in such activism. At Antioch such countervailing forces didn't exist or were ineffective.

Social Justice and Acting on Values: A second value, the commitment to social justice, encourages students and faculty to assert their social values and to act upon them. This is especially important for Antioch and colleges that are known for their socially progressive values. Institutional integrity, at all Antioch University campuses, strongly encourages these commitments, so do the recruitment and retention of students, faculty and administrators.

However, what sometimes happened in the past was that one or another small group of highly articulate and vocal faculty or students became a dominant force, converting the educational context of this social value into a blatant political or radical social value. Non-believers, who themselves either share a broader set of progressive values or are struggling with inclinations in that direction, are rejected or intimidated into silence. When this occurred, especially in the late 1960's and early 1970's, the College campus moved to radical political positions and actual or implied truth tests regarding one's ideological perspective. One result of such an unchecked orthodoxy was that some parts of the institution began to act as if it were itself a political organization pursuing a cause as a social change agent.

In such situations, it became too easy for the College to cross the line from an educational institution, where all perspectives are legitimate and where exploration is the goal, to a political institution with an assumed social and political agenda in which indoctrination may be permissible. Acceptance of a narrow set of beliefs as the only legitimate perspective could, in effect, lead to the imposition of one group's beliefs on the conscience of all students and faculty. Moving in this direction can undermine the integrity of an institution and threaten its existence; good faculty are encouraged or forced to leave, good students who are not the "right" students are discouraged from attending.

While encouraging people to assert and act upon their social values is very important, so too is establishing a learning context based on an understanding that Antioch is an educational institution whose responsibility is to educate students who will be challenged to create a more just society, that is to educate students who will be agents of change. In the past, these complex values and perspectives were fostered by the creation of a democratic community within the campus; one that emphasized a respect for different perspectives, for due process, for the rights of minority interests and for the exploration of new perspectives. This type of community enabled the College to balance a commitment to Antioch's values with maintaining institutional viability.

However, creating such a community within an educational institution accepts some significant limitations. Students are only members of the institution for a short period and they come to learn and develop, not to reside as would be true of a geographically-based community. Hence, they must accept the limitations set by the Antioch's legacy and the faculty. Such a democratic community in a college or university has to balance individual freedom with group responsibility and the limitations of an educational institution, and the assertion of values with respecting differences. This is a very sensitive issue with which Antioch since 1965 has had great difficulty. Especially problematic is the difficulty that free-spirited younger and older Antioch students have accepting boundaries on their beliefs and behaviors.

Egalitarianism: The third major value, which also has a bright and dark side, is a basic commitment to an egalitarian perspective that asserts that all people of whatever status are inherently equal as individuals, no matter what their role. The difficulty that emerges here is that an egalitarian perspective cannot apply to all areas of an educational institution. To do so effectively questions the legitimacy of the expertise and professional skills of faculty members who provide the education and educational context for which students come to college in the first place. It also makes problematic any serious leadership roles, many of which are essential for maintaining the institution's viability and integrity.

Yet, an egalitarian perspective is appropriate and important in the treatment of students as human beings. This can be reflected in practice by the involvement of students, along with faculty members and administrators, in the campus governance structure. It also can be emphasized in the informality of interpersonal interaction across role and status. Such a sense of egalitarianism not only deals with basic human values, but has important implications for the education of students to take responsibility for their actions. It is part of Antioch's focus on the student as active learner.

Students, like faculty members and others, expect to be treated as respected individuals with integrity, as equal human beings even if different in terms of expertise and skill. Clearly, distinguishing the appropriate expertise and skills of the faculty, who implement the primary functions of an institution, from the equality and integrity of students as individuals, is important in providing the context for understanding the proper role of egalitarianism at an educational institution. This is especially so at non-traditional institutions like Antioch which focus on the student as an active participant in their institution as well as in their education.

However, to provide a proper balance for the excesses of egalitarianism requires great clarity of purpose and goals for an educational institution. The resulting educational context and institutional legacy that such clarity produces, enables all community members to realize the appropriateness of expertise and professional skills. In effect, the purposes and goals when well articulated, clarify the human and educational boundaries of the institution. Conversely, without such articulation and boundaries, egalitarianism can be carried to extremes that undermine the primary educational functions and legacy of the institution.

Visionary educational institutions like Antioch do contain the seeds of turmoil and even destruction. More than other types of colleges and universities, such institutions need to be clear about the competing interests of different values and even the conflict between them. While all colleges and universities have strong centrifugal pressures that tear at the fabric of their institution, Antioch and similar institutions are particularly susceptible to such forces and need even greater clarity about their goals, purposes and institutional histories.

The vitality of Antioch's values that emanate from its legacy are an essential part of its past, present and future success. But the expression of these values requires maintaining a creative tension that balances a sense of stability and predictability with the commitment of each person to be true to their values. This requires a sensitive understanding of the bright and dark side of our value commitments.

Maintaining the balance between Antioch's values and the need to maintain a viable organization is a prime leadership issue in this visionary educational institution. Doing so requires leaders who are pragmatic idealists and who have a good sense of humor that enables them to poke fun at their own serious and intense focus on Antioch's vision and legacy.

Leadership Transitions

While many of the major accomplishments of the years 1985-1994 can be outlined in concrete and substantive terms, among the most significant, difficult and important activities have been the necessity to successfully complete a series of senior administrative transitions. Large scale institutional changes are often marked by major symbols -- new curricula, enrollment goals, restored and new buildings. For those who lead and manage the continuous change necessary in rebuilding a significant institution like Antioch, one of the greatest challenges is dealing with the complex, uncertain and often painful transitions of people in major organizational positions. For, it is these individuals who lead others in the day-to-day changes required for success.

Leaders create direction and context--at the top of an institution and in each major part of it. Successful development of new curricula or any other major activity require leadership skills to set and maintain the general direction and context as well as carry out day-to-day decision-making. Changes in leaders at any organizational level can undermine context, predictability and consistency, thereby leading people to wonder about the wisdom of taking any risks. People throughout an organization can do good work, but the constant unpredictability of people in leadership roles and their interests can be demoralizing.

Transitions being what they are--rupturing emotional and professional attachments, many people feel badly for the individual leaving, even if they chose to leave. There is also a grieving process that occurs; a sense of loss, at times the guilt at encouraging someone to leave, and at other times the anger that those leaving have left them behind to deal with the problems. Endings are difficult and as a society we are not good at accepting the emotion inherent in these events. When someone dies, grieving makes sense; when someone leaves a position, it is just a job--the king is dead, long live the king.

There is also the uncertainty felt by many individuals in each of the offices involved. The incumbents might have been, at times, difficult to deal with, but at least they were known and predictable. Further, abrupt transitions in high level positions produce interim arrangements while awaiting the recruitment and arrival of a new person. These arrangements are problematic at best.

When a new person arrives she is, obviously, different from her predecessor. Since the change is often based on the need for new directions and a desire for a new style and configuration of skills, the new senior administrator will have new expectations for everyone's job, including her own. When the new person begins, there is often a heightened sense of vitality, new attachments and new job demands. But each individual once again must figure out how to deal with this new administrator, the likely outcome of requests they make and risks they should take--a new perspective eventually emerges based on the behavior, expectations and aspirations of the new senior administrator.

At a value-based university like Antioch, transitions are particularly sensitive because new leaders at any level in the organization, but especially near the top, need to understand the special culture and history. As decision makers who are expected to create context for others, it is essential that they intuitively understand the legacy of the institution. Yet, it is difficult for newcomers to fully appreciate the legacy--the overt values and the more subtle stories and history that provide the substance of and direction to these values.

It is for example easy for someone to understand the words "focus on the student as an active learner," but these take on a profound new meaning in the context of the integration of experiential and academic learning and participatory community governance processes. At the College, for example, student involvement in all key governance structures was not developed for political reasons, but was a decision of the faculty based on the educational philosophy of the institution; namely, if students were to be active and responsible learners on their work assignments around the country and in the classroom then, it was reasoned, that active learning could and should occur from responsible participation in the governance of the community in which they live and learn.

Therefore, a focus on the student as an active learner, emphasizes that education occurs in many different parts of the institution, not only in the classroom. Student activism on and off the campus, then, is not just about politics but should be mined for its educational value. Complex and emotional events become teachable moments, not difficulties to be overcome. These are important matters for leaders to deal with in the subtle and sometimes crude forms in which they occur.