



THE ACADEMY *on* CAPITALISM *and* LIMITED GOVERNMENT FOUNDATION

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TO: Joyce Tolliver, Chair
Executive Committee, Academic Senate
University of Illinois, Urbana-Champaign

FROM: Thomas W. O'Laughlin, Jr., Acting CEO

DATE: July 30, 2010



We are in receipt of your memorandum of July 27, 2010 pertaining to the Academy on Capitalism and Limited Government Foundation (ACLGF). Perhaps the best way to respond is to enumerate some key points. They are as follows:

1. The ACLGF is an independent charitable organization which seeks to provide philanthropic support to the University of Illinois. I trust we all agree that private support, whether from the Heritage Foundation, the Ford Foundation or the ACLGF, is something to be welcomed and encouraged.
2. The donors associated with the ACLGF have never sought to fund anything other than academically legitimate projects and programs as proposed by University faculty, departments and colleges. The Ikenberry procedures, which have been represented to us as applying to all outside funders and which we supported in good faith as closure on this issue, are quite acceptable as it has always been our position that proposals should be subjected to the appropriate reviews and approvals. The vetting of proposals is the university's business as donors have no role to play in academic governance.
3. The scheduling of such things as debates and symposia are up to the unit receiving support from the ACLGF. Any group is entitled to rent university space for events to be held at any time, and to demand restrictions in this regard is an absurd infringement on free choice and speech.
4. The procedures for proposal submission to the ACLGF are being ironed out, but the Ikenberry rules will be followed and all members of the faculty are welcome to seek funding.

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5. We are in the process of finalizing the operation of a proposal review panel to assist the board in its decision making, and you may rest assured that any current or retired faculty who are active members of the panel will be ineligible for support. I am told you were already made aware of this.
6. The promotion and acknowledgment of a funding source (the ACLGF or any other donor) at a sponsored event is subject to the control of the unit or faculty member being supported. One wonders why donor recognition would generate concern.
7. It is not unusual for foundation representatives to communicate or collaborate with faculty from time to time. This should not be a source of concern as any proposals will be appropriately reviewed and approved.

I have not responded to each of your enumerated conditions but I believe they are adequately addressed by my comments. Please keep in mind that the ACLGF is a separate legal entity established to support the University of Illinois. There never has been nor could there be any threat to university governance because donors cannot create programs or make academic decisions. A university should be a forum for the open exchange of ideas and the ACLGF is committed to funding activities which add to the academic luster of the University of Illinois.

TWO/tlh

cc: Robert A. Easter

Michael J. Hogan

Stanley O. Ikenberry

Sidney S. Micek