



# Government & Politics

From the issue dated March 24, 2000

[SEARCH THE SITE](#)

[SITE MAP](#)

## SECTIONS:

- [Front Page](#)
- [Today's News](#)
- [Information Technology](#)
- [Distance Education](#)
- [Teaching](#)
- [Publishing](#)
- [Money](#)
- [Government & Politics](#)
- [Community Colleges](#)
- [Students](#)
- [Athletics](#)
- [International](#)
- [People](#)
- [Events](#)
- [The Chronicle Review](#)
- [Jobs](#)

## FEATURES:

- [Colloquy](#)
- [Colloquy Live](#)
- [Magazines & Journals](#)
- [New Grant Competitions](#)
- [Internet Resources](#)
- [Facts & Figures](#)
- [Issues in Depth](#)
- [Site Sampler](#)

## States Start to Consider the Idea of Charter Colleges

### Institutions would receive more budget leeway in return for agreeing to specific goals

By SARA HEBEL

With charter schools becoming more popular these days, could charter colleges be far behind?

Officials in Massachusetts, Virginia, and other states are discussing proposals to largely free public colleges of state regulation and allow them to experiment with

#### ALSO SEE:

[How Charter Colleges Can Rekindle Innovation](#)

new academic and tuition policies, in exchange for their meeting performance goals. A new study, moreover, concludes that charter colleges could bring innovation and distinction to some campuses in run-of-the-mill higher-education systems.

Even so, many state and campus leaders don't appear ready -- or able -- to make the leap.

Higher-education officials say trustees and presidents are often tentative about pushing bold reforms. Administrators and faculty members can have vested interests in the status quo. Unions are skeptical about loosening rules that protect their bargaining rights. And state lawmakers and governors often jealously guard their control over institutions.

In January, the Boston-based Pioneer Institute for Public Policy Research released a report analyzing the concept of the charter college. The authors, Robert O. Berdahl, a former professor of

## CHRONICLE IN PRINT:

[This Week's Issue](#)

[Back Issues](#)

[Related Documents](#)

## SERVICES:

[About The Chronicle](#)

[How to Contact Us](#)

[How to Register](#)

[How to Subscribe](#)

[Subscriber Services](#)

[Change Your User Name](#)

[Change Your Password](#)

[Forgot Your Password?](#)

[How to Advertise](#)

[Corrections](#)

[Privacy Policy](#)

[The Mobile Chronicle](#)

[Help](#)

higher education at the University of Maryland at College Park, and Terrence J. MacTaggart, chancellor of the University of Maine System, conclude that the charter model would reduce inefficient bureaucracies, encourage academic innovation, and lead more institutions to serve specific academic or market niches.

But the authors say the charter idea could succeed only with a greater degree of trust between politicians and college officials. Charter colleges would also need the willingness of all involved to consider radical changes in the way colleges are run.

"Most higher-education administrators would welcome additional procedural freedom, but with greater freedom would come greater responsibility," Mr. Berdahl says. "There are colleges that might prefer the security of being wrapped in by state controls."

As envisioned in the report, charter colleges would:

- \* Set tuition rates.
- \* Control personnel policies, including decisions about any system of tenure and about the handling of collective-bargaining agreements.
- \* Make purchases and construct buildings independently.
- \* Raise private funds more aggressively than they do now.
- \* Agree with state officials to meet specific performance goals, which could be tied to state funds.

The report's authors, as well as many higher-education analysts, say the charter-college idea would be best suited for smaller colleges or isolated campuses within a state system. The idea would be difficult to put into place at large flagship universities or across major public higher-education systems, they say. Larger institutions tend to serve broader sets of students and academic needs, and typically are well-established universities with layers of bureaucracy that are harder to change. The Pioneer report also emphasizes that it is important for a charter college to have its own governing board, rather than share one with several campuses in a system.

In general, the concept will take root only if state officials

appoint highly qualified trustees, who in turn would select entrepreneurial presidents, according to the report, "Charter Colleges: Balancing Freedom and Accountability." The Pioneer Institute -- a think tank that promotes charter schools and other free-market approaches to public policy -- commissioned the report after Massachusetts Gov. Paul Cellucci, a Republican, said last spring that his state should create a few charter colleges.

The governor's proposal, unlike the Pioneer report, called for the elimination of tenure and collective bargaining. But that idea met resistance and fell out of the limelight. The Pioneer report has received a tepid response, but Massachusetts officials say it has put the charter-college debate back on the radar screen there.

The report said charter colleges are most likely to evolve in such states as New Jersey and Virginia, where deregulation is part of the political atmosphere, and where relatively autonomous, distinct public institutions are a tradition.

The charter faces more hurdles at the college level than does the popular, nationwide movement toward charter schools, however, some college officials say.

At the elementary and secondary level, the charter is a contract between the state and the aspiring founders of a school. Charter colleges are generally seen as having to emerge from existing institutions where the mission would be fundamentally changed by entrenched interests, such as the president and the board.

Some college officials add that while public schools are viewed as needing innovation, many Americans don't see a need for charter colleges.

That opinion is shared by many trustees as well, says Jerry L. Martin, president of the **American Council of Trustees and Alumni**, which promotes tougher academic standards and a traditional curriculum. He believes that trustees are "able people" who want to work in an environment that encourages reform. But they need training in order to challenge the status quo, if they are ever to consider the charter model, he argues.

"On the whole, trustees have been trained for the last 40 years to be rubber stamps," Mr. Martin says. "They do often feel they should be boosters of the institution they identify with."

If governors appoint trustees who are more-assertive watchdogs of institutional performance, however, lawmakers might be more willing to ease up on regulations, Mr. Berdahl argues.

In Maryland, lawmakers have granted St. Mary's College, a public liberal-arts institution, a lump-sum budget and exemption from most state controls since 1992. In exchange, the college has agreed to limits on state tax support and to be judged by certain performance measures.

So far, the arrangement seems to have pleased both state and college officials. Since 1992, the college has raised more private funds, attracted more faculty members with Ph.D.'s or other terminal degrees, and assembled a more-diverse student population, with higher rates of graduation and retention.

The quality of the college's trustees helps make the agreement work, Mr. Berdahl says. Maryland officials respect the trustees and rely on them to be active decision makers and watchdogs, not just "figureheads," he says. St. Mary's board includes U.S. Rep. Benjamin L. Cardin, a Democrat from Baltimore, and Steven Muller, a former president of the Johns Hopkins University.

To help ensure that governors appoint effective trustees, Mr. Berdahl and Mr. MacTaggart urge more states to create independent panels to vet and help select board members. Many governors, however, would probably oppose that approach as an intrusion on their authority, Mr. Berdahl adds.

The dispositions of college presidents, too, can slow efforts to start charter institutions, higher-education leaders say. Presidents who want to win more management freedom need to have an ambitious agenda for their institution.

In an interview, Mr. MacTaggart cites Darrell W. Krueger, president of Winona State University, as an example of a leader who persuaded state lawmakers to grant him some regulatory freedoms. He has used his authority to levy a technology fee to build infrastructure and purchase equipment so that each student will be able to lease a laptop computer from the institution this fall.

But even the most visionary leaders may not be able to combat inertia in some higher-education systems, says Patrick M. Callan, president of the National Center for Public Policy and Higher

Education. For example, he says, the University System of Georgia and California State University have "magnificent leaders." But, Mr. Callan adds, "bureaucracy doesn't let go easily."

Besides, some colleges simply may not want charter arrangements with rigorous performance measures, officials say. Performance contracts can become burdensome or, if too broad, meaningless to the state.

By 2002, Virginia plans to put into effect a financing policy that would require each public institution to negotiate a six-year agreement with the commonwealth, spelling out performance goals and spending needs. But some college leaders worry that higher-education officials won't be able to agree with lawmakers and other state leaders -- who might well disagree with each other as well -- on what to measure and how to ensure that colleges gain adequate long-term financing.

Despite all the concerns, though, Mr. Berdahl and Mr. MacTaggart say a trend toward deregulation, under way in several states, may create openings for changes in governing relationships.

In New Jersey, college officials have had broad management authority since 1994, including the ability to set tuition rates, after Republican Gov. Christine Todd Whitman eliminated the state's powerful Department of Higher Education. A new commission now has the authority to license institutions, grant university status, and authorize degree programs that go beyond an institution's approved mission.

Deregulation also can lead to higher costs from newly duplicated administrative services or a proliferation of programs, the Pioneer authors noted. In New Jersey, public-college presidents endorsed 73 new programs shortly after being freed from regulations.

Opponents of the charter-college idea say they fear that institutions want to use the freedoms primarily to raise tuition, and that a change in structure would fail to produce academic reforms.

"There isn't an institution in America less open to new ideas than colleges and universities," says James F. Carlin, a former chairman of the Massachusetts Board of Higher Education, who

wrote a letter to the Pioneer institute, objecting to its report. "Very little has changed in 50 years, and the professoriate like it. They like their sabbaticals ... they like foolish research."

Faculty unions, meanwhile, also are skeptical of charter agreements. They say a new structure could threaten faculty members' rights to bargain collectively with the state. So far, though, states with charter-like colleges haven't had to face that situation. In Maryland, the political culture in higher education offers a strong tradition of shared governance through the faculty-senate system. St. Mary's even reinstated tenure, to promote more faculty commitment to the college.

Others who oppose or question the charter-college concept express the fear that loosening state regulations on institutions might lead to more cases of fraud and abuse in higher education, and would undermine quality control. Unions, specifically, help safeguard standards of high-quality teaching that could be weakened by charter-college arrangements, some of the critics argue. And with colleges' increased freedom to raise tuition, students would be hurt if money is not poured back into financial aid, others contend.

Joseph C. Burke, director of the higher-education program at the Rockefeller Institute of Government, says colleges, for their part, should be wary of letting the state have too much power over what performance is measured under charter colleges.

"If the state becomes a most-favored purchaser, and not necessarily a primary supporter of higher education, will it begin to back away from certain fields in arts and social sciences that it might think would not be as vital to the state, from an economic point of view?" he asks.

But Michael P. Riccards, president of Fitchburg State University, supports the charter-college idea, arguing that public colleges in Massachusetts need to be decentralized and held accountable.

"We have to become more service-oriented and be more frugal with how we spend our money," he says.

For now, he adds, he and other college presidents are doing the best they can within the limits of government bureaucracy.

"I am now building a \$9-million physical education building for \$12-million," Mr. Riccards says, as a result of regulations that

artificially increase labor costs. "Give us the tools, and we'll do the job."

While the charter concept still faces hurdles in Massachusetts and other states, Mr. MacTaggart offers up his own state as an example of a place where at least some elements of the idea have taken hold.

The University of Maine System negotiates directly with state lawmakers for a lump-sum appropriation, and agrees to specific goals, like enrollment increases. Campus presidents also raise private funds, and have enough management discretion that they are not clamoring for more, Mr. MacTaggart notes.

"We are further down the road to de facto charter status than many states,"he says. "I have been an apostle of deregulation."

---

<http://chronicle.com>  
Section: Government & Politics  
Page: A36



[Easy-to-print](#) version



[E-mail](#) this article

---

[Copyright](#) © 2000 by The Chronicle of Higher Education

Find that *book* and *buy it*  
[chronicle.com/books](http://chronicle.com/books)

