

CONFESSIONS OF A 20-YEAR OLD

(Paper presented by Lea Booth to the Annual Meeting of the Board of Trustees of the Virginia Foundation for Independent Colleges on the occasion of the Twentieth Anniversary of the founding of the Foundation -Hot Springs, Virginia, August 3, 1972.)

Plutarch wrote, "so very difficult a matter it is to trace and find out the truth of anything by history." When, with the faithful assistance of several of the founding fathers of the Virginia Foundation for Independent Colleges, I began my research for this paper, I decided that we should have given Plutarch the annual Panalgesic award. My efforts at ferreting out the facts were a "dim candle held over a dark abyss." The records before I joined the Foundation were either missing or never existed.

Finally, some illumination was cast upon the abyss when we began to pick Earl Moreland's brain. As most of you know, Dr. Moreland was Luther White's predecessor as president of Randolph-Macon College, and as far as I'm concerned a man with "total recall." He discovered the earliest correspondence exchanged between the colleges -- correspondence which brought on whatever it is that brings us all here to our favorite watering hole this evening.

Where, oh where, did the Virginia Foundation actually begin -- in whose mind and under what circumstances? Some of you may even ask "Why?"

The famed Manhattan project of World War II was not the only offspring conceived under a football stadium.

On a chilly October day in 1951 a titanic struggle ensued on the gridiron between the Spiders of the University of Richmond and the Generals of Washington and Lee. At the half-time intermission it seemed appropriate for Dr. Francis Pendleton Gaines to invite his guest, Dr. George Modlin, president of the rival institution, to retire to the men's room under the stadium. Now, trips

to the men's room are not usually monumental. But this one was historically significant. What ultimately resulted from that subterranean discussion was the Virginia Foundation for Independent Colleges (VFIC).

Never have I been accused of letting a few facts ruin a good story. I would like to claim that there under the stadium, the Virginia Foundation was conceived in alcoholic fervor by a couple of tippling Baptists in a jolly colloquy laced with a tot of Rockbridge mountain dew. It surely makes a more colorful story, but George Modlin has admonished me to bring my imagination under control. Furthermore, had this really been the case, the Baptist hierarchy would never have permitted the University of Richmond to participate so actively in the formation of the Virginia Foundation.

Nevertheless, there ought to be a plaque mounted in that famous men's room under the Washington and Lee stadium, commemorating the true origin of the Virginia Foundation -- a plaque that would rank in historical significance with the monument under the stadium at the University of Chicago; commemorating the beginning of the Manhattan project.

After the game -- and I shall not report the score lest I mortify my Modlin in friend -- our two pioneers retired to the Gaines' living room, there to continue their discussion in a more dispassionate environment. So they asked each other: Could colleges possibly get together in intercollegiate cooperation with as much fervor as they had competed against each other that afternoon on the playing field? Would it be feasible for a group of separate colleges to work together in a common cause?

The first record of any correspondence following the stadium incident is a letter addressed by Dr. Gaines to Presidents Moreland of Randolph-Macon College and Edgar Gammon Hampden-Sydney College. (Having examined his underground inspiration in the clear, cold light of Monday morning, Dr. Gaines determined that it might indeed be worth the agony. To get a group of rival Virginia colleges to agree on anything would, in itself, be an accomplishment.)

That first letter was dated November 1, 1951. Although it was not written in the classic Gaines' prose that endeared him to so many of us, the content of the letter seems worth quoting:

“Dear Edgar and Earl:

“Possibly George Modlin has already told you, but I want to emphasize that there will be an important meeting of the presidents of independent and church-related colleges in Virginia at Randolph-Macon Woman's College at Lynchburg on Saturday, November 10, at 11 a.m. I have discussed this matter with George, Theodore Jack, and Frank Lewis, and they believe with me that this meeting could be significant.

“George may have told you that it centers in the appeal of such colleges to corporations. Apparently everybody is planning to do something of this nature --probably to bombard corporations to the point of confusion. It has occurred to us that the Virginia colleges (somewhat in the manner of 19 Ohio colleges) might make a collective statement and thus be able to phrase emphatically some truths that no one of us might want to say individually. “We are not opposing in any sense tax-supported institutions, but we can at least repeat that ours are the schools that live by private enterprise.

“Personally it was not in my thinking that we should have a joint campaign, but that each institution would be free to appeal in its own name; and we did think that a joint statement might be effective.”

Note that it was not intended for the several colleges to organize a joint campaign to raise a joint fund but only to issue a joint statement putting corporations on notice that they were ‘fair game’ for soliciting by the colleges individually. This proclamation would apparently be followed by twelve colleges running around with tin cups, willy-nilly, knocking on doors. Corporations should perish the thought!

This philosophy of separate and individual action seemed to prevail to a certain extent even a year later, and the spirit of independence that brought the colleges together in common interest also served to keep them apart. Togetherness might be a good thing but they decided to be buddies rather than bedfellows. (A wise decision, considering that one of the college presidents was a lady.) Here is what they wrote into the original charter of the new

organization: “Each member institution of the Foundation shall have complete freedom to solicit funds from any source without regard for the collective activities of the Foundation.”

Although George Modlin was privy to the discussion under the stadium, with characteristic modesty he disclaims the title of ‘Co-Patron Saint’ of the Virginia Foundation. Instead, both he and Earl Moreland and others whom I have consulted award the mantle of Founder to Dr. Francis Pendleton Gaines, in whose historic home at Lexington the first formal meeting of college presidents was held. No one bothered to record the date. Apparently the effort to get the college presidents together for an earlier meeting at Randolph-Macon Woman's College did not materialize, although most of the later meetings were held there. The early correspondence reflects Dr. Gaines' frustrations in trying to bring a dozen college presidents together at the same time and in the same place. Be it ever thus!

He himself was not as available as a used car salesman. Early in 1952, he and Mrs. Gaines set forth on a long cruise in the Mediterranean aboard Mrs. Alfred I. duPont's yacht. While this enriching travel experience did not diminish his enthusiasm for the money that Washington and Lee stood to gain from the Virginia College Foundation, it interrupted progress in getting the boys together back at home.

By late spring of 1952, there was agreement on at least one thing -- that all twelve of the colleges shared a common problem: lack of money. Even in those days they were crying over rising costs, higher tuitions, and pricing themselves out of the market. Again, some things never change!

Inflation was having its impact upon the value of endowment income, and traditional sources of individual philanthropy were being dried up by Federal tax laws that persisted after World War II. So there just weren't enough new millionaires being created. Corporations were replacing individuals as the chief repositories of wealth.

At this time, the spring of '52, the colleges had progressed to the point of inviting the participation of legal minds and they were careful to choose four attorneys who served on the boards of trustees of member colleges and therefore would not expect their usual fees.

So there entered the scene one James R. Caskie, Esquire, of Lynchburg, representing Washington and Lee; one James Mullen. Esquire, of Richmond, representing Randolph-Macon College; one Frank W. Rogers, Esquire, of Roanoke, representing Hollins College; and one Stuart T. Saunders, Esquire, of Roanoke, representing Roanoke College. That quartet brought together more high-powered legal talent than one would have found in the Supreme Court during those years.

Anyway, these gentlemen went to work on a charter to be submitted to a committee of college presidents. Article I stated "The name of the corporation shall be 'VIRGINIA COLLEGE FOUNDATION', "and I wish in the light of contemporary developments they" had stuck to that simple name. But Dr. Gaines insisted that word "independent" must be incorporated in the title, and the attorneys deferred to the elder statesman's wishes.

The charter was issued by the State Corporation Commission on September 2, 1952.

The 24 charter trustees are identified in the printed program which you received this evening. In addition to the twelve college presidents, the governing board of each institution was permitted to choose one of its own members to represent the college on the Foundation's board of trustees.

While this procedure of selection showed little understanding of the kind of influence that would be needed to take the message to business and industry, it is understandable when one considers the kind of relationships existing between some of the colleges in those days. Every college seemed suspicious of every other college, so each was allowed to bring one of its own trustees into the governance of the Virginia Foundation to protect the college's

interests. There is not supposed to be any competition between lighthouses, but there was a feeling of great rivalry among the colleges that was manifest in ways other than on the athletic fields. For example, there was jealousy in the competitive recruiting of students. They had really never before had a vehicle for getting to know each other well and for understanding that each shared common problems and pursued common objectives – separately, of course.

If the Virginia Foundation has accomplished nothing else in its 20 years, it has served to bring the colleges together, to foster mutual trust, and to develop a genuine spirit of cooperation and, I believe, warm friendships among them.

Whatever the reason for the old system, having each college pick one trustee to represent its interests was certainly a handicap in terms of promoting the interests of the Foundation --that is~ in attracting money. Some institutions showed great perspicacity in selecting business tycoons like Tom Boushall, Henry McWane, Stuart Saunders, and Overton Dennis -- plus attorneys like Jim Caskie and Frank Rogers, who were well-connected with corporate enterprise. Some other colleges, however, showed little or no understanding of the kind of influential men needed to extract money from corporation executives. There sat on the Foundation board a Methodist minister, a teacher and administrator from the Medical College, a New Deal lawyer and politician who was not popular among the business establishment, and a surgeon skilled mostly in clipping gall bladders by day and coupons by night. While they were eminent in their own professional fields, none of them had entree to the corporate cash registers of Virginia.

It took three years to adjust the system of selecting trustees --and then only with some ill feeling in certain quarters. Finally Dr. Gaines, Earl Moreland, George Modlin, and Bill Quillian of Randolph-Macon Woman's College, who served as the first officers of the organization, prevailed upon the others to recognize the merit in electing trustees-at-large. The first to be inducted into the club were A. B. Carrington, Jr., of Danville, James L. Camp, Jr. of Franklin, Henry Clay Hofheimer, II of Norfolk, Clarence J. Robinson of Alexandria, and an

“obscure” but well-to-do newspaper publisher, Harry Flood Byrd, Jr. of Winchester . Shortly thereafter came a couple of colorful Cornell alumni, Bill Blewett and Neil Middleton. Things began to happen.

After it was determined that the new Foundation was to be a joint college fund directed to the encouragement of corporate support, the question of whether to try to raise money for current operations or for capital purposes was debated at great length. During the summer of 1952, President Anne Pannell of Sweet Briar College wrote to Dr. Gaines: "It seems to me the proposed foundation would, obviously, as a new organization, be more apt to be successful in securing funds designed to help the colleges avoid deficits and balance their budgets than in raising the great amounts needed to provide new buildings and other plant improvements on so many campuses." Her analysis proved prophetic.

If there was to be a frontal assault on the cash coffers of business and industry, where would the first breakthrough occur? What courageous corporate board of directors would have the guts to assume the leadership and make the pioneer contribution to Virginia's new joint college fund?

At a meeting of the Board of Directors of the Lynchburg Foundry Company on November 21, 1952 --and I quote from the minutes of that meeting --"The chairman presented a report of the committee on contributions, which recommended a donation of \$2,000 to the Virginia Foundation for Independent Colleges." That was the first corporate action ever taken in the commonwealth in favor of the new Virginia Foundation for Independent Colleges. When the check was delivered, instead of \$2,000 it was actually for \$18,000. The ante had been raised at the company's December board meeting.

Sometime later, with characteristic modesty Henry McWane told me that raising it to \$18,000 was a pragmatic rather than an altruistic action. At that time the excess profits tax was still in effect, and a corporation of substantial earnings was able to contribute a dollar at a net cost of about 17 cents.

But if the Lynchburg Foundry Company took the first plunge, honors must be shared with the Glamorgan Pipe & Foundry Company of Lynchburg. The early records reveal that the first contribution actually deposited to the credit of the Virginia Foundation came from Glamorgan -- \$2,000 on December 16, 1952, conveyed by its enthusiastic president, John D. Capron. On the following day, an equally generous contribution came from Hampton Looms of Bedford, whose president, the late R. C. Atherholt, had made the motion for the Lynchburg Foundry's action while attending the foundry's November board meeting.

So, in terms of VFIC history at least, two intrepid foundrymen and a broad-gauged textile manufacturer were the first Virginians to grasp the principle that only by strong voluntary action in support of institutions under private enterprise could Virginia's pluralistic system of higher education be kept properly balanced between the public and private sectors.

Twenty years later it may come as a shock to Jack Capron and Henry McWane, but that \$22,000 from Glamorgan, Hampton Looms, and Lynchburg Foundry was not only illegal but it was not even tax-deductible, although tax deductions were taken and were never challenged. I'm glad the statute of limitations has run out! Not until March of 1953 did the Internal Revenue Service rule that contributions to the Virginia Foundation for Independent Colleges would henceforth be deductible.

Late that year, in trying to decide whether the Virginia Electric and Power Company should make a contribution to the Virginia Foundation, Mr. T. Justin Moore, Sr., counsel for VEPCO, made a startling telephone call to me stating that it would first be necessary to persuade the General Assembly of Virginia to enact a law empowering the boards of directors of corporations to vote contributions for educational purposes. This would protect the corporations against stockholder suits. This occurred not long after the precedent-setting case in which the Supreme Court of New Jersey ruled against a stockholder who had brought suit against the Smith Manufacturing Company for having given money to Princeton University.

I had joined the Foundation as executive director in the summer of 1953 and as naive about such legislative matters -- and other matters, too -- but with Mr. Moore's generous assistance, we arranged for the General Assembly to clear the way for corporate support of higher education in Virginia. So, Section 13. 1-3 of the Code of Virginia still stands as a monument to the late Mr. T. Justin Moore's thoughtfulness. I might add that soon after the law was enacted, Mr. Moore conveyed a handsome five-figure check to the Virginia Foundation on behalf of VEPCO. Like father, like son!

The first door-knocking solicitation of corporations was arranged in the spring of 1953, several months before I came to open the Foundation's new office. There are conflicting stories of what really happened and no solicitation reports were filed. You will remember Willie Sutton's comment when the Judge asked him why he persisted in robbing banks. Willie said, "Because that's where the money is." So the first pilgrimage to solicit for the Virginia Foundation was sent to where the money is --New York City.

Anne Pannell, Dr. Gaines, and President John Everett of Hollins College made the sortie in search of the Yankee dollar. They concentrated on the major tobacco companies because most of them had substantial production operations in Virginia. After pounding on doors from the Battery to the Bronx for two days, they brought home the first formally solicited contribution --a carton of cigarettes.

Undismayed by this initial paltry success, in the ensuing twenty years the intrepid college presidents have rattled their tin cups within earshot of many thousands of businesses and industries and under every imaginable condition of rain or shine. We estimate that it's taken more than 20,000 solicitations by college presidents, trustees, and staff to produce the 11,500 contributions which have accumulated \$14 million in these 20 years.

Few of our early panhandling experiences were more memorable than the occasion when we had scheduled a certain tee-totaling college president to call on a brewery in Richmond. At least I figured we might be offered a sample stein of beer. But the college president protested that his church-related college could not accept beer or whiskey money, so he refused to go along. Whereupon the omniscient Dr. Gaines proclaimed, "That money has been working for the devil long enough; it's time we put it to work for the Lord ... I'll go to the brewery." (I might add that today the reluctant college is gladly sharing in VFIC contributions from two bourbon distillers. Times do change!)

And there was the time Earl Moreland got his reports mixed up. Intending to write a report on the back of a card for a school equipment supply firm, instead he wrote the report on the back of a card for a Funeral Director whom he'd solicited the same day. The report said: "Turn this prospect over to Emory and Henry College as they have just placed a \$40,000 order with this firm." We had never realized that Emory and Henry had such a moribund faculty. President Pannell had accompanied Dr. Moreland in soliciting the funeral director. Her report quoted the funeral director as saying: "We never turn down any body."

I recall happily our first splashy fund-raising dinner. I didn't know anything about fund-raising --but this seemed to be the kind of thing a fund-raiser was supposed to do. So with Tom Boushall's help we arranged a posh cocktail reception and dinner at the Commonwealth Club -- that's where the cats and dogs congregate in the Holy City and decide what's good for all of us fleas. Mr. Boushall had engaged one of the nation's leading business spokesmen for higher education, Mr. Henning Prentis, President of Armstrong Cork Company in Pennsylvania, to address the pigeons whom we had cooped from the downtown financial district. I preparing his speech -- and it came as a surprise to me that a man of Mr. Prentis' position was writing his own -- he phoned to inquire what was the VFIC' s goal. We didn't have any goal, but for Mr. Prentis' peace of mind and after some consultation among our board members, it was determined that our ultimate goal -- and this would be many years away -- was \$250,000 a year. That was 1954.

Because \$250,000 sounded like a bogey snatched from the air, the following year we computed how much money it would take to increase faculty salaries in our 12 colleges up to the level then being paid by the State institutions, which in those days were also below the national average. So we formally announced precise goal of \$287,000 for the year ending April 30, 1956. We thought that was pretty ambitious.

A few days ago our daughter was rummaging for skeletons in the attic closet, and she came across an old letter her mother had written to her parents in

St. Louis: "Lea has just had his end-of-fiscal year board meeting at which he proudly announced that the Virginia Foundation had exceeded its \$287,000 goal by \$25. Isn't that wonderful? No one ever dreamed they could raise that much money."

Now I'm as aware as you are that I've talked too long. As Sir Walter Raleigh wrote in the preface to his history of The World: "History hath triumphed over time." But one more development in the saga of the VFIC must be mentioned before I sit down.

In 1958 the Board wisely determined to put the biggest burden on a strong horse from the business world. So the By-laws were changed to provide for a Chairman of the Board, and with monumental omniscience the Board anointed Stuart T. Saunders to be our first Board Chairman. When he walked in here this evening, I know some of us felt like singing the lyrics to Hello, Dolly --"it's so nice to have you back where you belong!" He served as Chairman for five unforgettable years, and under his leadership the Virginia Foundation became the most productive joint college fund of its kind in the nation. I'm sure Anthony had Stuart Saunders in mind when he proclaimed in his famous oration:

"He hath brought many captives home to Rome
Whose ransoms did the general coffers fill."

He understood that these 12 colleges are indeed indispensable to our Commonwealth, so he set a fast pace in the effort to preserve and strengthen them, and that pace has been admirably maintained by his successors --Jim Camp, Charles Lunsford, Edwin Hyde, and now Sam Liles. It's a great tradition of enlightened leadership. Let's hope you keep it going for another 20 years.

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