ABOUT CIR:

“MCDONALD AND GREVE, USING CIR, HAVE RACKED UP A WIN-LOSS RECORD THAT WOULD MAKE A ROOKIE BOOKIE RICH. THEY HAVE TAKEN ON ABOUT A DOZEN CASES A YEAR SINCE THEY FOUNDED CIR AND CAN ONLY COUNT ABOUT SEVEN LOSSES — FOUR CASES OF THEIR OWN AND THREE OTHER CASES IN WHICH THEY PARTICIPATED BY FILING BRIEFS SUPPORTING WHAT ENDED UP BEING THE LOSING SIDE.”

DETROIT FREE PRESS

ABOUT CIR’S LAWSUITS AGAINST RACIAL PREFERENCES:

“OVER THE PAST EIGHT YEARS, THE WELL-FUNDED LIBERTARIAN-LEANING NON-PROFIT FIRM HAS BEEN DISPATCHING ITS ATTORNEYS AROUND THE COUNTRY TO TAKE ON GOVERNMENT INSTITUTIONS THAT EMPLOY RACE-BASED AFFIRMATIVE ACTION POLICIES. ITS STATED AIM IS TO PLACE THE ISSUE OF RACE, LIKE RELIGION, BEYOND THE REACH OF GOVERNMENT. AND TO THE ALARM OF CIVIL RIGHTS GROUPS, THE CIR, AS IT’S KNOWN, HAS BEEN WINNING.”

SEATTLE POST-INTELLIGENCER

ABOUT BRZONKALA V. VIRGINIA POLYTECHNIC INSTITUTE:

“LEGAL ANALYSTS SAID THE CASE IS LIKELY TO REACH THE U.S. SUPREME COURT, WHERE IT COULD BECOME A VEHICLE FOR PUTTING MORE LIMITS ON CONGRESS’S ABILITY TO PASS LEGISLATION IN AREAS IN WHICH STATES ALSO HAVE AUTHORITY.”

WASHINGTON POST
The Center for Individual Rights (CIR) was founded a decade ago because we were persuaded of the critical need for a national public interest law firm that would devote itself, exclusively, to the uncompromising defense of individual liberties and limited government. The past year has reaffirmed our conviction that liberty needs a vigorous advocate and demonstrated that the urgent task of restraining government, though difficult, is by no means quixotic.

Perhaps the most significant constitutional victory CIR achieved was the Fourth Circuit’s en banc ruling in Brzonkala v. Virginia Polytechnic Institute. CIR prevailed in contending that a core provision of the 1994 Violence Against Women Act exceeds the scope of Congress’s powers under the Commerce Clause and the Fourteenth Amendment. The plaintiff in the case — assisted by myriad feminist advocacy organizations as well as by the U.S. Department of Justice — has vowed to appeal the decision to the Supreme Court. Widely recognized as the most important federalism case in decades, Brzonkala provides an opportunity to resurrect long-forgotten constraints on the national government’s power.

CIR also helped advance the principle of limited government and individual rights in the case of White v. Julian. In 1994, the U.S. Department of Housing and Urban Development made a preliminary finding that three Berkeley, California residents had violated the Fair Housing Act and threatened them with a fine of up to $100,000 for opposing the location of a federally subsidized housing project in their neighborhood. In a recent decision that significantly reinforces First Amendment protections for citizens who challenge government actions, U.S. District Court Judge Marilyn Hall Patel ruled that the responsible HUD officials were liable in their personal capacities for patently violating the constitutional rights of the “Berkeley Three,” as they became known.

As White v. Julian demonstrates, CIR provides much needed legal assistance to average citizens who cannot afford skilled legal counsel in cases raising significant constitutional issues. The cases can be time-consuming. It took over five years for CIR to obtain justice for the “Berkeley Three.” And, indeed, much of CIR’s other litigation activities in 1998-1999 were devoted to time- and resource-intensive pre-trial work. The most notable examples are two pending cases over race-based admission standards at the University of Michigan.

In the case of Gratz v. Bollinger, CIR is challenging the use of a dual admissions system by the U of M undergraduate College of Literature, Science, and the Arts. In addition to using different admissions criteria, U of M reserves seats for members of underrepresented minority groups, maintains a racially segregated waiting list, and adds points to the index scores of minority applicants. In a companion case, Grutter v. Bollinger, CIR is challenging the use of race by the U of M Law School.
Another important example of CIR’s civil rights litigation is DynaLantic Corp v. U.S. Department of Defense, an attack on the so-called “8(a)” program, the hard-core of the federal government’s race-based contracting set-aside programs. Significantly, the U.S. Court of Appeals for the D.C. Circuit has remanded the case with instructions to consider the constitutionality of the entire “8(a)” program, not just the particular contract challenged by our client, a manufacturer of flight simulators for the U.S. Airforce.

Pre-trial and trial work on civil rights cases such as these consumes hundreds of thousands of dollars and countless work hours; often a court victory may be years away. For the duration, our generous supporters must take our opponents’ conduct as a measure of the importance of our work: the government defendants fight each case as if it were the last stand for state-sponsored race preferences. We hesitate to believe they are wrong.

As we enter 1999-2000, many important CIR cases in the field of civil rights will occupy the federal appellate courts. The most important of these is Smith v. University of Washington, a challenge to race-based admission standards that has been submitted to the Ninth Circuit Court of Appeals. And (speaking of last stands and quixotic efforts), Hopwood v. State of Texas is entering another critical phase: the defendants are seeking (yet again) to overturn the Fifth Circuit’s 1996 invalidation of race-based preferences at the University of Texas Law School.

An additional CIR civil rights case, Reno v. Bossier Parish (an important voting rights case), has reached the U.S. Supreme Court and will be decided by the end of June, 1999. As already noted, Brzonkala v. Virginia Tech may also wind up before the High Court. And we are hoping that the Justices will agree to hear our appeal in Columbia Union College v. Clarke, an important religious liberties case. In that event, CIR would have three cases before the Supreme Court in a single term, quite an accomplishment.

In 1998-1999, CIR increased its efforts to advance its objectives by means other than litigation. Through the publication of two handbooks on racial preferences in higher education — one designed for college officials and trustees, the other for students — CIR explained the law in this area to the constituencies that are most affected by, and most likely to affect, college admissions and scholarship practices. We hope that the handbooks will help to obviate the need for acrimonious, time-consuming litigation. Indeed, several universities reportedly are reviewing their admissions policies in the wake of CIR’s handbooks.

This report testifies to a solid record of success in the defense of individual rights over the past year. We owe our accomplishments, as always, to the generosity and dedication of the law firms and attorneys who have provided CIR with millions of dollars worth of pro bono time; to the courage and generosity of our donors and contributors; and to our hard-working staff. To all of them we extend our warmest thanks.

Michael P. McDonald
President

Michael S. Greve
Executive Director
**Litigation Docket, 1998 - 1999**

**ABOUT BOSSIER:**

"[T]HE CASE...IS IMPORTANT IN LIGHT OF THE UPCOMING ROUND OF REDISTRICTING, IN WHICH ACTUAL RETROGRESSION IS LESS LIKELY THAN THE MORE SUBTLE GOAL OF ENTRENCHING AN EXISTING DISCRIMINATORY SYSTEM."

NEW YORK TIMES

**United States Supreme Court**


Outcome: Victory; appeal of decision on remand pending before Supreme Court.

**Federal Appellate Courts**


**Columbia Union College v. Clarke,** 159 F.3d 151 (4th Cir. 1998), petition for cert. filed (Mar. 19, 1999) (No. 98-1509). Free Speech; Free Exercise of Religion. Representing private college affiliated with Seventh-day Adventist church in lawsuit challenging Maryland's refusal, solely because of college's religious speech and beliefs, to accord financial aid benefits extended to other religiously affiliated schools.

Status: Partial Victory; Petition for Writ of Certiorari filed on March 19, 1999 challenging remand order requiring judicial inquiry into Columbia Union's religious practices.


Status: Loss.

**Ho v. San Francisco Unified School District,** 147 F.3d 854 (9th Cir. 1998). Civil Rights; Equal Protection. Represented California State Board of Education in lawsuit brought to terminate long-standing school desegregation order.

Status: Settled. Plaintiffs' Motion for Summary Judgment denied; case settled prior to trial.
ABOUT HOPWOOD:

“THE NEW BUZZWORD IN HIGHER EDUCATION THESE DAYS IS HOPWOOD. IT’S NOT A NEW CURRICULUM OR FIELD OF STUDY, BUT A COURT RULING THAT HAS CHANGED THE FACE OF HIGHER EDUCATION...”

FORT-WORTH STAR TELEGRAM

Hopwood v. State of Texas, 78 F.3d 932, (5th Cir.), reh’g en banc denied, 84 F.3d 720, cert. denied, 116 S. Ct. 2581 (1996), remanded for further proceedings. Civil Rights; Equal Protection. Successfully challenged racial preferences in landmark case against University of Texas Law School.

Outcome and Status: Pending. Defendants’ petition for Writ of Certiorari to Supreme Court denied. Following remand, district court held that plaintiffs would have had no reasonable chance of acceptance even had UT’s admissions system not made use of unlawful racial preferences, 999 F. Supp. 872 (W.D. Tex. 1998). Appeal of district court decision pending before U.S. Court of Appeals for the 5th Circuit.

Lamprecht v. Federal Communications Commission, No. 98-1528 (D.C. Cir. filed Nov. 10, 1998). Civil Rights; Equal Protection. Petition for Review challenging FCC regulations requiring the auctioning of contested radio licenses in cases where FCC has been found to have engaged in unconstitutional discrimination. CIR is attempting to compel compliance with 1992 decision, 958 F.2d 382 (D.C. Cir. 1992), declaring unconstitutional FCC gender preference policy in awarding radio licenses.

Status: Pending.

Federal District Courts

Affordable Housing Development Corp. v. City of Fresno, No. CIV F-97-5498 OWW SMS (E.D. Cal. filed May 12, 1997). Freedom of Speech. Defending neighborhood homeowner sued by low-income housing developer for federal housing discrimination because of statements made regarding proposed housing project.

Status: Pending. Trial scheduled for October, 1999.


Status: Pending. Federal defendants (Department of Health and Human Services, National Institute of Health) settled out of court; case proceeding against remaining defendants; defendants’ motions for summary judgment denied in relevant part; trial scheduled for June, 1999.


Status: Pending. District court decision dismissing case on grounds of mootness reversed and remanded with leave to amend complaint to challenge “8(a)” program as a whole.

Status: Pending. Plaintiffs' motions for class certification granted; trial(s) tentatively scheduled for fall, 1999.


Status: Pending.

Kidd v. National Science Foundation, No. 97-2005-A (E.D. Va. filed Dec. 12, 1997). Civil Rights; Equal Protection. Of-counsel to graduate student who challenged minorities-only graduate fellowship funded by the National Science Foundation.

Status: Victory. Case settled prior to trial for $95,400 in damages and attorneys' fees.

Maitland v. University of Minnesota, No. 4-93-25 (D. Minn. filed Jan. 11, 1993). Civil Rights; Equal Protection. Challenging 1989 consent decree whereby the University of Minnesota agreed to distribute $3 million to female faculty members to remedy alleged gender disparities in salary.

Status: Pending. Order granting defendants' motion for summary judgment reversed, 155 F.3d 1013 (8th Cir. 1998); remanded for further proceedings.


Status: Interlocutory Appeals Pending. Trial held in abeyance while plaintiffs appeal pre-trial orders that: (i), denied plaintiffs' claims for injunctive relief, (ii), de-certified plaintiff class, and (iii), held that Justice Lewis Powell's opinion in Regents of the University of California v. Bakke would control the case.


ABOUT WHITE V. JULIAN:
"THE FEDERAL ANTIDISCRIMINATION JUGGERNAUT STUMBLED RECENTLY, TRIPPED UP BY AN IMPEDIMENT CALLED THE FIRST AMENDMENT."
WALL STREET JOURNAL

State Courts and Administrative Proceedings


Status: Pending. Plaintiffs' motion for partial summary judgment granted (N.D. Cal. Dec. 18, 1998) (holding HUD officials liable for monetary damages in their individual capacities); plaintiffs' and defendants' appeals pending.

In Re: Jerry Szoka. Before the Federal Communications Commission, CIB Docket No. 98-48. First Amendment. Representing owner of low power, non-commercial radio station in constitutional challenge of FCC's refusal to license low wattage "micro-broadcasters."
Status: Pending.
CIR Publications, 1998 - 1999 (Selection)


Public Appearances

CIR representatives participated in numerous public debates and addressed audiences of journalists, attorneys, scholars, and students, including:

Federalist Society National Lawyers’ Convention * Federalist Society Chicago Lawyer’s Division * Federalist Society Student Division Chapters at: University of Montana Law School * Duke University * Suffolk Law School * Washburn University * University of Kansas Law School * University of Missouri Law School * William Mitchell Law School * University of Minnesota Law School * Creighton Law School * University of Nebraska Law School * Yale Law School * Education Law Association * Education Writers Association * National Policy Center * Wheaton College * Toledo Bar Association * George Washington National Law Center * Maryland Association of Scholars * College Board Fifth Annual Legislative Conference * New York State Association for College Admission Counselling * Hamilton College

CIR representatives also discussed CIR’s cases on numerous television and radio programs, including:

ABC’s World News Tonight with Peter Jennings * NPR’s All Things Considered * Politically Incorrect * Fox News Channel * MSNBC’s Morning Blend * John Carlson Internet Radio Show * Oliver North Radio Show * Leonard Piekoff Radio Show * WRUF - University of Gainesville Student Radio Show * Stan Solomon Radio Show * Bob Grant Radio Show * WRC-TV News 4 * Good Day USA Radio Show * Janet Parshall Radio Show * WLW-AM’s Mike McConnell Radio Show * WXYT-AM’s Mark Scott Radio Show * WJIR’s David Newman Radio Show
News Coverage

CIR and its cases were covered in numerous news articles, editorials, feature stories, and law review articles. A small sample of particularly noteworthy articles follows:

**Feature Articles on CIR**


**Civil Rights**

Lisa Belkin. “She Says She Was Rejected by a College for Being White. Is She Paranoid, Racist, or Right?” *Glamour*, November 1998, 278.


**Freedom of Speech/Free Exercise**


**Sexual Harassment**


## Financial Information

### Statement of Financial Position
**MARCH 31, 1999 AND 1998**

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>1999</th>
<th>1998</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and Cash Equivalents</td>
<td>$1,091,089</td>
<td>$890,650</td>
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<tr>
<td>Grants Receivable</td>
<td>1,079,000</td>
<td>195,000</td>
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<tr>
<td>Accounts Receivable and Deposits</td>
<td>9,298</td>
<td>8,206</td>
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<tr>
<td>Prepaid Expenses</td>
<td>16,843</td>
<td>4,855</td>
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<td>Fixed Assets (Net)</td>
<td>69,205</td>
<td>91,363</td>
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<tr>
<td><strong>Total Assets</strong></td>
<td><strong>$2,265,435</strong></td>
<td><strong>$1,190,074</strong></td>
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<table>
<thead>
<tr>
<th>LIABILITIES AND NET ASSETS</th>
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<tr>
<td>Accounts Payable and Accrued Expenses</td>
<td>$53,969</td>
<td>$39,377</td>
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<tr>
<td>Net Assets - Unrestricted</td>
<td>$1,015,453</td>
<td>$918,497</td>
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<tr>
<td>Net Assets - Temporarily Restricted</td>
<td>1,196,013</td>
<td>232,200</td>
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<tr>
<td><strong>Total Net Assets</strong></td>
<td><strong>$2,211,466</strong></td>
<td><strong>$1,150,697</strong></td>
</tr>
<tr>
<td><strong>Total Liabilities and Net assets</strong></td>
<td><strong>$2,265,435</strong></td>
<td><strong>$1,190,074</strong></td>
</tr>
</tbody>
</table>

### Statement of Activity
**FOR THE YEARS ENDED MARCH 31, 1999 AND 1998**

<table>
<thead>
<tr>
<th>SUPPORT AND REVENUE</th>
<th>1999</th>
<th>1998</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contributions and Grants</td>
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<tr>
<td>Onetime-Bequest</td>
<td>1,400,000</td>
<td>.........</td>
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<tr>
<td>Attorneys’ Fees</td>
<td>31,300</td>
<td>32,000</td>
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<tr>
<td>Interest and Miscellaneous Income</td>
<td>35,569</td>
<td>27,437</td>
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<tr>
<td><strong>Total Support and Revenue</strong></td>
<td><strong>$2,835,698</strong></td>
<td><strong>$1,606,932</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>EXPENSES</th>
<th></th>
<th></th>
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</thead>
<tbody>
<tr>
<td>Programs:</td>
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<tr>
<td>Litigation</td>
<td>$956,300</td>
<td>$713,873</td>
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<tr>
<td>Publications/Education</td>
<td>376,391</td>
<td>207,492</td>
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<tr>
<td><strong>Total Program Expenses</strong></td>
<td>$1,332,691</td>
<td>$921,365</td>
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<tr>
<td>Administrative</td>
<td>$353,318</td>
<td>275,385</td>
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<tr>
<td>Fundraising</td>
<td>88,920</td>
<td>94,242</td>
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<tr>
<td><strong>Total Expenses</strong></td>
<td><strong>$1,774,929</strong></td>
<td><strong>$1,290,992</strong></td>
</tr>
</tbody>
</table>

| Change In Net Assets        | $1,060,769 | $315,940 |
| Net Assets - Beginning      | 1,150,697  | 834,757  |
| Net Assets - Ending         | **$2,211,466** | **$1,150,697** |

Figures are excerpted from audited financial report.
CIR’s complete audit is available upon request from the Center’s Washington, D.C. office.
**Staff**

**Michael P. McDonald** (J.D., George Washington Law Center, 1982; B.A., Catholic University, 1978) is CIR's co-founder and President. He is a member of CIR's Board of Directors.

**Michael S. Greve** (Ph.D., Cornell University, 1987) is CIR's co-founder and Executive Director. He is a member of CIR's Board of Directors.

**Michael E. Rosman** (J.D., Yale Law School, 1984; B.A., University of Rochester, 1981) is CIR's General Counsel. Formerly a litigator with the firm of Rosenman & Colin, he joined CIR in 1994.

**Terence J. Pell** (Ph.D., Notre Dame, 1996; J.D., Cornell Law School, 1981; B.A., Haverford College, 1976) is CIR's Senior Counsel. He previously worked as an attorney with the firm of Arent, Fox, Kintner, Plotkin & Kahn and served as General Counsel and subsequently, Chief of Staff of the Office of National Drug Control Policy.

**Ralph L. Casale** (J.D., Cornell Law School, 1988; B.A., University of Chicago, 1983) is a Senior Associate Counsel. Formerly an attorney with the firm of Tucker, Flyer, and Lewis, he joined CIR in 1998.

**James S. Wright** (J.D., University of Chicago Law School, 1972; B.A., Wesleyan University, 1969) is a Senior Associate Counsel. Formerly a partner with the firm of Morgan, Lewis, and Bockius, he joined CIR in 1998.

**Nicholas S. Hentoff** (J.D., University of Arizona Law School, 1988; B.A., Cornell University, 1984) is a Senior Associate Counsel. Formerly a solo practitioner specializing in criminal and civil rights litigation, he joined CIR in 1999.

**Hans F. Bader** (J.D., Harvard Law School, 1994; B.A., University of Virginia, 1991) is CIR's Associate Counsel. He joined CIR in 1996 after a clerkship with U.S. District Judge Lawrence Lydick.


**Joy Jones** (B.A., Taylor University, 1998) is a paralegal. She joined CIR in 1998.

**Emily Duke** (B.A., University of Virginia, 1996) is CIR's Director of Development. She joined CIR in 1999.

**Izora D. Whitestone** is CIR's Administrative Director. She joined CIR in 1999.

**Law Clerks and Interns, 1998 - 1999**

- Leola Cox (George Mason University Law School)
- Galena Smith (University of Virginia Law School)
- Jessica Danou (Catholic University Law School)
- Andrew Stein (USC Law School)
- Eugene Healey (University of Chicago Law School)
- Lee Vogel (UC Davis)
- Kenneth Hodge (George Mason Law School)
- Jay Wang (Georgetown University Law Center)
- Verene Nieke (Nuremberg University, Ger.)
- Brian Wesoloski (Cornell University)
- Christopher Roach (University of Chicago Law School)