

**ADVISORY BOARD**

**United States Merchant Marine Academy  
Kings Point ★ New York ★ 11024-1699**



August 5, 2011

The Honorable Ray LaHood  
Secretary of Transportation  
U.S. Department of Transportation  
1200 New Jersey Ave SE  
Washington, D.C. 20590

Dear Mr. Secretary:

Your Advisory Board is pleased to submit our summary of the efforts we have undertaken during the past year in support of U.S. Merchant Marine Academy and of your vision of putting Kings Point on par with the other federal service academies.

The members of the Board and I were very encouraged by our November 2010 meeting with Superintendent Greene, MARAD Administrator David Matsuda, Deputy Administrator Orlando Gotay and others on their staffs. Please see the attached Minutes. Since then we have been personally following the progress of the Academy and we continue to be impressed with the leadership of the Superintendent.

Rear Admiral Greene has brought incredible energy, focus, and drive to the job, which is evident both at the Academy and throughout the maritime industry. We have no doubt that Admiral Greene's sterling reputation for professionalism and integrity were what drove you to select him for the job, and those qualities have given him tremendous credibility as he works to restore and strengthen the Academy's reputation amongst its many stakeholders.

The Board and I are well aware of the history of management and organizational matters that have plagued the Academy over the last several years. Supported by a very capable senior leadership team, Admiral Greene has not hesitated to address these issues head-on, and from our perspective and close observation, he has made tremendous strides in resolving these shortcomings. From restoring dialogue with industry, improving management across the business enterprise, to setting the stage for a comprehensive strategic plan, Admiral Greene has set an ambitious agenda, and has delivered on many fronts. We are pleased with these achievements and hope that you are as well.

Despite the progress that seems apparent at the Academy and the support provided by you and Deputy Secretary Porcari, the Board members and I remain concerned that Admiral Greene is inhibited because after nearly one year in charge, he does not have the necessary tools and authority that needs to accompany the responsibility you have vested in him to lead the institution.



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However, based on my recent conversation with the Superintendent, we understand that you met with him last month and conveyed your recognition of, and sensitivity to, his concerns. The Admiral indicated that you asked him to give the existing organizational arrangement one year to be resolved. We conclude that during the upcoming year you, your staff, and the Maritime Administration leadership will develop a concrete plan to restore authority to the Superintendent that was rescinded in the wake of the 2009 GAO Report. We know Admiral Greene is as committed to the Academy's bright future and success as you are, and we would be interested in learning the details of the plan. We request an update from the Administrator at our annual meeting this November. Yesterday, in a conversation with Deputy Secretary Porcari, he captured the essence of the situation by describing it as the "path to freedom" for the Academy.

Based upon our observations, the plan must address the significant differences in oversight depth and management philosophy between the Maritime Administration's political leadership and the Superintendent. These disagreements, which have slowed timely resolution of many issues, and delayed necessary forward progress, may have been necessary prior to Admiral Greene's appointment. Now, with a year's worth of demonstrated success on many fronts, it seems to us it is no longer necessary to restrict the Superintendent's ability to apply his leadership, wisdom, judgment, experience, innovative thinking, and dedication to the problems at hand.

Last year, the Board members agreed to provide the Superintendent, in response to his task request to us, with their perspectives and information to help kick off the strategic planning effort. We have done that through submission of some written material, but, we have delayed a long planned teleconference dialogue due to the delay in commencement of the initiative.

We understand from the Alumni Foundation that, after months of MARAD review, its gift of consulting services has finally been accepted. But, the Alumni informed us that the acceptance letter back to the Foundation contains a litany of "control" restrictions that limits the free flow of information and ideas that are critical to the Academy's Strategic Planning Initiative. Why does MARAD feel it necessary to sub-optimize the strategic planning process by placing limitations on stakeholder engagement and communication rather than assessing the value of input after it's received and analyzed?

In addition, the Alumni Foundation informed us that MARAD's gift acceptance has turned into an agreement, which places personal liability concerns on the consultant and Alumni Foundation Directors. It seems illogical that a donor might incur liability for giving a gift. We would hope that the gift of consulting services, a critical enabler to a successful strategic planning effort, could be provided to the Superintendent with as few conditions as possible, and we also hope that MARAD will seek the input of the Advisory Board as part of the Strategic Planning effort.

We are also concerned that the Department has not appeared to engage the Congressional Board of Visitors to advocate for the Academy on Capitol Hill. At a time of great debate throughout the government about budgets, programs, and federal responsibilities, the Department, the Maritime Administration, the Academy, and ultimately the Regiment of Midshipmen, are not well served when Members of Congress are not fully informed about the needs of the Academy.

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At last year's meeting, we had offered to assist MARAD and the Department in this effort through personal contacts and a proposed set of briefings. We are still prepared to do that when the Board of Visitors is established or through participation in individual meetings with Senate and House members.

Also over a year ago, the Advisory Board was advised by the Maritime Administrator that the Administration was revising the oversight structure of the Academy, to make more effective use of the Advisory Board. We unanimously supported that effort, and have been awaiting further direction. While we have worked independently to promote the Academy within our own respective professional communities, the lack of a direct mandate or charge from the Department limits our effectiveness. Again, the Academy and the Regiment of Midshipmen suffer.

The Board and I know your commitment to the Academy, its leadership, and the Regiment of Midshipmen is unwavering. However, we look for your staff's actions to reflect that same level of commitment. You need look no further than the Academy's own motto, Acta Non Verba—Deeds Not Words, as the way forward. We reiterate our own dedication to the long-term success of Kings Point, and our keen interest in playing an active role in the advancement of the Academy's mission to serve our nation's transportation system.

Very respectfully,

Ms. Lillian C. Borrone  
Chair

On behalf of  
Mr. William E. Jenkins  
Ms. Meredith A. Neizer  
Mr. Luther Strange  
Mr. Ronald D. Widdows

cc: The Honorable David T. Matsuda  
Rear Admiral Philip H. Greene, Jr., USMS