

COLGATE UNIVERSITY

BOARD OF TRUSTEES

February 23, 2010

Todd Buchner
Credit Suisse
2121 Avenue of the Stars, 33rd Floor
Los Angeles, CA 90067

Dear Todd,

The Colgate Board of Trustees appreciates your interest in the importance of alumni engagement with the university. Maintaining and increasing alumni engagement is a goal we share with you, as we are certain that it is a key to the long-term health of the university. As part of that we want to communicate effectively how Colgate's governance process works, including who serves on the board and how they are selected.

Over the past several months I have been joined by fellow trustees at regional alumni events answering questions ranging from how Colgate is faring in admissions (applications are up and quality has never been better), how fundraising is going (both annual giving and major gifts have increased significantly since last year), how many alumni serve as Colgate trustees (31 of 35) and whether our trustee selection process puts us at a disadvantage (more on that below).

As you and other members of your group's leadership know from the several meetings I and other trustees have had with you by phone and in person, we invite opinions, suggestions and critiques from all members of the Colgate community. Your communications on governance have resulted in many conversations about how Colgate's board is formed and how we go about our work. While some of the information from your group in the past has not been entirely accurate or complete, I think you realize that real improvement needs to be based on a thorough fact-based analysis and I know it is always beneficial to speak to alumni about Colgate's future. When I speak with alumni, whether at an alumni event, writing for a *Scene* column or in individual phone conversations, I have made three points:

1. In forming our university, Colgate's founders devised a system of trustee selection in which trustees are elected by a majority of the membership of the board. This was, and remains, common practice on non-profit boards whose success depends on selecting trustees based on ability and expertise. Effective trustees are able to view the university as a whole, without bias toward or ignorance of any particular set of issues or groups of people. Elections have the potential to politicize the selection process, making it less likely that a strong, effective board can be assembled. In examining direct election processes at other schools, we find that only a minority of alumni typically vote.
2. Having said that, we don't rely on tradition for tradition's sake. We undertake regular reviews of Colgate's governance structures, with the most recent occurring in 2007. In

our deliberations about your petition, we analyzed carefully a report (<http://www.dartmouth.edu/~news/features/governance/report-083007.pdf>) from Dartmouth, which recently made significant changes to its system of governance, and updated our research on practices at peer schools, particularly those defined as the “top 25” liberal arts institutions as designated by *U.S. News & World Report*. This new study showed that the majority of our peer schools use trustee selection processes very similar to our own. Some of our findings, Todd, are at variance with data you provided us and I would be happy to discuss these discrepancies with you.

3. On a peer-to-peer basis, Colgate is performing well, so any significant change to the foundation of our governance system – particularly one that would require alumni vote to reverse – would have to stimulate significant institutional improvement. Materials from A Better Colgate cite increased alumni giving as such an improvement, but as cited above, both annual and major giving at Colgate are already increasing under the current structure. Just a few years ago, Colgate achieved a 55% alumni giving rate with our current governance structure and I am confident we can do it again.

I also find that it is often helpful to provide some context about the people who serve on the board. Colgate’s board has 35 members, six of whom are “alumni trustees” nominated for board service by Colgate’s Alumni Council: Mike Herling ’79, Joanne Spigner ’76, Scott Meiklejohn ’77, Gerry Sedam ’64, Jung Pak ’96, and Jim Smith ’70. We also reserve two positions for recent graduates of Colgate (positions currently filled by Pat Kabat ’06 and Wil Redmond ’08) and at least one trustee who is the parent of a Colgate student. At present, three non-alumni parents of current and recent graduates are on the board: Rosalia Miller P’06, Nancy Serrurier P’09, and Nancy Crown P’10. All of the remaining trustees are Colgate alumni, with the exception of the university president. These trustees span five decades and varied experiences at Colgate, from All-American athletes to *Colgate Maroon News* writers, from fencers and debaters to student government and Greek-letter organization leaders. Term limits ensure the board brings in new trustees each year keeping it fresh and vital. Today Colgate trustees are counted among the leaders in finance, business, law, education, journalism and real estate.

I share all of this information because Colgate’s board is not an institution unto itself but rather a collection of university alumni and parents who give deeply through their philanthropy, their time and their expertise. Colgate’s board adheres to a system of governance that has guided the university for nearly 200 years, through the toughest of economic and political crises and social upheavals. Trustees not only participate in four board meetings each year, but also spend considerable time engaged on board committees utilizing their specific expertise and requiring collaborative partnerships among trustees and the faculty and administration. As has been the case over time, the board has made decisions with which some disagree strongly. The solution to these occasional rifts is not a change to Colgate’s fundamental structures, but rather a more effective system of open, factual and, when necessary, blunt communication around the important issues Colgate is facing and the many factors that must be considered for Colgate to remain competitive, strong and relevant. I believe this is at the core of your group’s proposal, though I see deeper alumni engagement as the solution not just an outcome.

For these reasons, the board does not believe it is in the best interest of Colgate to change the bylaws and allow direct election of trustees. We will, however, be reviewing the way in which nominations for the board are gathered and make recommendations for further strengthening this process to promote more significant input from alumni. We would welcome your input on this subject and I will arrange to contact you in the next weeks in this regard. The review and resulting adjustments to the nominations process should be communicated in a way to shed light on Colgate's selection process. We will also be extending our existing alumni outreach efforts by trustees. We are in the process of finalizing our second year of Town Hall meetings with alumni in regions across the country and will seek feedback on the trustee nominations process and ways that we can more effectively communicate not simply the outcomes of board decisions but the factors that impact those decisions.

Again, we thank you and the rest of the A Better Colgate's leadership for your own engagement, for expressing your concerns and for sharing our goal of increasing meaningful alumni engagement as a way of strengthening the university.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris Clifford". The signature is fluid and cursive, with a long horizontal stroke at the end.

Chris Clifford '67
Chair, Board of Trustees