

Questions and Answers Regarding the Governance Review

Why is the Board moving forward with a governance review right now? Is there a problem with the current system for selecting trustees?

Over its history, the Board has periodically examined the trustee selection process and the composition of the Board to make sure it's as effective as it can be. We haven't done a comprehensive review like that in almost twenty years, so we thought it was an appropriate time to do so right now.

Obviously, the trustee selection process has become increasingly politicized in recent years. Candidates for the Board now spend \$100,000 or more running campaigns that rival those of professional politicians. And we certainly don't want to get to the point where loyal alumni are hiring political consultants and pollsters simply because they want to serve their alma mater. We need to make sure the trustee selection process isn't discouraging talented people who have a lot to offer by serving Dartmouth.

What will the review process involve? Who will be participating?

The Governance Committee, which is conducting the review, has five members – including President Wright and myself. The three others – Christine Bucklin '84 (who chairs the Committee), Michael Chu '68, and John Donahoe '82 – are Alumni Trustees.

The Governance Committee has sent questionnaires to trustees, emeritus trustees, and alumni leaders to solicit their views. (A copy of the questionnaire is posted on the Dartmouth website at <http://www.dartmouth.edu/governancefeedback>.) We have asked them whether they think Dartmouth's governance is working well. We are seeking their views on the ideal size, structure, and composition of the Board as well as their opinion of the trustee nomination process. We are seeking general alumni input through the College website. The Committee also has begun gathering information on best practices followed by other educational institutions and non-profit organizations.

How are the members of the Governance Committee determined?

The Governance Committee is an operating committee of the Board, the membership of which is appointed by the Board Chair each year at the Board's September meeting. Members of the Committee are typically among those who have experience serving on the Board and have background and knowledge about what has worked effectively and what could be improved in the functioning of the Board. The President of the College also serves on the Committee — as have many Dartmouth presidents and presidents at our peer institutions.

Some people have raised concerns that the Board might make changes that limit the involvement of alumni in the trustee selection process.

The Board hasn't made any decisions about governance changes. We're certainly interested in ways to improve communication and collaboration between the Board and alumni, and that's one of the things we'll be reviewing. But the members of the Governance Committee are going into this review process with open minds. And I think, like all of the trustees and all Dartmouth alumni, we just want to do what's in the best interest of the College and its students.

What about maintaining parity between trustee nominees elected by alumni and those selected by the Board?

Again, we haven't made any decisions, and we'll be undertaking a thorough review of the process. We're all going into this with open minds.

What about the 1891 "agreement," which some people have argued gives alumni the right to select half of the members of the Board?

There seems to be a great deal of confusion about the 1891 "agreement." This was a resolution taken by the Board at that moment in the 19th century to do what it believed was in the best interest of the College at that time.

The resolution didn't promise parity. If you read the resolution, you won't even find the word or concept of parity in it. It only provided for the alumni to nominate the next five trustees for the Board to then elect.

The fact is selecting trustees is one of the most fundamental obligations and responsibilities of the Board, and the Board can't delegate that to any other body.

It's certainly important to understand the history of the College – that is one of Dartmouth's great strengths. But Dartmouth has remained one of the most enduring institutions in the world because of its ability to adapt and change while still drawing on that rich heritage. Today's Board must do what it believes is best for Dartmouth in the 21st century – whatever it determines that is.

What would you say to critics who argue that the Board is dominated by "insiders" who are interested in seeking to protect their own role within the institution?

The Board is made up of people who take time out of their very busy lives to give back to Dartmouth and to try to make it an even better place. The Board includes an incredibly diverse group of alumni who have served Dartmouth in a wide variety of roles over the years and who bring a range of skills, expertise, and experience to bear on behalf of the College.

Given the significant responsibilities of the Board – which range from overseeing the endowment, to fundraising, to overseeing capital budgets and strategic planning – we need to make sure that we have trustees who are capable of fulfilling those responsibilities.

If, after undertaking this review, the Board makes any changes to its governance practices, it will be because they believe those changes are in the best interests of the College.

#

July 9, 2007