

**Questions and Answers**  
on the process to determine the future direction  
of the Alumnae Association of Randolph-Macon Woman's College

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The purpose of this document is to answer questions and provide additional information about the process to determine a future structure for our Association.

**Question 1 -- I have received a mailing describing proposed amendments to the governing documents of the Alumnae Association. How is the Alumnae Association changing?**

Answer: An alumnae survey conducted in July indicated that 79% of alumnae who responded wish for the Association to remain connected to the College and to be inclusive of Randolph College alumni. While the name of the Association will change, the programs and services of the Association will not change.

The Alumnae Association will have a new name that will enhance the prominence of "Randolph-Macon Woman's College" by placing that text at the beginning of the name while also including "Randolph College" to indicate the inclusiveness of both alumnae/i constituencies within the Association. The current name of the Association is: "Alumnae Association of Randolph-Macon Woman's College." The new name will be: Randolph-Macon Woman's College and Randolph College Alumni Association. The Association's Bylaws are also being modified to emphasize the importance of Randolph-Macon Woman's College in our purpose statement.

Because the Association is a Virginia non-stock corporation, it must file governing documents with the State of Virginia. These documents are known as our Articles of Incorporation and our Bylaws. By law, and in accordance with our Bylaws, our members must vote to approve any changes to these documents.

You are being asked to vote in favor of these changes to our governing documents.

**Question 2 -- Why is the new name in the resolution different from the options in the survey?**

Answer: The Special Task Force constructed a number of variations on a new name with the purpose of preserving the identity of Randolph-Macon Woman's College and including the name Randolph College. Certainly, all of the names were wordy and contained repetitive elements, particularly when the words "alumnae" and "alumni" were placed together.

In addition to the choices included in the survey, a number of alumnae provided comments with suggestions, such as: 1) Randolph College Alumni Association and 2) Randolph-Macon Woman's College and Randolph College Alumni Association.

After deliberating on these results, the Special Task Force concluded that removing the reference to "alumnae/alumni" made sense because the identity of our alumnae is preserved through the use of the name "Randolph-Macon Woman's College" and through the primary placement of this text at the beginning of the name. Further, the word "alumnae" is feminine and refers to women only, while "alumni" refers to both men and women. In addition, the use of the forward slash between the words is not visually appealing. In order to move forward with the most meaningful and simple name possible, we decided to recommend: "Randolph-Macon Woman's College and Randolph College Alumni Association."

**Question 3 – The recommended structure for the Association moving forward seems to be exactly what we have now, except that we will have a new name and will include the alumni of Randolph College. Is this correct and why was this option chosen over other possible options studied by the Special Task Force?**

Answer: Yes, this is correct. Apart from the major change to include the coed alumni in our Association, the Association will function exactly as it is currently functioning. Behind the scenes, the Association plans to work to make important changes to our funding agreement with the College that will be mutually beneficial, but at the same time will significantly strengthen the standing of the Association. In addition, the Alumnae Board plans to begin work on a special R-MWC component of the Association, which will have the ability to focus on R-MWC heritage, history and events for R-MWC alumnae. Further, the recent survey completed by 22% of our alumnae constituency also identified some areas of the Association, such as the Bulletin, which may be improved upon to better represent the voices of those loyal to R-MWC.

In September 2008, the alumnae voted on a resolution to change the name of the Association to: Randolph-Macon Woman's College and Randolph College Alumnae/Alumni Association. The vote on this action did not pass because less than 2/3 of the voting members voted to approve it. However, of the 4,156 votes cast, 64% voted for this change, while 36% voted against it. This indicated to the Special Task Force that the majority of alumnae participating were in favor of an association which remained connected to the College and that included Randolph College alumni.

Still, the Special Task Force explored all possible options with a variety of elements, including the Association's use of two separate names (one for R-MWC and one for RC), the establishment of subsidiaries and/or affiliates and the creation of a separate company for the Randolph College Alumni Association. In its work, the Special Task Force focused on issues such as: Names and Identity, Status as a Virginia Corporation; Non-Profit status and IRS regulations; Mission, Membership, Funding, Board of Directors; Alumnae Office Staff; Alumnae Bulletin, Reunions, and Leadership Council.

In the end, the recommended structure represents the wishes of the alumnae while also maintaining an uncomplicated corporate structure that is functional for the alumnae, the Alumnae Board of Directors and the Alumnae Office staff.

**Question 4 – Why do some alumnae say that no due diligence has been performed? What does this mean?**

Answer: A few individuals are asking that the Alumnae Association Board review the financial statements of the College before entering into a new partnership with the College, saying that declining enrollment statistics are detrimental to the College’s fiscal health. Certainly, performing a due diligence financial review sounds like a correct and responsible action to undertake. This request was initially made of the Special Task Force by a member of the Board, even though the entire Board did not instruct the Special Task Force to focus on this. The Special Task Force recognized that an alumnae group would not have the credentials to perform an analysis of this type and even if a financial professional was hired to perform this function (likely for a substantial fee), the results of such a review would not be more valid or meaningful than the financial review already performed by the College’s accrediting agency.

Earlier in this process, the Special Task Force provided a recommendation regarding this matter and offered the following thoughts to the Alumnae Board:

- The College’s financial statements have been reviewed by its accrediting agency, the Southern Association of Colleges and Schools (SACS). SACS has determined that the College’s financial status is sound.
- The Special Task Force believes that the Association should ensure the stability of its own corporate structure and the retention of its 501 (c) (3) tax-exempt status with the IRS so that it will be in a position of strength regardless of the financial viability of the College.
- The Special Task Force recommends that the agreement between the College and the Association should be renegotiated to become a legally enforceable contract and that the new legal contract include the provision to continue to support the business of the Association.

In addition, it should be noted that the Alumnae Association reports total assets of less than \$30,000. Randolph College has an endowment of approximately \$123 million plus other real assets. Randolph College provides the Association with an operational budget of about \$140,000 per year for publications, programs and services for the alumnae, in addition to paying the salaries and benefits of the staff and providing office space. Given the extreme differences in total assets between the Association and the College, it is not clear how the College could be viewed as an unfit financial partner when it provides a budget for our activities in addition to paying for staff and office space.

Further, the Special Task Force has indicated to the Alumnae Board that, given our status as a “supporting organization” with the IRS (meaning that our purpose is to support the College), the appropriate “due diligence” to be focused on during this process is to take steps to ensure that the

Association could remain a viable and operational organization if the College is unable to provide our budget in the future. The Special Task Force believes that it has accomplished this goal by recommending that the Association remain a separate corporation which retains its non-profit status with the IRS.

**Question 5 – How will the changes to the Association preserve the identity of Randolph-Macon Woman’s College alumnae and strengthen our status as an independent organization?**

Answer: First, the name “Randolph-Macon Woman’s College” is now in a more prominent position within the new name of our Association. Yes, we will be expanding the name to include Randolph College and have opted for the simple “alumni association” as opposed to “alumnae/alumni association.” However, the name “Randolph-Macon Woman’s College and Randolph College Alumni Association” implies that the primary constituents are alumnae of Randolph-Macon Woman’s College.

Further, the Special Task Force has recommended that a special component of the Association be established to focus solely on Randolph-Macon Woman’s College. This component would ultimately be guided by the full Board of Directors and would focus on the issues, heritage and history important to alumnae of Randolph-Macon Woman’s College. Because this aspect of the Association’s structure needs further work by the Board, it is not being incorporated into the changes for the September 2009 Annual Business Meeting. It is expected that this structural aspect, plus any changes to the Bulletin to highlight Randolph-Macon Woman’s College alumnae, will be worked on in the coming months.

Finally, the Special Task Force has recommended that the current agreement with the College, from 1990, be revised and renegotiated with the College as a legal contract and approved by the Board of Trustees. Because the current agreement with the College will remain in effect until a new one is agreed upon, this process also does not need to be decided by the membership in September. A new Task Force will be convened to focus on the new agreement with the College.

The bottom line here is that the Special Task Force is very pleased that we are recommending that the Association remain a separate corporation from the College and that it maintains its non-profit status with the IRS as a 501 (c) (3) organization. This means that our organization will be in the best possible position to maintain our operations should the College be unable to provide us with a budget in the future.

**Question 6 – What was the timeline for this process and why do some alumnae say this process has been “rammed through” the Board?**

Answer: The process to determine the future direction of the Alumnae Association has actually been underway since 2007 when a Task Force was convened to study and recommend options. So, in fact, this issue has been before the Alumnae Association Board for some time.

In 2007, six organizational models were developed by the first Task Force and were presented during the afternoon session of the Annual Business Meeting in September. Alumnae provided feedback during this meeting.

In 2008, the Alumnae Board presented a resolution to the alumnae membership to be voted on during the Annual Business Meeting in September. During this meeting, the alumnae voted on the resolution to change the name of the Association to: Randolph-Macon Woman's College and Randolph College Alumnae/Alumni Association. The vote to take this action did not pass because less than 2/3 of the voting members approved it. However, of the 4,156 votes cast, 64% voted for this change, while 36% voted against it. This indicated to the Special Task Force that the majority of alumnae participating were in favor of an association which remained connected to the College and that included Randolph College alumni.

In February 2009, a new group was appointed to a Special Task Force to evaluate the options for the Association’s future structure. The timeline of this work is presented below. A more detailed timeline is available on the College website.

**Timeline of Actions by the Special Task Force and Alumnae Board of Directors**

<b>February 18, 2009:</b>	Special Task Force convened
<b>February 23, 2009:</b>	Special Task Force reviews first set of organizational models
<b>March 1-4, 2009</b>	Six new organizational models constructed
<b>March 10, 2009</b>	Special Task Force focuses on 3 models - all characterized as connected to the College and inclusive of Randolph College alumni
<b>March 19, 2009</b>	Conference Call with Alumnae Board; Special Task Force presents a preliminary report; Board asks Task Force to measure alumnae feedback, survey was discussed.
<b>March 22, 2009</b>	Special Task Force begins work on an alumnae survey
<b>April 6-21, 2009</b>	Special Task Force works on numerous drafts of alumnae survey
<b>April 22, 2009</b>	Final Report on survey issued to Alumnae Board
<b>April 23-May 2, 2009</b>	Feedback on survey received from Alumnae Board
<b>May 2, 2009</b>	Conference Call with Alumnae Board
<b>May 5-18, 2009</b>	Approval process of survey, including many revisions by Board
<b>May 27, 2009</b>	Survey mailed to alumnae; activated on web
<b>June 15, 2009</b>	Survey closes
<b>June 26, 2009</b>	Survey tallied by consultant; results reported to Special Task Force
<b>July 2, 2009</b>	Survey results provided to Board, emailed to all alumnae
<b>July 17, 2009</b>	Final Report on changes to existing structure provided to Board
<b>July 26, 2009</b>	Conference Call for Alumnae Board and Special Task Force to discuss recommendations
<b>August 1, 2009</b>	Alumnae Board Conference Call to continue discussion on recommended changes
<b>August 4, 2009</b>	Alumnae Board votes to approve changes to existing structure
<b>August 17, 2009</b>	Mailing to all alumnae on changes to existing structure

**Question 7 – Has an alternative plan for the Alumnae Association been proposed by the individuals opposing the recommended changes?**

Answer: No alternative plan that would provide the Alumnae Association with an adequate funding source has been proposed by the individuals opposing the actions we are being asked to vote on in September.

**Question 8 – What will happen if the changes to the Articles of Incorporation and Bylaws are not approved in September?**

Answer: If the proposed changes to the Articles of Incorporation and Bylaws are not approved by the membership in September, the Association will remain unequipped to serve the alumni of Randolph College.

If these changes are not approved by the membership in September, it will mark the third year that the Association has been unable to determine its own future direction, which would call into question the viability of the organization. The College possesses the apparatus to conduct alumnae/i activities without our Association and may move forward to implement those plans. Should this happen, alumnae would still receive the same publications, programs and services but would not have a separate corporation with a Board of Directors to guide the organization.

**Question 9 – Because of the financial connection between the Alumnae Association and the College, could the Alumnae Association be in danger of collapsing if the College is unable to provide a budget and support the Association?**

Answer: No. Certainly, with assets of less than \$30,000, the Association would need to make some major adjustments and raise a substantial amount of money in order to operate if the College is no longer able to provide us with an annual budget, staff, and office space. However, we are in the best possible position to accomplish this given the fact that the Association is a separate corporation from the College and retains its non-profit status with the IRS. Our non-profit status is very important in this scenario because it means that the Association can accept donations directly and those contributions would be tax-deductible for the donor.