

HOWARD UNIVERSITY

CHAIRMAN OF THE BOARD OF TRUSTEES

June 10, 2013

Dear Members of the Howard Community, Alumni, Friends and Supporters:

As many of you are aware, recent news media coverage has publicized a letter sent by the vice chair of the Howard University Board of Trustees to other members of the Board, which unfortunately without proper context paints an unduly alarming picture of the University's condition. As Chairman I want to assure you that working together with input from all of the University stakeholders, Howard University remains academically, financially and operationally strong.

Like most institutions of higher education, our university is addressing complex organizational challenges and has made some difficult and sometimes unpopular decisions that are necessary to enhance the institution's viability and growth. This is a constant and ongoing responsibility which the Howard University Board continues to thoughtfully and diligently fulfill.

As a result of fiscal discipline, we have balanced our budget for three consecutive years, actively managed cash flow and restored the endowment to pre-recession levels of more than \$500 million.

On the academic front, Howard's graduation rates continue to steadily improve with a 17% increase in the six-year graduation rate between 1998 and 2011. The University remains the nation's top producer of minority lawyers, dentists, physicians and African-American doctoral degrees. Demand for a Howard University education remains strong with more than 20,000 high achieving students applying for admission each year.

With that demand comes an acute requirement for need-based aid to support students in the midst of difficult economic conditions affecting the middle class and Howard's core student constituency. This year, changes in national student loan policies led to a staggering increase in loan denials for undergraduates and their parents.

Howard, like all segments of the higher education community -- and indeed all sectors of the U.S. economy -- is still recovering from the effects of a great recession. We have taken numerous steps to enhance the University's financial standing, including reducing administrative costs, and made difficult decisions to realign the staffing structure. The University has taken additional steps to achieve efficiency, reinvest in strategic areas, and increase our focus on fundraising.

Despite these challenges, Howard continues to grow. This spring, the University broke ground on two new residence halls and an interdisciplinary research building. The projects will increase our competitiveness and position the University to continue to attract talented students and extraordinary faculty from around the nation and the global community.

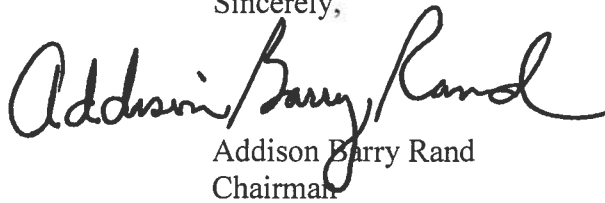


As the University's governing body, the board welcomes and is extremely sensitive to expressions of concern and input from various stakeholders and interested constituencies, both from inside and outside the institution. In fact, such expressions are fairly common for all university boards, especially when difficult decisions must be made.

While the board works with the Administration and continues to take appropriate and strategic actions to address normal operational and strategic challenges, it will do so with appropriate transparency and sensitivity to the concerns and well-being of the institution and to all members of the Howard University community.

Through it all, we will continue to work prudently to ensure a vibrant and prestigious future for the University and community we love.

Sincerely,

A handwritten signature in black ink, reading "Addison Barry Rand". The signature is fluid and cursive, with the first name "Addison" being the most prominent.

Addison Barry Rand
Chairman