

December 20, 2006

To members of the Saint Mary's University community:

My apologies for bringing a matter as serious as this to you in the midst of your Christmas preparations, but the circumstances and timing leave me no other course.

It is with regret that I announce that Brother Craig J. Franz, FSC has resigned as President of Saint Mary's University of Minnesota, effective immediately.

Jeffrey R. Highland, Ph.D., University Provost and Vice President of the College, has agreed to serve as Interim President of Saint Mary's University.

Following receipt of information about an allegation of inappropriate sexual behavior from Saint Mary's College of California, the University addressed the matter with Brother Craig. Earlier this month, Brother Craig disclosed to his religious superiors and to me as Board Chair, that while serving as President of Saint Mary's College of California he engaged in an episode of inappropriate sexual behavior with an adult student who was enrolled in that institution.

Brother Craig realizes that his activity was inappropriate in light of his religious vows and his position as a leader, teacher and mentor.

Brother Craig has left the Saint Mary's University campus and is residing with his religious community.

The circumstances of Brother Craig's departure from Saint Mary's are unfortunate, for he made many significant contributions to the University.

Saint Mary's University takes matters of this nature very seriously and has an established protocol in place to respond to allegations of sexual misconduct made by anyone. The University does not tolerate inappropriate sexual behavior between a person in authority -- whether they be religious or lay -- with any student, faculty or staff member of the University, no matter what their age. Our policies and details about how to file an allegation of misconduct are posted on the University's Web site at <http://www.smumn.edu/sitepages/pid1518.php>

I cannot tell you how troubling it is for me to deliver this news to you, particularly at this time of year. As a second-generation alumnus of Saint Mary's, and the parent of both a graduate and a current student, I remain committed to Christian Brothers education. I feel very bad for all parties involved.

The Board joins me in praying for the healing of everyone in this matter.

We also express our gratitude to Dr. Highland for agreeing to serve as Interim President during this time of transition. Dr. Highland is an experienced and respected educator and administrator. He joined the University in 1977 and is a professor of political science. Since 2000, he has served as the University's chief operating and academic officer. Dr. Highland recently led the

University's successful two-year self-study and site visit as it seeks reaccreditation by the Higher Learning Commission of the North Central Association of Colleges and Schools.

I am confident that Dr. Highland and the University's Cabinet -- a group of experienced senior administrators -- together with the Board of Trustees will continue to provide the leadership and resources for our faculty and staff to maintain the Lasallian tradition of awakening, nurturing and empowering our students to lead ethical lives of service and leadership. We remain committed to the goal to be ranked among the top 20 teaching institutions in the U.S. by 2012, the University's centennial.

If you wish to speak with me about any aspect of the information in this letter, please contact Bob Conover, Vice President for Communication at (507) 457-1496, or email me directly at rfigliulo@sprinc.com.

Sincerely,

Robert M. Figliulo
Chairman, Board of Trustees