**Background**

ABC College (College) is a public institution of higher education in Massachusetts. ABC College has a Board of Trustees with 11 members (10 of which are appointed by the Governor. All Board of Trustee members are special state employees for conflict of interest law purposes.

ABC Foundation (Foundation) is a charitable organization that supports special projects and programs at ABC College. The Foundation’s Board of Directors is made up of three College employees (including the President, Vice-President, and a faculty member), two College trustees, five alumni, and ten directors not affiliated with the College.

The Foundation manages and maintains monies raised in part by College advancement personnel. The advancement personnel work in a College-owned office building, receive their salary from College, and are eligible for State benefits. The primary job function of the advancement personnel is to fundraise for the College.

Attached are several situations. Review them with your colleagues at your table over lunch. Identify three issues from each situation worthy of discussion.

1. The Foundation uses the fundraised money in a variety of ways. Recently, the Foundation purchased a vacant lot adjacent to the College and subsequently sold it to the College for $1. The College then borrowed money from the Foundation in the form of a loan to construct a conference center on the lot. Soon after the conference center was completed, the Foundation forgave the loan in its entirety. The Foundation also purchased a laptop computer, projector and a set of tablets that now reside in the conference center. The College and Foundation both regularly use the conference center for meetings and events and the equipment is occasionally taken home by college employees.

**Question** – What do you need to know? What questions should be asked?

**Notes -**

1. Ted is a member of the Board of Trustees for the College. A friend of many years calls him to ask for assistance with a family member’s application to ABC.

**Question**: Can Ted contact the College President or the Admissions Office to request that the application receive favorable treatment? Can he write a letter of recommendation? What if the call from his neighbor was about a snow plowing contract out for bid from the college? What if it were about a job at the college?

1. Your academic Provost has been invited by the federal government to travel to Europe as part of a delegation of education leaders from around the country. His travel is partly funded by the federal government, the rest picked up by the foundation. He will be absent from the University for more than two weeks.

**Question** – What does the Board need to know? What questions should be asked? Do the questions/answers change if the President is also taking a vacation at the conclusion of the trip? What if his/her spouse is coming along?

**Notes –**

1. Jane is a member of the Board of Trustees. She is also a paid director of Acme Construction Co. Acme Construction is involved in the contract to build a new College dorm at the College. The contract will be with DCAMM and will be awarded based on the recommendation of an evaluation committee with one College representative (not a trustee). The Trustees have no role in selecting the contractor for the dorm project. Acme Construction has submitted a proposal which is now being evaluated. Jane has no role in the company's work on the dorm project if its proposal is accepted.

**Question**: Should Jane do anything?