

**From:** [Breuder, Dr. Robert](#)  
**To:** [McGuire, Dianne](#)  
**Cc:** [Birt, Erin](#); [Kenneth Florey \(kflorey@robbins-schwartz.com\)](mailto:kflorey@robbins-schwartz.com)  
**Subject:** RE: CASE  
**Date:** Tuesday, October 07, 2014 12:16:20 PM

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I am comfortable where we are. That said, we can always look at another step at times. We will rely on our good judgment.

B

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**From:** Dianne McGuire [mailto:diannegreenwood@comcast.net]  
**Sent:** Monday, October 06, 2014 12:52 PM  
**To:** Breuder, Dr. Robert  
**Cc:** kflorey@robbins-schwartz.com; Birt, Erin  
**Subject:** Re: CASE

Hi everyone...I appreciated the time spent in clarifying our process...I'm still concerned that even for a service, for which we do not have to seek competitive bids, it would be advisable to be able to demonstrate competitiveness...which was demonstrated with the architecture contract for the Naperville center...I believe that was an RFP process? and we went with a new firm, in the end...I think we should be especially careful with the awarding of contracts to Foundation Board members...and the Board should be shown documentation that would support that the particular service contract was competitive...I don't think it would have to be the lowest price out there, but in the ball park...coupled with a good history with the particular firm..that would be good enough...would that be so burdensome?

**From:** [Breuder, Dr. Robert](#)  
**Sent:** Monday, October 06, 2014 12:25 PM  
**To:** [McGuire, Dianne](#)  
**Cc:** <mailto:kflorey@robbins-schwartz.com> ; [Birt, Erin](#)  
**Subject:** FW: CASE

Dianne,

We are in compliance on all fronts.

Thank you.

B

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**From:** Kenneth Florey [mailto:kflorey@robbins-schwartz.com]  
**Sent:** Sunday, October 05, 2014 6:34 PM  
**To:** Breuder, Dr. Robert; McGuire, Dianne  
**Cc:** Birt, Erin  
**Subject:** RE: CASE

Dr. Breuder.

Your recitation of the facts and applicable Illinois law is absolutely correct. As Cathy Brod's research indicates, it is common and legally and ethically acceptable for community members who have contracts with colleges to serve on college foundation boards. We all as part of our Ethics Statements recite any business relationship our companies have with the College and critically, we as Foundation Board members do not make Board decisions that in any way relate any respective contracts with the College.

If you have any questions or would like to discuss this further, please let me know.

Ken

**Kenneth M. Florey**

Attorney

Robbins Schwartz

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Robbins Schwartz

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**From:** Breuder, Dr. Robert [<mailto:breuder@cod.edu>]  
**Sent:** Sunday, October 05, 2014 10:38 AM  
**To:** McGuire, Dianne  
**Cc:** Kenneth Florey; Birt, Erin  
**Subject:** CASE

Hi Dianne:

I think we addressed your concern in the past by way of a Ken Florey letter. Briefly: services do not have to be bid in Illinois. That is the crux of it. Mortenson, Power, Robbins Schwartz, Wight, Hurricane Graphics are all service providers. We can choose who we want to do business with and then we negotiate price where applicable. When you attend the next Foundation Board meeting ask if COD personnel are "hard" negotiators. Now, if one of these providers wants to do some of the actual construction for example, they must compete for the work. They must satisfy standards set by the State. Their Foundation connection does not get them a pass. Hurricane Graphics has done some of the sign design, fabrication and installation. We may contract with them as a service provider to design the signs and prepare the bid specs; however, if they were to have interest in the fabrication and installation, all things being equal, they must competitively bid like anyone else. I believe there are some unique exceptions and if they apply, that too is governed by the State. Purchasing is responsible for making certain we are always in compliance

with State guidelines and statute.

I am sending this note to Ken Florey for verification of my understanding of facts as herein presented. No one I know of connected to the College seeks to circumnavigate sound business practice, Board Policy or State Statute.

Hope your weekend is going well. Regards to Fred.

Bob

Sent from my iPad

On Oct 3, 2014, at 6:37 PM, "Breuder, Dr. Robert" <[breuder@cod.edu](mailto:breuder@cod.edu)> wrote:

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**From:** [diannegreenwood@comcast.net](mailto:diannegreenwood@comcast.net) [[diannegreenwood@comcast.net](mailto:diannegreenwood@comcast.net)]  
**Sent:** Friday, October 03, 2014 6:07 PM  
**To:** Breuder, Dr. Robert  
**Cc:** Birt, Erin  
**Subject:** Re: CASE

Hi Bob....the only thing I would say is this: the conflict of interest policy that our foundation members sign concerns their business interests and the foundation, not the college...I still feel that the advice I received from the gentleman at AGB stands: if a foundation board member is also a vendor of the college, then the Board of Trustees must be assured that any contracts they receive must be shown to be competitive with other similar service providers...otherwise, it has the appearance of pay to play...we must be able to defend that contract if questioned.

**From:** [Breuder, Dr. Robert](mailto:Breuder, Dr. Robert)  
**Sent:** Friday, October 03, 2014 5:56 PM  
**To:** [Brod, Catherine](mailto:Brod, Catherine)  
**Cc:** [~Board of Trustees](#)  
**Subject:** FW: CASE

Thanks. Please share with Foundation Board.

B

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**From:** Brod, Catherine  
**Sent:** Friday, October 03, 2014 3:03 PM  
**To:** Moore, Joseph; Sapyta, Lynn; Glaser, Thomas  
**Cc:** Breuder, Dr. Robert  
**Subject:** CASE

All,

I spoke to the Director of Institutionally Related Foundations at CASE today and he said it is common place for community colleges to have community business leaders, who are also vendors of the college, serving on community college foundation boards, as community college foundations, traditionally draw from community business leaders rather than their alumni. He also said **this practice is considered to be totally acceptable providing there is a strict conflict of interest policy in place (which we have) and any conflicts are declared. (We require that our foundation board members sign conflict of interest statements and declare conflicts annually.)** This is reported on our 990's and monitored by the independent foundation audit committee.

I also learned that Valencia Community College Foundation went through this with a local reporter and were able to publicly address it with well written statements. I am in the process of securing those written statements.

Cathy

**Catherine M. Brod**

Executive Director, College of DuPage Foundation  
Vice President of Development, College of DuPage  
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