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*Today's News*

Friday, September 21, 2007

## College Leaders Seek Guidelines for Avoiding Conflicts in Business Dealings

By [PAUL BASKEN](#)

Washington

More than 40 representatives of American colleges and their national associations, under pressure from investigations spearheaded by New York State's attorney general, Andrew M. Cuomo, met on Thursday to figure out how to head off possible legal and ethical problems in their business relationships.

The meeting was arranged by David Ward, president of the American Council on Education, who in turn had been pressed by the U.S. secretary of education, Margaret Spellings, to review all possible areas of legal and ethical vulnerability and to take steps to correct them.

While Mr. Cuomo focused his initial investigation on relationships between colleges and student-loan companies, Mr. Ward said, colleges face a range of potential "conflict of interest" vulnerabilities, such as credit-card marketing to alumni and the distribution of tickets to sports events.

After Thursday's off-the-record meeting, Mr. Ward said the college and association representatives who attended had asked him to create a committee, of about six to eight members, that would spend the next two months drafting a "white paper" that would identify possible areas of legal jeopardy in their business relationships and give college leaders a checklist to help alert them to unexpected problems.

Participants in the meeting, held at the council's headquarters here, described a series of examples in which the pressure for colleges to find more creative ways of financing their operations had led them into actions that they might not feel comfortable discussing publicly, Mr. Ward said.

"We were trying to reflect on those areas that should make us pause as to whether our institutional culture or our various codes of behavior have caught up with what is essentially a structural change in the nature of the university," he said.

"If, for example, a president is about to sign a contract, somebody should say, 'What's the story we're giving to the public on this?'" Mr. Ward said. "And if the president pauses, then maybe they need to pause on the contract too."

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