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INSPECTOR GENERAL

The Commonwealth of Massachusetts
Office of the Inspector General

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September 19, 2013

Jack F. Flynn, III, Chair
Westfield State University Board of Trustees
c/o Thomas Frongillo, Esq.
Fish and Richardson, P.C.
One Marina Park Drive
Boston, MA 02210-1878

Re: Westfield State University

Dear Chairman Flynn:

The Office of the Inspector General ("OIG") is aware of the scheduled meeting with the Board of Higher Education ("BHE") to discuss the issues raised in the O'Connor & Drew, P.C. *Agreed Upon Procedures Report* ("Report") and the actions of Westfield State University ("WSU") President Evan Dobelle.

As you are aware, the OIG is working diligently to complete its investigation in connection with the allegations of improper activities by President Dobelle. The actions of the WSU Board of Trustees ("Board") in following up on recommendations in that Report would not impede any efforts on the part of this Office. In fact, the OIG recommends that the Board move quickly to fulfill its fiduciary duty to WSU and its students.

The OIG recommends that the Board consider the following as it consults with BHE and determines its course of action. Based on our preliminary review of the Report and its back-up documentation, we find that it is accurate and well-supported. Our preliminary review of documents confirms the Report's findings, including:

- President Dobelle and others used credit cards for personal expenditures, in violation of WSU policy;
- Westfield State Foundation, Inc. ("Foundation") funds were used indiscriminately with little or no consideration for the mission or financial viability of the Foundation; and

- Various expenses identified in the Report appear to be in violation of WSU's standard of "reasonable and not excessive" for business-related expenses.

In contrast to O'Connor & Drew's limited scope, the OIG has concerns about broader allegations of misconduct in connection with spending at both WSU and the Foundation. For instance, the OIG has determined that in 2010, the Foundation ran an operating deficit caused in part by President Dobbelle's expenditures and spending undertaken at his direction. As a result, WSU was forced to transfer more than \$400,000 to the Foundation, despite the fact that the Foundation's mission is to support WSU.

President Dobbelle justified his expenditures with a number of optimistic assertions about a "return on investment." Specifically, in his August 29, 2013 letter to the Board, President Dobbelle justified his international travel with the claim that WSU had "realized over \$3,000,000, and recurring revenue of approximately \$1,200,000 per year" from international programs. He also stated that WSU welcomed "123 international students from over 50 countries" this fall.

The Board should request data to support these assertions, because based on the OIG's preliminary review of supporting documentation, these claims of "return on investment" are based on generalizations, assumptions, and misleading definitions, rather than hard numbers. Of the "123 international students" who President Dobbelle referenced, the vast majority consists of Massachusetts residents who pay in-state tuition, but are not United States citizens. Furthermore, up to eighty percent of the \$1.2 million of "recurring revenue" cited by President Dobbelle is due to these same students. These figures also do not account for the actual amount of tuition and fees that each student pays after accounting for both need-based and merit-based financial aid. The OIG encourages the Board to scrutinize all claims of "return on investment" to ensure that they are fully documented and supported.

Finally, the OIG encourages the Board to provide strict oversight of President Dobbelle's ongoing expenses. The Trustees should ensure that all expenses WSU is making for presidential travel, events, and fundraising fall within its budgetary constraints and the best interests of its students.

Please feel free to contact my Office should you have any questions.

Sincerely,



Glenn A. Cunha
Inspector General

cc: Charles F. Desmond, Chair, Massachusetts Board of Higher Education
Richard M. Freeland, Commissioner, Massachusetts Department of Higher Education
Matthew Malone, Secretary of Education
Westfield State University Board of Trustees