

Ethical Leadership Case Studies

1. You are a board member of your local PTA which has raised funds for a substantial amount of computer equipment, network infrastructure, and related equipment for your children's school. As a board member, you will vote on approving a vendor along with the rest of the board.

Several vendors, including Acme Computer Supply, have submitted bids. You receive an email from the Acme salesperson offering you a free notebook computer with "no strings attached just a little thank you for considering us." The email implies the same offer has been made to other board members. You have no way to verify whether or not this is so.

What do you do?

- A. Accept the offer, everyone is doing it.
- B. Refuse the offer as it constitutes a conflict of interest, but keep quiet to avoid "making waves" in case someone else accepts the offer.
- C. Refuse the offer and advise your local PTA Board.

2. The PTA President asks you to be a part of a Financial Review Team to conduct the annual review of your local PTAs accounts. Although you have no formal training in accounting, you're good with numbers and balance your check book every month so you agree.

Typically, the team looks over high level reports, but you are naturally inquisitive and ask to review the bank statements and cancelled checks.

The treasurer is mysteriously vague and slow to respond but finally you obtain the documents and discover the Treasurer has been writing checks to a family member and recording them in the checkbook as being made out to fictitious vendors as legitimate expenses. Adding up the questionable checks as far as you can determine at least \$27,843.71 has been diverted in this fashion.

When you ask the treasurer to provide additional detail, he claims that he has been "borrowing" the money to pay medical expenses for a sick child, has just managed to obtain a permanent bank loan for the expenses which will be available in a month, and was planning to pay it back as soon as he has the bank loan money. He offers to pay back \$2,000 immediately and pleads with you not to report the situation to the other members of the Financial Review Team. When you hesitate to go along, he threatens to sue you for defamation of character and tells you "you better watch your back, I know where you live."

What should you do?

- A. Tell him to pay back the \$2,000 like he said he would and pay the rest back when he gets the loan. Keep the information to yourself and wait to see what happens.
- B. Report the situation to the Financial Review Team and make sure it is reported to the proper authorities.
- C. Resign from the local unit board and the Financial Review Team citing "personal family matters", do your best to dismiss the incident from your mind and avoid taking any further positions as long as your child is in the school.

3. You are a member of a local PTA Board which has been working on sponsoring a multi-day anti-bullying program in your school as a special project for students, staff and parents. A motion comes from the Wellness Committee for approval to proceed with a vendor to do the work. You have a close friend who owns a business that bid on the project, but was not the lowest qualified bidder and as a result was not the vendor selected.

While the bids are not word-for-word identical, there is no objective evidence whatsoever to suggest that the lowest qualified bidder will not provide 100% satisfactory delivery of a high quality program as per the bid specifications.

What should you do?

- A. Drag out the discussion of the motion and prepare to use parliamentary procedure to refer the matter back to the Wellness Committee to give the bids further consideration (which of course gives your friend another chance to get the business).
- B. Inform the board that you may have a potential conflict of interest (it is not necessary for you to elaborate), excuse yourself and leave the room during discussion of the motion and abstain from voting.
- C. Keep quiet, but vote against the motion.

4. You are a new PTA local unit board member. At your first meeting, there is a membership report that this year your local unit has 127 dues-paying members. You learn that past practice has been to underreport membership to the state PTA. When you ask, you learn that since the state PTA requires only a minimum of 25 members for you to retain your charter, and nobody from the state ever follows up, your unit has historically reported and sent along dues money for just 30 or so dues-paying members, retaining the difference as income for your unit to use locally.

What should you do?

- A. Agree, your local unit needs the money more than the State and National PTA anyway, or at any rate can spend it more wisely.
- B. Disagree, but keep quiet, why rock the boat?
- C. Disagree, speak in favor of submitting the correct report and the appropriate share of dues money to the state. Follow up and report your unit to the state if the correct report is not submitted.

