



## ASU Foundation responds to report

Posted: March 25, 2008

A group has leveled a series of completely inaccurate and potentially defamatory charges against the ASU Foundation in an apparent attempt to punish the Foundation because a construction firm named Great Western Erectors worked as a subcontractor on the construction of SkySong, a project with which the Foundation is associated.

The Coalition for Justice at Great Western Erectors had previously made unfounded and inaccurate accusations about the labor practices of Great Western Erectors, a firm that has been the target of a multi-year, unsuccessful union-organizing attempt. Both Arizona State University and the ASU Foundation have investigated all charges that have been brought to their attention regarding Great Western Erectors' labor practices and have found them to be false. The Foundation recently commissioned a detailed, independent investigation into these allegations, which confirmed all allegations were groundless.

The Arizona State University Foundation today received a document prepared by the coalition that was simultaneously given to the news media. In response, the ASU Foundation notified the coalition of the document's inaccuracies and requested that the coalition recall any copies of the report that were already distributed and make no further publication of the report. The Foundation further notified the coalition that it would hold the coalition and its representatives legally responsible for any damages that might result from the publication of this false and misleading document.

Among the false and misleading statements in the report:

- Falsely reporting the ASU Foundation's overhead expenses at 56 percent when they are 20 percent, an excellent percentage for any fundraising organization.
- Made it falsely appear that the Foundation was at times keeping more than 50% of the money it was raising for the university when, in fact, the university only paid the Foundation \$8.8 million for more than \$124 million raised in 2007.
- In an attempt to substantiate its claims, the Coalition created a fictitious ASU Foundation invoice in the report, complete with a fake invoice number, to make it appear the Foundation had billed the university an exorbitant administrative fee.
- Inaccurately claiming that one employee was working two full time jobs and inaccurately reported that employee's compensation. It also implied that it might be inappropriate for the spouse of a senior university officer to be engaged in fundraising when engagement in fundraising is standard for spouses in those positions and they are often compensated for their work.
- Misrepresenting the purpose of a group called the Sustainable Endowments Institute. This group does not evaluate the sustainability of endowments but rather the percentage of funds raised that are spent on sustainability programs.

The ASU Foundation has been extremely successful, with record levels of fundraising in recent years. It takes its fiduciary responsibilities very seriously, and produces audited financial reports that have been distributed to the public.

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