

DECISIONS AT THE TOP OF A HILL – What would you do

John Morgan, CEO Morgan.Global jamorgan@morgan.global

An old friend, Jack, came to me with a dilemma. What follows is his story - How do I respond?

“It is March. I’m sitting on the top of a hill overlooking a river in Southern Maryland not believing the meeting just finished. The Executive Director of the nonprofit of which I am President and a Board member told me that he needs to plead guilty to a felony that he did not commit. He asks me not to tell anyone.”

Background

Jack was the volunteer President/Director of one of North America’s largest youth sports organizations, a small non-profit with significant reach and impact on youth sports across North America. There is a Board of Directors of 12 and an Executive Committee of 5 with significant authority to act on behalf of the full Board.

At the beginning of Jack’s term of office, the Board hired their first Executive Director to increase mission impact and revenue. We hired Peter on a part-time basis to be that Executive Director and he has demonstrated leadership, strategic foresight, and a real love for delivering value to our members. Revenues and membership have increased significantly, events we organize and other projects which we deliver to our membership have become more professional and the eminence of the organization has increased significantly. On top of that, as a college coach, Peter has become a trusted advisor to many of the members who are in High School and seek guidance on college admissions and college life. Over the past 3 years Peter and he had developed a great working relationship and friendship built on mutual respect and trust.

Peter Calls for a Meeting.

A week ago, Peter called and asked for a meeting. His “other job” as head coach of a collegiate team would bring him from his home to Maryland and could I meet him at the event. Now for the second day Jack was standing at the top of a hill overlooking a collegiate event and discussing with Peter the purpose of his call for a meeting.

Peter explained that he had been caught up in a large investigation led by the FBI that would force him to plead guilty to a felony based on his other job. He told me of his involvement. He stated that he was innocent and provided his version of the facts. Due to the scale of the investigation and the affluence of the other people being indicted, he was unable to afford legal representation on a scale that was required, and he would be forced to plead guilty.

Peter told Jack that due to his arrangement with the federal attorneys, he was prohibited from discussing ANY aspect of the case. Everything Jack had been told could not be discussed with anyone without jeopardizing his outcome. He was, by telling me, breaking his agreement, and jeopardizing the outcome of his case. At this time, he had not yet been found guilty or convicted of any wrongdoing.

So Jack asked me, what should I do?

1. Should I live up to the fiduciary requirements of my position as President of the organization and tell the Board?
2. Should I remain silent as Peter has asked – until of course he has his day in court and is found innocent or guilty?
3. Should I risk the reputation of the non-profit or the trust of its youth (2/3s of which are under the age of 18) members by remaining silent?