



TOWN OF IPSWICH

Finance Committee

25 Green Street
IPSWICH, MASSACHUSETTS 01938

October 17, 2011

Michael Kane
House Chair
Joint Committee on Municipalities and Regional Government
State House, Room 540
Boston, MA 02133

Re SB 1927: An Act Modifying the Appointment of the Feoffees of the Ipswich Grammar School

Dear Representative Kane,

I write on behalf of the Ipswich Finance Committee, which for several years has advocated for changes in the governance of the Feoffees of the Grammar School. This is a matter of great concern to the citizens and public officials in Ipswich. I strongly urge positive action on this bill.

The Finance Committee of the Town of Ipswich is concerned about the suitability of all entities that receive and utilize town assets. The Feoffees of the Grammar School, a trust charged with managing substantial assets bequeathed for the school children of Ipswich, have failed to satisfy modern standards of nonprofit organizational structure and operations, and thereby to carry out their important duties effectively. To remedy this situation, the Finance Committee urges the Joint Committee on Municipalities and Regional Government to support S. 1927, *An Act Modifying the Appointment of the Feoffees of the Ipswich Grammar School*.

The nonprofit sector of which the Feoffees Trust is a part has evolved significantly in recent decades, but the Feoffees, regrettably, have not. Funders, governmental accounting regulations, and member participants have led a largely successful effort to advance principles of transparency and accountability within nonprofits. Self appointed for life without regard to involvement in town affairs or expertise, four Feoffees lack accountability and relationships to the institutions they serve. Operating outside of open meetings, clear accounting, and often without the involvement of three Selectmen Feoffees, the four lifetime Feoffees lack transparency. A representative form of governance will be more responsive to town and school objectives and thus more capably carry out management of the trust in accordance with its original intent to benefit the school children of Ipswich. The modified governance structure entailed in S. 1927, consisting of appointees selected by the School Committee, Finance Committee, and the Board of Selectmen, would implement modern principles of accountability and transparency, and install suitable expertise to manage the Feoffees' \$30 million asset.

This matter is important to the Town of Ipswich. The Feoffees own and manage valuable real estate for the benefit of Ipswich schools, but have failed to deliver financial support in several years, an especially adverse shortfall in this seemingly unending stretch of tight budgets, resulting in layoffs in Ipswich schools. Moreover, the Town overwhelmingly supports S. 127. Two decisive town meeting



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votes in 2009 and 2011 voiced support for reforming the Feoffees, and a recent town wide election supported the legislation by a 9 to 1 margin. The Finance Committee is motivated not only by the strong voice of the town, but also by a commitment to deliver a reasonable return from the Feoffees' real estate assets to benefit the schools.

The Ipswich Finance Committee urges the Joint Committee to support S.127, and thereby accountable governance, transparency, and fair allocation of resources for the education of Ipswich school children.

Thank you for your consideration.

Sincerely,

Michael Schaaf
Chairman