

FACTFINDERS REPORT

Executive Summary

(Should be read in conjunction with the full report)

The Factfinders Dennis W. Chong Kee and Calvert G. Chipchase were appointed to investigate:

- The possible inappropriate management, planning, organization, and administration of the benefit concert scheduled for August 18, 2012 at the Stan Sheriff Center,
- And/or violation of University policies and procedures or other related violations which may involve James Donovan, III, Director of Athletics, and Richard Sheriff, Manager of the Stan Sheriff Center, and other individuals.

The Factfinders met and interviewed individuals and witnesses. The scope of work does not include the missing \$200,000 wire transfer. UH reported the facts surrounding the wire transfer to law enforcement and will continue to fully cooperate with them.

SUMMARY OF FINDINGS

1. Factfinders have not found any evidence that anyone at UH committed fraud.
2. UH entered into an agreement with a Hawaii-based promoter to put on a concert at the Stan Sheriff Center.
3. Little appears to have been done to investigate and evaluate the promoter's ability to secure the artist's performance.
4. The agreement was structured as a facilities use agreement in which the promoter rented the Center from UH.
5. The concert was stated as a "fundraising benefit" for Athletics.
6. UH agreed to allow the promoter to take an advance on the anticipated concert proceeds to pay for concert expenses before the show occurred.
7. Tickets for the concert would be pre-sold to Ahahui Koa Anuenue and revenue from the pre-sales would be used to secure the performer before tickets went on sale to the general public.
8. The promoter was required to secure cancellation insurance and name UH and the State of Hawaii as additional insureds. However, no one at UH insisted that the promoter furnish the required cancellation insurance before ticket presales began.
9. Arena Manager of the Center Rich Sheriff was the only person managing the planned concert. None of his supervisors provided significant oversight of Sheriff's efforts.
10. Athletic Director Jim Donovan approved the concert, assisted in the development of some of the agreement terms and had an opportunity to review the Agreement. Otherwise, Donovan had little involvement and provided little oversight.
11. Associate General Counsel Ryan Akamine drafted the agreement for UH, but was not involved in the management and oversight of the concert.
12. Associate Athletic Director for Administrative Services Carl Clapp reviewed the agreement and signed the agreement for UH at Donovan's direction. Clapp was also involved with the transfer of \$200,000 in ticket proceeds via wire transfer to an associate of the promoter.
13. Assistant Athletic Director of Business Operations Tiffany Kuraoka signed an authorization for the payment of \$200,000 at the request of Sheriff and her supervisor Clapp.
14. Prior to making the wire transfer, it does not appear that an effort was made by anyone at UH to investigate or evaluate the recipient of the \$200,000.
15. It appears to Factfinders that all UH employees were motivated by a desire to help Athletics raise revenue.