

STATEMENT OF STEVEN K. CHAPMAN FORMER SECRETARY TRESURER OF OREGON OUTDOOR COUNCIL AND OREGON OUTDOOR COUNCIL FOUNDATION

Over the last month so many rumors and accusations have been forwarded and repeated about my involvement with the Oregon Outdoor Council and Jerod Broadfoot as well as my general character and motivations that I feel that is necessary to make a public statement to set the record straight.

I became involved with the founding of the Oregon Outdoor Council (OOC) and the Oregon Outdoor Council Foundation (OOCF) with the best of intentions. My motivations were to do what I could to enhance game and fish populations; protect our hunting, angling and trapping heritages from animal rights organizations dedicated to putting an end to these activities; and increasing the sportsmen's view and voice in the legislative process. I believed that OOC and OOCF were the proper vehicles for those actions, but I admit that I could have done better due diligence.

I am a businessman with considerable experience so I fell naturally into the role of Secretary-Treasurer for OOC. I am successful in business because I pay attention to details and I applied those same skills to my fiduciary stewardship of OOC's funds and operations. I am also sensitive to the fact that we live in a post-ENRON environment and the public's expectations—exemplified by Sarbanes-Oxley—must guide our accounting and reporting activities as well how we deal with conflicts of interests.

My disagreements with OOCs and OOCFs directions, Jerod Broadfoot and Wayne Endicott started with fiscal management and a diversion of non-profit funds for personal use. My arguments were both legal and ethical. Mr. Broadfoot used OOCF monies to fund trips—to Las Vegas, for example—where there was ample evidence that he conducted and solicited business for his personal for-profit enterprises and no tangible evidence OOC's and OOCF's non-profit mission was advanced. Moreover, a portion of those funds were expended on behalf of his wife who had no formal or material connection with OOC or OOCF.

These issues were brought to Mr. Broadfoot's attention as well as the board's with scant action beyond discussion. Moreover, the board members—through CPA review and via advice of retained council—were notified that these accounting procedures and expenses violated rules and standard accounting practices under GAAP.

I was also concerned by the ethical considerations represented by the nature of these expenses. We were and continue to be a small organization with limited funds and I could see no efforts on Mr. Broadfoot's part to economize or spend in a manner that reflected our financial condition. Certainly his expenditure of OOCF's funds to stay in a boutique luxury hotel in the DC area when less expensive options existed exhibited poor fiscal stewardship and the need for closer board scrutiny of his expenses. I was bothered by his strenuous resistance to these efforts.

I also became concerned about the lack of proper competitive bidding procedures to ensure that we received the best products at optimal costs from vendors. Mr. Broadfoot picked vendors from his acquaintances. One of unfortunate consequences of this was that we—in at least one instance—paid

for services that we did not receive and because of the pre-existing relationships we were unwilling to pursue return of those non-profit funds under our care. This was unacceptable to me.

Perhaps most troubling to me were our set of transactions with the Oregon Hunter's Association (OHA)—a group that I admire and respect. Early on in my dealings with Mr. Broadfoot he made claims that OOC and OOCF would be the recipients of large donations from Safari Club International and the Rocky Mountain Elk Foundation. The claim was made by Mr. Broadfoot that donations in the range \$250,000 would be forthcoming from those entities. These claims were made to us as well as to representatives of the OHA.

On this basis, OOCF solicited monies from OHA (\$25,000) to conduct polling in support of several legislative initiatives. The polling was completed, but the results of the poll—fully funded by OHA funds—were misrepresented to the leadership of OHA by Mr. Broadfoot.

Eventually, all of the above and the fact that board minutes were changed expunging directions to Mr. Broadfoot to reimburse the organization for misspent funds led to my resignation from that body. Given all of the above, I am sorely troubled by the efforts of Mr. Broadfoot and members of the OOC board to discredit me personally and bring into question my ethics, conduct and motivation. I was simply acting in the capacity of a prudent board member.

Upon reflection, I feel duped on several levels and question the real motivations of my former colleagues in this affair. Moreover, I feel materially culpable for helping to create an organization that is operating in such a haphazard manner and may in fact be acting not always in the best interests of hunting, angling or wildlife. Their emphasis on predator control, for instance, when there are more pressing habitat matters such as public lands grazing raises questions in my mind. Similarly, efforts to limit membership on the wildlife commission and make hunting, fishing and trapping "rights" may come at a price to the democratic process and remove necessary checks and balances such as the initiative process.

Thank you for listening to the other side of this conflict. I felt it was time to speak out in my defense and I am willing to provide evidence for all of my above claims to those who would like more details.