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October 27, 2009

Quail Unlimited in turmoil - faces rocky road

Editor's Note: Kim N. Price, editor and publisher of Covey Rise, did the investigation for this article. As matter of professional courtesy and background, Price sits on the national board of directors of Pheasants Forever/Quail Forever. There is no relationship between Quail Forever and Quail Unlimited. Information contained in this dispatch came from telephone interviews and documents obtained by Covey Rise.

The nation's oldest and largest quail organization has found itself in turmoil, facing at least one federal investigation, and no on-site senior management left to run Quail Unlimited.

The last two chief executives are gone, including the organization's co-founder, Rocky Evans. Evans resigned last March amid growing pressure on the organization's finances. Craig Alderman, who was the vice president of marketing, was promoted to the top spot the same day Evans was forced into retirement.

But seven months into his attempts to right the ship, Alderman was fired after uncovering some major issues within the organization. The dismissal, on a 7-6 vote by a splintered board of directors, infuriated the Association of State Chairmen.

Alderman, who was contacted by Covey Rise for comment, refused to elaborate on many internal financial details. But he confirmed it was him who brought in the Alcohol, Tobacco and Firearms agency of the federal government after he discovered what appeared to be a host of federal violations of ATF rules - especially unaccounted firearms. He also found a major issue with finances; something he said he originally thought he could fix, but there was more.

He discovered a QU obligation to fund an open-ended multi-million dollar retirement package for Evans and co-founder Jerry Allen that was previously unknown to state chapters.

After the discovery of that financial obligation, and for calling in the ATF, Alderman was fired.

"It was my obligation under the law to report what I found," he told Covey Rise.

The board action firing Alderman prompted the highly respected senior vice president, Donnie Buckland, to resign.

That prompted Quail Unlimited's state chairmen's group to issue a vote of "no confidence" to the board of directors, and demanded members of the national board resign no later than Oct. 5.

As of Oct. 25, only nine were left of the original 23, according to Alderman, and one unidentified local employee still on the job at QU national headquarters.

All media phone calls to the QU national office were being directed to Cameron Harris in Charlotte, N.C., who is chairman of the QU Board. An employee at the reception desk said there was activity recently where furniture was being removed from the building, but she would not elaborate.

But there was more to what Alderman discovered, including a mess with the organization's finances.

"I knew I could fix the finances with time," he said. "It was the others things we didn't know about." While head of marketing, Alderman had secured hundreds of thousands in sponsorships that was providing needed capital.

However, to add insult to injury, the national headquarters facility, built and paid for with the help of local chapter participation funding in the 1990s, was put up for sale. The building - with 12,000 square feet of office space and a 5,000 square foot warehouse and land, some 88-plus acres -is now listed for sale for \$685,000, according to Mathis Realty owner Darrow Mathis. The listing, dated July 28, 2009, was signed by Donnie Buckland, right after Evans was asked to step down.

Alderman said he was surprised he was told to sell the building, but QU needed cash to cover a rash of financial needs, including unpaid vendors and chapters, and that was an order from the chairman and board.

Covey Rise called Bank of America and was told they would not comment on the status of a loan, allegedly co-signed by board chair Cameron Harris, and pledging the building and land. There was no mortgage on the building at the time. That loan is now slated for foreclosure, sources told CR, and rumors are afloat that the remaining board plans to move the national headquarters to another city entirely, according to a former state chairman who asked to remain anonymous.

Alderman confirmed that all mortgage payments were current, and even during his tenure he had been able to reduce a high amount of payables and repay some \$100,000 of a \$285,000 debt owed to chapters.

That was confirmed in a letter from Kansas businessman and state chairman Ted Swan, who sent a letter to his chapter presidents in Kansas "since the cat is out of the bag," citing a Covey Rise website report filed a week after Alderman was fired and Buckland resigned.

Swan's letter noted two letters had been sent by the state chair group to the QU board, the first in June and the latter on Sept. 25.

"We heard from an informed source that the BOD (board of directors) was going to replace Craig with a member of the QUBOD. Since the AQUSC (Association of Quail Unlimited State Chairmen) had been quite pleased with both Craig and Donny's performances as well as their team building efforts; we wrote the attached letter in support of Craig and Donny," Swan's letter said.

As we have discussed. There are major problems at QU. Our Park Cities Quail Group is fortunate to avoid having our funds frozen in this transaction. However, if you are questioned about the funds, they can see our information on the website. We can expect that QU will have trouble giving money to RPQRR and that PCQ will continue to be singularly focused on increasing our contribution.

That letter was sent in June supporting the top two execs at headquarters.

Alderman confirmed that QU had actually grown its chapter numbers and membership remained at a level near 30,000, near its highest peak, in the last several months. (An earlier CR report said the organization had lost members from a high of near 75,000. That was incorrect.)

Alderman said many of the annual chapter banquets had been held and attendance was good, memberships were up and auctions had raised substantial cash. But QU national

was suffering financially because many chapters had begun withholding funds despite the efforts of Alderman to right the ship. And because of the reported \$3 million retirement package approved in 2004 for Evans and Allen. It was creating a cashflow drain on the organization and was not permitted under the rules of a 501-C3 charitable organization. The retirement package had been rumored, according to Swan's letter, and we quote here verbatim: "In essence, we found out: (1) QU has been paying our hard-earned banquet dollars and donations to Rocky Evans and Jerry Allen (QU Founders) previously undisclosed retirement benefits (salaries, furnishing pick-up trucks, expenses and health insurance premiums), (2) Rocky had misappropriated \$285,000 in chapter money (some of the chapters still have not gotten their money back) and (3) that over 100 guns were missing from the QU gun safe.

"Rocky and Jerry are the people who broke QU," the letter said.

"Since all of this happened with QUBOD oversight, the AQUISC demanded the resignation of the entire QUBOD and about a third of them did resign. The remaining BOD members then fired Craig alderman (vote was 7-6), but asked Donny to stay, Donny resigned."

Alderman noted that although he found a mess with internal operations, and all monies combined into one pool of funds, rather than being segregated, his most important task was to get QU on firm footing to restore confidence with the state chairmen and members to reinvigorate the 28-year-old organization.

"Too much work had been done to let it fail," he said.

And the state chairs noted in their Sept. 25 letter that it was serious about righting the ship, at any cost.

"Quail Unlimited belongs to its members. The lack of financial management and poor judgment in general along with apparent intentional delays by the Board in taking actions on critical and potentially criminal considerations, have brought us to where QU is today, barely solvent."

Then it said, "QU membership expects the Board of Directors to objectively administer the business of the organization in a transparent, ethical and legal manner which will enhance the subsequent growth and success of the organization. this has not been happening.

"Rumors and allegations of unethical and illegal actions concerning Rocky Evans and Jerry Allen have persisted for years. These include undisclosed retirement packages, misappropriation of funds and missing QU guns. These issues have not been addressed or investigated by the Board."

(More to come)