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May 24, 2011

Jeff S. Jordan, Esq.
Federal Election Commission
Washington, DC 20463

Re: MUR 6465: Response of The Arizona Sports Foundation (dba The Fiesta Bowl) to Federal Election Commission Complaint

Dear Mr. Jordan:

On behalf of the Arizona Sports Foundation (dba "the Fiesta Bowl"), we are writing to respond to the Complaint made to the Federal Election Commission (the "Commission") by Citizens for Responsibility and Ethics in Washington filed on April 5, 2011 (the "Complaint"). The Fiesta Bowl takes the allegations contained within the Complaint very seriously and, as described below, has taken substantial steps to ensure that the Fiesta Bowl fully complies with all applicable election laws.

On March 29, 2011, the Fiesta Bowl's Board of Directors (the "Board") publicly released a 276-page, 1,500-plus footnote Final Report prepared by an independent Special Committee of the Board. *See* Ex. A to the Complaint. The Special Committee, which was led by former Arizona Supreme Court Chief Justice Ruth McGregor and had its own independent counsel with no prior affiliation with the Fiesta Bowl, conducted a wide-ranging and comprehensive investigation over the prior five months into allegations of misconduct, including, *inter alia*, the reimbursement by the Fiesta Bowl of campaign contributions. The Special Committee's Final Report found that over a 10-year period, approximately $46,000 of such improper reimbursements had occurred for contributions to Arizona state and federal campaigns.

In addition to publicly releasing this Final Report by publishing a copy on the Fiesta Bowl's website, the Board self-reported the Special Committee's findings to the Arizona Attorney General's Office and the Internal Revenue Service.

The instant Complaint has merely parroted the findings of the Final Report as it pertains to the reimbursements for federal campaign contributions. *See* Ex. A to the Complaint, pgs. 25-67, 183-86.

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As a result of the Final Report and the Board's continuing investigation of past activities that remains underway, the Board already has implemented numerous corrective measures including: (i) terminating its 30-year tenured President/Chief Executive Officer and accepting the resignations of its Chief Operating Officer and Senior Vice President of Marketing; (ii) adopting state-of-the-art corporate governance and internal control changes to prevent future misconduct; and (iii) taking steps to recover improperly reimbursed campaign contributions. Due to these significant actions and transformational governance and internal control changes the Fiesta Bowl has instituted to date, the Fiesta Bowl respectfully submits that further investigation or remedial actions by the Commission are unnecessary. The Fiesta Bowl is committed to upholding the highest standards of ethics and compliance, and it will cooperate fully with the Commission in its inquiry.

<u>The Special Committee Investigated and Revealed Wrongdoing in the Final Report.</u>

In late September, 2010, a Fiesta Bowl employee came forward to the Chairman of the Fiesta Bowl's Board with information about misconduct, including the improper reimbursement by the Fiesta Bowl of campaign contributions. The Board quickly formed an independent Special Committee to investigate these allegations of wrongdoing. The Special Committee, led by Chief Justice McGregor, directed an extensive and thorough five-month investigation. The Special Committee's counsel conducted 87 interviews; reviewed more than 10,000 hard documents and 55 gigabytes of data; and drafted a 276-page Final Report. *See* Ex. A to the Complaint, pgs. 1-5. When the investigation was complete, the Board voted unanimously to publish the Final Report on its website for all to see and to self-report the Special Committee's findings to the Arizona Attorney General's Office and Internal Revenue Service. On March 29, 2011, the Fiesta Bowl released this Final Report that examined issues related to: (1) the reimbursement of campaign contributions; (2) a previous investigation conducted by former Arizona Attorney General Grant Woods; (3) excessive executive compensation; and (4) inappropriate expenditures and gifts.

With respect to the reimbursement of campaign contributions, the Special Committee investigated campaign contributions made over the previous 10 years by 247 former employees, 22 current members of the Board, 40 former members of the Board, and 7 other individuals, all of which totalled $1,210,164. *See* Ex. A to the Complaint, pg. 29. The investigation uncovered that of this $1,210,164, approximately $46,539 – less than 5% of the total – represented state, local and federal campaign contributions that were improperly reimbursed since 2000. No reimbursements were ever made to current or prior Board members. The investigation also revealed that the Fiesta Bowl supported certain political campaigns through the use of its museum space to host political events.

The Complaint relies exclusively upon the publicly-disclosed Final Report as the basis for its allegations that the Fiesta Bowl and its former executives reimbursed certain individuals for at least $28,500 in contributions made to various federal candidates and campaign committees. The Complaint also relies solely on the Final Report to allege that

the Fiesta Bowl improperly used its resources and facilities to host fundraising events for federal candidates and campaign committees.

The Fiesta Bowl concurs in the findings of the Final Report and thus concurs with those factual allegations of the Complaint borrowed directly from the Final Report. The Fiesta Bowl disputes, however, any implication that the Board was aware of any of the misconduct alleged in the Complaint.

The Fiesta Bowl also notes that the Complaint incorrectly states that several respondents are "former" employees of the Fiesta Bowl. Anthony Aguilar, Peggy Eyanson, Mary McGlynn and Monica Simenthal have remained and are currently employed by the Fiesta Bowl. Their participation in the misconduct, along with other staff employees, was at the direction of others, and they acted without knowledge of its impropriety.

The Leadership Involved in the Violations Is No Longer with the Fiesta Bowl.

Following the Final Report, the Fiesta Bowl implemented significant reforms to prevent the recurrence of violations. Although the Fiesta Bowl had in place rules and policies prohibiting many of the actions described in the Final Report, in many cases there was a lack of enforcement by the Fiesta Bowl's then-President and Chief Executive Officer, John Junker, and former Chief Operating Officer Natalie Wisneski. Mr. Junker was terminated for cause by a unanimous vote by the Board on March 29, 2011. Natalie Wisneski resigned her position on March 25, 2011. Former Senior Vice President of Marketing Jay Fields resigned from the Fiesta Bowl effective on April 30, 2011. The Final Report explains in detail the roles these individuals and others played in the campaign contribution reimbursements as well as the improper use of corporate facilities. Importantly, no current Fiesta Bowl Directors were implicated in improper conduct by the Final Report or the Complaint.

With respect to Fiesta Bowl staff employees who were reimbursed for their campaign contributions and still remain with the Fiesta Bowl, each one fully and truthfully cooperated with the Special Committee's investigation. Each of these employees made himself or herself available to be interviewed by the Special Counsel and subsequently provided a sworn interview statement. The Special Committee uncovered no evidence to show that these employees knew the reimbursements that they received were illegal. In fact, the Special Committee concluded that none of the employees would have made the contributions voluntarily but for the request of former senior management. As discussed below, all current and future Fiesta Bowl employees are governed by extensive corporate policies and compliance audit procedures to safeguard against any improper political activity.

The Fiesta Bowl Has Implemented Sweeping Corporate Governance Reforms.

Best practices dictate that comprehensive and clear governance and internal control policies must be in place and must be regularly implemented, monitored and enforced to effectively govern an organization and assure compliance with applicable laws. To this

end, the Fiesta Bowl has implemented numerous and substantial governance and internal control policy changes to address the identified past deficieneies and create an industry-leading model of non-profit governance and internal controls.

To correct improper campaign contribution reimbursements and the other problems highlighted by the Special Committee, the Fiesta Bowl revised its Articles of Incorporation (the "Articles"); restructured the Audit & Compliance Committee; expanded the role of the Nominating and Governance Committee; adopted a new Code of Ethics; revised the management structure to include a Chief Compliance Officer; and adopted more expansive policies related to political activity, conflicts of interest, and expense reimbursements, among others.

Greater Oversight and Governance with an Expanded Board

On March 25, 2011, the Articles were amended to put in place a more robust governance structure with internal checks and balances that segregate critical internal control, finance and other functions. In particular, the Articles increased the size of the Board from not less than five nor more than 25 members to not less than 15 nor more than 30 members. This expansion accommodates a larger and more active and specialized Board committee structure, with clearly articulated duties and areas of responsibility, thereby facilitating greater governance and oversight of the Fiesta Bowl's activities. A copy of the amended Articles is enclosed at Tab 1.

The Board also adopted a new set of Bylaws that provide a comprehensive framework for corporate governance involving all aspects of the Fiesta Bowl's mission and activities. A copy of the new Bylaws is enclosed at Tab 2. In addition to the changes in the Board's committee structure, the Fiesta Bowl's management structure, and Fiesta Bowl policies, the new Bylaws explicitly require that all expense reimbursements for Directors and the Executive Director be approved by the Executive Committee. Expense reimbursements for all other officers must be approved by at least one member of the Executive Committee in addition to other internal approval requirements. A chart that summarizes the Fiesta Bowl's new governance structure is enclosed at Tab 3.

Audit & Compliance Committee

The previous Audit Committee has been restructured and renamed the Audit & Compliance Committee to reflect its expanded role in ensuring compliance with a broad range of corporate governance provisions. The Committee's charter creates a new Chief Compliance Officer for the Bowl, reporting directly to the Board, the Executive Committee and the Audit & Compliance Committee. A copy of the charter is enclosed at Tab 4. The Audit & Compliance Committee consists of Board members who are financial experts or who have other substantial non-profit organization financial expertise or experience. The Committee oversees financial reporting matters and also reviews and oversees the Chief Compliance Officer's enforcement of the Bowl's Code of Ethics, policies and other legal and regulatory requirements.

Nominating and Governance Committee.

The Nominating and Governance Committee formerly was known as the Nominating Committee. The Committee is responsible for identifying and vetting individuals to serve on the Board or as officers of the Fiesta Bowl. Reflecting its expanded governance role, the Committee is also responsible for developing and recommending new or changed corporate governance measures. A copy of the Nominating and Governance Committee charter is enclosed at Tab 5.

New Foundation Policies

Under the general powers granted by of the new Bylaws, the Board has adopted, in addition to the Code of Ethics, six new or revised Foundation Policies. These include: (i) a Conflict of Interest Policy; (ii) an Expense Reimbursement Policy; (iii) a Political Activity Policy; (iv) a Record Retention and Document Destruction Policy; (v) a Ticket Policy; and (vi) a Whistleblower Protection Policy. Copies of these policies are enclosed at Tabs 6-11, respectively. All directors, officers and employees will be required on an annual basis to acknowledge receipt, review and understanding of, as well as their agreement with, each of these policies. Training workshops are currently being conducted to ensure that all directors, officers and employees are fully aware of the policies and that they understand the important considerations that underlie them. The implementation of the following policies should ensure that the Fiesta Bowl, its directors, officers and employees fully comply with all laws, including federal election laws:

- Code of Ethics Policy—On May 5, 2011, the Board adopted an entirely new Code of Ethics that is based on the model created by Independent Sector, a leadership forum for charities, foundations, and corporate giving programs. The implementation and rigorous enforcement of this Code of Ethics should ensure that the Fiesta Bowl fully complies with its legal obligations.

- The Expense Reimbursement Policy—The Expense Reimbursement Policy includes detailed expense approval requirements that vary depending on who incurred the expense. As noted above, in addition to these approval requirements, under the Bylaws expense reimbursement requests for all officers generally must be approved by a member of the Board's Executive Committee; reimbursement requests from the Executive Director or any Board director, however, must be approved by the Executive Committee. The prior policy did not require Board approval for senior management's expenses, and prior audits failed to catch improper reimbursements made for campaign contributions. These shortcomings have been remedied fully under this new Expense Reimbursement Policy and Audit and Compliance Policy.

- The Political Activity Policy—The Political Activity Policy reinforces the changes made in the Political Activity Policy in January 2010 and provides clear guidance that any personal contributions or other personal political activities be differentiated from any individual's work as a director, officer or employee of the

Bowl. The policy specifically prohibits the reimbursement of campaign contributions, stating:

> "The Foundation's funds, property, services, resources, assets, and/or any other item of value ("assets") may not be donated to, or used in any fashion to aid or oppose, any political party, candidate or campaign. To that end, the Foundation's assets may not be used to reimburse or otherwise compensate the Foundation's directors, officers or employees for any such person's political contribution or activity in support of, or in opposition to, a political party, candidate, or campaign."

- Whistleblower Protection Policy—The newly-adopted Whistleblower Protection Policy puts a mechanism in place that will bring to the Board's attention, through an independent channel, employee or third party concerns or allegations regarding conduct or activities at the Fiesta Bowl that are improper or otherwise inconsistent with its tax-exempt purpose. To implement this policy, a 24-hour "hotline" has been established that is monitored by an independent company. Complaints can be reported to the hotline anonymously. The Chief Complinnce Officer, who reports directly to the Executive Committee, will be notified immediately by the independent company of any complaints that are made.

The Fiesta Bowl Has Investigated Improper Campaign Contributions and Has Taken Steps to Recover Improperly Reimbursed Campaign Contributions.

An extensive effort is underway to recover funds from candidates and campaigns that improperly received indirect campaign contributions from the Fiesta Bowl. Tab 12 is a copy of the letter recently sent to Ken Bennett, Arizona Secretary of State, and Bill Montgomery, Maricopa County Attorney, that provides a spreadsheet detailing the letters that went out to state and federal candidates and campaigns to recover improperly reimbursed campaign contributions. Any funds recovered by the Fiesta Bowl will be contributed to non-profit charities benefitting youth or education in the State of Arizona.

As noted above, in addition to our efforts to recover the improper campaign contributions, the Fiesta Bowl has reformed its internal reimbursement practices in order to ensure that the making of improper campaign contributions does not happen again. In conjunction with this effort, under the new Political Activity Policy, the Fiesta Bowl will ensure annually that its directors, employees and volunteers are aware of all the prohibitions on intervention by the Fiesta Bowl in political campaigns.

The Fiesta Bowl Has Investigated In-Kind Campaign Contributions and Potentially Improper Benefits Given to Politicians.

In addition to the cash contributions described above, the Final Report found evidence of certain other indirect support being provided to candidates. In particular, the Final Report found evidence that the Fiesta Bowl's facilities and other resources were used to support a small number of candidate fundraising activities. *See* Ex. A to the Complaint, pgs. 183-86. For example, the Final Report concludes that the Fiesta Bowl's museum facility was used on several occasions for political fundraisers without proper reimbursement. We have requested that the candidates who received these indirect benefits reimburse the Fiesta Bowl the full fair-market value of the benefits received. As with the campaign contributions, all funds recovered will be contributed to non-profit charities benefitting youth or education in the State of Arizona.

The Final Report also concludes that certain politicians were provided by the Fiesta Bowl with travel accommodations, game tickets and other benefits without full payment or reimbursement. Many of these politicians either have reimbursed the Fiesta Bowl for these benefits or are currently taking steps to do so. The Fiesta Bowl's investigation is ongoing as to the propriety of these benefits. To the extent the Fiesta Bowl determines that any benefits were improperly given, the Fiesta Bowl will seek their reimbursement and contribute any recovered funds to non-profit charities benefitting youth or education in the State of Arizona.

The Fiesta Bowl Will Implement Additional Reforms Pursuant to the BCS and NCAA's Requirements

Along with the proactive measures described above, the Fiesta Bowl has accepted sanctions levied by the Bowl Championship Series ("BCS") and probationary terms outlined by the National Collegiate Athletic Association ("NCAA"). On May 11, 2011, the BCS levied a $1 million sanction against the Fiesta Bowl with the proceeds benefitting youth in Arizona. The BCS Task Force Report noted that "had current board chairman Duane Woods and his colleagues not created the Special Committee and had that committee not produced such a thorough and open report, and had the board not already developed significant reforms, this Task Force almost certainly would have recommended the termination of the BCS Group's involvement with the Fiesta Bowl." A copy of the BCS press release and Task Force Report is enclosed at Tab 13. In addition to the Fiesta Bowl's reform measures, the BCS called for further action related to audits and Board oversight. Per the BCS Task Force Final Report, the Fiesta Bowl has agreed to:

- Immediately remove members of the Board who were implicated by the Special Committee to have acted inappropriately and remove any members of the Board who may be subsequently implicated in wrongdoing as a result of further investigation [Note: Certain former Board members were found by the Special Committee to have used the Fiesta Bowl facilities improperly for federal and other political fundraising that did not relate to the reimbursement of campaign

contributions. All such Board members cycled off the Board well before the issuance of the Final Report.];

- Per the BCS Task Force's recommendation, require that at least two members of the Board come from the collegiate community. One of these members will come from outside of Arizona;

- Undertake annual independent audits of its internal controls and share these results with the BCS Executive Director;

- Undertake a more thorough annual financial audit and share the results with the BCS Executive Director; and

- Meet with BCS representatives no less than annually to review the various reforms implemented by the Fiesta Bowl, the governance, operations and management of the Fiesta Bowl, and any matters revealed in the newly-implemented audits.

The NCAA also examined the wrongdoing revealed in the Final Report and on May 17, 2011, placed the Fiesta Bowl on a one-year probationary period. Under the probation terms, the Fiesta Bowl must meet with the NCAA annually and provide an update on the Fiesta Bowl's progress of the implementation of its management and business plan changes. The Fiesta Bowl may have additional requirements to satisfy upon completion of a report in progress by the Division I Bowl Licensing Task Force, due in the Fall of 2011. Nick Carparelli, chair of the NCAA postseason bowl licensing subcommittee, stated: "Considering the business model changes and new direction of the [Fiesta] bowl, along with the actions from the BCS, the subcommittee felt comfortable with reaffirming the Fiesta and Insight licenses on a probationary status." A copy of the NCAA press release is enclosed at Tab 14.

Conclusion

When the Fiesta Bowl Board learned from an employee in late September, 2010 that the Fiesta Bowl had reimbursed certain employees for campaign contributions, the Board swiftly created an independent Special Committee to investigate the allegations fully, placed no restraints (regarding, e.g., time, budget, or personnel) on the Special Committee's investigation, and ensured that all employees fully cooperated with the investigation. As a result, the Special Committee was able to conduct a wide-ranging and thorough analysis that resulted in its 276-page Final Report. The Board unanimously agreed to: (i) waive the attorney-client privilege and make the report public by publishing the Final Report on its website for all to view; (ii) terminate with cause its CEO/President as well as accept the resignations of senior management who were implicated in wrongdoing; and (iii) adopt transformative governance and internal control changes to prevent misconduct from occurring in the future. Arizona Attorney General Tom Horne lauded the Fiesta Bowl's efforts, recognizing that, "[t]he Fiesta Bowl Board deserves great credit for allowing the special committee full access to employees and documents

so that it could prepare a comprehensive report." A copy of Attorney General Horn's press release is enclosed at Tab 15. The Fiesta Bowl's commitment to learn from its past mistakes and take proactive measures to institute state-of-the-art governance reforms is unwavering.

The Fiesta Bowl has shown a similarly unwavering commitment to cooperate fully with the Arizona Attorney General's Office, the Maricopa County Attorney's Office, the Internal Revenue Service, the U.S. Department of Justice, the BCS, the NCAA, and any other state, local and federal agencies. This commitment to full cooperation certainly extends to this Commission's inquiry.

Given the extensive steps the Fiesta Bowl already has undertaken to reveal its past deficiencies and reform them, the Fiesta Bowl respectfully requests the Commission either exercise its discretion to dismiss the matter or proceed to early settlement discussions.

Please contact us if you have any questions or if the Commission desires further information about this matter.

Respeotfully submitted,

Nathan J Hochman (by JH)

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03/25/2011 FRI 16:14 FAX

AZ CORPORATION COMMISSION
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FILE NO. 00150139-3

AZ Corp. Commission
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ARTICLES OF AMENDMENT TO THE ARTICLES OF INCORPORATION OF THE ARIZONA SPORTS FOUNDATION

The Arizona Sports Foundation, an Arizona nonprofit corporation (the "Corporation"), hereby adopts the following Articles of Amendment in accordance with the Arizona Nonprofit Corporation Act.

FIRST: The name of the Corporation is The Arizona Sports Foundation.

SECOND: Article V and Article VI of the Articles of Incorporation of the Corporation are hereby amended as follows:

1. Paragraphs A, B and C of Article V are hereby amended and restated in their entirety to read as follows:

> A. The affairs, activities and property of the Corporation shall be administered and governed by the Board of Directors consisting of not less than fifteen (15) nor more than thirty (30) individuals, the actual number of directors to be fixed in accordance with the bylaws. The term of the directors and other procedural matters regarding the appointment of successor directors shall be set forth in the bylaws of the Corporation.
>
> B. The Board of Directors may create one or more committees and may appoint committee members to serve thereon as set forth in the bylaws of the Corporation. Other procedural matters regarding such committees shall be set forth in the bylaws of the Corporation.
>
> C. The Board of Directors shall appoint such officers of the Corporation as set forth in the bylaws of the Corporation. Officers may, but need not, be directors of the Corporation. Other procedural matters regarding the appointment of officers of the Corporation shall be set forth in the bylaws of the Corporation.

2. Article VI is amended and restated in its entirety to read as follows:

> **ARTICLE VI**
>
> The Corporation shall have no members. The affairs, activities and property of the Corporation shall be administered and governed by the Board of Directors.

THIRD: The Corporation does not have members.

FOURTH: The foregoing amendment to the Articles of Incorporation of the Corporation was adopted by the board of directors of the Corporation at a meeting held on March 25, 2011.

IN WITNESS WHEREOF, the undersigned officer of the Corporation has executed these Articles of Amendment this 25th day of March, 2011.

THE ARIZONA SPORTS FOUNDATION

By: _____
Name: John Zelek
Title: Secretary

AZ-A36-V2-AZ SPORTS FDN

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ARTICLE OF AMENDMENT
TO
ARTICLES OF INCORPORATION
OF
THE ARIZONA SPORTS FOUNDATION,
an Arizona nonprofit corporation

Pursuant to the provisions of Title 10, Sections 103[illegible] 1035, Arizona Nonprofit Corporation Act, the undersig[illegible] corporation adopts the following Articles of Amendment to its Articles of Incorporation:

FIRST: The name of the corporation is:

The Arizona Sports Foundation.

SECOND: The Articles of Incorporation for said corporation are amended as follows:

Article IV is amended to read as follows:

[redacted]

THIRD: The amendment to the Articles of Incorporation was adopted by a vote of more than 3/4 of the Board of Directors present and participating at a meeting held on May 24, 1994 in the manner prescribed by the Arizona Nonprofit Corporation Act.

FOURTH: The resolution of the Board of Directors to amend the Articles of Incorporation was duly adopted by a vote of more than 3/4 of the Board of Directors present and participating at a meeting held on May 24, 1994 in the manner prescribed by the Arizona Nonprofit Corporation Act.

DATED: May 24, 1994.

The Arizona Sports Foundation,
an Arizona nonprofit corporation

By [illegible]
Sherry [illegible], President

ATTEST:

[illegible]
Secretary

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Law Offices
Donald D. Meyers
A PROFESSIONAL CORPORATION

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PHOENIX, ARIZONA 85016
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May 31, 1994

Arizona Corporation Commission
Corporations Division
1300 West Washington
P.O. Box 6019
Phoenix, AZ 85005

Re: The Arizona Sports Foundation
d/b/a Fiesta Bowl

Dear Sir:

Enclosed please find duplicate originals of Articles of Amendment for the above-referenced corporation. The Articles were amended to reflect that the corporate life is now amended to be perpetual rather than for 25 years. Also enclosed is our firm check in the amount of $25.00 which represents the necessary filing fee.

Please file the enclosed Articles of Amendment to the Articles of Incorporation. If you have any questions concerning the above or the enclosures, please don't hesitate to contact this office.

Thank you for your assistance in this matter.

Very truly yours,

Donna G. Vettraino
Assistant to Donald D. Meyers

Enclosures

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STATE OF ARIZONA

Corporation Commission

To all to Whom these Presents shall Come, Greeting:

I, GEORGE M. DEMPSEY, SECRETARY OF THE ARIZONA CORPORATION COMMISSION, DO HEREBY CERTIFY THAT the annexed is a true and complete copy of the AMENDMENT to the ARTICLES OF INCORPORATION of GREATER PHOENIX SPORTS FOUNDATION, INC., changing the name to:

THE ARIZONA SPORTS FOUNDATION

which was filed in the office of the Arizona Corporation Commission on the 29th day of November, 1972 as provided by law.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND AFFIXED THE OFFICIAL SEAL OF THE ARIZONA CORPORATION COMMISSION, AT THE CAPITOL, IN THE CITY OF PHOENIX, THIS 29 DAY OF November A. D. 1972

George M. Dempsey
SECRETARY

BY

1504372141

on recorded, return to:

MEYERS, CURTIS & KROMER
3003 N. Central - Suite 1612
Phoenix, Arizona 85012
Telephone 264-2571

AMENDMENT TO
ARTICLES OF INCORPORATION
OF
GREATER PHOENIX SPORTS FOUNDATION, INC.

ARTICLE I is amended to read as follows:

The name of the corporation shall be THE ARIZONA SPORTS FOUNDATION and its principal place of business shall be at Phoenix, Arizona but the Board of Directors may designate other places, either within or without the State of Arizona, where other offices may be established and maintained and all corporate business transacted.

ARTICLE III is amended to read as follows:

The objects, purposes and powers of this corporation and the general nature of the business it proposes to transact are:

1. To promote, encourage, sponsor, manage, establish and otherwise generate interest in a post-season collegiate football bowl game or games and in addition, to promote, encourage, sponsor, manage and otherwise participate in collegiate sports events, contests and activities in the metropolitan Phoenix area and otherwise to promote, sponsor and encourage persons, groups, institutions, societies, associations, both within and without

the State of Arizona to sponsor, conduct, promote and encourage collegiate sports events and activities in the metropolitan Phoenix area.

2. To operate without profit and so that no part of its net earnings or assets shall ever be distributed as a dividend or inure to the benefit of any private shareholder or individual and thereby to promote, foster, encourage and increase collegiate sports events, contests and activities in the metropolitan Phoenix area. The proceeds, if any, from such events and activities shall be used for educational and charitable purposes.

3. To accomplish the charitable and educational purposes set forth in paragraphs 1 and 2 above, the corporation shall stage a post-season collegiate football bowl game which shall be designated the "Fiesta Bowl". The Fiesta Bowl shall be sanctioned by the National Collegiate Athletic Association. Proceeds from the Fiesta Bowl shall be paid to the participating colleges to be used by such colleges to improve their educational facilities and their athletic capabilities. All funds not paid to the participating colleges shall be used by the corporation for educational and charitable purposes.

4. The corporation shall distribute its income for each taxable year at such time and in such manner as not to become subject to the tax on undistributed income imposed by Section 4942 of the Internal Revenue Code of 1954, or corresponding provisions of any subsequent Federal tax laws.

5. The corporation shall not engage in any act of self-dealing as defined in Section 4941(d) of the Internal Revenue Code of 1954, or corresponding provisions of any subsequent Federal tax laws.

6. The corporation shall not retain any excess building holdings as defined in Section 4943(c) of the Internal Revenue Code of 1954, or corresponding provisions of any subsequent Federal tax laws.

7. The corporation shall not make any taxable investments in such manner as to subject it to tax under Section 4944 of the Internal Revenue Code of 1954, or corresponding provisions of any subsequent Federal tax laws.

8. The corporation shall not make any taxable expenditures as defined in Section 4945(d) of the Internal Revenue Code of 1954, or corresponding provisions of any

subsequent Federal tax laws.

That in addition to the above primary purposes, this non-profit corporation shall have the following general purposes and powers:

9. To purchase, contract for, lease, acquire by a grant, devise, bequest, ordinance, statute, contribution, gift, deed or otherwise, and hold, own, use, occupy, operate or sell, exchange, lease, mortgage, pledge or otherwise dispose of or encumber any and all classes of property whatsoever whether real, personal or mixed, or any interest therein, including but not limited to the following: land, buildings, furniture, furnishings, vehicles, equipment and material, stocks, bonds, notes, debentures and all other securities of all kinds, copyrights, trademarks, franchises and permits.

10. To enter into agreements or cooperative enterprises, undertakings or relationships or otherwise join or consolidate with any person, partnership, firm, association, institution, society or corporation whether the same be governmental, municipal, private or otherwise, as may be necessary, advantageous or convenient for the

for the purpose of carrying out or performing the purposes and objectives of this corporation as herein enumerated.

11. To engage in the business of contracting for the construction, reconstruction, repairing and remodelling of buildings and public works of all kinds and classes and for the improvement of real property and to do any and all things incident or related thereto or connected therewith.

12. To deal in franchises, licenses, royalties, patents, trademarks and privileges in connection therewith of all kinds and classes.

13. To issue such notes, bonds, debentures, contracts or other security or evidence of indebtedness upon such terms and conditions and in such manner and form as may be prescribed or determined by the Board of Directors.

14. To purchase, acquire, own, hold, sell, assign, transfer, mortgage, pledge or otherwise to acquire, dispose of, hold or deal in the shares of the stocks, bonds, debentures, notes or other security or evidence of indebtedness of this or any other corporation, association or

individual and to exercise all the rights, powers and privileges of ownership, including the right to vote thereon to the same extent as a natural person might or could do.

15. To lend or invest its funds, with or without security, upon such terms and conditions as shall be prescribed or determined by the Board of Directors and to borrow money, issue bonds, debentures, notes, contracts and other evidences of indebtedness or obligation and from time to time for any lawful purpose to mortgage, pledge and otherwise charge any or all of its properties, property rights, privileges and assets and to secure the payment thereof.

16. To act as agent, trustee, broker or in any other fiduciary or representative capacity and in the aforementioned capacities or in its corporate capacity, to purchase, own, lease, hold, acquire, sell or hypothecate in whole or in part any patent rights, privileges, trademarks or secret processes.

17. To supervise, manage or otherwise control properties or property rights of any business, venture or enterprise for other persons, corporations or associations,

together with the right to enter into partnerships and act as a partner or joint venturer with other persons, firms, associations or corporations.

18. To do any and all things which a natural person might or could do and which now or hereafter may be authorized by law and in general to do and perform all such acts and things and transact all such business that may be necessary, advantageous, convenient or appropriate in the furtherance of the objects, purposes and activities of this corporation.

19. To transact its business under this corporate name or under any other assumed or fictitious name or as a part of, in conjunction with or in connection with any other corporations, associations or persons.

20. It is intended that this corporation shall not at any time engage in any business activity or transaction which would cause it to lose its status as a non-profit corporation or its tax exempt status under the United States Internal Revenue Code as now enacted or as may hereafter be amended and that this corporation shall, if possible, at all times be a tax exempt charitable corporation to which tax deductible contributions of property of

all kinds may be made by persons, corporations and other legal entities. In addition, if this corporation shall at any time cease to exist or carry out its objects and purposes as herein stated, then and in that event, all assets and property held by it whether in trust or otherwise shall after the payment of its liabilities be paid over to an organization which has similar purposes and objectives and which has established and appropriate non-profit and tax exempt status under the United States Internal Revenue Code as now enacted or as may be hereafter amended. The organization designated as the recipient of such assets and property shall be determined by the vote of a minimum of three-fourths (3/4) of the directors attending a meeting called for that purpose.

21. The foregoing clauses contain an enumeration of some of the purposes and powers of this corporation but no recitation or enumeration of specific powers or purposes shall be deemed to be exclusive and it is hereby expressly declared that all other lawful purposes and powers not inconsistent therewith are hereby included, provided however, that pecuniary profit is not an object or purpose of this corporation.

GREATER PHOENIX SPORTS FOUNDATION, INC.

By _____
Donald D. Meyers, President

ATTEST:

_____
George Isbell, Secretary

I, GEORGE ISBELL hereby certify that DONALD D. MEYERS is the President of the Greater Phoenix Sports Foundation, Inc., and that I am the Secretary, and I further certify that the foregoing Amendments to the Articles of Incorporation of Greater Phoenix Sports Foundation, Inc., were adopted at a meeting of the Board of Directors held December 30, 1971.

_____
George Isbell, Secretary

STATE OF ARIZONA)
) ss.
County of Maricopa)

The foregoing instrument was acknowledged before me this 1st day of February, 1972, by DONALD D. MEYERS, President, and GEORGE ISBELL, Secretary, of the Greater [illegible] Sports Foundation, Inc., an Arizona corporation on [illegible] of the corporation.

My Commission Expires:

November 19, 1973

_____
Notary Public

1504372151

75739

ARIZONA CORPORATION COMMISSION
INCORPORATION DIVISION

FILED

NOV 27 1972

name change

at 8:34 P.M. at request of
Donald D. Schyuss
3003 N. Central Ave. Suite 1612
Phoenix, Arizona 85012

SECRETARY

George M. Wampler

R. 15704

name change

STATE OF ARIZONA

Corporation Commission

1504437215 2

To all to Whom these Presents shall Come, Greeting:

BE IT KNOWN THAT GREATER PHOENIX SPORTS FOUNDATION, INC.

HAVING SUBMITTED TO THE ARIZONA CORPORATION COMMISSION EVIDENCE OF COMPLIANCE WITH THE LAWS OF THE STATE OF ARIZONA GOVERNING THE INCORPORATION OF COMPANIES, IS, BY VIRTUE OF THE POWER VESTED IN THE COMMISSION UNDER THE CONSTITUTION AND THE LAWS OF THE STATE OF ARIZONA, HEREBY GRANTED THIS

CERTIFICATE OF INCORPORATION

AUTHORIZING SAID COMPANY TO EXERCISE THE FUNCTIONS OF A CORPORATION, UNDER THE LAWS NOW IN EFFECT IN THE STATE OF ARIZONA, AND SUBJECT TO SUCH LAWS AS MAY HEREAFTER BE ENACTED, FOR A PERIOD OF TWENTY-FIVE YEARS FROM THE DATE HEREOF, UNLESS SOONER REVOKED BY AUTHORITY OF LAW.

BY ORDER OF THE ARIZONA CORPORATION COMMISSION.

In Witness Whereof, I, MILTON J. HUSKY THE CHAIRMAN, HAVE HEREUNTO SET MY HAND AND CAUSED THE OFFICIAL SEAL OF THE ARIZONA CORPORATION COMMISSION TO BE AFFIXED AT THE CAPITOL, IN THE CITY OF PHOENIX, THIS 9th DAY OF April A.D. 1969

Milton J. Husky
CHAIRMAN.

ATTEST: Charles D. Hedley
SECRETARY.

BY

ASSISTANT SECRETARY.

NO. 75739

STATE OF ARIZONA

Corporation Commission

SEAL OF THE ARIZONA CORPORATION COMMISSION • 1912 •

To all to Whom these Presents shall Come, Greeting:

BE IT KNOWN THAT GREATER PHOENIX SPORTS FOUNDATION, INC.

HAVING SUBMITTED TO THE ARIZONA CORPORATION COMMISSION EVIDENCE OF COMPLIANCE WITH THE LAWS OF THE STATE OF ARIZONA GOVERNING THE INCORPORATION OF COMPANIES, IS, BY VIRTUE OF THE POWER VESTED IN THE COMMISSION UNDER THE CONSTITUTION AND THE LAWS OF THE STATE OF ARIZONA, HEREBY GRANTED THE

CERTIFICATE OF INCORPORATION

AUTHORIZING SAID COMPANY TO EXERCISE THE FUNCTIONS OF A CORPORATION, UNDER THE LAWS NOW IN EFFECT IN THE STATE OF ARIZONA, AND SUBJECT TO SUCH LAWS AS MAY HEREAFTER BE ENACTED, FOR A PERIOD OF TWENTY-FIVE YEARS FROM THE DATE HEREOF, UNLESS SOONER REVOKED BY AUTHORITY OF LAW.

BY ORDER OF THE ARIZONA CORPORATION COMMISSION.

COPY

In Witness Whereof, I, MILTON J. NUSKY THE CHAIRMAN, HAVE HEREUNTO SET MY HAND AND CAUSED THE OFFICIAL SEAL OF THE ARIZONA CORPORATION COMMISSION TO BE AFFIXED AT THE CAPITOL, IN THE CITY OF PHOENIX, THIS 4th DAY OF April A.D. 1969

CHAIRMAN.

ATTEST:

SECRETARY. NO. 75739

BY

ASSISTANT SECRETARY.

1504432153

ARTICLES OF INCORPORATION

OF

GREATER PHOENIX SPORTS FOUNDATION, INC.

KNOW ALL MEN BY THESE PRESENTS:

That we, the undersigned, have this day voluntarily associated ourselves together for the purpose of forming a non-profit corporation under the laws of the State of Arizona and for that purpose do hereby adopt the following Articles of Incorporation.

ARTICLE I

The name of the corporation shall be GREATER PHOENIX SPORTS FOUNDATION, INC. and its principal place of business shall be at Phoenix, Arizona but the Board of Directors may designate other places, either within or without the State of Arizona, where other offices may be established and maintained and all corporate business transacted.

ARTICLE II

The names, residences and post office addresses of the incorporators are as follows:

Jack B. Stewart, Sr., 7000 Mummy Mountain Road, Scottsdale, Arizona 85251

William Shover, 5343 East Lafayette Boulevard, Phoenix, Arizona 85018

Glenn W. Hawkins, 3121 East Cypress, Phoenix, Arizona 85008

James Meyer, 6421 East Calle Del Paisano, Scottsdale, Arizona

Donald D. Meyers, 5801 East Exeter Boulevard, Phoenix, Arizona

ARTICLE III

The objects, purposes and powers of this corporation and the general nature of the business it proposes to transact are:

1. To promote, encourage, sponsor, manage, establish and otherwise generate interest in a post-season collegiate football bowl game or games and in addition, to promote, encourage, sponsor, manage and otherwise participate in collegiate sports events, contests and activities in the metropolitan Phoenix area and otherwise to promote, sponsor and encourage persons, groups, institutions, societies, associations, both within and without the state of Arizona to sponsor, conduct, promote and encourage collegiate sports events and activities in the metropolitan Phoenix area.

2. To operate without profit and so that no part of its net earnings or assets shall ever be distributed as a dividend or inure to the benefit of any private shareholder or individual and thereby to promote, foster, encourage and increase collegiate sports events, contests and activities in the metropolitan Phoenix area. The proceeds, if any, from

such events and activities shall be used for charitable purposes, including the providing of scholarships to persons or individuals who participate in collegiate sports events, contests and activities so as to continue to promote, encourage, establish and generate interest in collegiate athletics and athletic programs.

That in addition to the above primary purposes, this non-profit corporation shall have the following general purposes and powers:

3. To purchase, contract for, lease, acquire by a grant, devise, bequest, ordinance, statute, contribution, gift, deed or otherwise, and hold, own, use, occupy, operate or sell, exchange, lease, mortgage, pledge or otherwise dispose of or encumber any and all classes of property whatsoever whether real, personal or mixed, or any interest therein, including but not limited to the following: land, buildings, furniture, furnishings, vehicles, equipment and material, stocks, bonds, notes, debentures and all other securities of all kinds, copyrights, trademarks, franchises and permits.

4. To enter into agreements or cooperative enterprises, undertakings or relationships or otherwise join or consolidate with any person, partnership, firm, association, institution, society or corporation whether the same be governmental, municipal, private or otherwise, as may be necessary,

advantageous or convenient for the purpose of carrying out or performing the purposes and objectives of this corporation as herein enumerated.

5. To engage in the business of contracting for the construction, reconstruction, repairing and remodelling of buildings and public works of all kinds and classes and for the improvement of real property and to do any and all things incident or related thereto or connected therewith.

6. To deal in franchises, licenses, royalties, patents, trademarks and privileges in connection therewith of all kinds and classes.

7. To issue such notes, bonds, debentures, contracts or other security or evidence of indebtedness upon such terms and conditions and in such manner and form as may be prescribed or determined by the Board of Directors.

8. To purchase, acquire, own, hold, sell, assign, transfer, mortgage, pledge or otherwise to acquire, dispose of, hold or deal in the shares of the stock, bonds, debentures, notes or other security or evidence of indebtedness of this or any other corporation, association or individual and to exercise all the rights, powers and privileges of ownership, including the right to vote thereon to the same extent as a natural person might or could do.

9. To lend or invest its funds, with or without security, upon such terms and conditions as shall be prescribed

or determined by the Board of Directors and to borrow money, issue bonds, debentures, notes, contracts and other evidences of indebtedness or obligation and from time to time for any lawful purpose to mortgage, pledge and otherwise charge any or all of its properties, property rights, privileges and assets and to secure the payment thereof.

10. To act as agent, trustee, broker or in any other fiduciary or representative capacity and in the aforementioned capacities or in its corporate capacity, to purchase, own, lease, hold, acquire, sell or hypothecate in whole or in part any patent rights, privileges, trademarks or secret processes.

11. To supervise, manage or otherwise control properties or property rights of any business, venture or enterprise for other pernons, corporations or associations, together with the right to enter into partnerships and act as a partner or joint venturer with other persons, firms, associations or corporations.

12. To do any and all things which a natural person might or could do and which now or hereafter may be authorized by law and in general to do and perform all such acts and things and transact all such business that may be necessary, advantageous, convenient or appropriate in the furtherance of the objects, purposes and activities of this corporation.

13. To transact its business under this corporate name or under any other assumed or fictitious name or as a

part of, in conjunction with or in connection with any other corporations, associations or persons.

14. It is intended that this corporation shall not at any time engage in any business activity or transaction which would cause it to lose its status as a non-profit corporation or its tax exempt status under the United States Internal Revenue Code as now enacted or as may hereafter be amended and that this corporation shall, if possible, at all times be a tax exempt charitable corporation to which tax deductible contributions of property of all kinds may be made by persons, corporations and other legal entities. In addition, if this corporation shall at any time cease to exist or carry out its objects and purposes as herein stated, then and in that event, all assets and property held by it whether in trust or otherwise shall after the payment of its liabilities be paid over to an organization which has similar purposes and objectives and which has established and appropriate non-profit and tax exempt status under the United States Internal Revenue Code as now enacted or as may be hereafter amended. The organization designated as the recipient of such assets and property shall be determined by the vote of a minimum of three-fourths (3/4) of the directors attending a meeting called for that purpose.

15. The foregoing clauses contain an enumeration of some of the purposes and powers of this corporation but no recitation or enumeration of specific powers or purposes

shall be deemed to be exclusive and it is hereby expressly declared that all other lawful purposes and powers not inconsistent therewith are hereby included, provided however, that pecuniary profit is not an object or purpose of this corporation.

ARTICLE IV

The time of the commencement of the corporation shall be from the date of the issuance of the certificate to it by the Arizona Corporation Commission and it shall endure for the term of twenty-five (25) years thereafter with the privilege of renewal as provided by law.

ARTICLE V

A. The control and management of the affairs of this corporation shall be vested in a Board of Directors of not less than five (5) nor more than twenty-five (25) members. The Board of Directors shall be elected at the regular annual meeting of the ~~members which shall be held at~~ Phoenix, Arizona or at such other place within the State of Arizona as shall be determined by the Board of Directors on the 3rd Tuesday in January of each year, commencing with the year 1970 unless such day be a legal holiday in which event such meeting will be held on the next succeeding business day and each director shall hold office for such a term as the bylaws of the corporation may provide and in the absence of such a provision, for a term of one

(1) year or until his successor has been duly elected and has qualified. The qualifications and conditions for election to the Board of Directors shall be as provided in the bylaws of the corporation and the Board of Directors may fill any vacancy which may occur pending the next annual meeting of the members of the corporation.

At an organizational meeting held in Phoenix, Arizona on March 21, 1969 the persons designated herein as incorporators were elected as directors and will serve in that capacity until the first annual meeting of the members of the corporation.

B. The Board of Directors shall have the right to increase and decrease within the limits set forth above the number of directors of the corporation. The Board of Directors shall have full power to adopt, alter, amend and rescind the bylaws and to make proper rules and regulations for the transaction of the affairs of the corporation and to elect all officers hereinafter designated. The bylaws may provide, among other things, for an advisory board and an executive committee consisting of such persons and possessing such qualifications as may be designated therein and the executive committee shall have and may exercise to the extent permitted by law and by the bylaws, all powers of the Board of Directors during the intervals between meetings of the Board.

C. The executive officers of the corporation shall consist of a president, one or more vice presidents, a secre-

tary and a treasurer and any two of such offices may be held by the same person except president and vice president and president and secretary. In addition, the Board of Directors may appoint one or more assistant vice presidents, an executive vice president, assistant secretaries, an executive secretary and assistant treasurers. The officers shall hold office for such a term as the bylaws of the corporation may provide and in the absence of such provision the officers shall be elected annually by the Board of Directors and shall hold office for a term of one (1) year or until their successors are elected and qualified.

D. Each director and each officer of the corporation or a former director or officer or any heirs, legatees, devisees and personal representatives of a deceased director or officer shall be indemnified by the corporation against expenses, (including attorneys' fees and to the extent permitted by law any amount paid in settlement), actually and necessarily incurred by them in connection with the defense of any action, suit or proceeding, (including any appeal therein), in which they or any one of them are made parties or a party by reason or by virtue of their being or having been a director or officer or directors or officers of the corporation except in relation to matters as to which any such director or officer or former director or officer shall be adjudged in any such action, suit or proceeding to be liable for his or her ultra vires acts or

misconduct in the performance of his or her duties as such director or officer. The foregoing right of indemnification shall not be deemed to be exclusive of any other rights to which those indemnified may be entitled as a matter of law or under any bylaw, agreement or otherwise and shall be in addition to such compensation for services rendered and reimbursement for expenses incurred as shall be determined from time to time by the Board of Directors of the corporation.

E. These Articles of Incorporation may be amended by the affirmative vote of three-fourths (3/4) of the Board of Directors present at a meeting called for that purpose.

ARTICLE VI

The qualifications of the members of this corporation, the classes and privileges of membership and the liability of members for dues or assessments, including the amounts thereof and the method of collection shall be set forth in the bylaws of this corporation and if the bylaws so provide, there may be issued to each member a certificate of membership which shall be non-assignable.

ARTICLE VII

The highest amount of indebtedness or liability, direct or contingent, to which this corporation may be subject at any one time, shall be fifty million dollars ($50,000,000) or such additional amount or amounts as may be authorized by three-fourths of the votes cast with respect thereto at a

lawfully held meeting of the members of the corporation and approved by the Arizona Corporation Commission.

ARTICLE VIII

The private property of all members, officers and directors of the corporation shall be forever exempt from all corporate debts, liabilities and obligations whatsoever.

ARTICLE IX

This corporation does hereby appoint DONALD D. MEYERS of Phoenix, Arizona, who has been a bona fide resident of the state of Arizona for more than three (3) years, its lawful agent in and for the state of Arizona for and on behalf of the said corporation, to accept and acknowledge service of and upon whom may be served all necessary process or processes in any action, suit or proceeding that may be had or brought against said corporation, in any of the courts of the state of Arizona, such service of process or notice, or the acceptance thereof, by said agent endorsed thereon to have the same force and effect as if served upon the president and secretary of the corporation. The foregoing appointment may be revoked at any time by filing an appointment of a successor agent.

IN WITNESS WHEREOF, the persons who are to act in the capacity of incorporators and as the first directors of the corporation, have hereunto set their hands this 8th day of April, 1969.

Jack B. Stewart, Sr.

Jack B. Stewart, Sr.

William Shover

William Shover

Glenn W. Hawkins

Glenn W. Hawkins

James Meyer

James Meyer

Donald D. Meyers

Donald D. Meyers

STATE OF ARIZONA)
) ss.
County of Maricopa)

On this 8th day of April, 1969 before me, the undersigned Notary Public, personally appeared JACK B. STEWART, SR., WILLIAM SHOVER, GLENN W. HAWKINS, JAMES MEYER, and DONALD D. MEYERS, known to me or satisfactorily proven to be the persons whose names are subscribed to the within instrument and acknowledged that they executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I have hereto set my hand and official seal.

Barbara M. Gualkinbach

Notary Public

My Commission expires:

My Commission Expires May 8, 1972

1504437216

75731

ARIZONA CORPORATION COMMISSION

INCORPORATION

FILED

Non Profit

w/p.

APR 9 1969

At 2:35 P.M. at request of Mesa

Donald D. 3005 N. Central Ave.

Suite 112, Phoenix, Arizona 85012

Secretary

Charles D. Hadley

R# 28220

The Arizona Sports Foundation
dba The Fiesta Bowl

Bylaws

Amended and Restated March 25, 2011

The Arizona Sports Foundation
7135 E. Camelback Road, #190
Scottsdale, Arizona 85251

BYLAWS

THE ARIZONA SPORTS FOUNDATION
dba THE FIESTA BOWL

ARTICLE I

Name and Place of Business

1.01. Name of Corporation. The name of the corporation shall be The Arizona Sports Foundation dba The Fiesta Bowl or Fiesta Bowl (hereinafter referred to as the "Corporation"). The Corporation is formed under the nonprofit corporation laws of the State of Arizona.

1.02. Known Place of Business. The known place of business of the Corporation in the State of Arizona shall be at 7135 E. Camelback Road, #190, Scottsdale, Arizona 85251, unless otherwise designated in the articles or in a written statement or document duly executed and filed with the Arizona Corporation Commission. The Corporation may have such other offices, either within or without the State of Arizona, as the Board of Directors may designate or as the business of the Corporation may require from time to time.

1.03. Change Thereof. The Board of Directors may change the Corporation's known place of business or its statutory agent from time to time by filing a statement with the Arizona Corporation Commission pursuant to applicable law.

1.04. References to Articles. Any reference herein made to the Articles of Incorporation of the Corporation will be deemed to refer to its Articles of Incorporation and all amendments thereto as at any given time on file with the Arizona Corporation Commission, together with any and all certificates filed by the Corporation with the Arizona Corporation Commission (or any successor to its functions) pursuant to applicable law.

ARTICLE II

Purposes and Powers

The purposes for which this Corporation is formed are set forth in the Articles of Incorporation of the Corporation. In furtherance of these purposes the Corporation may exercise all powers available to corporations organized under the nonprofit corporation laws of the State of Arizona.

ARTICLE III

Members

The Corporation shall have no members. The affairs, activities and property of the Corporation shall be administered and governed by the Board of Directors.

ARTICLE IV

Board of Directors

4.01. General Powers. The powers of the Board of Directors shall include, without limit, the following:

a) Ensuring that the programs and activities of the Corporation are evaluated periodically and that appropriate policies are adopted to ensure that the Corporation operates in the most ethical, transparent and accountable manner possible.

b) Approving new directors.

c) Hiring the Executive Director.

d) Allocating the resources of the Corporation.

e) Raising funds for the Corporation.

f) Forming and overseeing the activities of committees of the Board.

g) Establishing the general programs and priorities of the Corporation.

h) Approving official resolutions of the Corporation and major program policies.

The Board shall exercise the foregoing powers, and its authority generally, in conformity with all other applicable provisions of these Bylaws.

4.02. Number and Qualifications. The Board of Directors shall be composed of no less than fifteen (15) nor more than thirty (30) individuals as may be determined by the Board of Directors from time to time. The number of directors may be decreased, but no decrease shall have the effect of shortening the term of any incumbent director. (In these Bylaws, all references to "directors" shall exclude Life Directors and Founding Directors unless otherwise expressly stated.)

4.03. Classes and Term. The members of the Board of Directors shall be elected by the directors at the annual meeting of the Board. The directors shall be divided into three classes, and an effort shall be made to keep each class of directors of approximately equal size. Each class of directors shall be elected for a term of three (3) years and shall serve until their successors are elected; provided, however, that the Board of Directors may approve shorter terms for certain directors at the initial election held after adoption of these Bylaws to facilitate such staggered terms of office. Except as otherwise approved by the Board, directors shall serve a maximum of two, consecutive three-year terms excluding any shorter terms necessary to establish or facilitate the staggered terms of office hereunder; provided, however, that the Chairman, Chairman-Elect, Immediate Past Chairman, Treasurer and Secretary may serve a third consecutive three-year term if and to the extent then serving on the Executive Committee as of the end of such person's two, consecutive three-year terms. A director who is elected pursuant to Section 4.04 of these Bylaws shall commence his/her term of office effective immediately upon election.

4.04. Nomination of Directors. Nominations for persons to serve as directors shall be made by the Nominating and Governance Committee, unless a vacancy on the Board of Directors has been created by the resignation, death or incapacity of a director, in which case the procedures of Section 4.08 are to apply. The Board of Directors believes it is in the best interest of the Corporation to have representation on its Board of persons with different backgrounds, business interests, professions and other disciplines. In addition, the Board of Directors believes it is in the best interest of the Corporation to maintain a continuity of policy and objectives for the Corporation and that this can be accomplished, in part, by having representation on the Board of Directors of persons who are familiar with and have participated in the development and progress of the Corporation and its numerous Fiesta Bowl activities. Concurrently with the accomplishment of this objective, the Board desires, on a regular basis, to elect new persons to the Board.

4.05. Voting for Directors. Directors shall be elected from the candidates properly nominated pursuant to Section 4.04 above at the annual meeting of the Board of Directors and at such other times as the Board may determine. Each director shall be entitled to vote for as many persons as there are vacancies to be filled at any such election, but each director shall not be entitled to cumulate its votes.

4.06. Fort McDowell Community. So long as the Fort McDowell Community is the title sponsor of the Fiesta Bowl Parade, the current President of the Community and Tribal Council (or another authorized designee of the Community and Tribal Council approved by the Board of Directors) shall be entitled to be a director of the Corporation, without further action or approval of the Corporation except as the Fort McDowell Community may otherwise agree in writing from time to time. The term of any such director under this Section 4.06 shall be co-terminus with the Community's sponsorship and the term of the Tribal Chairman, so that a new Tribal Chair (or any such authorized designee) shall succeed the predecessor when necessary, and upon the termination of such sponsorship, the term for such director shall automatically terminate without further action or approval of the Corporation.

4.07. Life Directors, Founding Directors and Life Committee Members. The Board of Directors may, in its discretion, confer Life Director or Life Committee Member status on any person who has previously served on the Board of Directors or the Fiesta Bowl committee, respectively, and who, as a result of such service, has distinguished himself as a member of the Board or such committee. Life Directors and Founding Directors of the Corporation shall not vote unless otherwise elected as director of the Board in accordance with this Article IV and shall otherwise have only such privileges and obligations as determined by the Board of Directors from time to time including serving as committee members and/or attending various committee meetings in an advisory capacity as may be requested by the Board of Directors or committee chairs from time to time.

4.08. Filling of Unscheduled Vacancies. In the event a vacancy on the Board of Directors has been created by the resignation, death or incapacity of a director, the Nominating and Governance Committee will determine and nominate to the Board a person to serve as a replacement for the unexpired term of such director. Vacancies shall be filled by a majority vote of the directors present, either in person or by proxy, at a duly convened meeting at which a quorum is present (excluding the one whose replacement is being selected).

4.09. Compensation. Directors shall not receive any compensation for their services as directors. The Corporation may reimburse directors for reasonable and necessary expenses incurred in carrying out

their duties as directors subject to such policies as may be adopted by the Board of Directors from time to time.

4.10. Resignation and Removal. Any director may resign by submitting written notice of resignation to the Secretary or so informing the Chairman or the Executive Director. Any director may be removed from office at any time with or without cause by resolution of a majority vote of the directors present, either in person or via proxy, at a duly convened meeting of the Board of Directors at which a quorum is present. The director whose removal is sought is entitled to the opportunity to address the Board, either in writing or in person, at the meeting.

ARTICLE V

Meetings of the Board of Directors

5.01. Regular Meetings. Except as may otherwise be approved by the Board of Directors, a regular annual meeting of the Board of Directors shall be held each year in March, at such time, day and place as shall be designated by the Chairman from time to time.

5.02. Special Meetings. Special meetings of the Board of Directors may be called by the Chairman, Chairman-Elect or by a majority of the directors then in office, to be held at such time, day and place as shall be designated in the notice of meeting provided that directors may waive such notice requirement as contemplated in Section 5.03 below.

5.03. Notices of Meetings. Notice of the time, day and place of any meeting of the Board of Directors shall be given at least two (2) days prior to the meeting. Notice shall be given in writing by first-class mail or overnight delivery service with postage prepaid to such person at his or her address as it appears on the records of the Corporation. Such notice shall be deemed to have been given when deposited in the mail or the delivery service. Notice may also be given by facsimile, electronic mail, or hand delivery, and will be deemed given when received. Any director may waive notice of any meeting by a written statement executed either before or after the meeting. Attendance and participation at a meeting, either in person or via proxy, without objection to notice shall also constitute a waiver of notice. Any meeting, once properly called and noticed (or as to which call and notice have been waived as aforesaid) and at which a quorum is formed, may be adjourned to another time and place by a majority of those in attendance.

5.04. Quorum. A majority of the Board of Directors then in office shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. If a quorum is present when a meeting is convened, the quorum shall be deemed to exist until the meeting is adjourned, notwithstanding the departure of one or more directors. If less than a quorum of the directors is present at such meeting, a majority of the directors present may adjourn the meeting until a future date and time to be determined and announced to the Board with at least five (5) days notice.

5.05. Manner of Acting. Except as otherwise expressly required by law, the Articles of Incorporation of the Corporation, or these Bylaws, the affirmative vote of a majority of the directors present, either in person or by proxy, at a duly convened meeting at which a quorum is present shall be the act of the Board of Directors. Attendance at meetings of the Board of Directors shall be limited to voting directors and specific staff or individuals invited by the Chairman to attend. Each director shall have one vote on each matter voted on at a Board meeting.

5.06. Proxy. A director may vote either in person or by proxy. A director may appoint a proxy to vote or otherwise act for the director by signing an appointment form. An appointment of a proxy is effective when received by the Secretary or other officer or agent authorized to tabulate votes. Such written proxy shall be valid for only one (1) month unless a different period is expressly provided in the appointment form. The appointment of a proxy is revocable at any time by the director.

5.07. Presiding Officer. Meetings of the Board of Directors shall be presided over by the Chairman. If the Chairman is not present, the Chairman-Elect shall preside over the meeting if present, or otherwise a majority of the directors who are present at the meeting shall select a director to preside over the meeting. In addition, if for any reason the Secretary is not present, the Chairman (or, if the Chairman is not present, the directors who are present at the meeting) shall select a director to serve as recording secretary for the meeting.

5.08. Presumption of Assent. A director of the Corporation who is present at a meeting of the Board of Directors or of any committee at which action is taken on any matter will be presumed to have assented to the action taken unless his or her dissent or abstention is entered in the minutes of the meeting or unless he or she files a written dissent or abstention to such action with the person acting as secretary of the meeting before the adjournment thereof. A right to dissent will not be available to a director who voted in favor of the action.

5.09. Unanimous Written Consent of Directors. Any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if written consent to the action is signed by all directors.

5.10. Telephone Meeting. Any one or more directors may participate in a meeting of the Board of Directors by means of a conference telephone or similar telecommunications device which allows all persons participating in the meeting to hear each other. Participation by telephone shall be equivalent to presence in person at the meeting for purposes of determining if a quorum is present.

ARTICLE VI

Committees

6.01. General. The Board of Directors shall maintain the permanent standing committees set forth in this Article VI and may create such additional committees, including, without limit, a Budget & Finance Committee and any investment subcommittee thereof, all as a majority of the directors present, either in person or by proxy, at a duly convened meeting at which a quorum is present shall determine from time to time; provided, however, that no such committee shall have the authority to: (i) fill vacancies on the Board of Directors; (ii) amend or repeal these Bylaws; (iii) amend the Articles of Incorporation of the Corporation; (iv) dissolve, merge or consolidate the Corporation; (v) approve any matter requiring the approval of the Board of Directors hereunder; and/or (vi) take any other actions prohibited under the nonprofit corporation law of the State of Arizona. Such committees and tasks forces may be described in separate committee charters, administration regulations or in resolutions of the Board. Any such additional committees may exist for a fixed term or an indefinite term and be disbanded at any time by a majority vote of the directors present, either in person or by proxy, at a duly convened meeting at which a quorum is present.

6.02. Nominating and Governance Committee. The Nominating and Governance Committee shall be responsible for facilitating the governance responsibilities of the Board of Directors, including, among other things, (i) the identification and nomination of new directors as described in Section 4.04 of these Bylaws, (ii) evaluating the performance of individual directors and the Board as a whole, and (iii) in consultation with the Chairman, as appropriate, nominating the officers and committee members of the Corporation from time to time (other than the members of the Nominating and Governance Committee which shall be nominated by the Chairman). The Nominating and Governance Committee shall review and present to the Board of Directors for consideration any committee charters and/or other governance policies of the Corporation as such committee or the Board of Directors deems reasonable and necessary from time to time, including, without limit, conflict-of-interest, political activity prohibition, executive compensation, expense reimbursement, whistleblower protection, and record retention and document destruction policies. All other aspects of the function and procedures of the Nominating and Governance Committee shall be decided by the Board of Directors.

6.03. Executive Committee.

a) General. The purpose of the Executive Committee shall be to make routine business decisions for and on behalf of the Board of Directors and the Corporation. All members of the Executive Committee shall be directors. The Executive Committee shall not be authorized, without the approval of a majority vote of the directors present, in person or by proxy, at a duly convened meeting at which a quorum is present, to take any actions that require the approval of the Board of Directors of the Corporation. The Executive Committee shall report its business decisions to the directors at the next regularly scheduled or special meeting of the Board of Directors, as the case may be. Subject to a majority vote of the directors present, in person or by proxy, at a duly convened meeting at which a quorum is present as set forth in Section 6.01 above, the members of the Executive Committee shall include the Chairman, Immediate Past Chairman, Chairman-Elect, Treasurer, Secretary, the chairs of the Nominating and Governance Committee and Audit & Compliance Committee, and two other directors nominated by the Chairman and approved by the Board of Directors from time to time. The Chairman shall serve as the chairman of the Executive Committee. All other aspects of the function and procedures of the Executive Committee shall be decided by the Board of Directors.

b) Compensation. The Executive Committee, or a subcommittee thereof, shall review annually, or more frequently as requested by the Board of Directors, the amount of compensation payable to executives and key staff personnel of the Corporation as well as any other individuals in a position to exercise any significant influence over the affairs of the Corporation from time to time. For purposes of this Section 6.03(b), the term "compensation" includes base salary, bonuses, severance payments and any other form of remuneration. All compensation payable to any such persons shall be subject to approval by the Board of Directors by majority vote of the directors present, in person or by proxy, at a meeting at which a quorum is present. In all cases, any compensation received shall be reasonable and given in return for services actually rendered for the Corporation which relate to the public benefit purposes of the Corporation. Compensation and expense reimbursement policies and procedures adopted by the Board of Directors from time to time shall be adhered to and complied with in connection with such compensation review and Board approval process, including, without limit, any procedures requiring review and approval by independent persons, compensation comparability data and contemporaneous substantiation of the deliberations and decisions related thereto. Except as may be otherwise approved by the Board of Directors from time to time, all expense reimbursements of the directors and Executive Director must be approved by the Executive Committee and, with respect to all other officers, by at least one member of

the Executive Committee in addition to, and not in lieu of, any other approval requirements as may be set forth in the expense reimbursement policy of the Corporation in effect as of the date hereof. A member of the Board of Directors who receives any compensation, directly or indirectly, from the Corporation for services is precluded from voting on matters pertaining to that member's compensation. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Corporation for services is precluded from voting on matters pertaining to that member's compensation.

6.04. Audit & Compliance Committee. The Audit & Compliance Committee shall be charged with the oversight of financial reporting and disclosure, and also to assist the Board of Directors in its oversight of legal and regulatory compliance and to oversee the overall Fiesta Bowl compliance program. The Audit & Compliance Committee shall be chaired by a director who is not the Treasurer or Chairman. A majority of the Audit & Compliance Committee members shall be directors and the Board shall appoint one or more persons to the Audit & Compliance Committee who are financial experts and/or who have other substantial nonprofit organization financial expertise or experience; provided, however, any non-director shall be a financial expert. The Audit & Compliance Committee will retain and review the financial results of the Corporation and its affiliates with such outside accountants as may be approved by the Board of Directors from time to time. The Audit & Compliance Committee shall independently review the financial controls and results of the Corporation and its affiliates. All other aspects of the function and procedures of the Audit & Compliance Committee shall be decided by the Board of Directors from time to time, including, without limit, approving the committee members of the Audit & Compliance Committee.

6.05. Committee Composition; Authority. Members of committees need not be directors except as set forth in these Bylaws or otherwise required by law; provided, however, that non-directors shall be non-voting members of any committees which may exercise any powers of the Board of Directors. Any committee which does not exercise powers of the Board of Directors and that only has advisory authority may include non-directors as voting committee members. Subject to this Article VI, the Board of Directors may determine the composition and authority, including the approval of any committee charters, of such standing committees and other committees and tasks forces as the Board of Directors deems necessary from time to time by a majority vote of the directors present, either in person or by proxy, at a duly convened meeting at which a quorum is present. Vacancies in the membership of committees may be filled for the remainder of the unexpired term by a majority vote of the directors present, either in person or by proxy, at a duly convened meeting at which a quorum is present.

6.06. Term of Office; Removal. Except as otherwise approved by the Board of Directors from time to time, each member of a committee shall serve for one year until the next annual meeting of the Board of Directors and until a successor is appointed, unless the committee is sooner dissolved. A member of any committee may be removed, with or without cause, by a majority vote of the directors present, either in person or by proxy, at a duly convened meeting at which a quorum is present.

6.07. Rules. Each committee and task force may adopt rules for its meetings not inconsistent with these Bylaws or with any rules adopted by the Board of Directors.

ARTICLE VII

Officers

7.01. Officers. The officers of the Corporation shall consist of a Chairman, a Chairman-Elect, a Executive Director, a Secretary, and a Treasurer. The Corporation shall have such other officers, assistant officers and/or in-house legal counsel as the Board of Directors may deem necessary and such officers shall have the authority prescribed by the Board. Two or more offices may be held by the same person except Chairman and Chairman-Elect, or Chairman and Secretary. The Board of Directors may hire one or more additional officers from time to time, including, without limitation, a Chief of Staff, Chief Financial Officer, Chief Operating Officer, and/or General Counsel, all of whom shall carry on such duties as may be directed or otherwise authorized by the Board of Directors.

7.02. Election and Term of Office. The officers of the Corporation shall be elected by the directors at the annual meeting of the Board of Directors. A person elected or appointed to any office will continue to hold that office until the election or appointment of his or her successor. The officers shall be elected on an office-by-office basis (and not as an entire slate) beginning with the Chairman and continuing in the order of the offices listed in Section 7.01 above.

7.03. Removal. Any officer elected by the Board of Directors may be removed, with or without cause, by a majority vote of the directors present, in person or by proxy, at a meeting at which a quorum is present.

7.04. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise shall be filled for the unexpired term by a majority vote of the directors present, in person or by proxy, at a meeting at which a quorum is present.

7.05. Chairman. The Chairman shall preside at all meetings of the Board of Directors. In the absence of the Chairman or Chairman-Elect, the Chairman's designee shall preside. The Chairman, Executive Director and/or the Chairman-Elect or their designees shall sign any contracts or other instruments authorized to be executed by the Board of Directors or the Executive Committee pursuant to any powers delegated to such committee by the Board of Directors. Such documents requiring an additional signature also may be signed by the Secretary or the Treasurer. The Chairman in general shall perform all duties incident to the office of Chairman of the Board of Directors and such other duties as may be prescribed by the Board of Directors from time to time.

7.06. Chairman-Elect. The Chairman-Elect shall have such powers and perform such duties as may be prescribed by the Board of Directors or the Chairman. The Chairman-Elect shall share with the Chairman and Executive Director the power of signature on behalf of the Corporation set forth in Section 7.05 of these Bylaws. In the absence or disability of the Chairman, the Chairman-Elect shall perform the duties and exercise the powers of the Chairman.

7.07. Executive Director. The Executive Director shall be the chief executive officer of the Corporation and shall share with the Chairman and Chairman-Elect the power of signature on behalf of the Corporation set forth in Section 7.05 of these Bylaws. The Executive Director shall have day-to-day charge of the affairs of the Corporation and shall in general supervise and control all of the business and affairs of the Corporation. In the event the Executive Director is disabled from carrying out the duties of

the office for a substantial period, those duties shall be performed by such other person or persons and in the manner designated by the Board of Directors, until such time as the Executive Director is again able to carry out such duties or until a successor is selected in accordance with the Bylaws. The Executive Director shall be appointed by the Board of Directors, and the Executive Director's continuance in office shall be subject to annual review by the Board of Directors.

7.08. Secretary. The Secretary will keep the minutes of meetings of the Board of Directors and all unanimous written consents of the Board of Directors, and will see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law. The Secretary will be custodian of the corporate seal, if any, and the corporate records. The Secretary, or staff members under the supervision of the Treasurer, will keep reasonable and appropriate corporate records. The Treasurer in general will perform all duties incident to the office of Secretary and such other duties as may be assigned by the Board of Directors.

7.09. Treasurer. The Treasurer shall be responsible for all funds of the Corporation. The Treasurer, or staff members supervised by the Treasurer, will give and receive receipts for monies due and payable to the Corporation and deposit all such monies in the name of the Corporation in such banks, trust companies, or other depositaries as shall be selected in accordance with the provisions of these Bylaws. The Treasurer shall be responsible for preparing and filing such financial reports, financial statements, and returns as may be required by law. The Treasurer in general shall perform all duties incident to the office of Treasurer and such other duties as from time to time may be assigned by the Board of Directors. Except as prohibited by the laws of the State of Arizona, the Treasurer may delegate to the executive employees of the Corporation day-to-day performance of these duties.

ARTICLE VIII

Indemnification

8.01. Indemnification of Directors and Officers. The Corporation shall, to the full extent consistent with the nonprofit corporation law of the State of Arizona, indemnify any person who serves or has served as a director, officer or Audit & Compliance Committee member of the Corporation or in any such capacity at the request of the Corporation for any other corporation, partnership, joint venture, trust or other enterprise, with respect to liabilities and expenses arising out of any action, suit or proceedings in which they become involved by reason of their affiliation with the Corporation or any such other entity or enterprise with respect to any actions taken or omitted to be taken on or after the effective date hereof. Such indemnification shall not be deemed exclusive of any other rights to which any such person may be entitled under the Articles of Incorporation, bylaws in effect prior to the date hereof with respect to actions taken or omitted to be taken prior to the effective date hereof, any other agreement or otherwise. In no way shall the provisions of this Article VIII enlarge, impair, diminish or otherwise adversely affect any rights or obligations of the Corporation or any indemnitee with respect to actions taken or omitted to be taken prior to the effective date hereof. Any amount payable by way of indemnity pursuant hereto and the manner in which it shall be paid, including any advancements of reasonable expenses related thereto, shall be determined by the Board of Directors in its discretion. For purposes of this Article VIII, Life Directors and Founding Directors shall be deemed to be "directors" to the extent serving as a voting director of the Corporation.

8.02. Other Indemnification; Insurance. The Board of Directors may, in such cases as, in its complete discretion, it deems appropriate, indemnify and hold harmless any person who is or was a committee member (including Life Directors and Founding Directors serving as such), employee or agent of the Corporation, against any or all claims, liabilities (including reasonable legal fees and other expenses incurred in connection with such claims or liabilities) to which any such person shall have become subject to by reason of having held such a position or having allegedly taken or omitted to take any action in connection with such position. The Board of Directors may also authorize the purchase of insurance on behalf of any director, officer, committee member, employee, or other agent against any liability incurred by him/her which arises out of such person's status as a director, officer, committee member, employee, or agent, whether or not the Corporation would have the power to indemnify the person against that liability under law.

ARTICLE IX

Miscellaneous Provisions

9.01. Fiscal Year. Except as otherwise determined by the Board of Directors, the Corporation shall have an April 1 through March 31 fiscal year.

9.02. Seal. The Board of Directors may provide for a seal of the Corporation that will have inscribed thereon the name of the Corporation, the state and year of its incorporation, and the words "Corporate Seal."

9.03. Books and Records. The Corporation shall keep correct and complete books and records of account, shall keep minutes of the proceedings of its Board of Directors and the committees of the Board, and shall keep a record giving the names and addresses of the members of the Board of Directors, showing whether or not they are entitled to vote. All books and records of the Corporation may be inspected by any director, or its agent or attorney, for any proper purpose at any reasonable time.

9.04. Contracts. The Board of Directors or the Executive Committee, to the extent delegated such powers by the Board of Directors, may authorize any officer or agent of the Corporation, in addition to the officers so authorized by these Bylaws, to enter into any contract or to execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

9.05. Checks, Drafts, Etc. All checks, drafts or orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by such officer or officers, or agent or agents, of the Corporation and in such manner as shall from time to time be determined by resolution of either the Board of Directors or the Executive Committee to the extent delegated such powers by the Board of Directors. In the absence of any such determination, such instruments shall be signed by the Treasurer and countersigned by the Chairman, the Executive Director or the Chairman-Elect of the Corporation.

9.06. Deposits. All funds of the corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositaries authorized by either the Board of Directors or the Executive Committee to the extent delegated such power by the Board of Directors from time to time.

9.07. Gifts. The Treasurer or his or her designee may accept on behalf of the Corporation any contribution, gift, bequest, or devise for the general purposes stated in the Corporation's Articles of Incorporation.

ARTICLE X

Amendments to Bylaws

10.01. Amendments. These Bylaws may be amended or new Bylaws adopted upon the affirmative vote of two-thirds of all the directors then in office, either in person or by proxy, at any regular or special meeting of the Board of Directors at which a quorum is present or, alternatively, by the unanimous written consent of all directors then in office without a meeting of the Board of Directors. The notice of the meeting shall set forth a summary of the proposed amendments.

10.02. Seniority. The Articles of Incorporation of the Corporation and the Arizona nonprofit corporation law will in all respects be considered senior and superior to these Bylaws, with any inconsistency to be resolved in favor of the Articles of Incorporation and such law, and with these Bylaws to be deemed automatically amended from time to time to eliminate any such inconsistency which may then exist.

Certificate

I, John Zidich, the duly elected, qualified and acting Secretary of The Arizona Sports Foundation dba The Fiesta Bowl, an Arizona nonprofit corporation, do hereby certify that the above Amended and Restated Bylaws were duly and regularly adopted by the directors of this Corporation at a meeting held on March 25, 2011.

Secretary of the Corporation

Amendments to Bylaws of The Arizona Sports Foundation:

Amended:	August 29, 1980
Amended:	May 20, 1981
Amended:	February 24, 1982
Amended:	November 8, 1982
Amended:	April 25, 1983
Amended:	February 22, 1986
Amended:	March 17, 1986
Amended:	April 29, 1986
Amended:	April 20, 1987
Amended:	February 16, 1988
Amended:	December 17, 1990
Amended:	May 24, 1993
Amended:	December 17, 1997
Amended:	April 20, 1998
Amended:	April 19, 1999
Amended:	March 27, 2001
Amended:	November 17, 2003
Amended:	August 18, 2008
Amended:	March 15, 2010
Amended:	March 25, 2011

ACKNOWLEDGEMENT

THE ARIZONA SPORTS FOUNDATION
dba THE FIESTA BOWL

The undersigned director, officer or employee hereby acknowledges that he/she (i) has received a copy of the Amended and Restated Bylaws of The Arizona Sports Foundation dba the Fiesta Bowl (the "Foundation") which were adopted and approved on March 25, 2011, (ii) has read and understands such Bylaws, (iii) agrees to comply with such Bylaws, and (iv) understands that the Foundation is a tax-exempt charitable organization and, that in order to maintain its tax exemption, it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Dated: _____, 2011.

Signature: _____

Print Name: _____

CONFLICT OF INTEREST POLICY

THE ARIZONA SPORTS FOUNDATION
dba THE FIESTA BOWL

I. Purpose.

The purpose of the conflict of interest policy is to protect the interests of The Arizona Sports Foundation, an Arizona nonprofit corporation, dba the Fiesta Bowl (the "Foundation"), when the Foundation is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Foundation or any of its affiliated organizations or may otherwise result in a possible excess benefits transaction. This policy is intended to supplement but not replace any applicable state laws governing conflicts of interest applicable to nonprofit and charitable organizations.

II. Definitions.

Interested Person:

Any director, officer, or member of a committee with board-delegated powers who has a direct or indirect financial interest, as defined below, is an interested person. If a person is an interested person with respect to any entity in the organization of which the Foundation is a part, he or she is an interested person with respect to all entities in the organization.

Financial Interest:

A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

(i) An ownership or investment interest in any entity with which the Foundation has a transaction or arrangement;

(ii) A compensation arrangement with the Foundation or with any entity or individual with which the Foundation has a transaction or arrangement; or

(iii) A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Foundation is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are substantial in nature.

A financial interest is not necessarily a conflict of interest and a financial interest of any such person shall not include equity in a publicly-traded company amounting to less than a 5% ownership interest in the company unless such person is a director, officer or otherwise has a compensation arrangement with such entity. Under Article III, Section 2, a person who has a financial interest may have a conflict of interest only if the appropriate board or committee decides that a conflict of interest exists.

III. Procedures.

Duty to Disclose:

In connection with any actual or possible conflicts of interest, an interested person must disclose the existence and nature of his or her financial interest to the directors and members of committees with board-delegated powers considering the proposed transaction or arrangement.

Determining Whether a Conflict of Interest Exists:

After disclosure of the financial interest, the interested person shall leave the board or committee meeting while the financial interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

Procedures for Addressing the Conflict of Interest:

(i) The chairperson of the board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

(ii) After exercising due diligence, the board or committee shall determine whether the Foundation can obtain a more advantageous transaction or arrangement with reasonable efforts from a person or entity that would not give rise to a conflict of interest.

(iii) If a more advantageous transaction or arrangement is not reasonably attainable under circumstances that would not give rise to a conflict of interest, the board or committee shall determine by a majority vote of the disinterested directors in accordance with the bylaws whether the transaction or arrangement is in the Foundation's best interest and for its own benefit and whether the transaction is fair and reasonable to the Foundation and shall make their decision as to whether to enter into the transaction or arrangement in conformity with such determination.

Violations of the Conflict of Interest Policy:

(i) If the board or committee has reasonable cause to believe that a member has failed to disclose actual or possible conflict of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.

(ii) If, after hearing the response of the member and making such further investigation as may be warranted in the circumstances, the board or committee determines that the member has in fact failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

IV. Records of Proceedings.

The minutes of the board and all committees with board-delegated powers shall contain:

(i) The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the board's or committee's decision as to whether a conflict of interest in fact existed.

(ii) The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection therewith.

V. Prohibited Transactions.

The sale or transfer of any tickets, passes or merchandise to any event, game or meeting relating to any event of the Foundation at a price higher than the stated price established by the Foundation, which profit is for any person or entity other than the Foundation, is strictly prohibited by any director, officer, or member of a committee with board-delegated powers.

VI. Compensation.

(i) A voting member of the board of directors who receives compensation, directly or indirectly, from the Foundation for services is precluded from voting on matters pertaining to that member's compensation.

(ii) A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Foundation for services is precluded from voting on matters pertaining to that member's compensation.

(iii) Persons who receive compensation, directly or indirectly, from the Foundation, whether as employees or independent contractors, are precluded from membership on, and are prohibited from providing information to, any committee whose jurisdiction includes compensation matters.

VII. Annual Disclosure Statements.

Each director, officer, and member of a committee with board-delegated powers shall annually sign a statement affirming that such person (*i*) has received, read and understands the Foundation's conflict of interest policy; (ii) agrees to comply with the policy; and (iii) understands that the Foundation is a tax-exempt charitable organization and, that in order to maintain its federal tax exemption, it must engage primarily in activities which accomplish one or more of its tax-exempt purposes. .

In addition, each director, officer and member of a committee with board-delegated powers shall submit an annual conflict of interest disclosure statement describing any relationships, transactions or positions held (volunteer or otherwise) or circumstances which he or she believes

could cause a conflict of interest as of such date or in the future between such person's personal interests, financial interests or otherwise. In the event there is any material change in the information contained in such disclosure statement, the person who submitted it shall promptly submit written notification of the change.

VIII. Periodic Reviews.

To ensure that the Foundation operates in a manner consistent with its charitable purposes and that it does not engage in activities that could jeopardize its status as an organization exempt from federal income tax, periodic reviews shall be conducted by the Audit & Compliance Committee. The periodic reviews shall, at a minimum, include the following subjects:

(i) Whether compensation arrangements and benefits are reasonable, based on competent survey information, and are the result of arm's length bargaining.

(ii) Whether partnerships, joint ventures and/or arrangements with management organizations, if any, conform to the Foundation's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

IX. Use of Outside Experts.

In conducting the periodic reviews provided for in Article VIII, the Foundation may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the board of its responsibility for ensuring periodic reviews are conducted.

Amended: May 5, 2011

Deleted: v7

CONFLICT OF INTEREST DISCLOSURE STATEMENT

THE ARIZONA SPORTS FOUNDATION
dba THE FIESTA BOWL

Name:_____

A conflict of interest, or an appearance of a conflict, can arise whenever a transaction, or an action of The Arizona Sports Foundation, an Arizona nonprofit corporation, dba the Fiesta Bowl (the "Foundation") or any entity in the organization of which the Foundation is a part (each, a "Foundation" and collectively, the "Foundations"), conflicts with the private interests of any director, officer, or member of a committee with board-delegated powers of any of the Foundations.

A director, officer or member of a committee with board-delegated powers who has a direct or indirect financial interest is an "interested person" if the person has, directly or indirectly, through business, investment, or family: (i) an ownership or investment interest in any entity with which any Foundation has a transaction or arrangement; (ii) a compensation arrangement with a Foundation or with any entity or individual with which any such Foundation has a transaction or arrangement; or (iii) a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Foundation is negotiating a transaction or arrangement. A financial interest of any such person shall not include equity in a publicly-traded company amounting to less than a 5% ownership interest in the company unless such person is a director, officer or otherwise has a compensation arrangement with such entity. If a person is an "interested person" with respect to any Foundation, he or she is an interested person with respect to all Foundations.

Please describe below any relationships, transactions, or positions you hold (volunteer or otherwise), or circumstances that you believe could create a conflict of interest, now or in the future, between any of the Foundations and your personal interests, financial interests, or otherwise:

_____ I have no conflict of interests to report.

I have the following conflict of interest, or potential conflicts of interests, to report:

1._____

2._____

3._____

I have reviewed the Conflict of Interest Policy of each Foundation and I understand that it is my obligation to (i) disclose a conflict of interest, or appearance of a conflict, to the board of directors or committee with board-delegated powers, as the case may be, of any such Foundation when a possible conflict, or appearance of a possible conflict, arises, (ii) leave the meeting while the matter is discussed and (iii) abstain from any vote with respect to any matters involving the conflict, all as more specifically set forth in the Conflict of Interest Policy of such Foundation.

Signature:_____ Date:_____

POLITICAL ACTIVITY POLICY

THE ARIZONA SPORTS FOUNDATION
dba THE FIESTA BOWL

The Arizona Sports Foundation, an Arizona nonprofit corporation, dba the Fiesta Bowl (the "Foundation"), is committed to conducting its businesses consistent with the highest ethical and legal standards. This policy reinforces our continued commitment to these standards and provides each director, officer and employee of the Foundation with guidance and perspective in understanding the Foundation's political activity policy.

PLEASE READ CAREFULLY. THIS DOCUMENT DESCRIBES THE FOUNDATION'S POLICY REGARDING POLITICAL ACTIVITIES OF THE FOUNDATION, AND ITS DIRECTORS, OFFICERS AND EMPLOYEES.

I. Prohibited Political Activities.

Federal and state laws prohibit the Foundation from directly or indirectly contributing to, or supporting or opposing, political candidates or parties. As a charitable organization, the Foundation may not make contributions to any candidate for public office or political committee and may not participate in, or intervene in, any political campaign on behalf of or in opposition to any candidate for public office. The Foundation's funds, property, services, resources, assets, and/or any other item of value ("assets") may not be donated to, or used in any fashion to aid or oppose, any political party, candidate or campaign.

To that end, the Foundation's assets may not be used to reimburse or otherwise compensate the Foundation's directors, officers or employees for any such person's political contribution or activity in support of, or in opposition to, a political party, candidate, or campaign. No Foundation director, officer or employee may implicitly or explicitly require any other director, officer or employee to make a political contribution to, or to act in favor of or in opposition to, a political party, candidate or campaign. In addition, no Foundation director, officer or employee may make or commit to a political contribution on behalf of the Foundation and should refrain from engaging in any political activities in a manner that may create the appearance that such activity is by or on behalf of the Foundation.

II. Other Personal Activities.

Foundation directors, officers and employees may contribute to, or act in favor of or in opposition to, a political party, candidate or campaign, so long as they are doing so on their own behalf, on their own time and using their own personal resources. Such participation in the political process is entirely a matter of personal choice. In the event a director, officer or employee is identified as an official of the Foundation while engaging in any political activities in an individual capacity, such person should clearly communicate that he or she is not acting on behalf of the Foundation and that any comments made are personal and are not intended to represent the views of the Foundation.

Personal political activities of a director, officer or employee must not suggest that the Foundation supports those activities, must not involve the use of any Foundation resources or other assets, such as facilities, telephones, computers and/or supplies and, for employees (including officers who are employees), must not be conducted during working hours.

III. Reporting.

Any Foundation director, officer or employee who believes that a board member, officer or employee of the Foundation has (i) encouraged, required or otherwise compelled him/her to make a political contribution to, or to act in favor of or in opposition to, a political party, candidate or campaign; (2) reimbursed or otherwise compensated him/her for making a political contribution to, or to act in favor of or in opposition to, a particular party, candidate or campaign; or (3) witnessed any other violation of this policy, should immediately notify his/her supervisor or the Chairman, Chairman-Elect, Executive Director and/or Chief Compliance Officer as more specifically set forth in the Foundation's whistleblower protection policy, so that the situation can be promptly investigated and remedied. Employees may raise good faith concerns and make reports without fear of reprisal in accordance with the whistleblower protection policy, even if the claim turns out to be false. To the fullest extent practicable, the Foundation will maintain the confidentiality of those involved. It is the Foundation's policy to thoroughly and promptly investigate all claims involving a violation of this policy. If an investigation confirms that a violation of this policy has occurred, the Foundation will take corrective action, which may include, without limit, discipline up to and including immediate termination of board position or employment. The Chief Compliance Officer of the Foundation shall be responsible for monitoring all compliance aspects of the Political Activity Policy and shall report directly to the Audit & Compliance Committee, Executive Committee and Board of Directors of the Foundation regarding any such compliance issues which may arise from time to time.

If you have any questions about this policy, please feel free to talk to your supervisor or any member of the Executive Committee at any time.

RECORD RETENTION AND DOCUMENT DESTRUCTION POLICY

THE ARIZONA SPORTS FOUNDATION
dba THE FIESTA BOWL

Policy Purpose.

This policy covers all documents created or received by The Arizona Sports Foundation, an Arizona nonprofit corporation, dba the Fiesta Bowl (the "Foundation"). The policy is designed to ensure compliance with federal and state laws and regulations, to reduce the risk of accidental destruction of records earlier than intended, and to facilitate operations by promoting efficiency and freeing up valuable storage space. Records and documents outlined in this policy include paper, e-mail messages and electronic documents regardless of where the document is stored, including network servers, desktop or laptop computers and handheld computers and other wireless devices with text messaging capabilities.

Unless a specific federal or state law provides for a longer or shorter retention period than the ones specified below, the Corporation follows the general document retention procedures outlined below to the extent reasonably feasible. However, no adverse inference is to be drawn from an inadvertent failure to retain a document in accordance with the guidelines below. Documents that are not listed below, but are substantially similar to those listed in the schedule, will be retained for the appropriate length of time.

Corporate Records.

Annual Reports to Arizona Corporation Commission	Permanent
Articles of Incorporation	Permanent
Board Meeting and Board Committee Minutes	Permanent
Board Policies/Resolutions	Permanent
Bylaws	Permanent
Committee Charters	Permanent
Committee Resolutions/Reports	Permanent

Accounting and Corporate Tax Records.

Annual Audited Financial Statements	Permanent
Auditors Reports	Permanent
Depreciation Schedules	Permanent
Fixed Asset Records (if any)	Permanent
IRS Application for Tax-Exempt Status (Form 1023)	Permanent
IRS Determination Letter	Permanent
State Tax Exemption Documents	Permanent
Taxpayer Identification Number	Permanent

IRS Form 990 Information Returns	7 years
IDRs and Responses thereto	7 years
State Tax Filings	7 years
General Ledgers	7 years
Business Expense Records	7 years
IRS Forms 1099	7 years
Journal Entries	7 years
Invoices	7 years
Sales Records	5 years
Petty Cash Vouchers	3 years
Cash and Credit Card Receipts	3 years

Bank Records.

Bank Statements	Permanent
Check Registers/Cancelled Checks	7 years
Bank Deposit Slips	7 years
Bank Reconciliations	7 years
Electronic Fund Transfer Documents	7 years

Payroll and Employment Tax Records.

Payroll Registers	Permanent
State Unemployment Tax Records	Permanent
Earnings Records	7 years
Garnishment Records	7 years
Payroll Tax Returns	7 years
W-2 Statements	7 years

Employee Records.

Employee Manuals	Permanent
Employment and Termination Agreements	Permanent
Retirement and Pension Plan Documents	Permanent
Retirement and Benefit Payments	Permanent
Personnel Files (after termination)	10 years
Worker's Compensation Claim Records (after closure)	10 years
Records Relating to Promotion, Demotion, or Discharge	7 years after termination
Salary Schedules	5 years
Employment Applications	3 years
Resumes	3 years
I-9 Forms	3 years after termination
Time Cards	2 years

Facilities.

Ash/Waterfront/Pima Papers	Permanent
IT Documents	Permanent

Tickets.

Season ticket history	Permanent
Ticket/Map samples (all events)	Permanent
Renewal forms (all events)	3 years

General Records.

BCS correspondence	Permanent
Legal correspondence	Permanent
Other correspondence and letters	7 years
Press Releases	7 years
Promotional & Sponsorship Materials	7 years

Donor and Grant Records.

Donor Records and Acknowledgment Letters	7 years
Grant Applications and Contracts (after completion)	7 years

Legal, Insurance, and Safety Records.

Appraisals	Permanent
Insurance Policies	Permanent
Loan Documents and Notes	Permanent
Property Records	Permanent
Stock and Bond Records	Permanent
Trademark and Copyright Registrations	Permanent
OSHA documents (after closure)	10 years
Compensation Consultant Reports & Determinations	7 years
Conflict of Interest Disclosures	7 years
Building & Equipment Leases	7 years
Litigation files (after final decision including appeals)	7 years
Other Contracts/Agreements (after expiration)	7 years

Electronic Documents and Records.

Electronic documents will be retained as if they were paper documents. Therefore, any electronic files, including records of donations made online, that fall into one of the document types on the above schedule will be maintained for the appropriate amount of time. If a user has sufficient reason to keep an e-mail message, the message should be printed in hard copy and kept in the

appropriate file or moved to an "archive" computer file folder. Backup and recovery methods will be tested on a regular basis.

Document Destruction and Exceptions.

The Chief Compliance Officer of the Foundation shall be responsible for monitoring and reviewing all compliance matters related to this policy. The Chief Compliance Officer is responsible for the ongoing process of identifying records which have met the required retention period, and overseeing their destruction. The Chief Compliance Officer shall report directly to the Executive Committee and Audit & Compliance Committee regarding any compliance issues which may arise from time to time. Destruction of financial and personnel-related documents will be accomplished by shredding. Notwithstanding the normal document destruction schedule of the Foundation, document destruction will be suspended immediately in the following circumstances:

(i) where the information has been subpoenaed in a civil or criminal case, or is the subject of an information request letter from a government agency;

(ii) where the information relates to civil or criminal litigation against the Foundation or an affiliated organization that is either pending, imminent, or contemplated;

(iii) where destruction of the information would impede, obstruct, or influence the administration of any matter within the jurisdiction of the federal government, where such matter is pending, imminent or contemplated; or

(iv) where legal counsel for the Foundation places a "legal hold" on any document for any reason.

Destruction will be reinstated upon conclusion of the investigation or lawsuit, but only after consultation between the Executive Committee and the organization's legal counsel.

Compliance and Sanctions.

Failure on the part of employees to follow this policy can result in possible civil and criminal sanctions against the Foundation and possible disciplinary action against responsible individuals. The Executive Committee will periodically review these procedures with legal counsel or the organization's certified public accountant to ensure that they are in compliance with new or revised laws and regulations.

TICKET POLICY

THE ARIZONA SPORTS FOUNDATION
dba THE FIESTA BOWL

Mission Statement:

To stage annually two of the top college football bowl games in the nation, and to assist the cause of higher education with the highest university payments possible.

To have the people of Arizona host the most comprehensive pageant of community activities in the United States.

To be Arizona's leading outlet for year-round sports and pageantry-related volunteer participation.

To give companies and organizations unique opportunities for involvement in supporting our efforts.

To be financially sound and to contribute strongly and regularly to the State's economic development and to higher education nationwide.

To be a source of national pride for all Arizonans.

To fully comply with all legal requirements in promoting the not-for-profit, charitable and business purposes of the Foundation.

Purpose:

To establish standards for the provision of complimentary tickets, discounts on tickets, and access to tickets by directors, officers, employees, consultants and agents of the Foundation.

Policy:

As a non-profit organization, the Foundation strives to generate the maximum revenue through the sale of tickets to Foundation games and invitations to Foundation events while allowing, when appropriate, the use of complimentary and discounted tickets and invitations to advance its mission and to achieve the Foundation's charitable purposes. It is imperative we maintain controls and policies over the distribution of tickets to the Foundation games and related events in order to achieve the charitable purposes of the Foundation. A primary condition in maintaining our non-profit status is that tickets are not used as a means to distribute compensation to any directors, officers, employees, consultants or agents. The Foundation will not tolerate use of tickets for personal gain or benefit of the Foundation's directors, officers, employees, consultants or agents. In addition, in certain circumstances, federal (including IRS rules and regulations), state and tribal laws restrict the provision of tickets in certain circumstances.

Violations of this Policy and/or federal, state or tribal laws involving complimentary or discounted tickets or invitations may result in disciplinary action, up to and including termination of employment.

Controls:

The chief compliance officer designated by the Board shall be responsible for Ticket Operations ("CCO"). The CCO will have direct reporting responsibility to the Audit & Compliance Committee, Executive Committee and the Board with respect to all compliance issues which may arise from time to time. The CCO will monitor the distribution of the tickets and invitations to Foundation games and events, prepare written reports to be supplied to the Audit & Compliance Committee, and ensure compliance with all federal, state and tribal laws. The written reports will reflect all tickets given or provided at a discount to any entity or person, the title of that entity or person, and the charitable purpose of the gift or discount. The reports will also identify any public official who received access to tickets other than purchasing through publicly-available channels.

The CCO will develop forms, procedures and training to ensure that all employees and agents comply with all federal, state and tribal laws with respect to tickets and invitations.

Complimentary or Discounted Tickets Policy:

When used properly and in compliance with federal, state and tribal laws, complimentary and discounted tickets are a powerful public relations tool. Misuse can, however, result in significant criminal, civil, administrative or tax sanctions. All Foundation employees and agents should be knowledgeable of all legal constraints and requirements with respect to complimentary and discounted tickets. The CCO is responsible for providing all employees and agents with appropriate training with respect to the laws and rules governing complimentary and discounted tickets.

The CCO is responsible for the accounting and distribution of all complimentary or discounted tickets.

Complimentary or discounted tickets cannot be resold.

The Internal Revenue Service has determined that complimentary and discounted tickets are a taxable benefit. The CCO will prepare all necessary reports that reflect actual value of the complimentary or discounted tickets provided to any employee or agent of the Foundation as taxable compensation. To the extent that any employee or agent provides complimentary or discounted ticket to any third person not consistent with the charitable purposes of the Foundation and in compliance with the Foundation's policies and procedures, the Foundation will treat the use of the ticket as by the employee or agent and the CCO will prepare all necessary reports that reflect actual value of the complimentary or discounted tickets provided to any director, officer, employee, consultant or agent of the Foundation as taxable compensation.

Public Officials:

The Foundation will comply with all federal, state and tribal laws governing the provision of tickets and invitations, including mere access. Complimentary, discounted or access to tickets for the direct or indirect benefit of any public official must comply with the following procedure:

- Any Foundation director, officer, employee, consultant or agent, including but not limited to any lobbyist, seeking to give a public official any complimentary or discounted tickets or access to tickets other than through public channels must prepare a written request to the CCO.
- Any employee or agent giving a public official a complimentary or discounted ticket without prior written approval from the CCO and the Executive Committee may be subject to disciplinary action, up to and including termination of employment.

- In most cases, Arizona law bars entities, such as the Foundation, from giving tickets to public officials within the State of Arizona, any county or any municipality. Other laws provide similar prohibitions on the federal and tribal level. The exceptions are quite narrow and complicated and require a sophisticated working knowledge of the laws to ensure compliance.
- The CCO must review the request to ensure compliance with all federal, state and tribal laws and to ensure that the request complies with the charitable purposes of the Foundation. If so, the CCO will make a written recommendation to the Executive Committee and the Foundation's General Counsel to the extent not then serving as CCO. If not, the CCO will document that the request was denied and why.
- Upon receipt of a recommendation from the CCO, the Foundation's General Counsel (or other legal counsel selected by the Executive Committee in the event the General Counsel is the CCO) will review the request and provide appropriate legal advice to the Executive Committee with respect to both the issues legal compliance and whether the tickets appear to achieve at least one of the Foundation's charitable purposes.
- After receipt of a recommendation from the CCO and legal advice from the Foundation's General Counsel (or other independent legal counsel, as the case may be), the Executive Committee will approve or deny the request. If a request is denied, the Executive Committee will ensure that the reasons for denying the request are documented. Likewise, a written record of the Executive Committee's decision to approve the ticket request with respect to public officials will also be maintained by the CCO.

General:

This Policy supplements, amends and updates any and all current or similar policies of the Foundation. To the extent of any inconsistency between this Policy and any existing or prior policies of the Foundation, the terms and conditions of this Policy shall control in all respects. The undersigned hereby acknowledges receipt of this Policy and that the undersigned has read and understands the content of this Policy and agrees to comply with all of the terms and conditions set forth herein.

WHISTLEBLOWER PROTECTION POLICY

THE ARIZONA SPORTS FOUNDATION
dba THE FIESTA BOWL

In keeping with the policy of maintaining the highest ethics and standards of conduct, The Arizona Sports Foundation, an Arizona nonprofit corporation, dba the Fiesta Bowl (the "Foundation") will investigate any suspected violations of the Foundation's code of ethics or other standards of conduct as well as any fraudulent or dishonest use or misuse of Foundation's resources or property by staff, board members, consultants, or volunteers. Staff, board members, consultants, and volunteers are encouraged to report suspected improper, fraudulent or dishonest conduct (i.e., to act as "whistleblower"), pursuant to the procedures set forth below.

I. Reporting.

A person's concerns about possible violations of the Foundation's code of ethics or other standards of conduct or any fraudulent or dishonest use or misuse of resources or property should be reported to his or her supervisor or, if suspected by a volunteer or consultant, to the staff member supporting the volunteer's or consultant's work. If, for any reason, a person finds it difficult to report his or her concerns to a supervisor or staff member supporting the volunteer's or consultant's work, the person may report the concerns directly to the Chairman, Chairman-Elect, Executive Director and/or Chief Compliance Officer of the Foundation. Alternately, to facilitate reporting of suspected violations where the reporter wishes to remain anonymous, such person may report his own side or concerns to either (i) a whistleblower protection systems hotline services number monitored by an independent company which shall immediately notify the Chief Compliance Officer of the Foundation of all such reports or (ii) may submit an anonymous written statement to one of the individuals listed above.

II. Definitions.

Baseless Allegations:

Allegations made with reckless disregard for their truth or falsity or allegations that were made maliciously or not in good faith. Individuals making such allegations may be subject to disciplinary action by the Foundation and/or legal claims by individuals accused of such conduct.

Fraudulent or Dishonest Conduct:

A deliberate act or failure to act with the intention of obtaining an unauthorized benefit including, without limit, any violations of the Foundation's code of ethics or other standards of conduct.
A non-exhaustive list of examples of such conduct include the following:

- Forgery or alteration of documents
- Unauthorized alteration or manipulation of computer files
- Pursuit of a benefit or advantage in violation of the Foundation's conflict of interest policy
- Misappropriation or misuse of Foundation resources, such as funds, supplies, or other assets

- Authorizing or receiving compensation for goods not received or services not performed, or paying for services or goods that are not rendered or delivered
- Authorizing or receiving compensation for hours not worked
- Supplying false or misleading information on the Foundation's financial or other public documents, including its Form 990 (Annual Information Return)
- Providing false information to or withholding material information from the Foundation's board or auditors
- Destroying, altering, mutilating, concealing, covering up, falsifying, or making a false entry in any records that may be connected to an official proceeding, in violation of federal or state law or regulations or otherwise obstructing, influencing, or impeding any official proceeding, in violation of federal or state law or regulations
- Embezzling, self-dealing, or otherwise obtaining an unlawful private benefit (i.e., Foundation assets being used by anyone in the organization improperly for personal gain).

Whistleblower:

An employee, consultant, or volunteer who informs a supervisor, Chairman, Chairman-Elect, Executive Director or the Chief Compliance Officer of the Foundation about an activity relating to the Foundation which that person believes to be fraudulent or dishonest.

III. Responsibilities and Investigations.

Supervisors:

Supervisors are required to report suspected fraudulent or dishonest conduct to the Chairman, Chairman-Elect, Executive Director or Chief Compliance Officer of the Foundation. Reasonable care should be taken in dealing with suspected misconduct to avoid the following:

- Baseless allegations
- Premature notice to persons suspected of misconduct and/or disclosure of suspected misconduct to others not involved with the investigation
- Violations of a person's rights under law

  Due to the important yet sensitive nature of the suspected violations, effective professional follow-up is critical. Supervisors should not perform any investigative or other follow-up steps on their own. Accordingly, a supervisor who becomes aware of suspected misconduct should report it to the Chairman, Chairman-Elect, Executive Director and/or Chief Compliance Officer, but should not without prior permission take steps on his or her own to do any of the following: (i) contact the person suspected to further investigate the matter or demand restitution; (ii) discuss the case with attorneys, the media, or anyone other than the Chairman, Chairman-Elect, Executive Director and/or Chief Compliance Officer; or (iii) report the case to an authorized law enforcement officer without first discussing the case with the Chairman, Chairman-Elect, Executive Director and/or Chief Compliance Officer.

Investigation:

All relevant matters, including suspected but unproved matters, will be reviewed and analyzed by the Foundation's Chief Compliance Officer or another appropriate person designated by the Executive Committee. This may include an investigation by legal counsel and/or accountants in

some instances. All investigations will be kept confidential. Appropriate corrective action will be taken, if necessary, and findings will be communicated to the reporting person and his or her supervisor.

Whistleblower Protection:

- The Foundation will use its best efforts to protect whistleblowers against retaliation. Whistleblowing complaints will be handled with sensitivity, discretion, and confidentiality to the extent allowed by the circumstances and the law. Generally, this means that whistleblower complaints will only be shared with those who have a need to know so that the Foundation can conduct an effective investigation, determine what action to take based on the results of any such investigation, and in appropriate cases, with law enforcement personnel. (Should disciplinary or legal action be taken against a person or persons as a result of a whistleblower complaint, such persons may also have the right to know the identity of the whistleblower.)

- Employees, consultants, and volunteers of the Foundation may not retaliate against a whistleblower for informing management about an activity which that person believes in good faith to be fraudulent or dishonest with the intent or effect of adversely affecting the terms or conditions of the whistleblower's employment, including but not limited to, threats of physical harm, loss of job, punitive work assignments, or impact on salary or fees. Whistleblowers who believe that they have been retaliated against may file a written complaint with the Chairman, Chairman-Elect, Executive Director and/or Chief Compliance Officer of the Foundation. Any complaint of retaliation will be promptly investigated and appropriate corrective measures taken if allegations of retaliation are substantiated. This protection from retaliation is not intended to prohibit supervisors from taking action, including disciplinary action, in the usual scope of their duties and based on valid performance-related factors.

- Whistleblowers must be cautious to avoid baseless allegations (as described earlier in the definitions section of this policy). Allegations that are baseless and not made in good faith may result in disciplinary action.

BINGHAM

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nathan.hochman@bingham.com

16 May 2011

Ken Bennett
Secretary of State of Arizona
1700 W. Washington Street
7th Floor, West Wing
Phoenix, AZ 85007

Bill Montgomery
Maricopa County Attorney
301 W. Jefferson
Phoenix, AZ 85003

Re: Requests for Reimbursement for Improper Campaign Contributions by Fiesta Bowl

Dear Messrs. Bennett and Montgomery:

As you may be aware, a Special Committee of the Board of Directors of the Fiesta Bowl recently conducted an extensive and independent investigation of the Fiesta Bowl's activities. This investigation focused on, *inter alia*, the issue of political contributions made by certain Fiesta Bowl employees that were improperly reimbursed by the Fiesta Bowl.

As a tax-exempt organization, the Fiesta Bowl is broadly prohibited from intervening in a political campaign by making direct, indirect or in-kind contributions or otherwise supporting or opposing a candidate for public office. In accordance with applicable regulations, including 26 C.F.R. 53.4955-1(e), 11 C.F.R. 103.3(b), and Section 16-919, Arizona Revised Statutes, *et seq.*, the Fiesta Bowl is making every effort to correct any improper contributions it may have made in political campaigns by requesting that each entity or candidate who received indirect or in-kind contributions reimburse the Fiesta Bowl. **Any funds recovered by the Fiesta Bowl will be contributed to non-profit charities benefitting youth or education in the State of Arizona.**

I have enclosed copies of the letters sent to the entities and candidates today that have received improperly reimbursed

Boston
Frankfurt
Hartford
Hong Kong
London
Los Angeles
New York
Orange County
San Francisco
Santa Monica
Silicon Valley
Tokyo
Washington

Bingham McCutchen LLP
The Water Garden
North Tower, Fourth Floor
1620 26th Street
Santa Monica, CA
90404-4060

T +1.310.907.1000
F +1.310.907.2000
bingham.com

campaign contributions from the Fiesta Bowl as well as a spreadsheet of such improperly reimbursed contributions. Our investigation into this issue is ongoing, and to the extent we learn any additional information, such information will be shared with each of your offices.

In addition to seeking reimbursement for improper campaign contributions, the Fiesta Bowl is also required to examine potentially improper gifts or benefits made to third parties, including elected officials. Our investigation into this issue is ongoing. To the extent the Fiesta Bowl recovers any improperly given gifts or benefits from third parties, including from elected officials, such funds will also be contributed to non-profit charities benefitting youth or education in the State of Arizona.

We look forward to fully cooperating with your offices. Please feel free to contact me if you have any questions.

Sincerely yours

Nathan J. Hochman

Enclosures

NEWS Bowl Championship Series

Every Game Counts

Bill Hancock, Executive Director

www.bcsfootball.org | facebook | twitter

FOR IMMEDIATE RELEASE
May 11, 2011
CONTACT: Tracie Dittemore 913-341-8151

ONE MILLION DOLLAR SANCTION IMPOSED FOR FIESTA BOWL

Bowl Must Meet Conditions to Remain Part of BCS

"Reveal and Reform Approach is Appropriate, but Additional Action Is Necessary"

The presidents and commissioners who oversee the Bowl Championship Series today unanimously approved a special task force recommendation to enact a series of sanctions designed to create stronger oversight and better management of the Fiesta Bowl, including a $1 million sanction.

The task force concluded that the reforms undertaken by the bowl's new leaders are "appropriate and necessary," but due to the severity of the problem, the task force has recommended that additional measures and corrective action be required.

The commissioners and university presidents approved the recommendation of the task force that the Fiesta Bowl be subject to a $1 million sanction with the proceeds benefitting youth in Arizona. The task force also recommended the enactment of six other measures to improve the governance of the bowl.

The task force, chaired by Penn State University President Graham Spanier, concluded "The board of directors of the Fiesta Bowl failed in its responsibility to properly oversee the management and administration of the Bowl. The task force is deeply troubled by the evidence set forth in the [Fiesta Bowl's] Special Committee's report. That evidence strongly suggests that the Bowl's executive staff frequently acted with scant regard for ethics and proper conduct. Further, it is the opinion of the task force that the Bowl's board of directors over the years was negligent in its oversight responsibilities."

The task force commended the bowl's leaders for their swift and corrective "reveal and reform" actions since the Special Committee report was released in March. According to the task force's 15-page report, "Nevertheless, the task force has concluded that additional reforms are needed, and is recommending sanctions."

Had these reforms not been made by the Fiesta Bowl, the task force "almost certainly would have recommended the termination of the BCS Group's involvement with the Fiesta Bowl."

In addition to the $1 million sanction, the task force called for the six other reforms involving tougher and more independent audits, tighter membership controls for the Fiesta Bowl board, and greater accountability. The task force also recommended requiring all BCS bowls conform to soon-to be developed standards for responsible bowl governance and that each bowl associated with the BCS be required to certify annually to the Executive Director of the BCS that it is conducting its business in accordance with the standards or be subject to possible sanctions.

About the Bowl Championship Series

The BCS is a five-game arrangement for post-season college football that is managed by the 11 Bowl Subdivision conferences and Notre Dame. Its purpose is to match the two top-ranked teams in a national championship game and to create competitive match-ups in the four other BCS bowl games. For more information, visit http://www.bcsfootball.org.

REPORT OF THE TASK FORCE REVIEWING THE FIESTA BOWL

This report (the "Report") contains the recommendations of the task force appointed by the BCS Presidential Oversight Committee (the "Task Force") to review the relationship between the 11 NCAA Football Bowl Subdivision conferences and the University of Notre Dame (the "BCS Group"), which participate in the Bowl Championship Series arrangement (the "BCS"), and the Arizona Sports Foundation and related entities that own and operate the Fiesta Bowl.[1]

Executive Summary

In March of 2011, BCS Presidential Oversight Committee chairman Graham Spanier, President of Penn State University, appointed a task force to determine what response the BCS group should make to a 276-page report relative to the Fiesta Bowl that was released by the Special Committee of the Board of Directors of the organization. Dr. Spanier personally chaired the Task Force. The other members are: John Peters, President of Northern Illinois University; Bob Bowlsby, Director of Athletics at Stanford University; Jeremy Foley, Director of Athletics at the University of Florida; Richard Giannini, Director of Athletics at the University of Southern Mississippi; John Marinatto, Commissioner of the Big East Conference; and Wright Waters, Commissioner of the Sun Belt Conference. Bill Hancock, Executive Director of the Bowl Championship Series, serves *ex officio*.

The Task Force believes that the board of directors of the Fiesta Bowl failed in its responsibility to properly oversee the management and administration of the Bowl. The Board allowed executive staff to have extraordinary leeway in making decisions without paying heed to checks and balances to ensure that the Bowl was run in a proper and ethical manner. The Task Force is deeply troubled by the evidence set forth in the Special Committee's report. That evidence strongly suggests that the Bowl's executive staff frequently acted with scant regard for ethics and proper conduct. Further, it is the opinion of the Task Force that the Bowl's board of directors over the years was negligent in its oversight responsibilities. That lax oversight, however, ended

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[1] The Arizona Sports Foundation is the principal entity in a larger enterprise that operates bowl games in Phoenix. The Arizona Sports Foundation is the entity that owns and manages the annual Fiesta Bowl football games and a number of the other events that are part of the bowl experience generally. The conferences and institutions participating in the BCS also contract with the Arizona College Football Championship Foundation, which manages the BCS National Championship when it is hosted in the Phoenix area once every four years. In addition, there are two other entities, Fiesta Events, Inc. and The Valley of the Sun Foundation, with which the conferences and institutions do not contract as part of the BCS, but which operate events related to the Fiesta Bowl.

It is the understanding of the Task Force that all four entities are under the control of the same board of directors and managed by the same executive staff. While the Task Force has expressed concern to Fiesta Bowl representatives about the existence of multiple separate entities, the distinctions among them are not material for purposes of the Task Force's recommendation. For ease of reference, this Report does not distinguish between or among the entities but simply refers to them as the "Fiesta Bowl" or "Bowl."

when the current board chairman received evidence of inappropriate conduct and acted with other board members to create the Special Committee and empower it with broad, independent investigative authority.

The Task Force conducted six telephone conferences and met in person once. Fiesta Bowl representatives met with the Task Force for three hours on April 23 and expressed deep remorse. They presented a detailed "reveal and reform" approach, which is appropriate and necessary, but nevertheless the Task Force believes that additional measures and corrective actions are required. Had current board chairman Duane Woods and his colleagues not created the Special Committee and had that committee not produced such a thorough and open report, and had the board not already developed significant reforms, this Task Force almost certainly would have recommended the termination of the BCS Group's involvement with the Fiesta Bowl. The Task Force commends the board of the Fiesta Bowl for the reforms it presented and has already developed. Nevertheless, the Task Force has concluded that additional reforms are needed, and is recommending sanctions.

The Special Committee created by the Fiesta Bowl board was chaired by Justice Ruth McGregor, a respected jurist and former member of the Arizona Supreme Court, and was prepared by out-of-state counsel independent of the Fiesta Bowl Board of Directors. Although the Special Committee's report makes no findings of fact or conclusions of law, it does recite in detail the evidence the investigation uncovered. Broadly speaking, the report cited evidence of inappropriate conduct in four areas:

(1) reimbursement of campaign contributions;

(2) the initial Grant Woods investigation;

(3) expenses and reimbursements; and

(4) gifts.

Additionally, the Special Committee's report cites allegations of a cover-up.

While believing that the Fiesta Bowl should remain a BCS game, the Task Force recommends the following additional corrective courses of action in order for the Bowl to remain a part of the BCS.

These sanctions are the result of the severity of the problems that have come to light, and are also necessary to make certain the Fiesta Bowl officials will conduct their affairs in an ethical and proper way in the future.

1. **A $1 Million Sanction:** The Task Force calls for a minimum $1 million sanction in the form of a mandatory distribution to charities recommended by the BCS Group. Further, the Bowl should make an additional mandatory distribution to charities recommended by the BCS Group of any funds recovered from individuals or entities as a result of the

evidence uncovered by the Special Committee's investigation. It is the intention of the BCS Group to recommend charities that benefit youth in Arizona.

2. **Board of Directors:** The Task Force expects that persons who were members of the Fiesta Bowl board and for which the Special Committee's report found substantial evidence of inappropriate conduct will be removed from the board immediately. Further, the Task Force expects that any board members who may subsequently be implicated in any inappropriate conduct or wrongdoing as a result of investigations by government agencies will be removed from the board immediately upon those revelations.

3. **Collegiate Officials on New Board:** Fiesta Bowl representatives have developed new criteria for serving on the board. It is expected that individuals with appropriate business, not-for-profit, and other relevant executive experience be appointed to the board to enhance management experience and oversight. The Task Force believes those are steps in the right direction. The Task Force is concerned, however, that merely having persons with such credentials is not enough. The Task Force recommends that at least two members of the Fiesta Bowl board should be drawn from among the collegiate community, such as university presidents or other senior administrators, faculty representatives, or athletic directors. One of the members from among the higher education community should be drawn from outside the state of Arizona.

4. **Independent Audit of Internal Controls:** The evidence uncovered by the Special Committee suggests that the Fiesta Bowl operated without adequate internal controls. Accordingly, for the duration of the current contract, the Fiesta Bowl annually must have an independent audit of its internal controls and must share the results of that audit with the BCS Executive Director.

5. **More Probing and Extensive Financial Audit:** Based on the failure of the Fiesta Bowl to reveal financial irregularities, the Task Force believes that the Fiesta Bowl must either replace its auditing firm or require that a new supervisory partner be engaged. The Task Force also believes that the Fiesta Bowl must have a more thorough annual financial audit appropriate for not-for-profit entities and consistent with best practices for such organizations. The results of the audit should be shared with the BCS Executive Director.

6. **Increased Accountability:** To ensure accountability, representatives of the Fiesta Bowl and representatives of the BCS Group must meet no less than annually to review: (i) the reforms implemented by the Fiesta Bowl; (ii) the governance, operation, and management of the Fiesta Bowl; and (iii) any matters revealed by the audits described in paragraphs 4-5. Frequency of such meetings will be determined by the BCS Group.

7. **New Executive Director:** The hiring of an Executive Director by the Fiesta Bowl is crucial to the future of the organization. Responsibility for the selection of that person should belong to the Bowl. However, the BCS Executive Director and the chair of the BCS Presidential Oversight Committee should be kept informed of the progress of the hiring process and consulted on the hiring decision. The Task Force encourages the

Fiesta Bowl to consider candidates for the position who not only have relevant experience in business but also who understand the collegiate athletic model and have the highest ethical standards.

While the Task Force's charge did not extend beyond the Fiesta Bowl, this experience is a reminder of the importance of having in place strict and proper financial and governance procedures at all BCS bowls. Consequently, the Task Force recommends that the BCS Group retain an independent expert with a background in management of non-profit organizations to develop standards for responsible bowl governance. Following the dissemination of such standards, each bowl associated with the BCS will be required to certify annually to the Executive Director of the BCS that it is conducting its business in accordance with the standards. Any failure to comply with these standards must be cured, or the bowl may be subject to sanctions.

I. Historical Background of the Fiesta Bowl

Founded in 1971, the Fiesta Bowl has grown from relatively humble beginnings to a major post-season event. In many respects, it has been an innovator among post-season college football games, drawing praise from coaches, athletic directors, student-athletes, and fans of the institutions that it has hosted.

The Bowl hosted its first national championship game in January 1987 when it matched unbeaten Miami and unbeaten Penn State in one of the most highly anticipated college football games ever played. The game was an enormous success, garnering what remains the largest single television rating since the end of the NCAA television plan. Two years later, the Fiesta Bowl matched unbeaten and top-ranked Notre Dame against unbeaten and third-ranked West Virginia in what amounted to yet another national championship game.

In 1991, the Fiesta Bowl, along with the Orange, Sugar, and Cotton Bowls and certain conferences and Notre Dame, formed the Bowl Coalition,[2] which was the first attempt to create an annual national championship game between the two highest-ranked teams in the nation. The Coalition was built on top of pre-existing individually negotiated contracts between certain bowls and conferences.[3] Because the Fiesta Bowl had two open slots, it provided an option for the Coalition arrangement to match the top two teams in the nation if they were not affiliated with a conference whose champion was contracted to play in another bowl game. While no such

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[2] The Sun Bowl, which then was known as the John Hancock Bowl, and the Gator Bowl subsequently joined the Coalition arrangement.

[3] The Sugar Bowl had contracted to host the Southeastern Conference champion every year. The Cotton Bowl had a contract to host the Southwest Conference champion annually, and the Orange Bowl had a contract to host the Big Eight champion annually. In addition to these agreements, the Big Ten champions and the Pac-10 champions played each year in the Rose Bowl.

matchup occurred in the Fiesta Bowl during the years the Coalition existed, the Fiesta Bowl continued to attract highly regarded teams and large crowds, averaging more than 70,000 fans per game during those years.

The Coalition arrangement ended following the bowl games in January 1995. In an effort to increase the likelihood of pairing the top two teams in the nation annually in a bowl game, several conferences and Notre Dame formed the Bowl Alliance. The Fiesta Bowl was among nine different bowl organizations that chose to bid to become part of the Alliance arrangement.[4] Its proposal was accepted, along with those of the Sugar and Orange Bowls. When the initial Bowl Championship Series arrangement was formed in 1996 (for play beginning after the 1998 regular season), those same three bowls participated, along with the Rose Bowl. The BCS arrangement has continued through three different four-year periods and is now in its fourth such period. On each renewal, the Fiesta Bowl has been one of the participating bowls. The current BCS arrangement runs through the bowl games to be played in January 2014.

II. The Fiesta Bowl's Investigations

The genesis of the Fiesta Bowl's investigations is set forth in detail in the report of counsel to the Special Committee of the Board of Directors of the Fiesta Bowl (the "Special Committee's report"). This Report will not review it in detail but highlight only a few pertinent facts.

In December 2009, *The Arizona Republic* published an article in which past and present Fiesta Bowl employees stated that they were encouraged to write checks to specific political candidates and then were reimbursed by the Bowl for their contributions. In mid-December, the Fiesta Bowl board retained Grant Woods, a former Attorney General of Arizona, to investigate certain allegations in *The Republic*'s article. Although the Special Committee's report does not pinpoint an exact date of Woods' retention, it appears that he first met with the Executive Committee of the Fiesta Bowl board on December 14, 2009. While there is conflicting evidence in the Special Committee's report, Grant Woods stated that he did not generate any paper in connection with his investigation because he was told by a lobbyist and lawyer for the Bowl that the Executive Committee simply wanted a final conclusion on his findings. While an outline of his investigation presented at the December 14, 2009 meeting lists a number of topics under the "scope of inquiry," the Special Committee's report states that the primary scope of the investigation was to focus on reimbursement of political contributions.

Grant Woods apparently conducted a number of short interviews over the following week and made an oral report to the Executive Committee of the board on December 22, 2009. According to the Special Committee's report, it was at that meeting that Woods first stated that he had found "no credible evidence" to support the allegation that the Fiesta Bowl had reimbursed employees for campaign contributions. The report, however, states that "it remains unclear what

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[4] At the time of the formation of the Bowl Alliance, there were roughly 18 different bowl games. Approximately half submitted bids to participate in the Alliance arrangement. The only BCS bowl that did not participate in the Alliance was the Rose Bowl, which annually hosted the Big Ten and Pacific-10 conference champions. Those two conferences did not commit their champions to the Alliance arrangement.

analysis of Fiesta Bowl current or former employees' campaign contributions, if any, were done prior to the December 22, 2009 meeting." The report adds that, during the eight days between Woods' meetings with the Executive Committee on December 14 and December 22, he was not engaged full-time in the investigation. According to the report, Woods referred to his probe as a "'seat of the pants' investigation." It does not appear from the Special Committee's report that Woods conducted extensive interviews with Fiesta Bowl employees or engaged in any extensive document review before reaching the conclusion stated at the December 22 Executive Committee meeting. Likewise, it does not appear that any members of the Executive Committee or full board made extensive inquiries about the scope of the investigation or otherwise reviewed in detail the work done by Grant Woods.

In September 2010, an employee of the Bowl informed Fiesta Bowl Chairman Duane Woods[5] that certain employees of the Bowl had been reimbursed for making campaign contributions. Duane Woods immediately called a meeting of the Executive Committee and met with legal counsel who advised that the Bowl conduct a second investigation through a Special Committee of the board. On October 8, 2010, the Fiesta Bowl board passed a resolution empowering a Special Committee. The Special Committee retained Robin, Kaplan, Miller & Ciresi as counsel to conduct an independent investigation into the allegations of reimbursement of campaign contributions. In addition, the Special Committee was given authority to review other areas of the Bowl's operations.

It appears to the Task Force that the Special Committee's investigation, unlike the earlier Grant Woods investigation, was exceedingly thorough. The investigation was led by counsel for the Special Committee assisted by independent professional investigators of counsel's choosing. The investigative team consisted of a former Maricopa County Deputy Criminal Chief and two retired Special Investigators from the Federal Bureau of Investigation, as well as a former auditor and a certified public accountant. Counsel and investigators for the Special Committee conducted 87 different interviews with 52 different persons, reviewed 55 gigabytes of electronic data, approximately 10,000 additional documents that had been scanned and coded, and additional paper documents gathered from various locations and persons.

On March 29, 2011, the Bowl made public the Special Committee's 276-page report. Although the report makes no findings of fact or conclusions of law, it does recite in detail the evidence the investigation uncovered. Broadly speaking, the Special Committee's investigation uncovered evidence of inappropriate conduct in four areas:

(1) reimbursement of campaign contributions;

(2) the initial Grant Woods investigation;

(3) expenses and reimbursements; and

(4) gifts.

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[5] Duane Woods is no relation to Grant Woods

Because the Special Committee did not make any findings of fact or reach any conclusions of law, the Task Force has not attempted to do so. It is sufficient for present purposes, however, to note that the evidence presented in the Special Committee's report is serious and, if true, reflects conduct that is thoroughly unacceptable.

III. Task Force Actions

Upon the issuance of the Special Committee's report, Graham Spanier, President of Penn State University and chair of the BCS Presidential Oversight Committee, appointed a Task Force to review the report and to make a recommendation about how the BCS Group should respond to the Special Committee's report and the slate of reforms instituted by the Bowl. The Task Force understands that the Report will be reviewed and acted upon by the commissioners group and the BCS Presidential Oversight Committee.

The Task Force has spent considerable time on this matter. It has convened by conference call on a number of occasions to discuss the Fiesta Bowl report and the views of individual members. In addition, all members of the Task Force gathered in Chicago on April 23 to meet with representatives of the Fiesta Bowl, hear a presentation from them, and to ask questions about the matters covered in the Special Committee's report and the Bowl's response to it. That meeting lasted about three hours and included frank and pointed questions from Task Force members. Fiesta Bowl representatives were candid and forthright in their responses, acknowledged the significant flaws in the Bowl's operations, outlined the steps that the Bowl has since taken to correct these serious deficiencies, and gave a review of legal, financial, and communications matters of interest to the Task Force. Following the Fiesta Bowl's presentation, the Task Force members met again to discuss the issues and reactions to the presentation and responses to questions.

This Report has been prepared to summarize the Task's Force's views and recommendations. Any Task Force member wishing to add a separate statement has been given the opportunity to do so. Likewise, any Task Force member not concurring with the recommendations and conclusions of this Report has been given the opportunity to provide a dissenting statement. No additional or dissenting statements have been filed. This Report, therefore, constitutes the unanimous recommendation of the Task Force.

A. Questions Addressed

In carrying out its mandate, the Task Force set out to address the following issues:

1. What were the causes of the matters uncovered by the Special Committee's investigation report and why were they not discovered earlier?

2. Once the Fiesta Bowl board had before it evidence of inappropriate conduct, did it move swiftly to reveal the conduct and implement reforms to ensure that it would not happen in the future?

3. What reforms has the Fiesta Bowl implemented, and are those reforms sufficient to address the conduct identified in the Special Committee's report?

Before turning to a substantive analysis, the Task Force also notes what was not at issue. There is no dispute that the Fiesta Bowl has historically provided a meaningful post-season experience for student-athletes and fans of the participating universities. The organization and community have been commended over the years for the excellence of their bowl game operations. The Task Force did not view and has not made its recommendations based on the Fiesta Bowl's performance as the presenter and host of a post-season college football game. The Task Force acknowledges that it continued to be excellent during the January 2011 games, providing superb bowl experiences for the student-athletes and fans of six institutions at three different bowl games, including the BCS National Championship Game.

Similarly, the Task Force has not considered and makes no recommendation about whether the conferences and institutions participating in the BCS arrangement should continue to contract with the Fiesta Bowl after the current arrangement expires should the BCS or some other post-season arrangement designed to pair the top two teams in the nation be continued after the January 2014 National Championship Game. If the BCS continues after January 2014 or some other post-season arrangement takes its place, the Task Force expects that the BCS Group will make decisions about those bowls with which they will contract after comprehensive analysis of all relevant facts and negotiations with those parties. The only question before the Task Force is responding to the Special Committee's report and slate of reforms in the context of the current relationship.

B. Recommendation and Analysis

After careful consideration, the Task Force recommends that the relationship with the Fiesta Bowl be continued through the conclusion of the current BCS contract, subject to a number of additional sanctions and conditions noted in Section IV. Overall, the Task Force was impressed with the commitment of the Fiesta Bowl board in bringing evidence of inappropriate conduct to light and making public the evidence uncovered by investigators for the Special Committee of the board. The Task Force acknowledges the initiative of the Fiesta Bowl board to implement needed reforms and to commit the Bowl to a culture of ethical integrity, prudent management, and compliance. Several factors are central to this recommendation but three stand out in particular:

1. The Fiesta Bowl board took prompt action when evidence of inappropriate conduct was made known to the board. The Task Force has been and remains concerned about how the alleged misconduct could have escaped detection of the board for so long and whether the current board can be trusted to oversee the reforms when it initially failed to uncover the conduct. Representatives of the Fiesta Bowl addressed that issue in great detail and with candor at the April 23 meeting;

2. The Special Committee that actually conducted the investigation was independent of the board itself. It was chaired by Justice Ruth McGregor, a well-respected jurist and former member of the Arizona Supreme Court. The Special Committee retained its own counsel and conducted a thorough investigation of the areas identified in its report. No restrictions were placed on the Special Committee, and neither the Special Committee nor its counsel reported to the board or was subject to dismissal by the

board. Counsel for the Special Committee met with the Task Force on April 23 and confirmed that he was given authority to pursue the evidence wherever it led and any lines of inquiry that he believed appropriate in his professional judgment. Counsel for the Special Committee confirmed that he and his investigative team had access to all records and personnel of the Fiesta Bowl, including sitting and past board members;[6] and

3. Upon completion of the Special Committee's report, the Fiesta Bowl board acted swiftly to reveal the evidence uncovered during the investigation, make a public acknowledgement of the alleged inappropriate conduct, and develop a set of reforms aimed at addressing that conduct and other management issues.

Despite these reforms, however, the Task Force believes additional corrective measures must be implemented and sanctions imposed if the Fiesta Bowl is to remain part of the Bowl Championship Series arrangement. Those are detailed in Section IV. In addition, the Task Force remains concerned about two matters.

First, reforms described on paper but not implemented in practice do not solve problems. The Task Force has made plain to Fiesta Bowl representatives that the evidence uncovered is unacceptable and will not be tolerated. Fiesta Bowl representatives have stated that they are committed to the reforms that they have developed and will carry them out. The Task Force accepts those representations as a good faith statement of the Bowl's intentions. But in light of the evidence uncovered in the Special Committee's report, the Task Force does not believe that intentions alone can or should carry the day. Rather, the best intentions must be backed by concrete and verifiable actions. Therefore, in addition to the additional reforms and sanctions contained in this Report, the Task Force further recommends that the BCS Group monitor the Fiesta Bowl's progress to ensure that the reforms are actually executed. The Task Force is not recommending that the BCS Group take any active role in the management of the Bowl. Nonetheless, the Task Force recommends that the contract between the BCS Group and Fiesta Bowl be amended to provide for additional review and audit rights so that the BCS Group can monitor the progress of the Fiesta Bowl and verify that the stated reforms and those additional conditions set forth in Section IV are actually implemented.

Second, the Task Force notes that the Special Committee's report details substantial evidence that, if true, might support findings of wrongdoing by certain individuals and entities. The Special Committee's report makes no credibility determinations, no findings of fact, and no conclusions of law. Nonetheless, despite the thoroughness of the Special Committee's investigation, the Task Force remains concerned about the possibility that the investigators may not have been able to uncover evidence of all inappropriate conduct or alleged wrongdoing. Therefore, the BCS Group reserves the right to review any evidence of additional inappropriate conduct that may subsequently be revealed and to respond as it deems appropriate.

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[6] The Special Committee lacked authority to compel cooperation by certain employees or former employees of the Fiesta Bowl and thus was not able to interview certain persons about matters covered in the Special Committee's report.

With that background, we turn to the reasons for the recommendation and the analysis of the questions set forth above.

1. Causes of the Reported Matters and Failure in Uncovering Them

The Task Force has been particularly concerned about the causes of the matters set forth in the Special Committee's report and the Fiesta Bowl board's delay in uncovering them. The evidence in the Special Committee's report, particularly that related to the alleged reimbursements of campaign contributions and inappropriate expenditures, spans a number of years and several board chairmen. The Task Force was also concerned about why these matters were not noted in annual audits. A number of questions were directed to the Fiesta Bowl board about those matters, and the answers were, in the view of the Task Force, candid and forthright. That does not, however, alter the fact that the board ultimately failed to uncover the evidence set forth in the Special Committee's report. There appear to be a number of reasons for the failure.

First, representatives of the Fiesta Bowl acknowledged that board oversight had been lacking and that far too much authority – often unquestioned in its exercise – had been invested in the executive staff of the organization. According to the board, senior management had established a culture in which certain business practices were not questioned, and staff members did not believe that they could question practices of management. The same representatives acknowledged that a number of the staff were young and not experienced and skilled broadly in various areas. While these staff members may have had skills necessary for their particular jobs, the Bowl has not been as good at assisting them in expanding their skill sets as would be expected, especially for those staff members below the management level. As a result, employees were not necesearily able to spot issues outside their own particular work areas, and an ordinary check on inappropriate activities that might have otherwise existed was lacking.

Second, there were no mechanisms in place for staff to raise issues with the board without jeopardizing their employment status. According to Fiesta Bowl representatives, that problem was exacerbated by the close relationship between the senior management and outside contractors and consultants who might ordinarily have been expected to act as a check on management. The Bowl has severed ties with several former consultants and hired now outside counsel.

Third, audits were not as comprehensive as they should have been. Representatives of the Fiesta Bowl have told the Task Force that they are discussing the scope of audits and are looking at whether the audits actually performed were consistent with the audit firm's engagement. The Fiesta Bowl representatives further noted that the financial statements of the organization appear to be correct and that the Bowl remains in good financial condition. Nonetheless, it is clear that the audits were not sufficiently comprehensive, and that point must be addressed in the future.

Fourth, the Fiesta Bowl board failed in its oversight responsibilities. Representatives of the Fiesta Bowl were willing to shine the spotlight on themselves both through the Special Committee's report and further while meeting with the Task Force. They acknowledged those failures and forthrightly stated that several of them had considered whether they should resign in light of the evidence uncovered by the Special Committee investigation. There is some board

turnover annually,[7] and the Fiesta Bowl representatives stated that they believed that they had an obligation to address the matters set forth in the Special Committee's report. They also acknowledged that some of the evidence uncovered by the Special Committee's investigation suggests that some prior board members had knowledge of certain allegedly inappropriate conduct and failed to come forward with the information and that even current board members were implicated by some of the evidence in the Special Committee's report. The Fiesta Bowl has severed ties with certain former board members and others who may have had information but did not come forward. Fiesta Bowl representatives have also candidly acknowledged that the organization's reputation has been damaged and that future boards will have the task of repairing it.

Fifth, the cursory nature of the investigation conducted in December 2009 by former Arizona Attorney General Grant Woods (the "Woods investigation"), together with the board's failure to oversee that investigation properly, further hindered uncovering the evidence found by the Special Committee. The Task Force has spent considerable time discussing this failure. Fiesta Bowl representatives acknowledged that the Woods investigation was not thorough and stated that they do not believe, in retrospect, that it was intended to be thorough. They further acknowledged their own failures in this regard. The board made the decision to hire Grant Woods based on his reputation and prior service in government. When asked about the speed with which Mr. Woods conducted his review, Fiesta Bowl representatives insisted that the Woods investigation was not subject to any time constraints imposed by the board and that Mr. Woods conducted employee interviews on his own schedule. Fiesta Bowl representatives further informed the Task Force that, while Mr. Woods retained an outside contractor to review publicly available data disclosing political contributions made by Fiesta Bowl staff, he failed to inform the board about the hiring or about the existence of the contributions.

The lack of thoroughness of the Woods investigation, and the board's failure to oversee it properly, remain significant concerns for the Task Force. Indeed, the Woods investigation is widely perceived as a whitewash, and the Special Committee's report suggests that it was part of the "cover up" of campaign contribution reimbursements. Fiesta Bowl representatives acknowledged the deficiencies and their own failures but also placed much of the blame on senior management and consultants working with management for the significant shortcomings. The work of the Special Committee appears to validate that position. At the April 23 meeting, counsel for the Special Committee answered numerous questions about the scope and methodology of the investigation and stated that he was given unfettered access to the Bowl's records and all board members. His investigative team did not uncover evidence that the current board was complicit in the Woods investigation. Undoubtedly, the Fiesta Bowl board merits criticism for failing to oversee the Woods investigation properly. Fiesta Bowl representatives have acknowledged as much. The Task Force is persuaded, however, that the board's subsequent action does not permit an inference that it intended for the Woods investigation to conceal the evidence described in the Special Committee's report.

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[7] The Fiesta Bowl board has 26 members with staggered three-year terms. The board chairman typically serves for one year in that position.

2. Response of the Board Upon Learning of Evidence of Inappropriate Conduct

Because of its concern about the Woods investigation and the board's failure to oversee it, the Task Force members posed a number of questions to Fiesta Bowl representatives concerning the time line of events following the board's receipt of evidence of inappropriate conduct. The Special Committee's investigation identifies the conversation between Kelly Keogh, a Fiesta Bowl staff member, and Duane Woods, the board chairman, in September 2010 as the first instance in which the board learned of potentially inappropriate conduct. Fiesta Bowl representatives informed the Task Force that, within 48 hours, the Executive Committee of the board had convened with counsel and determined to form a Special Committee to conduct an independent investigation of Keogh's allegations and any other potentially inappropriate conduct. Within a short time thereafter, the Special Committee retained Robins, Kaplan, Miller & Ciresi LLP to serve as its counsel and to lead the investigation. Counsel for the Special Committee confirmed the time line as represented by Fiesta Bowl representatives, and the Special Committee's report also supports it.

3. Sufficiency of the Fiesta Bowl Reforms

The Fiesta Bowl's Special Committee specifically states in its report that it made no findings of fact as a result of its investigation. Nonetheless, the evidence it uncovered may support findings of inappropriate conduct in at least three areas: (1) reimbursement of campaign contributions; (2) appropriateness of Bowl expenditures; and (3) gifts. As noted, the Task Force has substantial concerns about the thoroughness of the Woods investigation and its oversight. The Task Force has also spent considerable time evaluating the sufficiency of the reforms developed by the Fiesta Bowl. The Fiesta Bowl board has taken a number of steps to address the lack of oversight that led to the problems identified in the Special Committee's report. Among these, the Fiesta Bowl has: (1) reorganized its board to ensure proper oversight of its executive staff; (2) implemented changes in the way that expense reimbursements are handled for the senior executive staff; (3) established criteria for service on the board; (4) revised its bylaws; (5) revamped its ethics policy and other standard operating procedures and policies; (6) implemented an independent hotline that will allow staff to report inappropriate conduct in a way that will reach the board without fear of reprisal, including loss of employment; (7) undertaken a comprehensive review of the scope and procedures used in its financial audit; and (8) replaced senior staff and disassociated itself from some former board members, including several former board chairmen, based on the evidence uncovered by the Special Committee.

The Task Force believes that these are significant steps in the right direction. Indeed, were it not persuaded of the sincerity of the Fiesta Bowl's commitment to these reforms, the Task Force would almost certainly not be recommending that the BCS Group continue its relationship with the Fiesta Bowl through the duration of the current agreement. In the Task Force's view, however, they are not enough. There are several additional steps that the Task Force believes can and must be taken to address the matters detailed in the Special Committee's report. Those are detailed in Section IV of this Report.

IV. Additional Required Reforms and Conditions

In the April 23 meeting, Fiesta Bowl representatives outlined for the Task Force a broad range of reforms, some of which are described in Section III. The Task Force expects that all the reforms discussed and those still being developed will be implemented.

In lieu of ending the relationship with the Fiesta Bowl, the Task Force recommends that the BCS Group continue its relationship with the Bowl through the end of the current contract subject to the following conditions:

1. The Fiesta Bowl shall pay a monetary sanction in the form of a mandatory distribution of a minimum of $1 million to charities recommended by the BCS Group that benefit youth in Arizona. The Task Force believes that the amount of the charitable distribution should be significant in recognition of the gravity of the alleged conduct described in the Special Committee's report. Fiesta Bowl representatives have acknowledged both the seriousness of the evidence uncovered by the Special Committee and their own failure in overseeing management of the game. In addition, to the extent that the Fiesta Bowl is able to recover any monies from inappropriate expenditures or gifts, those too should be added to the required charitable distribution.

At the same time, the Task Force does not believe that any conference or institution participating in the Bowl Championship Series should benefit from the matters described in the Special Committee's report. The amount of the required charitable distribution should not only impress upon the Fiesta Bowl the magnitude of the concern but should also seek to begin the process of repairing the trust lost as a result of the revelations in the Special Committee's report. The Task Force believes that aim can best be accomplished by having the BCS Group recommend charities whose missions are consistent with the charitable purposes of the Fiesta Bowl to receive the fruits of the monetary sanction. In fact, the Bowl's articles of incorporation state that "[a]ll funds not paid to the participating colleges shall be used by the corporation for educational and charitable purposes."[8] Those purposes will be served by a mandatory distribution that benefits youth in Arizona.

2. The Task Force believes that in light of the evidence uncovered by the Special Committee's investigation, the Fiesta Bowl should make a clean break with its past. If trust is to be restored, there must be recognition of the failures of past boards to exercise proper oversight of the Bowl's management.

Accordingly, the Task Force expects that persons who were members of the Fiesta Bowl board and for whom the Special Committee's report found substantial evidence of inappropriate conduct will be removed from the board immediately. Further, the Task Force expects that any board members who may subsequently be implicated in any inappropriate conduct or wrongdoing as a result of investigations by government agencies will be removed from the board immediately upon those revelations.

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[8] Amendment to Articles of Incorporation of the Arizona Sports Foundation, art. III, ¶ 3.

3. Consistent with the second recommendation, Fiesta Bowl representatives have informed the Task Force that they have developed criteria for serving on the board and have shared those with the Task Force. The aim of the criteria is to ensure that persons with substantial business, not-for-profit, and other experience and capable of exercising the type of oversight function needed from a board are entrusted with the governance of the organization. The Task Force believes those are steps in the right direction. The Task Force is concerned, however, that merely having persons with such credentials is not enough. One of the concerns revealed by the Special Committee's report is that senior management appeared to have focused more on maintaining the Bowl's position as an elite post-season game than in doing so consistent with the collegiate model. The Task Force is concerned that, in its effort to implement needed reforms and impose necessary internal controls, the Fiesta Bowl board may lose this vital perspective. Accordingly, at least two members of the Fiesta Bowl board should be drawn from among the collegiate community, such as university presidents or other senior administrators, faculty representatives, or athletic directors. One of the members from among the higher education community should be drawn from outside the state of Arizona.

4. The evidence uncovered by the Special Committee suggests that the Fiesta Bowl operated without adequate internal controls. The Fiesta Bowl board has committed to the Task Force and publicly to rectify those problems and has made substantial steps along that path. Nonetheless, paper reforms without adequate implementation are not meaningful. Accordingly, for the duration of the current contract, the Fiesta Bowl must annually have an independent audit of its internal controls and must share the results of that audit with the BCS Executive Director. If any deficiencies are identified by the audit, then the Fiesta Bowl must cure those deficiencies within 90 days and present a clean report from the auditor to the BCS Executive Director.

5. The Task Force believes that the Fiesta Bowl's annual audits should have uncovered evidence of financial irregularities set forth in the Special Committee's report. Because they did not, the Task Force believes that a more thorough financial audit is necessary. The Task Force recommends that the Fiesta Bowl either replace its auditing firm or that a new supervisory partner be engaged. The Task Force further recommends a more thorough financial audit appropriate for not-for-profit entities and consistent with best practices for such organizations. The results of the audit should be shared with the BCS Executive Director and deficiencies corrected in the same manner as described in paragraph 4 of this Section IV.

6. To ensure accountability, the Fiesta Bowl should meet with representatives of the BCS Group no less than annually to review: (i) the reforms implemented by the Bowl; (ii) the governance, operation, and management of the Bowl; and (iii) any matters revealed by the audits described in paragraphs 4-5. Frequency of such meetings will be determined by the BCS Group.

7. The hiring of an Executive Director by the Fiesta Bowl is crucial to the future of the organization. Responsibility for the selection of that person should belong to the Bowl. However, the BCS Executive Director and the chair of the BCS Presidential Oversight Committee should be kept informed of the progress of the hiring process and consulted on the hiring decision. The Task Force encourages the Fiesta Bowl to consider candidates for the

position who not only have relevant experience in business but also who understand the collegiate athletic model and have the highest ethical standards.[9]

V. Other Matters

The Task Force has not been charged with reviewing any matters related to the other bowls participating in the Bowl Championship Series, and it has not done so. Nonetheless, this experience is a reminder of the importance of having in place strict and proper financial and governance procedures at all BCS bowls.

The Task Force recommends, therefore, that the BCS Group commission an independent expert with a background in management of non-profit organizations to develop standards for responsible governance. Following the dissemination of such guidelines, each BCS bowl will be required to certify annually to the Executive Director of the BCS that it is conducting its business in accordance with the standards. Any failures to comply with the standards must be cured or the Bowl may be subject to sanctions. The standards should be issued as soon as possible and be tailored to the specific responsibilities of organizations operating post-season college football games.

Conclusion

This review has been a difficult undertaking for the Task Force. On the one hand, the Fiesta Bowl has performed its game operations superbly over the years, and its staff and volunteers have welcomed student-athletes, coaches, and fans and been exceedingly gracious to the college football community each January. On the other hand, the evidence of inappropriate conduct uncovered by the Special Committee is stunning, unacceptable, and at odds with the performance of the Bowl in other respects. The Task Force recommendations are designed to strike the proper balance, recognizing that the Fiesta Bowl itself has turned the spotlight on its own activities while not minimizing the gravity of the evidence uncovered by the Special Committee's investigation.

In summary, the Task Force is persuaded that the Fiesta Bowl is serious about its reforms and therefore that it should, based on the evidence currently available, continue to be a part of the BCS through the current contract term. But the reforms currently implemented do not go far enough in the Task Force's view to begin the process of rebuilding the trust lost as a result of the evidence uncovered by the Special Committee. Accordingly, the Task Force has recommended additional sanctions, reforms, and conditions for the Bowl's participation in the BCS.

It is the hope of the Task Force that the ultimate outcome of this unfortunate episode will be beneficial. The Task Force has little doubt that the Fiesta Bowl board intends to implement the needed reforms. It should be given that opportunity, but with the caveat that its reform efforts must not fail. If it succeeds, then it will be strengthened as an organization. The Task Force hopes that it will achieve that result.

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[9] If evidence of additional inappropriate conduct is later revealed, the BCS Group reserves the right to review that evidence and to respond as it deems appropriate.

Latest News

Bowl panel reaffirms Fiesta license with probation

The NCAA Postseason Bowl Licensing Subcommittee today reaffirmed bowl licenses for the Tostitos Fiesta and Insight bowls on a one-year probationary period.

This includes the requirement that Fiesta Bowl officials meet in person with the subcommittee at its annual meeting in April 2012 to provide a progress report on its management and business plan changes. Additional requirements may be implemented after the new Division I Bowl Licensing Task Force completes its report this fall.

The decision to reaffirm the licenses follows the subcommittee's review of the Fiesta Bowl's independent special committee report; the Bowl Championship Series' special task force report; and a presentation from Fiesta Bowl officials at the subcommittee's annual meeting last month.

During that meeting in New Orleans, when the subcommittee reaffirmed the licenses of 32 other bowls, Fiesta Bowl representatives presented detailed information regarding organizational changes made in the wake of the independent special committee report that highlighted numerous financial and political improprieties involving former bowl officials.

The Fiesta and Insight bowls are operated by the same organization.

Nick Carparelli, chair of the postseason bowl licensing subcommittee and senior associate commissioner at the Big East Conference, said the subcommittee was troubled with the findings of the independent report but conditionally supports the new direction of the Fiesta Bowl.

"The subcommittee was greatly concerned with the apparent lack of oversight and integrity associated with previous Fiesta Bowl management," said Carparelli. "Considering the business model changes and new direction of the bowl, along with the actions from the BCS, the subcommittee felt comfortable with reaffirming the Fiesta and Insight licenses on a probationary status."

The Association's role in licensing bowls will soon be getting a fresh look at the request of NCAA President Mark Emmert.

Last month, Emmert announced the creation of the NCAA Division I Bowl Licensing Task Force. The panel will examine several areas, including governance and oversight by bowl sponsoring agencies, conflict-of-interest rules and policies, advertising and title-sponsorship standards, and the oversight and reporting of financial management of bowl games.

The task force will be co-chaired by Harvey Perlman, chancellor of the University of Nebraska-Lincoln. The other co-chair will be a person outside of higher education and intercollegiate athletics. The full task force roster is expected to be announced in the near future.

Tuesday, March 29, 2011

Press Release
For immediate Release
Contact: Amy Rezzonico
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www.AZAG.gov | Facebook | Twitter

STATEMENT BY ATTORNEY GENERAL TOM HORNE

"I want to thank the Fiesta Bowl Special Committee, chaired by former Chief Justice Ruth McGregor, for its independent investigation regarding certain allegations about the Fiesta Bowl and past and present employees of the Fiesta Bowl. The Fiesta Bowl Board deserves great credit for allowing the special committee full access to employees and documents so that it could prepare a comprehensive report. That report has been presented to our office and will assist us in the ongoing investigation of this matter."

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