

SUMMARY REPORT OF INVESTIGATION

**Day Pitney LLP
February 17, 2010**

SUMMARY REPORT

Day Pitney LLP was retained by the Board of Trustees of Fairfield University (“Fairfield” or “the University”) in September 2009 to conduct an internal inquiry concerning: (1) the extent of the University’s knowledge of the allegations of sexual misconduct against Douglas Perlitz, the founder of Project Pierre Toussaint in Haiti (“PPT”); and (2) the nature and extent of the University’s financial relationship with Perlitz, PPT, and the Haiti Fund, Inc., PPT’s fund-raising arm (the “Haiti Fund”).

Day Pitney retained UHY Advisors FLVS, Inc. (“UHY”), a forensic accounting and computer analysis firm, to assist in the review and analysis of the University’s financial records, and the identification and collection of electronic documents maintained in the University’s computer systems. We interviewed 22 current and former University employees, the former Provincial of the New England Province of Jesuits and employees of SunGard, a University software vendor.¹ We also reviewed financial records and documents, including electronic documents, maintained in the ordinary course of the University’s business.

Based on our interviews and review of documents we find that:

- The University Administration first learned of the allegations of sexual misconduct against Perlitz on May 2, 2008. On that day, a representative of the Haiti Fund called University President Fr. Jeffrey von Arx to advise him of the allegations.
- While the University was perceived as being affiliated with Perlitz, PPT and the Haiti Fund, it had no legal or fiduciary relationship with those entities. This perception was based in large part on the advocacy on their behalf by Fr. Paul Carrier, who was for 18 years the University Chaplain and Director of Campus Ministry. Fr. Carrier helped raise funds for PPT through Sunday mass collections at Egan Chapel. He also served as Chair of the Haiti Fund Board of Directors for a number of years.
- The decision to transfer Fr. Carrier was made in April 2006 by Fr. Thomas Regan, who was at the time the Jesuit Provincial for the New England Province. Thus, the decision to transfer Fr. Carrier predated the University’s knowledge of the allegations against Perlitz by more than two years. In addition, Fr. Regan stated unequivocally that the decision was in no way based on any allegation or suspicion of sexual misconduct in connection with PPT.
- Based on publicly available information, the Haiti Fund reported receipts of approximately \$3,490,000 from Fiscal Years 2001 to 2008. Our financial analysis established that contributions made *directly* from University funds for the benefit

¹ We were unable to interview either Fr. Paul Carrier, who refused through his counsel to be interviewed by us, or Douglas Perlitz, who is detained in prison pending trial.

of PPT amounted to approximately \$51,000, or 1.5% of the Haiti Fund's receipts for Fiscal Years 2001 through 2008.²

- Approximately \$604,000 in payments for the benefit of PPT were made *through* the University in Fiscal Years 1997 through 2008. These amounts consisted primarily of donations made by individuals during the masses at Egan Chapel and donations made through the University's Office of Development for the benefit of PPT.
- During Fiscal Years 1997 through 2006, payments of approximately \$97,500 were made to Fr. Carrier from Campus Ministry restricted accounts for which we could not determine the specific purpose due to lack of documentary support. Some or all of the payments made to Fr. Carrier may be related to PPT, which could bring the total amount of payments made *through* the University for the benefit of PPT to as much as \$701,500.
- We identified a number of deficient financial controls at Campus Ministry during Fr. Carrier's tenure. However, based on our review of the documents maintained by the University and interviews of available witnesses, we found no evidence of diversion of the funds donated for the benefit of PPT through Campus Ministry.

CONCLUSION

The University's Administration had no knowledge of the allegations against Perlitz prior to May 2, 2008. Fr. Carrier's transfer two years earlier had no relation to those allegations. The University's direct financial support to PPT and the Haiti Fund was less than 2% of the charitable donations reported by the Haiti Fund for Fiscal Years 2001 to 2008. Deficient financial controls for tracking and monitoring donations at the Egan Chapel were identified and recommendations to address the deficiencies have been made to the University Administration.

² In addition, approximately \$23,000 in payments were made to Fr. Carrier from the Campus Ministry operating account during Fiscal Years 1997 through 2006 for which the purpose could not be determined from the available records.