

## **Executive Director Report to the AS Senate**

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### **Personnel:**

1. Reaching conclusion of the process for the Assistant Director for Independent Media and Recordkeeping
2. Beginning the recruitment process for the Box Office Coordinator for the Ticket Office and the Development Coordinator for KCSB
3. In process of developing the staff recruitment plan for IVTU and Program Board assistant, workload for several BCU's (former Living History Program staff member); shepherding editing of the legal code and desktop support for the entire department.

### **Overview:**

Over the past week I've worked on the issues raised by the two Audit and Advisory Services audits from last year, (1) Stewardship of Student Fees and (2) the Department's Internal Controls. I've met with the Execs, together and, in some cases individually, in addition to following up on meeting with the Campus Community Council and potential programming for Fall; with the Vice Chancellor, Student Affairs and worked on the planning and execution of the AS Assembly held on Saturday 10-2pm. I've met with the Independent Media staff members together as a group and am in the process of scheduling one on one meeting times with them. I've also met with the Managers in the department and am in the process of scheduling one on one meeting times for all of my direct reports, all of the Assistant Directors in the Department. I attended a portion of the *Resilient Love* programming, sponsored by the CCC, which was absolutely wonderful and I hope that you all saw some of it or heard how the campus received it. Many felt that it was awe-inspiring.

### **Issues:**

#### **A. Internal Revenue Service, and follow up on clarifying procurement authority.**

Following our weekly Exec Meeting, I met with our accounting firm that consults with our department and our private attorney, Nicholas Schneider at the Executive officers request

that they help us to address these matters. Our accounting firm Nasif, Hicks, Harris met with the Executive officers and your Chair of Finance and Business on Monday morning (10/10/16) to review a letter that is being prepared on your behalf to the IRS by both of them. This letter, called a Private Letter Ruling, is our latest attempt to access that bureaucracy to determine that this department/agency does not need to file a 990. Their last determination indicated that irrespective of being a department at UCSB, it was an independent agency that needs to file their own 990 annually. Given this, we have over the past several years we have been filing the 990s to ensure that we demonstrate our commitment to be in compliance though we have been seeking the IRS to ensure that they not require one from this department/agency. This letter is calling for the IRS to acknowledge that as a department in the University of California, Santa Barbara, it is ultimately not responsible for filing a 990. The Execs are reviewing this letter and it is just about ready to be sent. Once sent, we are not sure how long it will take to review—but are certain that this is the best way to put this matter to rest permanently. Why are seeking this determination? We are seeking this determination because for several years AS did not file 990s believing that it did not need do so, having been told this by the university. So, if ASUCSB is responsible for filing 990s then it could be assessed penalties and charges for all of those years; if it is not then those penalties are abated not assessed. I look forward to meeting with the Senators that would like to work on this issue. Please reach out to me regarding timing of our meetings. Anticipating that either of these outcomes are outside of our control, prior years of student leaders have set funds aside to both pay potential penalties and pay for consultants/experts/attorneys/accountants to inform our actions. Finally, I did not work for this association / department until 2007, so the decision to not file the 990s was not mine; however, I have been involved in figuring out how to best

address this matter along with student leadership during the entire time that I've been employed by you and the university.

### *B. Audits and Associated Students*

Every year, you pay for an external audit of this department's financial accounts. Over the past 30 years, the same firm has provided this External Audit at the insistence and sponsorship of the student leadership to demonstrate its commitment to transparency and accountability (in all senses of the word). This external audit is currently being conducted in our department, and they annually come in to present their findings to you as the Senate. This is a usual and expected course of work on an annual basis. It is not in response to anything other than the expectation that each new year of senators and student leadership should know the health of the agency/department.

Audits conducted by the UCSB Department of Audit and Advisory Services are also conducted on this campus to help strengthen the entire campus' efforts to be responsive to the public. Over the past year—two audits were conducted on our operations, and two have now concluded and have yielded several recommendations. This process is also a usual and expected process of improvement. All of your staff are open and participate fully in both the documentation and production of these documents for audits. This is part of the reason that each and every decision that you make needs to be captured in minutes by each of your BCUs and this is the reason that you as a Senate must approve these decisions on an annual basis. The one item that is not a usual and expected recommendation or finding is that this department/agency never had the authority to procure on its own. As you've been reported to, we are in consultation with the procurement office, the office of the Vice Chancellor of Student Affairs and the Chancellor's office. Moving forward we may

well need to change our policies. It is, however, imperative that you understand that up until this audit it has always been the practice of this department/agency to conduct itself in accordance with all of the appropriate procedures as tailored to your needs; and we have done so. All prior Executive Directors have done this work in exactly the same way, and assumed that financial authority included procurement authority. I do, also, look forward to working closely with Senators interested understanding these issues and participating in our responsiveness to these improvements by producing policies which at once take into account your status as a 501C3 agency and a department on the UCSB campus. Until we have clarity about what the new policies are moving forward, I am going to request that the Senate please consider producing resolutions ensuring that we continue to sign off on contracts in the same way that you express in your constitution. I'll be bringing these matters to your chair for next steps.

**Ongoing Administrative Issues Being Addressed and Managed by all of our Managers and Staff. Reported in to me**

- KCSB Doors
- GSA potential partnership regarding their administration
- GauchoRide
- Test Version of the new COC site
- Administration of the USSA Lock-In Fee
- Candidate Forum/Panel KCSB, TBL
- Gaucho Food Program
- Beloved Community Conference Planning
- Workshops being developed on First Amendment Rights and Responsibilities, and News Reporting
- Recycling space issues and their non functioning electric cart
- Centralizing all contracts and their renewals, internal controls with Ed
- Website development and KCSB
- Rental equipment at the AS Annex