

Academic Senate Minutes

November 29, 2008

3:00 – 5:00, Commons

Abstract

Agenda amended and approved. Approval of Minutes of 9/27/07 approved. Revision of the CALS program approved. Associated Student Report. Minor in Paleontology – Approved. Revision to Grade Appeal Procedures – First Reading. Update on WASC. Provost Report. Sustainability Resolution – First Reading. Focus the Nation first reading waived, but time certain reached before vote could be taken. Statewide Senator Report. Ad-Hoc Committee – CIHS continued. Remarks by Chief Financial Officer, L. Furukawa-Schlereth.

Present: Tim Wandling, Scott Miller, Robert McNamara, Catherine Nelson, Sam Brannen, Susan Moulton, Noel Byrne, Birch Moonwomon, Michael Pinkston, Steve Wilson, Robert Coleman-Senghor, Janet Hess, Ada Jaarsma, Terry Lease, Steve Cuellar, Charles Elster, John Kornfeld, Raye Lynn Thomas, Tia Watts, Murali Pillai, Richard Whitkus, Wanda Boda, William Poe, Margaret Purser, John Wingard, James Dean, Sandra Shand, Ruben Armiñana, Eduardo Ochoa, Larry Furukawa-Schlereth, Whitney McClure, Jonathan White, Adele Merritt, Lane Olson, Art Warmoth, Thaine Stearns, Maria Hess, John Kunat

Absent: Elaine McDonald, Ronald Lopez, Rick Luttmann, John Kramer, Bruce Peterson, Karen Thompson

Proxy: Cora Neal for Edith Mendez

Guests: Matt James, Les Brooks, Jim Robertson, Susan Kashack, Dan Condron, Rose Bruce, Ian Hannah, Elaine Leeder, Steve Orlick, Mary Gendernalik-Cooper, Daniel Karner, Elaine Sundberg, Carol Blackshire-Belay, TK Clarke, David Abbott, Katie Pierce, Robert Karlrud, Bryan Much, Tim Dondero, Whitney Diver and many others who did not sign in.

The Chair said he would defer his report and made some general comments. He noted that the campus was in difficult times and that he valued the hard conversations going on. He encouraged everyone during these conversations to remember everyone's humanity. He also said he wanted to put the ~~students'~~ report at the beginning of the meeting as he felt it was important to hear from them. He thought that even though important issues are coming before the Senate regarding the no confidence vote, it was still important to do the business of the Senate. Thus, there may not be time for reports at each meeting. He did want to hear from the students and the Statewide Senators and would ask for their reports first. He encouraged the Senate to post questions for the administrators on Senate-Talk.

Edith Mendez 2/6/08 7:05 PM

Deleted: student's

Approval of Agenda – motion to add substitute resolution for Ad-Hoc committee business item. Second. No objection.

Approval of Minutes of 9/27/07 – Approved.

Consent items:

Revision of the CALS program – objected to on procedural issues

Time certain reached.

Associated Student Report – W. McClure

W. McClure reported that Associated Students and SSE have agreed to co-sponsor the Ron Logsdon basketball tournament. She reported they are doing well with committee appointments and that the Business students brought to them the issue of the MBA fee. They are working on a resolution for that.

Return to Consent items:

Minor in Paleontology – Approved.

There was discussion about the procedures for consent items. The Chair said it would be discussed at the next Executive Committee meeting.

Revision to Grade Appeal Procedures – First Reading – S. Miller

The Chair noted that K. Thompson could not attend the meeting today, so the Chair-Elect, who is very involved in the grade appeal process, and the Senate Analyst, who has been involved in the revisions, would be available to introduce the first reading. S. Miller introduced the item reminding the body that this revision was bringing the policy into conformity with the new Fairness Board procedures. There was discussion concerning specifying how exactly a student initiates a grade appeal and questions about the requirement that students must do an informal procedure before a formal resolution process.

First reading completed.

The Chair pointed out that the packet included an end of year report from the Scholarship subcommittee.

Update on WASC – E. Sundberg

E. Sundberg noted that the deadline for the WASC document to go the printer was coming up soon. Yesterday, there was a good discussion with campus members. Another open session will be held Tuesday. They were very interested in having more feedback on the four WASC standards.

Provost Report – E. Ochoa

E. Ochoa reported that he has been talking with APC, EPC and faculty leadership about moving the EMT program back to Academic Affairs. They hope to finish the discussions in time for assignments for the Fall. The Provost was questioned about

how much money there was for faculty development and for program development and what his understanding was of these two concepts. The Provost said faculty development concerned professional development activities for faculty. Program development had to do with curriculum development and that at times, both could overlap. He said that \$200,000 would come this year. He explained how the money would be allocated.

Sustainability Resolution – First Reading – A. Warmoth

A. Warmoth introduced the resolution. The resolution calls for the university to take a leadership role in sustainability issues, asks Structure and Functions to establish a Sustainability committee, and in the interim to charge the existing Sustainability workgroup of the University Strategic Planning Committee to work on sustainability issues. He discussed how the University Strategic Planning process would work in terms of sustainability initiatives. There was a question of whether a new committee needed to be created and what form it would take. A. Warmoth said Structure and Functions would be looking at those issues if the resolution passes.

Motion to suspend the rules to take up the CALS revision business item, as not talking about it would bring hardship to the department. Second. Approved.

CALS Revision (brought from Consent calendar)

A member said that he did not think it was reasonable for the CALS program to be in this position as they would not think they needed to be here because they were on the consent calendar. **Motion to waive first reading. Second. Approved. Motion to accept. Second. Approved.**

Sustainability Resolution completed first reading.

Focus the Nation – T. Dondero

T. Dondero introduced a resolution for the Senate regarding Focus the Nation - a national teach-in on global warming solutions. (<http://www.focusthenation.org/nationalteachin.php>) He said he represented the Student Sustainability Coalition. He noted that every other CSU would be participating in the teach-in. Twenty-five faculty so far have said they would participate at different levels. He listed all the clubs and student groups that will participate. He described the organizing so far. He said he was asking the Senate to suspend their usual meeting and hold a roundtable discussion with campus leaders, political leaders and students. There was discussion about how specifically the teach-in would be held and how the Senate would participate. The Chair noted his experience with the last teach-in in 2003. **Motion to waive the first reading. Second. Approved.** There was continued discussion on the specifics of the teach-in. Time certain reached.

Statewide Senator Report – R. McNamara and C. Nelson

R. McNamara noted the list of resolutions passed by the Statewide Senate in the packet. He pointed out the resolution asking campuses to take a position on

Proposition 92. He also spoke about the Transforming Course Design project. He asked the Provost to comment on it. The Provost said the campus was contacted to identify courses with high numbers of D's, F's and W's, which they did, and asked the Deans to talk to the faculty to see if they were interested in pursuing this initiative. R. McNamara said he was concerned about the process, as it had not been brought to the Executive Committee as stated in the initiative. The Chair said he would agendize it for the Executive Committee. C. Nelson reported which resolutions she and R. McNamara had written that passed at the Statewide Senate.

Ad-Hoc Committee – CIHS continued – N. Byrne

The Chair made some preliminary remarks about the charge of the committee and how they have organized themselves. N. Byrne introduced the topic and elaborated why the issue of CIHS pertained to the vote of no confidence, that is, the alignment of resources with mission. He passed around a resolution for consideration at a later time. He read the resolution to the body.

Remarks by Chief Financial Officer, L. Furukawa-Schlereth (verbatim remarks kindly provided by VP Furukawa-Schlereth)

I am pleased to be with you today to provide information regarding the current challenges presented by the California Institute on Human Services.

Let me begin by saying the relationship between my office and the Institute has been cordial, cooperative, and collaborative over the 17 years that I have had the privilege of serving at Sonoma State University. Throughout the years, my team and I have worked closely with CIHS to deliver high quality support services, which have consistently adhered to University policy, generally accepted accounting principles, and prudent human resource management. Through this long period, there was never a reason to doubt the integrity of this campus program, which has delivered important services not only to our campus but throughout our State.

It is important for me to point out certain responsibilities which fall within my job. The State Administrative Manual, Section 20080, and CSU Executive Order 819, both require me to report all cases of actual or suspected fraud, defalcation, or other irregularities. I am to report these matters to a number of individuals including:

The State Auditor
The Department of Finance Office of State Audits and Evaluation
The University Auditor
The Chancellor
The Executive Vice-Chancellor
The Chair of the Board of Trustees Audit Committee

In addition, another CSU Executive Order, 929, requires the University to keep confidential the identity of any individual or group that brings information regarding suspected fraud, defalcation, or other irregularities. Moreover, it is essential that the University take every possible step to guard against intimidation, threats, or coercion which could interfere with the right or responsibility to disclose improper or potentially improper government activities.

Your invitation to speak today is not without its difficulty. On one hand, I have always been willing to report on a wide variety of topics and answer whatever questions you may have had. On the other hand, speaking to you today on this topic requires me to talk publicly about a campus department that I have worked with and admired for nearly eighteen years. Normally, in the academy, matters of this sort are handled in private and with discretion. This is not an easy report to make.

During the Fall, 2006 semester, certain irregularities and unusual items were brought to my attention.

First, a \$300,000 contract in the Federal Head Start Family Literacy Grant was identified without appropriate competitive bidding documentation or sole source justification. This was unusual because CIHS had consistently followed procurement policies in the past and had, in fact, followed the proper procedure with this same vendor on a different contract several years prior. In addition, the CIHS Business Officer had received training on proper procurement practices and had just a year earlier, received a memo from the University's procurement office detailing when competitive bidding or sole source justification was required.

Second, staff uncovered what appeared to be improper payroll documents. Employees and their supervisors certified, in writing, that they worked on grants when, in fact, they had not, and;

Third, during the Fall, 2006 semester, certain additional irregularities and concerns were referred to me that I am required to keep confidential in accordance with the Executive Orders I earlier referenced.

Consistent with the requirements of my job, I reported these concerns to:

The State Auditor
The Department of Finance Office of State Audits and Evaluation
The Chancellor
The Executive Vice-Chancellor
The Chair of the Board of Trustees Audit Committee

I have sent subsequent reports to these same individuals on March 26, 2007, April 23, 2007, May 22, 2007, August 13, 2007, October 8, 2007, and November 1, 2007. I also notified officials within the Federal government of these irregularities since Federal grants were involved.

Consistent with past practice in the CSU, the President sought the assistance of the CSU Auditor to investigate these items. The Federal Government's Head Start program determined it was necessary to conduct their own review, and conducted a special site visit to the campus during the Spring, 2007 semester.

On May 15, 2007, Head Start issued its report which states:

- "Contracts were awarded without regard to Scum's procurement policy because the principal investigator was told by a CIHS administrator to award the contract.

The principal investigator stated that she was not aware of the University's policies and procedures."

- "Personnel costs were inappropriately charged to the grant for employees assigned to other grants. This occurred because the principal investigator did not always receive and review personnel and payroll reports. The principal investigator stated in an interview that she did not receive payroll reports from CIHS administrators. As a result, approximately \$624,277 was inappropriately charged to the grant."

It is important for you to understand that the University sent these payroll reports to CIHS administrators on a monthly basis.

The Federal government determined that the University's total adjustments for the Head Start grant were approximately \$857,770. However, the Federal government permitted the \$3,000,000 Family Literacy grant to stay at Sonoma State University since:

- The University, on its own, had discovered and reversed the disallowed charges to the grant.
- Oversight responsibility for the grant had been transferred from Academic Affairs to Administration and Finance.

As further evidence of the Federal government's confidence in the University's fiscal oversight and post award processes, as well as the skill of the principal investigator, the grant was increased from \$3,000,000 to \$4,500,000.

The entire Head Start report can be found on the University Affairs web site, www.sonoma.edu/uaffairs/CIHS.

In September, 2007, the CSU auditor issued its report. The CSU auditor confirmed the findings of the Federal government (procurement and payroll violations), and then outlined a number of other items including:

MISAPPROPRIATED FUNDS

In this regard, the CSU Auditor found that the CIHS Executive Director and CIHS Senior Director misappropriated funds from various grants to pay for an employee performing work for a firm called My Home Incorporated, located at a property owned by the CIHS Executive Director.

CONFLICT OF INTEREST

The CSU auditor also determined that CIHS violated conflict of interest provisions, specifically:

- The CIHS Executive Director channeled funds to an entity he helped to create and then received payment from this organization for acting as its Executive Director.

- The CIHS Executive Director participated in making decisions to move CIHS grants to the Napa County Office of Education, where he served as Assistant Superintendent in addition to his position of Associate Vice President at Sonoma State University.

In addition, the CSU Auditor determined that:

REFUSAL TO PERFORM NORMAL DUTIES

The CIHS Executive Director and Senior Director refused to perform normal and reasonable duties of their position, as required by the Education Code. Specifically:

- They refused to answer questions of the CSU auditor or cooperate with the Board of Trustees investigation.
- The CIHS Executive Director refused to complete the required Statement of Economics interests, as required by the California Fair Political Practices Commission.

And finally, the CSU auditor found that CIHS allowed funds to be improperly administered outside the State Treasury.

The entire report from the CSU auditor can be found on the University Affairs web site, www.sonoma.edu/uaffairs/CIHS.

In addition to items reflected in the CSU auditors report, three other irregularities related to CIHS have been identified.

First, in September 2007, a University employee went to an off-campus CIHS storage unit to retrieve certain accounting files. The employee found the storage unit lock had been sawed off and the unit had been emptied of all contents. Our employee was given the name of the last person to visit the storage unit, who listed his address as the Napa County Office of Education. This most unusual disappearance of University and State financial records has been reported to our campus police, as well as the appropriate bodies referenced earlier. This item is under active investigation.

Second, on Monday of this week, November 26, 2007, I learned that an unknown party had located one of the main CIHS servers, and cut the electronic cabling to the hard drive, rendering it inoperable. This matter has also been referred to the SSU Police Services, and has been reported to the appropriate bodies I earlier referenced.

And third, over the past months, additional irregularities have come to my attention which I am required to keep confidential under the provisions of California law.

While there has been little campus discussion about these troubling items, there has been a great deal of discussion about five other areas including indirect cost recovery funds (IDC), the issue of delegated authority, the question of post award grant administration, the criminal investigation, and the need for a further audit.

INDIRECT COST RECOVERY

First, let's talk about indirect cost recovery funds or IDC. IDC is provided for costs that are considered administrative overhead including fiscal and human resources, facilities management and utilities, information technology, and other forms of institutional support defined by the College and University Audit Guide.

Contrary to what you may have heard, I never made a "deal" to provide 50% of whatever IDC was earned by CIHS back to CIHS. Such an arrangement may have been made by a former Provost, but if it was, I was never part of such a discussion, nor did I agree to it or approve of it. The reason I could not concur with such an arrangement is that CSU Executive Order 753 requires me, on behalf of the taxpayers, to obtain reimbursement for costs incurred by the State General Fund for the grants and contracts program. Only after this Executive Order is satisfied am I able to allocate IDC for other important campus needs. The cost allocation plan that I develop every year has been the subject of at least four audits. There has never been an audit finding regarding how Sonoma State University has interpreted or implemented Executive Order 753.

Executive Order 753 is not a popular topic either at Sonoma or any other CSU campus. For this reason, as I develop the annual cost allocation plan, I review my rationale with those funds which are impacted by it including Housing, Parking, Extended Education, the Student Health Center, Grants and Contracts, Sonoma State Enterprises, the Academic Foundation, the Student Union, and the Associated Students Incorporated. I am not surprised that most of the questions forwarded to me by Laurel Holmstrom (Academic Senate Office) are related to the EO 753 cost allocation plan and the rationale that lies behind it. It is not possible for me to adequately answer these valid and understandable questions in the short time we have together today. So, I will take these matters up in a comprehensive fashion in the upcoming CRC meeting on December 7, 2007 and future CRC meetings as necessary.

I do want to share with you just how much IDC was provided to directly benefit CIHS over the past years. These resources include those provided for delegated authority, institutional support, and other general operations. Between 2001 and 2006, CIHS received 44% of the IDC it generated during the same period.

Details regarding the utilization of IDC earned in 2006-2007 are not yet final, given a variety of factors including Executive Order 753, new state pro-rata charges, new state charges for post retirement health care benefits, and the very significant level of CIHS disallowances.

As the President comes to a final determination of how these items will be funded, after consultation with the PBAC (President's Budget Advisory Committee), I will be able to provide detailed information regarding the 2006-2007 IDC distribution.

You have been told that CIHS was set adrift in 2006-2007 with no funds to operate. This is not true. CIHS began the year with reserves of \$700,000 and an understanding that the CIHS Business Office personnel would be funded from IDC funds. \$700,000 is more than sufficient to cover the expenses in CIHS not directly

related to grants or related to its business office operations. And importantly, at no time during the 2006-2007 year did either CIHS or Provost Ochoa speak to me about the need for additional resources for this academic unit.

DELEGATED AUTHORITY QUESTION

Let me now turn to the delegation of authority question.

From an operational and programmatic perspective, responsibility for CIHS oversight and management was delegated from the President to the Division of Academic Affairs; first to the School of Social Sciences and then, in 1998, to the Office of the Provost, where a more comprehensive level of programmatic and operational oversight was mandated by the President.

Post award grant administration has been delegated from the President to Administration and Finance for many, many years. I subsequently delegated to CIHS certain aspects of this function including, as Bob Karlrud mentioned, processing payroll, accounts receivable, and invoice paperwork, along with the overall activities of the CIHS Business Office. The job descriptions of these two key CIHS managerial positions provide written clarification of the President's expectations in this regard.

Let me quote a few key phrases:

The CIHS Senior Director regularly reviews and approves all expenditures from CIHS to ensure compliance with the requirements of funders, SSU, and CSU.

The CIHS Senior Director supervises the CIHS Director of Business Services to ensure that fiscal matters are done in a prudent and responsible manner.

The CIHS Director of Business Services monitors and analyzes expenditures for compliance with State and Federal contract regulations.

The CIHS Director of Business Services manages procurement activities using procurement authority delegated to CIHS.

POST AWARD GRANT ADMINISTRATION

Let's now speak more specifically about post award grant administration.

Within the context of delegated authority, which I have just described, post award grant administration has taken place successfully on our campus for many, many years. I have always had, and continue to maintain, the highest level of confidence in the ability, professionalism, and high standards of excellence displayed by every member of the campus team, whether they work directly with me, in CIHS, in ASC, in one of the School offices, or in Student Affairs. Because of the simply outstanding work of this ensemble team, there has never been an audit finding of a material nature related to post award grant administration at our University.

Inappropriate payroll charges, the misappropriation of government funds,

violations of conflicts of interest provisions, refusing to perform duties, unprofessional conduct, depositing funds outside the State Treasury, the disappearance of official government records, and the destruction of State property are not issues of post award grant administration. To in any way suggest that these activities are the responsibility of the post award team, delegated or otherwise, is simply untrue.

THE CRIMINAL INVESTIGATION

I know there is a great deal of curiosity and interest in what is happening with the criminal investigation. Since I am removed from this activity, there is not a great deal I can say. I did, however, want to make the following points of which I am personally aware.

First, no one at Sonoma State University requested that a criminal investigation be launched. I am aware that the CSU auditor requested a meeting with the Chief of Police during a field work on campus. In addition, I am aware that the Federal government also requested a meeting with the Chief when they completed their site visit. I am not privy as to what transpired at these meetings.

Second, Sonoma State University also was served with the search warrants we have heard about. I have done a bit of research on how one obtains a search warrant, and it is a complicated process with significant oversight. It begins with a sworn officer gathering evidence. The evidence is then reviewed by the District Attorney. If the District Attorney is convinced the matter should go forward, it proceeds to a judge, who must also review the evidence gathered and determine that probable cause exists. Only then is the warrant issued.

Third, I wish to clarify that peace officers in the California State University are regularly armed in the normal course of their daily work.

And fourth, the management trainee assigned to our Police and Parking Services unit was not among the team of individuals who went to the Napa County Office of Education.

ADDITIONAL AUDIT ACTIVITY

I see in the Senate agenda packet today, a resolution calling for an additional audit of CIHS. Specifically, the resolution calls for this audit to review:

- Internal controls
- Financial roles and responsibilities
- Compliance with system and campus policies
- Accounting for staff paid from outside resources
- Flow of funds between university entities
- Accuracy of financial reporting

In some ways, it seems as if our CSU Board of Trustees may be a bit ahead of the Senate in this regard.

In early July, while in the midst of closing the University's books and preparing for our normal year-end audits, the CSU informed the campus that an unscheduled and unanticipated comprehensive audit of our grants and contracts program would take place within two to three weeks. This was most unusual given both the short notice and the fact that rarely are audits done during the year-end close.

The audit objective was to ascertain the effectiveness of existing policies and procedures, and to determine the adequacy of controls. In addition, the audit was to examine sponsored program proposals, other audit activity of this program, training issues, conflict of interest proposals, project related reports, human and animal research, effort reporting systems, budget program and plans, procurement activities, and Executive Order 753.

The auditor assigned to the campus for this initiative is a different individual from the one who conducted the special investigation. I anticipate the result of this comprehensive review, including CIHS, within the next few weeks.

In addition, every two years, the University undergoes what is known as the Financial Integrity and State Manager's Accountability Act audit, or FISMA. FISMA is designed to review the integrity of the campus's accounting and fiscal compliance practices, and to assess the adequacy of controls to ensure that a variety of items are managed in accordance with laws, regulations, management policies, and established procedures including:

- Cash
- Purchases
- Revolving Fund Disbursements
- Accounts Receivables
- Payroll
- Personnel
- Assets
- Investments
- Trust Funds

Because SSU manages its grants within the University rather than in a foundation, our grant activity is also considered in FISMA. FISMA also reviews Executive Order 753 and the annual cost allocation plan. The auditor assigned to the campus for FISMA is a different individual from the one who conducted the special investigation or the grants and contract audit. I anticipate the result of this comprehensive review early in the spring semester.

Finally, the annual A-133 audit of federal grants is underway. The purpose of this audit, conducted by an external entity selected by the CSU, is a review of compliance with requirements applicable to major federal grants and internal control over compliance in accordance with the Federal Office of Management and Budget regulations governing grants and contract activity. I expect the result of this audit to be available in early spring 2008.

CONCLUSION

As I conclude my comments with you today, it is the case that the investigation of operational irregularities within CIHS is still actively underway by campus personnel, including myself. As I mentioned at the outset of my comments, it is very important that I do my very best to keep confidential the identify of any individual or group who may bring information regarding suspected fraud, defalcation, or other irregularities, and I assure you that I am passionate in my desire to do everything in my human ability to make certain every possible step is taken to guard against intimidation, threats, or coercion that could interfere with the right or responsibility to disclose improper or potentially improper government activities. I very much appreciate your understanding as I attempt to navigate your understandable need for information with the rights and protections afforded to those undertaking this most unusual and frankly unprecedeted work on our campus.

Discussion

N. Byrne invited Dean Emeritus Karlsrud to make a few comments. R. Karlsrud said the Chronicles offer a very different perspective and can be downloaded from the Senate website. He argued against a cordial and collegial relationship between A&F and CIHS. He noted the biggest problem overall is the internal audit.

A Senator remarked that she thought the purpose of the Ad-Hoc committee was to move the campus forward from the events of the no-confidence vote, to look towards the future, not the past. She thought the issues of CIHS would be worked out in the courts and that the Senate had no place to blame or punish. She thought CIHS was not cause, but symptom. She thought it was more about the transparency of budgeting and the priorities about how money is spent which are issues of trust and confidence.

A Senator argued that the question the Senate should be asking is how much of the IDC that the faculty generate will come back to the departments.

The Chair-Elect requested a collegial look at the points of difference in the accounts.

A Senator asked if the CFO was asking for an independent audit as described in the resolution. L. Furukawa-Schlereth said he was eager for the Statewide auditors report on our Grants and Contracts process and he argued that that audit and others coming up were as external as they can get. The Senator asked N. Byrne who would pay for the audit called for in the resolution. N. Byrne said he was not sure.

A Senator asked if the questions posted to the website would be answered. L. Furukawa-Schlereth said he wanted to confer with the Executive Committee about how to do that as they are very complicated questions.

A Senator asked about the difference between an internal and external audit. L. Furukawa-Schlereth said that the internal audit was not done by our campus auditor but by the Board of Trustees auditor. He said if the Senate has lost

confidence in those auditors that is a much bigger problem. He said the Board of Trustees auditors do not answer to him or even the Chancellor.

Motion to extend the meeting 10 minutes. Second. Approved.

N. Byrne noted that a Joint Legislative Committee office audit would not charge the campus.

A Senator asked if the Joint Legislative Committee had sent an auditor to campus. L. Furukawa-Schlereth said no, but he has been sending information to them. They could come whenever they wanted. The Senate asked N. Byrne what criteria would be used in an external audit. N. Byrne referred to the attachment to the resolution describing performance audits.

The Chair asked Dean Emeritus Karlsrud if the audits that L. Furukawa-Schlereth described coming up satisfied the issue in the resolution. L. Furukawa-Schlereth discussed the distinction between performance and financial audits. He argued that if the auditors do not report to the President, then they are an external audit. Dean Emeritus Karlsrud said that he thought that if the Executive Committee could ask the auditors for specific information and if all the managers of CIHS were interviewed that might bring in the information that's needed.

A Senator noted the Statewide Senate resolution about the Board of Trustees response to the no confidence votes and asked if their audit was external enough.

A Senator suggested that the Ad-Hoc committee add another resolved clause that indicate some kind of action be done with the information received by an external audit.

The Associated Students President argued that the three audits upcoming were external audits and asked how far this was going to go.

Adjourned.

Respectfully submitted by Laurel Holmström