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Council panel gets proposal for nonprofits

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Mayor Ron Nirenberg listens to a presentation to the City Council's Governance Committee about tax-dollar oversight.



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City Attorney Andrew Segovia (left) and City Auditor Kevin Barthold make their presentation at City Hall.

San Antonio officials Wednesday laid out the framework of a proposal to bolster oversight policies for nonprofits the city contracts with, moving a step closer to answering calls from Mayor Ron Nirenberg in the wake of allegations of major theft from a downtown organization that spends local tax levies.

City Attorney Andrew Segovia and City Auditor Kevin Barthold presented the concepts to the City Council's Governance Committee, led by Nirenberg.

The proposal was driven primarily by a scandal that unfolded in November at the city-created Centro San Antonio, a nonprofit that manages the downtown improvement district, funded by tax levies against properties within its borders.

Outside of the tax-funded work, Centro also collects membership dues, hosts events and earns income for administering the improvement district. It's from that private money that former accountant and office manager Alicia Henderson is alleged to have stolen \$291,000.

Henderson, who has yet to be charged, is accused of having used an elaborate scheme that included fabricating audits, tax returns, a website and email exchanges to cover her tracks for two years.

Centro is one of 272 local nonprofits contractually associated with the city, receiving \$120 million annually, that fall under Nirenberg's November request. He'd asked for a review of standard contract provisions, policies that promote transparency and integrity, and that put city-created nonprofits — such as Centro — under the purview of the city's Ethics Review Board.

“This is the unfortunate irony of the entire situation is that a city like San Antonio depends so heavily on the good work that the nonprofits do every single day, and they've been doing extraordinary work over the many years, particularly in partnership with the city of San Antonio. So when something happens with a nonprofit, whether it's city-created or not, it casts a cloud over the vast majority of nonprofits that do that work day in and day out,” Nirenberg said Wednesday.