

**CALIFORNIA TAHOE  
EMERGENCY SERVICES  
OPERATIONS AUTHORITY**

**EXECUTIVE DIRECTOR**

**BRYAN POND**

**BOARD OF DIRECTORS**

**BOB BETTENCOURT**

**DAVE HUBER**

**CLAIRE FORTIER**

**ANGELA SWANSON**

7-25-11

Rich Todd

California Tahoe Emergency Services Operations Authority (CTESOA) is submitting the following as follow up to a previous letter dates 4-28-11 in reference to the audit recommendations and as to what CTESOA has completed. This is based on the previous recommendations of the auditor Robert Johnson CPA.

**Accounting Oversight:** *Bring internal accounting up to date. Current internal financial statements are necessary for Board review and to permit future financial audits.*

- CTESOA continues to contract with the accounting and CPA firm of Olivo, Zicko and Clover to produce quarterly internal financial statements, general book keeping and process checks for payment to vendors.

**Executive Director:** *Recommend that the CTESOA Board review the "Independent Contractor" status of Executive Director's compensation. If the Board of Directors provides direction or supervision to the Executive Director then an employee / employer relationship may exist.*

- The CTESOA has switched the Executive Director over from straight contractor status to employee / employer status beginning with the 2011-2012 fiscal year that began July 1st

**Policies:** *Recommend that CTESOA establish written policies to protect CTESOA and ensure that employees follow the dictates of the Board of Directors. Suggestions included; Fraud, Investment, Records retention, Fixed assets, Equity reserve, Use of electronic equipment.*

- CTESOA has policies in place that include Investment, Records retention, Asset and Equity management and Fraud. The Board also adopted a set of By-Laws to help guide CTESOA operations for the Board of Directors and other members

**Investment Income:** *Recommend that CTESOA make an effort for higher yield cash investments.*

- CTESOA has delayed any investments such as CD's, money market accounts or other long term investments pending the completion of the new contract that was awarded to CTESOA through the RFP process. Pending the final contract receipt and approval that we are still waiting on CTESOA will then move ahead with diversifying its funds into the California LAIF fund and any other funds recommended by the financial planners.

**Board Minutes:** *The Executive Director would sign as "submitted" and the President / Chairman would sign as "approved".*

- Board of Director meeting minutes are completed in this manner.

**Capital Assets:** *Observation made that the Authority's annual capital budget provides the authority for capital expenditures. However the Board minutes do not provide for such approval.*

- Board minutes now reflect Board approval of capital additions or expenditures.

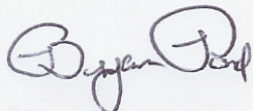
#### **Additional item updates for El Dorado County EMSA.**

CTESOA has now submitted all data requested by the State Controller's Office and the Special District Account has now been set up for CTESOA under to the account number 12500900900.

CTESOA has begun the audit process for the 2010-2011 fiscal year utilizing the services of Robert Johnson CPA as in the past years.

If there are any questions please let me know so that we can provide any additional documentation.

Submitted by,



Bryan Pond  
Executive Director CTESOA