

## Exhibit A

### County of Nevada Shelter Operations March 2017

#### Timeline Recap

10/2015	BOS issues request for Audit of Fees
06/2016	AUP issued to Fechter CPAs
11/2016	Financials for 2014 and 2015 complete
03/2017	AUP Final Report Complete

#### Summary of AUP

1. **Revenue Recognition and Cash Receipts** – Review and comment on internal controls and policies and procedures related to cash receipts

No written procedures exist. Discussion with Curt and documentation of the process is recorded in the report. Rolf, Sheriff CFAO, reviewed the piece that impacts his area and confirmed it was accurate.

Internal Controls – Recommend documentation of policy and procedure. NOTED: safeguard cash by securing it in a locked cabinet.

Monthly Shelter Report – all amounts reported on the report were verified in the GL

Revenue Testing – A statistical sample was tested and:

- All services with associated fees were accounted for
- Fees were charged in accordance with Board Authority
- Fees were appropriately recorded in the receipt log
- Fees to be transferred to Nevada County were done according to the contract – one error in footing the schedule noted

2. **Expenditure Review** – Review the costs of the shelter operations as reported. Trace expenses to the GL and insure the expenses are properly approved, recorded completely and are appropriate to shelter operations.

Disbursements were verified and properly approved, recorded completely and were appropriate operation costs. No exceptions noted.

#### **Recommendations for Contract Amendment:**

Amend the contract require a minimum of a financial review each year, with a financial statement audit every 3 years. All reviews and audits are to be performed by a Certified Public Accountant, licensed and in good standing with the State of California.

Amend the contract to require an annual financial AUP as prescribed by the Auditor-Controller in collaboration with the CEO and Animal Control Operations. This may be done in conjunction with the annual financial review or audit for cost effectiveness. The AUP must be performed by a Certified Public Accountant, licensed and in good standing with the State of California.

Amend the contract to require all revenues derived by the County Fee Schedule adopted by the Board, to be reported with the monthly Shelter Report. This information can be provided in a different form agreed upon by both parties.