



COUNTY OF NEVADA COUNTY EXECUTIVE OFFICE

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June 23, 2021

Fire Safe Council
143B Spring Hill Drive
Grass Valley, CA 95945

Dear Mr. Thane,

The County of Nevada received a letter dated June 14, 2021 from Susan Kay McGuire, Attorney, representing Roby Pracht and R.L Accounting & Consulting listing several concerns regarding the Fire Safe Council's financial status and operational activities. In addition, the County received feedback from members of the public, regarding similar and additional concerns.

The County is not expressing any opinion related to any concerns brought to our attention. County of Nevada will be requesting documents and financial information in coordination with your staff and the County Auditor relating to our contracts and the financial reports as stated in our contract terms with the Fire Safe Council.

The concerns expressed are under the purview and governance of the Fire Safe Council Board, however the County does have a duty to oversee the funds given to, and the contracts that we have with, the Fire Safe Council (FSC).

The following are the concerns that were brought forth:

- **Fiscal Concerns:**
 - Discrepancies in the financial statements. Financial statements are showing a fiscal deficit and have inconsistencies in the reporting.
 - Inconsistent payroll practices. Including providing benefit packages to the Executive Director (ED), the Grant Accountant, and the Field Operations Manager that are not offered to all staff.
 - Expenditures for vehicles for personal use including gas and insurance as well as gym memberships for the ED and Field Operations Manager.
 - A 401k provided to employees with FSC Organization match, without a plan or Board oversight.
 - A storage fee being paid to the ED for storing FSC equipment on her personal property.
 - Incorrect billing of equipment to the Ponderosa Project.
 - Prevailing wage regulations not being complied with on projects.
 - Credit Card misuse by ED.
 - Payroll advances and bonuses that were not clearly indicated on financial statements.

- **Operational Concerns:**

- OSHA violations relating to minors and adults. Including on the job drinking and staff under the age of 18 operating heavy equipment.
- A lack of appropriate controls for decision making on contracts, payroll, and operational activities.
- Failure to have a policy related to nepotism.
- Lack of transparency related to the workings of the organization.

The County does not have any concerns of the Fire Safe Council meeting grant deliverables. The County views the Fire Safe Council as a critical and valued partner in preparing our community for wildfire.

Sincerely,

Alison Lehman, County Executive Officer
County of Nevada

CC:

Jamie Jones, Executive Director
Rick Nolle, Vice Chairman