



NEVADA COUNTY
CALIFORNIA

GINA S. WILL, AUDITOR-CONTROLLER

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August 14, 2023

The Honorable Judge Scott Thomsen
Supervising Judge of the Grand Jury
201 Church Street
Nevada City, CA 95959

Dear Judge Thomsen:

As required by Penal Code Section 933(C), enclosed is the response to the Grand Jury's June 21, 2023 report, "Nevada County – Challenges in Managing Contracts."

I wish to acknowledge the members of the 2022-2023 Grand Jury for the time they have devoted to the report.

Sincerely,

Gina S. Will
Auditor-Controller

cc: Nevada County Board of Supervisors

Foreperson, 2022-23 Grand Jury
950 Maidu Avenue
Nevada City, CA 95959

NEVADA COUNTY AUDITOR-CONTROLLER RESPONSE TO
2022 - 2023 Nevada County Civil Grand Jury Report
Report on responses to the 2022-2023 Grand Jury Report: Nevada County –
Challenges in Managing Contracts

DATED June 21, 2023

In accordance with California Penal Code § 933.05, the Nevada County Auditor-Controller is responding to the Nevada County Civil Grand Jury FY 2022/23 Report entitled Nevada County – Challenges in Managing Contracts

The responses to findings and recommendations are based on examination of official county records and review of the responses by the Auditor-Controller.

A. RESPONSES TO FINDINGS AND RECOMMENDATIONS

Finding 5: Many County employees are qualified and capable, but because of insufficient staffing and limited collaboration among departments, the County does not exercise its right to manage and audit contracts.

Partially disagree.

The County manages contracts and has developed processes to assist in decentralized contract management. The County performs reviews of select contract activities throughout various stages of the contract lifecycle. The Auditor-Controller desires to reinstate an independent internal audit function which would allow for audits of 10% of County contracts.

Recommendation 5: Within three months, require nonprofit vendors to use fund accounting.

The recommendation will not be implemented.

The County includes project accounting language in its contracts and requires invoice backup sufficient to substantiate amounts billed. Fund accounting is not a legal or regulatory requirement for private companies and implementation would further limit the County's vendor pool.