



**PTI CPA Services, LLC**

May 12, 2011

To the Tribal Council  
Quartz Valley Indian Reservation  
Fort Jones, California

We are writing this letter to compliment you on the work you and the management of the Quartz Valley Indian Reservation (or "QVIR") have done over the last couple of years. Most letters addressed to Tribal Councils and management from auditors are critical in nature of the internal controls that are, or are not, in place; however, we believe that it is equally important to recognize a Tribe's accomplishments.

When we first began auditing the Tribe for the 2008 fiscal year, we discovered multiple weaknesses in internal controls, unsubstantiated account balances, a lack of updated policies and procedures, as well as failures to comply with grant requirements. Since that time, you have not only expressed your desire to improve but have taken the necessary steps to implement those improvements. As of May 12, 2011, you have updated your policies and procedures, given the accounting department proper training to carry out their duties, educated yourselves and your staff about the importance of following federal compliance requirements, and have fostered an ethical atmosphere that can be seen throughout your organization. In addition, we have observed substantial betterments made to the paperwork supporting the financial transactions compared to prior years. These types of positive changes can be attributed to QVIR's strong leadership and hardworking staff.

It is no small feat to obtain and manage grants and contracts received from the federal government. The amount of paperwork that must be completed and additional policies that must be developed and followed creates an increased demand on all personnel. To add an audit to the already numerous daily tasks that must be accomplished can create a stressful environment for any organization. We are happy to report that QVIR's management and staff did an outstanding job in handling this expanded workload. They fully cooperated and assisted us with the 2010 audit process. We feel that this year's audit has, so far, been performed in a more organized and efficient manner, which has made the process less stressful for all.

Once again, we would like to commend the Tribal Council of QVIR, its management team, and all other staff members for being diligent in their duties and taking the necessary steps towards making improvements to the numerous functions and processes needed to not only operate an effective Tribal government but to facilitate an efficient audit. Designing and implementing internal controls is not a one-time task, it is a process that must be continually reviewed and updated. We hope that QVIR will maintain the controls it has in place and persevere to keep improving in the years to come.

Sincerely,

*PTI CPA Services, LLC*

PTI CPA Services, LLC  
Redmond, Washington

---

**People Trust Integrity**

12921 182<sup>nd</sup> Avenue NE, Redmond, WA 98052 ♦ Tel: (425) 688-8990 ♦ Fax: (425) 278-7088 ♦ [www.pticpa.com](http://www.pticpa.com)