



**Ruby Ranch Homeowner's Association**  
**P. O. Box 71**  
**Buda, Texas 78610**

December 16, 2012

The Ruby Ranch Board of Directors would like to thank the Temporary Audit Subcommittee for their review of the Association's financial records.

Regarding the Subcommittee's Summary of Findings and Recommendations sent by Dale Olmstead on October 26, 2012, the Board would like to respond to each point:

1. Board agreed with this opportunity for improvement and voted set a limit of \$500 authorization for expenditures without prior board approval. The Board agreed that all other expenditures must have voting approval and be noted in Board Meeting Minutes.
2. Board agreed with this opportunity for improvement and voted to include an Expense Authorization Form as additional documentation for expenditures without an invoice.
3. Board agreed with this opportunity for improvement and voted to have only the President (Kevin) and Treasurer (Scott) as authorized signatures on our bank account.
4. Due to logistics of paying routine Association invoices and bills, the Board voted to allow only 1 signature on checks.
5. Board agreed with this recommendation and voted to attach additional documentation such as quote or proposal, signed contract if it exists, and formal board approval to invoices for payments.
6. Board agreed with this recommendation and voted to have an annual financial review started within the first 90 days after the close of each accounting year.
7. Board agreed with this opportunity for improvement and voted to include a separate accounting of interest in the HOA records.
8. Board agreed with this opportunity for improvement and noted that the billing time period for annual dues had been passed at a previous board meeting. The annual billing will change in 2013 to payment due by February 1

Ruby Ranch Board of Directors