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January 22, 2018

Phil Johncock, Executive Director
Horsepower
3235 Eastlake Boulevard No. 26
Washoe Valley, Nevada 89704

Dear Mr. Johncock:

At the January 4, 2018, hearing, the Commission on Special License Plates (CSLP) received testimony from the Legislative Auditor that Horse Power has fully implemented Recommendation No. 6 contained in the *Performance Audit Horse Power Special License Plate 2017* ([LA 18-08](#)). However, Horse Power has not provided written documentation that it has implemented the remaining 14 recommendations contained in the report. (The list of the 15 recommendations is attached to this letter.)

As you are aware, the Commission originally recommended Horse Power accept and implement the 15 recommendations contained in the Legislative Audit Report on, or before, August 3, 2017. This deadline was extended by the CSLP at its September 20, 2017, hearing and again at the hearing on January 4, 2018. Based upon Horse Power's testimony and documentation, the CSLP is requesting that Horse Power fully implement the remaining 14 audit recommendations no later than March 15, 2018. To assist the Commission in determining whether Horse Power accepted and implemented the remaining 14 recommendations, please submit written documentation, including any facts, evidence, or other information your organization believes is relevant to the Commission's recommendations **by Thursday, March 15, 2018**, to:

Rocky Cooper, Legislative Auditor
Audit Division, Legislative Counsel Bureau
401 South Carson Street, Carson City, Nevada 89701
and/or via electronic mail at: cooper@lcb.state.nv.us

The Legislative Auditor will review the information and provide a report to the CSLP describing the extent to which full implementation has been achieved no later than April 30, 2018.

Additionally, the Commission requests that Horse Power address the following items that arose during your testimony during the January 4, 2018, hearing: Please provide the following written documentation, including any facts, evidence, or other information your organization believes is relevant to the Legislative Auditor by March 15, 2018:

Agenda Item VII B - SPPLATES Meeting Date: 05-11-18
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1. Organization of Horse Power – Provide documentary evidence of an organizational plan as of January 2018. The documents must include whether the organization is providing financial aid to groups, organizations, and individuals that have been caring for wild, stray, or second chance horses, burros, or mules; the name of the organization that is providing services to the horses that were previously being cared for by staff of Horse Power; and a list of the volunteers, consultants, staff, and any other members associated with Horse Power who work for, or act as a consultant to, the organization.
2. Jubilee Ranch – Provide documentary evidence of Jubilee Ranch, including the name of the owner, location, purpose, and services. Also, provide Horse Power's relationship with Jubilee Ranch, including the role of volunteers, consultants, staff, and any other members associated with Horse Power, and if any volunteers, staff, owner(s), or other persons associated with Jubilee Ranch have applied for and/or received a grant from Horse Power. (Include any pending applications.)
3. Annual Administrative Costs in 2016 and 2017 – Provide a line-item detail for each expense. When providing salary information, please provide salary expenses for all positions, including the Executive Director, Deputy Executive Director, and consultant salaries.

If Horse Power does not implement the aforementioned 14 recommendations and provide documentation, it has done so to the Legislative Auditor by March 15, 2018, the Commission may find that Horse Power is in violation, pursuant to *Nevada Revised Statutes* 482.38279(4), of not implementing the recommendations and providing documentation. The Commission may recommend that the Department of Motor Vehicles suspend the collection of all additional fees collected on behalf of Horse Power and suspend production of its special license plate.

If you have any questions or concerns regarding this matter, please contact me or Mindy Martini, Principal Policy Analyst, Research Division, Legislative Counsel Bureau (LCB), at 702-486-3993 or via electronic mail at Mindy.Martini@lcb.state.nv.us.

Sincerely,



Senator Patricia Farley
Chair, Commission on Special License Plates

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cc: Members of the Commission on Special License Plates

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