

**Jon Reese**

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**From:** SUE COVEY [SC@LVCVA.COM]  
**Sent:** Monday, July 31, 2006 2:26 PM  
**To:** JON REESE  
**Subject:** Fwd: RE: FW: Meeting with LVCVA inside auditors

They'll like that better anyway  
Plan B on dates - w/o Aug. 14 - what works for you - I'm pretty available - Sue

>>> JON REESE 7/31/2006 2:15 pm >>>  
Sue,

I'm off on both of those days.  
Also, since I would like them to walk us through the Initiative / Carat media buying / billing process it may be easier for them documentation wise to have the meeting at their place.

Jon

>>> SUE COVEY 7/31/2006 1:53:07 pm >>>  
Jon - are you & Adam available 8/10 or 11 - anytime - I will have R&R staff meet here - Sue

>>> "Kristi Larsen" <kristi.larsen@rrpartners.com> 7/31/2006 9:57 am >>>  
Sue, I assume you will want to be in this second audit meeting as well. Would you work with the auditors to determine a day and time for this meeting?  
Those attending on our end will be Steve Jaffe, Paul McGuire, Rob O'Keefe and I.

**Please note my revised email address.**

Kristi Larsen, Billing Supervisor  
R&R Partners, Inc.  
Tel: 702-318-4319  
Fax: 702-939-4319  
Email: [kristi.larsen@rrpartners.com](mailto:kristi.larsen@rrpartners.com)

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**From:** Steve Jaffe  
**Sent:** Monday, July 31, 2006 9:27 AM  
**To:** 'SUE COVEY'  
**Cc:** 'Cgruber@lvcva.com'; Rob O'Keefe; Kristi Larsen  
**Subject:** RE: FW: Meeting with LVCVA inside auditors

Sue,  
Re Update on IM invoices:

I followed up with John Riess last week and discussed our non-disclosure contract with Initiative. Following this conversation, Kristi is going to set up a meeting for us to discuss further with him. We'll keep you posted on the outcome of this meeting.

thanks  
Steve

5/28/2008

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**\*Please note new email address below.**

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Steve Jaffe  
Media Supervisor  
R&R Partners Inc.  
900 South Pavilion Center Drive  
Las Vegas Nevada 89144  
Tel: 702-318-4204  
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Email: [Steve.Jaffe@rrpartners.com](mailto:Steve.Jaffe@rrpartners.com)

Web: <http://www.rrpartners.com>

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**From:** SUE COVEY [mailto:SCOVEY@LVCVA.COM]  
**Sent:** Monday, July 17, 2006 4:10 PM  
**To:** Steve Jaffe  
**Subject:** FW: Meeting with LVCVA inside auditors

They were just wondering about the Initiative invoices that come thru with the rates whited out. Kristi told them this was their standard practice and you and the media team negotiate rates directly with Initiative. Do you have anything you might want to add? Thanks, sue

>>> "Steve Jaffe" <[steve.jaffe@rrpartners.com](mailto:steve.jaffe@rrpartners.com)> 7/17/2006 3:31 pm >>>  
Sue,

I know we've already resolved the OSI commission structure to better meet billing requirements. Let me know if there is anything you need me to follow up on regarding the Initiative Media invoices.

thanks  
Steve

**\*Please note new email address below.**

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Steve Jaffe  
Media Supervisor  
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-----Original Message-----

5/28/2008

**From:** Kristi Larsen  
**Sent:** Friday, July 07, 2006 3:51 PM  
**To:** Rob O'Keefe; Steve Jaffe; Dave Kersey; Brandi Lethbridge; TC Michael Torres; Fletcher Whitwell; Paul McGuire  
**Cc:** Jim King; Erik Sandhu  
**Subject:** Meeting with LVCVA inside auditors

Media folks:

I met this afternoon with Sue Covey and two men from the LVCVA audit department – John and Adam – to answer a few questions they have about our billing and processes. We talked about the process of turning media placements and PO's and time into invoices, as well as specifics on what is commissionable and what is not. We discussed Airwave, R&R Live, pre-media services, sponsorships, and the retainer fees and letters. We even talked about travel expense reports and Fedex charges.

Two items I want to make you aware of which they expressed concerns about regarding our bills:

1) The lack of disclosure of costs from the stations on Initiative bills. Sue will be setting up a meeting with Steve (at least) to delve into Initiative's rate of commission, the stations costs, etc. It may end up that Initiative will need to provide bills with stations costs disclosed.

2) The markup on outdoor media, specifically through Outdoor Services. Our contract with LVCVA at one time did stipulate that we could charge 16.667% commission on outdoor, but with the 1999 version which is currently in effect, that clause was removed and all media – print, broadcast, online or outdoor – is to be billed at a 15.00% commission. Unfortunately, we have been taking OSI's gross cost, which is not based on 15%, and doing our buys.

What should be happening is we base our billing to the client on OSI's net amount and add our 15% commission. Our billed amount will no longer match the gross amount shown on OSI's bill, but it will be consistent with the terms of our contract. (Perhaps we can get OSI to change the commission rate for our account so their bills do match our invoices, or maybe they can drop the gross figure from their bill all together.) The auditors will be including this anomaly in their report to the executives and audit department, so I think we ought to implement our correction now.

If you have any questions, or want more details, please contact me.

**Please note my revised email address.**

Kristi Larsen, Billing Supervisor  
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