



## Finance Staff Report

Date: 1/19/17

To: Board of Directors and Finance Committee

From: Al Priester, Director of Finance and Human Resources

Re: December 2016 Financial Statements

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North Lake Tahoe Resort Association staff paid the employees of Homewood a visit on Friday the 13<sup>th</sup> of January to bring them cookies, cakes and donuts as they had recently experienced a fire that destroyed their computer systems and hard copy records for accounting and human resources. They believed they were backed up to the cloud but this turned out not to be the case.

I decided to test our backup and asked our IT Consultant to “pretend” that our servers had been destroyed in a fire and to produce a backup of all of our files. He indicated that he needed to come into our offices on Saturday to upgrade some software and that he would do it then.

On Monday morning, neither I, nor Lauren, our staff accountant, could open our Quickbooks files. I called our IT Consultant to see if he had moved the files and asked if he could reconnect. He didn’t recall moving the files but said he would get back to me.

After several hours, he called to tell me that he had inadvertently deleted our Quickbooks files because he thought they were not being used and the server needed space. He then told me that he thought our live files were on the server being backed up nightly to the cloud, but they were not. He said that he would try to recover them from the server they had been deleted from, but that the process would take time.

On Tuesday morning, he called to tell me that he was not able to recover our files and that there was no backup.

To make a long sordid story short, I had made thumb drive backups for other purposes. The problem is, the most recent one was made last September. In essence we have lost three months of Quickbooks data and will need to recreate it. We will be devoting the next four weeks to accomplishing that task and hope to have December 2016 and

January 2017 Financials available for the February 23, 2017 Finance Committee Meeting and the March 1, 2017 Board Meeting.

We are currently working with our IT Consultant to mitigate the costs associated with recreating these files and will also implement processes that don't rely on the cloud or our IT Consultant for Quickbooks backup.