

OFFICE OF INSPECTOR GENERAL JEFFERSON PARISH



PUBLIC AUDIT REPORT

OFFICE OF FIRE SERVICES

2019-0003

AUDIT SECTION
ISSUED 10/22/2020



OFFICE OF INSPECTOR GENERAL
JEFFERSON PARISH

DAVID N. McCLINTOCK
INSPECTOR GENERAL



Date: 10/22/2020

To: The Citizens of Jefferson Parish

From: David McClintock, Inspector General

Re: Audit Report #2019-0003 – Office of Fire Services

The Jefferson Parish Office of Inspector General (“JPOIG”) performed an audit on the operations and functions of the Office of Fire Services (OFS). This audit was an emergent audit arising from a mid-year re-assessment in 2019.

The objectives of this report were:

- To assess the current duties performed by the OFS, as required by ordinance;
- To evaluate the effectiveness of the OFS in its oversight of the volunteer fire departments; and
- To analyze the overall budget of the OFS function.

The results of the audit identified a lack of compliance with the OFS ordinance, lack of adequate contract administration, inadequate development of VFC policies and procedures, deficiencies noted in VFC external audit reports and a misalignment of the existing OFS budget with the current ordinance.

The JPOIG made five (5) findings summarized with the response in the following table and set forth with specificity in “Attachment A”. Each of the findings specifies the recommendation elements that are provided to the Parish Council or Administration for consideration.

- All five (5) findings had elements directed to the Administration.
- One (1) finding had elements directed to the Parish Council.

The confidential draft report, dated 07/15/2020, was directed to the OFS Director, the Parish President, all Councilmembers, and the Parish Attorney for review. The Parish Administration submitted a written response on 09/01/2020 agreeing with finding number two (2) and taking no position on the remaining findings. Please see Attachment I of the report for the Administration’s response in full. The final report was issued on 09/30/2020.

While each branch of government has differing authority and powers, some corrective measures require complimentary or supporting actions to be taken by the other officials. Simply put, good solutions often come from collaborative efforts between the Parish Council and the Parish Administration.

Therefore, the JPOIG endeavors to provide each relevant official with the ability to engage in corrective actions by meeting with the JPOIG and other in the post report period for discussion and most importantly to respond in writing to the findings and recommendations. Ideally, this

process results in a transparent process that fully informs the public on how their government self-evaluates, implements change where needed and holds public servants accountable when necessary.

The JPOIG received one response from the Parish Administration. Each finding and the associated recommendations are directed to the Parish officials and/or offices that have authority to create and implement corrective actions. In Jefferson Parish that may be multiple officials and offices.

The JPOIG would like to thank the management and staff of the OFS, and the Administration for their assistance and cooperation throughout this audit.

Sincerely,



David McClintock
Inspector General

Summary of Audit Findings and Responses Case # 2019-0003 Office of Fire Services

| No. | Title | JPOIG Recommendation | Office of Fire Services Response |
|-----|---|---|--|
| 1 | Lack of Compliance with OFS Ordinance | Within 90 days, the OFS Director should establish the necessary internal policies, procedures, and systems necessary to collect and analyze data required to oversee and provide guidance to its three functional areas. | No position taken. The Administration is committed to ensuring that the Office of Fire Services ("OFS") continues to fulfill its duty to oversee the Volunteer Fire Companies ("VFC"), the Fire Training Center and Hazmat. The Director of Fire Services ("Director") is currently formalizing policies and procedures necessary to properly oversee all three functional areas, and has already created and implemented guidelines to ensure that each VFC satisfies all contractual reporting obligations. |
| 2 | Lack of Adequate Contract Administration | Within 90 days, the OFS Director should ensure that OFS policy and procedure requires: 1. An annual written notice to all VFCs identifying required reporting submissions and timelines; 2. An OFS compliance program to ensure required VFC submissions are timely submitted; analyzed and assessed to identify areas for further review; and where necessary the OFS engages in a documented follow-up process with the VFC(s). | Agrees. The Administration agrees with this finding. As stated in the response to Finding No. 1, the Director has created and implemented guidelines to ensure that each VFC satisfies all contractual reporting obligations. Additionally, the Director will coordinate with the Department of Finance to develop policies and procedures for the quarterly and annual review of financial reports to minimize deficiencies. |
| 3 | Inadequate Development of VFC Policies and Procedures | Within 90 days, the OFS Director should develop, in collaboration with the VFCs wherever feasible, standardized policies and procedures for adoption by each VFC. | No position taken. As stated in the response to Finding No. 1, the Director will develop internal policies and procedures as guidelines for OFS oversight of the VFC. Additionally, as set forth above, the Director has implemented guidelines for VFC reporting requirements and will develop policies and procedures for the review of financial reports. These policies and procedures will assist the OFS in its duty to effectively monitor the VFC, ensure OFS compliance with its stated duties and assure that the VFC comply with their agreements, including the contractual obligations for equipment procurement and reporting equipment acquisition. |
| 4 | Deficiencies Noted in External Audit Reports | The OFS Director should obtain the current, publically available, external audit report for each VFC and work with the VFC Presidents and Fire Chiefs to correct noted deficiencies thereby reducing the risk of fiscal waste, fraud, or abuse. | No position taken. The Director will develop guidelines for the standardization of accounting software and generation of financial reports for all VFC. As stated in the responses to Findings Nos. 1 and 2, the Director will ensure collection of reports, including audits, and develop policies and procedures for review of audits. |

Continued on next page

Summary of Audit Findings and Responses Case # 2019-0003 Office of Fire Services

| No. | Title | JPOIG Recommendation | Office of Fire Services Response Summary |
|------------|-----------------------------------|--|--|
| 5 | Ordinance and Budget Misalignment | <p>The Administration should:</p> <ol style="list-style-type: none"> 1. Initiate action to align the OFS and their budget. These actions include: <ol style="list-style-type: none"> a. Aligning the Hazardous Materials Division budget with the staff and organization performing the function, which is the OFS. b. Assigning all OFS salary and benefit expenses to the OFS budget. c. Allocating a percentage of Fire District millage funds to the OFS budget that is reflective of the OFS primary function of VFC administrative oversight. d. Review and adjust the Training Center cost-sharing revenues to be more reflective of actual usage between the EBCFD, the VFCs and external parties. <p>The Parish Council should:</p> <ol style="list-style-type: none"> 1. Amend the current ordinance to align with Fire Services functions and related budgets. | <p>No position taken.</p> <ol style="list-style-type: none"> (a) The Budget Department will request to move the Hazardous Materials Division budget from East Bank Consolidated Fire District ("EBCFD") Fund to a sub-department of Fire Services in the 2021 annual budget. The associated revenues, Hazardous Material Filing fees, will be moved to the General fund. (b) Beginning in the 2021 annual budget all personnel assigned to Fire Services will be allocated to two divisions, Fire Services-Administration and Fire Services-Hazardous Materials. (c) Beginning in the 2021 annual budget the costs associated with Fire Services Administration will be allocated to the seven Fire Protection Districts based on taxable assessed values of the district. (d) The Fire Training Center is allocated to the Fire Protection Districts including EBCFD, but excluding Fire Protection District No. 9 (Grand Isle) and Fire Protection District No. 4 (Lafitte) - based on the taxable assessed value of each district - to establish an annual budget. The two districts that are excluded do not use the facility and are too far from the facility to benefit from the Property Insurance Association of Louisiana ("PIAL") rating. At the end of the year, Accounting reconciles the actual revenues less the actual expenditures and returns any unused funds to the Fire Districts on the same basis. The actual revenues are the prorated allocation over eleven months plus any revenues from external parties for use of the facility. <p>OFS will explore other revenue generating opportunities by determining how surrounding jurisdictions and industry can benefit from the use of the facility. All the Fire Districts that contribute to the annual budget of the Fire Training Center earn credit on the PIAL rate for the Fire Training Center being located within the Parish limits. All other revenues from external agencies reduce those costs. The charge to the Fire Protection Districts are proportionate to the tax base in their jurisdiction and the center is available for the various Jefferson Parish Fire Protection Districts to enhance the services they provide while maintaining required training.</p> <p>The EBCFD Instructors that are currently housed at the Fire Training Center are appropriately charged to the EBCFD budget because their function is strictly to train the EBCFD employees.</p> <p>The Parish Council did not respond.</p> |

OFFICE OF FIRE SERVICES

2019-0003

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OFFICE OF INSPECTOR GENERAL JEFFERSON PARISH

DAVID N. MCCLINTOCK
INSPECTOR GENERAL



EXECUTIVE SUMMARY

The Jefferson Parish Office of Inspector General (JPOIG) has completed a review of the Jefferson Parish Office of Fire Services. This engagement was an emergent audit arising from a mid-year re-assessment in 2019.

Objectives

The objectives of this audit were to:

1. To assess the current duties performed by the OFS, as required by ordinance;
2. To evaluate the effectiveness of the OFS in its oversight of the volunteer fire departments;
and
3. To analyze the overall budget of the OFS function.

Review Results

The JPOIG determined that the OFS has not yet developed sufficient and adequate internal policies and procedures. The lack of the internal processes has resulted in the OFS not obtaining and/or reviewing many of the reports and documents relevant to its charge of providing oversight to the VFCs. The JPOIG also determined that the OFS budget does not align with the duties and responsibilities of the office or reflect the operational realities in some areas.

Recommendations

The JPOIG issued (5) findings:

1. Lack of Compliance with the OFS Ordinance,
2. Lack of Compliance with the VFC Agreements,
3. Inadequate Development of VFC Policies and Procedures,
4. Deficiencies Noted in External Audit Reports, and
5. Ordinance and Budget Misalignment.

Findings 1 through 4 generally address failures of the OFS to provide adequate VFC contract oversight and to ensure that they collaborate effectively, especially in the area, of VFC policy development. Finding 5 addresses issue with funding source and budget misalignments. The OFS budget consist of various fund sources, some of which are restricted funds, and requires a purposeful assessment of how the OFS functions administratively, as well as, the operational reality of the OFS Hazmat function and Fire Training Center usage.

The JPOIG findings and recommendations follow the report and are found at *Attachment A*.



**OFFICE OF INSPECTOR GENERAL
JEFFERSON PARISH**

DAVID N. MCCLINTOCK
INSPECTOR GENERAL



| | | |
|---|-------------------------------|-------------------------|
| Date of Report: 10/22/2020 | PUBLIC AUDIT REPORT | Case # 2019-0003 |
| Period of Audit: 01/01/2018 - 12/31/2019 | Report By: JPOIG Staff | Status: Public |
| <u>Subject of Audit</u> Office of Fire Services | | |

INTRODUCTION

Pursuant to JPCO § 2-155.10(11) (a), the Jefferson Parish Office of Inspector General (“JPOIG”) initiated an emergent audit of the Office of Fire Services (OFS), to include an assessment of the duties and responsibilities of the director of OFS. The OFS, through its director, is responsible for overseeing contracts with Jefferson Parish volunteer fire departments and coordinating parish-wide hazard preparedness and other emergency duties. There are thirteen (13) volunteer fire departments (VFCs) that receive funding through the Parish from revenue generated in seven (7) fire districts.

The Jefferson Parish Ordinance (JPCO) creating the OFS was substantively amended in 2016. Since that time, there have been two directors. The past director was appointed in 2018. Then in 2020, Parish President Lee-Sheng appointed Bryan Adams.

OBJECTIVES

The audit objectives are as follows:

1. To assess the current duties performed by the OFS, as required by ordinance;
2. To evaluate the effectiveness of the OFS in its oversight of the volunteer fire departments; and
3. To analyze the overall budget of the OFS function.

SCOPE AND METHODOLOGY

Scope

The audit period is calendar year 2018. However, some testing was performed in 2019 that was related to OFS initiatives that are still in process.

Methodology

The JPOIG developed and followed an audit program to assess risks and controls over four key areas:

1. Governance of OFS operations, including steps to review the governing ordinance(s), sufficiency of internal procedures and policies, and key strategic direction for the office.

2. A detailed compliance review of the District/VFC cooperative endeavor agreements.
3. Duties and responsibilities related to the Hazardous Materials Division (HAZMAT) and the operation of the Fire Training Center.
4. A review and analysis of the funding sources for the Department in relation to the actual requirements of the ordinance.

Standards

The JPOIG conducted its audit in accordance with the International Professional Practices Framework (IPPF), promulgated by the Institute of Internal Auditors (IIA). These standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Acronyms

The following acronyms are used in this document.

| | |
|-----------------------|--|
| JP | Jefferson Parish Government (the Parish) |
| JPCO | Jefferson Parish Code of Ordinances |
| JPOIG | Jefferson Parish Office of Inspector General |
| Fire Districts | Jefferson Parish Fire Protection Districts |
| HAZMAT | Hazardous Materials |
| EBCFD | East Bank Consolidated Fire District |
| VFC | Volunteer Fire Companies |
| OFS | Office of Fire Services |

BACKGROUND

The Office of Fire Services (“OFS”) is a department within Parish government which is under the leadership of a director appointed by the Parish President and confirmed by the Parish Council.¹ Prior to 2016, the director of was responsible for the operations and administration of the East Bank Consolidated Special Service Fire Protection District and other fire related duties. In 2016, the ordinance establishing the OFS was amended. The responsibility for directing and administrating the East Bank Consolidate Fire District was removed.²

Separate and apart from the East Bank Fire District, there existed contracts between the Parish and individual volunteer fire companies (“VFC”). Supervision and management of contracts was not a coordinated or consolidated function. When the ordinance was amended in 2016 the director of the OFS was assigned the responsibility for overseeing contracts and cooperative endeavor agreements with the individual VFCs.

The thirteen (13) volunteer fire companies (VFCs) provide fire protection services for the West Bank and the River Ridge areas. The Parish has cooperative endeavor agreements (CEAs) with each of the thirteen (13) VFCs. The thirteen (13) VFCs are each separate non-profit service corporations under Section 501(c) (3) of the Internal Revenue Code. Each VFC is governed by a President and a Board of Directors that are elected by the membership.

¹ JPCO §2-212.

² The East Bank Consolidated Special Service Fire Prevention is headed by the fire chief. JPCO 13-36.

VFCs receive funding through the Parish from revenue generated by property taxes determined by millage rates.³ The millage propositions are voted upon by the electorate and provide that the funds are to be used for:

“ . . . acquiring, constructing, improving, providing, maintaining or operating the fire protection facilities and equipment, including both movable and immovable property to be used to provide fire protection service in the District.”⁴

The Parish receives the revenue generated from the millage and maintains it in Fire District accounts for the benefit of the thirteen (13) VFCs⁵. The VFCs receive monthly disbursements from these accounts to cover operating expenses.

By amending the ordinance creating the OFS, the responsibilities of the director and functions of the department came to be focused on three areas: (1) oversight of the volunteer fire districts and associated volunteer fire companies (VFCs), (2) management and oversight duties for the HAZMAT division and (3) the Fire Training Center.

DATA ANALYSIS

Our analysis of the OFS will follow the areas of responsibility:

- A. Compliance with OFS Ordinance
- B. VFC Contract Administration
 - Compliance with VFC Agreements
 - Standard Policies and Procedures
 - Deficiencies Noted in External Audit Reports
- C. Ordinance and Budget Misalignment

A. Compliance with OFS Ordinance

Table # 1 below summarizes the duties and responsibilities within the context of the functional areas and as established by the Jefferson Parish Code of Ordinance (JPCO).

³ Millage is the percentage of value that is used in calculating taxes. A mill is defined as 1/10 of 1 percent and is multiplied by the assessed value after any exemptions have been subtracted to calculate the taxes. For example: if the tax rate is 150 mills and total assessed value is \$10,000 with no exemptions, the taxes would be calculated as $\$10,000 \times .150 = \$1,500.00$. If for the same house you had a homestead exemption the taxes would be: $\$10,000 - \$7,500(\text{H.E.}) = \$2,500.00 \times .150 = \375.00 in taxes. Louisiana Tax Commission at https://www.latax.state.la.us/Menu_FAQ/FAQ.aspx#faq9

⁴ Attachment B. See Resolution 120953. See also Resolutions 132684 and 132862.

⁵ La.R.S. 39:704 states: “The proceeds of any special tax shall constitute a trust fund to be used exclusively for the objects and purposes for which the tax was levied.”

| Table #1 OFS Ordinance Summary | | |
|--|--|--|
| VFC Oversight | Fire Training Center | HAZMAT |
| <ul style="list-style-type: none"> • Oversee cooperative endeavor agreements. JPCO 2-213(2) • Collaborate with the VFC's & the Emergency Management Dir. on policy affecting emergency response services. 2-213(7) • Coordinate and consult with the VFC's as applicable for completion of the insurance rating reports. 2-213(8) • Coordinate fire activities with the VFC and liaise between the VFCs, the fire stations, first responders, and the Parish Administration. 2-213(11) • Collaborate with the VFC Chiefs, the Telecommunications Dir., & the Sheriff on policy affecting emergency response service relative to the 911 system. 2-213(10) | <ul style="list-style-type: none"> • Provide policy development and management guidance in the areas of emergency response. JPCO 2-213(1) • Prepare administrative operational reports, evaluate performance against establish objectives, and special reports on operating problems or plans. JPCO 2-213(3) • Plan for capital improvements. JPCO 2-213(5) • Supervise all contracts for instructors of the Fire Training Center. JPCO 2-213(9) • Plan long range activities. JPCO 2-213 (6) | <ul style="list-style-type: none"> • Develop and maintain budget. JPCO 2-213(4) • Plan long range activities. JPCO 2-213 (6) |

In January 2018, following the amended ordinance, the OFS was staffed with a Director. Table 1 shows the OFS' areas of responsibilities. On a high level, the office is responsible for developing and implementing policies and procedures that support the administration and management of its areas of responsibility.

Thus, we reviewed whether the OFS established policies and procedures that demonstrate the OFS, as department, has created effective internal policies and procedures across the three operational and functional areas. The purpose of the audit was to identify whether policy and procedure exists and whether they contain necessary elements to assure:

- Clear protocol and direction,
- Support validation of actions and outcomes, and
- Promote accountability.

These principles are the foundation for best practices. They have been promoted and adopted in various forms by federal, state and local agencies, as well as, key industry associations.⁶

⁶ U.S. Government Accountability Office (GAO) "Green Book", Principle 2.09, "Oversight for the Internal Control System" emphasizes the importance of monitoring activities as well as evaluating and correcting identified deficiencies; U.S. General Services Administration (GSA) "A Guide to Best Practices For Contract Administration", GSA Office of Federal Procurement Policy; U.S. Government Accountability Office (GAO) "Framework for Assessing the Acquisition Function at Federal Agencies", GAO-05-218G; State of Georgia, Department of Audits

While some progress has been made, the JPOIG’s audit determined that, the OFS has not established and implemented adequate internal policies, procedures and processes. In order for the OFS to effectively monitor the VFCs, manage the Fire Training Center, and support the Hazmat function, the OFS Director must establish internal processes to collect the necessary data from the VFCs, the Fire Training Center and Hazmat to assess and analyze the areas of oversight; establish consistent metrics and methodologies for assessment, assurance and reporting; set timelines to support meaningful reporting; and to provide for timely and meaningful coordination and feedback where required.

B. Compliance with the Volunteer Fire Company (VFC) Contracts

The Parish contracts for fire protection services for the West Bank, River Ridge and portions of Metairie. Fire protection services are provided by VFCs through Cooperative Endeavor Agreements (CEA’s) with the Parish. There are 13 VFCs and each VFC has a CEA with the Parish. These “VFC Agreements” contain the terms and conditions for VFCs to provide fire protection, and the OFS was assigned responsibility for overseeing the contracts.

The JPOIG identified four areas established by the VFC agreements that the OFS should be proactively overseeing. Table # 2 below summarizes each of the 4 areas, and it identifies the status of program development assessed by the JPOIG’s audit as of December 2019. Each area will be discussed further.

| Table # 2 OFS Policy and Procedure Assessment – VFC Agreements | | | | |
|---|----------------|---------|------|----------------------------|
| Oversight Area | Implementation | | | Status |
| | Full | Partial | None | |
| • Require VFCs to provide periodic fiscal reports to the director. | | ✓ | | Quarterly and annually. |
| • Implement standardized policies for all fire service expenditures. | | ✓ | | In development. |
| • Implement a process for budgetary oversight that includes preventative fiscal controls. | | ✓ | | Quarterly and as required. |
| • Employ a centralized procurement and centralized cash management system. | | | ✓ | Not started |

The JPOIG asked the OFS to provide written support demonstrating the processes implemented to carry out functions mandated by the OFS’ ordinance. Additionally, the JPOIG interviewed the former Director and staff, reviewed and tested records for compliance with the fiscal and other operational reporting requirements of the agreements. Results of the JPOIG testing in this area revealed the OFS:

- Has not completed development of a process to gather, collect, and report on each VFC’s fiscal position.
- Has not completed work to establish a common set of policies and procedures related to budget and fiscal administration.

and Accounts, “Components of an Effective Contract Monitoring System”; National Association of State Procurement Officials (NASPO), “NASPO Contract Administration Best Practices Guide” (www.naspo.org).

- Has not completed development of a process for preventative fiscal controls.
- OFS has not started development of a centralized procurement and centralized cash management system.

The delay in implementing adequate fiscal oversight raises the risk that fraud, waste, and abuse may occur and go undetected.

Compliance with VFC Agreements

The VFC agreements, as of 2017, have a 10 year term. The total annual disbursement of millage funds from the Parish to the VFCs is \$21.8 million.⁷ The presence of adequate internal policies and procedures within OFS is required to provide adequate oversight and guidance to the VFCs. Conversely, it is the responsibility of the thirteen (13) VFCs to ensure their internal processes support the combined effort through standardization of process.

The JPOIG reviewed current VFC agreements to account for any periodic reports and other documents required to be on file in the OFS. All thirteen (13) agreements require the VFC to send financial and other operational reports to the OFS Director and others. These reports include:

- Records showing disbursement of all funds, including itemized budgets and other periodic financial reports.⁸
- Equipment inventories.⁹
- Goals and objectives to maintain or improve the current PIAL ratings.¹⁰
- Training records of all firefighters.¹¹

The JPOIG reviewed OFS' written procedures, contract administration files, and VFC financial reports received to date from the VFCs. The JPOIG determined by examination of records that the OFS was not in receipt of all of the documents required. The following was observed:

- Eight (8) or 62% of the VFCs did not submit 2018 quarterly budgets and other financial reports;
- No ethics certificates were on file;
- The OFS records did not contain confirmation that all VFC fire reports were received by the State Fire Marshal. (Further inquiries revealed that State Fire Marshal's posting process is greatly delayed.)
- No evidence was found that the OFS had received the VFCs established goals and objectives to improve Property Insurance Association of Louisiana (PIAL) ratings;

⁷ Total revenues collected in 2018 were \$26 million less Parish holdbacks for reserves of \$4.2 million equals \$21.8 million disbursed to all VFCs collectively.

⁸ Fire Protection Agreements, Section III C

⁹ Fire Protection Agreements, Section I (3)(h)

¹⁰ Fire Protection Agreements, Section I (1)(l)

¹¹ Fire Protection Agreements, Section I (1)(g). The JPOIG notes that although all training records reside at the Fire Training Center, the Director did not provide evidence of management reports or other summary documents at the OFS reflecting current status of training.

- One VFC submitted a complete equipment inventory; 7 submitted incomplete inventories; and 5 did not submit any equipment inventory records.

Thus, the JPOIG determined that the OFS Director did not have a complete set of required documents and reports on file for any VFC for the 2018 period. Collectively, the testing revealed broad variations in the responses from the different VFCs. Importantly, the JPOIG observed that the OFS did not have a system in place to effectively compile and assess VFC documentation for compliance. Further, the OFS has not filed any of the reports on the VFC compliance as required.

Different challenges exist for both the VFCs and the OFS surrounding the development of administrative processes that support a more effective and collective management strategy. The JPOIG understands the overall OFS structure was established to support smarter, more effective and efficient oversight operation of the VFC's through commonality of process, especially in the areas of financial and administrative management. Proper contract administration is key when Parish (OFS) oversight involves multiple independent entities who all perform the same or similar functions on behalf of the Parish.

While the manner and methods used to address these challenges are best arrived at by the OFS and VFCs, the result must be a singular system with two component parts:

- i. The VFC's must, with the guidance and cooperation of the OFS, establish financial and other management systems that operate in a standardized manner. Standardization of accounting formats, charts of accounts, inventory protocols, insurance rating initiatives, and record keeping concerning various records such as training and time keeping.
- ii. The OFS must establish internal systems and processes that captures the relevant standardized data and supports OFS in completing its mandated oversight and reporting functions.

Achieving these goals will require collaboration on standardization and document management, as well as, addressing some external audit observations from prior VFC audits and revisiting some Parish budgetary and tasking ordinance elements.

Authoritative government sources, such as the U.S. Government Accountability Office (GAO) in its "Green Book," emphasize the importance of monitoring activities as well as evaluating and correcting identified deficiencies in agency operations.¹² The OFS is positioned to serve in this capacity while helping to support and provide guidance to the VFCs. The delay in implementing a comprehensive contract administration process by the OFS puts these funds at risk, and creates the potential for fraud, waste, or abuse to occur and remain undetected.

Standardized VFC Policies and Procedures:

The current ordinance requires the OFS director, among other duties, to collaborate with the VFC Chiefs on policy decisions affecting emergency response, and coordinate fire activities with

¹² U.S. Government Accountability Office (GAO), Standards for Internal Control in the Federal Government ("Green Book"), Principle 2.09, "Oversight for the Internal Control System"

the VFCs.¹³ Additionally, the agreements require VFCs to provide the OFS Director with financial and other reports. The OFS Director performing this oversight duty should have a set of common policies and procedures to achieve effective monitoring of the VFCs, ensure OFS compliance with the ordinance and assure the Parish that the VFCs are in compliance with their agreements.

Upon initiation of the audit in January 2019, the JPOIG learned that the OFS had identified the need for commonality among VFC policies and procedures in the areas of budget, procurement and fiscal administration was necessary for effective oversight. In many cases, VFCs had expressed an interest in guidance and support from the OFS on the preparation and establishment of the policies and procedures. At the time, the efforts resulted in “policy and procedure” discussions, unwritten practices and some draft polices.

During the course of the audit, the JPOIG became aware that one company, the Marrero Estelle VFC, had adopted comprehensive policies and procedures that included both administrative and operational functions. As a result of this knowledge, the JPOIG suggested the OFS director reach out to Marrero Estelle and obtain a version of the policies and procedures document that could be used as a prototype for all other VFCs. The OFS Director subsequently reviewed the policies and procedures manual and distributed a prototype version to all VFCs for their use.

As of the date of this report, standardized VFC policies and procedures have not been implemented at all VFCs.

Collectively, the VFCs face some challenges administratively that have hindered the collection, maintenance and production of the material requested. The JPOIG believes these issues are largely reflective of the decentralized nature of the thirteen (13) VFCs, each essentially performing their administrative functions independently from one another, often using different software and systems to accomplish the same tasks. This presents a challenge to the OFS to collect and assess data that is varied and incongruent.

The most prevalent example of the need for standardization amongst the VFCs is the concept of a standardized chart of accounts that would be systematically linked at the summary level across all VFCs, with room for variation at the detailed level, if desired. The budgetary control level would remain at the summary level for analysis and reporting purposes. The standardized chart of accounts concept can be used for budgetary control of profit and loss accounts, and for better accountability of company asset accounts, i.e. cash, investments, and fixed assets.

Further standardization opportunities exist operationally as many of the VFCs utilize the same vendors, professional service agencies, and employee benefit providers. Through the use of collective bargaining, cost savings and economies of scale can be realized.

Inadequate and/ or inconsistent policies and procedures for the VFCs increases the risk for fraud, waste, and abuse to occur and remain undetected at the VFCs.

¹³ JPCO § 2-213 (7) and (11), as amended on 01/1/2019 by Ordinance No. 25736.

The current OFS Director is working with the VFCs external audit firms to develop a draft policy that will be presented to the VFC presidents and chiefs association in the next two months. The OFS Director estimates standardized policies and procedures will be ready for adoption by the VFCs as early as mid-year 2020.

Deficiencies Noted in External Audit Reports:

External audit reports provide useful information in assessing the financial practices of the VFCs. Each VFC's contract with the Parish requires the VFC to submit to the Parish Finance Director an audited financial statement showing the disbursement of all public funds received for the previous year, specifically excluding (if desired) funds raised through company's private fund-raising activities on an annual basis.¹⁴

The JPOIG reviewed the publicly available, external annual audit reports for 2017 and 2018 for all VFCs. The Finance Department confirmed receipt of the current annual external audit reports from the VFCs. A significant number (12 of 13) of the external audit reports noted one or more operational and internal control deficiencies which were not addressed nor remedied. Of the 12 external audit reports, there were 48 comments for all VFCs except the Third District VFC. The comments ranged from the lack of written fiscal policies (29% of the comments) to inadequate financial statement preparation (62%). The reports also noted the lack of segregation of duties at 70% of the VFCs. The JPOIG also determined from the external audit report comments that 80% of the VFCs did not have controls in place for proper oversight of its financial reporting and for the preparation of financial statements.

The JPOIG interviewed the OFS Director concerning his knowledge of the VFCs' external annual audit reports, and the JPOIG requested current copies of those audits from OFS files. The Director did not have copies on file and was not aware of how to obtain the audit reports. As a result, OFS did not initiate or perform this important fiscal oversight function since his appointment on 01/2018.

The VFC external audit reports provide information that is relevant to both the VFCs and the OFS in working towards standardized and sound fiscal practices. Utilizing the data from the audited financials supports effective collaboration and resilient systems.

Remedial measures, such as a standardized chart of accounts and standardized policies and procedures, would support commonality of VFC administrative practice and support OFS review. The OFS should consider review, coordination and the provision of support in these areas.

The previous OFS Director was unable to address these issues because he was unaware of the pervasiveness of the internal control deficiencies among the VFCs. The previous OFS Director's lack of review and action concerning external auditors' comments on VFC operational and internal control deficiencies heightens the risk that instances of fraud, waste and abuse may occur and remain undetected. As noted above, the current OFS Director has met with VFCs' external audit firms to establish consistency in the audit reports. Additionally, the current OFS Director is developing a Request for Proposal ("RFP") that will seek proposals from audit firms

¹⁴ Fire Protection Agreements, Sec. III A.

for the purpose of selecting a single external audit firm to perform the annual audits for all of the VFCs.

C. Ordinance and Budget Misalignment

The JPOIG review of budgets for the OFS, the EBCFD, and the 7 fire protection districts overseeing the VFCs revealed:

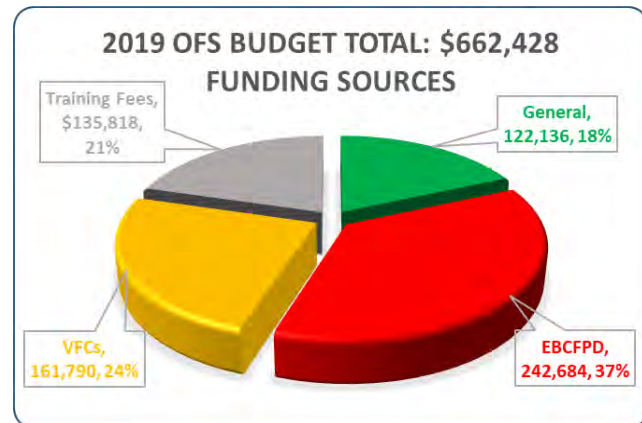
- The 7 Fire Districts which fund the VFCs do not contribute to the OFS budget;
- The Hazardous Materials Division revenue and expenses are contained within the EBCFD's budget, while the operations and administration is assigned to OFS;
- The salaries for the key management and staff are split between OFS and the EBCFD;
- Training Center salaries are split between the OFS and the EBCFD
- The enabling ordinance establishes the OFS and its positions as a stand-alone department, which implies that the department would have its own salary budget, with Administrative salaries being fully reflective of total cost;¹⁵ and
- The OFS is organized and budgeted as a General Fund Department, when the nature of its operation lends itself to a Special Revenue Fund designation.¹⁶

In order to understand and assess the flow of funds, sources of revenue, and the various methods of allocation used to provide funding to the OFS, EBCFD and VFCs via the Fire Districts, the JPOIG reviewed budget documents and interviewed key Parish officials (OFS Director, EBCFD Chief, Parish Accounting Director, and Budget Director).

The OFS ordinance establishes authority over 3 functions 1) Administration, 2) the Fire Training Center, and 3) Hazardous Materials Division. However, the current OFS budget does not clearly align with its authority. The JPOIG noted that the OFS, while vested with substantial responsibilities associated with the VFCs, does not receive any funding for oversight from the special revenue dedicated to the 13 VFCs. The OFS does receive funds from the VFCs for training provided, which is depicted in the graphic on the following page.

Current OFS budget

The OFS 2019 budget was approved in the amount of \$662,428. The source of funds for the \$662,428 are shown below. However, the published budget does not accurately reflect all operational costs. Actual funding necessary to perform all functions was calculated at approximately \$1,510,612. The remaining \$848,184 of operating costs not reflected in the published budget can be found in other Parish department budgets.



¹⁵ Summary 24530, Ordinance No. 25287, (01/11/2016).

¹⁶ A Special Revenue Fund designation would allow for allocation of the Fire District millage funds for the VFC Oversight function, and, also facilitate the collection of third party fees for the HAZMAT function, and lastly allow for a shared allocation of EBCFD funds for the Training Center function.

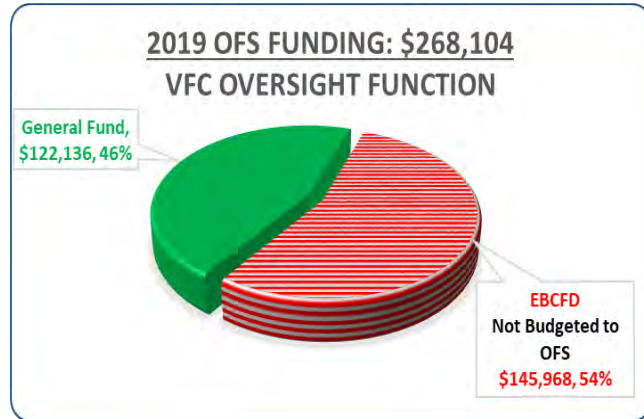
The \$242,684 in EBCFD funds included in the OFS budget are the contribution to the Fire Training Center which is addressed below in that sub-section.

Each of the three OFS functions involves funding source allocations that are unique and not readily identifiable. This makes budgeting and tracking of costs difficult.

VFC Oversight

Salaries for the OFS Director and the Assistant Director are currently split between the budgets of the OFS (41%) and the EBCFD (59%). However; the salary for the OFS Director’s Administrative Assistant is fully allocated to the EBCFD.

Thus, a certain portion of funds used to pay OFS staff salary and benefits is not actually reflected in the OFS budget, serving to understate the actual cost of operations.



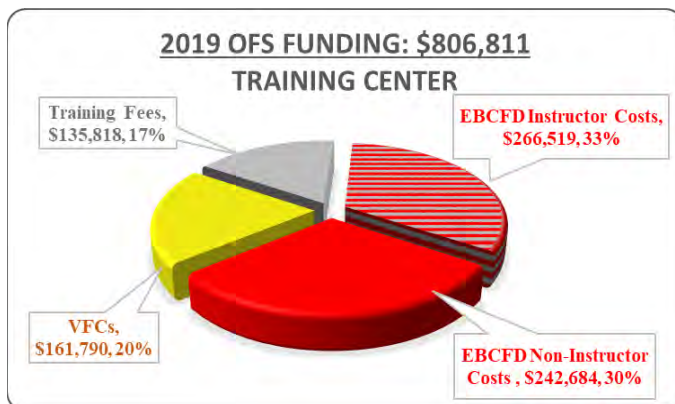
Importantly, the \$145,968¹⁷ of EBCFD funds used to support the VFC oversight function (i.e. salaries and benefits for staff as noted above) is not included in the OFS budget. See chart below.

Additionally, it is clear that the OFS was constituted to substantially engage with the VFCs across a number areas. The use of EBCFD millage funds to support the OFS Administrative salaries should be carefully reconsidered.

Fire Training Center

The Fire Training Center (FTC) is a sub-function of the OFS. The FTC is funded by three separate funding sources:

- Training fees charged to external FTC users,
- VFC millages and
- EBCFD millages.



Proportion of FTC Usage

To better assess the current funding levels for OFS, the JPOIG sought to determine the respective and proportionate usage of the FTC by the EBCFD and the VFCs. Both entities’ millage represent the primary funding sources of the FTC and are supplemented by training fees paid by non-parish entities that totaled \$135,818 in 2019.

¹⁷ Calculated based upon estimated salaries and benefits of \$247,403 times 59%. Represents the salaries and benefits of the Director and the Assistant Director.

Instructor Costs

The JPOIG also determined that manner in which course instructors are funded differs between the EBCFD and the VFCs.

EBCFD

The EBCFD provides three full-time staff dedicated to providing the necessary instructional programs to EBCFD staff through the FTC. In 2019, the salary and benefits for the three EBCFD training staff was \$266,519 and was paid directly from the EBCFD budget. These funds are included within the total EBCFD contribution amount of \$509,203.

VFC

FTC classes for the VFCs is accomplished through the use of contract instructors. The VFCs millage contributions are intended to cover the cost of the contract instruction. According to the Parish budget, the actual the cost for contract instruction in 2019 was \$132,760, which is included within the total VFC millage contribution of \$161,790.

Actual Usage

Utilizing data from the FTC, it was determined that a total of 569 training classes were held in 2019. Approximately 10% or 57 of the classes were provided to an entity other than a VFC or the EBCFD. Using the remaining 512 classes to determine proportionate use, it was found that the EBCFD held 297, or approximately 58%, of the classes and the VFCs held 213, or 42% of classes.

Funding Levels

The JPOIG recognizes that there may be various methodologies applied to FTC funding. Thus, we sought to identify the contributions made by the VFCs and the EBCFD in 2019 that were exclusive of the training revenue and instructor costs.

Table # 3 depicts the contributions made by the VFCs and the EBCFD in 2019 after removing the variables of training revenue and instructor costs. The result demonstrates that the actual FTC operational contributions amounted to a total of \$271,714. Specifically, the results demonstrated that the actual contributions were \$29,030 from the VFC’s and \$242,684 from the EBCFD.

| Table # 3 | | 2019 Actual FTC Operating Expenditures | | |
|--|------------|--|---|--------------------|
| Total Cost of FTC Operations | | \$806,811 | | |
| External Training Revenue | | (\$135,818) | Controls for variable of Training Revenue | |
| Sub-Total | | \$670,993 | | |
| EBCFD Instructor Costs | | (\$266,519) | Controls for Instructor Costs which may vary at the discretion of the VFCs or EBCFD | |
| VFC Instructor Costs | | (\$132,760) | | |
| Contribution to FTC Operations Cost | | \$271,714 | | |
| VFC Contribution | \$29,030 → | \$271,714 | ← \$242,684 | EBCFD Contribution |

Calculating the controlled FTC operating contribution share for the VFCs and the EBCFD based upon facility usage (42% VFCs and 58% EBCFD) resulted in an adjustment increase of \$85,090 for the VFCs and the correlated reduction of same amount for the EBCFD. See Table # 4 below.

| Table # 4 | | Usage Based Calculation (Illustrative Only) | |
|-------------------------------------|--------------------|---|--------------------------------------|
| Contribution to FTC Operations Cost | | \$271,714 | |
| VFC Usage = 42% | \$114,120 → | \$271,714 | ← \$157,594 EBCFD Usage = 58% |

The current funding model is disproportionate based on FTC usage and resulted in overpayments by the EBCFD. The JPOIG recommends that any funding contribution model adopted should control for the decisions on funding instructors made by the VFCs and EBCFD and also recognizes that FTC revenues from training fees will remain a variable.

It was also recognized that the FTC facility has the ability to conduct/host additional classes. Further, it was observed that the FTC is a state of the art training venue and that the Parish should consider revenue generating possibilities through the extension of training opportunities to non-parish government and industry entities from throughout the region. The JPOIG recommends the Administration engage in a purposeful review to determine how surrounding jurisdictions, industry and educational programs benefit from use of the facility which the Parish work to revenue neutral operations.

Hazmat

The EBCFD and the various VFC’s respond to and assess known, or identified on scene, hazardous material concerns in the first responder capacity. However, the Parish also performs required inspections of hazardous materials used by businesses and industry and submits state regulated reports regarding those materials.

Operationally, the Hazmat function in the Parish is separated between the OFS, where the function resides operationally, and the EBCFD where 100% of the revenues are received and the Hazmat function is budgeted. The inspectional functions are performed by a Hazardous Materials Coordinator and Assistant Coordinator. They report to the Director of OFS. The inspections element generates revenue in the form of fees collected from the entities subject to inspection. In 2018, revenue generated from these inspections was \$397,278.81.¹⁸

The current circumstances represent a misalignment between receipt of fee revenue and funding by the EBCFD and the OFS, which maintains operational control. The JPOIG understands that the Parish may employ various methods and models to meet Hazmat obligations. These may range from dedicated specialized staff and equipment working 24/7 to provide for both emergency response and inspectional duties or a complete separation of Hazmat response functions from routine inspections.

The JPOIG learned through discussion with industry professionals that there are several approaches to developing a structure for Hazmat functions. The JPOIG recommends that the

¹⁸ These costs in 2018 and 2019 total \$119,152 in expenditures for stand-by pay, for the two Hazmat staff members. In 2018 these staff were not called out, indicating that the system should be re-examined. This issue has also been addressed, in part, through a recent report issued by the JPOIG on Parish use of premium pay 2017-0041.

Parish Administration engage in discussions with relevant staff to determine the best hazardous materials response structure for Jefferson Parish. Based upon the outcome, the function, or functions, should be organizationally placed to ensure budget and organizational alignment.

Current VFC Budgets

The VFCs in the (7) seven Fire Districts generated \$26 million in revenue in 2018.¹⁹ Property taxes amounted to \$23.9 million or 91% of available revenues. The remaining revenue comes from the State, insurance rebates, and interest earned.

Each Fire District receives property tax revenue based on the millage approved by the voters within each district, as shown in Table #5 on the line titled “Property Taxes”. Districts containing multiple VFCs generally receive an evenly distributed share. A VFC may receive a greater amount if the Parish approves a one-time request for an increase in the allocation for capital purchases, or an ongoing increased amount based on need.

| Table # 5 2018 VFC Revenue and Millage Distribution by District | | | | | | | | |
|---|--------------------|------------------|--------------------|--------------------|--|-----------------------------------|--------------------|---------------------|
| DISTRICT | 3 | 4 | 5 | 6 | 7 | 8 | 9 | |
| VFCs | River Ridge | Lafitte | Terrytown | Harvey | Avondale, Bridge City, Live Oak, 9 Mile Point, Herbert Wallace | Marengo Harvey, Estelle, & Ragusa | Grand Isle | |
| Revenues | | | | | | | | Totals |
| Property Taxes | \$3,154,349 | \$586,195 | \$3,421,408 | \$4,510,029 | \$3,900,053 | \$7,332,074 | \$996,625 | \$23,900,733 |
| State Revenue | 194,450 | 14,690 | 136,636 | 120,845 | 104,308 | 238,754 | 9,500 | 819,183 |
| Other Sources | 474,902 | 11,776 | 118,849 | 210,265 | 394,049 | 99,099 | 18,533 | 1,327,473 |
| Total Revenue | \$3,823,701 | \$612,661 | \$3,676,893 | \$4,841,139 | \$4,398,410 | \$7,669,927 | \$1,024,658 | \$26,047,389 |

VFC Funding Contribution

In 2018 and 2019, the Parish Administration did not fully reflect all functions of the OFS within the assigned budgetary unit.²⁰ Additionally, the VFCs do not fiscally support the OFS administrative oversight function. The Parish should consider utilizing VFC Millage funds on a pro-rata basis to fund OFS duties directly associated with the VFCs.

The Louisiana Attorney General addressed the use of VFC millage funds for administrative purposes in a 2006 Opinion that stated: “...pursuant to the authority provided in La. R.S. 40:1492 et seq., and La. R.S. 33:2101, the Assumption Police Jury, acting as the governing authority for the parish fire protection district, may enter into a contract with a Fire Department to handle certain administrative functions of the Fire Department and receive payment for such services from the individual millage to ensure compliance with current ordinance.”²¹

¹⁹ Total revenues collected in 2018 were \$26 million less Parish holdbacks for reserves of \$4.2 million equals \$21.8 million disbursed to all VFCs collectively.

²⁰ Ordinance No. 25736 amended JPCO § 2-213(4) to require the Director of Fire to develop and maintain budgets for (all divisions of) the Fire Training Center and Hazardous Materials Division.

²¹ See Figure 1 on page 4 for a list of OFS functions.

CONCLUSION

The institution of the OFS was a natural step in the multi-year realignment of the VFC and the continued development of the Parish oversight of the VFCs. The VFCs perform a vital public service and the OFS provides a necessary bridge between the various fire districts and the overall suite of fire services available to the parish. This relationship is relatively new and the OFS is continues to work diligently to develop processes and systems that work to the benefit of the public, the Parish and the VFCs. In order for the OFS to be effective in fulfilling its mission the Parish should ensure that its mandates, areas of responsibilities, and budgeting are in alignment.

Progress Achieved

While there has been progress, the OFS remains out of compliance with many of the requirements of the ordinance. The OFS has not established all of its own internal policies and procedures. The work begun under the prior OFS director to implement budgetary review and oversight measures should be completed. Primary among these areas is the need to complete protocols for the individual VFCs to provide consistent data for regular fiscal reports, and complete equipment inventories for all VFC's. The JPOIG has included in **Attachment A** of this report its findings and recommendations to assist the new OFS Director in his efforts to build out the OFS structure, policies and processes. To that end, the new OFS Director has shared his most current action plans for the department.

Ongoing Action Plans

The current OFS Director provided the JPOIG with a working action plan detailing short and long term goals. By December 2020, the OFS Director estimated completion of the following short term goals:

- As noted earlier in the report, the Director is working with EIS to address the finding related to lack of compliance with VFC agreements and document management by implementation of a new application within weeks;
- Standardized policies and procedures ready for VFC adoption.
- Standardized chart of accounts and budget line items for all VFCs.
- Development of performance metrics for the VFCs.

The OFS long term goals will address:

- Coordination with external audit firms to correct current deficiencies noted in annual audit reports, and development of an RFP with the goal of selecting a single external audit firm to perform audits for all thirteen (13) VFCs;
- Selection of a single insurance agent/company to provide coverage for all VFCs
- The Ordinance and Budget Misalignment, including placement of the Hazardous Materials Division and retirement benefits for paid VFC staff.

The JPOIG findings and recommendations follow the report and are found in **Attachment A**.

Findings and Recommendations



FINDINGS AND OBSERVATIONS

An observation is the result of looking at a process or procedure being performed by others and is typically founded upon a specific time, or period, during which the observations takes place. A finding indicates a material or significant weakness in controls or compliance that was not detected or corrected by an entity in the normal course of performing its duties. Findings can be any one or the combination of the following: (1) significant deficiencies in internal controls; (2) fraud and illegal acts; (3) violations of contracts and grant agreements; (4) inefficiencies, (5) waste; or (6) abuse.

Finding #1: Lack of Compliance with OFS Ordinance

Condition:

The OFS has not developed and implemented adequate policy and procedure by which the OFS can provide meaningful oversight and guidance for the VFCs. In order to perform the stated functions, the OFS Director must first establish processes to ensure the relevant data from the VFCs, the Fire Training Center and Hazmat, are collected, reviewed and monitored only with consistent data can the OFS establish metrics and methodologies for assessment, assurance and reporting; set timelines to support reporting; and provide timely coordination and feedback to the Parish and the entities or divisions involved

Criteria:

- JPCO § 2-213, as amended on 01/1/2019 by Ordinance No. 25736 amended the duties of the OFS Director. ¹
- U.S. Government Accountability Office (GAO) “Green Book”, Principle 2.09, “Oversight for the Internal Control System” emphasizes the importance of monitoring activities as well as evaluating and correcting identified deficiencies.
- U.S. General Services Administration (GSA) “A Guide to Best Practices For Contract Administration”, GSA Office of Federal Procurement Policy
- U.S. Government Accountability Office (GAO) “Framework for Assessing the Acquisition Function at Federal Agencies”, GAO-05-218G
- National Association of State Procurement Officials (NASPO), “NASPO Contract Administration Best Practices Guide”. (www.naspo.org)

Cause:

Since the creation of the current OFS in 01/2018, the office has not yet created adequate internal policy and procedure to support its mandated functions.

Exposure:

Lack of adequate fiscal oversight creates the potential for fraud, waste, and abuse to occur and remain undetected.

Recommendation:

Within 90 days, the OFS Director should establish the necessary internal policies, procedures, and systems necessary to collect and analyze data required to oversee and provide guidance to its three functional areas.

¹ The ordinance specified oversight duties for the OFS Director for the Fire Training Center and Hazardous Materials Division, and removed responsibilities for the East Bank Consolidated Fire District.

Finding #2: Lack of Adequate Contract Administration

Condition:

The OFS has not ensured that all VFCs submit timely reports that are required by the VFC agreements with the Parish.

JPOIG testing determined that the OFS Director did not have a complete set of required documents and reports on file for any one District or VFC during 2018. The JPOIG testing of OFS records during the 2018 fiscal period revealed:

- 62% of the VFCs did not submit quarterly budgets and other financial reports timely;
- No ethics certificates were on file;
- No confirmations for the receipt of fire services reports to the State Fire Marshal were on record until 2019 (for receipt of fire reports);
- No support or evidence that the VFCs established goals and objectives to improve Property Insurance Association of Louisiana (PIAL) ratings;
- 1 VFC submitted a complete equipment inventory; 7 submitted incomplete inventories; and 5 did not submit any records.

Criteria:

Each VFC Agreement with the Parish requires the VFCs to maintain certain records and to submit financial and operational information on a routine basis.

Cause:

Since the creation of the current OFS in 01/2018, the OFS has not established and implemented effective controls to ensure the VFCs submit all required data and reports.

Exposure:

Lack of an effective contract administration process creates the potential for fraud, waste, or abuse to occur and remain undetected. The total annual disbursement of VFC millage funds exceeds \$21.8 million.

Recommendation:

Within 90 days, the OFS Director should ensure that OFS policy and procedure requires:

1. An annual written notice to all VFCs identifying required reporting submissions and timelines;
2. An OFS compliance program to ensure required VFC submissions are timely submitted; analyzed and assessed to identify areas for further review; and where necessary the OFS engages in a documented follow-up process with the VFC(s).

Finding #3: Inadequate Development of VFC Policies and Procedures

Condition:

The OFS and the VFCs are required to collaborate and coordinate in various areas including the development of policies and procedures. These efforts have not resulted in the development of standardized policies and procedures for the VFCs. Standardized policies and procedures support efficient oversight by the OFS, consistency in the guidance provided to the VFCs, and help to ensure transparency and accountability of public funds.

Criteria:

JPCO § 2-211 designates the OFS Director as the official responsible for oversight of the VFCs and the coordination of parish-wide hazard preparedness and emergency response.

U.S. Government Accountability Office (GAO), Standards for Internal Control in the Federal Government (“Green Book”), Principle 2.09, “Oversight for the Internal Control System”

Cause:

Until contacted by the JPOIG, the OFS had not initiated work on a common set of VFC policies and procedures nor had they initiated collaboration with the VFCs.

Exposure:

As Marrero Estelle VFC is the only fire company that has adopted standardized policies and procedures, the exposure is \$19.4² million in fire services funds.

Recommendation:

Within 90 days, the OFS Director should develop, in collaboration with the VFCs wherever feasible, standardized policies and procedures for adoption by each VFC.

² Total annual disbursements to all VFCs for 2018 were \$21.8 million, less Marrero Estelle VFC’s share of \$2.4 million equals \$19.4 million.

Finding #4: Deficiencies Noted in External Audit Reports

Condition:

The JPOIG reviewed the publicly available, external annual audit reports for 2017 and 2018 for all VFCs. The Finance Department confirmed receipt of the current annual external audit reports from the VFCs. However, the OFS did not collect or review the VFCs' annual external audit reports. A significant number (12 of 13) of the external audit reports noted one or more operational and internal control deficiencies, which were not addressed nor remedied.

Criteria:

Section III A in every company agreement with the Parish requires the VFCs to submit to the Finance Director of the Parish of Jefferson an audited financial statement showing the disbursement of all public funds received for the previous year, specifically excluding (if desired) funds raised through company's private fund-raising activities on an annual basis.

Cause:

The OFS Director did not initiate or perform this important fiscal oversight function since appointment to the position on 01/2018.

Exposure:

Fire Services lack of review and action concerning external audit reports comments on VFC operational and internal control deficiencies heightens the risk that instances of fraud, waste and abuse may occur and remain undetected.

Recommendation:

The OFS Director should obtain the current, publically available, external audit report for each VFC and work with the VFC Presidents and Fire Chiefs to correct noted deficiencies thereby reducing the risk of fiscal waste, fraud, or abuse.

Finding #5: Ordinance and Budget Misalignment

Condition:

The JPOIG review of budgets for the OFS, the EBCFD, and the 7 districts overseeing the VFCs revealed:

- The Fire Districts which fund the VFCs do not contribute to the OFS budget;
- The Hazardous Materials Division revenue and expenses are contained within the EBCFD's budget, while the operations and administration is assigned to OFS;
- The salaries for the key management and staff are split between OFS and the EBCFD;
- Training center staff costs are split between OFS and the EBCFD;
- The enabling ordinance establishes the OFS and its positions as a stand-alone department, which implies that the department would have its own salary budget, with Administrative salaries being fully reflective of total cost;³ and
- The OFS is organized and budgeted as a General Fund Department, when the nature of its operation lends itself to a Special Revenue Fund designation.⁴

Criteria:

JPCO § 2-211 designates the OFS Director as the official responsible for oversight of the Jefferson Parish volunteer fire departments and the coordination of parish-wide hazard preparedness and emergency response. Ordinance No. 25736 amended JPCO § 2-213(4) to require the OFS Director to develop and maintain budgets for (all divisions of) the Fire Training Center and Hazardous Materials Division.

Cause:

Not all functions of the OFS are included within the assigned budgetary unit.⁵ Additionally, the OFS funding is not aligned with the responsibilities and use.

Exposure:

Without a clear budgetary separation for the OFS functions, the public and Parish lose important fiscal controls, such as transparency and accountability over this critical government function.

Recommendation:

The Administration should:

1. Initiate action to align the OFS and their budget. These actions include:
 - a. Aligning the Hazardous Materials Division budget with the staff and organization performing the function, which is the OFS.
 - b. Assigning all OFS salary and benefit expenses to the OFS budget.

³ Summary 24530, Ordinance No. 25287, (01/11/2016).

⁴ A Special Revenue Fund designation would allow for allocation of the Fire District millage funds for the VFC Oversight function, and, also facilitate the collection of third party fees for the HAZMAT function, and lastly allow for a shared allocation of EBCFD funds for the Training Center function.

⁵ Ordinance No. 25736 amended JPCO § 2-213(4) to require the Director of Fire to develop and maintain budgets for (all divisions of) the Fire Training Center and Hazardous Materials Division.

- c. Allocating a percentage of Fire District millage funds to the OFS budget that is reflective of the OFS primary function of VFC administrative oversight.⁶
- d. Review and adjust the Training Center cost-sharing revenues to be more reflective of actual usage between the EBCFD, the VFCs and external parties.

The Parish Council should:

1. Amend the current ordinance to align with Fire Services functions and related budgets.

⁶ The precedence for use of VFC millage funds for administrative purposes was set by a Louisiana Attorney General 2006 Opinion Number 06-0171, 08/20/2006.

Attachment B

VFC Millage Resolutions
Nos. 12095, 132682 and
132684



On motion of **Mr. Lagasse**, seconded by **Mr. Roberts**, the following resolution was offered:

RESOLUTION NO. 120953

A resolution providing for canvassing the returns and declaring the result of the special election held in Fire Protection District No. 5 of the Parish of Jefferson, State of Louisiana, on Saturday, May 4, 2013 for authority to authorize the levy and collection of a special tax; and other matters in connection therewith.

BE IT RESOLVED by the Jefferson Parish Council, acting as the governing authority of Fire Protection District No. 5 of the Parish of Jefferson, State of Louisiana, that:

SECTION 1. That this Council does now proceed in open and public session to examine the official certified tabulations of votes cast at the special election held in Fire Protection District No. 5 of the Parish of Jefferson, State of Louisiana (the "District") on May 4, 2013, to authorize the levy and collection of a special tax in the District, said tabulations having been prepared and certified by the election officials serving at the designated polling places, and this Council does now further proceed to examine and canvass the returns and declare the result of the special election.

SECTION 2. That a process verbal of the canvass of the returns of said special election be made and that a certified copy thereof shall be forwarded to the Secretary of State, Baton Rouge, Louisiana, who shall record the same in his office; that another certified copy thereof shall be forwarded to the Clerk of Court and Ex-Officio Recorder of Mortgages in and for the Parish of Jefferson, State of Louisiana, who shall record the same in the Mortgage Records of said Parish; and that another copy thereof shall be retained in the archives of this Council.

SECTION 3. That the result of the said special election shall be promulgated by publication in the manner provided by La. R.S. 18:1292.

This resolution having been submitted to a vote, the vote thereon was as follows:

YEAS: 7 NAYS: None ABSENT: None

And the resolution was declared adopted on this, the **15th day of May, 2013.**

THE FOREGOING IS CERTIFIED
TO BE A TRUE & CORRECT COPY



**EULA A. LOPEZ
PARISH CLERK**

JEFFERSON PARISH COUNCIL

PROCES VERBAL OF THE CANVASS OF THE VOTES CAST AT THE SPECIAL ELECTION HELD IN FIRE PROTECTION DISTRICT NO. 5 OF THE PARISH OF JEFFERSON, STATE OF LOUISIANA, (THE "DISTRICT") ON MAY 4, 2013.

BE IT KNOW AND REMEMBERED, that on Wednesday, May 15, 2013 at ten (10:00) o'clock a.m., at its regular meeting place, Council Chamber, 2nd Floor, Yenni Building, 1221 Elmwood Park Boulevard, Harahan, Louisiana, on Wednesday, May 15, 2013, the Jefferson Parish Council of the Parish of Jefferson, State of Louisiana, being the authority ordering and calling the special election held in the District on Saturday, May 4, 2013 with the following members present:

there being absent:

did in public session, examine and canvass the returns of the election, there having been submitted at said election the following proposition, to-wit:

PROPOSITION
FIRE PROTECTION DISTRICT NO. 5

Shall Fire Protection District No. 5 of the Parish of Jefferson, State of Louisiana (the "District") be authorized to continue the levy and collection of a tax of twenty (20) mills on the dollar on all property subject to taxation in the District, for a period of ten (10) years, beginning with the year 2014, with the estimated amount reasonably expected to be collected from the levy of the tax for one year being \$3,356,908, for the purpose of acquiring, constructing, improving, maintaining or operating fire protection facilities, vehicles and equipment, including both movable and immovable property to be used to provide fire protection service in the District?

There was found by said examination that, according to the tabulations prepared and certified by the Clerk of Court for the Parish of Jefferson, a copy of which is attached as Exhibit A, the following votes had been cast in the District at the election FOR and AGAINST, respectively, the above Proposition, to-wit:

| | Votes For | Votes Against |
|----------------|-----------|---------------|
| Polling Places | 4167 | 2193 |
| Absentee | 305 | 170 |
| Totals | 4472 | 2263 |

The polling places above specified being the only polling places designated at which to hold the said special election, it was therefore shown that there was a majority of 1709 votes cast FOR the Proposition.

NOW, THEREFORE, the Jefferson Parish Council, acting as the governing authority the Parish of Jefferson State of Louisiana, **DOES HEREBY DECLARE AND PROCLAIM** in open and public session that the Proposition, as hereinabove set forth, was CARRIED by a majority of the votes cast by the qualified electors voting at the

election held in Jefferson Parish Inspector General Special Services Funding District of the Parish of Jefferson, State of Louisiana, and that the result of said election be promulgated by the Secretary of State for the State of Louisiana and by the Clerk of the Jefferson Parish Council in the manner required by law.

THUS DONE AND SIGNED at Gretna, Louisiana, on this, the 15^h day of May, 2013.

/s/Eula A. Lopez, Parish Clerk
Jefferson Parish Clerk

/s/Christopher L. Roberts, Chairman
Jefferson Parish Clerk

JEFFERSON PARISH COUNCIL

/s/Ricky J. Templet
Council District 1

/s/Paul D. Johnston
Council District 2

/s/Mark D. Spears, Jr.
Council District 3

/s/E. "Ben" Zahn, III
Council District 4

/s/Cynthia Lee-Sheng
Council District 5

/s/Elton M. Lagasse
Council At-Large, Div. B

The following resolution was offered by **Ms. Lee-Sheng** and seconded by **Mr. Roberts**:

RESOLUTION NO. 132862

A resolution providing for canvassing the returns and declaring the result of the special election held in Fire Protection District No. 6 of the Parish of Jefferson, State of Louisiana, on Saturday, December 8, 2018 for authority to renew the levy and collection of an ad valorem tax in the District; and other matters in connection therewith.

BE IT RESOLVED by the Jefferson Parish Council, acting as the governing authority of Fire Protection District No. 6 of the Parish of Jefferson, State of Louisiana:

SECTION 1. That this Council does now proceed in open and public session to examine the official certified tabulations of votes cast at the special election held in Fire Protection District No. 6 of the Parish of Jefferson, State of Louisiana (the "District"), on Saturday, December 8, 2018, to authorize the renewal of the levy and collection of an ad valorem tax in the District, said tabulations having been prepared and certified by the election officials serving at the designated polling places, and this Council does now further proceed to examine and canvass the returns and declare the result of the special election.

SECTION 2. That a proces verbal of the canvass of the returns of said special election be made and that a certified copy thereof shall be forwarded to the Secretary of State, Baton Rouge, Louisiana, who shall record the same in his office; that another certified copy thereof shall be forwarded to the Clerk of Court and Ex-Officio Recorder of Mortgages in and for the Parish of Jefferson, State of Louisiana, who shall record the same in the Mortgage Records of said Parish; and that another copy thereof shall be retained in the archives of this Council.

SECTION 3. That the result of the said special election shall be promulgated by publication in the manner provided by La. R.S. 18:1292.

This resolution having been submitted to a vote, the vote thereon was as follows:

YEAS: 7

NAYS: None

ABSENT: None

And the resolution was declared adopted on this the 16th day of January, 2019.

THE FOREGOING IS CERTIFIED
TO BE A TRUE & CORRECT COPY



EULA A. LOPEZ
PARISH CLERK
JEFFERSON PARISH COUNCIL

PROCES VERBAL OF THE CANVASS OF THE VOTES CAST AT THE SPECIAL ELECTION HELD IN FIRE PROTECTION DISTRICT NO. 6 OF THE PARISH OF JEFFERSON, STATE OF LOUISIANA (THE "DISTRICT"), ON SATURDAY, DECEMBER 8, 2018.

BE IT KNOWN AND REMEMBERED, that on Wednesday, January 16, 2019 at ten (10:00) o'clock a.m., at its regular meeting place, Council Chambers, 2nd Floor General Government Building, Gretna, Louisiana, the Jefferson Parish Council of the Parish of Jefferson, State of Louisiana, being the authority ordering and calling the special election held in the District on Saturday, December 8, 2018 with the following members present:

Christopher L. Roberts; Cynthia Lee-Sheng; Ricky J. Templet; Paul D. Johnston; Mark D. Spears, Jr.; Dominick F. Impastato, III; Jennifer Van Vrancken;

there being absent: **NONE**

did in public session, examine and canvass the returns of the election, there having been submitted at said election the following proposition, to-wit:

**PROPOSITION
FIRE PROTECTION DISTRICT NO. 6
PARISH OF JEFFERSON, STATE OF LOUISIANA
(FIRE PROTECTION MILLAGE RENEWAL)**

Shall Fire Protection District No. 6 of the Parish of Jefferson, State of Louisiana (the "District") be authorized to renew the levy and collection of a tax not to exceed twenty-five (25) mills on all property subject to taxation in the District for a period of ten (10) years, beginning with the year 2020, with the estimated amount reasonably expected to be collected from the levy of the tax for one year being \$4,781,088, for the purpose of acquiring, constructing, improving, providing, maintaining and operating the District's fire protection facilities, vehicles and equipment, including both movable and immovable property, to be used to provide fire protection service in the District?

There was found by said examination that, according to the tabulations prepared and certified by the Clerk of Court for the Parish of Jefferson, a copy of which is attached as Exhibit A, the following votes had been cast in the District at the election FOR and AGAINST, respectively, the above Proposition, to-wit:

| | Votes For | Votes Against |
|-------------------------|-------------|---------------|
| Polling Places District | 814 | 304 |
| Absentee | 253 | 88 |
| TOTALS | 1067 | 392 |

The polling places above specified being the only polling places designated at which to hold the said special election, it was therefore shown that there was a majority of 675 votes cast FOR the Proposition.

NOW, THEREFORE, the Jefferson Parish Council, acting as the governing authority of Fire Protection District No. 6 of the Parish of Jefferson, State of Louisiana, **DOES HEREBY DECLARE AND PROCLAIM** in open and public session that the Proposition, as hereinabove set forth, PASSED by a majority of the votes cast by the qualified electors voting at the election held in the District on December 8, 2018 and that the result of said election be promulgated by the Secretary of State for the State of Louisiana and by the Clerk of the Jefferson Parish Council in the manner required by law.

THUS DONE AND SIGNED at Gretna, Louisiana, on this, the 16th day of January, 2019.

/s/Eula A. Lopez, Parish Clerk
Eula A. Lopez, Parish Clerk
Jefferson Parish Council

/s/Christopher L. Roberts
Christopher L. Roberts, Chairman
Jefferson Parish Council
At-Large, Div. A

JEFFERSON PARISH COUNCIL

/s/Ricky J. Templet
Ricky J. Templet, Councilman
Council District 1

/s/Paul D. Johnston
Paul D. Johnston, Councilman
Council District 2

/s/Mark D. Spears, Jr.
Mark D. Spears, Jr. Councilman
Council District 3

/s/Dominick F. Impastato, III
Dominick F. Impastato, III, Councilman
Council District 4

/s/Jennifer Van Vrancken
Jennifer Van Vrancken, Councilwoman
Council District 5

/s/Cynthia Lee-Sheng
Cynthia Lee-Sheng, Councilwoman
At-Large, Div. B

The following resolution was offered by **Mr. Roberts** and seconded by **Ms. Lee-Sheng**:

RESOLUTION NO. 132684

A resolution providing for canvassing the returns and declaring the result of the special election held in Fire Protection District No. 7 of the Parish of Jefferson, State of Louisiana, on Tuesday, November 6, 2018 for authority to renew the levy and collection of an ad valorem tax in the District; and other matters in connection therewith.

BE IT RESOLVED by the Jefferson Parish Council, acting as the governing authority of Fire Protection District No. 7 of the Parish of Jefferson, State of Louisiana:

SECTION 1. That this Council does now proceed in open and public session to examine the official certified tabulations of votes cast at the special election held in Fire Protection District No. 7 of the Parish of Jefferson, State of Louisiana (the "District"), on Tuesday, November 6, 2018, to authorize the renewal of the levy and collection of an ad valorem tax in the District, said tabulations having been prepared and certified by the election officials serving at the designated polling places, and this Council does now further proceed to examine and canvass the returns and declare the result of the special election.

SECTION 2. That a proces verbal of the canvass of the returns of said special election be made and that a certified copy thereof shall be forwarded to the Secretary of State, Baton Rouge, Louisiana, who shall record the same in his office; that another certified copy thereof shall be forwarded to the Clerk of Court and Ex-Officio Recorder of Mortgages in and for the Parish of Jefferson, State of Louisiana, who shall record the same in the Mortgage Records of said Parish; and that another copy thereof shall be retained in the archives of this Council.

SECTION 3. That the result of the said special election shall be promulgated by publication in the manner provided by La. R.S. 18:1292.

This resolution having been submitted to a vote, the vote thereon was as follows:

YEAS: 6

NAYS: None

ABSENT: (1) Templet

And the resolution was declared adopted on this, the 5th day of December 2018.

THE FOREGOING IS CERTIFIED
TO BE A TRUE & CORRECT COPY



EULA A. LOPEZ
PARISH CLERK

JEFFERSON PARISH COUNCIL

PROCES VERBAL OF THE CANVASS OF THE VOTES CAST AT THE SPECIAL ELECTION HELD IN FIRE PROTECTION DISTRICT NO. 7 OF THE PARISH OF JEFFERSON, STATE OF LOUISIANA (THE "DISTRICT"), ON TUESDAY, NOVEMBER 6, 2018.

BE IT KNOW AND REMEMBERED, that on Wednesday, December 5, 2018 at ten (10:00) o'clock a.m., at its regular meeting place, East Bank Council Chambers, 2nd Floor Yenni Building, 1221 Elmwood Park Boulevard, Harahan, Louisiana, the Jefferson Parish Council of the Parish of Jefferson, State of Louisiana, being the authority ordering and calling the special election held in the District on Tuesday, November 6, 2018 with the following members present:

Christopher L. Roberts, At-Large, Div. A; Cynthia Lee-Sheng, At-Large, Div. B; Ricky Templet, Council District 1; Paul Johnston, Council District 2; Mark D. Spears, Jr., Council District 3; Dominick Impastato, Council District 4; Jennifer Van Vrancken, District 5.

there being absent:

None

did in public session, examine and canvass the returns of the election, there having been submitted at said election the following proposition, to-wit:

**PROPOSITION
FIRE PROTECTION DISTRICT NO. 7
PARISH OF JEFFERSON, STATE OF LOUISIANA
(FIRE PROTECTION MILLAGE RENEWAL)**

Shall Fire Protection District No. 7 of the Parish of Jefferson, State of Louisiana (the "District") be authorized to renew the levy and collection of a tax not to exceed twenty-five (25) mills on all property subject to taxation in the District for a period of ten (10) years, beginning with the year 2020, with the estimated amount reasonably expected to be collected from the levy of the tax for one year being \$3,824,892, for the purpose of acquiring, constructing, improving, providing, maintaining or operating the District's fire protection facilities and equipment within and for the District?

There was found by said examination that, according to the tabulations prepared and certified by the Clerk of Court for the Parish of Jefferson, a copy of which is attached as Exhibit A, the following votes had been cast in the District at the election FOR and AGAINST, respectively, the above Proposition, to-wit:

| | Votes For | Votes Against |
|-------------------------|-------------|---------------|
| Polling Places District | 3815 | 985 |
| Absentee | 460 | 222 |
| TOTALS | 4275 | 1207 |

The polling places above specified being the only polling places designated at which to hold the said special election, it was therefore shown that there was a majority of 3068 votes cast FOR the Proposition.

NOW, THEREFORE, the Jefferson Parish Council, acting as the governing authority of Fire Protection District No. 7 of the Parish of Jefferson, State of Louisiana, **DOES HEREBY DECLARE AND PROCLAIM** in open and public session that the Proposition, as hereinabove set forth, PASSED by a majority of the votes cast by the qualified electors voting at the election held in the District on November 6, 2018 and that the result of said election be promulgated by the Secretary of State for the State of Louisiana and by the Clerk of the Jefferson Parish Council in the manner required by law.

/s/Eula A. Lopez
Parish Clerk
Jefferson Parish Council

/s/Cynthia Lee-Sheng
Chairwoman
At-Large, Div. B

JEFFERSON PARISH COUNCIL

/s/Ricky Templet
Council District 1

/s/Paul Johnston
Council District 2

/s/Mark D. Spears, Jr.
Council District 3

/s/Dominick Impastato
Council District 4

/s/Jennifer Van Vrancken
Council District 5

/s/Christopher L. Roberts
At-Large, Div. A

Attachment C

Ordinance No. 21966 Division 7. Office of Fire Services



Attach to Ord 16884

On motion of Mr. Broussard, seconded by Mr. Lavarine, the following ordinance was offered as amended:

SUMMARY NO. 21018 ORDINANCE NO. 21966

An ordinance amending the Code of Ordinances relative to the position of superintendent of fire, clarifying the duties of said position, and to provide for related matters.

WHEREAS, the Superintendent of Fire, in addition to having administrative supervision of the paid fire personnel of the East Bank Consolidated Special Service Fire Protection District, has other fire service duties of a parishwide nature; and,

WHEREAS, the Jefferson Parish Council, acting as the governing authority of the Parish of Jefferson, State of Louisiana, desires that the Code of Ordinances be clarified in order to reflect the full scope of duties and responsibilities of the Superintendent of Fire; now, therefore,

THE JEFFERSON PARISH COUNCIL HEREBY ORDAINS:

SECTION 1. That Chapter 2 of the Jefferson Parish Code of Ordinances be and the same is hereby amended by amending Sections 2-211 to read as follows:

DIVISION 7. OFFICE OF FIRE SERVICES

Sec. 2-211. Position of superintendent of fire created.

The position of superintendent of fire is hereby created, which position shall have administrative supervision over the East Bank Consolidated Special Service Fire Protection District and any other such fire services activities and/or responsibilities as the parish president may direct.

SECTION 2. That Chapter 2 of the Jefferson Parish Code of Ordinances be and the same is hereby amended by amending Sections 2-212(b) to read as follows:

Sec. 2-212. Qualifications and appointment of superintendent of fire.

(b) *Appointment.* The superintendent of fire shall be appointed by the parish president with the approval of the council and shall devote his entire efforts to the purpose for which this office has been created and any other such activities and/or responsibilities as the parish president may direct.

SECTION 3. That Chapter 2 of the Jefferson Parish Code of Ordinances be and the same is hereby amended by amending Sections 2-213 to read as follows:

Sec. 2-213. Duties of superintendent of fire.

The superintendent of fire shall:

- (1) Provide policy development and management guidance in the areas of fire service as it relates to the East Bank Consolidated Special Service Fire Protection District and the Jefferson Parish Fire Training Center;
- (2) Direct the operations and administration of the East Bank Consolidated Special Service Fire Protection District and the Jefferson Parish Fire Training Center;
- (3) Prepare reports in operations, evaluating performance against established objectives, and special reports on operating problems or plans as required for the East Bank Consolidated Special Service Fire Protection District and the Jefferson Parish Fire Training Center;
- (4) Coordinate budget information activities in the East Bank Consolidated Special Service Fire Protection District and the Jefferson Parish Fire Training Center;
- (5) Be responsible for capital facilities planning as related to the East Bank Consolidated Special Service Fire Protection District and the Jefferson Parish Fire Training Center;
- (6) Plan long-range activities for the East Bank Consolidated Special Service Fire Protection District and the Jefferson Parish Fire Training Center;
- (7) Counsel with the emergency management director on policy decisions affecting fire services in Jefferson Parish;
- (8) Prepare policy statements and plans for fire services under the direction of the emergency management director;
- (9) Supervise all contracts for instructors for the Fire Training Center;
- (10) Counsel with the director of the office of telecommunications on policy decisions affecting fire services in Jefferson Parish relative to the Jefferson Parish Enhanced 9-1-1 system.

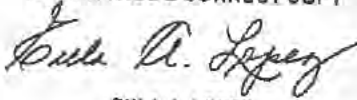
Section 4. That all ordinances or parts of ordinances in conflict herewith are hereby repealed.

The foregoing ordinance having been submitted to a vote, the vote thereon was as follows:

YEAS: 4 NAYS: (1) Giardina ABSENT: (2) Ward, Jones

This ordinance was declared to be adopted on the 6th day of August, 2003, and shall become effective as follows, if signed forthwith by the Parish President, ten (10) days after adoption, thereafter, upon signature by the Parish President or, if not signed by the Parish President upon expiration of the time for ordinances to be considered finally adopted without the signature of the Parish President, as provided in Section 2.07 of the Charter. If vetoed by the Parish President and subsequently approved by the Council, this Ordinance shall become effective on the day of such approval.

THE FOREGOING IS CERTIFIED
TO BE A TRUE & CORRECT COPY



EULA A. LOPEZ
PARISH CLERK
JEFFERSON PARISH COUNCIL

Attachment D

Ordinance No. 25287 Duties of the Director of Fire Services



On motion of Mr. Roberts, seconded by Ms. Lee-Sheng, the following ordinance was offered:

SUMMARY NO. 24530 ORDINANCE NO. 25287

An ordinance amending Division 7- Office of Fire Services, Sections 2-211 and 2-213 of the Jefferson Parish Code of Ordinances, relative to the duties of the Director of Fire and otherwise providing with respect thereto. (Parishwide).

THE JEFFERSON PARISH COUNCIL HEREBY ORDAINS:

SECTION 1. That Section 2-211 of the Jefferson Parish Code of Ordinances is hereby amended to read as follows:

Section 2-211- Position of director of fire created.

The position of director of fire is hereby created, which position shall have administrative supervision oversight of the Jefferson Parish volunteer fire departments and coordinate parish-wide hazard preparedness and emergency response ~~East bank Consolidated Special Service Fire Protection District~~ and any other such fire services activities and/or responsibilities as the parish president may direct.

SECTION 2. That Section 2-213 of the Jefferson Parish Code of Ordinances is hereby amended to read as follows:

Section 2-213 Duties of director of fire.

The director of fire shall:

- (1) Provide policy development and management guidance in the areas of fire service emergency response as it relates to the ~~East Bank Consolidated Special Service Fire Protection District~~ and the Jefferson Parish Fire Training Center;
- (2) ~~Direct the operations and administration of the East Bank Consolidated Special Service Fire Protection District and the Jefferson Parish Fire Training Center~~ Oversee Cooperative Endeavor Agreements of the Volunteer Fire Departments;
- (3) Prepare reports regarding administrative in operations, evaluating performance against established objectives, and special reports on operating problems or plans as required; ~~for the East Bank Consolidated Special Service Fire Protection District and the Jefferson Parish Fire Training Center;~~
- (4) ~~Coordinate~~ Consult with the fire chief to develop and maintain budget for all divisions of information activities in the East Bank Consolidated Special Service Fire Protection District, and the Jefferson Parish Fire Training Center, and Hazardous Materials Division;
- (5) ~~Be responsible~~ Consult with the fire chief to plan for capital improvements facilities to the stations and trucks for planning as related to the East Bank Consolidated Special Service Fire Protection District and the Jefferson Parish Fire Training Center;
- (6) Plan long-range activities for ~~the East Bank Consolidated Special Service Fire Protection District and the Jefferson Parish Fire Training Center,~~ Emergency Communications Division, and Hazardous Materials Division;
- (7) ~~Counsel~~ Collaborate with the fire chief and the emergency management director on policy decisions affecting emergency response fire services in Jefferson Parish;
- (8) ~~Prepare policy statements and plans for fire services under the direction of the emergency management director~~ Coordinate, and consult with fire chief as applicable, for the completion of insurance rating reports for all Jefferson Parish Fire Districts;
- (9) Supervise all contracts for instructors for the Fire Training Center;
- (10) ~~Counsel~~ Collaborate with the fire chief, the director of the office of telecommunications and the Sheriff of Jefferson Parish on policy decisions affecting emergency response fire services in Jefferson Parish relative to the Jefferson Parish Enhanced 9-1-1 system.;

- (11) Coordinate fire activities with Volunteer Departments and serve as a liaison between the Volunteer Fire Departments, fire stations, first responders, and the administration.

The foregoing ordinance having been submitted to a vote, the vote thereon was as follows:

YEAS: 7 NAYS: None ABSENT: None

The ordinance was declared to be adopted on this the 11th day of January, 2016, and shall become effective as follows, if signed by the Parish President, ten (10) days after adoption; thereafter, upon the signature by the Parish President, or, if not signed by the Parish President, upon expiration of the time for ordinances to be considered finally adopted without the signature of the Parish President, as provided in Section 2.07 of the Charter. If vetoed by the Parish President and subsequently approved by the Council, this ordinance shall become effective on the day of such approval.

THE FOREGOING IS CERTIFIED
TO BE A TRUE & CORRECT COPY



EULA A. LOPEZ
PARISH CLERK

JEFFERSON PARISH COUNCIL

Attachment E

Ordinance No. 25736 Amending the Duties of the Director of Fire Services



On motion of Ms. Lee-Sheng, seconded by Mr. Roberts, the following ordinance was offered as amended:

SUMMARY NO. 25139 ORDINANCE NO. 25736

An ordinance to amend Chapter 2 Administration, Article III Parish President, Division 1 Generally, Sections 2-87, 2-92, 2-93.1, and 2-96, of the Jefferson Parish Code of Ordinances; and to amend Chapter 2 Administration, Article V. Departments, Division 2.5 Department of Governmental and Ethics Compliance. Sec. 2-155.1; Division 3 Department of Finance, Sec. 2-156; Division 3.5 Department of Accounting; Sec. 2-160.1; Division 3.6 Department of Budgeting, Sec. 2-161.1; Division 3.7 Department of Internal Audit, Sec. 2-162.1; Division 3.8 Department of Purchasing, Sec. 2-163.1; Division 4 Department of General Services, Sec. 2-167; Division 5 Department of Planning, Sec. 2-182; Division 6 Department of Inspection and Code Enforcement, Sec. 2-197; Division 6.5 Department of Property Maintenance Zoning/Quality of Life, Sec. 2-201; Division 7 Office of Fire Services, Sec. 2-211, Sec. 2-212, Sec. 2-213; Division 8 Department of Emergency Management, Sec. 2-227; Division 8.5 Department of Electronic Information Systems Management, Sec. 2-230; Division 8.6 Department of Telecommunications, Sec. 2-233; Division 9 Department of Engineering, Sec. 2-242; Division 10 Department of Drainage, Sec. 2-257; Division 10.5 Department of Capital Projects, Sec. 2-260; Division 11 Department of Sewerage, Sec. 2-272; Division 12 Department of Water, Sec. 2-287; Division 13 Department of Public Works, Sec. 2-302; Division 13.1 Office of Coastal Zone Management, Sec. 2-301.1, Sec. 2-302.1, Sec. 2-303.1; Division 15 Department of Central Garage, Sec. 2-332; Division 16 Department of Streets, Sec. 2-347; Division 16.5 Department of Parkways, Sec. 2-350; Division 18 Department of Parks and Recreation, Sec. 2-377; Division 19 Department of Library, Sec. 2-392; Division 20 Department of Animal Shelter, Sec. 2-407; Division 21 Department of Jefferson Community Action Programs, Sec. 2-422; Division 22 Department of Community Development Programs, Sec. 2-432; Division 23 Department of Workforce Connection, Sec. 2-442; Division 24 Department of Human Resource Management, Sec. 2-457; Division 25 Department of Environmental Affairs, Sec. 2-472; Division 26 Department of Citizens' Affairs, Sec. 2-487; Division 26.2 Office of Senior Citizens' Services, Sec. 2-494; Division 26.3 Office of Film Jefferson, Sec. 2-497; Division 26.4 Office of Cross-Cultural Community Outreach, Sec. 2-500; Division 28 Department of Community Justice Agency, Sec. 2-509.1; Division 28.1 Department of Juvenile Services, Sec. 2-510.1; Division 29 Department of Transit, Sec. 2-514; Division 31 Office of Blight Eradication and Community Liaison, Sec. 2-515.5; Division 34 Department of Security, Sec. 2-515.15; Division 35 Department of Floodplain Management and Hazard Mitigation, Sec. 2-515.18; and Division 36 Department of Public Safety Grants and Administration, Sec. 2-515.21 to standardize language regarding salary information to reflect amendments to the Executive Pay Plan adopted by Ordinance No. 25680 with an effective date in January, 2019, and to provide for other related matters. (Parishwide)

WHEREAS, Ordinance No. 25680 adopted October 10, 2018, amended the Executive Pay Plan which in effect adopted a new executive pay plan based on a wage and salary survey conducted by The Archer Company, LLC with salary changes to become effective for the pay period beginning January 5, 2019 for the paycheck dated January 25, 2019; and

WHEREAS, this ordinance is standardizing language regarding the salary information for positions in the Executive Pay Plan; and

WHEREAS, the minimum qualifications for the Accounting Director position are being updated;

WHEREAS, the position and duties of Fire Director are being updated; and

WHEREAS, the Office of Coastal Zone Management is being made into a

Department and the Coordinator's position is being made into a Director's position.

THE JEFFERSON PARISH COUNCIL HEREBY ORDAINS:

SECTION 1. That Chapter 2 Administration, Article III Parish President, Division 1 Generally, be amended to read as follows:

Sec. 2-87. – Chief ~~administrative~~ operating officer, deputy chief ~~administrative~~ operating officer, assistant, staff members.

...

(c) *Salary of chief operating officer.* The salary of the chief operating officer to the parish president shall be established by the parish president within the pay grade 28 for the position as defined in of the executive pay plan.

(d) *Salary of the deputy chief operating officer.* The salary of the deputy chief operating officer to the parish president shall be established by the parish president within the pay grade 25 for the position as defined in of the executive pay plan.

(e) *Salary of the staff members.* The salaries of the staff members to the parish president who function as executive assistants shall be established by the parish president within the pay grade 47 for the position as defined in of the executive pay plan. The salaries of the staff members to the parish president who function as chief administrative assistants shall be established by the parish president within the pay grade 23 for the position as defined in of the executive pay plan.

Sec. 2-92. – Public Information Officer.

...

(c) *Salary.* The salary of the public information officer shall be established by the parish president within ~~group III~~ the pay grade for the position as defined in of the executive pay plan.

Sec. 2-93.1 – Qualifications, appointment and salary of director.

...

(c) *Salary.* The salary of the director of risk management shall be established by the parish president within the ~~executive~~ pay grade 47 for the position as defined in the executive pay plan.

Sec. 2-96. – John A. Alario, Sr., Event Center General Manager.

...

(f) *Salary.* The salary of the John A. Alario, Sr., Event Center General Manager shall be established by the parish president, ~~in accordance with~~ within the pay grade for the position as defined in the executive pay plan.

SECTION 2. . That Chapter 2 Administration, Article V. Departments, Division 2.5 Department of Governmental and Ethics Compliance, be amended to read as follows:

...

Sec. 2-155.1. – Qualificiations, ~~and~~ appointment and salary of director.

...

(c) *Salary.* The salary of the compliance and ethics officer shall be established by the parish president within the pay grade twenty two (22) for the position as defined in of the executive pay plan.

...

SECTION 3. That Chapter 2 Administration, Article V. Departments, Division 3 Department of Finance, be amended to read as follows:

...

Sec. 2-156. – Qualifications, ~~and~~ appointment and salary of director.

...

(c) Salary. The salary of the director of finance shall be established by the parish president within the pay grade for the position as defined in the executive pay plan.

...

SECTION 4. That Chapter 2 Administration, Article V. Departments, Division 3.5 Department of Accounting, be amended to read as follows:

...

Sec. 2-160.1. – Qualifications, ~~and~~ appointment, and salary of director.

(a) *Qualifications.* The director of accounting shall ~~possess a thorough knowledge of governmental accounting and auditing,~~ demonstrate an ability to manage administrative operations, possess skills in operations analysis techniques and work method improvement concepts, have proven oral and written communication skills, and demonstrate leadership ability ~~in a local government setting.~~ The director of accounting shall also possess the following qualifications:

- (1) A four-year degree in accounting, business administration, finance, ~~economics,~~ ~~computer sciences,~~ or related field with at least three (3) years' work experience in governmental accounting or similar accounting experience; or
- (2) Ten (10) years of significant experience in the field of governmental accounting; or
- (3) A licensed certified public accountant with ~~ten (10)~~ three (3) years of professional work experience.

...

(c) *Salary.* The salary of the director of accounting shall be established by the parish president within ~~group H~~ the pay grade for the position as defined in of the executive pay plan.

...

SECTION 5. That Chapter 2 Administration, Article V. Departments, Division 3.6 Department of Budgeting, be amended to read as follows:

...

Sec. 2-161.1. – Qualifications, ~~and~~ appointment and salary of director.

...

(c) *Salary.* The salary of the director of budgeting shall be established by the parish president within the ~~group H~~ pay grade 17 for the position as defined in of the executive pay plan.

...

SECTION 6. That Chapter 2 Administration, Article V. Departments, Division 3.7 Department of Internal Audit, be amended to read as follows:

...

Sec. 162.1 - Qualifications, ~~and~~ appointment and salary of director.

...

(c) *Salary.* The salary of the director of internal audit shall be established by the parish president within the pay grade ~~22~~ for the position as defined in of the executive pay plan.

...

SECTION 7. That Chapter 2 Administration, Article V. Departments, Division 3.8 Department of Purchasing, be amended to read as follows:

...

Sec. 2.163.1 - Qualifications, ~~and~~ appointment and salary of director.

...

(c) *Salary.* The salary of the director of purchasing shall be established by the parish president within the pay grade ~~46~~ for the position as defined in of the executive pay plan ~~for unclassified employees and officers.~~

...

SECTION 8. That Chapter 2 Administration, Article V. Departments, Division 4 Department of General Services, be amended to read as follows:

...

Sec. 2-167. - Qualifications, ~~and~~ appointment and salary of director.

...

(c) Salary. The salary of the director of general services shall be established by the parish president within the pay grade for the position as defined in the executive pay plan.

...

SECTION 9. That Chapter 2 Administration, Article V. Departments, Division 5 Department of Planning, be amended to read as follows:

...

Sec. 2-182. - Qualifications, ~~and~~ appointment and salary of director.

(a) The director of planning shall possess the following qualifications:

- (1) A master's degree in urban/regional planning, plus five (5) years' professional urban planning experience with supervisory responsibilities; or
- (2) A bachelor's degree in urban/regional planning, public administration, or a related field, plus seven (7) years of local government experience as an assistant city manager, department director, or assistant department director with supervisory responsibilities and comparable planning or development regulatory experience.

(b) Salary. The salary of the director of planning shall be established by the parish president within the pay grade for the position as defined in the executive pay plan.

SECTION 10. That Chapter 2 Administration, Article V. Departments, Division 6 Department of Inspection and Code Enforcement, be amended to read as follows:

...
Sec. 2-197. - Qualifications, ~~and~~ appointment and salary of director.

...
(c) Salary. The salary of the director of inspection and code enforcement shall be established by the parish president within the pay grade for the position as defined in the executive pay plan.

...
SECTION 11. That Chapter 2 Administration, Article V. Departments, Division 6.5 Department of Property Maintenance Zoning/Quality of Life, be amended to read as follows:

...
Sec. 2-201. - Qualifications, appointment and salary for the director of ~~property maintenance zoning/quality of life~~ director.

...
(c) Salary. The salary of the director of property maintenance zoning/quality of life shall be established by the parish president within the pay grade ~~48~~ for the position as defined in ~~of~~ the executive pay plan.

...
SECTION 12. That Chapter 2 Administration, Article V. Departments, Division 7 Office of Fire Services, be amended to read as follows:

...
Sec. 2-211- Position of director of fire created.

The position of director of fire is hereby created, which position shall have ~~administrative supervision~~ oversight of the Jefferson Parish volunteer fire departments and coordinate parish-wide hazard preparedness and emergency response ~~East bank Consolidated Special Service Fire Protection District~~ and any other such fire services activities and/or responsibilities as the parish president may direct.

Sec. 2-212. - Qualifications, ~~and~~ appointment and salary of director.

...
(c) Salary. The salary of the director of fire shall be established by the parish president within the pay grade for the position as defined in the executive pay plan.

...
Sec. 2-213 Duties of director of fire. The director of fire shall:

- (1) Provide policy development and management guidance in the areas of ~~fire service emergency response~~ as it relates to the ~~East Bank Consolidated Special Service Fire Protection District~~ and the Jefferson Parish Fire Training Center;
- (2) ~~Direct the operations and administration of the East Bank Consolidated Special Service Fire Protection District and the Jefferson Parish Fire Training Center~~ Oversee Cooperative Endeavor Agreements of the Volunteer Fire Departments;
- (3) Prepare reports ~~regarding administrative~~ in operations, evaluating performance against established objectives, and special reports on operating problems or plans as required; ~~for the East Bank Consolidated Special Service Fire Protection District and the Jefferson Parish Fire Training Center;~~
- (4) ~~Coordinate~~ Consult with the fire chief to Develop and maintain budget ~~for all divisions of information activities in the East Bank Consolidated Special Service Fire Protection District,~~ and the Jefferson Parish Fire Training Center, and Hazardous Materials Division;
- (5) ~~Be responsible~~ Consult with the fire chief to Plan for capital improvements ~~facilities to the stations and trucks for planning as related to the East Bank Consolidated Special Service Fire Protection District and to the Jefferson Parish Fire Training Center;~~
- (6) Plan long-range activities for the ~~East Bank Consolidated Special Service Fire Protection District and the Jefferson Parish Fire Training Center,~~ Emergency Communications Division, and Hazardous Materials Division;
- (7) ~~Counsel~~ Collaborate with the all volunteer fire chiefs and the emergency management director on policy decisions affecting emergency response ~~fire services~~ in Jefferson Parish;
- (8) ~~Prepare policy statements and plans for fire services under the direction of the emergency management director~~ Coordinate, and consult with all volunteer fires

chiefs as applicable, for the completion of insurance rating reports for all Jefferson Parish Fire Districts;

(9) Supervise all contracts for instructors for the Fire Training Center;

(10) ~~Counsel~~ Collaborate with all the volunteer fire chiefs, the director of the office of telecommunications and the Sheriff of Jefferson Parish on policy decisions affecting emergency response fire services in Jefferson Parish relative to the Jefferson Parish Enhanced 9-1-1 system;

(11) Coordinate fire activities with Volunteer Departments and serve as a liaison between the Volunteer Fire Departments, fire stations, first responders, and the administration.

SECTION 13. That Chapter 2 Administration, Article V. Departments, Division 8 Department of Emergency Management, be amended to read as follows:

...

Sec. 2-227. Qualifications, ~~and~~ appointment and salary of director.

...

(c) Salary. The salary of the director of emergency management shall be established by the parish president within the pay grade for the position as defined in the executive pay plan.

...

SECTION 14. That Chapter 2 Administration, Article V. Departments, Division 8.5 Department of Electronic Information Systems Management be amended to read as follows:

...

Sec. 2-230. Qualifications, appointment and salary of director.

...

(c) Salary. The salary of the director of electronic information systems management shall be established by the parish president within the group of pay grade for the position as defined in the executive pay plan.

...

SECTION 15. That Chapter 2 Administration, Article V. Departments, Division 8.6 Department of Telecommunications, be amended to read as follows:

...

Sec. 2-233. - Qualifications, ~~and~~ appointment and salary of director.

...

(c) Salary. The salary of the director of telecommunications shall be established by the parish president within the pay grade for the position as defined in the executive pay plan.

...

SECTION 16. That Chapter 2 Administration, Article V. Departments, Division 9 Department of Engineering, be amended to read as follows:

...

Sec. 2-242. - Qualifications, ~~and~~ appointment and salary of director.

...

(c) Salary. The salary of the director of engineering shall be established by the parish president within the pay grade for the position as defined in the executive pay plan.

...

SECTION 17. That Chapter 2 Administration, Article V. Departments, Division 10 Department of Drainage, be amended to read as follows:

...

Sec. 2-257. - Qualifications, ~~and~~ appointment and salary of director.

...

(c) Salary. The salary of the director of drainage shall be established by the parish president within the pay grade for the position as defined in the executive pay plan.

...

SECTION 18. That Chapter 2 Administration, Article V. Departments, Division 10.5 Department of Capital Projects, be amended to read as follows:

...

Sec. 2-260. - Qualifications, ~~and~~ appointment and salary of director.

...

(c) Salary. The salary of the director of capital projects shall be established by the parish president within the pay grade for the position as defined in the executive pay plan.

Attachment F

Example of Current Fire Protection Agreement with VFC



FIRE PROTECTION AGREEMENT

THIS Fire Protection Agreement (hereafter referred to as "Agreement") is made and entered into this 7th day of March, 2018, by and between the following parties:

Fire Protection District No. 7 of the Parish of Jefferson, State of Louisiana (hereinafter referred to as "DISTRICT"), a political subdivision of the State of Louisiana, appearing herein through CYNTHIA LEE-SHENG, Chairperson of the Jefferson Parish Council, its governing authority, acting by virtue of Resolution No. 130380 adopted by the Jefferson Parish Council on the 15th day of November, 2017, a certified copy of which is attached hereto; and

The Avondale Volunteer Fire Company (hereinafter referred to as "COMPANY"), a non-profit corporation organized under the laws of the State of Louisiana, domiciled and doing business in the Parish of Jefferson, State of Louisiana, herein represented by Anthony Nocito, its President, acting by virtue of that resolution adopted by its membership on the 7th day of March, 2018, a copy of which is attached hereto;

WITNESSETH

WHEREAS, COMPANY is a private, non-profit corporation that has been determined to be a quasi-public entity, obligated to expend public funds in accordance with all applicable laws, which has traditionally provided certain fire protection and suppression services for the good of the public within the geographical boundary of an area now delineated as Fire Protection District No. 7 of the Parish of Jefferson, State of Louisiana; and,

WHEREAS, the DISTRICT was formed for the purpose of providing the citizens and taxpayers of DISTRICT with fire suppression services and fire prevention services; and,

WHEREAS, the DISTRICT has heretofore contracted with COMPANY for the performance of fire suppression, fire prevention services, rescue operations as well as response to incidents, emergencies, disasters and/or fire related calls due to civil disturbances; and,

WHEREAS, COMPANY has performed such services effectively and has honored all of its commitments to the DISTRICT and to the citizens of the DISTRICT; and,

WHEREAS, the DISTRICT is aware of the significant cost and resources that would be required if the DISTRICT were to attempt to form its own fire department and to staff it with directly hired public employees; and,

WHEREAS, COMPANY has available to it the equipment and manpower to effectively deliver fire suppression and fire prevention services to the citizens and taxpayers of DISTRICT; and,

WHEREAS, the funds received by COMPANY from DISTRICT pursuant to this Agreement are primarily for personal services rendered in the form of fire protection services as well as the maintenance and operation of fire protection equipment and buildings.

NOW THEREFORE, considering the foregoing and for good and valuable consideration, the receipt and sufficiency of which is acknowledged as evidenced by the respective signatures hereto, the parties do agree as follows:

I. OBLIGATIONS OF COMPANY

1. Fire Protection Services:

COMPANY agrees to provide fire suppression services and fire prevention services within the geographical boundaries of DISTRICT. Said geographical boundaries shall be considered COMPANY's primary coverage area. COMPANY shall make every effort to meet those standards of the National Fire Protection Association (hereinafter "NFPA") adopted by the State of Louisiana, for similar size populated areas in the performance of the following specific services:

- a) Fire suppression services relating to structures and buildings of whatever kind, to brush fires, to trash fires, or to any other kind of fire of whatever nature.
 - (i) In the event that the origin and cause of a fire are deemed suspicious by fire company or law enforcement personnel such that it is reasonably suspected that an arson may have been committed, the commanding fire officer on the scene shall request an investigation by a certified arson investigator. In the event that COMPANY does not employ the services of a certified arson investigator, then COMPANY shall request that a certified investigator from East Bank Consolidated Special Service Fire Protection District of Jefferson Parish, Louisiana or the Louisiana State Fire Marshal's Office be dispatched to the scene to conduct an investigation into the origin and cause of the fire for the purposes of determining whether an arson was committed.
- b) Rescue operations in connection with subpart (a) above. Rescue operations shall include vehicle extrication, elevated rescue and confined space rescues performed by the Company or through mutual aid agreements with other local fire districts. Nothing herein shall be construed to require Company to attempt underwater rescue operations or search for and/or dispose of explosive devices or ordinances. Rescue operations shall also include land and water based search and rescue services, humanitarian aid and other disaster related response services during times that threaten public health and safety posed by possible terrorist actions and weapons of mass destruction and other incidents of man-made origin, and the threats to public health and safety from natural disasters, all capable of causing severe damage to property and danger to life; and shall be subject to additional compensation as follows:
 - (i) Compensation for Manpower shall be the actual cost of all overtime expenses.
 - (ii) Compensation for equipment usage, rental and purchase, shall be the actual cost of such expenses.
 - (iii) Compensation for food and shelter shall be the actual cost of all such expenses.
 - (iv) Compensation for materials shall be the actual cost of all such expenses.
- c) Make available to citizens and taxpayers of the DISTRICT routine technical and fire protection advice such as is customarily offered by Fire Departments.

- d) Enforce the Parish of Jefferson Fire Code and other related ordinances and polices of the Parish of Jefferson that may from time to time be enacted, but only to the extent authorized by law.
- e) Answer and respond to any and all fire calls within the DISTRICT on a 24-hour per day, 7 day per week schedule.
- f) Make every effort to maintain training levels consistent with NFPA requirements.
- g) Maintain training records of all COMPANY firefighting personnel in accordance with applicable state and federal laws for a period of not less than five years, said records to be made available to the DISTRICT upon its written request.
- h) Observe all applicable state and federal safety laws, and endeavor to adhere to all applicable NFPA standards for personal safety and working conditions.
- i) Respond to requests for mutual aid from neighboring communities or DISTRICT pursuant to mutual aid agreements.
- j) Answer and respond to all hazardous materials spills or incidents within the DISTRICT on a 24 hour, 7 day per week schedule.
- k) Adhere to all applicable federal, state, and local laws in the performance of all services and obligations set forth herein.
- l) Establish goals and objectives to maintain or improve the current Property Insurance Association of Louisiana (hereinafter "P.I.A.L.") rating for the defined territory set forth in Article II, Paragraph 8 of this Agreement.

2. Facility Maintenance:

- a) COMPANY agrees to maintain any and all facilities which are purchased with Contract Consideration in good condition and further agrees to permit examination of such facilities upon reasonable notice by the DISTRICT and by the P.I.A.L.
- b) COMPANY agrees not to construct any new fire station within the DISTRICT without first receiving the approval of the DISTRICT.
- c) Any Capital Improvement Project to be performed by COMPANY upon DISTRICT property, upon a facility constructed on DISTRICT property, or that will be funded with Contract Consideration shall require DISTRICT approval prior to COMPANY beginning work on said project. For the purposes of this paragraph, a Capital Improvement Project shall be defined as any erection, construction, alteration, improvement, or repair exceeding the sum of \$50,000.00. Additionally, although the Louisiana Attorney General has opined that Title 38 of the Louisiana Revised Statutes of 1950, La. R.S. 38:2211 *et seq.* ("Public Bid Law") is not applicable to COMPANY, COMPANY hereby agrees to adhere to the requirements set forth in the Public Bid Law for projects that exceed the contract limit specified in the Public Bid Law.
- d) COMPANY and the DISTRICT further understand and agree that any acquisitions of immovable property or buildings by COMPANY with Contract Consideration or with public funds generated through bond issues shall be

the property of the DISTRICT and, if legally required to be titled, shall be titled in the DISTRICT's name and not in the name of COMPANY. Additionally, COMPANY agrees that any immovable property or buildings acquired by COMPANY with funds received from DISTRICT or from the Parish of Jefferson prior to the effective date of this Agreement are the property of DISTRICT. COMPANY further agrees that any such assets that are presently titled in the name of COMPANY shall be retitled in the name of DISTRICT.

- e) COMPANY agrees to be responsible for the daily maintenance of any fire stations acquired through bond issues. Building maintenance shall include upkeep of the interior of such station, station grounds, landscaping maintenance, minor premises repairs and custodial and housekeeping services.
- f) In the event COMPANY should cease operations voluntarily for whatever reason during the term of this Agreement or be removed for just cause by the DISTRICT in accordance with the provision of this Agreement, all buildings, equipment or apparatus purchased with or through bond proceeds, appropriations from the Jefferson Parish general and special revenue funds, or Contract Consideration shall become (or remain if already titled in DISTRICT) the property of DISTRICT.

3. Equipment Purchase, Repair and Inspection:

- a) Although the Louisiana Attorney General has opined that Title 38 of the Louisiana Revised Statutes of 1950, La. R.S. 38:2211 *et seq.* ("Public Bid Law") is not applicable to COMPANY, COMPANY hereby agrees to adhere to the requirements set forth in the Public Bid Law for purchases of any materials or supplies in the amount of ten thousand (\$10,000.00) dollars or greater utilizing Contract Consideration.
- b) COMPANY shall notify the Director of the Office of Fire Services (hereinafter "Director of Fire") prior to purchasing any vehicles, equipment, or apparatus valued at \$100,000.00 or greater.
- c) The parties agree that any apparatus and/or equipment purchased by COMPANY shall meet NFPA standards at the date of manufacture.
- d) The parties agree that apparatus, equipment, and vehicles purchased with Contract Consideration or with public funds generated through bond issues shall be the property of DISTRICT and shall be titled in the name of DISTRICT. Additionally, COMPANY agrees that any depreciable apparatus, equipment, and vehicles acquired by COMPANY with funds received from DISTRICT or from the Parish of Jefferson prior to the effective date of this Agreement are the property of DISTRICT. COMPANY further agrees that any such assets acquired within three (3) years prior to the commencement date of this Agreement that are presently titled in the name of COMPANY shall be retitled in the name of DISTRICT.
- e) COMPANY shall provide, purchase and maintain the needed emergency communications for all apparatus and equipment.
- f) In the event that COMPANY desires to purchase fire apparatus utilizing the proceeds of a DISTRICT bond issue or utilizing funds held by DISTRICT for capital improvement purposes, then COMPANY shall obtain DISTRICT approval prior to purchasing the apparatus. Should COMPANY fail to obtain the necessary approval, then DISTRICT will not be obligated to pay for any part of the apparatus.

- g) COMPANY shall maintain and repair all DISTRICT owned fire apparatus and equipment in good working condition to the full extent of their expertise, ability and financial means and to permit examination of such apparatus or equipment at reasonable times by the DISTRICT or by the Property Insurance Association of Louisiana.
- h) After the execution of this Agreement, the DISTRICT and COMPANY will cooperate with one another to prepare an inventory of each asset and piece of equipment owned by the DISTRICT with an initial purchase cost of FIVE HUNDRED (\$500.00) DOLLARS or more and utilized by COMPANY. COMPANY will furnish the DISTRICT with a list of all property it believes meets this description. Thereafter, upon reasonable notice to COMPANY, the DISTRICT will have access to COMPANY's premises and records to make whatever verification it feels may be required.
- i) If DISTRICT-owned property in COMPANY's possession is replaced, becomes obsolete or is no longer in use, then said property shall be surrendered by COMPANY to the Jefferson Parish Surplus Property facility. The proceeds of the sale of such property shall be vested in the DISTRICT, and may be used by DISTRICT for any lawful purpose. If COMPANY desires to receive an allocation of DISTRICT surplus property funds, then COMPANY shall make written request to DISTRICT. Should DISTRICT approve the request, then the use of such funds shall be subject to the provisions of this Agreement pertaining to the expenditure of public funds and the maintenance of DISTRICT-owned property.
- j) In the event this Agreement is terminated, all DISTRICT-owned property will be immediately returned to the DISTRICT.

4. Insurance:

COMPANY agrees to maintain reasonable and adequate insurance coverage for its operations by directly contracting with an insurance carrier of its choice as follows:

- a) Fire and contents insurance sufficient to cover the appraised value of all firefighting facilities and depreciable assets purchased with public funds of any kind, including millage funds, special service charges, bond issues and supplemental payments, and kept on COMPANY's premises.
- b) Auto liability insurance on all vehicles with limits of ONE MILLION (\$1,000,000.00) DOLLARS for each occurrence, and physical damage coverage including collision coverage and comprehensive coverage with a maximum of FIVE THOUSAND (\$5,000.00) DOLLARS deductible for each occurrence. This insurance shall be purchased by the COMPANY on all vehicles.
- c) Worker's compensation insurance in accordance with Louisiana law. Employers liability, section B, shall be at least ONE MILLION (\$1,000,000.00) DOLLARS per occurrence.
- d) Flood insurance for (i) all properties located in a flood zone other than B, C, or X; or (ii) properties which have been previously flooded and have received FEMA funds. This insurance shall be purchased by the COMPANY.
- e) Commercial general liability insurance covering COMPANY's operations and risks associated with such operations in the amount of TWO MILLION (\$2,000,000.00) DOLLARS.

- f) Occurrence-based professional liability insurance with limits of ONE MILLION (\$1,000,000.00) DOLLARS per occurrence and TWO MILLION (\$2,000,000.00) DOLLARS aggregate. Notwithstanding the foregoing, said professional liability coverage shall only be required in the event that a Fire Prevention Bureau is established in the DISTRICT.

The DISTRICT and the Parish of Jefferson, its Districts, Departments and Agencies under the direction of the Parish President and Parish Council, shall be named as an additional insured on COMPANY's General Liability, Automobile Liability, and Professional Liability policies. COMPANY's insurer shall have no right of recovery or subrogation against the DISTRICT or the Parish of Jefferson, its Districts, Departments and Agencies under the direction of the Parish President and the Parish Council, it being the intention of the parties that the Worker's Compensation, General Liability, Automobile Liability, and Professional Liability policies described above shall protect both parties and be the primary coverage for any and all losses covered by the described insurance.

COMPANY shall furnish DISTRICT with certificates evidencing all required coverages. Certificates shall be furnished to the Director of Fire upon execution of this Agreement and within thirty (30) days of the renewal of a policy or the purchase of a new policy.

II. GENERAL PROVISIONS

1. **Assignment:** The parties agree that each, in making this Agreement, depend on the particular capacities, expertise, powers, and good offices of the other which would not be satisfactorily provided for by a third party, and therefore, the parties hereto agree that no right or obligation hereunder may in anyway whatsoever be assigned or delegated to a third party without express written consent of the other party given hereto in advance.
2. **Notices:** Any notice required to be given pursuant to the provisions of this Agreement shall be in writing, and either delivered in person or deposited in the United States mail, postage pre-paid, registered or certified mail, return receipt requested and properly addressed at the following addresses:

IF TO COMPANY:
The Avondale Volunteer Fire Company
500 South Jamie Blvd.
Avondale, LA 70094

IF TO DISTRICT:
Fire Protection District No. 7 of the Parish of Jefferson, State of Louisiana
c/o Chairman, Jefferson Parish Council
1221 Elmwood Park Blvd., 10th Fl.
Jefferson, LA 70123
3. **Entire Agreement:** This writing constitutes the entire agreement between the parties with relation to the subject matter hereof, and supersedes any previous agreement or understanding, whether verbal or otherwise, with relation hereto, and no addition, deletion, or other amendment hereto may be made except as is agreed in writing by the parties, in advance, with the same formality as accorded this Agreement.
4. **Jurisdiction:** This Agreement shall be governed, construed and controlled according to the laws of the State of Louisiana and COMPANY agrees to be subject to the jurisdiction of the 24th Judicial District Court.
5. **Attorney Fees:** In the event either party brings any action for any relief, declaratory or otherwise, arising out of this Agreement, on account of any breach or

default hereof, the prevailing party shall be entitled to receive from the other party, reasonable attorney's fees and reasonable costs and expenses, determined by the court sitting without jury, which shall be deemed to have accrued on the commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment.

6. **Waivers:** It is agreed and understood that any failure to strictly enforce any provision hereof, shall not constitute a waiver of the right to demand strict performance of that or any other provision hereof at any time hereafter.
7. **Severability:** The terms and conditions of this Agreement are separate and separable, and if for any reason, any court of law or administrative agency should deem any provision hereof invalid or inoperative, the remaining provisions of this Agreement shall remain valid and in full force and effect.
8. **Defined Territory:** Fire Protection District No. 7 of the Parish of Jefferson, State of Louisiana is bounded by:

Beginning at the point of intersection of the centerline of the Mississippi River and the Jefferson-St. Charles Parish line; thence proceeding in a southerly and easterly direction along said parish line, through Bayou Verret and Lake Cataouatche to the mouth of Bayou Bardeaux; thence, easterly to the centerline of Bayou Segnette; thence, northerly along the centerline of said Bayou to its intersection with the southwest corner of the corporate limits of the City of Westwego, as such limits are presently constituted; thence, northerly along the western corporate limits of the City of Westwego, as such limits are presently constituted, to the point of intersection of said corporate limit, as projected, with the centerline of the Mississippi River; thence, westerly along the meandering centerline of the Mississippi River to the point of beginning.

Designated area of The Avondale Volunteer Fire Company:

Property bounded by and beginning at the southwesterly intersection of Labranch Canal and Lake Cataouatche, in a westerly direction to the Main Canal extended to Lake Cataouatche, thence in a northwesterly direction along the extension of Main Canal and Main Canal to the center line of the Southern Pacific Railroad and Missouri Pacific Railroad, thence in an easterly direction along the Northern boundary of the Southern Pacific Railroad to the Labranche Canal, thence in a southerly direction along the westerly side of Labranch Canal to the point of beginning.

9. **Independent Contractor:** It is understood by the parties that COMPANY is a private, nonprofit corporation with its own board of directors and management. COMPANY is an independent contractor, not an agent of or alter ego of the Parish of Jefferson or of the DISTRICT.
10. **Duty to Cooperate with Inspector General:** It shall be the duty of every parish officer, employee, department, agency, special district, board, and commission; and the duty of every contractor, subcontractor, and licensee of the parish, and the duty of every applicant for certification of eligibility for a parish contract or program, to cooperate with the inspector general in any investigation, audit, inspection, performance review, or hearing pursuant to JPCO 2-155.10(19).

By signing this document, every corporation, partnership, or person contracting with DISTRICT, whether by cooperative endeavor, intergovernmental agreement, bid, proposal, application or solicitation for a parish contract, and every application for certification of eligibility for a parish contract or program, attests that it understands and will abide by all provisions of JPCO 2-155.10.

III. REPORTS AND RECORDS

COMPANY agrees to submit the following reports:

- A. To the Finance Director of the Parish of Jefferson on an annual basis an audited financial statement showing the disbursement of all public funds received for the previous year, specifically excluding (if desired) funds raised through COMPANY's private fund-raising activities.
- B. An itemized annual budget for operations and capital expenditures to the Director of Fire. The budget shall be submitted in both electronic and paper copies. COMPANY's budget shall itemize all expenditures of funds derived from this Agreement and provide beginning and estimated ending fund balances. The purpose of this submittal is not to solicit the Director of Fire's approval of the budget, but it is to be used for the reporting and tracking of the proper use of public funds. Any and all amendments made to the budget by COMPANY during the budget year shall be submitted to the Director of Fire not later than ten (10) days from the date that the amendment was approved by COMPANY. Additionally, a budget-to-actual report for prior calendar year expenditures shall be submitted to the Director of Fire not later than June 30th of each year. The Director of Fire may elect to provide COMPANY with accounting software that must be used by COMPANY to prepare budget reports and submittals required hereunder. The provision of said software would be at the sole cost of DISTRICT.
- C. To maintain adequate records, and retain such records in accordance with standard accounting guidelines, showing the disbursement of all funds received pursuant to the present contract, and upon reasonable notice to make the same available for audit by the Parish and any other party as required by law.
- D. Quarterly financial reports concerning the expenditures of funds received pursuant to Article IV of this Agreement. Each report shall be furnished to the Director of Fire no later than thirty (30) days following the end of the reporting period, and shall provide the information set forth on Exhibit "A," which is attached hereto and incorporated herein.
- E. Provide certificates of completion issued by the Louisiana Board of Ethics concerning completion of the one (1) hour ethics training program mandated by La. R.S. 42:1170. On or before January 1st of each year, COMPANY shall furnish to the Director of Fire certificates of completion for each employee legally required to undergo ethics training during the preceding year. Additionally, COMPANY shall submit a roster of all COMPANY members that are legally required to undergo the ethics training program.
- F. Fire reports must be filed with the Office of the State Fire Marshal no later than the last day of the following month. Fire reports must be completed for all incidents that have generated an item number from the 911 communications center. Upon COMPANY receipt of the email confirmation received from the Office of the State Fire Marshal indicating receipt of the fire reports, COMPANY shall provide said email confirmation to the Director of Fire.

IV. PAYMENT

For and in consideration of COMPANY performing the obligations set forth herein, DISTRICT agrees to pay to COMPANY a sum of money in monthly installments, which represents a portion of the proceeds of the present millage or of any future millage which may be used for maintenance and operations levied annually on the assessed valuation of property subject to taxation in said DISTRICT as well as a portion of the proceeds of any service charge assessed on persons owning commercial and residential structures, whether occupied or unoccupied, located wholly or partly within DISTRICT for the purpose of acquiring, constructing, improving, providing, maintaining or operating DISTRICT's fire protection facilities. The monthly installment amount is hereby established at SIXTY-ONE

THOUSAND SIX HUNDRED SIXTY-FIVE AND 83/100 (\$61,665.83) DOLLARS. Additionally, any portion of the Two Percent Fire Insurance Fund distribution that COMPANY is entitled to receive shall be disbursed by DISTRICT to COMPANY in a separate payment. The aforesaid monthly installments and Two Percent Fire Insurance Fund payments are collectively referred to hereinbefore and hereinafter as "Contract Consideration." Contract Consideration does not include any millage money collected for capital improvements or future bond issues.

COMPANY may make written requests for adjustments to the Contract Consideration or for additional one-time allocations of funds from DISTRICT. All such requests shall be in writing and shall contain justifications for the requested adjustment. The grant of any Contract Consideration increase or of any additional one-time allocation of DISTRICT funds shall be at the sole and unfettered discretion of DISTRICT's governing authority, and may contain restrictions, requirements, or conditions regarding the expenditure of said funding. All such expenditure restrictions, requirements, or conditions imposed by DISTRICT's governing authority concerning a Contract Consideration increase or a one-time allocation of funds shall constitute a part of this Agreement. If COMPANY fails to comply with the expenditure restrictions, requirements, or conditions so imposed, then DISTRICT may rescind the Contract Consideration increase and may reduce future monthly installments to recover any funds that were not expended in accordance with said expenditure restrictions, requirements, or conditions.

Parties hereby acknowledge that the Contract Consideration due hereunder is sourced from revenues that may be subject to fluctuation. Notwithstanding any other provision of this Agreement to the contrary, in the event that actual recurring revenues received by DISTRICT fall below the budgeted recurring revenues in a fiscal year, then DISTRICT's governing authority shall have the right to decrease the monthly installments accordingly. Prior to imposing such a decrease to Contract Consideration, DISTRICT shall provide COMPANY with written notice stating the new Contract Consideration amount and the date that the decrease will become effective.

DISTRICT also agrees to pass any and all resolutions and ordinances needed to impose any and all necessary *ad valorem* taxes in order to obtain the Contract Consideration due COMPANY under this Agreement. DISTRICT further agrees to pass any and all resolutions and ordinances necessary to collect said taxes. DISTRICT further agrees to allow COMPANY, upon reasonable notice, to inspect the public records of the Finance Director of Jefferson Parish concerning the collection and disbursement of taxes and Contract Consideration.

COMPANY agrees to employ all public funds, facilities and equipment entrusted to its care for providing said fire protection services, fire suppression services, fire prevention services, rescue operations, as well as response to incidents, emergencies, disasters and/or fire service calls related to civil disturbances, necessary and incidental for the operation of their respective areas in accordance with applicable laws.

COMPANY acknowledges and agrees to utilize the Contract Consideration in connection with satisfying its obligations under this Agreement solely for the following purposes:

- (i) to acquire and maintain, trucks, apparatus and other movable equipment, including but not limited to insurance, fuel, office supplies, utilities, equipment, communications equipment, uniforms, food, tools, boats, training supplies, search and rescue equipment and supplies, identifications, badges, computers, software, and other similar items necessary and incidental to efficiently satisfy the obligations under this Agreement; and,
- (ii) to purchase the insurance policies that COMPANY is required to maintain pursuant to this Agreement; and,

- (iii) to hire, train, compensate and equip firefighters, operators and officers in accordance with COMPANY by-laws, polices, directives, or hiring procedures; and,
- (iv) to recruit, train, equip and retain volunteer firefighters in accordance with COMPANY by-laws, directives, or hiring procedures; and,
- (v) to purchase, construct and maintain immovable property to serve as fire stations, administrative offices, maintenance facilities and warehouses necessary to support all of the equipment, supplies and personnel required to satisfy the obligations under this Agreement; and,
- (vi) to provide for health and physical fitness expenses including gym memberships and wellness programs for all paid and volunteer firefighters; and,
- (vii) to purchase a plaque, trophy, certificate, medal or similar memento to acknowledge outstanding achievement or valiant act of personnel in an amount not to exceed the value set forth in La. R.S. 40:1510; and,
- (viii) to, in accordance with La. R.S. 40:1510, implement and execute a length of service awards program established by COMPANY, which provides a monetary benefit, based upon service, to eligible volunteer firefighters as determined by COMPANY. Notwithstanding the foregoing, COMPANY shall obtain written approval of said program from DISTRICT prior to the implementation and execution of said plan.

COMPANY acknowledges and agrees that it shall not use the Contract Consideration for the purchase of any of the following:

- (i) Alcoholic beverages.
- (ii) Gifts or supplies for non-firefighting personnel; except as otherwise provided herein.
- (iii) Awards or gifts; except as otherwise provided herein.
- (iv) Training, travel, education or expenses that are not directly related to firefighting, fire department management and administration, search and rescue, hazardous materials, emergency medical response, emergency management, fire suppression services, fire prevention services, rescue operations, as well as response to incidents, emergencies, disasters or civil disturbances.
- (v) Any additional travel expenses incurred as a result of a paid or volunteer member of the COMPANY being accompanied by an individual who is not required to undergo the training for which the travel was authorized, or whose presence is not required for the performance of the COMPANY business for which the travel was authorized.

V. EXPENSE RESTRICTIONS

All travel or training and related items procured by the COMPANY and utilizing Contract Consideration for the purchase thereof shall be subject to the following conditions and limitations:

- (i) All travel and training shall be limited to the COMPANY's firefighting members and administrative staff.
 - a. Notwithstanding the foregoing, should training and/or travel for non-firefighting members of COMPANY be deemed necessary by COMPANY, then the Director of Fire shall be notified of such training and/or travel.
- (ii) Meals
 - a. Reimbursement for all meals shall be based on the latest IRS Publication No. 1542 "Per Diem Rates". Tips on the meals are included in the per diem allowance and shall not be separately reimbursed.
- (iii) Hotel

- a) In an effort to obtain the most reasonable and cost effective rates, the COMPANY shall choose sites within a reasonable vicinity of the location where the COMPANY business is being conducted.
 - b) Individuals staying with relatives or friend shall not be eligible for hotel reimbursement.
 - c) Miscellaneous hotel room expenses shall not be reimbursed except for business related phone calls and internet access charges.
- (iv) Automobile Rentals: Individuals who anticipate the need for automobile rental must document the need, in writing, prior to out of town travel. All automobile rentals must be obtained in accordance with COMPANY by-laws or in accordance with policies or directives that have been adopted by COMPANY. If no applicable bylaw, policy, or directive exists, then rentals must be individually approved by COMPANY through the process used to approve official acts of COMPANY.
- (v) Transportation
- 1) Reimbursement for additional airline costs for baggage shall be authorized only if such baggage contains equipment or supplies necessary for the purpose of the air travel, or if the scope of the individual's personal baggage for which the cost is levied is reasonable.
 - 2) Individuals must provide a cost comparison to COMPANY when proposing to use a personal vehicle instead of air travel. COMPANY shall reimburse for the more cost effective mode of transportation.
- (vi) Personal Vehicle
- 1) Mileage reimbursement shall be calculated using the rates authorized by the IRS.
 - 2) Mileage shall be reimbursed starting from the place of employment to the destination and back. Original receipts for parking must be included for reimbursement.
 - 3) Individuals already receiving mileage allowances must travel in excess of five hundred (500) miles in order to be eligible for reimbursement.
 - 4) All private vehicles used for COMPANY business shall be insured in accordance with Louisiana law.
 - 5) When two or more individuals travel for COMPANY business in the same vehicle, only one individual shall be eligible for mileage reimbursement.

VI. DEFAULT

The performance or failure to perform any one or more of the following acts shall constitute a default under the provisions of this Agreement:

- a) The failure of either party to cure any breach of contract after receipt of fifteen (15) days written notice.
- b) The filing of a voluntary petition by parties seeking relief under the United States Bankruptcy Act, or the failure of a party to dismiss an Involuntary Petition in Bankruptcy within ninety (90) days after the filing of an Involuntary Petition under the United States Bankruptcy Act.
- c) The voluntary appointment by a party of a receiver or trustee to handle or control all or substantially all of its assets, or the failure to remove an involuntarily appointed receiver or trustee within ninety (90) days after the appointment of the receiver or trustee. The making by a party of a general assignment for the benefit of its creditors.

- d) Notwithstanding the provisions of the preceding paragraph herein, in the event COMPANY fails to carry out the following obligations and duties contained in the Agreement, the DISTRICT shall notify COMPANY and COMPANY shall correct such failure within the time period set forth below or shall be deemed to be in default of this Agreement:
1. Failure to submit reports to DISTRICT: 15 days
 2. Failure to make required inspections: 15 days
 3. Failure to comply with general responsibilities, obligations, and duties, and maintenance to fire apparatus equipment: 45 days
- e) Notwithstanding any other provisions herein to the contrary, failure or refusal of COMPANY to respond to a fire alarm.
- f) Upon the default of either party, the non-defaulting party may elect to pursue any remedy available at law including, but not limited to declaring this entire Agreement to be terminated. COMPANY shall have the right to immediately cease service as required by the Agreement in the event the DISTRICT fails to pay the consideration provided for in this Agreement. DISTRICT hereby relieves and releases COMPANY from any liability for any losses occurring during such time as COMPANY has ceased service on account of the failure or inability of the DISTRICT to pay the Contract Consideration due under this Agreement and shall indemnify COMPANY against any liability incurred after COMPANY ceases services. This Agreement to indemnify shall include reimbursement for any and all legal fees and costs incurred by COMPANY in defense of any claim or suit brought by any person, corporation, political subdivision, taxpayer or citizen arising out of any losses sustained after fire protection or suppression services cease on account of non-payment of Contract Consideration. This Agreement to indemnify shall be effective whether COMPANY's cessation of services is or is not alleged to be negligent.
- g) In the event DISTRICT fails to pay the consideration provided for in this Agreement or fund the services DISTRICT requires COMPANY to perform under this Agreement, COMPANY shall have the right to cancel this Agreement upon sixty (60) days written notice to DISTRICT. During the sixty (60) day notice period, COMPANY shall make its best effort to perform services under this Agreement although the parties understand that said services may be limited or reduced as a result of lack of manning or inadequate supplies or equipment. After said sixty (60) days period, DISTRICT relieves and releases COMPANY of any liability or losses as may occur as a result of such limited or reduced services and shall defend and indemnify COMPANY and pay all legal fees and costs incurred by COMPANY in defense of any action brought by any person, corporation, political subdivision, taxpayer or citizen on account of any losses sustained on account of inadequate fire protection or suppression.

VII. FORCE MAJEURE

Neither party to this Agreement shall be responsible to the other party hereto for any delays or failure to perform caused by any circumstances reasonably beyond the immediate control of the party prevented from performing, including, but not limited to, acts of God. Wind limits for Fire dispatch and evacuation plans for Fire Departments are established in the Jefferson Parish emergency operations plan to protect Fire personnel and assets.

VIII. INDEMNIFICATION

VIII. INDEMNIFICATION

As to any loss, damage or claim covered by insurance placed hereunder, COMPANY agrees to appear, defend, indemnify and hold harmless the DISTRICT, the Parish of Jefferson, its Parish President and Parish Council, appointed boards and commissions, officials, officers, employees and agents, individually and collectively, from all losses, claims, suits, demands, expenses, recoveries, judgments, subrogation, attorney's fees or actions of any kind or nature resulting from personal injury to any person (including death) or damages to any property, arising out of or alleged to have arisen out of any of COMPANY's negligent acts or omissions in the performance of their obligations under the terms of this Agreement.

IX. TERM OF AGREEMENT

The term of this Agreement shall be for ten years commencing on the 1st day of December, 2017 and ending at 12:00 a.m. on the 1st day of December, 2027. Thereafter, this Agreement shall continue from month to month unless terminated by thirty (30) days written notice by one party to the other.

THUS DONE AND SIGNED in the Parish of Jefferson on the date hereinabove first read in the presence of the undersigned competent witnesses who after due reading of the whole.

FIRE PROTECTION DISTRICT NO. 7 OF THE PARISH OF JEFFERSON, STATE OF LOUISIANA

WITNESSES:

Norma Lina
Ann H. Guidry

By: *Cynthia Lee-Sheng*
CYNTHIA LEE-SHENG, Chairperson
Jefferson Parish Council

WITNESSES:

[Signature]
[Signature]

THE AVONDALE VOLUNTEER FIRE COMPANY

By: *[Signature]*
Print Name: *Anthony J. Nobile*

**AMENDMENT NO. 1 TO FIRE PROTECTION AGREEMENT
BY AND BETWEEN
FIRE PROTECTION DISTRICT NO. 7
OF THE PARISH OF JEFFERSON, STATE OF LOUISIANA
AND
THE AVONDALE VOLUNTEER FIRE COMPANY**

THIS AMENDMENT NO. 1 TO FIRE PROTECTION AGREEMENT is made and entered into this 9th day of October, 2018, by and between the following parties:

Fire Protection District No. 7 of the Parish of Jefferson, State of Louisiana (hereinafter referred to as "DISTRICT"), a political subdivision of the State of Louisiana, appearing herein through Cynthia Lee-Sheng, Chairperson of the Jefferson Parish Council, its governing authority, acting by virtue of Resolution No. 131632 adopted by the Jefferson Parish Council on the 6th day of June, 2018, a certified copy of which is attached hereto; and

The Avondale Volunteer Fire Company (hereinafter referred to as "COMPANY"), a non-profit corporation organized under the laws of the State of Louisiana, domiciled and doing business in the Parish of Jefferson, State of Louisiana, herein represented by Anthony Nocito, its President, acting by virtue of that resolution adopted by its membership on the 14th day of August, 2018, a copy of which is attached hereto; and

DISTRICT or COMPANY may individually be referred to herein as a "Party" or collectively as "Parties."

WITNESSETH

WHEREAS, DISTRICT has contracted with COMPANY for COMPANY to provide fire protection and prevention services; and,

WHEREAS, the Parties mutually desire to amend the Fire Protection Agreement to modify the terms of various provisions related to insurance requirements, use of and titling of DISTRICT assets, surplus DISTRICT property, indemnification, and applicable standards.

NOW THEREFORE, DISTRICT and COMPANY agree as follows:

SECTION 1. That the introductory paragraph of Article I ("Obligations of Company"), Section 1 ("Fire Protection Services") is hereby amended to read as follows:

COMPANY agrees to provide fire suppression services and fire prevention services within the geographical boundaries of DISTRICT. The geographical boundaries set forth in Article II ("General Provisions"), Section 8 ("Defined Area"), Paragraph 2 ("Designated Area of The Avondale Volunteer Fire Company"), of this Agreement shall be considered COMPANY's primary coverage area. COMPANY shall make every effort to meet those standards of the National Fire Protection Association (hereinafter "NFPA") in the performance of the following specific services:

SECTION 2. That Article I ("Obligations of Company"), Section 2 ("Facility Maintenance") is hereby amended by adding subsection "g)", which reads as follows:

DISTRICT hereby permits COMPANY to use any DISTRICT-owned immovable property situated within COMPANY's primary coverage area, including but not limited to the following parcels:

1. That certain piece, parcel, or lot of land including all buildings and appurtenances thereto bearing municipal address 500 S. Jamie Blvd., Avondale, LA.

Any use by COMPANY of DISTRICT-owned immovable property shall be consistent with and in furtherance of COMPANY's obligations under this Agreement. COMPANY may utilize DISTRICT-owned immovable property and facilities within its primary

coverage area for community outreach and educational activities related to the fire suppression and fire prevention services performed by COMPANY pursuant to this Agreement. Further, COMPANY may utilize DISTRICT-owned immovable property and facilities within its primary coverage area for the purpose of conducting fundraising activities that financially support activities, initiatives, and procurements that bolster COMPANY's ability to perform its obligations under this Agreement, provided that COMPANY first obtains any licenses or permits required to conduct such activities. COMPANY shall not use any DISTRICT-owned assets in any manner that is inconsistent with law.

SECTION 3. That subsection "d)" of Article I ("Obligations of Company"), Section 3 ("Equipment Purchase, Repair and Inspection") is hereby amended to read as follows:

The parties agree that apparatus, equipment, and vehicles purchased with Contract Consideration or with public funds generated through bond issues shall be the property of DISTRICT and shall be titled in the name of DISTRICT if legally required to be titled. Additionally, COMPANY agrees that any depreciable apparatus, equipment, and vehicles acquired by COMPANY with funds received from DISTRICT or from the Parish of Jefferson prior to the effective date of this Agreement are the property of DISTRICT. COMPANY further agrees that any such assets acquired within three (3) years prior to the commencement date of this Agreement that are presently titled in the name of COMPANY shall be retitled in the name of DISTRICT.

SECTION 4. That Article I ("Obligations of Company"), Section 3 ("Equipment Purchase, Repair and Inspection") is hereby amended by adding subsection "k)", which reads as follows:

DISTRICT hereby permits COMPANY to use DISTRICT-owned movable property that is currently in COMPANY's possession or that may come into COMPANY's possession during the term of this Agreement. COMPANY shall not use any DISTRICT-owned assets in any manner that is inconsistent with law.

SECTION 5. That subsection "i)" of Article I ("Obligations of Company"), Section 3 ("Equipment Purchase, Repair and Inspection") is hereby amended to read as follows:

If DISTRICT-owned property in COMPANY's possession is replaced, becomes obsolete or is no longer in use, then said property shall be surrendered by COMPANY to the Jefferson Parish Surplus Property facility. Alternatively, should DISTRICT's governing authority authorize the disposal of DISTRICT-owned property through other methods, then COMPANY may utilize such method(s) provided that COMPANY adheres to all requirements and conditions that DISTRICT's governing authority has established for the method(s) used. The proceeds of the sale of such property shall be vested in the DISTRICT, and may be used by DISTRICT for any lawful purpose. If COMPANY desires to receive an allocation of DISTRICT surplus property funds, then COMPANY shall make written request to DISTRICT. Should DISTRICT approve the request, then the use of such funds shall be subject to the provisions of this Agreement pertaining to the expenditure of public funds and the maintenance of DISTRICT-owned property.

SECTION 6. That Article I ("Obligations of Company"), Section 4 ("Insurance") is hereby amended to read as follows:

COMPANY agrees to purchase and maintain reasonable and adequate insurance coverage for its operations by directly contracting with an insurance carrier of its choice as follows:

- a) Commercial Property insurance, including Named Storm coverage, for building and contents, sufficient to cover the appraised replacement value of all firefighting facilities and depreciable assets purchased with public funds of any kind, including millage funds, special service charges, bond issues and supplemental payments, and kept on COMPANY's premises. The appraised value shall be agreed upon by DISTRICT.

- b) Auto liability insurance on all vehicles with limits of ONE MILLION (\$1,000,000.00) DOLLARS for each occurrence, and physical damage coverage including collision coverage and comprehensive coverage with a maximum of FIVE THOUSAND (\$5,000.00) DOLLARS deductible for each occurrence. COMPANY may participate in DISTRICT's program of self-insurance in order to comply the requirements of this paragraph. Notwithstanding any provision of this paragraph to the contrary, COMPANY may elect to discontinue comprehensive coverage for any vehicle that meets both of the following criteria: (i.) vehicle is five (5) years of age or older; and (ii.) vehicle is not a fire apparatus.
- c) Worker's compensation insurance in accordance with Louisiana law. Employers liability, section B, shall be at least ONE MILLION (\$1,000,000.00) DOLLARS per occurrence.
- d) Flood insurance for (i) all properties located in a flood zone other than B, C, or X; or (ii) properties which have been previously flooded and/or have received FEMA funds.
- e) Commercial general liability insurance covering COMPANY's operations and risks associated with such operations in the amount of ONE MILLION (\$1,000,000.00) DOLLARS per occurrence and TWO MILLION (\$2,000,000.00) DOLLARS aggregate.
- f) Claims-made professional liability insurance with limits of ONE MILLION (\$1,000,000.00) DOLLARS per occurrence and TWO MILLION (\$2,000,000.00) DOLLARS aggregate. Notwithstanding the foregoing, said professional liability coverage shall only be required in the event that a Fire Prevention Bureau is established in the DISTRICT.

The DISTRICT and the Parish of Jefferson, its Districts, Departments and Agencies under the direction of the Parish President and Parish Council, shall be named as an additional insured on COMPANY's General Liability, Automobile Liability, and Professional Liability policies. COMPANY's insurer shall have no right of recovery or subrogation against the DISTRICT or the Parish of Jefferson, its Districts, Departments and Agencies under the direction of the Parish President and the Parish Council, it being the intention of the parties that the Worker's Compensation, General Liability, Automobile Liability, and Professional Liability policies described above shall protect both parties and be the primary coverage for any and all losses covered by the described insurance.

COMPANY shall furnish DISTRICT with certificates evidencing all required coverages. Certificates shall be furnished to the Director of Fire upon execution of this Agreement and within thirty (30) days of the renewal of a policy or the purchase of a new policy.

SECTION 7. That Article III ("Reports and Records"), Section B is hereby amended to read as follows:

An itemized annual budget for operations and capital expenditures to the Director of Fire. The budget shall be submitted in both electronic and paper copies. COMPANY's budget shall itemize all expenditures of funds derived from this Agreement and provide beginning and estimated ending fund balances. The purpose of this submittal is not to solicit the Director of Fire's approval of the budget, but it is to be used for the reporting and tracking of the proper use of public funds. Any and all amendments made to the budget by COMPANY during the budget year shall be submitted to the Director of Fire not later than ten (10) days from the date that the amendment was approved by COMPANY. Additionally, a budget-to-actual report for prior calendar year expenditures shall be submitted to the Director of Fire not later than June 30th of each year. The Director of Fire may, if requested by COMPANY, elect to provide COMPANY with accounting software to prepare budget reports and submittals required hereunder. The provision of said software would be at the sole cost of DISTRICT.

SECTION 8. That Article VIII ("Indemnification") is hereby amended to read as follows:

COMPANY agrees to appear, defend, indemnify and hold harmless the DISTRICT, the Parish of Jefferson, its Parish President and Parish Council, appointed boards and commissions, officials, officers, employees and agents, individually and collectively, from all losses, claims, suits, demands, expenses, recoveries, judgments, subrogation, attorney's fees or actions of any kind or nature resulting from personal injury to any person (including death) or damages to any property, arising out of or alleged to have arisen out of any of COMPANY's negligent acts or omissions in the performance of their obligations under the terms of this Agreement.

THUS DONE AND SIGNED in the Parish of Jefferson on the date hereinabove first read in the presence of the undersigned competent witnesses who after due reading of the whole.

**FIRE PROTECTION DISTRICT NO. 7 OF THE
PARISH OF JEFFERSON, STATE OF
LOUISIANA**

WITNESSES:

Norma Lenei
Gail LeNormand

By: *Cynthia Lee-Sheng*
CYNTHIA LEE-SHENG, Chairperson
Jefferson Parish Council

**THE AVONDALE VOLUNTEER FIRE
COMPANY**

WITNESSES:

AP 8
G. Lee

By: *Anthony J. Novato*
Print Name: Anthony J. Novato

Attachment G

GAO “Green Book” Standards for Internal Control



Management addresses deviations from expected standards of conduct timely and consistently. Depending on the severity of the deviation determined through the evaluation process, management, with oversight from the oversight body, takes appropriate actions and may also need to consider applicable laws and regulations. The standards of conduct to which management holds personnel, however, remain consistent.

Principle 2 - Exercise Oversight Responsibility

2.01 The oversight body should oversee the entity's internal control system.

Attributes

The following attributes contribute to the design, implementation, and operating effectiveness of this principle:

- Oversight Structure
- Oversight for the Internal Control System
- Input for Remediation of Deficiencies

Oversight Structure

2.02 The entity determines an oversight structure to fulfill responsibilities set forth by applicable laws and regulations, relevant government guidance, and feedback from key stakeholders. The entity will select, or if mandated by law will have selected for it, an oversight body. When the oversight body is composed of entity management, activities referenced in the Green Book as performed by "management" exclude these members of management when in their roles as the oversight body.

Responsibilities of an Oversight Body

2.03 When the oversight structure of an entity is led by senior management, senior management may distinguish itself from divisional or functional management through the establishment of an oversight body. An oversight body oversees the entity's operations; provides constructive criticism to management; and where appropriate, makes oversight decisions so that the entity achieves its objectives in alignment with the entity's integrity and ethical values.

Qualifications for an Oversight Body

2.04 In selecting members for an oversight body, the entity or applicable body defines the entity knowledge, relevant expertise, number of



September 2014

Standards for Internal Control in the Federal Government

members, and possible independence needed to fulfill the oversight responsibilities for the entity.

2.05 Members of an oversight body understand the entity's objectives, its related risks, and expectations of its stakeholders. In addition to an oversight body, an organization within the federal government may have several bodies that are key stakeholders for the entity, such as the White House, Congress, the Office of Management and Budget, and the Department of the Treasury. An oversight body works with key stakeholders to understand their expectations and help the entity fulfill these expectations if appropriate.

2.06 The entity or applicable body also considers the expertise needed by members to oversee, question, and evaluate management. Capabilities expected of all members of an oversight body include integrity and ethical values, leadership, critical thinking, and problem-solving abilities.

2.07 Further, in determining the number of members of an oversight body, the entity or applicable body considers the need for members of the oversight body to have specialized skills to enable discussion, offer constructive criticism to management, and make appropriate oversight decisions. Some specialized skills may include the following:

- Internal control mindset (e.g., professional skepticism and perspectives on approaches for identifying and responding to risks and assessing the effectiveness of the system of internal control)
- Programmatic expertise, including knowledge of the entity's mission, programs, and operational processes (e.g., procurement, human capital, and functional management expertise)
- Financial expertise, including financial reporting (e.g., accounting standards and financial reporting requirements and budgetary expertise)
- Relevant systems and technology (e.g., understanding critical systems and technology risks and opportunities)
- Legal and regulatory expertise (e.g., understanding of applicable laws and regulations)

2.08 If authorized by applicable laws and regulations, the entity may also consider including independent members as part of an oversight body.⁹

⁹See GAO, *Government Auditing Standards: 2011 Revision*, [GAO-12-331G](#) (Washington, D.C.: December 2011), para. 3.03, for further discussion of independence.

Attachment H

Louisiana Attorney
General
Opinion # 06-0171



August 28, 2006
OPINION NUMBER 06-0171

90-A-1 Public Funds & Contracts
La. R.S. 24:511 et seq.; La. R.S. 33:2101; La. R.S. 38:2211 et seq.;
La. R.S. 39:1301-1315; La. R.S. 40:1492 et seq.; La. R.S. 42:4.1-13;
La. R.S. 44.1 et seq.

Martin S. Triche, President
Assumption Parish Police Jury
4813 Highway 1
P. O. Box 520
Napoleonville, Louisiana 70390

Volunteer Fire Department governed by the Assumption Parish Police Jury and which is primarily funded with public funds, which serves a public purpose and which renders a public service, is a quasi-public entity and is subject to the Louisiana Public Records Law (La. R.S. 44:1 et seq.), subject to the audit and oversight authorities of the Legislative Auditor under La. R.S. 24:511 et seq., and subject to a complete review, control and possession of its financial records by the fire protection district or governing authority, but is not subject to the Public Bid Law (La. R.S. 38:2211 et seq.), Open Meeting Law (La. R.S. 42.1 et seq.), or the Local Governmental Budget Act (La. R.S. 39:1301 et seq.).

Pursuant to the authority provided in La. R.S. 40:1492 et seq., and R.S. La. R.S. 33:2101, the Assumption Parish Police Jury may enter into a contract with a Volunteer Fire Department to handle certain administrative functions of the Fire Department and to receive payment for such services from the individual millage funds allocated to each Fire Department within the Fire Protection District.

Dear Mr. Triche:

On behalf of the Assumption Parish Police Jury (“Police Jury”), you have requested an opinion of this office regarding the legal status of Fire Departments located within Assumption Parish. According to your request, the Police Jury currently serves as the Fire Board of Assumption Parish and contracts with individual Fire Departments to provide fire protection. Funding for the Fire Departments comes from a tax millage that is distributed by the Police Jury to each Fire Department pursuant to a written contract to provide fire protection within a designated fire protection district.

Enclosed with your request is a copy of a sample contract between Fire Protection District No.1, for the Parish of Assumption, through the Assumption Parish Police Jury as the governing authority, and a local Volunteer Fire Department.

Specifically, you ask whether the individual Fire Departments that contract with the Police Jury are considered political subdivisions of the State or whether they are considered public bodies at all. You also ask how the legal designation of the Fire Departments relates to compliance with the State public bid law, open meeting law, publication of minutes and budgets, etc. Finally, you ask whether the Police Jury can handle administrative functions of the Fire Departments, such as bill paying, from the individual millage funds allocated to each Fire Department, if such payment is included in the contract between the Police Jury and the Fire Department.

La. R.S. 40:1492 authorizes a parish governing authority to create or enlarge fire protection districts and provides that fire protection districts so created are “subdivisions of the state within the laws of this state relating to the voting and levying of special maintenance taxes, incurring debt, and issuing bonds therefore....” For all other

purposes and pursuant to La. R.S. 40:1500, fire protection districts shall constitute public corporations and may enter into such contracts as they consider necessary or desirable to carry out the purposes for which they were created. La. R.S. 40:1496.15 provides that “the governing authority of the parish of Assumption shall be the governing authority of each fire protection district within the parish and shall have all powers and duties provided by law for governing authorities of fire protection districts.”

Finally, La. R.S. 33: 2101 authorizes a parish or fire district to contract with a volunteer fire department to provide fire protection within the fire protection district created or governed by the parish pursuant to R.S. 40:1492.

As noted above, La. R.S. 33:2101 authorizes the Assumption Parish Police Jury, acting as governing authority of each fire protection district within the parish, to enter into contracts with private entities, such as a Volunteer Fire Department, to provide for fire protection services within statutorily created fire protection districts.

Prior opinions of our office have opined that a volunteer fire department is a quasi-public body if it is primarily funded with public funds, serves a public purpose and renders a public service. See Atty. Gen. Op. Nos. 02-36, 91-162, 90-271, and 84-583. Quasi-public bodies are those bodies which are not strictly private bodies. See Attorney General Opinion No. 78-1183.

In Atty. Gen. Ops. 84-583 and 93-595, this office opined that all quasi-public bodies are required to conduct and file audits pursuant to La. R.S. 24:511, et seq. In Atty. Gen. Op. 02-36, this office opined that the governing authority of a fire district has the right to seek a complete review and audit of the financial records of a volunteer fire department, obtain possession to the records of the volunteer fire department and its equipment, and take control of the bank account if the volunteer fire department is primarily funded by public funds.

As stated above, a volunteer fire department that is primarily funded with public funds, and which serves a public purpose and renders a public service is classified as a quasi-public body and would thus be subject to the audit and oversight authorities of the Legislative Auditor under La. R.S. 24:511 et seq., and subject to a complete review, control and possession of its financial records by the fire protection district or governing authority. In addition, La. R.S. 44:1A(1) specifically states that the Public Record Law (La. R.S. 44:1 et seq.) applies to all public bodies, including “a public or quasi-public nonprofit corporation designated as an entity to perform a governmental or proprietary function.” Accordingly, a quasi-public nonprofit volunteer fire department is also subject to the Public Records Law.

However, a volunteer fire department, even if a quasi-public body, is not a public entity within the meaning of Public Bid Law (La. R.S. 38:2211A (10)), or a public body within the meaning of Open Meeting Law (La. R.S. 42:4.2A (2)) and therefore is not subject to the Public Bid Law (La. R.S. 38:2211-2293) or Open Meeting Law (La. R.S. 42:4.1-13). Furthermore, the Local Government Budget Act (La. R.S. 39:1301-1315) applies to all political subdivisions, including municipalities, of the state with a general fund or a special revenue fund. A volunteer fire department is not considered a political subdivision and thus is not required to comply with the Budget Act.

Accordingly, it is the opinion of this office that a volunteer fire department governed by the Assumption Parish Police Jury and which is primarily funded with public funds, which serves a public purpose and which renders a public service, is a quasi-public entity and is subject to the Louisiana Public Records Law and subject to the audit and oversight authorities of the Legislative Auditor under La. R.S. 24:511 et seq., and subject to a complete review, control and possession of its financial records by the fire protection district or governing authority, but not subject to the Public Bid Law, Open Meeting Law or Local Governmental Budget Act.

It is the further opinion of this office that, pursuant to the authority provided in La. R.S. 40:1492 et seq., and La. R.S. 33:2101, the Assumption Police Jury, acting as the governing authority for the parish fire protection district, may enter into a contract with a Fire Department to handle certain administrative functions of the Fire Department and receive payment for such services from the individual millage funds allocated to each Fire Department.

We trust this adequately responds to your request. If you have any questions or comments, please do not hesitate to contact our office.

With kindest regards,

Very truly yours,

CHARLES C. FOTI, JR.
ATTORNEY GENERAL

BY:

RICHARD L. MCGIMSEY
Assistant Attorney General

CCF/RLM/jav

Opinion Number 06-0171
Syllabus

90-A-1 Public Funds & Contracts

La. R.S. 24:513 et seq.;

La. R.S. 33:2101;

La. R.S. 38:2211 et seq.;

La. R.S. 39:1301-1315;

La. R.S. 40:1492 et seq.

La. R.S. 42:4.1-13;

Volunteer Fire Department governed by the Assumption Parish Police Jury and which is primarily funded with public funds, which serves a public purpose and which renders a public service, is a quasi-public entity and is subject to the Louisiana Public Records Law (La. R.S. 44:1 et seq.), subject to the audit and oversight authorities of the Legislative Auditor under La. R.S. 24:511 et seq., and subject to a complete review, control and possession of its financial records by the fire protection district or governing authority, but is not subject to the Public Bid Law (La. R.S. 38:2211 et seq.), Open Meeting Law (La. R.S. 42.1 et seq.), or the Local Governmental Budget Act (La. R.S. 39:1301 et seq.).

Pursuant to the authority provided in La. R.S. 40:1492 et seq., and R.S. La. R.S. 33:2101, the Assumption Parish Police Jury may enter into a contract with a Volunteer Fire Department to handle certain administrative functions of the Fire Department, and to receive payment for such services from the individual millage funds allocated to each Fire Department within the Fire Protection District.

Martin S. Triche, President
Assumption Parish Police Jury
4813 Highway 1
P. O. Box 520
Napoleonville, Louisiana 70390

Date Received:

Date Released: August 28, 2006

Richard L. McGimsey
Assistant Attorney General

Attachment I

Parish Administration's Response 09/01/2020





JEFFERSON PARISH

OFFICE OF THE PRESIDENT

CYNTHIA LEE SHENG
PARISH PRESIDENT

September 1, 2020

Via Electronic Mail

David N. McClintock
Jefferson Parish Inspector General
990 N. Corporate Drive, Suite 300
Jefferson, LA 70123

Re: Administration Response to Office of Inspector General-Jefferson Parish-
Confidential Draft Audit 2019-0003-Office of Fire Services

Mr. McClintock:

In accordance with Jefferson Parish Code Section 2-155.10(9), the Administration respectfully submits this response to JPOIG Confidential Draft Audit 2019-0003. In connection with the above-referenced matter, my staff met with the various Departments responsible for oversight of Fire Services, Finance and your Office to discuss your draft audit. Your draft audit and those meetings produced many relevant suggestions that I believe warrant further action and corrective measures to ensure that policies are further developed and adhered to by all Departments.

The findings identified in the draft audit are addressed in detail below.

Finding No. 1: Lack of Compliance with OFS Ordinance.

The Administration is committed to ensuring that the Office of Fire Services ("OFS") continues to fulfill its duty to oversee the Volunteer Fire Companies ("VFC"), the Fire Training Center and Hazmat. The Director of Fire Services ("Director") is currently formalizing policies and procedures necessary to properly oversee all three functional areas, and has already created and implemented guidelines to ensure that each VFC satisfies all contractual reporting obligations.

Finding No. 2: Lack of Adequate Contract Administration.

The Administration agrees with this finding. As stated in the response to Finding No. 1, the Director has created and implemented guidelines to ensure that each VFC satisfies all contractual reporting obligations. Additionally, the Director will coordinate with the Department of Finance to develop policies and procedures for the quarterly and annual review of financial reports to minimize deficiencies.

Finding No. 3: Inadequate Development of VFC Policies and Procedures.

As stated in the response to Finding No. 1, the Director will develop internal policies and procedures as guidelines for OFS oversight of the VFC. Additionally, as set forth above, the Director has implemented guidelines for VFC reporting requirements and will develop policies and procedures for the review of financial reports. These policies and procedures will assist the OFS in its duty to effectively monitor the VFC, ensure OFS compliance with its stated duties and assure that the VFC comply with their agreements, including the contractual obligations for equipment procurement and reporting equipment acquisition.

Finding No. 4: Deficiencies Noted in External Audit Reports.

The Director will develop guidelines for the standardization of accounting software and generation of financial reports for all VFC. As stated in the responses to Findings Nos. 1 and 2, the Director will ensure collection of reports, including audits, and develop policies and procedures for review of audits.

Finding No. 5: Ordinance and Budget Misalignment.

(a) Aligning the Hazardous Materials Division budget with the staff and organization performing the function, which is the OFS.

The Budget Department will request to move the Hazardous Materials Division budget from East Bank Consolidated Fire District (“EBCFD”) Fund to a sub-department of Fire Services beginning in the 2021 annual budget. The associated revenues, Hazardous Material Filing fees, will be moved to the General fund.

(b) Assigning all OFS salary and benefit expenses to the OFS budget.

Beginning in the 2021 annual budget all personnel assigned to Fire Services will be allocated to two divisions, Fire Services-Administration and Fire Services-Hazardous Materials.

(c) Allocating a percentage of Fire District millage funds to the OFS budget that is reflective of the OFS primary function of VFC administrative oversight.

Beginning in the 2021, annual budget the costs associated with Fire Services-Administration will be allocated to the seven Fire Protection Districts based on taxable assessed values of the district.

(d) Review and adjust the Training Center cost-sharing revenues to be more reflective of actual usage between EBCFD, and the VFCs and external parties.

The Fire Training Center is allocated to the Fire Protection Districts including EBCFD, but excluding Fire Protection District No. 9 (Grand Isle) and Fire Protection District No. 4 (Lafitte) – based on the taxable assessed value of each district – to establish an annual budget. The two districts that are excluded do not use the facility and are too far from the facility to benefit from the Property Insurance Association of Louisiana (“PIAL”) rating. At the end of the year, Accounting reconciles the actual revenues less the actual expenditures and returns any unused funds to the Fire Districts on the same basis. The actual revenues are the prorated allocation over eleven months plus any revenues from external parties for use of the facility.

OFS will explore other revenue generating opportunities by determining how surrounding jurisdictions and industry can benefit from the use of the facility.

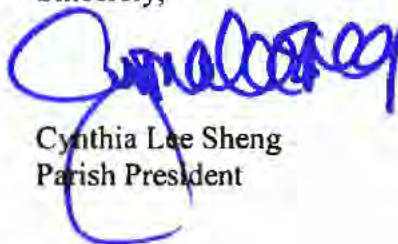
All the Fire Districts that contribute to the annual budget of the Fire Training Center earn credit on the PIAL rate for the Fire Training Center being located within the Parish limits. All other revenues from external agencies reduce those costs. The charge to the Fire Protection Districts are proportionate to the tax base in their jurisdiction and the center is available for the various Jefferson Parish Fire Protection Districts to enhance the services they provide while maintaining required training. The EBCFD Instructors that are currently housed at the Fire Training Center are appropriately charged to the EBCFD budget because their function is strictly to train the EBCFD employees.

In conclusion, the Administration has already taken many corrective measures and has identified the appropriate Departments and staff necessary to develop and implement additional corrective measures to address and prevent further deficiencies in the operation of the Office of Fire Services. The Administration is committed to continued discussion with and input from your Office regarding these measures so that prospective and existing policies and procedures are followed.

Thank you for your assistance, and for providing us an opportunity to respond.

If you have any questions, please contact me at your earliest convenience.

Sincerely,



Cynthia Lee Sheng
Parish President

cc: Mr. Steve LaChute, Chief Operating Officer
Ms. Valerie Brolin, Dep. Chief Operating Officer
Honorable Ricky Templet, Councilman at Large, Div. A
Honorable Scott Walker, Councilman at Large, Div. B
Honorable Marion Edwards, Councilman, Dist. 1
Honorable Deano Bonano, Councilman, Dist. 2
Honorable Byron Lee, Councilman, Dist. 3
Honorable Dominick Impastato, Councilman, Dist. 4
Honorable Jennifer Van Vrancken, Councilwoman, Dist. 5
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