

OFFICE OF INSPECTOR GENERAL JEFFERSON PARISH



AUDIT REPORT - PUBLIC

SECURITY SERVICES CONTRACTING

2017-0027

AUDIT SECTION
ISSUED 4/23/2020



OFFICE OF INSPECTOR GENERAL
JEFFERSON PARISH

DAVID N. McCLINTOCK
INSPECTOR GENERAL



Date: 04/23/2020

To: The Citizens of Jefferson

From: David McClintock, Inspector General

Re: Audit Report #2017-0027 – Jefferson Parish Security Services Contracting

The Jefferson Parish Office of Inspector General (“JPOIG”) performed an audit of security services contracting. These services were provided during the period of review (01/01/2016 - 08/31/2018) by Parish vendor New Era Information Technologies. The objectives of this report were to; evaluate whether the Parish management of the security services contracts assured compliance with the material elements and terms; analyze the billing elements and Parish’s payments under the contracts for reasonableness and fairness; and assess the contracting methods used by the Parish for this type of service contract. The audit resulted in total questioned costs of **\$3,699,813**. Please refer to the *Executive Summary* for a detailed table of questioned costs.

The draft report dated 10/24/2019 was directed to the Parish President, all Councilmembers, and the Parish Attorney. After a 4-day extension, the JPOIG received a written response to the audit report from the Administration on 12/16/2019. Please see *Attachment I* for the full response.

On 02/25/2020 the JPOIG provided the draft report to two (2) non-parish recipients. The JPOIG received a written response to the audit report from one of the recipients on 04/01/2020. This response was made a part of the final report (see *Attachment J*.)

Based upon the data analysis, the JPOIG reached eight (8) separate recommendations. Each summarized recommendations are noted in the table below, along with the Parish and Non Parish Recipient’s response. The detailed findings and recommendations follow in *Attachment A*.

Finding #	Recommendation Title	Parish Response	Non-Parish Recipient Response
1	Re-design Vendor Contracts with Proper Criteria	Agree	Defer to Parish
2	Establish Adequate Contract Oversight	Agree	Defer to Parish
3	Require support for Labor Invoices	Agree	Agree
4	Require support for Equipment Invoices	Agree	Agree
5	Extend Parish Sales Tax Exemption to Vendors	Disagree	Agree
6	Establish Controls to Prevent Overbillings	Agree	Disagree
7	Require Subcontractor Written Agreements	Disagree	Agree
8	Establish a comprehensive Security Services Plan	Agree	Defer to Parish

The JPOIG would like to thank the management and staff of the Administration and Jefferson Parish Council for their assistance and cooperation throughout this audit. We sincerely hope that the Parish embraces enhanced control measures to prevent overpayments and that funds expended in error will be recovered.

Sincerely,



David McClintock
Inspector General

SECURITY SERVICES CONTRACTING 2017-0027

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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 an audit of the Jefferson Parish security services contract. This engagement was a 2018 planned audit based upon the results of a JPOIG Security Services Contracting Investigation (2016-0006) completed in 2017 involving the same vendor.

Objectives

The objectives of this investigation were to:

1. Evaluate whether the Parish management of the security services contracts assured compliance with the material elements and terms.
2. Analyze the billing elements and Parish's payments under the contracts for reasonableness and fairness; to include, labor and labor rates, equipment cost and amounts, materials cost, and overhead and profits generated.
3. Assess the contracting methods used by the Parish for this type of service contract including controls to assure the vendor's duty to perform with integrity, good faith, and in the best interests of the Parish.

Review Results

The JPOIG determined that the Parish entered into security services contracts that were inadequately structured, which resulted in sub-standard contract administration by the Parish. This lack of contractual oversight, allowed for the delivery of goods and services at an increased cost to the Parish for the entire term of both contracts. Because of the lack of oversight, invoices were approved and paid without adequate support for work performed. Additionally, The Parish did not manage these longer term contracts to account for market and pricing changes over the contract term. Finally, the JPOIG recognizes that "Security Services" merits consideration of a more comprehensive approach. Ideally, the effective and coordinated delivery of Parish "security services" is best managed centrally under the auspices of a parish-wide security services plan.

Recommendations

The JPOIG issued (8) findings.

1. Inefficient/ Ineffective Contract Model
2. Lack of Adequate Contract Oversight
3. Inadequate Support for Invoices-Labor
4. Inadequate Support for Invoices-Equipment
5. Improper Sales Tax Charges
6. Overbillings on Contract
7. Subcontractor Agreements
8. Lack of a Security Services Plan

Findings 1, 2, and 8 generally address failures of the Parish Administration to provide adequate contract administration over the security services function. Findings 3 through 7 address insufficient documentation for invoices paid by the Parish.

The JPOIG findings and recommendations follow the report, and are found at **Attachment A**. Below is a summary of all identified, questioned, and avoidable costs noted.

COST EXCEPTIONS					
Finding #	Description of Cost	Amount	Identified	Questioned	Avoidable
1	Inefficient/ Ineffective Contract Model	\$0	\$0	\$0	\$0
2	Lack of Adequate Contract Oversight	\$2,406,738	\$0	\$2,406,738	\$0
3	Inadequate Support for Invoices-Labor	\$1,131,578	\$0	\$1,131,578	\$0
4	Inadequate Support for Invoices-Equip.	\$139,446	\$0	\$139,446	\$0
5	Improper Sales Tax Charges	\$14,256	\$0	\$14,256	\$0
6	Overbillings on Contract	\$7,795	\$0	\$7,795	\$0
7	Subcontractor Agreements	\$0	\$0	\$0	\$0
8	Lack of a Security Services Plan	\$0	\$0	\$0	\$0
Totals		\$3,699,813	\$0	\$3,699,813	\$0

All cost questioned categories reflect amounts noted for the entire contract term. The categories are designed to support various tracking measures for cost exceptions and are defined as follows:

- **Identified Amounts:** are *unallowable* expenditures that are recoverable.¹
- **Questioned Costs:** are *potentially allowable* expenditures that are questioned due to a lack of supporting documentation; a potential legal issue, or are considered unnecessary or unreasonable. Questioned costs may be curable.
- **Avoidable Costs:** are a *projection of costs over a three year period*, or other term based on existing agreements, if the issue is not modified or corrected.²

¹ These unallowable expenditures have been documented as being not supported by law, regulation, contract, grant, agreement, or other document. Identified costs are not curable. Identified amounts may be revenues either not collected, or improperly recorded in the books and records of the agency or department under audit.

² Avoidable costs are calculated based upon either identified or questioned costs. This metric reflects the potential three-year savings that could be realized through the recovery of identified costs and/or the discovery of questioned costs that should have been denied.



OFFICE OF INSPECTOR GENERAL
JEFFERSON PARISH

DAVID N. McCLINTOCK
INSPECTOR GENERAL



Date of Report: 04/23/2020	AUDIT REPORT	Case # 2017-0027
Period of Audit: 01/01/2016 - 08/31/2018	Report By: JPOIG Staff	Status: Public
<u>Subject of Audit</u> Security Services Contracting		

INTRODUCTION

Pursuant to JPCO§2-155.10(11) (a), the Jefferson Parish Office of Inspector General (“JPOIG”) initiated a Parish compliance audit of security services, which were provided during the period of review by Parish vendor New Era Information Technologies (New Era or Contractor).¹ This engagement was a 2018 planned audit based upon the results of a JPOIG Security Services Contracting Investigation (2016-0006) completed in 2017 involving the same vendor.

OBJECTIVES

The audit objectives are as follows:

1. Evaluate whether the Parish management of the security services contracts assured compliance with the material elements and terms
2. Analyze the billing elements and Parish’s payments under the contracts for reasonableness and fairness; to include, labor and labor rates, equipment cost and amounts, materials cost, overhead and profits generated.
3. Assess the contracting methods used by the Parish for this type of service contract including controls to assure the vendor’s duty to perform with integrity, good faith, and in the best interests of the Parish.

¹ New Era Technologies, LLC is a Louisiana-based company that provides comprehensive information technology and computer support services.

SCOPE AND METHODOLOGY

Scope

The audit scope included the Parish's contract methods and structure as implemented from 01/01/2016 through 08/31/2018. This period incorporates actions and conduct which occurred under two related, but separate, Parish contracts. The audit period is 01/01//2016 through 08/31/2018.

Methodology

Conducted interviews.

Reviewed source documents to include, but not limited to, the following:

- Parish contracts for security services.
- Procurement documents.
- New Era response to RFP 345 dated 07/01/2016.
- Resolution No. 113646.²
- Contractor invoices and related support for the period 01/01/2016 through 08/31/2018.
- Subcontractor invoices, job cost files and related support for the period 01/01/2016 through 08/31/2018.³

Sampled contractor invoices for testing based upon their dollar amount and the location of services performed. This resulted in obtaining a sample representing 60% of the total invoices paid from 01/01/2016 through 08/31/2018. In addition to manually testing 18 invoices through 6/30/2017, the JPOIG completed an electronic review of 13 invoices through 8/31/2018 (See Attachment H).

Standards

The JPOIG Auditor 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 (the Parish)
JPCO	Jefferson Parish Code of Ordinances
JPOIG	Jefferson Parish Office of Inspector General
New Era	New Era Information Technologies, LLC ("Contractor")
VEC	Vector Electric and Controls Solutions, Inc.

² Resolution # 113646, dated 12/09/09 sets forth general conditions and agreement for the purchases of materials, supplies or services and public works projects.

³ Subcontractor, Vector Electric and Controls Solutions, Inc. (VEC) is a Louisiana company that provides commercial electrical maintenance and data communications.

Amendment# 2	Amendment relating to the former Information Technology Services contract with New Era and its amendment for security services.
Computer Services Contract (CSC)	Reference title for the prior New Era contract procured under RFP 249 and later amended to include security services.
Security Services Contract (SSC)	Reference title for the current 3yr security services contract with New Era procured under RFP 345.
IT	Information Technology
ACH	Automated Clearing House
DVR	Digital Video Recorder

BACKGROUND

The JPOIG audited the Parish’s security services contract and considered the Parish’s contract methodology. The Parish’s security services contracts are an example of non-professional service contracts that are competitively bid by a Request for Proposal (RFP). Contract outcomes are a direct result of how well the goods and services are procured.

The report addresses Parish contract management and compliance for security services provided by Contractor under two separate contracts:

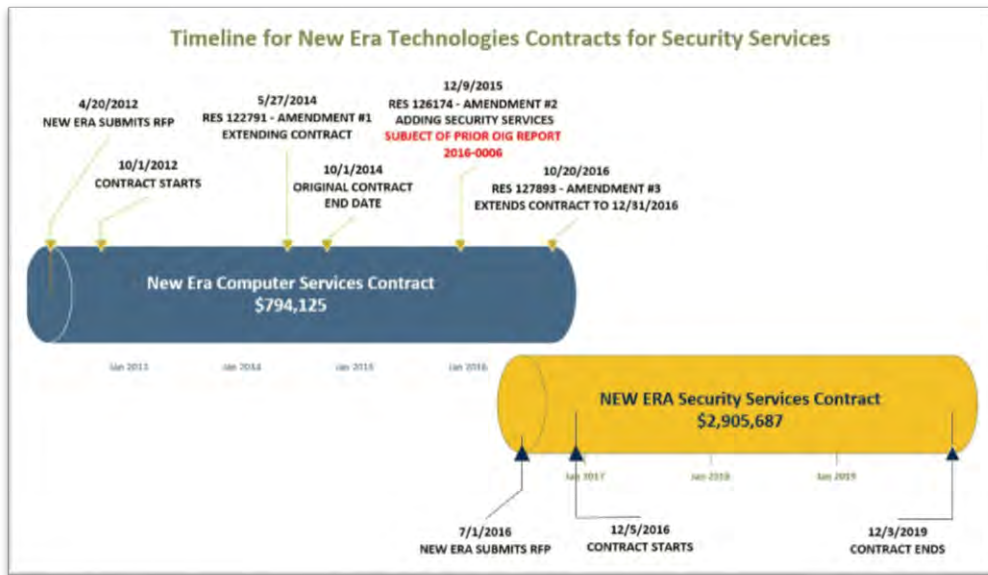
1. (Amended) Computer Services Contract with New Era
The Parish contract for computer services with New Era was amended to authorize New Era to provide security services and to purchase and install security equipment (See Attachment D). Services and equipment were provided under this amendment for the period 02/16/2016 to 12/31/2016.⁴ The amendment process itself was the subject of JPOIG Audit 2016-0006.⁵
2. Security Services Contract with New Era
Presently, the Parish has a three-year contract, 12/05/2016 to 12/05/2019, with Contractor to provide security services and equipment, to include maintenance of existing Parish security systems, and the management of an identity management system (See Attachment E).⁶ The contract was awarded based on a response to an advertised Request for Proposal, RFP 345.

⁴ Amendment #2 to the CSC, 02/16/2016 through 9/30/2016, Resolution #126174; Amendment #3 to the CSC, and Resolution 127893 extended the contract to 12/31/2016.

⁵ Public Report 2016-0006 - *Security Services Contracting in 2015* issued 8/10/2017.

⁶ Agreement Between The Parish of Jefferson and New Era Information Technologies, LLC

Figure 1



Both contracts with the Contractor followed a similar structure with three deliverables included. The following is a description of each contract element, beginning with a summary table of the total contract values for each respective contract.

Although the Parish had executed two separate contracts, for two different services, the three deliverables within each contract are substantially the same. However, the scale and scope of related expenditures vary because the computer services contract had a shorter term. Each element is discussed in the table below:

Table # 1 Contractor Deliverables for the CSC				
Term: 02/16/2016 to 12/31/2016	Deliverable 1	Deliverable 2	Deliverable 3	Total
	New Equipment Installation	Service and maintenance	Embedded Technician	
	\$ 600,000	\$160,000	\$ 34,125	
Contractor Deliverables for the SSC				
Term: 3 years Start: 12/05/2016	Deliverable 1	Deliverable 2	Deliverable 3	Total
	New Equipment Installation	Service and maintenance	Embedded Technician	
	\$2,250,000	\$563,063	\$ 92,625	
Grand Total:	\$2,850,000	\$723,063	\$130,750	\$3,703,813

Table #3 Discussion of the Contract Deliverables

Deliverable	Computer Services Contract (CSC)	Security Services Contract (SSC)
<p align="center">1</p> <p>Equipment Installation</p>	<p>Under the CSC the Parish authorized the installation of new equipment in Amendment #2. Since the inception of the CSC, the Parish has paid \$408,517 for new security equipment installation across various departments.</p>	<p>The SSC operates in this area by and through Attachment A, titled “Pricing Schedule”. The pricing schedule lists the allowable costs for various types of security cameras, digital video recorders (DVRs), readers, and mercury system boards that are the main devices used to employ the security system utilized by the Parish. Also listed on the pricing schedule are the costs for a variety of standard materials needed to link the devices back to a reader or DVR and costs for system battery backups. From 12/05/2016 to 08/31/2018, the Parish has paid \$978,101 for new security equipment installation. Combined paid costs for new security equipment under both contracts is 1,386,618.⁷</p>
<p align="center">2</p> <p>Service and Maintenance</p>	<p>Under the CSC the Parish authorized “services and maintenance” of existing security equipment. These services are billed using a fixed monthly amount of \$13,333 on a one-line invoice which reads “security and access control support”. The total amount paid by the Parish through the contract expiration date of 09/30/16 was \$93,333.</p>	<p>The SSC incorporates the same services and maintenance element, which is billed using a fixed monthly amount \$15,640.59 on a one-line invoice for “security and access control support”. The Parish paid \$281,531.28 in for services and maintenance through 08/31/2018.</p> <p>Detailed documentation of hours expended by the subcontractor was provided to the JPOIG upon request, however, this detail was not included on the invoices to the Parish each month/quarter.</p> <p>The combined costs for services and maintenance under both contracts is \$374,864.⁸</p>
<p align="center">3</p> <p>Embedded Technician</p>	<p>Under the CSC, the Parish has authorized a total of \$34,125 per year for the services of an embedded technician.⁹ The Finance department completed two payments of \$17,062.50 in March and April of 2016 for this contract element.</p>	<p>The SSC authorized a total of \$92,625 (\$30,875 per year) for the services of an embedded technician. The JPOIG found no evidence that this cost was billed to the Parish during the audit period for the security services contract. Therefore, this element was not tested.</p>

⁷ The total of \$1,386,618 equals \$408,517 for the CSC, plus \$978,101 for the SSC.

⁸ The total \$374,124 equals the CSC subtotal of \$93,333 plus the SSC subtotal of 281, 531

⁹ The contract does not specify whether the technician is a computer systems or security specialist.

DATA ANALYSIS

The Parish contracted with New Era (“Contractor”) to provide security services and equipment. First, the Parish contracted with New Era to provide security services by amendment to an existing IT contract.¹⁰ Later, the Parish advertised for competitive bids, RFP 345, and the Parish selected New Era. Under both contracts, New Era subcontracted for equipment acquisition and installation with Vector Electric and Control Solutions (VEC) (“Subcontractor”).¹¹ VEC performed a substantial portion of the work under the current security services contract.

The Contractor invoiced the Parish without sufficient detail, and could not provide detail to substantiate costs. Contractor indicated that it passed along Subcontractor invoiced cost, plus an upcharge, to the Parish. Therefore, Contractor invoices were compared with Subcontractor invoices to assess work performed and costs validation. Contractor’s invoices were compared with Subcontractor’s invoices and job cost records. Subcontractor’s job cost data included hours worked for each “job”, and included details and invoices for equipment and materials purchased from the subcontractor’s distributors.¹²

Where necessary, the JPOIG distinguishes between components that differ or are applicable to the Computer Services Contract (“CSC”) and/ or the Security Services Contract (“SSC”). The current Security Services Contract has a three-year term.¹³ The contract contains annual caps for equipment installation, service and maintenance, and an embedded technician.

The JPOIG identified several areas of concern:

- A. Inefficient/Ineffective Contract Model
- B. Lack of Adequate Contract Oversight
- C. Lack of Support for Invoices
- D. Improper Sales Tax Charges
- E. Overbillings on Contract
- F. Lack of Written Agreements with Subcontractor
- G. Lack of a Security Services Plan

The following sections A) inefficient or ineffective contract model, B) the lack of adequate contract oversight or management and, G) the lack of a security services plan reflect what the JPOIG believes to be root causes of the remaining areas of concern.

A. Inefficient/Ineffective Contract Model

The Parish did not utilize basic contracting practices: detailed invoicing, hourly labor detail, materials detail, timeline and milestones for performance, and penalties for nonperformance.¹⁴

¹⁰ Public Release Report 2016-0006 - *Security Services Contracting in 2015* issued 8/10/2017.

¹¹ VEC Solutions, Inc., located in Gonzales, LA, was listed on page 1 of New Era’s RFP-345 submission.

¹² The JPOIG summarized the sub-contractor invoices and mapped each to a New Era invoice submitted to the Parish for payment.

¹³ 12/05/2016 through 12/04/2019 from the Agreement Between The Parish Of Jefferson and New Era Information Technologies, LLC, Section 3.1

¹⁴ Federal GAO and FAR guidelines regarding best practices for contract administration, cost principles, and procedures.

Both contracts for security services:

- Lacked proper limits on the cost of security equipment and materials. The CSC did not include a price schedule for security equipment.
- Lacked deadlines for timely completion of security equipment installations. There is no schedule for identified departments to receive updated equipment.
- Were vague in nature with respect to billing and billing support requirements. The Contractor was not required to demonstrate hours worked by project or job.
- Lacked provisions requiring Contractor to enter into written contract with all Subcontractor(s) which incorporate material terms of contract with Parish.

The JPOIG judgmentally selected 18 Contractor invoices for testing. The invoices were assessed for work performed at various locations in the Parish from 02/2016 to 07/2017: (a) twelve (12) invoices were for work performed under CSC and (b) six (6) invoices were performed under SSC. The JPOIG also electronically tested all other contractor invoices submitted to the Parish as of 08/31/2018.¹⁵

The invoices were tested against the terms of the contract.¹⁶ The results are as follows:

1. Computer Services Contract (CSC)

The CSC did not contain specific security equipment pricing controls.¹⁷ Pricing controls for electronics and related equipment often include measures to address changes in available technologies, pricing or specific item re-adjustments during the term of the contract, or the advent of new technology, etc. Without specific guidance on security equipment and pricing, the Parish is at risk that obsolete security equipment may be installed at an inflated cost.

2. Computer Services Contract (CSC) & Security Services Contract (SSC)

The Parish did not require, and the Contractor did not possess, a written agreement or with the Subcontractor requiring the Subcontractor to perform in compliance with terms of the Parish contract.¹⁸ Subcontractors should be held to perform in a manner the same as the Contractor. To ensure compliance, the Parish should require Contractors to execute written contracts with Subcontractors which includes terms such as (1) claiming tax exempt status; (2) providing for audit; and (3) maintaining records.

3. Security Services Contract (SSC)

a. Subcontractors

The CSC identified subcontractors, but Subcontractor VEC was not listed. The Contractor identified subcontractors in its bid proposal for the SSC. Still, the

¹⁵ The JPOIG electronically tested 13 additional invoices; 3 charged to the CSC, and 10 charged to the SSC.

¹⁶ Security services contract terms under the Computer Services Contract are found in "Amendment #2", whereas, those terms established under the Security Services Contract are found in the RFP itself, the bidder's RFP submission and the resulting negotiated contract.

¹⁷ Amendment 2 of the CSC-Resolution No. 126174

¹⁸ Glen Feucht in sworn testimony (P.79) stated that New Era did not have a written agreement with VEC.

subcontractors were not identified in the final executed contract with the Parish.¹⁹ A subcontractor providing equipment and services, to include employees working at Parish properties, represents a heightened risk exposure to the Parish. If subcontractors are not identified and not under a written contract, the Parish cannot adequately respond to the risk presented.

b. Invoicing and Payment Terms

The SSC identified a maximum contract value, but it did not contain any provisions directing detailed invoicing. However, the terms of the RFP under which the contract was awarded provides at section 1.34 that invoices include the contract number, the user department and product purchased. Invoices submitted without this documentation will not be approved for payment (See Attachment F). The Parish paid Contractor invoices without adequate detail. The invoices used a generic “Labor & Materials” description (See Figures 2 and 3).

c. Equipment Pricing

The SSC contained an approved equipment list with prices, but the Parish (1) paid for equipment not approved; (2) didn’t receive equipment that was approved; and/or (3) paid inflated prices for approved equipment.²⁰ The Subcontractor purchased and installed equipment that was not approved by the contract. The Subcontractor invoiced the Contractor for equipment and work. Then, the Contractor invoiced the Parish for equipment and work performed by the Subcontractor with an upcharge.²¹ Incomplete pricing data allows for substitutions of security equipment which may not be adequate for the purposes intended, and inflated prices may result as well.

d. Dynamic Pricing

The SSC was for a 3-year term. The technology industry experiences rapid changes which generally equates to declining prices. The security services equipment contract did not provide for (1) de-escalating prices for specific equipment; (2) or best value for substitute or equivalent equipment. Multi-year contracts for technology, such as the security equipment contract, should anticipate market volatility to ensure the Parish is receiving the best equipment for the best price.²²

B. Lack of Adequate Non-Professional Services Contract Oversight

The Parish’s current practices regarding the administration of approved non-professional service contracts involves the following steps. In summary, the department’s contract administrator or designee is responsible for:

- The approvals of all plans, reports, invoices and other required submissions from the vendor.

¹⁹ RFP-345 New Era Final Proposal

²⁰ Some equipment on the list was not purchased, and other equipment not on the price list was purchased. In addition, prices for equipment purchased from the list were different than actual amounts billed per the New Era invoices”.

²¹ JPOIG determined the Contractor applied an average upcharge of 22%.

²² Attachment A of the SSC lists static prices for approved equipment. JPOIG testing revealed that during the period of the contract retail were less than approved contract pricing.

- The processing and/or approval of invoices, payments, and change orders.
- The submission of approved invoices to the Finance Department’s accounts payable section for payment via the automated clearing house (ACH).²³

The Finance Department is responsible for establishing processes for the receipt and payment of invoices such that the inherent limitations of the contract are upheld. These two contracts demonstrate that the current process does not include centralized controls over non-professional service contract sub-sets that include costs limitations.

Accounting Controls

Contracts, including the CSC and the SSC, often include more than one service deliverable. A service deliverable is a distinct and separate service provided under the umbrella of the overall contract, to which a maximum amount of funds has been allocated.

By way of example, consider a hypothetical 1 million dollar contract that includes 3 service deliverables, each element representing a separate type of service, as follows:

Table #3 Hypothetical Contract #999	
Service Element Authorized Funding	Description
1: \$700,000	Design and installation of electronic contract management system.
2: \$200,000	Training, and Implementation support for accounting module.
3: \$100,000	Maintenance of contract management system.
\$1,000,000	Total Authorized Contract Amount
In our hypothetical Contract #999 there are 3 separate deliverables that have each been allocated a different maximum dollar amount, which combined, equal 1 million dollars of potential expenditures. When the vendor begins work, the Parish will likely receive invoices submitted for payment under any one or all of the three deliverables.	
Practice as Observed	Suggested Policy
<ul style="list-style-type: none"> • Although a contract establishes funding limits on a per service deliverables basis, the Procurement Department “sets up” the contract without Service Deliverables and with a single \$1,000,000 funding authorization. 	<ul style="list-style-type: none"> • The Procurement Department “sets up” the contract to identify all levels of service deliverables and authorized funding levels. Upon receipt of the approved invoice the Accounting Department would: <ol style="list-style-type: none"> 1. Process the invoice and expense funds from the identified service deliverable and contract number. 2. The accounting system would automatically update the remaining funds available under the applicable service deliverable and for the contract overall.

²³ Finance makes records available digitally for review through the accounting system.

<ul style="list-style-type: none"> • Vendors submit invoicing including work across multiple service deliverable areas, using a single invoiced amount. 	<ul style="list-style-type: none"> • Vendors submit detailed invoices, per contract requirements and/or Parish policy are required to: <ol style="list-style-type: none"> 1) Identify the specific contract number being invoiced, 2) Identify the specific Service deliverable being invoiced, and 3) Include only valid work types of that specific Service deliverable.
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The Finance Department has the ability within the AS400 system to establish contract sub-caps using pre-designated dollar limits. This function is not currently used as a centralized control to automate contract sub-caps. This may result in the payment of vendors invoices which are in excess of the contract sub-caps.

Without adequate centralized controls in place, there is the potential to exhaust total available funds within a contract sub-cap before all the requirements of the contract sub-cap are satisfied.

C. Lack of Support for Invoices

1. Labor Invoicing

Invoices under both contracts included labor for new equipment installation, maintenance and embedded technicians. First, labor costs were not separately invoiced from “materials” or equipment. For example, equipment installation was invoiced as a single line item reading “Labor and Materials” (See Figures 2 and 3). Secondly, labor costs for maintenance did not detail hours worked. However, labor costs for the embedded technician included hourly detail under the CSC and was not charged under the SSC. Therefore, the cost of labor, or amount paid by the Parish for labor, under either contract cannot be calculated. Still, both contracts fail to require invoicing detail for labor or that labor costs be separated from materials.

Invoicing for labor should include the following five (5) elements:

- a. Individual completing work.
- b. Date and location where work was completed.
- c. Hours worked.
- d. Agreed upon (contractual) hourly rate.
- e. Total labor cost.²⁴

Detailed invoices containing the five criteria shown above should be validated prior to payment and audited when necessary.

²⁴ U.S. Department of Energy Acquisition Guide Chapter 32.1 “Reviewing and Approving Contract Invoices”

Labor (“Labor and Material”) costs invoiced without adequate support is \$363,938 for the CSC and \$767,640 for SSC, for a total of \$1,131,578.

The Contractor invoiced a lump sum for maintenance on a monthly basis. The Parish paid \$53,333 under the computer services contract, and \$281,531 under the security services contract for a maintenance total of \$334,864.

The Contractor invoiced the Parish for labor, which may include materials, based upon Subcontractor’s invoices to the Contractor.²⁵ While the Contractor did not require detailed invoicing from the Subcontractor, the JPOIG obtained detailed job cost records from the Subcontractor. These records included labor hours.

The Subcontractor maintained a computerized job costing system, and the Subcontractor assigned a unique job cost number for each parish facility, or site, where work was performed. The Subcontractor used the job costing system to track hours worked on Parish projects. A review of job costing system data revealed no direct correlation between costs incurred by the Subcontractor and the amount invoiced by Subcontractor to Contractor.

The Subcontractor did not provide the job cost data to the Contractor, and the Contractor did not request any support for Subcontractor invoices. Rather, the Contractor invoiced the Parish based upon the Subcontractor’s invoices, plus an upcharge. Through documents and interviews, the JPOIG confirmed that services covered under the contracts were primarily performed by the Subcontractor. The Subcontractor’s invoices were passed along to the Parish through the Contractor, with upcharges added.

This practice is contrary to reasonable and acceptable government contracting practices which require that invoicing should contain sufficient detail upon which government can engage in oversight and validation of charges.²⁶ Examples of the single line item billing method is depicted in the invoices under each contract (See Figures 2 and 3).

2. Equipment Invoicing

Like labor costs, the Subcontractor used a job costing system to track equipment purchased for Parish projects. Also, a review of job costing system data revealed no direct correlation between costs incurred by the Subcontractor and the amount invoiced by Subcontractor to Contractor.

Again, the Subcontractor did not provide equipment costs to the Contractor, and the Contractor did not request costs receipts for purchases by Subcontractor. The Contractor invoiced the Parish based upon the Subcontractor’s invoices, plus an upcharge. The JPOIG validated that the Contractor added an upcharge on equipment invoiced by the Subcontractor. Contractor did not detail equipment costs on invoices to the Parish, and the Parish paid Contractor invoices without any documentation on equipment costs.

²⁵ Auditor matched New Era invoices to VEC invoices and related VEC job data. The VEC job costing system did use actual labor hours. The JPOIG determined that VEC passed a lump sum amount to New Era that did not always represent the all hours worked.

²⁶ U.S. Department of Energy Acquisition Guide Chapter 32.1 “Reviewing and Approving Contract Invoices”

The JPOIG audited 16 jobs performed across both contracts. The Subcontractor maintained all job cost and equipment purchasing records. Analysis showed an upcharge by the Contractor on the Subcontractor's invoices of 22% on average. The upcharge paid by the Parish totaled \$139,446.²⁷

Figure 2 - Amended Computer Services Contract

NEW ERA Information Technologies		Invoice		
New Era Information Technologies 277 Plauche St Harahan, LA 70123		Invoice #	46503	
		Date	10/15/16	
		P.O. #	16-0016716	
		Due Date	10/15/16	
Jefferson Parish Fire Department Mike Defourmeaux 1221 Elmwood Park Blvd Suite 404 Jefferson, LA 70123				
Description	Quantity	U/M	Price	Amount
Outdoor Hkvision 3mp Dome Cameras	5	ea	522.00	2,610.00
16 Channel NVR w/ 8tb of Storage and local Monitor	1	ea	2900.00	2,900.00
Labor & Materials	1	ea	6979.00	6,979.00
Comments			Sub-total	12,489.00
Station 14			Taxes (0.00%)	0.00
			Total	12,489.00

²⁷ Total of \$139,446 equals \$36,128 for the CSC plus \$103,318 for the SSC.

Figure 3 - Security Services Contract

NEW ERA Information Technologies		Invoice		
New Era Information Technologies 277 Plaquemine St Harahan, LA 70123		Invoice #	46634	
		Date	07/19/17	
		P.O. #	17-0001572	
		Due Date	07/19/17	
Jefferson Parish Dept of Transit Sharon W. Leader, Director of Transit 21 Westbank Expwy Gretna, LA 70053				
Description	Quantity	Unit	Price	Amount
Hikvision 3mp Bullet Cameras	14	ea	522.00	7,308.00
Hikvision 1.3mp Dome Cameras	5	ea	424.00	2,544.00
Required Network Switches	2	ea	544.00	1,088.00
Varifocal Hikvision 3mp Dome Cameras	4	ea	522.00	2,088.00
32 Channel NVR w/ 48tb of Storage and local Monitor	1	ea	7,548.00	7,548.00
Labor & Materials	1	ea	26,241.00	26,241.00
Comments EB Transit Security Cameras - Quote 92			Sub-total	46,817.00
			Taxes (0.00%)	0.00
			Total	46,817.00

D. Sales Tax Charges

Local governments are exempt from paying sales tax for the purchases of goods pursuant to La.R.S. 47:301(8)(c). Consequently, the Parish provides a certificate for exemption of sales tax on purchases to its prime contractors who intend to purchase goods on behalf of the Parish. When a subcontractor is engaged by the prime contractor, it is the prime contractor's responsibility to pass on the exemption certificate to the subcontractor for its use throughout its procurement process. This ensures that the Parish's sales tax exemption remains effective for all those who have been given authority to procure on its behalf.

Invoice	Invoice Date	Sales Tax Paid
40456	7/28/2016	\$5,552.00
40466	9/28/2016	\$933.26
40427	7/6/2016	\$781.66
46498	10/15/2016	\$1,820.51
40422	5/31/2016	\$685.68
40424	5/31/2016	\$402.34
46503	10/15/2016	253.64
46508	10/15/2016	284.55
46501	10/15/2016	233.31
46505	10/15/2016	270.90
Total		\$11,217.85

The JPOIG tested 12 invoices, related to installations of security equipment at Parish facilities. Testing revealed that sales tax was charged on 100% of the invoices tested that included material or equipment costs. Tables 4 & 5 depict the nearly \$15,000 in sales tax paid by the Parish.

Table #5		Sales Tax Charges Security Services Contract
Invoice	Invoice Date	Sales Tax passed from VEC
46634	7/19/2017	\$1,177.86
46642	7/19/2017	\$1,861.43
	Total	\$3,039.29

The invoice analysis above indicates that the Parish Security Department and the Finance Department did not adequately monitor the payments and billing methods used by the Contractor and the Subcontractor. As a result, the Parish absorbed \$14,257 in sales tax because its exempt status was not communicated or claimed.²⁸

Contract administration practices normally require local government officials to review and ensure that tax exemption processes are properly followed and implemented by its third party contractors.²⁹ Errors and overpayments would normally be flagged by the Department charged with administering the contract; in this case, the Parish Security Department. Failing that, a secondary review by the Department of Finance would also prevent the overpayment of taxes from occurring.

E. Overbillings on the Security Services Contract

The CSC did not have an itemized list for approved equipment for purchase and installation. Equipment was purchased and installed. The SSC had an itemized list for approved equipment and pricing. For the SSC, the JPOIG compared the list of approved equipment and prices under the contract against the actual amount invoiced and paid by the Parish. The JPOIG found that the Parish was not invoiced in accordance with the stated contract rates for equipment. The Parish was overbilled. Invoices for labor also exceeded the stated contract labor rates. See Table #6.³⁰ The overbilled items and amounts ranged from \$453 to \$38,000 across seven (7) different jobs performed.³¹

²⁸ Invoice Summaries – New Era- Control workbook, Testing Sum #249 tab, cell AO24. The total of \$14,257 equals 11,218 (Table 4) + \$3,039 (Table 5)

²⁹ Resolution No. 1133646 Section B (4) Sales Taxes for Purchases.

³⁰ The JPOIG tracked all New Era and related VEC (subcontractor) invoices, and equipment distributor information where available to determine keys items such as premium paid, overbilling, contract vs. actual materials and equipment costs by contract.

³¹ The JPOIG also noted that for one Transit Department job, number 10448, the contractor incurred labor costs in excess of \$248,000. Although only 1/10th of that amount was actually billed to the Parish, the JPOIG made queries of New Era regarding the reason for such a disparity in cost and efficiencies. New Era responded that the labor costs were based on an estimate of total hours for the job, and that New Era did not individually track actual hours worked. The SSC provided for a technician at \$65 per hour and a helper at \$45 per hour. VEC job cost data showed that a technician, billed to the Parish at \$65 per hour and a helper, billed to the Parish at \$45 per hour was assigned to perform Parish work. In many cases, additional costs were also billed to the Parish in the same labor line item that were not discernable by the existing documentation. The JPOIG did not seek to validate or reconcile whether VEC’s employees met the skill set required or anticipated, by the terms of the contract.

Table #6 Contract Overbillings								
		Labor Costs			Equipment Costs			
Invoice #	Invoice Date	VEC Labor Cost Data	New Era Billed Labor to the Parish	Underbilled /(Overbilled)	JPOIG Equipment Recalculated by Contract	New Era Equipment Billed to Parish	Underbilled (Overbilled)	Net (Overbilled)
46634	7/19/2017	\$25,975.00	\$26,241.00	\$(266.00)	\$21,204.18	\$20,576.00	\$ 628.18	
46642	7/19/2017	\$21,510.00	\$25,195.00	\$(3,685.00)	\$25,165.64	\$17,640.00	\$7,525.64	
46597	4/5/2017	-	-	-	\$5,584.50	\$17,583.00	\$(11,998.50)	
Total:		\$47,485.00	\$51,436.00	\$(3,951.00)	\$51,954.32	\$55,799.00	\$(3,844.68)	\$(7,795.68)

F. Lack of Written Agreements with Subcontractor

The SSC requires the Contractor to maintain records in a specific manner:

[New Era] shall maintain adequate books of account with respect to its services, in accordance with generally accepted accounting principles (GAAP) in a form and method acceptable to MANAGER, within Jefferson Parish for a period not to exceed three (3) years after termination of this Agreement. FIRM shall permit MANAGER and MANAGER's agents from time-to-time within forty-eight (48) hours written notice, to inspect, copy and audit during FIRM'S normal business office hours, the books and records pertaining to the services provided under this Agreement. MANAGER's right to audit, inspect, and make copies of FIRM's records shall be at the sole expense of MANAGER.”³²

The RFP under which the SSC was awarded also required that the Contractor maintain labor cost documentation and project-related books and records at its home office housed in the Parish of Jefferson as follows:

The proposer shall maintain all records in relation to the proposed agreement at its location for a period of at least three (3) years upon expiration or earlier termination of the contract or for a period stipulated by the governing State and Federal regulations, whichever is longer.³³

The JPOIG requested that the Contractor provide all records and supporting documentation of hours worked and materials and equipment purchased.³⁴ The JPOIG was first provided copies of Contractor invoices to the Parish, but the JPOIG was not provided any supporting documentation of hours worked and materials and equipment purchased. Later, the Contractor provided the Subcontractor’s invoices as its “supporting documentation.” Still, the Subcontractor invoices did not contain detail on hours worked and materials and equipment purchased.

³² Section 5.1 of the Security Services Contract

³³ The specifications for the Request for Proposal (RFP) are incorporated by reference into the contract, see Section 2.0 of the Security Services Contract.

³⁴ New Era initially refused the JPOIG’s initial request for records. Subsequently, the JPOIG initiated an action in the 24th Judicial District Court to obtain approval to issue a subpoena, and a subpoena was issued to New Era for records. A subpoena was also issued for sworn testimony to New Era.

The JPOIG determined that to the extent there were records documenting hours worked and materials and equipment purchased, the records belonged to the Subcontractor. These records were obtained by the JPOIG at the Subcontractor's location in Gonzales. Based upon records and information received from the Contractor, the JPOIG concluded that these supporting documentation were not obtained or maintained by the Contractor.

G. Lack of a Security Services Plan

While the thrust of this audit was the Parish's contract models and compliance efforts the JPOIG recognized that the specific nature of these contracts i.e. "Security Services" merits consideration of a more comprehensive approach. Ideally, the effective and coordinated delivery of Parish "security services" is best managed centrally under the auspices of a parish-wide security services plan. The adoption of which could then be included in the vendor's service deliverables and schedule. Further, that the execution of an approved security services plan would be best facilitated under budgetary criteria that permitted approved expenditures to be authorized by the Parish's security professionals.

Currently the underpinning of such a system exists through the Department of Security. JPCO § 2-515.16 (10) requires: "The director shall oversee and administer the contract between Jefferson Parish and the security equipment company." Further, JPCO § 2-515.16 (09) requires that the "director shall provide recommendations on security measures including, video, access control and loss control prevention on new parish buildings and facilities.

However, the existing methodology for the delivery of services is decentralized and requires action by the individual department to fund and authorize specific expenditures. A preferred methodology would incorporate a centralized, planned approach with prioritized milestones built into the contract's deliverables. The JPOIG noted in a previous audit report, "Water Department-Physical Security", the need for a comprehensive analysis of security requirements at critical infrastructure facilities such as the Water Department.

Movement to a centralized model would include the development and approval of a confidential parish-wide security services plan. Additionally, the implementation of a funding mechanism would permit direct contract administration by the Department of Security. In this fashion, the approved priorities for each relevant department could be achieved centrally by the Department of Security. This would ensure the synchronicity of prioritized security requirements, available resources, and vendor performance.

CONCLUSION

Below is a summary of all identified, questioned, and avoidable costs noted.

#	Title	Questioned Costs by Contract		
		(CSC)	(SSC)	Total
1	Inefficient/ Ineffective Contract Model	\$0	\$0	\$0
2	Lack of Adequate Contract Oversight	\$382,843	\$2,023,895	\$2,406,738
3	Inadequate Support for Invoices-Labor	\$363,937	\$767,641	\$1,131,578
4	Inadequate Support for Invoices-Equipment	\$36,128	\$103,318	\$139,446
5	Improper Sales Tax Charges	\$11,217	\$3,039	\$14,256
6	Overbillings on Contract	\$0	\$7,795	\$7,795
7	Subcontractor Agreements	\$0	\$0	\$0
8	Security Services Plan	\$0	\$0	\$0
Total Questioned Costs		\$794,125	\$2,905,688	\$3,699,813

All cost questioned categories reflect amounts noted for the entire contract term. The categories are designed to support various tracking measures for cost exceptions and are defined as follows:

- **Identified Amounts:** are *unallowable* expenditures that are recoverable.³⁵
- **Questioned Costs:** are *potentially allowable* expenditures that are questioned due to a lack of supporting documentation; a potential legal issue, or are considered unnecessary or unreasonable. Questioned costs may be curable.
- **Avoidable Costs:** are a *projection of costs over a three year period*, or other term based on existing agreements, if the issue is not modified or corrected.³⁶

³⁵ These unallowable expenditures have been documented as being not supported by law, regulation, contract, grant, agreement, or other document. Identified costs are not curable. Identified amounts may be revenues either not collected, or improperly recorded in the books and records of the agency or department under audit.

³⁶ Avoidable costs are calculated based upon either identified or questioned costs. This metric reflects the potential three-year savings that could be realized through the recovery of identified costs and/or the discovery of questioned costs that should have been denied.

Findings and Recommendations



FINDINGS AND OBSERVATIONS

An observation is the result of looking at a process or procedure being performed by others. Observations are a form of audit evidence about the performance of a process or procedure, but the evidence is limited to the point in time at which the observation 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. The following table is a summary of findings, issues, and questioned costs for both contracts:

Summary of Findings					
#	Title	Issue Summary	Questioned Costs by Contract		
			(CSC)	(SSC)	Total
1	Inefficient/ Ineffective Contract Model	Contracts were executed without cost reduction incentives and sufficient controls.	\$0	\$0	\$0
2	Lack of Adequate Contract Oversight	Parish Administration failed to provide adequate contract management over the Parish-wide Security Service Contract.	\$382,843	\$2,023,895	\$2,406,738
3	Inadequate Support for Invoices- Labor	The Parish approved invoices for payment that did not contain sufficient documentation of labor hours and costs.	\$363,937	\$767,641	\$1,131,578
4	Inadequate Support for Invoices- Equipment	The Parish approved invoices for payment with undocumented equipment premium costs included.	\$36,128	\$103,318	\$139,446
5	Improper Sales Tax Charges	The contractor improperly passed on sales tax charges to the Parish.	\$11,217	\$3,039	\$14,256
6	Overbillings on Contract	Parish Administration approved invoices for payment that were in excess of contract maximums.	\$0	\$7,795	\$7,795
7	Subcontractor Agreements	The Contractor failed to execute a written contract with is subcontractor.	\$0	\$0	\$0
8	Security Services Plan	The Security Director did not establish a plan for installation of security equipment new parish facilities, and replacement security equipment in existing parish facilities	\$0	\$0	\$0
Total Questioned Costs			\$794,125	\$2,905,688	\$3,699,813

Finding #1 Inefficient/Inadequate Contract Model (CSC and SSC)

Condition:

The Parish Council approved the CSC with the Contractor, New Era. The CSC failed to:

1. Establish limits or criteria for security equipment and materials.
2. Establish rates for labor and materials,
3. Establish any invoicing, billing and payment requirements.

The Parish Council approved the SSC with the Contractor, New Era. The SSC failed to:

1. Establish dynamic pricing for security equipment and materials in the technology sector that routinely sees price reductions and new model availability.
2. Establish invoicing and billing requirements necessary to validate work performed by job.

Criteria:

CSC:

The CSC added security services via Amendment #2. The amendment generally addressed scope of work for new and replacement equipment (Section 1), and added Section 21.0 that established caps on three areas of deliverables. However, no specific equipment pricing or labor rates were established.

SSC:

Section 6.1 states: “FIRM shall employ, train and supervise personnel with appropriate qualification and experience and in sufficient numbers to provide all services required under this Agreement. SSC Attachment A did set forth specific labor rates for “technician” and “helper”, but failed to establish specifications for either class.

The RFP section 1.34 requires that the invoices include the contract number, the user department, and product purchased. Invoices submitted without this documentation will not be approved for payment.

Cause:

The Parish Administration did not utilize standard governmental contracting practices.

Exposure:

The JPOIG testing revealed that both the CSC and the SSC contained inherent drafting weaknesses and lack of effective cost controls.

Recommendation:

The Parish Administration should ensure that future negotiated contracts include:

1. Limits or criteria for all equipment and materials, which in this specific case was security equipment.
2. Established rates for labor and materials,
3. Established invoicing, billing and payment requirements.
4. Dynamic pricing where equipment cost and capability is reasonably expected to change during the course of the contract.

Finding #2 Lack of Adequate Contract Oversight (CSC and SSC)

Condition:

The Parish does not effectively utilize existing controls to ensure that vendors do not exceed established contract sub-cap limits.

Criteria:

Both the CSC and the SSC included established contract deliverables as shown in the following tables.

Contract Terms for New Era Technologies (CSC, Amendment #2)					
Term:	Deliverable 1	Deliverable 2	Deliverable 3		Total Annual Caps
February/ December 2016	Equipment Installation	Service and maintenance	Embedded Technician Hours	Rate @ \$105/Hour	
Totals	\$ 600,000	\$ 160,000	975	\$ 34,125	\$ 794,125

Contract Terms for New Era Technologies (SSC)					
Term:	Deliverable 1	Deliverable 2	Deliverable 3		Total Annual Caps
Start Date: 12/2016	Equipment Installation	Service and maintenance	Embedded Technician Hours	Rate @ \$95/Hour	
Year 1	\$ 750,000	\$ 187,687.50	325	\$ 30,875.00	\$ 968,562.50
Year 2	\$ 750,000	\$ 187,687.50	325	\$ 30,875.00	\$ 968,562.50
Year 3	\$ 750,000	\$ 187,687.50	325	\$ 30,875.00	\$ 968,562.50
Totals	\$ 2,250,000	\$ 563,062.50	975	\$ 92,625.00	\$ 2,905,687.50

Cause:

The Purchasing Department has the ability within the AS400 system to establish contract sub-caps using pre-designated dollar limits. This function is not currently used as a centralized control to automate contract sub-caps.

Exposure:

This may result in the payment of vendors invoices which are in excess of the contract sub-caps. Without adequate controls in place, there also is the potential to exhaust available funds within a contract sub-cap before all the requirements of the contract are satisfied.

Recommendations:

The Parish Administration should:

1. Ensure that the Purchasing Department utilize the ability within the AS400 system to establish contract sub-caps using pre-designated dollar limits whenever applicable.

Finding #3 Inadequate Support for Invoices – Labor (CSC and SSC)

Condition:

VEC, the Subcontractor, did not provide the job cost data to New Era, the Contractor, and the Contractor did not request any support for Subcontractor invoices. Rather, the Contractor invoiced the Parish based upon the Subcontractor's invoices, plus an upcharge. Contractor was required to "maintain adequate books of account with respect to its services, in accordance with generally accepted accounting principles (GAAP)". The Parish paid the contractor \$1,131,578 in labor costs across both contracts without adequate support for hours worked and labor rates charged.

Criteria:

The CSC is silent with respect to criteria for books, records and detailed requirements for invoicing, billing and payment.

SSC § 5.1 states: "FIRM shall maintain adequate books of account with respect to its services, in accordance with generally accepted accounting principles (GAAP) in a form and method acceptable to MANAGER, within Jefferson Parish for a period not to exceed three (3) years after termination of this Agreement. FIRM shall permit MANAGER and MANAGER's agents from time-to-time within forty-eight (48) hours written notice, to inspect, copy and audit during FIRM'S normal business office hours, the books and records pertaining to the services provided under this Agreement. MANAGER's right to audit, inspect, and make copies of FIRM's records shall be at the sole expense of MANAGER."

Cause:

The Parish paid the Contractor \$1,131,578 in labor costs across both contracts without adequate invoice support for hours worked and labor rates charged.

Exposure:

The Parish cannot validate its expenditures for labor based upon submitted documentation under either contract.

Recommendations:

The Security Department Director and the Finance Director should cease to approve invoices for payment without proper supporting documentation for labor hours worked and billed.

Finding #4 Inadequate Support for Invoices – Equipment (CSC and SSC)

Condition:

VEC, the Subcontractor, did not provide the job cost data to New Era, the Contractor, and the Contractor did not request any support for Subcontractor invoices. Rather, the Contractor invoiced the Parish based upon the Subcontractor's invoices, plus an upcharge of 21%. Contractor was required to "maintain adequate books of account with respect to its services, in accordance with generally accepted accounting principles (GAAP)". The Parish paid the contractor \$139,446 in upcharges on equipment and materials across both contracts in excess of contract requirements.

Criteria:

The CSC is silent with respect to criteria for books, records and detailed requirements for invoicing, billing and payment.

SSC § 5.1 states: "FIRM shall maintain adequate books of account with respect to its services, in accordance with generally accepted accounting principles (GAAP) in a form and method acceptable to MANAGER, within Jefferson Parish for a period not to exceed three (3) years after termination of this Agreement. FIRM shall permit MANAGER and MANAGER's agents from time-to-time within forty-eight (48) hours written notice, to inspect, copy and audit during FIRM'S normal business office hours, the books and records pertaining to the services provided under this Agreement. MANAGER's right to audit, inspect, and make copies of FIRM's records shall be at the sole expense of MANAGER."

Cause:

The Parish paid the Contractor \$139,466 in upcharges on equipment and material in excess of contract requirements.

Exposure:

The Parish cannot validate its upcharge expenditures for equipment based upon submitted documentation under either contract.

Recommendations:

The Security Department Director and the Finance Director should cease to approve invoices for payment without proper supporting documentation for equipment costs billed.

Finding #5 Improper Sales Tax Charges (CSC and SSC)

Condition:

The Parish paid a total of \$14,257 for sales tax on equipment purchased. The Contractor, New Era, billed the Parish for sales tax paid for security equipment and materials purchased by its Subcontractor, VEC. The Contractor possessed a tax exemption certificate which was not provided the Subcontractor or otherwise utilized for Parish purchases.

Criteria:

Pursuant to Louisiana R.S. 47:301(8)(c) local governments are exempt from paying sales tax for the purchases of goods.

For purposes of the payment of the state sales and use tax and the sales and use tax levied by any political subdivision, "person" shall not include this state, any parish, city and parish, municipality, district, or other political subdivision thereof, or any agency, board, commission, or instrumentality of this state or its political subdivisions. R.S. 47:301(8)(c).

Cause:

The Parish failed to approve contracts that required purchases made for governmental use to be free from state and local taxes.

Exposure:

The Parish paid at least \$14,257 in state and/or local sales tax when not required to do so.

Recommendation:

The JPOIG Recommends that the Council:

1. Should ensure that all approved contracts include requirements that vendors not pay state and local taxes on purchases.

The JPOIG Recommends that the Parish Attorney's Office:

1. Incorporate requirements into all "contract forms" and otherwise assure that the contract requires vendors to ensure purchases made on behalf of the Parish are not subject to state and local taxes.

Finding #6 Overbillings on Contract (SSC)

Condition:

The Parish Administration approved invoices for payment totaling \$7,795 for equipment and labor costs that were in excess of labor and equipment rates stipulated in the contract.

Criteria:

The current New Era contract states contract limits by contract element (as detailed above in finding #3) and labor and equipment rates as listed in contract Attachment A.

Cause:

Payments for equipment and labor costs were made in excess of the established contract rates without validation by the Security Department Director or the Finance Director.

Exposure:

New Era billed and the Parish overpaid a total of \$7,795 under RFP No. 345.

Recommendation:

The Security Director and the Finance director should establish controls within their respective departments to prevent the Parish from paying contractors more than the contract prices and limits on labor, materials, and equipment.

Finding #7 Subcontractor Agreements (CSC and SSC)

Condition:

Contractors must submit affidavits to identify subcontractors for Parish contracts, however, contractors are not required to provide evidence of a written agreement with subcontractors defining their business relationship and responsibilities as it applies to the Parish prime vendor contract.

Criteria:

While not binding for local governments, Federal Acquisition Regulation (FAR) §9.602 recognizes the integrity and validity of contractor team arrangements, provided, the arrangements are identified and company relationships are fully disclosed in an offer, or before the arrangement becomes effective. Some of the key elements of a subcontract are that the prime is responsible for performing to contract terms and conditions in its relationship with the government entity, conveys appropriate terms and conditions to the subcontractor, and manages subcontractor's performance and adherence to the subcontract.

Cause:

Existing contracts and Parish ordinance do not consistently require the prime vendor to have written agreements in place with its approved subcontractors.

Exposure:

Actions of subcontractors may negatively affect the level of contract compliance, and overall contractual performance if no written agreement exists setting forth the responsibilities, payments and compliance requirements between the prime vendor and its approved subcontractor.

Recommendation:

All approved Parish contracts should require the prime contractor to provide evidence of a written subcontractor agreement prior to the subcontractor engaging any work with the prime.

Finding #8 – Security Services Plan (CSC and SSC)

Condition:

Director of Security did not provide comprehensive recommendations on security measures at Parish facilities or oversee and administer the contract between Jefferson Parish and the security equipment company.

Criteria:

JPCO § 2-515.16(10) requires that the director of security shall: “The director shall oversee and administer the contract between Jefferson Parish and the security equipment company.”

JPCO § 2-515.16(09) requires that the “director shall provide recommendations on security measures including, video, access control and loss control prevention on new parish buildings and facilities.

Cause:

During the term of the CSC and SSC contracts, the Director of Security did not fully perform contract oversight, nor mitigate Parish-wide security deficiencies as required by ordinance.

Exposure:

Lack of an established, prioritized, and coordinated security equipment installation plan creates deficiencies in security preparedness, does not support fraud prevention, and is an inefficient and ineffective use of available resources.

Recommendations:

The Parish Council Should:

1. Consider amending 2-515.16 to include a requirement that:
“the Director of Security develop and maintain a confidential Parish-wide security plan for critical infrastructure and other facilities”.

That the Parish Administration should:

1. Ensure through management and oversight measures that the Director of Security perform the duties pertaining to security recommendations and contract management as required by ordinance.
2. Broaden the duties of the Director of Security develop and maintain a confidential Parish-wide security plan for critical infrastructure and other facilities as deemed necessary.
3. Expand the cost allocation plan to include all estimated contractor costs on a department by department basis (including the Parish Council) that coincides with the accepted confidential Parish-wide security plan for critical infrastructure facilities, and other facilities as deemed necessary.

The Director of Security should:

1. Ensure that all invoices, billing and payments are reviewed for compliance with contract provisions and that goods and services have been received by the affected departments.

Attachment B

Excerpt from Resolution No. 113646



RESOLUTION NO. 113646
**GENERAL CONDITIONS AND AGREEMENT FOR THE PURCHASES OF MATERIALS,
SUPPLIES OR SERVICES AND PUBLIC WORKS PROJECTS**

I. INSTRUCTIONS TO BIDDERS

SECTION 1. BID FORM

A. General

(1) Sealed bids will be received in the office of the Department of Purchasing, 200 Derbigny Street, Suite 4400, General Government Building, Gretna, Louisiana 70053, until the date and hour specified on Page 1 of the bid proposal, at which time they will be publicly opened. LATE BIDS WILL NOT BE ACCEPTED.

(2) All bids submitted are subject to these instructions and general conditions and any special conditions and specifications contained herein, all of which are made part of this bid proposal.

(3) Jefferson Parish reserves the right to reject any and all bids in whole or in part and to waive any and all informalities, to the extent permitted by law, in the best interest of Jefferson Parish.

(4) ONLY BIDS WRITTEN IN INK OR TYPE WRITTEN AND PROPERLY SIGNED BY A MEMBER OF THE FIRM OR AUTHORIZED REPRESENTATIVE, WILL BE ACCEPTED. PENCIL AND/OR PHOTOSTATIC FIGURES OR SIGNATURES WILL DISQUALIFY BID. HOWEVER, ELECTRONIC SIGNATURES AS DEFINED IN LSA – R.S. 9:2602(8) ARE ACCEPTABLE.

(5) For submission of bids, the only form used shall be the bid form provided by the Parish. Necessary copies of this form will be furnished for Bidding.

(a) All papers bound with or attached to the Bid Form are considered a part thereof and must not be altered.

(b) The plans, specifications, and other documents designated in the bid form will be considered a part of the bid whether attached or not.

(c) Illegibility or ambiguity in any bid may constitute justification for rejection of the bid.

(d) Resolution No. 113646 will be considered a part of the bid whether attached or not. A copy may be obtained from the Office of the Council Clerk, 200 Derbigny Street, Suite 6700, General Government Building, Gretna, Louisiana 70053.

(6) The purpose and intention of this invitation to bid is to afford all suppliers/contractors an equal opportunity to bid on construction, maintenance, repair, operating, services, supplies and/or equipment listed in this bid proposal. Jefferson Parish will accept one bid only from each vendor. Items bid on must meet or exceed specifications.

Attachment C

Computer Services Contract (CSC)



Contract for Computer Services for the MIS and GIS Divisions of the Electronic Information Systems Department of the Parish of Jefferson, State of Louisiana

Between

Jefferson Parish and New Era Information Technologies, L.L.C.

This Agreement is made and entered into on this 27th day of September, 2012, by and between the Parish of Jefferson, State of Louisiana, acting herein by and through its Parish Council, hereinafter called the Parish, represented by the Honorable Elton M. Lagasse, Council Chairman, duly authorized to act pursuant to Resolution No. 119212 adopted on July 25, 2012, and Resolution No. 119541 adopted on September 19, 2012 and New Era Information Technologies, L.L.C., hereafter called New Era Group or Contractor, represented by David P. Campbell, President.

WHEREAS there is a need for supplemental computer services to support the MIS and GIS Divisions of the Electronic Information Systems Department;

NOW, THEREFORE by mutual consent of Jefferson Parish and New Era Group, the subject Agreement shall run for a term of two (2) years, from October 1, 2012 to October 1, 2014, under the terms and conditions stated in this Agreement.

Scope of Work to be Performed

Contractor does hereby agree to provide computer services for Parish to supplement the operations of the MIS and GIS Divisions of the Electronic Information Systems Department. Contractor will assist in the development and maintenance of software applications, support and maintenance of network systems and computer hardware, computer room operations, and related services under the direction of the Director of the Electronic Information Systems Department (Director) or the Council Chairman. Contractor shall meet the scope of services as detailed RFP No. 0249 and Contractor's written proposal on file in the Office of the Chief Buyer for the Parish of Jefferson under RFP No. 0249 and the general terms and conditions of Resolution No. 113646 and amendments thereto, incorporated here by reference.

- 1.0 Operations** - Contractor will be assigned management of portions of MIS operations and projects, such as assisting MIS staff with network and PC issues, creating and implementing software applications, coordinating WAN connections, designing and implementing network configurations, and reviewing facility wiring with electrical and building contractors. Contractor will also run data and telephone cable.
- 1.1** Contractor must provide resources to support the following list of the significant systems, services, and software applications: Oracle database administration, Oracle Application Server, Oracle RAC, GIS database and operations, ESRI software systems, Open Text Hummingbird Document Management, Code Enforcement Reporting and Violations System (MS .Net and Oracle), Exchange 2003, XOssoft WanSync, GFI MailArchiver, Jatheon MailArchiver, Commvault Simpana 9 Backup, Barracuda Spam Firewall, iPrism Web Filter, Cisco routers, firewalls and switches, WAN transport connections (Metro Ethernet, Frame Relay, DSL, cable modem, fiber, copper and wireless) , VMWare, SQL Servers, Linux Servers, Active Directory, DNS, DHCP, WSUS, group policy administration, DCOM Security, VPN, EMC SAN Storage, Dell storage systems, and McAfee Antivirus. In addition, Contractor shall provide resources to support the systems in the parish jail in Gretna: lock maintenance, video surveillance, security systems, teleconferencing, and wiring troubleshooting. Contractor support will be requested on an as needed basis for additional existing systems and future systems and software yet to be acquired.
- 2.0 Data and Phone Cabling** - Contractor must provide resources on an as-needed basis to handle fiber optic cable installation and repair, and installation of copper cable for large jobs, such as data and phone wiring for an entire building.

- 3.0 **Digital Forensics** - Contractor must provide digital forensics resources on an as-needed basis for investigations involving computer equipment and files.
- 4.0 **Recording Activity** - Contractor staff work logs, in a form approved by the Director, shall be presented with Contractor invoices. Vacation and sick time hours shall not be counted as invoiced time. Contractor invoices are subject to approval by the Director.
- 5.0 **Expertise** - The Parish shall not be billed by Contractor for training of Contractor staff in the fundamental requirements for each required staff position as defined in the Request for Proposals and its addenda.
- 6.0 **Data and Application Software** – All data, whether existing prior to the effective date of this agreement or created after the effective date of this agreement, is and shall remain the property of Parish. Any and all software applications(s) installed, modified, or developed for Parish is and shall remain the property of Parish. Any use of the data or software without the expressed written consent of Jefferson Parish shall be considered a breach of this contract by Contractor. The Parish warrants to Contractor that the Parish is the legal licensee of all software provided to Contractor's staff.
- 6.1 **Council Requests** - To the extent requested by the Council, Contractor shall respond directly to the Council to requests made by the Council for reports and/or statistics concerning the systems, services, software applications and any work or services performed by the Contractor on behalf of the Parish.

General Terms and Conditions of Agreement

- 7.0 **Insurance** – Contractor shall secure and maintain at its expense such insurance that will protect it, and the Parish, from claims under the Workmen's Compensation Acts and from claims for bodily injury, death or property damage which may arise from the performance of services under this Agreement. All certificates of insurance shall be furnished to the Parish and shall provide that insurance shall not be canceled without notice of cancellation given to the Parish of Jefferson, in writing, on all of the required coverage provided to Parish. All notices will name Contractor, and identify the Council Resolution approving the terms of this Agreement. The Parish may examine the policies at any time and without notice.
- 7.1 All policies and certificate of insurance of the Contractor shall contain the following clauses:
 - (a) Contractor insurers will have no right of recovery or subrogation against the Parish of Jefferson, it being the intention of the parties that the insurance policy so affected shall protect both parties and be the primary coverage for any and all losses covered by the below described insurance.
 - (b) The Parish of Jefferson shall be named as additional insured as regards to general liability with respect to negligence by Contractor.
 - (c) The insurance company(ies) issuing the policy or policies shall have no recourse against the Parish of Jefferson for payment of any premiums or for assessments under any form of policy.
 - (d) Any and all deductible in the below described insurance policies shall be assumed by and be at the sole risk of Contractor.
- 7.2 Prior to the execution of this Agreement Contractor, shall provide at its own expense, proof of the following insurance coverage required by the contract to the Parish of Jefferson by insurance companies authorized to do business in the State of Louisiana. Insurance is to be placed with insurers with an A.M. Best Rating of no less than A:VI.
 - (a) In the event Contractor hires workers within the State of Louisiana it shall obtain Worker's Compensation Insurance. As required by Louisiana State Statute exception; employer's liability shall be at least \$1,000,000 per occurrence when work is to be over water and involves maritime exposures, otherwise this limit shall be no less than \$500,000 per occurrence.
 - (b) Commercial General Liability Insurance with a Combined Single Limit of at least \$1,000,000.00 per occurrence for bodily injury and property damage. This insurance shall include coverage for bodily injury and property damage.
 - (c) Business Automobile Liability Insurance with a Combined Single Limit of \$1,000,000.00 per occurrence for bodily injury and property damage, unless otherwise indicated. This insurance shall include for bodily injury and property damage the following coverage.

- 7.3 All policies of insurance shall meet the requirements of the Parish of Jefferson prior to the commencing of any work. The Parish of Jefferson has the right but not the duty to approve all insurance policies prior to commencing of any work. If at any time any of the said policies shall be or becomes unsatisfactory to the Parish of Jefferson as to form or substance; or if a company issuing any such policy shall be or become unsatisfactory to the Parish of Jefferson, Contractor shall promptly obtain a new policy, submit the same to the Parish of Jefferson for approval and submit a certificate thereof as provided above.
- 7.4 Upon failure of Contractor to furnish, to deliver and maintain such insurance as above provided, this contract, at the election of the Parish of Jefferson, may be forthwith declared suspended, discontinued or terminated. Failure of Contractor to take out and/or to maintain insurance shall not relieve Contractor from any liability under the contract, nor shall the insurance requirements be construed to conflict with the obligation of Contractor concerning indemnification.
- 7.5 Contractor shall secure and maintain at its expense such insurance as will protect Contractor and Jefferson Parish from claims under the worker's compensation acts and from claims for bodily injury, death or property damage which shall arise from the performance of services under Agreement. General commercial liability insurance for bodily injury or death shall be in the amount of \$1,000,000.00 for one person and not less than \$1,000,000.00 for all injuries or deaths arising from any occurrence.
- 7.6 The insurance for property damage shall be in the amount of \$1,000,000.00 for each accident and not less than \$1,000,000.00 aggregate. An Errors and Omissions Policy is also required, with limits of no less than \$1,000,000.00 per occurrence.
- 7.7 Certificates of insurance relative to the above provisions shall be furnished to the Parish prior to execution of the contract, and shall have the authorizing resolution number stated on them.
- 7.8 Contractor shall notify the Parish in writing whenever any required insurance is cancelled, at least 30 days prior to such cancellation. The Parish may examine the policies of insurance described above.
- 8.0 **Limitation of Liability** - Contractor shall not be liable for failure to provide services if due to any cause or conditions beyond Contractor's reasonable control. In the event of a breach of this contract by Contractor, Contractor's liability shall be limited to those actual damages sustained by Jefferson Parish which were foreseeable and proximately resulting therefrom and shall not include remote and speculative damages.
- 9.0 **Subletting, Assignment or Transfer** - This Agreement shall be binding upon the successors and assigns of the parties hereto. This Agreement shall not be transferred, assigned, or sublet without the prior written consent of the Jefferson Parish Council.
- 10.0 **Conflict of Interest** - Contractor agrees that no director, officer or employee of Contractor or any affiliated company shall directly or indirectly enter into any contract or agreement with Parish personally or through a partnership of which he is an officer, director or employee, for furnishing data processing services of any type or nature without first disclosing such fact in written notice to the Parish.
- 11.0 **Notice** – Any communications to be given hereunder by either Party to the other shall be deemed to be duly given if set forth in writing and personally delivered or sent by mail, registered or certified, postage prepaid with return receipt requested, as follows:

Parish: Elton M. Lagasse
Council Chairman
Jefferson Parish Council
200 Derbigny Street, Suite 6200
Gretna, La. 70053
Phone No.: (504) 384-2626

With Copy to: Deborah Cunningham Foshee
Parish Attorney
200 Derbigny Street – Suite 5200
Gretna Louisiana 70053

Contractor: New Era Group
David P. Campbell
5 Sago Lane
Kenner, LA 70065

11.1 Written notices hereunder delivered personally shall be deemed communicated as of actual receipt; mailed notices shall be deemed communicated five (5) days after deposit in the mail, post prepaid, certified, in accordance with this Paragraph.

12.0 Breach and Termination - This contract may be terminated under any or all of the following conditions:

- (a) by mutual agreement and consent of the parties hereto.
- (b) by the Parish as a consequence of the failure of Contractor to comply with the terms or quality of work in a satisfactory manner, proper allowance being made for circumstances beyond the control of Contractor.
- (c) by either party upon failure of the other party to fulfill its obligations as set forth in the contract.
- (d) in the event of the abandonment of the project by the Parish.
- (e) by the Parish for any reason by issuing Contractor thirty (30) days written notice.

12.1 Upon termination by either party through no fault of Contractor, the Parish agrees to pay Contractor for all services rendered through the date of termination, as well as all outstanding payments due to Contractor for any extra services outside the scope of work provided by Contractor at the request of the Parish. In the event the Parish terminates this Agreement pursuant to paragraph b. above, Contractor shall refund to the Parish pre-payments not yet earned at the effective date of the termination.

12.2 This Agreement shall terminate on October 1, 2014, unless extended by written amendment.

12.3 Upon termination of the contract for any reason, Contractor shall deliver to the Director all original documents, notes, electronic and hard-copy files, manuals, licenses, and all other property of Jefferson Parish. Contractor will be allowed to remove its personal supplies and administrative files.

12.4 Contractor shall participate in an orderly transition of services upon the termination of this contract, and shall cooperate with Parish staff and the staff of any new vendor who may be contracted to provide such services. The Parish has the option to require Contractor to participate in a 30 day transition period beyond the automatic termination date of this contract, or longer with the mutual consent of the Parish and Contractor, under the existing terms and conditions of this contract at the time of termination.

12.5 The renewal and/or continuation of this contract is contingent upon the appropriation of funds to fulfill the requirements of the contract and if the Parish fails to appropriate sufficient monies to provide for payments under the contract, the contract shall terminate on the last day of the last fiscal year for which funds were appropriated.

12.6 The Parish, by resolution of the Jefferson Parish Council, shall terminate this Agreement in the event false or misleading information is given to the Parish in the response to the Request for Proposals; in the affidavit identifying all subcontractors and persons, excluding full time employees of the firm, who would assist in providing professional services for the project; or in the acknowledgement submitted with each invoice that no subcontractors or persons, excluding full time employees of the firm, have been added without prior council approval by resolution; and further, any and all parties found to be in

violation of the provisions of this section or of the provisions of Section 2-928(C) of the Jefferson Parish Code of Ordinances, including, but not limited to, the person or firm under contract with the Parish to provide professional services and any and all subcontractors improperly added to such a contract, shall be disqualified from contracting with the Parish to provide professional services for one year after such violation is discovered and shall be assessed a penalty payable to the Parish in the amount of five thousand dollars (\$5,000.00) in liquidated damages for each such violation.

- 13.0 Contingent Fees** - Contractor warrants that it has not employed or retained any company or person, other than a bona-fide employee working solely for Contractor to solicit or secure this contract, and that it has not paid or agreed to pay any company or person, other than a bona-fide employee working solely for Contractor, any fee, commission, percentage, gift, or any other consideration, contingent upon or resulting from the award or making of this contract.
- 14.0 Hold Harmless** - Contractor agrees to protect defend, indemnify, save, and hold harmless the Parish of Jefferson, the Jefferson Parish Council, the Director of the Electronic Information Systems Department, all Parish Departments, Agencies, Boards and Commissions, its officers, agents, servants and employees, including volunteers, from and against any and all claims, demands, expense and liability directly arising out of injury or death to any person or the damage, loss or destruction of any property which may occur or in any way grow out of any wrongful act or omission of Contractor, its agents, servants, and employees in the performance of this Agreement, or any and all costs, expense and/or causes of action except and to the extent of those claims, demands, and/or causes of action arising out of the negligence of the Parish of Jefferson, the Jefferson Parish Council, the Director of the Electronic Information Systems Department, all Parish Departments, Agencies, Boards and Commissions, its officers, agents, servants and employees, including volunteers. Contractor agrees to investigate, handle, respond to, provide defense for and defend any such claims, demand, or suit at its sole expense and agrees to bear all other costs and expenses related thereto, even if it (claims, etc.) is groundless, false or fraudulent except claims by the Parish of Jefferson, the Jefferson Parish Council, the Director of the Electronic Information Systems Management Department, all Parish Departments, Agencies, Boards and Commissions, its officers, agents, servants and employees, including volunteers.
- 15.0 Entire Agreement** - This Agreement, the Request for Statement of Qualifications including all amendments, and Contractor proposal, on file in the Office of the Chief Buyer for the Parish of Jefferson under RFP No. 0249, constitutes the entire agreement between the parties and shall take precedence over any inconsistent provisions contained in any other document. The terms of this contract document take precedence over any inconsistent provisions contained in any other document comprising this Agreement. This Agreement shall not be varied by an oral Agreement or representation or by other than an instrument in writing of subsequent date hereto, approved by the Jefferson Parish Council and executed by both parties by their duly authorized representatives.
- 15.1** Should there be any conflict among contract documents, the Request for Statement of Qualifications and the Contractor's written proposal, the following order of precedence shall govern the resolution of the conflict:
- (a) This Agreement;
 - (b) RFP 0249 & addenda;
 - (c) Resolution No. 113646
 - (d) Contractor's written proposal;
- 16.0 Independent Contractor** - While in the performance of services or carrying out other obligations under this Agreement, Contractor shall be acting in the capacity of independent contractor and not as employee or agent of the Parish. The Parish shall not be obligated to any person, firm or corporation for any obligations of Contractor arising from the performance of services under this Agreement.
- 16.1** It is understood and agreed by the parties hereto that Contractor is entering into this Agreement in the capacity of an independent contractor and that nothing contained in this Agreement is intended to be construed as creating any other relationship between the Parish and Contractor.
- 16.2** The parties hereto acknowledge and agree that Jefferson Parish shall not:

- (a) withhold federal or state income taxes;
- (b) withhold federal social security tax(FICA);
- (c) pay federal or state unemployment taxes for the account of Contractor; or
- (d) pay worker's compensation insurance premiums for coverage for Contractor.

- 16.3** Contractor agrees to be responsible for and to pay all applicable federal income taxes, federal social security tax (or self-employment tax in lieu thereof) and any other applicable federal or state unemployment taxes.
- 16.4** Contractor agrees to indemnify and hold the Parish harmless from any and all federal and/or state Income tax liability, including taxes, interest and penalties, resulting from the Parish's treatment of Vendor as an independent contractor.
- 16.5** Contractor further agrees to reimburse the Parish for any and all costs it incurs, including, but not limited to, accounting fees and legal fees, in defending itself against any such liability.
- 17.0** **Governing Law** - This Agreement shall be interpreted by the laws of the State of Louisiana, and the Parish, and Contractor does, by signing this Agreement yield to the sole and exclusive jurisdiction of the Twenty-fourth Judicial District Court of Louisiana and formally waive any pleas of lack of jurisdiction and/or venue in the event of suit under this Agreement.
- 18.0** **Suspension of Work** - If for good cause, the Parish desires to suspend all or part of the work agreed to be performed, but not terminate the contract, the Parish may do so by giving Contractor 30 days written notice, which will include an estimated time as to when work can resume. The work may be reinstated in part or in full upon receipt of 30 days written notice from the Parish, or if less than 30 days notice is desired by the Parish, within such time period as mutually agreed by the Parish and Contractor.
- 18.1** Except in the case of termination for cause, should a reduction in force be required by the Parish, the Parish shall provide Contractor 30 days written notice of suspension of duties of any Contractor staff who has been assigned to regular duty on site for a period in excess of six months.
- 19.0** **Personnel Approval** - Proposed Contractor staff may be rejected for assignment to duty with the Parish by the Director if such staff does not meet the qualifications stated in the Request for Proposals and its amendments, or does not meet Jefferson Parish employee standards. Contractor shall be given written notice of such rejection. Contractor staff already assigned to duty with the Parish may be requested to be replaced by other qualified Contractor staff for such assignment by the Director, with 24 hours written notice of the specific reasons for the request.
- 19.1** All subcontracts for work to be performed under this contract must first be approved by the Jefferson Parish Council.
- 20.0** **Non-Exclusivity** - Contractor acknowledges and agrees that the rights and obligations conferred and contained herein shall be non-exclusive in nature, and the Parish makes no representations or warranties to the contrary.
- 21.0** **Pricing** - Contractor agrees to provide the staff positions specified in Attachment A at the indicated hourly rate (Subject to section 5.0 of this Agreement) from the commencement of this contract until October 1, 2013. Contractor is allowed to increase the listed price schedule in Attachment A, effective October 1, 2013, by no more than the net percentage change in the CPI between October 2012 and May 2013 using the all Urban Consumers - All Item Index (U.S. City Average) published by the U.S. Department of Labor, Bureau of Labor Statistics, or 5%, whichever is less until the termination of the contract. Notice of new price rates will be delivered in writing to the Director no later than July 1, 2013.
- 22.0** **Payment** - Services provided to Parish by Contractor subject to this Agreement shall be accompanied by accurate invoices fully describing and itemizing all charges and costs to be paid by Parish. An affidavit shall accompany all invoices acknowledging that no subcontractors or persons, excluding full

time employees of the firm, have been added to work on this project without prior council approval by resolution. Billings are 15 days net from the receipt of the invoice.


This Agreement is executed in 4 originals. IN TESTIMONY WHEREOF, they have executed this Agreement, the day and year first above written.

WITNESSES

Norma Lerner

Ann H. Hudry

PARISH OF JEFFERSON
STATE OF LOUISIANA
JEFFERSON PARISH COUNCIL

BY 
ELTON M. LAGASSE
COUNCIL CHAIRMAN

WITNESSES


Bryan M. Torie


Giselle J. Lewis

NEW ERA INFORMATION TECHNOLOGIES, LLC

BY 
DAVID B. CAMPBELL
PRESIDENT

ATTACHMENT A

Technology	
Network & Server Tech	\$80
Server Tech	\$65
PC Tech	\$40
Oracle Administrator	\$70
Programmer/Analyst	\$60
Project Manager	\$70
Database Admin	\$110
UI Specialist	\$95
Network Cabling	\$95
Network Drops	\$150 per drop
Forensic Lab Tech	\$165
Incident Response Analyst	\$275
Forensic Analyst	\$275
Expert Witness Testimony	\$385
Senior .NET Software Architect	\$110
Subject Matter Expert	\$110
Document Management Specialist	\$100
Document Management Technician	\$65
Training	\$100
Documentation Specialist	\$95
Network Analyst	\$100
Senior Business Analyst	\$100
Senior PC Tech	\$80
Communications & Cabling	
Communications Systems Engineer (After Hours)	\$120 (\$180)
Fiber Technician (After Hours)	\$105 (\$150)
Senior Communications Technician (After Hours)	\$85 (\$130)
Communications Technician (After Hours)	\$70 (\$105)
Communications Helper (After Hours)	\$45 (\$70)
JDSU OTDR Fiber Tester	\$345 per job
Fiber Termination Kit	\$85 per job
Fiber Splicer	\$345 per job
Cat 5/6 Tester	\$110 per job
Service Truck	\$105 per job
GIS	
GIS Web Programmer	\$130
GIS Programmer	\$130
Senior GIS Analyst	\$100
GIS Analyst	\$90
Senior GIS Technician	\$65
GPS Surveyor	\$60
GIS Technician	\$55

On joint motion of all Councilmembers present, the following resolution was offered as amended:

RESOLUTION NO. 119541

A resolution ratifying the Agreement between the Parish of Jefferson and New Era Information Technologies, LLC under RFP 0249, to provide supplemental computer services to support the MIS and GIS Divisions of the Electronic Information Systems Department for a period of two (2) years at a annual cost not to exceed \$1,700,000.00. (Parishwide)

WHEREAS, pursuant to Resolution No. 118301 dated the 25th day of January, 2012 the Jefferson Parish Council authorized the Purchasing Department to advertise a Request for Proposals from persons or firms interested in providing computer services for the MIS and GIS Divisions of the Electronic Information Systems Department for a period of two years; and,

WHEREAS, pursuant to Resolution No. 119212, adopted the 25th day of July, 2012, the council selected New Era Information Technologies, LLC with which the Administration should negotiate a contract for council approval under RFP 0249; and

WHEREAS, the Administration has completed its negotiations with New Era Information Technologies, LLC.

NOW, THEREFORE, BE IT RESOLVED, by the Jefferson Parish Council of Jefferson Parish, Louisiana, acting as the governing authority of said Parish:

SECTION 1. That the Agreement between the Parish of Jefferson and New Era Information Technologies, LLC to provide supplemental computer services to support the MIS and GIS Divisions of the Electronic Information Systems Department for a period of two (2) years at a annual cost not to exceed \$1,700,000.00 is hereby ratified.

SECTION 2. That the cost of support shall be paid from funds in the various departments that utilize this service, accounts 7331, 7214.1, 7214.2, 7745 and 7746.

SECTION 3. That the following is a list of subcontractors approved to provide professional services for this project:

- 1.) Gulf South Technology Solutions, LLC.
- 2.) Ultix Technologies, Inc.
- 3.) Solutient Corporation
- 4.) Geographic Computer Technologies, LLC.
- 5.) Vector Electric & Controls, Inc.
- 6.) Digital Forensics Solutions, LLC.


SECTION 4 That the Chairman of the Jefferson Parish Council, or in his absence the Vice-Chairman, is authorized to sign any and all documents to enforce this resolution.

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

YEAS: 6 NAYS: None ABSENT: (1) Spears

The resolution was declared adopted on this the 19th day of September, 2012.

THE FOREGOING IS CERTIFIED
TO BE A TRUE & CORRECT COPY


EULA A. LOPEZ
PARISH CLERK
JEFFERSON PARISH COUNCIL

Attachment D

CSC Amendments #1, #2, and #3



**AMENDMENT NO. 1 TO THE SERVICES CONTRACT
BETWEEN
THE PARISH OF JEFFERSON
AND
NEW ERA INFORMATION TECHNOLOGIES, L.L.C.**

STATE OF LOUISIANA
PARISH OF JEFFERSON

This amendment made and entered into on this 27th day of May, 2014, by and between the Jefferson Parish Council, hereinafter called PARISH, represented by its Council Chairman, Elton M. Lagasse, authorized by Resolution No. 122791, dated the 30th day of April, 2014 and New Era Information Technologies, L.L.C., hereinafter called VENDOR, represented by David Campbell, its duly authorized President.

WITNESS THAT:

WHEREAS, a two year contract, number RP-249, between Jefferson Parish and New Era Information Technologies, L.L.C., dated September 27, 2012 to provide supplemental computer services for the Electronic Information Systems Department was ratified by Resolution No. 119541, adopted September 19, 2012; and

WHEREAS, Vendor has agreed to a two (2) year extension of its contract at the current cost; and

WHEREAS, it is in the best interest of Jefferson Parish to amend the contract with New Era Information Technologies, L.L.C.

NOW, THEREFORE, it is hereby agreed between the parties that the Contract dated September 27, 2012, ratified by Resolution No. 119541, be amended as follows:

12.2 This Agreement shall terminate on September 30, 2016, unless extended by written amendment.

21.0 Pricing - Contractor agrees to provide the staff positions specified in the Contract Attachment A at the indicated hourly rate. Contractor is allowed to increase the listed price schedule in Attachment A, effective June 1 of the current contract year, by no more than the net percentage change in the CPI between May of the current contract year and October of the previous year using the all Urban Consumers - All Item Index (U.S. City Average) published by the U.S. Department of Labor, Bureau of Labor Statistics, or 5%, whichever is less until the termination of the contract. Notice of new price rates will be delivered in writing to the Director no later than June 30th of the current contract year.

All other provisions of the September 27, 2012 Agreement are to remain unchanged.

IN TESTIMONY WHEREOF, this Amendment No. 4 is executed in four (4) originals on the day and year first above written.

WITNESSES:

Karen B. Pagan

Ann H. Hudry

Karen B. Pagan

Ann H. Hudry

PARISH OF JEFFERSON

BY: *Elton M. Lagasse*
ELTON M. LAGASSE, CHAIRMAN
JEFFERSON PARISH COUNCIL

**New Era Information Technologies,
L.L.C.**

BY: *David Campbell*
DAVID CAMPBELL

On joint motion of all Councilmembers present, the following resolution was offered:

RESOLUTION NO. 126174

A resolution ratifying Amendment No. 2 to the professional services contract with New Era Information Technologies, L.L.C. to provide additional equipment and maintenance for a security system for Jefferson Parish. (Parishwide)

WHEREAS, a two year contract, number RP-249, between Jefferson Parish and New Era Information Technologies, L.L.C., dated September 27, 2012 to provide supplemental computer services to support the MIS and GIS Divisions of the Electronic Information Systems Department was ratified by Resolution No. 119541, and adopted September 19, 2012; and

WHEREAS, Amendment No. 1 to provide a two (2) year extension of the contract with a new termination date of September 30, 2016, was ratified by Resolution No. 122791, adopted on April 30, 2014; and

WHEREAS, Contractor and the Parish have agreed to amend the contract to add equipment and maintenance for a security system for the Department of General Services; and

WHEREAS, it is in the best interest of Jefferson Parish to amend the contract with New Era Information Technologies, L.L.C.

NOW, THEREFORE, BE IT RESOLVED, by the Jefferson Parish Council of Jefferson Parish, Louisiana, acting as the governing authority of said Parish:

SECTION 1. That Amendment No. 2 to the professional services contract with New Era Information Technologies, L.L.C. to provide additional equipment and maintenance for a security system is hereby ratified.

SECTION 2. That all costs associated with Amendment No. 2 shall be taken from Account No. 83560-3988-7432.3.

SECTION 3. That the Chairman of the Jefferson Parish Council, or in his absence the Vice-Chairman, is authorized to sign any and all documents to enforce this resolution.

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

YEAS: 7

NAYS: None

ABSENT: None

The resolution was declared to be adopted on this the 9th day of December, 2015.

THE FOREGOING IS CERTIFIED
TO BE A TRUE & CORRECT COPY

Eula A. Lopez
EULA A. LOPEZ
PARISH CLERK
JEFFERSON PARISH COUNCIL

**AMENDMENT NO. 2 TO THE SERVICES CONTRACT
BETWEEN
THE PARISH OF JEFFERSON
AND
NEW ERA INFORMATION TECHNOLOGIES, L.L.C.**

STATE OF LOUISIANA
PARISH OF JEFFERSON

→ This Amendment made and entered into on this 16th day of February, 2016, by and between the Jefferson Parish Council, hereinafter called PARISH, represented by its Council Chairman, Cynthia Lee-Shang, authorized by Resolution No. 126174, dated the 9th day of December, 2015 and New Era Information Technologies, L.L.C., hereinafter called Contractor, represented by David Campbell, its duly authorized President.

WITNESS THAT:

WHEREAS, a two year contract, number RP-249, between Jefferson Parish and New Era Information Technologies, L.L.C., dated September 27, 2012 to provide supplemental computer services for the Electronic Information Systems Department was ratified by Resolution No. 119541, adopted September 19, 2012; and

WHEREAS, Amendment No. 1 to provide a two (2) year extension of the contract with a new termination date of September 30, 2016, was ratified by Resolution No. 122791, adopted on April 30, 2014; and

WHEREAS, Contractor and PARISH have agreed to amend the contract to add equipment and maintenance for a security system for the Department of General Services; and

WHEREAS, it is in the best interest of Jefferson Parish to amend the contract with New Era Information Technologies, L.L.C.

NOW, THEREFORE, it is hereby agreed between the parties that the Contract dated September 27, 2012, as amended by Amendment No. 1, be amended as follows:

Section 1. Add the following to "Scope of Work to be Performed.":

"Contractor shall provide equipment and maintenance for a security system for PARISH, as required in the following scope of services:

- Provide new equipment on an as needed basis to upgrade and expand existing parish wide security systems. This new equipment shall operate with the current Jefferson Parish systems. This equipment will be part of the contract and purchased as needed:
 - Card access
 - Identification Management
 - Video cameras, digital video recorders and all other peripheral items needed to properly operate a parish wide CCTV system.
 - Labor
 - Wiring, conduit, etc.
 - Mounting brackets, holders, etc.

- Provide equipment as needed to replace existing equipment which may become non-operational on an existing Level Access Control Hardware/Software (ACHS) and an Identification Management System Security System consisting of, but not limited to, Access Control Hardware/Software (ACHS), card swipe with and without code access, audio and/or visual equipment, computer equipment (hardware and software) and an Identification Management System including printers, cameras, access cards, and all associated primary and peripheral equipment needed to provide a full security system. An equal system to the existing system will be allowed. However, it will be the responsibility of the Contractor to replace all current equipment in order for the Security/ID Management Operations to remain the same or better than the existing system
- Provide security consulting services on all hardware and software updates
- Provide annual software support and maintenance
- Provide training/operator support services

All work for the equipment and maintenance of the security system shall be under the direction of the Jefferson Parish Department of General Services, and all requests, plans, reports, etc. shall be submitted to it and all approvals and administration of the security system shall be through it."

Section 2. Add the following:

"21.0 Pricing – Contractor agrees to provide all services and maintenance of the security system at a cost not exceed \$160,000.00 per year. The total cost for an embedded technician to perform additional programming, access control and video software data input, updates and software clean-up shall not exceed 325 hours per year at a rate of \$105.00 per hour for a total of \$34,125.00 per year. The total cost for all additional installation of new equipment shall not exceed \$800,000.00 per year." (1)

All other provisions of the Original Agreement, as amended by Amendment No. 1 are to remain unchanged.

IN TESTIMONY WHEREOF, this Amendment No. 2 is executed in four (4) originals on the day and year first above written.

WITNESSES:

Norma Linder

Ann H. Hudry

Alan M. Smith

Wesley B. Brown

PARISH OF JEFFERSON

BY: *Cynthia Lee Sheng*
CYNTHIA LEE SHENG, CHAIRWOMAN
JEFFERSON PARISH COUNCIL

New Era Information Technologies, L.L.C.

BY: *David Campbell*
DAVID CAMPBELL
PRESIDENT

**AMENDMENT NO. 3 TO THE SERVICES CONTRACT
BETWEEN
THE PARISH OF JEFFERSON
AND
NEW ERA INFORMATION TECHNOLOGIES, L.L.C.**

STATE OF LOUISIANA
PARISH OF JEFFERSON

This amendment made and entered into on this 20th day of October, 2016, by and between the Jefferson Parish Council, hereinafter called PARISH, represented by its Council Chairwoman, Cynthia Lee-Sheng, authorized by Resolution No. 127893, dated the 21st day of September, 2016 and New Era Information Technologies, L.L.C., hereinafter called VENDOR, represented by David Campbell, its duly authorized President.

WITNESSETH

WHEREAS, a two year contract, number RP-0249, between Jefferson Parish and New Era Information Technologies, L.L.C., dated September 27, 2012 to provide supplemental computer services for the Electronic Information Systems Department was ratified by Resolution No. 119541, adopted September 19, 2012; and

WHEREAS, pursuant to Resolution No. 122791, adopted on April 30, 2014, Amendment No. 1 was ratified, which extended the contract for 2 years to September 30, 2016; and

WHEREAS, pursuant to Resolution No. 126174, adopted on December 9, 2015, Amendment No. 2 was ratified, which increased the scope of services to include equipment and maintenance for a security system for the Department of General Services was ratified; and

WHEREAS, the Parish and New Era Information Technologies, LLC desire to further provisionally extend the term of the Agreement, as amended by the 1st and 2nd Amendments, in accordance with the provisions of this 3rd Amendment.

NOW, THEREFORE, for good and valuable consideration and the mutual covenants contained herein, the receipt and sufficiency of said consideration, which is acknowledged and evidenced by the Parties respective signatures hereto, the Parish and Vendor agree as follows:

SECTION 1. Preambles: The foregoing preambles are accepted as true and correct by the parties and are incorporated herein as if stated fully in their entirety herein.

SECTION 2. Section 12.2 of the original agreement shall be amended as follows:

12.2. The term of the Agreement shall be month-to-month until a new contract with a vendor is executed, or until December 31, 2016, whichever occurs sooner.

SECTION 3. Miscellaneous: Except where specifically modified herein, the remainder of the Agreement is intact, valid, and fully enforceable. The

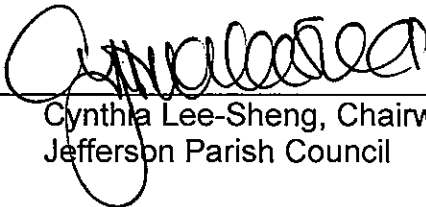
Agreement as amended by this Third Amendment represents the full agreement by the parties thereto and supersedes any written or oral representations concerning the subject matter therein, except in written form signed by both parties. For conflicts between the Agreement, as amended by the First and Second Amendments, and this Third Amendment, this Third Amendment shall control. This Third Amendment shall be executed in four (4) originals and may be executed as counterparts, with each signature when combined shall constitute a fully executed agreement.

THUS DONE AND EXECUTED by the Parties before the undersigned competent witnesses on the day, month and year first above written.

WITNESSES:

Norma Liew
Paula A. Lopez

PARISH OF JEFFERSON

BY: 
Cynthia Lee-Sheng, Chairwoman
Jefferson Parish Council

**NEW ERA INFORMATION
TECHNOLOGIES, L.L.C.**

Norma Liew
Paula A. Lopez

BY: 
David Campbell, President

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

RESOLUTION NO. 127893

A resolution ratifying the attached Amendment No. 3 to the professional services contract with New Era Information Technologies, L.L.C. to provide supplemental computer services to support the MIS and GIS Divisions of the Electronic Information Systems Department, which extends the contract month-to-month until a new supplemental services agreement with a vendor is executed, or until December 31, 2016, whichever is sooner.
(Parishwide)

WHEREAS, a two year contract, number RP-0249, between Jefferson Parish and New Era Information Technologies, L.L.C., dated September 27, 2012 to provide supplemental computer services to support the MIS and GIS Divisions of the Electronic Information Systems Department was ratified by Resolution No. 119541, and adopted September 19, 2012; and

WHEREAS, pursuant to Resolution No. 122791, adopted on April 30, 2014 Amendment No. 1, dated May 27, 2014, was ratified, which extended the contract for 2 years to September 30, 2016; and

WHEREAS, pursuant to Resolution No. 126174, adopted on December 9, 2015, Amendment No. 2 was ratified, which increased the scope of services to include equipment and maintenance for a security system for the Department of General Services; and

WHEREAS, the parish is evaluating proposals from vendors for supplemental computer services; and

WHEREAS, a new contract will not be awarded to a vendor until after the expiration of the current contract; and

WHEREAS, Section 12.2 of the contract grants the Parish the option to extend the contract; and

WHEREAS, it is in the best interest of the Parish to extend the contract month-to-month until a new contract with a vendor is executed, or until December 31, 2016, whichever is sooner.

NOW, THEREFORE, BE IT RESOLVED, by the Jefferson Parish Council of Jefferson Parish, Louisiana, acting as the governing authority of said Parish:

SECTION 1. That Amendment No. 3 to extend contract RP-0249 with New Era Information Technologies, L.L.C. month-to-month until a new contract with a vendor is executed, or until December 31, 2016, whichever is sooner, is hereby ratified.

SECTION 2. There are no costs associated with this amendment.

SECTION 3. That all other terms and conditions remain the same.

SECTION 4. That the Chairwoman of the Jefferson Parish Council, or in her absence the Vice-Chairman, is authorized to sign any and all documents to enforce this resolution.

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


YEAS: 6

NAYS: None

ABSENT: (1) Spears

The resolution was declared to be adopted on this the **21st** day of **September, 2016**.

THE FOREGOING IS CERTIFIED
TO BE A TRUE & CORRECT COPY


EULA A. LOPEZ
PARISH CLERK
JEFFERSON PARISH COUNCIL

Attachment E

Security Services Contract (SSC)



AGREEMENT
BETWEEN
THE PARISH OF JEFFERSON
AND

NEW ERA INFORMATION TECHNOLOGIES, LLC

THIS AGREEMENT, (the "Agreement") is made and entered into on this 5th day of DECEMBER 2016, by and between the Parish of Jefferson, State of Louisiana, herein represented by its Council Chairwoman, Cynthia Lee-Sheng, of the Jefferson Parish Council (hereinafter referred to as PARISH), duly authorized to act by Resolution No. 128149, adopted on the 2nd day of November, 2016 and New Era Information Technologies, LLC (hereinafter referred to as FIRM), duly authorized to do and doing business in the State of Louisiana, represented herein by David B. Campbell, its President/CEO. PARISH and FIRM may be referred to herein as "PARTY," individually, and "PARTIES," collectively.

- 1.0 Administration of Agreement.** All work shall be under the direction of the Director of the Department of General Services or his designee, hereinafter called MANAGER, and all requests, plans, reports, etc. shall be submitted to it and all approvals and administration of this Agreement shall be through it.
- 2.0 Scope of Agreement.** FIRM shall provide and install new and replacement equipment, service, and maintenance of an existing security system consisting of, but not limited to, Access Control Hardware/Software (ACHS), card swipe with and without PIN code access, audio and/or visual equipment and digital recorders for a complete Video Management System (VMS), computer equipment (hardware and software), for the complete management of ACHS, VMS, and an Identification Management System, for the Department of General Services. FIRM shall meet the scope of services as per the RFP No. 0345 as amended and FIRM'S written bid proposal dated July 1, 2016, copies of which are on file in the Office of the Chief Buyer for Parish of Jefferson under RFP No. 0345.
- 3.0 Operations.**
- 3.1 Term.** The term of this Agreement shall commence on the date of full execution hereof, and shall expire at midnight on the day immediately preceding the third anniversary thereof.
- 3.2 Locations.** FIRM shall operate out of any location deemed necessary by PARISH as provided in the Scope of Services, above.
- 3.3 Hours.** FIRM shall maintain such hours as necessary to meet the requirements of this Agreement.
- 3.4 Efficient and High Quality Operation.** FIRM shall maintain an operation which is efficient and of a level of quality equal to or greater than industry standards.
- 3.5 Products and Necessities.** FIRM shall furnish all working capital, services, inventory, personnel, materials, tools, machinery, equipment and other items necessary to perform FIRM's obligations under this Agreement.
- 3.6 Items.** FIRM shall not advertise its services rendered for Jefferson Parish without prior written consent of PARISH.
- 3.7 Licenses and Permits.** FIRM shall obtain and keep at its own expense all federal, state and local licenses and permits required to be in its name in connection with this Agreement.

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11659298 MORTGAGE BOOK 4718 PAGE 213

3.8 Compliance with Law, Rules and Regulation. FIRM shall comply with all applicable laws, rules and regulations.

3.9 Duty and Responsibilities. FIRM owes to MANAGER a duty to perform FIRM'S obligation under this agreement with integrity and good faith and in a manner that is in the best interests of the MANAGER and FIRM and consistent with the terms of this Agreement.

4.0 Financial Matters.

4.1 Operating Expenses. FIRM is responsible for the payment of all operating expenses required as a result of providing services herein.

4.2 Payments. PARISH shall pay FIRM in accordance with Attachment A on a net thirty (30) basis from the date of receipt by PARISH. The total costs for all additional installation of new equipment outlined under this agreement shall not exceed Seven Hundred Fifty Thousand Dollars (\$750,000.00) per year for a total contract cap of Two Million Two Hundred Fifty Thousand Dollars (\$2,250,000.00), and the total cost for all services and maintenance outlined under this agreement shall not exceed One Hundred Eighty-Seven Thousand Six Hundred Eighty-Seven Dollars and Fifty Cents (\$187,687.50) for year one; One Hundred Eighty-Seven Thousand Six Hundred Eighty-Seven Dollars and Fifty Cents (\$187,687.50) for year two; and One Hundred Eighty-Seven Thousand Six Hundred Eighty-Seven Dollars and Fifty Cents (\$187,687.50) for year three for a total contract cap of Five Hundred Sixty-Three Thousand Sixty-Two Dollars and Fifty Cents (\$563,062.50), and the total cost for an embedded technician to perform additional programming, access control and video software data input, updates, and software clean-up up to 325 hours per year for a total of 975 hours, at Ninety-Five Dollars (\$95.00) per hour for a total of Thirty Thousand Eight Hundred Seventy-Five Dollars (\$30,875.00) per year for a total contract cap of Ninety-Two Thousand Six Hundred Twenty-Five Dollars (\$92,625.00); a contract cap for year one in the amount of Nine Hundred Sixty-Eight Thousand Five Hundred Sixty-Two Dollars and Fifty Cents (\$968,562.50); a contract cap for year two in the amount of Nine Hundred Sixty-Eight Thousand Five Hundred Sixty-Two Dollars and Fifty Cents (\$968,562.50); a contract cap for year three in the amount of Nine Hundred Sixty-Eight Thousand Five Hundred Sixty-Two Dollars and Fifty Cents (\$968,562.50), for a grand total contract cap of Two Million Nine Hundred Five Thousand Six Hundred Eighty-Seven Dollars and Fifty Cents (\$2,905,687.50).

4.3 Appropriation Dependency. Agreement is contingent upon the appropriation of funds by PARISH. If the Jefferson Parish Council fails to appropriate sufficient monies to provide for the continuation of this Agreement, the Agreement shall terminate on the last day of the fiscal year for which funds were appropriated. Such termination shall be without penalty or expense to PARISH except for payments which have been earned prior to the termination date. Termination of this Agreement by PARISH under the provision of this section shall not constitute an event of default. The decision to fund or not to fund this Agreement for the next fiscal year will be made by the Parish Council in its unfettered discretion based upon what the Parish Council believes to be in the best interests of PARISH. The Parish Council may in its discretion opt not to fund this Agreement for a subsequent fiscal year or years for any reason.

4.4 Performance Bond. Contemporaneous with the execution of this Agreement, FIRM shall provide a performance bond issued by Gray Surety, which is underwritten by a commercial surety, in the amount Five Hundred Thousand and 00/100 Dollars (\$500,000.00) to insure the successful performance under the terms and conditions of this Agreement.

5.0 Records, Accounts and Reports.

- 5.1 Books and Records.** FIRM shall maintain adequate books of account with respect to its services, in accordance with generally accepted accounting principles (GAAP) in a form and method acceptable to MANAGER, within Jefferson Parish for a period not to exceed three (3) years after termination of this Agreement. FIRM shall permit MANAGER and MANAGER's agents from time-to-time within forty-eight (48) hours written notice, to inspect, copy and audit during FIRM'S normal business office hours, the books and records pertaining to the services provided under this Agreement. MANAGER's right to audit, inspect, and make copies of FIRM's records shall be at the sole expense of MANAGER.
- 5.2 Periodic and/or Annual Reports.** At any time, the MANAGER may request that FIRM, with the minimum of ten (10) days written notice, prepare and/or produce a report of the results of operations, as it pertains to this Agreement, in the previous fiscal year prepared in accordance with generally accepted accounting principles (GAAP). The report must be prepared and certified by an independent certified public accounting firm. (For purposes of this Agreement, each "fiscal year" begins on January 1 and ends on December 31 of the same year.)

6.0 Personnel.

- 6.1 Employees.** FIRM shall employ, train and supervise personnel with appropriate qualifications and experience and in sufficient numbers to provide all services required under this Agreement. All persons engaged by FIRM shall be the sole and exclusive employees of FIRM and shall be paid by FIRM. FIRM shall pay all applicable social security, unemployment, workers' compensation and other employment taxes.
- 6.2 Appropriate Personnel.** FIRM shall provide only trained personnel. FIRM'S employees shall conduct themselves at all times in a proper and respectful manner in accordance with MANAGER's employee policy. If MANAGER determines that any employee of FIRM is unsatisfactory in any material respect, MANAGER shall request FIRM to exclude the employee or employees from work under this contract, and FIRM shall so comply with such request.
- 6.3 Non-Discrimination.** FIRM shall not discriminate against any employee or applicant for employment because of age, race, creed, sex, color national origin, or disability.
- 6.4 Substitution of Personnel.** FIRM acknowledges that this Agreement is contingent upon the personnel defined in FIRM's written proposal, and that if during the term of this Agreement, FIRM is unable to provide those defined personnel, FIRM shall substitute personnel which shall meet or exceed the requirements stated herein. A detailed resume of qualifications and justifications shall be submitted to PARISH for approval prior to each personnel substitution request, said approval not to be unreasonably withheld conditioned or delayed.
- 7.0 Termination or Suspension.** The terms of this Agreement shall be binding upon the PARTIES hereto until the work has been completed and accepted by PARISH; but this Agreement may be terminated under any or all of the following conditions:
- a. By mutual agreement and consent of the PARTIES hereto.
 - b. By PARISH as a consequence of the failure of FIRM to comply with the terms or quality of work in a satisfactory manner, proper allowance being made for circumstances beyond the control of FIRM, provided PARISH will give FIRM written notice of any such failure and ten (10) days (or more if authorized in

writing by the MANAGER) to cure any such failure.

- c. By either PARTY upon failure of the other PARTY to fulfill its obligation as set forth in the Agreement.
- d. By PARISH for convenience by issuing FIRM thirty (30) days written notice.

8.0 Notice. Any communications to be given hereunder by either PARTY to the other shall be deemed to be duly given if set forth in writing and personally delivered or sent by mail, registered or certified, postage prepaid with return receipt requested, as follows:

PARISH: Cynthia Lee-Sheng
Council Chairwoman
Jefferson Parish Council
200 Derbigny Street, Suite 6200
Gretna, Louisiana 70053

FIRM: New Era Information Technologies, LLC
David B. Campbell, President/CEO
277 Plauche Street
Harahan, LA 70123

8.1 Written notices hereunder delivered personally shall be deemed communicated as of actual receipt; mailed notices shall be deemed communicated five (5) days after deposit in the mail, post prepaid, certified, in accordance with this Paragraph.

9.0 Independent Contractor. While in the performance of services or carrying out the obligations under this agreement, FIRM shall be acting in the capacity of independent contractor and not as employee of PARISH, and not as partner of, or joint venturer of PARISH. PARISH shall not be obliged to any person, firm or corporation for any obligations of FIRM arising from the performance of their services under this Agreement.

The PARTIES hereto acknowledge and agree that PARISH shall not:

- a. withhold federal or state income taxes;
- b. withhold federal social security tax (FICA);
- c. pay federal or state unemployment taxes for the account of FIRM; or
- d. pay workers' compensation insurance premiums for coverage for FIRM.

9.1 FIRM agrees to be responsible for and to pay all applicable federal income taxes, federal social security tax (or self-employment tax in lieu thereof) and any other applicable federal or state unemployment taxes.

9.2 FIRM agrees to indemnify and hold PARISH harmless from any and all federal and/or state income tax liability, including taxes, interest and penalties, resulting from PARISH'S treatment of FIRM as an independent contractor. FIRM further agrees to reimburse PARISH for any and all costs it incurs, including, but not limited to, accounting fees and legal fees, in defending itself against any such liability.

10.0 Insurance. FIRM shall secure and maintain at its expense such insurance that will protect it, and PARISH, from claims under the Workers' Compensation Acts and from claims for bodily injury, death or property damage which may arise from the performance of services under this Agreement. All certificates of insurance shall be furnished to PARISH and shall provide that insurance shall not be canceled without notice of cancellation given to the Parish of Jefferson, in writing, on all of the required coverage provided to Jefferson Parish. All notices will name FIRM, and identify the Council Resolution approving the terms of this Agreement. PARISH may examine the policies at any time and without notice.

10.1 All policies and certificates of insurance of the firm shall contain the following clauses:

- a. FIRM insurers will have no right of recovery or subrogation against PARISH, it being the intention of the PARTIES that the insurance policy so affected shall protect both PARTIES and be the primary coverage for any and all losses covered by the below described insurance.
- b. PARISH shall be named as additional insured as regards to general liability and automobile liability with respect to negligence by FIRM.
- c. The insurance company(ies) issuing the policy or policies shall have no recourse against PARISH for payment of any premiums or for assessments under any form of policy.
- d. Any and all deductibles in the below described insurance policies shall be assumed by and be at the sole risk of FIRM.

10.2 Prior to the execution of this Agreement, FIRM shall provide at its own expense, proof of the following insurance coverage required by the contract to PARISH by insurance companies authorized to do business in the State of Louisiana. Insurance is to be placed with insurers with an A.M. Best Rating of no less than A:VI.

- a. In the event FIRM hires workers within the State of Louisiana it shall obtain Workers' Compensation Insurance. As required by Louisiana State Statute exception, employer's liability shall be at least \$1,000,000.00 per occurrence when work is to be over water and involves maritime exposures; otherwise this limit shall be no less than \$500,000.00 per occurrence.
- b. Commercial General Liability Insurance with a Combined Single Limit of at least \$1,000,000.00 per occurrence for bodily injury and property damage.
- c. Business Automobile Liability Insurance with a Combined Single Limit of \$1,000,000.00 per occurrence for bodily injury and property damage, unless otherwise indicated. This insurance shall include coverage for bodily injury and property damage.

10.3 All policies of insurance shall meet the requirements of PARISH prior to the commencing of any work. PARISH has the right but not the duty to approve all insurance policies prior to commencing of any work. If at any time any of the said policies shall be or becomes unsatisfactory to PARISH as to form or substance, or if a company issuing any such policy shall be or become unsatisfactory to PARISH, FIRM shall promptly obtain a new policy, submit the same to PARISH for approval and submit a certificate thereof as provided above.

10.4 Upon failure of FIRM to furnish, to deliver and maintain such insurance as above provided, this contract, at the election of PARISH, may be forthwith declared suspended, discontinued or terminated. Failure of FIRM to take out and/or to maintain insurance shall not relieve FIRM from any liability under the contract, nor shall the insurance requirements be construed to conflict with the obligation of FIRM concerning indemnification.

11.0 Indemnification. FIRM shall indemnify and hold harmless PARISH against any and all claims, demands, suits, costs, liabilities or judgments for sums of money, and fines or penalties asserted by any person, firm or organization for loss of life or injury or damages to person or property in connection with the services required to be performed by FIRM under this Agreement. Further, FIRM hereby agrees to indemnify PARISH for all reasonable expenses and attorney's fees incurred by or imposed upon PARISH in connection therewith for any loss, damage, injury or other casualty pursuant to this section. FIRM further agrees to pay all reasonable expenses and attorney's fees incurred by PARISH in establishing the right to indemnity pursuant to the provisions of this Section.

12.0 Non-exclusivity. FIRM acknowledges and agrees that the rights and obligations conferred and contained herein shall be non-exclusive in nature, and PARISH makes no

representations or warranties to the contrary.

- 13.0 Covenant against Contingent Fees.** FIRM warrants that it has not employed or retained any company or person, other than a bona-fide employee working solely for FIRM, to solicit or secure this contract, and that it has not paid or agreed to pay any company or person, other than bona-fide employees working solely for FIRM, any fee, commission, percentage, brokerage fee, gifts, or any other consideration, contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, PARISH shall have the right to annul this Agreement without liability.
- 14.0 Assignment.** This Agreement shall be binding upon the successors and assigns for the PARTIES hereto. This Agreement being for the personal services of FIRM, shall not be assigned or subcontracted in whole or in part by FIRM as to the services to be performed hereunder without the written consent of PARISH, in PARISH'S sole discretion.
- 15.0 Governing Law and Jurisdiction.** This Agreement shall be deemed to be made under the laws of the State of Louisiana, and for all purposes shall be interpreted in its entirety in accordance with the laws of said State. FIRM hereby agrees and consents to the jurisdiction of the courts of the State of Louisiana over its person. The PARTIES hereto agree that the sole and exclusive jurisdiction and venue for any suit or proceeding brought pursuant to this contract shall be the 24th Judicial District Court for the Parish of Jefferson, State of Louisiana.
- 16.0 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 PARISH, 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.
- 17.0 Severability.** If any provision of this Agreement is held invalid by a Court of competent jurisdiction, such provision will be deemed amended in a manner which renders it valid, or if it cannot be amended, it will be deemed to be deleted. Such amendment or deletion shall not affect the validity of any other provisions of this Agreement.
- 18.0 Entire Agreement and Amendment.** This Agreement represents the entire Agreement between PARISH and FIRM. This Agreement may only be amended in writing by authority of a Jefferson Parish Council Resolution, and must be signed by both PARISH and FIRM.
- 19.0 Order of Precedence.** Should there be any conflict among the contract documents, the RFP and FIRM's proposal, the following order of precedence shall govern the resolution of the conflict:
- 1) This Agreement;
 - 2) RFP 0345 and addenda;
 - 3) Resolution No. 113646
 - 4) FIRM's written proposal;

IN TESTIMONY WHEREOF, this Agreement is fully executed in four (4) originals, the day and year first above written.

Witnesses:

PARISH OF JEFFERSON

Karen B. Osegua
Printed Name: KAREN B. OSEGUERA

By: Cynthia Lee-Sheng
Cynthia Lee-Sheng, Chairwoman
Jefferson Parish Council

Ann H. Guidry
Printed Name: Ann H. Guidry

Witnesses:

NEW ERA INFORMATION
TECHNOLOGIES, LLC

Karen B. Osegua
Printed Name: KAREN B. OSEGUERA

By: David B. Campbell
David B. Campbell
President/CEO

Ann H. Guidry
Printed Name: Ann H. Guidry

ATTACHMENT A

PRICING SCHEDULE/FEE SCHEDULE

Attachment B, Part 1
RFP 0345

ADDENDUM #2

EQUIPMENT PRICE LIST FOR NEW EQUIPMENT TO BE INSTALLED ON AN AS NEEDED BASIS			
CAMERAS		UNIT	COST
VARIFOCAL	1.3 MEGAPIXELS	1	\$388.30
	3 MEGAPIXELS	1	\$478.50
	5 MEGAPIXELS	1	\$1,016.40
	6 MEGAPIXELS	1	\$1,122.00
FIXED	1.3 MEGAPIXELS	1	\$388.30
	3 MEGAPIXELS	1	\$478.50
	5 MEGAPIXELS	1	\$1,016.40
	6 MEGAPIXELS	1	\$1,122.00
WIDE	1.3 MEGAPIXELS	1	\$388.30
	3 MEGAPIXELS	1	\$478.50
	5 MEGAPIXELS	1	\$1,016.40
	6 MEGAPIXELS	1	\$1,122.00
AUTO	1.3 MEGAPIXELS	1	N/A
	3 MEGAPIXELS	1	\$500.50
	5 MEGAPIXELS	1	\$1,036.20
	6 MEGAPIXELS	1	\$1,122.00
FISHEYE	1.3 MEGAPIXELS	1	N/A
	3 MEGAPIXELS	1	\$425.00
	5 MEGAPIXELS	1	\$525.00
	6 MEGAPIXELS	1	\$559.68
DIGITAL VIDEO RECORDER	4G	1	\$1,439.56
	8G	1	\$1,741.14
	12G	1	\$2,058.34
	16G	1	\$2,544.21
	24G	1	\$3,163.01
	32G	1	\$4,083.08

EQUIPMENT PRICE LIST FOR NEW EQUIPMENT- cont.			
READERS	MAG STRIPE	1	\$471.24
	PROX	1	\$403.70
	BIOMETRIC THUMB PRINT	1	\$1,386.00
	REGULAR	1	N/A
MERCURY BOARDS	EP 1501	1	\$551.18
	EP1502	1	\$1,359.07
	EP2500	1	\$1,386.76
WIRE/CABLE REQUIRED		FEET	
CAT 6 COMPOSITE ACCESS CONTROL CABLE	PLENUM	100	\$220.00
	RISER	100	\$165.00
BATTERY BACKUP		UNIT	
	MINIMUM 60 MINUTE BATTERY POWERED BACK-UP FOR ACCESS CONTROL AND VIDEO SYSTEM	1	\$925.00
LABOR		HOUR	
	TECHNICIAN	1	\$65.00
	HELPER	1	\$45.00
GRAND TOTAL			\$35,191.27

ADDENDUM #2

Attachment C
Price Schedule

1. Provide grand total from Attachment "B", Part 1, TITLED "EQUIPMENT PRICE LIST FOR NEW EQUIPMENT TO BE INSTALLED ON AN AS NEEDED BASIS"

A.) TOTAL: \$35,191.27

Note: (Provide unit pricing with installation for each piece of all equipment. This pricing will be used during the duration of the contract.)

2. Using Attachment "B" Part 2 the Maintenance Proposal and Contractors Specifications, provide price per year maintenance of equipment.

Year One \$187,687.50
 Year Two \$187,687.50
 Year Three \$187,687.50

B.) TOTAL: \$563,062.50

3. Provide price per hour for an embedded technician to perform additional programming, access control and video software data input, updates and software clean-up up to 325 hours per year for a total of 975 hours.

Price per hour \$95 x 975 hours = C.) \$92,625.00

A + B + C = GRAND TOTAL \$690,878.77

Financial Proposals are to be submitted in a separate sealed envelope and will not be included in the evaluation criteria.

4. Proposers should list any and all incidentals (intended and anticipated) for use in completion of the scope of work. This list of incidentals is to be used for all hardware, brackets, ties, etc. necessary for the installation of new video and/or a card access systems on an as needed basis. This portion of the cost proposal will not be scored; however, it will be evaluated as necessary. Proposers may submit listing and pricing on additional sheets of paper as necessary.

INCIDENTALS

ITEM DESCRIPTION	QUANTITY	COST
Digital Video Recorder - Frontier		\$3,323.70
4TB	1	\$4,935.60
8TB	1	\$5,540.40
12TB	1	\$11,911.50
16TB	1	\$15,977.70
24TB	1	\$18,109.80
32TB	1	\$20,241.90
Battery Backup		
Eaton 3000 VA w Network Card	1	\$1,785.50

INCIDENTALS (Continued)

<u>Item Description</u>	<u>Unit</u>	<u>Cost</u>
Mercury Access		
MR50 - Reader Subcontroller	1	\$342.29
MR52 - Reader Subcontroller	1	\$732.39
Mercury Readers		
WS-10 Weather Shield, brushed stainless, vertical	1	\$39.33
A-RC Reader connector cable, replacement (lot of 5)	1	\$26.74
A-SS Security screw (lot of 10)	1	\$11.01
A-SK Security screw key - for 'A-SS' (lot of 5)	1	\$25.17
A-GREASE Grease Tube (5-pack)	1	\$11.01
OT Tamber contact - for both direct and data outputs	1	\$11.01
WP-10 Wallplate covers for single gang box	1	\$11.01
Reader Accessories, Pedestals, Hoods & Intercoms		
Parking lot Pedestal, 39" Car Height	1	\$440.44
Biometrics		
HID iClass readers with smartphone & keypad	1	\$925.00
HID iClass readers with smart phone capabilities	1	\$685.00
Badges/Printers/Credentials - HID- iClass Credentials		
iClass Contactless Smartcard	1	\$3.65
iClass Prox Contactless Smartcard	1	\$7.88
iClass Prox Contactless Keyfob	1	\$10.75

On motion of **Mr. Templet**, and seconded by **Ms. Lee-Sheng**, present, the following resolution was offered:

RESOLUTION NO. 128149

A resolution ratifying an Agreement with **New Era Information Technologies, LLC** to provide and install new and replacement equipment, service, and maintenance of an existing security system consisting of, but not limited to, Access Control Hardware/Software (ACHS), card swipe with and without PIN code access, audio and/or visual equipment and digital recorders for a complete Video Management System (VMS), computer equipment (hardware and software), for the complete management of ACHS, VMS, and an Identification Management System, for the Department of General Services under RFP No. 0345, for an amount not to exceed Two Million Nine Hundred Five Thousand Six Hundred Eighty-Seven Dollars and Fifty Cents (\$2,905,687.50). (Parishwide)

WHEREAS, pursuant to Resolution No. 126945 adopted on the 20th day of April, 2016, the Jefferson Parish Council authorized the Purchasing Department to advertise for Request for Proposals to provide equipment and maintenance of an existing security system consisting of, but not limited to, Access Control Hardware/Software (ACHS), card swipe with and without PIN code access, audio and/or visual equipment and recorders for a complete video management system (VMS), computer equipment (hardware and software), and an Identification Management System, for the Department of General Services under RFP No. 0345; and

WHEREAS, it is in the best interest of Jefferson Parish to advertise for Request for Proposals (RFP) from firms interested and qualified to provide equipment and maintenance of an existing ACHS and VMS security system; and

WHEREAS, Maintenance, repair, replacement, and new installation of security and identification equipment, cards/badges, etc. is essential to security functions for parish departments and their facilities; and

WHEREAS, pursuant to Resolution No. 127934, adopted on the 5th day of October, 2016, the Jefferson Parish Council selected New Era Information Technologies, LLC to provide equipment and maintenance of an existing security system consisting of, but not limited to, Access Control Hardware/Software (ACHS), card swipe with and without PIN code access, audio and/or visual equipment and recorders for a complete video management system (VMS), computer equipment (hardware and software), and an Identification Management System, for the Department of General Services under RFP No. 0345.

NOW THEREFORE, BE IT RESOLVED by the Parish Council of Jefferson Parish, State of Louisiana as governing authority of said Parish:

SECTION 1. That the Agreement with **New Era Information Technologies, LLC** to provide and install new and replacement equipment, service, and maintenance of an existing security system consisting of, but not limited to, Access Control Hardware/Software (ACHS), card swipe with and without PIN code access, audio and/or visual equipment and digital recorders for a complete video management system (VMS), computer equipment (hardware and software), for the complete management of ACHS, VMS, and an Identification Management System, for the Department of General Services under RFP No. 0345, is hereby ratified.

SECTION 2. That the total costs for all additional installation of new equipment outlined under this agreement shall not exceed Seven Hundred Fifty Thousand Dollars (\$750,000.00) per year for a total contract cap of Two Million Two Hundred Fifty Thousand Dollars (\$2,250,000.00), and the total cost for all services and maintenance outlined under this agreement shall not exceed One Hundred Eighty-Seven Thousand Six Hundred Eighty-Seven Dollars and Fifty Cents (\$187,687.50) for year one; One Hundred Eighty-Seven Thousand Six Hundred Eighty-Seven Dollars and Fifty Cents (\$187,687.50) for year two; and One Hundred Eighty-Seven Thousand Six Hundred Eighty-Seven Dollars and Fifty Cents (\$187,687.50) for year three for a total contract cap of Five Hundred Sixty-Three Thousand Sixty-Two Dollars and Fifty Cents (\$563,062.50), and the

total cost for an embedded technician to perform additional programming, access control and video software data input, updates, and software clean-up up to 325 hours per year for a total of 975 hours, at Ninety-Five Dollars (\$95.00) per hour for a total of Thirty Thousand Eight Hundred Seventy-Five Dollars (\$30,875.00) per year for a total contract cap of Ninety-Two Thousand Six Hundred Twenty-Five Dollars (\$92,625.00); a contract cap for year one in the amount of Nine Hundred Sixty-Eight Thousand Five Hundred Sixty-Two Dollars and Fifty Cents (\$968,562.50); a contract cap for year two in the amount of Nine Hundred Sixty-Eight Thousand Five Hundred Sixty-Two Dollars and Fifty Cents (\$968,562.50); a contract cap for year three in the amount of Nine Hundred Sixty-Eight Thousand Five Hundred Sixty-Two Dollars and Fifty Cents (\$968,562.50), for a grand total contract cap of Two Million Nine Hundred Five Thousand Six Hundred Eighty-Seven Dollars and Fifty Cents (\$2,905,687.50).

SECTION 3. That all costs associated with the maintenance portion of this agreement in the amount of Five Hundred Sixty-Three Thousand Sixty-Two Dollars and Fifty Cents (\$563,062.50) and all cost associated for an embedded technician to perform additional programming, access control and video software data input, updates, and software clean-up up to 325 hours per year for a total of 975 hours, at Ninety-Five Dollars (\$95.00) per hour for a total of Thirty Thousand Eight Hundred Seventy-Five Dollars (\$30,875.00) per year for a total contract cap of Ninety-Two Thousand Six Hundred Twenty-Five Dollars (\$92,625.00) on an as needed basis shall be charged to Account No. 63560-3968-7432.3, and all other costs associated with this agreement shall be charged to Account No. 7432.3 of the user department.

SECTION 4. That the term of contract shall commence on the date of execution of the agreement.

SECTION 5. That the Chairwoman of the Jefferson Parish Council, or in her absence the Vice-Chairman, is hereby authorized to execute any and all documents necessary to give full force and effect to this resolution.

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

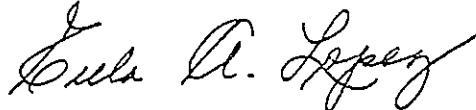
YEAS: 6

NAYS: None

ABSENT: (1) Roberts

The resolution was declared to be adopted on this the 2nd day of November, 2016.

THE FOREGOING IS CERTIFIED
TO BE A TRUE & CORRECT COPY



EULA A. LOPEZ
PARISH CLERK
JEFFERSON PARISH COUNCIL

RFP-345
Section 1.34
(SSC)



Further, proposer shall agree to indemnify the Parish of Jefferson, its departments, agencies, boards and commissions, officers, agents, servants and employees, including volunteers for all reasonable expenses and attorney's fees incurred by or imposed in connection therewith for any loss, damage, injury or other casualty pursuant to this RFP. Proposer additionally shall agree to pay all reasonable expenses and attorney's fees incurred by the Parish of Jefferson, its departments, agencies, boards and commissions, officers, agents, servants and employees, including volunteers in establishing the right to indemnity pursuant to the provisions stated herein.

1.34 Payment for Services

The proposer shall address and send the invoice to the General Services Department- Security Division pursuant to the payment terms negotiated in the agreement. Payments will be made by the General Services Department- Security Division no earlier than thirty (30) days after receipt of a properly executed invoice, and approval by the General Services Department- Security Division. Invoices shall include the contract and order number, using department and product purchased. Invoices submitted without the referenced documentation will not be approved for payment until the required information is provided.

With each invoice submitted, the person or firm holding said non-bid contract shall acknowledge that no subcontractors or other persons have been added to the contract without prior Council approval by resolution. Failure to comply with this section shall result in penalties imposed upon the person or firm under contract as set forth in section 2-935.1 for professional service providers.

Successful proposers submitting payment requests for services in connection with pre-placed emergency contracts, as defined by Section 2-917 of the Jefferson Parish Code of Ordinances shall provide a list of all sub-contractors used in the performance of the pre-placed emergency contracts prior to payment on the contract.

THIS SECTION INTENTIONALLY LEFT BLANK

Federal Acquisition
Regulation (FAR)
Section 9.602



9.602 General.

(a) Contractor team arrangements may be desirable from both a Government and industry standpoint in order to enable the companies involved to-

(1) Complement each other's unique capabilities; and

(2) Offer the Government the best combination of performance, cost, and delivery for the system or product being acquired.

(b) Contractor team arrangements may be particularly appropriate in complex research and development acquisitions, but may be used in other appropriate acquisitions, including production.

(c) The companies involved normally form a contractor team arrangement before submitting an offer. However, they may enter into an arrangement later in the acquisition process, including after contract award.

Parent topic: [Subpart 9.6 - Contractor Team Arrangements](#)

New Era Invoices
Manually Tested





Invoice

New Era Information Technologies
 277 Plauche St
 Harahan, LA 70123

Invoice # 40324
 Date 02/09/16
 P.O. #
 Due Date 04/01/16

Jefferson Parish Government
 1221 Elmwood Park Blvd
 Jefferson, LA 70123

Description	Quantity	U/M	Price	Amount
April, May, June 2016 Security & Access Control Support	3	ea	13333.3333	40,000.00

Comments

Sub-total 40,000.00
 Taxes (0.00%) 0.00
Total 40,000.00

Ac# 1085097



Invoice

New Era Information Technologies
 277 Plaque St
 Harahan, LA 70123

Invoice # 40422
 Date 05/31/16
 P.O. # 16-0014886
 Due Date 06/15/16

Jefferson Parish Government
 1221 Elmwood Park Blvd
 Jefferson, LA 70123

Description	Quantity	U/M	Price	Amount
Indoor Hikvision 1.3mp Dome Cameras	4	ea	424.00	1,696.00
Outdoor 3mp Bullet Cameras	8	ea	522.00	4,176.00
16 Channel NVR w/ 12tb of Storage	1	ea	2840.00	2,840.00
Labor & Materials	1	ea	7272.00	7,272.00
Electronic Door Lock Set and Video Call Box	1	ea	4350.00	4,350.00

Comments	Sub-total	Amount
Terrytown Headstart		20,334.00
	Taxes (0.00%)	0.00
	Total	20,334.00

ACH 1089878



Invoice

New Era Information Technologies
 277 Plauche St
 Harahan, LA 70123

Invoice # 40424
 Date 05/31/16
 P.O. # 16-0014886
 Due Date 06/15/16

Jefferson Parish Government
 1221 Elmwood Park Blvd
 Jefferson, LA 70123

Description	Quantity	U/M	Price	Amount
Outdoor 3mp Bullet Cameras	4	ea	522.00	2,088.00
32 Channel NVR w/ 12tb of Storage	1	ea	3312.00	3,312.00
Labor & Materials	1	ea	5757.00	5,757.00
Electronic Door Lock Set and Video Call Box	1	ea	4350.00	4,350.00
Comments			Sub-total	15,507.00
Kenner Headstart			Taxes (0.00%)	0.00
			Total	15,507.00

Acct 108 9878



Invoice

New Era Information Technologies
277 Plauche St
Harahan, LA 70123

Invoice # 40426
Date 07/06/16
P.O. #
Due Date 08/06/16

Jefferson Parish Government
1221 Elmwood Park Blvd
Jefferson , LA 70123

Description	Quantity	U/M	Price	Amount
July, August, September 2016 Security & Access Control Support	3	ea	13333.3333	40,000.00

Comments

Sub-total 40,000.00
Taxes (0.00%) 0.00
Total 40,000.00

ACH 1088959



Invoice

New Era Information Technologies
 277 Plauche St
 Harahan, LA 70123

Invoice # 40427
 Date 07/06/16
 P.O. #
 Due Date 08/06/16

24th JDC
 Jerry Bourgeois
 802 2nd St
 Second Floor
 Gretna, LA 70053

Description	Quantity	U/M	Price	Amount
Hikvision 1.3 Megapixel HD Indoor Dome Vari-Focal Camera	31	ea	395.16	12,249.96
Hikvision 3 Megapixel HD Indoor Dome Vari-Focal Camera	18	ea	483.92	8,710.56
HIKVISION H9016W 16+16 Ch Hybrid DVR 12TB	4	ea	2967.55	11,870.20
Trendnet 16 POE Switch	4	ea	537.59	2,150.36
7500 ft CAT 5e Cable	1	ea	2950.00	2,950.00
Open Ceiling, Conduit Pull(per 100ft.)	50	ea	195.00	9,750.00
Camera/System Installation & Configuration	1	ea	10350.00	10,350.00
Comments			Sub-total	58,031.08
			Taxes (0.00%)	0.00
			Total	58,031.08

AcH 1088928



Invoice

New Era Information Technologies
 277 Plauche St
 Harahan, LA 70123

Invoice # 40456
 Date 07/28/16
 P.O. #
 Due Date 07/28/16

Jefferson Parish Government
 1221 Elmwood Park Blvd
 Jefferson, LA 70123

Description	Quantity	U/M	Price	Amount
Access Control - Card Reader Door Stations and Cable	14	ea	325.60	4,558.40
Access Control - 4 reader/door Control Panel	4	ea	2468.00	9,872.00
Access Control - Gate access reader Pedestal	1	ea	110.00	110.00
Access Control - Mag Stripe Card Readers	15	ea	432.50	6,487.50
Access Control - Labor & Installation	1	ea	10536.00	10,536.00
CCTV - Indoor Hikvision 1.3mp Dome Cameras (DS-2CD4112FWD-IZ)	29	ea	435.00	12,615.00
CCTV - Outdoor 2mp Dome Cameras (DS-2CD2722FWD-IZS)	13	ea	353.00	4,589.00
CCTV - Labor & Installation	1	ea	6900.00	6,900.00
Data/Network - 238 Drops - Cat 6 Data Network cabling, Camera Network Cabling, 5 - 48 port patch panels, Labor & Installation, Testing & Certifying, Patch Cables	1	ea	49865.00	49,865.00
Data/Network - 2 Post Free Standing Data Rack	1	ea	269.00	269.00

Comments	Sub-total	105,801.90
	Taxes (0.00%)	0.00
	Total	105,801.90

Ac# 1090024



Invoice

New Era Information Technologies
 277 Plauche St
 Harahan, LA 70123

Invoice # 40466
 Date 09/28/16
 P.O. # 16-0017831
 Due Date 09/28/16

Jefferson Parish Dept of Transit
 Sharon W. Leader, Director of Transit
 21 Westbank Expwy
 Gretna, LA 70053

Description	Quantity	U/M	Price	Amount
Hikvision 3mp Bullet Cameras	11	ea	522.00	5,742.00
Required Network Switches	1	ea	544.00	544.00
Varifocal Hikvision 3mp Dome Cameras	4	ea	522.00	2,088.00
32 Channel NVR w/ 48tb of Storage and local Monitor	1	ea	7548.00	7,548.00
Labor & Materials	1	ea	24373.00	24,373.00
Hikvision 2mp Low Light Box Cameras w/ Lense	14	ea	1512.00	21,168.00
** Discount above item - due to missing off original specs. Originally included 12, but needed 14. Adjusted to include 14, but discounted 2 to keep at the price of 12.	2	ea	-1512.00	-3,024.00

Comments

Sub-total	58,439.00
Taxes (0.00%)	-0.00
Total	58,439.00

Ac# 1093573



Invoice

New Era Information Technologies
 277 Plauche St
 Harahan, LA 70123

Invoice # 46498
 Date 10/15/16
 P.O. # 16-0016716
 Due Date 10/15/16

Jefferson Parish Fire Department
 Mike Defourneaux
 1221 Elmwood Park Blvd
 Suite 404
 Jefferson, LA 70123

Description	Quantity	U/M	Price	Amount
Access Control - Card Reader Door Stations, hardware, locks, etc	11	ea	406.00	4,466.00
Access Control - Door Control Panels	7	ea	1073.00	7,511.00
Access Control - Gate Access Reader Pedestal and Automation	1	ea	96.00	96.00
Access Control - HID iClass readers with smart phone capabilities	14	ea	440.00	6,160.00
Access Control - Labor and Cabling	1	ea	8503.00	8,503.00
CCTV - Indoor Hikvision 1.3mp Dome Cameras	2	ea	536.00	1,072.00
CCTV - Outdoor BOX CAMERA Cameras	12	ea	831.00	9,972.00
CCTV - NVR 12 tb of storage	1	ea	3905.00	3,905.00
CCTV - Stand Alone IP Video Call Box System	1	ea	3840.00	3,840.00
CCTV - Labor & Cabling	1	ea	6450.00	6,450.00

Comments	Sub-total	51,975.00
Fire HQ - Security	Taxes (0.00%)	0.00
	Total	51,975.00

Ac# 109 4418



Invoice

New Era Information Technologies
 277 Plaque St
 Harahan, LA 70123

Invoice # 46501
 Date 10/15/16
 P.O. # 16-0016716
 Due Date 10/15/16

Jefferson Parish Fire Department
 Mike Defourneaux
 1221 Elmwood Park Blvd
 Suite 404
 Jefferson, LA 70123

Description	Quantity	U/M	Price	Amount
Outdoor Hikvision 3mp Dome Cameras	4	ea	522.00	2,088.00
16 Channel NVR w/ 8tb of Storage and local Monitor	1	ea	2900.00	2,900.00
Labor & Materials	1	ea	6979.00	6,979.00
Comments			Sub-total	11,967.00
Station 11			Taxes (0.00%)	0.00
			Total	11,967.00

Acct 1094418



Invoice

New Era Information Technologies
 277 Plauche St
 Harahan, LA 70123

Invoice # 46503
 Date 10/15/16
 P.O. # 16-0016716
 Due Date 10/15/16

Jefferson Parish Fire Department
 Mike Defourneaux
 1221 Elmwood Park Blvd
 Suite 404
 Jefferson, LA 70123

Description	Quantity	U/M	Price	Amount
Outdoor Hikvision 3mp Dome Cameras	5	ea	522.00	2,610.00
16 Channel NVR w/ 8tb of Storage and local Monitor	1	ea	2900.00	2,900.00
Labor & Materials	1	ea	6979.00	6,979.00
Comments			Sub-total	12,489.00
Station 14			Taxes (0.00%)	0.00
			Total	12,489.00

Acct# 1094418



Invoice

New Era Information Technologies
 277 Plauche St
 Harahan, LA 70123

Invoice # 46505
 Date 10/15/16
 P.O. # 16-0016716
 Due Date 10/15/16

Jefferson Parish Fire Department
 Mike Defourneaux
 1221 Elmwood Park Blvd
 Suite 404
 Jefferson, LA 70123

Description	Quantity	U/M	Price	Amount
Outdoor Hikvision 3mp Dome Cameras	4	ea	522.00	2,088.00
16 Channel NVR w/ 8tb of Storage and local Monitor	1	ea	2900.00	2,900.00
Labor & Materials	1	ea	6979.00	6,979.00

Comments
 Station 18

Sub-total	11,967.00
Taxes (0.00%)	0.00
Total	11,967.00

Ac# 109 4418



Invoice

New Era Information Technologies
 277 Plauche St
 Harahan, LA 70123

Invoice # 46508
 Date 10/15/16
 P.O. # 16-0016716
 Due Date 10/15/16

Jefferson Parish Fire Department
 Mike Defourneaux
 1221 Elmwood Park Blvd
 Suite 404
 Jefferson, LA 70123

Description	Quantity	U/M	Price	Amount
Outdoor Hikvision 3mp Dome Cameras	5	ea	522.00	2,610.00
16 Channel NVR w/ 8tb of Storage and local Monitor	1	ea	2900.00	2,900.00
Labor & Materials	1	ea	6979.00	6,979.00
Comments			Sub-total	12,489.00
Station 13			Taxes (0.00%)	0.00
			Total	12,489.00

Ac# 1094418



Invoice

New Era Information Technologies
 277 Plauche St
 Harahan, LA 70123

Invoice # 46569
 Date 01/11/17
 P.O. # RFP 345
 Due Date 01/27/17

Jefferson Parish
 Department of General Services
 Anthony Francis, Director
 200 Derbigny St, Suite 3300
 Gretna, LA 70053

Description	Quantity	U/M	Price	Amount
Jan - Mar 2017 Security & Access Control Support	1	ea	46921.88	46,921.88
Comments			Sub-total	46,921.88
			Taxes (0.00%)	0.00
			Total	46,921.88

Ac # 1094847



Invoice

New Era Information Technologies
277 Plaque St
Harahan, LA 70123

Invoice # 46596
Date 04/05/17
P.O. # RFP 345
Due Date 04/20/17

Jefferson Parish Security
Gary Hargroder, Director
1221 Elmwood Park Blvd
Jefferson , LA 70123

Description	Quantity	U/M	Price	Amount
Apr - Jun 2017 Security & Access Control Support	1	ea	46921.88	46,921.88
Comments			Sub-total	46,921.88
			Taxes (0.00%)	0.00
			Total	46,921.88

Ac# 1097709



Invoice

New Era Information Technologies
 277 Plauche St
 Harahan, LA 70123

Invoice # 46597
 Date 04/05/17
 P.O. #
 Due Date 04/05/17

Robin Beaulieu, Director
 2701 Lapalco Blvd
 Harvey, LA 70058 USA

Description	Quantity	U/M	Price	Amount
CCTV - Frontier Video Server - 48 TB - NVR	1	ea	12333.00	12,333.00
CCTV - Frontier Video License per camera	42	ea	125.00	5,250.00

Comments	Sub-total	17,583.00
JP Westbank Animal Shelter - Final components to video surveillance from original project scope of Quote #36	Taxes (0.00%)	0.00
	Total	17,583.00

Ac# 110 1957



Invoice

New Era Information Technologies
 277 Plaque St
 Harahan, LA 70123

Invoice # 46632
 Date 07/18/17
 P.O. #
 Due Date 07/18/17

Jefferson Parish Security
 Gary Hargroder, Director
 1221 Elmwood Park Blvd
 Jefferson, LA 70123

Description	Quantity	U/M	Price	Amount
Jul - Sept 2017 Security & Access Control Support	1	ea	46921.88	46,921.88
Comments			Sub-total	46,921.88
Jul - Sept 2017 Security & Access Control Support			Taxes (0.00%)	0.00
			Total	46,921.88

Acct 1101343



Invoice

New Era Information Technologies
 277 Plauche St
 Harahan, LA 70123

Invoice # 46634
 Date 07/19/17
 P.O. # 17-0001572
 Due Date 07/19/17

Jefferson Parish Dept of Transit
 Sharon W. Leader, Director of Transit
 21 Westbank Expwy
 Gretna, LA 70053

Description	Quantity	U/M	Price	Amount
Hikvision 3mp Bullet Cameras	14	ea	522.00	7,308.00
Hikvision 1.3mp Dome Cameras	6	ea	424.00	2,544.00
Required Network Switches	2	ea	544.00	1,088.00
Vari-focal Hikvision 3mp Dome Cameras	4	ea	522.00	2,088.00
32 Channel NVR w/ 48lb of Storage and local Monitor	1	ea	7548.00	7,548.00
Labor & Materials	1	ea	26241.00	26,241.00
Comments				
EB Transit Security Cameras - Quote 92				
			Sub-total	46,817.00
			Taxes (0.00%)	0.00
			Total	46,817.00



Invoice

New Era Information Technologies
 277 Plaque St
 Harahan, LA 70123

Invoice # 46642
 Date 07/19/17
 P.O. #
 Due Date 08/03/17

Jefferson Parish Dept of Transit
 Sharon W. Leader, Director of Transit
 21 Westbank Expwy
 Gretna, LA 70053

Description	Quantity	U/M	Price	Amount
Hikvision 3mp Bullet Cameras	12	ea	522.00	6,264.00
Hikvision 1.3mp Dome Cameras	4	ea	424.00	1,696.00
Required Network Switches	2	ea	544.00	1,088.00
Varifocal Hikvision 3mp Dome Cameras	2	ea	522.00	1,044.00
32 Channel NVR w/ 48tb of Storage and local Monitor	1	ea	7548.00	7,548.00
Labor & Materials	1	ea	25195.00	25,195.00

Comments
 WB Transit Security Camera Project

Sub-total	42,835.00
Taxes (0.00%)	0.00
Total	42,835.00

Attachment I

Parish Administration Response





JEFFERSON PARISH

Office of the President

Michael S. Yenni
President

December 16, 2019

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

**RE: Administration Response to JPOIG Draft Audit 2017-0027
Security Services Contracting**

Dear Mr. McClintock:

In accordance with the provisions of Sec. 2-155.10(9)(c) of the Jefferson Parish Code of Ordinances the Administration provides the following response to Office Of Inspector General (JPOIG) Draft Audit 2017-0027 – Security Services Contracting (the “Audit”), which was received in the Parish President’s office on October 24, 2019.

As noted in the Audit two separate contracts with New Era Information Technology LLC were reviewed by the JPOIG: a computer services contract dated September 27, 2012 and amended on May 27, 2014 (the CSC), and a security services contract dated December 5, 2016 (the SSC). Both contracts were awarded by the Jefferson Parish Council pursuant to a Requests for Proposals process. The Audit produced nine “Findings and Observations” which will be addressed individually, and in accordance with prior requests from JPOIG each response will commence with “Agree”, “Disagree” or “Agree in Part”.

FINDING 1: Inefficient/Ineffective Contract Model

Agree. Virtually all of the observations contained in the Audit had been previously identified by the General Services and Security Departments and will be addressed before the present CSC and SSC contracts expire. The Administration is presently reviewing and anticipating extensive changes to the specifications and contract language for the SSC, which will likely be ready for advertisement long before the present contract extension expires at the end of 2020. Similar attention will be paid to the CSC prior to the present contract expiration in June 2021. It is also anticipated that future contracts for security services will identify the vendor by a bid process rather than through an RFP.

FINDING 2: Lack of Adequate Contract Oversight

Agree. The Financial Management System can track “Tasks” which can be used as “sub-caps” as referred to on Bates page 11. The Tasks include contracted costs of one or more elements of a contract, all of which contribute to the overall contract cap, but which can be monitored individually.

FINDINGS 3 & 4: Lack of Support for Invoices (CSC and SSC)

Agree. It should be noted, however, that documentation other than the vendor invoices reviewed by the JPOIG exists. Since February 2017 the contractor has utilized a “ticketing” system to receive and track requests for security services. A “ticket” is generated by the requesting department which details the problem to be addressed, to which the contractor then may add comments regarding the service performed to remedy the problem. Copies of a number of such service tickets are attached as *in globo* Exhibit “A”. In the future the vendor will be instructed to include the required detail on the individual invoices as an additional means of verification.

It is also noted that the Audit discussion of Lack of Support for Invoices (Bates page 12) contains the following statement: *The Contractor invoiced a lump sum for maintenance on a monthly basis. The Parish paid \$53,333 under the computer services contract, and \$281,531 under the security services contract for a maintenance total of \$334,864. Since these numbers represent 1/12 of the contracted rate for monthly maintenance as provided in the cost proposal of the RFP, the invoiced amounts are contractually due whether the contractor works 20 hours or 220 hours.*

FINDING 5: Contractor Improperly Passed on Sales Tax Charges

Disagree. The Administration believes that use of the word “Improperly” in this finding is misleading for the following reason(s).

Although LSA-R.S. 47:301(8)(c) does clearly provide that state governmental entities are exempt from payment of sales taxes, well established policy in the Jefferson Parish has restricted application of the statutory exemption to “...publically bid construction projects which require \$500,000 or more in equipment purchases.”¹ In order to extend the sales tax exemption to vendors similar to the CSC and SSC vendor would require a change in a long-standing Parish policy, after due consideration of the possible ramifications to other taxing authorities which currently benefit from sales taxes. Those entities include the Jefferson Parish School Board (2%) and the Jefferson Parish Sheriff’s Office (3/8%).

It is therefore somewhat disingenuous to conclude that the contractor has “improperly” passed on sales tax charges when there was no contractual prohibition to do so.

FINDING 6: Overbillings on Security Services Contract

Agree. Over the past 12 months steps have been taken by the Security and General Services Departments to assure that incorrect billings are rejected. The process now in place is as follows.

The Security Department first performs a security needs assessment at the facility followed by a walk-through with the contractor to assure complete understanding of the scope of work and equipment expected. An estimate is then prepared by the contractor and submitted to the requesting department

¹ Memoranda from Parish President’s Office July 6, 2015 & May 1, 2017
(See Exhibits “B” & “C”)

for review, revision if required, and approval. A final walk-through is performed by the Security Department following completion of the project prior to approval of final payment.

FINDING 7: Lack of Written Agreements with Subcontractor

Disagree. JPOIG apparently sought documents for review from the contractor who advised that they did not possess such documents, and referred the JPOIG to their subcontractor. The finding is based on contract language requiring the contractor to "...maintain adequate books of account with respect to its services...", and we do agree that the contractor should have been in possession of all documents pertaining to the services. We disagree, however, that the solution is to require contractors to have written contracts imposing specific requirements on their subcontractors. Ultimately the contractor is responsible for fulfilling all terms and conditions of the contract, and how the contractor chooses to do that is not and should not be of concern to the Parish. It is sufficient to provide for consequences in the event of any contractor default in performance.

FINDING 8: Lack of a Security Services Plan

Agree. The Security Department has already begun the process of creating "Security Districts" for management of Critical Infrastructure/Key Resources (CIKR), and it is reasonably anticipated that a complete and manageable system will be developed and implemented as soon as practical.

As a final comment the Administration wishes to state its objection to the "Findings and Observations" found on Bates page 22 of the Audit. The dollar amounts of the "Questioned Costs by Contract" presuppose that the Parish received no benefit whatsoever from the CSC and SSC contracts, which is patently untrue. Although it is admittedly impractical for the JPOIG to have derived a precise number of dollars that might have been saved had all of the safeguards noted in the findings been implemented, we submit that it is grossly misleading and improper to simply state the full amount of the contracts as "questioned costs".

Respectfully,



Michael J. Power
Chief Administrative Assistant

Cc: Michael S. Yenni, Parish President
Walter R. Brooks, Chief Operating Officer

#203 door not working properly

Contact Name	Account Name	Status	Ticket Owner
ajoseph	Jefferson Parish Dept of Security	Closed	UnAssigned
Due Date	Priority	Channel Name	Created Time
05 Jun 2017 08:54 PM	High	Web	05 Jun 2017 02:54 PM

[THREAD - INCOMING] **ajoseph** ajoseph@jeffparish.net 05 Jun 2017 02:54 PM

please send someone out to check the door on the council side. it is not working properly. thank you.

[COMMENT] **Grant Crawford** grant.crawford@vec24-7.com Private 07 Jun 2017 01:37 PM

the card in question is working properly as of 6/5/2017 @5:00PM



095

#318 camera system

Contact Name	Account Name	Status	Ticket Owner
ajoseph	Jefferson Parish Dept of Security	Closed	UnAssigned
Due Date	Priority	Channel Name	Created Time
28 Sep 2017 10:43 AM	High	Email	26 Sep 2017 10:43 AM

[THREAD - INCOMING] **ajoseph** ajoseph@jeffparish.net 26 Sep 2017 10:43 AM

Please send a Tech out to help with the camera system at Owens Playground. Thank you.

[THREAD - INCOMING] **gdaigle** gdaigle@vec24-7.com Private 27 Sep 2017 07:53 AM

From gdaigle@vec24-7.com

To support@newerait.zohosupport.com

PC running VMS software is over heating and reboots periodically. Recommend better ventilation
From: New Era IT [mailto:support@newerait.zohosupport.com] Sent: Tuesday, September 26, 2017 10:44 AM To: Charles Giardina <cgiardina@vec24-7.com>; Gary Daigle <gdaigle@vec24-7.com>; glen@newerait.net; Grant Crawford <grant.crawford@vec24-7.com> Subject: #318 camera system A new ticket has been submitted by ajoseph at 09/26/2017 08:43 AM. Priority: High Date Due: Location: Owens - 11101 NEWTON ST. : Category: Service required for security equipment - swipes cameras etc. #318 camera system Please send a Tech out to help with the camera system at Owens Playground. Thank you. View ticket

#392 Magnetic Door Lock not working

Contact Name	Account Name	Status	Ticket Owner
Gary Hargroder	Jefferson Parish Dept of Security	Closed	UnAssigned
Due Date	Priority	Channel Name	Created Time
20 Dec 2017 01:50 PM	Critical	Web	18 Dec 2017 01:50 PM

[THREAD - INCOMING] **Gary Hargroder** ghargroder@jeffparish.net 18 Dec 2017 01:50 PM

The magnetic door swipe on the door leading to the 2nd floor offices at Westbank Sewerage,1440 River Park Road, Bridge City, LA 70094 is out. The contact person at that office is Mary Grace Bealer, phone number 437-4811. Complaint taken via Hargroder

[COMMENT] **Grant Crawford** grant.crawford@vec24-7.com 21 Dec 2017 11:58 AM

See zsu[#394:43625940de04afbc4b623fcc3e85017eafb6719abeecaa48]zsu. Issue fixed.

[COMMENT] **Gary Hargroder** ghargroder@jeffparish.net 21 Dec 2017 02:00 PM

Thanks Grant / yu the best.....

#452 Jutland Headstart door release

Contact Name	Account Name	Status	Ticket Owner
aantoine	Jefferson Parish Dept of Security	Closed	UnAssigned
Due Date	Priority	Channel Name	Created Time
22 Mar 2018 11:44 AM	Critical	Web	20 Mar 2018 11:44 AM

[THREAD - INCOMING] **aantoine** aantoine@jeffparish.net 20 Mar 2018 11:44 AM

We are having issues here a Jutland with the front door/buzzer. The door continues to get stuck and we are unable to unlock it using the security mechanism that was originally put in place. Actually we had to prop the door open and monitor it this morning for arrival because the door was stuck closed and nothing would open it unless someone would literally open it or hold it open for the next parent to come in or go out. Please send someone out ASAP. Thank you.

[COMMENT] **Gary Daigle** gdaigle@vec24-7.com 20 Mar 2018 01:32 PM

tech is onsite now. it appears something has malfunctioned in the lock assembly itself. getting it replaced.

[COMMENT] **Gary Daigle** gdaigle@vec24-7.com 26 Mar 2018 09:08 AM

replaced it on march 20

JEFFERSON PARISH

DEPARTMENT OF GENERAL SERVICES
SECURITY DIVISION



Ticket No.

ST18-1

Priority

HIGH

WorkTicket

Building:	Jefferson Playground
Location:	4100 South Dr
Area:	2nd Flr hallway east upper mech room
Requested By:	SCOTT MUHOBERAC Parks & Recreation
Contact:	SCOTT 504-736-6999

Request Date	Request Type	Completion Date	Assignment
04/18/18	E-Mail Request	--	CONTRACTOR

WORK TYPE: SECURITY

WORK REQUEST:

CAMERAS ARE OUT AT JEFFERSON PLAYGROUND: CAMERA 6 NEEDS FOCUSING, CAMERA 11 IS OUT, AND CAMERA 4 IS SIDEWAYS. CHAD RAMIREZ IS THE CENTER SUPERVISOR AND GERARD FENASCI IS THE ASSISTANT SUPERVISOR

REMARKS:

NEW ERA TICKET #473

JEFFERSON PARISH

DEPARTMENT OF GENERAL SERVICES
SECURITY DIVISION



Ticket No.

ST18-11

Priority

HIGH

WorkTicket

Building:	General Govt. Building
Location:	1st Floor
Area:	ENTRANCE
Requested By:	CHRIS FORTMAYER SECURITY OFFICE
Contact:	CHRIS FORTMAYER

Request Date	Request Type	Completion Date	Assignment
05/10/18	E-Mail Request	--	CONTRACTOR

WORK TYPE: SECURITY

WORK REQUEST:

THE CAMERA THAT FACES THE ENTRANCE FROM THE ROTUNDA AREA IN THE GGN IS NOT WORKING.

REMARKS:

NEW ERA WORK TICKET NO. 484

JEFFERSON PARISH

DEPARTMENT OF GENERAL SERVICES
SECURITY DIVISION



Ticket No.

ST18-12

Priority

HIGH

WorkTicket

Building:	Streets Department (Ames)
Location:	01st Floor
Area:	1901 Ames Blvd
Requested By:	AMY BOURG Streets Department
Contact:	AMY BOURG

Request Date	Request Type	Completion Date	Assignment
05/10/18	In-House Request	--	CONTRACTOR

WORK TYPE: SECURITY

WORK REQUEST:

AMES BACK DOOR CAMERA IS OUT.

REMARKS:

NEW ERA TICKET NO. 485

#519 Camera 11 out

Contact Name	Account Name	Status	Ticket Owner
aantoine	Jefferson Parish Dept of Security	Closed	UnAssigned
Due Date	Priority	Channel Name	Created Time
07 Jul 2018 12:13 PM	High	Web	05 Jul 2018 12:13 PM

[THREAD - INCOMING] **aantoine** aantoine@jeffparish.net 05 Jul 2018 12:13 PM

Please send someone out to check the camera 11. It stop recording July 3, 2018 at 21:44. Thank you.

[COMMENT] **Gary Daigle** gdaigle@vec24-7.com 11 Jul 2018 02:29 PM

lubricated and working. ordering replacements though

#557 Clerk of Court Warehouse

Contact Name	Account Name	Status	Ticket Owner
aantoine	Jefferson Parish Dept of Security	Closed	UnAssigned
Due Date	Priority	Channel Name	Created Time
19 Aug 2018 09:47 AM	Critical	Web	17 Aug 2018 09:47 AM

[THREAD - INCOMING] **aantoine** aantoine@jeffparish.net 17 Aug 2018 09:47 AM

The evidence warehouse 1128 4th Street, informs me the back security camera has come loose and is hanging from the wall. It appears to be a plastic housing and perhaps the constant exposure to the sun has caused some deterioration. Please send someone out. Thank you.

[COMMENT] **Gary Daigle** gdaigle@vec24-7.com 21 Aug 2018 01:37 PM

remounted to the wall

#563 Division D courtroom camera

Contact Name	Account Name	Status	Ticket Owner
aantoine	Jefferson Parish Dept of Security	Closed	UnAssigned
Due Date	Priority	Channel Name	Created Time
25 Aug 2018 10:36 AM	Critical	Web	23 Aug 2018 10:36 AM

[THREAD - INCOMING] **aantoine** aantoine@jeffparish.net 23 Aug 2018 10:36 AM

Division D courtroom, 5th floor Donelon Bldg, is frozen, instead of live mode. Please send someone out ASAP. Thank you.

[COMMENT] **Gary Daigle** gdaigle@vec24-7.com 23 Aug 2018 11:04 AM

cycled power on the camera and is back up and running



PARISH OF JEFFERSON
OFFICE OF THE PRESIDENT

JOHN F. YOUNG, JR.
PARISH PRESIDENT

JACQUES MOLAISON
CHIEF OPERATING OFFICER

MEMORANDUM

TO: JEFFERSON PARISH DIRECTORS
FROM: JACQUES MOLAISON
CHIEF OPERATING OFFICER
DATE: JULY 6, 2015
RE: SALES TAX EXEMPT PROJECTS

Jefferson Parish is exempt from paying sales taxes under Louisiana Revised Statute 47:301(8)(c) which provides that *payment of the state sales and use tax and the sales and use tax levied by any political subdivision, person shall not include this state, any parish, city and parish, municipality, district or other political subdivision thereof, or any agency, board, commission or instrumentality of this state or its political subdivisions.* Further, Louisiana law provides that a political subdivision of the State of Louisiana may designate contractors as agents for the purpose of making sales tax exempt purchases on behalf of the political subdivision.

Accordingly, Jefferson Parish may designate a contractor as an agent for the purposes of making sales tax exempt purchases on behalf of Jefferson Parish. This policy shall set forth parameters when presenting to Council for approval of same.

EXHIBIT

"B"
105B

Jefferson Parish Policy for Sales Tax Exempt Projects:
Contractor/Agency Relationship for the Use of the Parish's Sales Tax Exemption Status

Background

Jefferson Parish is exempt from paying sales taxes under Louisiana Revised Statute 47:301(8)(c) which provides that *payment of the state sales and use tax and the sales and use tax levied by any political subdivision, person shall not include this state, any parish, city and parish, municipality, district or other political subdivision thereof, or any agency, board, commission or instrumentality of this state or its political subdivisions.* Further, Louisiana law provides that a political subdivision of the State of Louisiana may designate contractors as agents for the purpose of making sales tax exempt purchases on behalf of the political subdivision.

Accordingly, Jefferson Parish may designate a contractor as an agent for the purposes of making sales tax exempt purchases on behalf of Jefferson Parish. This policy shall set forth parameters when presenting to Council for approval of same.

Scope

The Jefferson Parish Administration shall authorize a project to be presented to the Jefferson Parish Council for consideration and designation as "Sales Tax Exempt," provided that:

- 1) The project is a publicly bid construction project which requires \$500,000 or more in equipment purchases; and,
- 2) The bidding documents contain the Agency Agreement and the following language in the *Important Notice to Bidders* form to notify all prospective bidders that the project will be "Sales Tax Exempt":

"Contractor shall not pay any state or local sales or use taxes on materials and equipment which are affixed and made part of the immovable property of the project or which is permanently incorporated into the project (hereinafter referred to as "applicable materials and equipment"). All purchases of applicable materials or equipment shall be made by the contractor on behalf of and as the agent of Jefferson Parish (Owner), a political subdivision of the State of Louisiana. No state and local sales and use taxes are owed on applicable materials and equipment under the provisions of Act 1029 of the 1991 Regular Session – Louisiana Revised Statute 47:301(8)(c). Owner will furnish contractor a certificate form which certifies that Owner is not required to pay such state or local sales and use taxes, and contractor shall furnish a copy of such certificate to all vendors or suppliers of the applicable materials and equipment."

- 3) Probable construction cost and projected tax savings are presented by the requesting department to the General Advisory Board for Procurement (GAB); and,
- 4) The GAB has reviewed the requested procurement action for compliance with State and Parish purchasing policies and procedures, more specifically with the requirements stated in #2; and,
- 5) Upon receiving the GAB Notice of No Objection, the requesting department shall route a resolution to the Council requesting authorization for advertisement and designation of the project as "Sales Tax Exempt." The GAB form shall be included in the route along with the GAB Notice of No Objection.

- 6) Once the Council adopts the resolution, all bidding documents including the GAB form and GAB Notice of No Objection must be sent to the Purchasing Department according to standard purchasing procedures.
- 7) Upon reviewing and evaluation of bid submissions, requesting department shall route a resolution requesting the Council to accept the lowest responsible bid and designate the successful bidder as an agent of the Parish for the purposes of making sales tax exempt purchases on behalf of Jefferson Parish for that specific bid project. A template of this Resolution is attached. The Resolution shall identify all subcontractors who will be using the Parish's tax exempt status. If no subcontractors are known at the time, but are however, added to the project and it is determined that the subcontractors use the Parish's tax exempt status, then each subcontractor shall be identified and presented to the Council for approval.

The designation shall commence on the date of contract execution and shall be effective two years from the date of execution, unless the Project has been completed by Final Acceptance prior to the two year term. In that case, the agency agreement shall expire and terminate on the date of Final Acceptance. Jefferson Parish shall provide a "Designation of Agency Agreement and Sales Tax Exemption Certificate" to be properly executed by both the contractor and Jefferson Parish at the same time as contract execution and in lieu of Louisiana Department of Revenue Form R-1020. Further, if sub-contracts will be used for the project, each subcontractor and Jefferson Parish must execute the "Designation of Agency Agreement and Sales Tax Exemption Certificate." This Agreement is attached for your reference. The "Designation of Agency Agreement" shall serve as evidence of the sale tax exempt status that has been conferred onto the contractor and/or subcontractor. No other exemption certificate form will be necessary to claim exemption from sales tax.

**Designation of Construction Contractor as Agent of a Governmental Entity
and Sales Tax Exemption Certificate**

The Parish of Jefferson (hereinafter PARISH), a political subdivision of the State of Louisiana, does hereby designate the following contractor as its agent for the purpose of making sales tax exempt purchases on behalf of PARISH, as provided by, and in accordance with, Louisiana Revised Statute, LSA-R.S. 47:301(8)(c).

Name of Contractor		
Address		
City	State	Zip

This designation shall be effective for purchases of component construction materials, taxable services and leases and rentals of tangible personal property for the following named construction project:

Construction Project	Bid Proposal Number
----------------------	---------------------

The designation and acceptance of agency is effective for the following period:

Beginning Date (mm/dd/yyyy)	End Date (mm/dd/yyyy)
-----------------------------	-----------------------

If the above named Project is completed by Final Acceptance prior to the End Date specified above, this agency agreement shall expire and terminate upon the date of Final Acceptance.

This agency agreement is **strictly limited** to purchases made on behalf of PARISH for the above named Project. Purchases for the named project during this period by the designated contractor shall be considered as the legal equivalent of purchases directly by PARISH. Any materials purchased by this agent shall immediately, upon the vendor's delivery to the agent, become the property of PARISH.

Contractor agrees and acknowledges that although materials purchased by Contractor as the PARISH's agent for purposes of making sales tax exempt purchases become the property of PARISH upon delivery by the vendor to the Contractor, Contractor remains obligated to pay all vendors directly for materials purchased. PARISH shall not be liable for payment for any materials until such time as Contractor delivers the materials to the Project site. Any materials to be delivered to the Project site must be accepted by a representative of PARISH or the Engineer/Architect for the named Project at the time of delivery to the Project site.



JEFFERSON PARISH

Office of the President

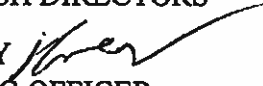
Michael S. Yenni
Parish President

Keith A. Conley
Chief Operating Officer

Natalie D. Newton
Dep. Chief Operating Officer

MEMORANDUM

TO: JEFFERSON PARISH DIRECTORS

FROM: KEITH A. CONLEY 
CHIEF OPERATING OFFICER

DATE: MAY 1, 2017

RE: SALES TAX EXEMPT PROJECTS

Jefferson Parish is exempt from paying sales taxes under Louisiana Revised Statute 47:301(8)(c) which provides that *payment of the state sales and use tax and the sales and use tax levied by any political subdivision, person shall not include this state, any parish, city and parish, municipality, district or other political subdivision thereof, or any agency, board, commission or instrumentality of this state or its political subdivisions.* Further, Louisiana law provides that a political subdivision of the State of Louisiana may designate contractors as agents for the purpose of making sales tax exempt purchases on behalf of the political subdivision.

Accordingly, Jefferson Parish may designate a contractor as an agent for the purposes of making sales tax exempt purchases on behalf of Jefferson Parish. This policy shall set forth parameters when presenting to Council for approval of same.

EXHIBIT

109 C

Jefferson Parish Policy for Sales Tax Exempt Projects:
Contractor/Agency Relationship for the Use of the Parish's Sales Tax Exemption Status

Background

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Accordingly, Jefferson Parish may designate a contractor as an agent for the purposes of making sales tax exempt purchases on behalf of Jefferson Parish. This policy shall set forth parameters when presenting to Council for approval of same.

Scope

The Jefferson Parish Administration shall authorize a project to be presented to the Jefferson Parish Council for consideration and designation as "Sales Tax Exempt," provided that:

- 1) The project is a publicly bid construction project which requires \$500,000 or more in equipment purchases; and,
- 2) The bidding documents contain the Agency Agreement and the following language in the *Important Notice to Bidders* form to notify all prospective bidders that the project will be "Sales Tax Exempt":

"Contractor shall not pay any state or local sales or use taxes on materials and equipment which are affixed and made part of the immovable property of the project or which is permanently incorporated into the project (hereinafter referred to as "applicable materials and equipment"). All purchases of applicable materials or equipment shall be made by the contractor on behalf of and as the agent of Jefferson Parish (Owner), a political subdivision of the State of Louisiana. No state and local sales and use taxes are owed on applicable materials and equipment under the provisions of Act 1029 of the 1991 Regular Session – Louisiana Revised Statute 47:301(8)(c). Owner will furnish contractor a certificate form which certifies that Owner is not required to pay such state or local sales and use taxes, and contractor shall furnish a copy of such certificate to all vendors or suppliers of the applicable materials and equipment."

- 3) Probable construction cost and projected tax savings are presented by the requesting department to the General Advisory Board for Procurement (GAB); and,
- 4) The GAB has reviewed the requested procurement action for compliance with State and Parish purchasing policies and procedures, more specifically with the requirements stated in #2; and,
- 5) Upon receiving the GAB Notice of No Objection, the requesting department shall route a resolution to the Council requesting authorization for advertisement and designation of the project as "Sales Tax Exempt." The GAB form shall be included in the route along with the GAB Notice of No Objection.

- 6) Once the Council adopts the resolution, all bidding documents including the GAB form and GAB Notice of No Objection must be sent to the Purchasing Department according to standard purchasing procedures.
- 7) Upon reviewing and evaluation of bid submissions, requesting department shall route a resolution requesting the Council to accept the lowest responsible bid and designate the successful bidder as an agent of the Parish for the purposes of making sales tax exempt purchases on behalf of Jefferson Parish for that specific bid project. A template of this Resolution is attached. The Resolution shall identify all subcontractors who will be using the Parish's tax exempt status. If no subcontractors are known at the time, but are however, added to the project and it is determined that the subcontractors use the Parish's tax exempt status, then each subcontractor shall be identified and presented to the Council for approval.

The designation shall commence on the date of contract execution and shall be effective two years from the date of execution, unless the Project has been completed by Final Acceptance prior to the two year term. In that case, the agency agreement shall expire and terminate on the date of Final Acceptance. Jefferson Parish shall provide a "Designation of Agency Agreement and Sales Tax Exemption Certificate" to be properly executed by both the contractor and Jefferson Parish at the same time as contract execution and in lieu of Louisiana Department of Revenue Form R-1020. Further, if sub-contracts will be used for the project, each subcontractor and Jefferson Parish must execute the "Designation of Agency Agreement and Sales Tax Exemption Certificate." This Agreement is attached for your reference. The "Designation of Agency Agreement" shall serve as evidence of the sale tax exempt status that has been conferred onto the contractor and/or subcontractor. No other exemption certificate form will be necessary to claim exemption from sales tax.

Jefferson Parish Policy for Sales Tax Exempt Projects:
Contractor/Agency Relationship for the Use of the Parish's Sales Tax Exemption Status

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- 5) Upon receiving the GAB Notice of No Objection, the requesting department shall route a resolution to the Council requesting authorization for advertisement and designation of

PARISH, as principal, assumes direct liability to the vendor for the payment of any property, services, leases, or rentals made by this designated agent which were delivered to the Project site. In the event that Contractor fails to pay a vendor for materials purchased pursuant to this Agreement and PARISH is forced to pay the vendor directly, Contractor shall reimburse PARISH within five (5) days of receiving notice of payment by PARISH. Failure to reimburse PARISH shall constitute a default by the Contractor under this contract.

This Agreement does not void or supersede the obligations of any party created under any construction contract related to this Project, including specifically any contractual obligation of the construction contractor to submit payment to vendors of materials or services for the Project.

Contractor agrees and acknowledges that Contractor is not authorized to delegate this purchasing agency to others. Separate designations of agency by PARISH are required for each contractor or subcontractor who is to purchase on behalf of PARISH. The undersigned hereby certify that this designation is the entirety of the agency designation agreement between them. In order for a purchase for an eligible governmental entity through a designated agent to be eligible for sales tax exemption, the designation of agency must be made, accepted, and disclosed to the vendor before or at the time of the purchase transaction.

Designation of Agency

Acceptance of Agency

Signature of Authorized Designator

Signature of Contractor or Subcontractor
Authorized Acceptor

Name of Authorized Designator

Name of Contractor's or Subcontractor's
Acceptor

THE PARISH OF JEFFERSON
Name of Governmental Entity

Name of Contractor

200 Derbigny Street, Suite 6200
Address

Address

Gretna
City

City

Louisiana 70053
State Zip

State Zip

This designation of agency agreement, when properly executed by both the contractor and the governmental entity, is substituted for Louisiana Department of Revenue Form R-1020, and shall serve as evidence of the sales tax exempt status that has been conferred onto the contractor. No other exemption certificate form is necessary to claim exemption from sales tax.

Non-Parish Recipient(s)
Response





Date: 4/1/2020
To: David McClintock, Inspector General
From: David B. Campbell, Chief Executive Officer
New Era Information Technologies, LLC
Re: Contractor Response to JPIOG Audit 2017-027
Jefferson Parish Security Services Contracting

INTRODUCTION

New Era Information Technologies, LLC (New Era) submits the following response to the Confidential Draft Audit of the Jefferson Parish Office of Inspector General (JPIOG) dated 10/24/2019. It should be noted that New Era has cooperated fully with the JPOIG four-year investigation in an effort to allow discovery of and resolve any issues the JPOIG may have with New Era's delivery of services under the specific terms of the Jefferson Parish Security Services Contract (Contract). New Era has provided voluminous documents, has had its key personnel attend meeting with JPOIG representatives and has had one of its employees voluntarily appear to provide a *sworn* statement before JPOIG attorneys. It has always been the intention of New Era to cooperate fully with the JPOIG in its investigation to better serve the Parish of Jefferson in its capacity as contractor.

New Era will address each of the JPOIG's findings separately in order to provide a clear understanding of New Era's methods in its performance of the Contract.

Finding 1: Inefficient/Ineffective Contract Model

Finding 1: The JPOIG Report notes the failure of the Parish Administration to provide adequate contract administration over the security services function.

New Era Response: While a response to this Finding would best be provided by the Jefferson Parish Administration, New Era finds it necessary to clarify a statement contained in Finding 1 regarding New Era's subcontractor, VEC Solutions, LLC (VEC). The JPOIG report states that "The CSC identified subcontractors, but Subcontractor VEC was not listed." (pg. 8, sec. 3.a). However, Vector Electric and Controls, Inc. was listed as a subcontractor on contract RFP# 249 in 2012. Its subcontractor affidavit is attached hereto as Attachment #1. Vector Electric and Controls, Inc. sold its assets to a third party, but retained its communications division, which was transferred to one of its affiliates, VEC Solutions, LLC in 2015. That Affidavit is attached hereto as Attachment #2, which was included in contract Amendment #2 in Feb 2016. While VEC was not listed initially as a subcontractor, its affiliate took over the contracting services and the Parish Administration was promptly notified.

Finding 2: Lack of Adequate Contract Oversight

Finding 2: The JPOIG Report notes that the Parish Administration failed to provide adequate contract administration over the security services function.

New Era Response: Because this Finding addresses alleged failures of the Parish Administration regarding contract administration, this Finding would best be provided by the Jefferson Parish Administration. There are no findings to be addressed by New Era.

Finding 3: Inadequate Support for Invoices-Labor

Finding 3: “The Subcontractor, (VEC) did not provide the job cost data to the Contractor (New Era) and the Contractor did not request any support for Subcontractor invoices. Rather, the Contractor invoiced the Parish based upon the Subcontractor's invoices, plus an upcharge.” (pg. 12, para. 3).

New Era Response: New Era’s invoices included specific line items for assets purchased by the Parish, such as a HikVision 3MP Camera. The invoices also included miscellaneous materials and labor required to complete the installation, which were lumped into a single line item. At the request of the Jefferson Parish Administration, New Era has since further itemized its invoices to include the specific materials required for the job with separate line items designating the total labor costs. All of the invoices for equipment installation started with a Quote from New Era to Jefferson Parish. If that quote was approved, a Purchase Order from Jefferson Parish was submitted to New Era. Once the job was completed, an invoice was submitted to Jefferson Parish. All of the equipment installation projects are a fixed price quote. If New Era exceeds the number of hours that they quoted, it is not allowed to charge Jefferson Parish any additional amounts on the project unless there was a change in the agreed upon scope of the project. All current quotes and invoices now include the number of hours and the hourly rate which is stated in our contract. However, the total price is still based on a fixed price quote and not time and materials.

The invoices from VEC Solutions to New Era do not include any work performed by New Era’s personnel including but not limited to Project Management. These hours and totals were added into the quote and invoices to Jefferson Parish. The statement about upcharges added to labor are not valid as the invoice from VEC did not include New Era’s time to be spent on the project.

All of New Era’s invoices to Jefferson Parish follow the below procedure:

1. Jefferson Parish creates a ticket to request a quote for installation and services
2. Jefferson Parish Security Dept and a representative from New Era or VEC conduct a site survey.
3. New Era provides a quote for these services based on the site survey.
4. Jefferson Parish approves or rejects the quote and initiates a Purchase Order to New Era if approved.

5. New Era submits a purchase order to our vendors and/or subcontractors for these services and/or equipment.
6. New Era completes the project and invoices Jefferson Parish based on their supplied Purchase Order.
7. The so called “upcharge” added to VEC invoices was to reimburse the Contractor for work performed by the Contractor for contract management, project management, meetings to discuss technical issues, solutions and the implementation of those solutions, and oversight and coordination of the work to be performed.

Finding 3: The JPOIG report states that “The Contractor invoiced a lump sum for maintenance on a monthly basis.” (pg. 11, para. 7).

New Era Response: Lump sum billing for maintenance is specifically provided for in the Contract. Thereunder, New Era is to supply licensing, support and maintenance of the system for a fixed monthly cost. In RFP 345, New Era’s proposal was scored based on this monthly fee. All maintenance is tracked through a ticketing system. Jefferson Parish initiated a PDF format ticketing process at the start of the contract wherein the Parish would request maintenance to particular hardware or software. This process proved difficult to research and track. New Era implemented an enhanced electronic ticketing system on Feb 1, 2017 which improves scheduling and provides for the tracking of open tickets to confirm completion and closure. From Feb 1, 2017 – August 31, 2018, New Era closed 431 Security Support related tickets.

Finding 4: Inadequate Support for Invoices – Equipment

Finding 4: VEC, the Subcontractor, did not provide the job cost data to New Era, the Contractor, and the Contractor did not request any support for Subcontractor invoices. Rather, the Contractor invoiced the Parish based upon the Subcontractor's invoices, plus an upcharge of 21 %. Contractor was required to "maintain adequate books of account with respect to its services, in accordance with generally accepted accounting principles (GAAP)". The Parish paid the contractor \$139,446 in upcharges on equipment and materials across both contracts in excess of contract requirements.

New Era Response: The invoices supplied to New Era and the JPOIG from VEC do not include any equipment that was supplied directly from New Era. New Era’s response to the SSC (RFP# 345) included costs for specific items that were part of its score calculation. New Era invoiced the Parish for the amounts included in that pricing sheet of the items that were part of the scoring calculation of the RFP. The CSC (Computer Services Contract) which ended in December of 2016 did not have any specific pricing in the RFP specifications. When the Jefferson Parish Administration put this contract out for RFP under the SSC (Security Services Contract), there was scoring criteria of the bids based upon itemized pricing. New Era started the contract for RFP# 345 (SSC) in December 2016. Since that time, New Era has followed the pricing guide that it supplied on RFP# 345 as its scoring criteria for any equipment on that list.



All of New Era's invoices to Jefferson Parish follow the below procedure:

1. Jefferson Parish creates a ticket to request a quote for installation and services
2. Jefferson Parish Security Dept and a representative from New Era or VEC conduct a site survey.
3. New Era provides a quote for these services based on the site survey.
4. Jefferson Parish approves or rejects the quote and initiates a Purchase Order to New Era if approved.
5. New Era submits a purchase order to our vendors and/or subcontractors for these services and/or equipment.
6. New Era completes the project and invoices Jefferson Parish based on their supplied Purchase Order.

Finding 5: Improper Sales Tax Charges

Finding 5: The Parish paid a total of \$14,257 for sales tax on equipment purchased. The Contractor, New Era, billed the Parish for sales tax paid for security equipment and materials purchased by its Subcontractor, VEC. The Contractor possessed a tax exemption certificate which was not provided the Subcontractor or otherwise utilized for Parish purchases.

New Era Response: New Era does not charge sales tax to Jefferson Parish. New Era has a resale certificate with the State of Louisiana and Jefferson Parish. New Era has supplied VEC Solutions with our resale certificate. Much of the equipment on these invoices was bid in a competitive RFP process as a fixed cost item. At no time was New Era aware that VEC had been paying sales taxes. No VEC invoices to New Era included a line item for Sales Tax. The list of invoices that list sales tax charges do not include any sales tax charges to Jefferson Parish from New Era. This audit has brought to light that its subcontractor, VEC, may be paying sales tax on equipment which it purchases. New Era will take steps necessary to educate VEC and correct the issue moving forward.

Finding 6: Overbillings on Contract (SSC)

Finding 6: The Parish Administration approved invoices for payment totaling \$7,795 for equipment and labor costs that were in excess of labor and equipment rates stipulated in the contract.

New Era Response: The list of contract overbillings supplied in Table #6 are partially based on labor services from what New Era pays for these services. The 3 invoices in question in the JPOIG report are 46634, 46642 and 46597. New Era billed labor to the Parish that includes Project Management time for managing these fixed bid projects. The VEC labor cost does not reflect New Era's Project Management time so it would not be included in VEC's invoice to New Era. This is reflected on invoices 46634 and 46642.



The equipment listed on Invoice 46597 that shows that it was an equipment overbilling is not accurate. That invoice is for a Frontier Digital Video Recorder. The Frontier Digital Video Recorders are included in New Era's response to RFP 345. The largest unit available on New Era's pricing sheet was a 32 TB DVR. This particular project required more video storage, so New Era quoted a larger 48 TB DVR. The 32 TB DVR is priced at \$20,241.90 in our response to RFP 345. The 48 TB DVR was invoiced at only \$17,583.00. New Era actually saved Jefferson Parish \$2,657.90 on the purchase of this DVR. The JPOIG report was incorrect in finding this to be an overbilling of \$11,998.50.

Finding 7: Subcontractor Agreements

Finding 7: Contractors must submit affidavits to identify subcontractors for Parish contracts, however, contractors are not required to provide evidence of a written agreement with subcontractors defining their business relationship and responsibilities as it applies to the Parish prime vendor contract.

New Era Response: While the Contract does not require written agreements with subcontractors, New Era agrees that it is a best practice to have a written agreement with its subcontractors and will institute such practice immediately. New Era and VEC have been working together since 2012 and there has never been an issue as to the services that either party is to supply to any of our clients.

Finding 8: Lack of a Security Services Plan

Finding 8: JPOIG Report notes failures of the Parish Administration to provide adequate contract administration over the security services function.

New Era Response: The response to this Finding would best be answered by the Jefferson Parish Administration.

Should the JPOIG need anything further to complete its audit, please do not hesitate to contact the undersigned.

Sincerely,

A handwritten signature in blue ink that reads "David B. Campbell".

David B. Campbell
Chief Executive Officer
New Era Information Technologies, LLC



Attachment #1

**Subcontractor
AFFIDAVIT**

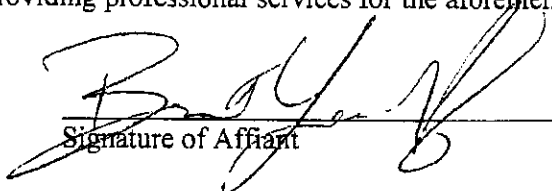
STATE OF Louisiana

PARISH/COUNTY OF Ascension

BEFORE ME, the undersigned authority, personally came and appeared, Brent Rigsby, (Affiant) who after being duly sworn, deposed and said that he/she are the fully authorized Vice President of Vector Electric & Controls, Inc (Entity), the party who submitted a proposal to Jefferson Parish for RFP No. 0941 or an SOQ to _____ (describe the project). (Choose one of the following):

Affiant further said that Entity will use no subcontractors to assist in providing professional services for the aforementioned SOQ/RFP.

Affiant further said that attached is a listing of all subcontractors, excluding full time employees, who may assist in providing professional services for the aforementioned SOQ/RFP.



Signature of Affiant

SWORN TO AND SUBSCRIBED
BEFORE ME ON THIS 10th
DAY OF Aug, 2012



NOTARY PUBLIC

[Do not fill out this section until making a pay request.]

_____ A copy of this affidavit must be attached to each and every pay requests.

_____ Check here if no additions or substitutions of subcontractors have been made under this contract or contract amendment.

Signature

Date

Any change of subcontractors, excluding full time employees, who assist in providing services for the project, requires Jefferson Parish Council approval and submission of a new affidavit.

Updated: 2.8.2012
Code of Ord., Jeff. Parish, LA § 2-923



Attachment #2

Request for Proposal

AFFIDAVIT

STATE OF Louisiana

PARISH/COUNTY OF Ascension

BEFORE ME, the undersigned authority, personally came and appeared: Deborah G. Moran. (Affiant) who after being by me duly sworn, deposed and said that he/she is the fully authorized President of VEC Solutions LLC (Entity), the party who submitted a proposal in response to RFP Number 249, to the Parish of Jefferson.

Affiant further said:

Campaign Contribution Disclosures

(Choose A or B, if option A is indicated please include the required attachment):

Choice A _____ Attached hereto is a list of all campaign contributions, including the date and amount of each contribution, made to current or former elected officials of the Parish of Jefferson by Entity, Affiant, and/or officers, directors and owners, including employees, owning 25% or more of the Entity during the two-year period immediately preceding the date of this affidavit or the current term of the elected official, whichever is greater. Further, Entity, Affiant, and/or Entity Owners have not made any contributions to or in support of current or former members of the Jefferson Parish Council or the Jefferson Parish President through or in the name of another person or legal entity, either directly or indirectly.

Choice B there are **NO** campaign contributions made which would require disclosure under Choice A of this section.

Affiant further said:

Debt Disclosures

(Choose A or B, if option A is indicated please include the required attachment):

Choice A Attached hereto is a list of all debts owed by the affiant to any elected or appointed official of the Parish of Jefferson, and any and all debts owed by any elected or appointed official of the Parish to the Affiant.

Choice B There are **NO** debts which would require disclosure under Choice A of this section.

Affiant further said:

Solicitation of Campaign Contribution Disclosures

(Choose A or B, if option A is indicated please include the required attachment):

Choice A Attached hereto is a list of all elected officials of the Parish of Jefferson, whether still holding office at the time of the affidavit or not, where the elected official, individually, either by **telephone or by personal contact**, solicited a campaign contribution or other monetary consideration from the Entity, including the Entity's officers, directors and owners, and employees owning twenty-five percent (25%) or more of the Entity, during the two-year period immediately preceding the date the affidavit is signed. Further, to the extent known to the Affiant, the date of any such solicitation is included on the attached list.

Choice B there are **NO** solicitations for campaign contributions which would require disclosure under Choice A of this section.

Affiant further said:

Subcontractor Disclosures

(Choose A or B, if option A is indicated please include the required attachment):

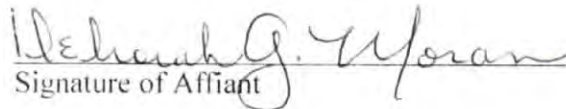
Choice A Affiant further said that attached is a listing of all subcontractors, excluding full time employees, who may assist in providing professional services for the aforementioned RFP.

Choice B There are **NO** subcontractors which would require disclosure under Choice A of this section.

Affiant further said:

That Affiant has employed no person, corporation, firm, association, or other organization, either directly or indirectly, to secure the public contract under which he received payment, other than persons regularly employed by the Affiant whose services in connection with the construction, alteration or demolition of the public building or project or in securing the public contract were in the regular course of their duties for Affiant; and

That no part of the contract price received by Affiant was paid or will be paid to any person, corporation, firm, association, or other organization for soliciting the contract, other than the payment of their normal compensation to persons regularly employed by the Affiant whose services in connection with the construction, alteration or demolition of the public building or project were in the regular course of their duties for Affiant.


Signature of Affiant

Deborah G. Moran
Printed Name of Affiant

SWORN AND SUBSCRIBED TO BEFORE ME
ON THE 23rd DAY OF NOV, 2015


Notary Public

Printed Name of Notary Gina B. McBride
Notary Public No 88859
My Commission is for Life

Notary/Bar Roll Number _____

My commission expires _____.