

**Public Audit**

2014 – 0027

Rickey Jackson Community Hope Center

# OFFICE OF INSPECTOR GENERAL JEFFERSON PARISH



## PUBLIC AUDIT

RICKEY JACKSON COMMUNITY HOPE CENTER

**2014-0027**

AUDIT  
ISSUED 04/18/2016



OFFICE OF INSPECTOR GENERAL  
JEFFERSON PARISH

DAVID N. McCLINTOCK  
INSPECTOR GENERAL



DATE: 04/18/2016

TO: The Citizens of Jefferson Parish

FROM: David McClintock, Inspector General

REF: Review #2014-0027 Rickey Jackson Community Hope Center (“RJCHC”)

The Jefferson Parish Office of Inspector General (JPOIG) performed an audit of expenditures of public funds to the Rickey Jackson Community Hope Center – Courage House (“RJCHC”) pursuant to a cooperative endeavor agreement (CEA) entered into with Jefferson Parish (hereinafter “the Parish”). The sources of the public funds audited were (1) grant money secured under the federal Community Development Block Grant (CDBG) program, and (2) certain Parish district funds. The CEA and associated expenditures were administered by the Jefferson Parish Community Development Department.

The audit results identify several areas where the Parish can improve upon its obligation to provide effective controls, monitoring, and oversight concerning the expenditure of public funds. The findings, recommendations, and observations concern the process of grant management as it pertains to the specific subrecipient, as well as, the broad issues of grant administration. The audit resulted in:

- the questioning of \$158,238.73, or 78%, of the \$203,133.04 funds reimbursed, and
- the determination that \$7,194.15 in costs were avoidable based upon Parish overpayment to the RJCHC.

The audit relates to matters which fall under the supervision of the Parish President, as well as, matters which fall under the control of the Parish Council whether via resolution, ordinance or funding. The RJCHC grant was administered by the Community Development Department, a department under the direct supervision of the Parish President, and involved the Accounting Department by way of the reimbursement processes. However, the terms and conditions by which the funds are expended is in large measure defined by the CEA, a contract which is customarily prepared by the Parish Attorney and presented to the Council Chairman for execution post adoption of an authorizing resolution by the Council.

A Confidential Draft Audit Report was provided on 02/03/2016, to both the Parish Council and Administration for response and comment. The period for response concluded on 03/17/2016, with a single response being submitted by Community Development Director Tamithia P. Shaw on behalf of the Michael S. Yenni Administration.

The response acknowledges the issues raised in the audit and agrees to “follow the recommendations of the JPOIG and implement the corrective measures.” A synopsis of the response is attached to this letter and the full response is attached to the following report. In outlining their corrective plan, the Yenni Administration and the Community Development

Department have set forth a policy-based solution that, if fully implemented, will address long standing grant administration concerns.

In doing so, they have committed to instill policy and procedure where none existed and to modify and enforce others. The JPOIG recognizes that well-founded policy and procedure is essential to assuring and demonstrating compliance with state and federal grant requirements, as well as, demonstrating that parish funds provided to non-governmental organizations are administered in a fiscally prudent manner and utilized for the intended outcome.

The JPOIG appreciates the commitment to meaningful solutions made by the Administration and the Community Development Department.

## SYNOPSIS OF RESPONSE RECEIVED

2014-0027

### RICKEY JACKSON COMMUNITY HOPE CENTER (RJCHC)

**FINDING #1:** Three (3) Parish payment requests totaling \$45,043.25 were not properly approved.

**Parish Response:** Payment requests will be reviewed for accuracy and signed by the responsible departments, such as Finance, and reimbursements will only be issued when the Request for Payment form includes all required approvals.

**FINDING #2:** Descriptions on two (2) purchase orders generated by Community Development totaling \$41,691 did not match the description on the invoice or change order provided by the RJCHC.

**Parish Response:** As of 06/13/2014, the feature for copying previous requisition numbers was removed or disabled.

**FINDING #3:** The effective dates for insurance coverages were prior to the effective date of the CEA. (Community Development reimbursed an extra \$2,144.06 in insurance expenses.)

**Parish Response:** CD will ensure that reimbursements for insurance are not paid for periods outside the CEA. The Parish will seek reimbursement for funds paid outside of the terms of the agreement.

**FINDING #4:** Failure to perform a physical inspection of the RJCHC inventory to ensure existence and completeness.

**Parish Response:** There was no Parish policy on this. The Administration is requiring department take an inventory of items purchased with public funds. Inventory is to be labeled as assets of the Parish.

The Administration will consult with the Parish Attorney's Office and include a clause in all CEAs that any movable property of sufficient value purchased with public money is Parish property and cannot be alienated at the end of its use. The property must be treated as surplus.

**FINDING #5:** The Parish system of grant management fails to address the ownership and disposition of the RJCHC inventory purchased with public funds, including grant funds, at termination of the CEA.

**Parish Response:** Refer to Corrective Action for FINDING #4.

**FINDING #6:** Failure to comply with CEA Section 11 - Narrative Reports.

**Parish Response:** The Parish will advise the subrecipient of the requirement to send narrative reports to the Internal Auditor. The Administration will put a policy in place to ensure that the Internal Auditor is included in the process.

**FINDING #7:** Failure to provide timely proof of vendor payments to the Parish for expense reimbursements totaling \$158,238.73.

**Parish Response:** Invoices and proof of vendor payments will be independently verified and approved by the Parish staff. The Yenni Administration will make policy that any CEAs that include reimbursement payments will include strict timelines.

**FINDING #8:** The Parish reimbursed the RJCHC for a cash payment of \$1,478.52 for the purchase of limestone without adequate supporting documentation.

**Parish Response:** The Administration agrees that any reimbursement by the Parish will be for monies expended by check or other negotiable instrument along with verified supporting documentation.

**FINDING #9:** Failure to comply with CDBG funding rules 24 CFR 85.36 and 84.44, the competitive bid process.

**Parish Response:** Community Development (CD) will implement training for all subrecipients pertaining to bid processes, quotes, and estimates to ensure public funds are expended in a cost effective manner. CD will monitor RJCHC and other grantees to ensure compliance with CDBG funding regulations 24 CFR 85.36 and 84.44 when federal funds are involved.

**FINDING #10:** The Parish reimbursed the RJCHC for contracting, insurance, utilities, and lawn service expenses totaling \$49,304.79. However, the RJCHC paid its vendors \$42,110.64 resulting in the Parish overpaying the RJCHC expenses in the amount of \$7,194.15.

**Parish Response:** CD will monitor all expense documentation to ensure that expenses are accurate and valid prior to reimbursement with public funds. CD has withheld funds in the amount of \$3,125.63 (\$400 is being disputed by Rickey Jackson). CD will work to reconcile the RJCHC payments, resolve any differences, and collect any and all overpayments.

**FINDING #11:** Failure to comply with CEA Section 3 – Payment (i).

**Parish Response:** CD will implement training for all subrecipients pertaining to bid processes, quotes, and estimates. CD will monitor compliance with the CEA with RJCHC as it relates to Section 3-Payment as well as other terms and conditions in the CEA.

**FINDING #12:** RJCHC commingled Parish funds with a non-RJCHC account.

**Parish Response:** The Parish will require all grantees that have entered into a CEA with the Parish to sign an attestation which states that grant funds will not be commingled with any other public or private funds.

# RICKEY JACKSON COMMUNITY HOPE CENTER COURAGE HOUSE

JPOIG PROJECT NUMBER: 2014-0027

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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”) completed an audit of public funds paid to the Rickey Jackson Community Hope Center – Courage House (“RJCHC”). The audit period was 02/18/2013, through 07/31/2015. The Parish entered into a Cooperative Endeavor Agreement (“CEA”) with the RJCHC, Jefferson Parish contract #550013249, which set forth the terms for the funding of the RJCHC.

Maximum authorized reimbursement under this CEA was \$215,000 consisting of \$115,000 in Council funds and \$100,000 in federal Community Development Block Grant (CDBG) funds.<sup>1</sup> One of the challenges of mixed fund grants is that the Parish does not place qualitatively similar restrictions on the expenditure of Parish funds as does the federal government. Therefore, both the requirements of the Parish CEA and those placed on CDBG funds, portions of which are set forth in the Code of Federal Regulations (CFR), must be adhered to by the Parish and RJCHC as the subrecipient. Monitoring and management of this grant was assigned to the Parish’s Community Development Department (Community Development).

#### Objectives

The objectives of this audit were to provide assurance:

- financial information was accurate and reliable;
- of compliance with contracts, policies, procedures, and rules and regulations;
- of transaction monitoring and oversight;
- assets are safeguarded; and,
- operations were performed in an effective and efficient manner.

#### Audit Results

Based upon the audit, the following conclusions were reached:

The JPOIG found that the absence of comprehensive, written procedures regarding oversight and monitoring led to ineffective management of the process by the Community Development Department. The failure to manage the grant in accordance with applicable terms was observed in several areas, including that of reimbursement processes. The auditor questioned \$158,238.73 or 78% of the total funds reimbursed, \$203,133.04, was reimbursed before adequate proof of payment was received from the RJCHC. Further, the auditor determined \$7,194.15 were avoidable costs as the Parish over paid the RJCHC by \$7,194.15, as evidenced by the following:

- The Parish reimbursed the RJCHC \$29,625.63 for renovations totaling only \$29,000.
- The Parish reimbursed the RJCHC \$10,000 when the RJCHC only paid \$9,600.
- The Parish reimbursed the RJCHC \$2,500 for air conditioning repair when the RJCHC did not pay the air conditioning company.

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<sup>1</sup> CDBG funds originate from the U.S Department of Housing and Urban Development (HUD).

- The Parish reimbursed the RJCHC \$2,190 for lawn services without adequate supporting documentation.
- The Parish reimbursed the RJCHC \$1,478.52 for limestone. First, this payment was made in cash. Cash is not an acceptable form of payment and allows no audit trail. Second, from interviews conducted and an on-site inspection, the JPOIG determined that the RJCHC did not receive the amount of limestone that they claimed reimbursement for.

In addition the Parish reimbursed the RJCHC for insurance coverage during periods not covered by the CEA.

Community Development failed to monitor the grantee's compliance with terms of the CEA. Specifically, CEA Section 3 - Payment. The CEA states that the organization will be reimbursed for "those amount actually incurred, without increase or mark-up, and supported by documentation to the reasonable satisfaction of the Parish..." The JPOIG noted apparent non-compliance with CDBG funding rules 24 CFR 85.36 and 84.44 dealing with the bids or quotations procedures applicable to the reimbursed renovations to its facility. Further, the RJCHC was not in compliance with CEA Section 11 – Narrative Reports. The RJCHC was supposed to submit narrative reports to the Parish's Internal Auditor who would have to independently review the expenditures to ensure the accuracy and validity of the RJCHC's expenses.

The auditor found that the Community Development Department did not seek to utilize an inventory process to assist in the management of the grant or to assist the sub recipient in their compliance as it pertained to the acquisition of computer and musical equipment. It was also noted that no policy or procedure was implemented to address asset ownership of the computers and musical equipment after the expiration of the CEA.

The RJCHC commingled its funds with those from another entity. To provide a proper audit trail, all funds, either being paid out by the grantee or being reimbursed to the grantee, should use one of the organization's bank accounts.

The JPOIG recommends that the Parish conduct a comprehensive review of the grant monitoring process that focuses on providing training and awareness of Parish and federal grant requirements and guidance on compliance as it pertains to recordkeeping, purchasing, accounting, etc. Additionally, the JPOIG recommends that the Parish require performance measurements for all sub recipients to permit the assessment of outcomes realized via the funds distributed. Benchmarks and other measures also serve as early warning indicators of fraud, waste and abuse, as well as, demonstrating programs that are achieving desired or better results.

Items are discussed more fully in the Findings, Observations, and Recommendations section of this report. Any detected instances of fraud, waste, abuse, or contractual noncompliance were identified and investigated as necessary.



**OFFICE OF INSPECTOR GENERAL  
JEFFERSON PARISH**

DAVID N. McCLINTOCK  
INSPECTOR GENERAL



<b>Date of Report:</b> 04/18/2016	<b>PUBLIC AUDIT</b>	<b>Case #</b> 2014-0027
<b>Timeframe:</b> 02/18/2013 - 07/31/2015	<b>Report By:</b> David Owen	<b>Status:</b> Final Public
<b><u>Subject of Audit</u></b>		
<ul style="list-style-type: none"> <li>Rickey Jackson Community Hope Center-Courage House</li> </ul>	<ul style="list-style-type: none"> <li>Financial/Compliance</li> </ul>	

**OBJECTIVES, SCOPE, METHODOLOGY**

Pursuant to JPCO §2-155.10(11) (a), the Jefferson Parish Office of Inspector General (“JPOIG”) conducted an audit of public funds paid to the Rickey Jackson Community Hope Center – Courage House (“RJCHC”) pursuant to a cooperative endeavor agreement (hereinafter “CEA”) entered into with Jefferson Parish (hereinafter “the Parish”).

**Objectives**

The objectives of this audit were to provide assurance:

- financial information was accurate and reliable;
- of compliance with contracts, policies, procedures, and rules and regulations;
- of transaction monitoring and oversight;
- assets are safeguarded; and,
- operations were performed in an effective and efficient manner.

**Scope and Methodology**

The audit period was from 02/18/2013, through 07/31/2015. To accomplish our objectives, we utilized the following audit procedures:

1. Reviewed internal controls;
2. Determined compliance with contracts, policies, procedures, and rules and regulations;
3. Reviewed the approval process;
4. Reviewed the procurement process;
5. Reviewed supporting documents;
6. Reviewed the reimbursement process;

7. Reviewed budget vs. actual amounts;
8. Reviewed expenditures for compliance with the CEA;
9. Reviewed the inventory list; and,
10. Reviewed transaction coding and general ledger classifications.

**Documents Reviewed**

Source documents analyzed include, but are not limited to, the following:

1. Purchase requisitions;
2. Purchase orders; receiving reports;
3. Invoices;
4. Receipts;
5. Correspondence;
6. Disbursements;
7. Contracts, grants, agreements, and resolutions;
8. Budget and actual figures;
9. Policies, procedures, and rules and regulations; and,
10. General ledger expense account amounts and classifications.

**Professional Standards**

The audit was conducted in accordance with the Institute of Internal Auditor’s Standards for the Professional Practice of Internal Auditing (the Red Book).

**Acronyms**

The following acronyms are used in this document:

<b>AG</b>	Attorney General	<b>JPCO</b>	Jefferson Parish Code of Ordinances
<b>CEA</b>	Cooperative Endeavor Agreement	<b>JPOIG</b>	Jefferson Parish Office of Inspector General
<b>CDBG</b>	Community Development Block Grant	<b>RJCHC</b>	Rickey Jackson Community Hope Center – Courage House
<b>Council Funds</b>	Jefferson Parish Council Funds	<b>OMB</b>	Office of Management & Budget
<b>FMT</b>	FMT Aggregates, LLC	<b>HUD</b>	Housing and Urban Development
<b>Parish</b>	Jefferson Parish		

## **BACKGROUND**

The RJCHC is registered as a non-profit corporation.<sup>1</sup> Rickey Jackson, on behalf of RJCHC, executed a CEA with Jefferson Parish on 02/18/2013 which provided funding of \$125,000. See Attachment 1. On 12/04/2013, the CEA was amended, Amendment No.1, to increase funding from \$125,000 to \$175,000. See Attachment 2. The CEA and the amended CEA were authorized by the Parish Council via Resolutions #120307 and #121804. On 11/05/2014, via Resolution #123835, the Parish Council added \$40,000, bringing the total contract amount to \$215,000. See Attachment 3. The RJCHC funding sources are as follows: CDBG # B-11-UC-22-0001, \$100,000 (See Attachment 4), Council District 2, \$25,000, and Council District 3, West Bank Riverboat Gaming \$90,000.

The Parish enters into CEAs with non-profit entities and provides funding to those entities to serve a public purpose. The Louisiana Constitution, Article 7, § 14 generally prohibits the donation of public funds to or for any person, association, or corporation, public or private. However, the state and its political subdivisions may engage in cooperative endeavors with each other and with any public or private associations for a public purpose.<sup>2</sup> The Louisiana Attorney General (hereinafter “AG”) has provided guidance regarding cooperative endeavor agreements in the form of a three prong test. The public entity executing a CEA under which public funds will be expended must have legal authority to make the expenditure and must be able to show the following:

1. A public purpose for the expenditure or transfer that comports with the governmental purpose for which the public entity has legal authority to pursue;
2. That the expenditure or transfer, taken as a whole, does not appear to be gratuitous; and
3. That the public entity has a demonstrable, objective, and reasonable expectation of receiving at least equivalent value in exchange for the expenditure or transfer of public funds.<sup>3</sup>

In 2010, the Parish was audited by the Louisiana Legislative Auditor (hereinafter “LLA”). During that review, a specific examination was conducted of CEA’s.<sup>4</sup> At that time, the LLA examined whether funds were spent in accordance with the terms of the CEA at issue and whether it was expended for a designated public purpose. Based upon those findings, the LLA made recommendations as it relates to CEAs generally, that the Parish:

1. provide funding on a reimbursement basis upon receipt of supporting documentation;
2. identify specific deliverables to be provided under CEA;
3. require proof of insurance or document exceptions before providing funding; and
4. ensure all narratives are submitted for review.

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<sup>1</sup> Louisiana Secretary of State Charter Number 35693630N; registered 4/27/2004.

<sup>2</sup> Louisiana Constitution, Article 7, Section 14. (C): Cooperative Endeavors. For a public purpose, the state and its political subdivisions or political corporations may engage in cooperative endeavors with each other, with the United States or its agencies, or with any public or private association, corporation, or individual.

<sup>3</sup> Louisiana A.G. opinion 09-0018.

<sup>4</sup> Louisiana Legislative Auditor, Jefferson Parish Compliance Audit, 10/06/2010. The compliance audit was performed at the request of Jefferson Parish.

In response to the audit, the Parish agreed to:

1. adopt a “Standard Cooperative Endeavor Agreement” format which requires specific deliverables be identified, program goals be outlined, and an itemized budget be included;
2. ensure all required narratives are submitted for review; and
3. implement other accountability measures.

Subsequently, the Parish adopted JPCO 2-925.1, Cooperative Endeavor Agreements with Non-Governmental Organizations, which incorporated a uniform cooperative endeavor agreement format. The scope and objective of this audit includes an evaluation of the Parish’s compliance with JPCO 2-925.1 as it relates to the RJCHC.

The RJCHC CEA identifies the public purpose as “...mentoring, academic enrichment, leadership development, and career path development assistance...” The RJCHC was to be reimbursed for expenses incurred provided that expenses were sufficiently documented to the satisfaction of Jefferson Parish. The Department of Community Development was tasked by the Parish Council with monitoring and oversight of the CEA.<sup>5</sup> Community Development is a department within the Parish Government that has “direct administrative supervision over community development program functions of the Parish.”<sup>6</sup>

### **Non-Governmental CEA Reimbursement Practices of Jefferson Parish**

In CEAs of this nature, the reimbursement process begins with an invoice being submitted to the managing department, in this case Community Development, along with supporting documentation from the grantee, which in this case is the RJCHC. Community Development then reviews the invoice and supporting material against the specific requirements of the CEA and/or any conditions placed upon federal, state or other pass-through funds. If approved, Community Development then routes the approved payment request to the Finance Department who assesses the invoice and the supporting material for red flags, such as conflicting amounts. If the Finance Department approves the payment request, it is forwarded to accounting for payment. The Payment Request Form must be signed by Community Development, the Finance Department, and the Subrecipient before payment is authorized.

## **DATA REVIEW**

### **RJCHC CEA**

Under the terms of the CEA, the RJCHC was to “...establish and operate the Rickey Jackson Community Hope Center...to serve as a refuge (sic) for abuse (sic) and at-risk youth from the Greater New Orleans area.”<sup>7</sup> RJCHC activities were funded under the CEA by Parish funds, as well as federal grant money through the Community Development Block Grant (“CDBG”). The Parish Council, through Council District 2 and Council District 3, respectively, provided funding of \$25,000 and \$90,000. An additional \$100,000 came from a federal CDBG. Total authorized funding was \$215,000.

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<sup>5</sup> Jefferson Parish Resolutions #121804 and #120307.

<sup>6</sup> JPCO §2-431.

<sup>7</sup> 02/18/2013, CEA.

The JPOIG reviewed the funding sources and noted that the Parish handled the budgeted funding as follows:

- \$25,000 shall be made on a cost reimbursement basis for any costs to establish, maintain, or operate the RJCHC;
- \$100,000 shall only be reimbursed under Section 3 (i) of this agreement for costs actually incurred during the renovation of a public facility;
- \$50,000 will be for computers, furniture, and other office-related items necessary for the operation of the youth program; and
- \$40,000 would be utilized for the upkeep of the facilities, including, but not limited to insurance, utilities, equipment, repairs and renovations. These funds would also be utilized for supplies, approved activities and field trips, scholarships, and dining needs of the participants.

### Parish Payment Request Approvals

During the period from 2013-2015, the Parish reimbursed the RJCHC for expenses in the amount of \$203,133.04. During the review of the RJCHC supporting documentation for these expenses, the JPOIG noted that three (3) payment requests for insurance and renovation expenses totaling \$45,043.25 were not approved by the Finance Department. To ensure validity of the RJCHC's expenses, the payment request should be signed by the RJCHC representative, Community Development, and Finance, before reimbursement is approved. The lack of monitoring and oversight of payment requests can result in the Parish overpaying the RJCHC for expenses. See Table #1.

Table # 1		Rickey Jackson Community Hope Center – Courage House Analysis Of Payment Request Approvals			
Sel. #	Vendor Name	Item Description	Date Parish Paid the RJCHC	Payment request approved	Transaction amount
1	Bowles & Associates, Inc.	General Liability Ins. Policy # 0100009258-0	03/07/2013	No	*\$11,234.00
2	Bowles & Associates, Inc.	General Liability Ins. Policy # 0100009258-0	03/21/2013	No	*1,769.25
3	Bowles & Associates, Inc.	General Liability Ins. Policy # 0100001671.1	02/25/2014	Yes	8,637.50
4	Roubion Construction	Renovations	04/30/2013	No	*32,040.00
5	C Kent & Associates, Inc.	Renovations	05/24/2013	Yes	20,000.00
6	C Kent & Associates, Inc.	Renovations	07/5/2014	Yes	29,625.63
7	C Kent & Associates, Inc.	Renovations	07/18/2013	Yes	10,000.00
8	Bryans United AC	Renovations	10/10/2013	Yes	2,500.00
9	C Kent & Associates, Inc.	Renovations	01/23/2014	Yes	9,651.25
10	Wood Materials	Renovation Material - Limestone	03/20/2014	Yes	1,478.52
11	Guitar Center	Musical equipment	02/20/2014	Yes	8,753.94
12	Office Depot	Musical equipment	02/20/2014	Yes	9,346.08
		<b>Subtotal</b>			<b>\$145,036.17</b>
13	Best Buy	Game Room Equipment	02/19/2015	Yes	2,105.25
14	Michaels	Art Supplies	02/19/2015	Yes	331.45
15	Administrative OneSource	Salaries	02/5/15	Yes	21,498.79

16	Progressive	Auto Insurance	02/19/2015	Yes	12,259.37
17	Hunt Telecom, Lagniappe Lawn Service, Entergy	Electricity, Internet, Lawn Care, and Water	04/30/2015	Yes	5,700.64
18	Rickey Jackson	Salaries	06/4/2015	Yes	5,141.37
19	Kent & Associates	Renovations	05/12/2015	Yes	2,685.00
20	Bowles & Associates	Insurance	02/3/2015	Yes	8,375.00
			<b>Subtotal</b>		\$58,096.87
			<b>Total</b>		<b>\$203,133.04</b>

\*Payment requests were not approved by the Finance Department.

### Purchase Order, Receiving Report, and Invoice Matching Process

On 04/30/2013 and 01/23/2014 the Parish reimbursed the RJCHC for contracting services totaling \$41,691.25. In reviewing the supporting documentation for these expenses, it was noted that purchase orders #13-0007587 and #14-0000853 in the amounts of \$32,040 and \$9,651.25, respectively, did not match the descriptions on the corresponding invoice and change order. Inadequate oversight concerning these source documents increases the risk that expense payments may be invalid and/or inaccurate.

### RJCHC Insurance Expense

On 03/07/2013, and 03/21/2013, the Parish reimbursed the RJCHC in the amount of \$13,003.25 for insurance expenses. Based upon a review of the supporting documentation for these expenses, it was noted that the effective dates for insurance coverage were prior to the effective date of the CEA. See [Table # 2](#). A lack of monitoring and oversight procedures over the RJCHC invoices and contracts resulted in the Parish overpaying the RJCHC expenses.

Rickey Jackson Community Hope Center – Courage House					
Questionable Insurance Expenses					
Table # 2					
Sel. #	Vendor	Description	Term of Insurance Dates	CEA Date	Amount
1	Bowles & Associates, Inc.	General Liability Ins. Policy # 0100009258-0	12/20/2012-12/20/2013	02/18/2013	\$8,795.00
2	Bowles & Associates, Inc.	Workers Comp Policy # 0100009258-0	12/20/2012-12/20/2013	02/18/2013	2,439.00
3	Bowles & Associates, Inc.	General Liability Ins. Policy # 0100009258-0	12/26/2012-2/24/2013	02/18/2013	1,769.25
				<b>Total</b>	<b>\$13,003.25</b>

### RJCHC Inventory Expense

On 02/20/2014, the Parish reimbursed the RJCHC \$18,100.02 for forty (40) items of musical equipment and computers. An inventory list of these items was provided by the RJCHC to the JPOIG. The JPOIG noted that the RJCHC inventory list was not complete as there was not a cost for each item. Also, the JPOIG noted that the Parish did not conduct a physical inspection of these items located at the RJCHC facility to ensure existence, accuracy, and completeness of the RJCHC inventory. Furthermore, there was no Parish policy in place regarding inspections of equipment purchased with grant funds. In the case of CDBG funding, inventory should be inspected at least once every two years as stated in 24 CFR 85.32. See [Attachment 5](#). Without a periodic inspection of inventory, there is a potential risk that the RJCHC inventory may not be accurate and complete.



On 03/12/2015, the JPOIG performed an inspection of the RJCHC inventory and accounted for all items on the inventory list. During the inspection, the JPOIG reviewed the serial numbers on the assets, compared them to the serial numbers on the inventory list and took pictures of the serial numbers and the property. The JPOIG noted that ownership of inventory purchased with CDBG funds remains with the subrecipient until no longer needed. At that time, it would either be returned to the Parish or sold and the proceeds received from the sale returned to the Parish. In the case of ownership and the disposition of items purchased with Council funds, the RJCHC CEA is silent.

Table # 3 Rickey Jackson Community Hope Center – Courage House Inventory Analysis					
Sel. #	Vendor	Description	Invoice Date	Did RJCHC Inventory list contain item cost?	Amount
1	Guitar Center	Musical Equipment	12/03/14	No	\$8,753.94
2	Office Depot	Computers Equipment	01/8/14	No	9,346.08
<b>Total</b>					<b>\$18,100.02</b>

### General Ledger Coding

During 2013 and 2014 the Parish reimbursed the RJCHC for purchases of insurance and equipment totaling \$31,103.27. The JPOIG reviewed the RJCHC purchases of insurance, musical equipment, and computers and noted that some were posted to the following accounts:

- Purchases totaling \$13,003.25 were posted to general ledger account #21280-1173-139-7331-“Professional Services.”
- Purchases of computers/equipment totaling \$18,100.02 were posted to account #21280-1173-139-7432.3 – “Other Equipment.”

The auditor noted that the Parish Resolution stipulated that the purchases of \$13,003.25 and \$18,100.02 noted above should have been posted to account #21280-1173-139-7454 - “Other Contracted Services.” See Resolutions #121804 and #120307. Coding errors can result in the under/overstatement of general ledger accounts.

### RJCHC CEA Section 11 – Narrative Reports

During review of the CEA between the Parish and the RJCHC, it was noted that the RJCHC was not in compliance with CEA, Section 11 - Reports.<sup>8</sup> The JPOIG did not find evidence that the RJCHC furnished narrative reports to the Jefferson Parish Internal Auditor. Further, the JPOIG found no indication that the Parish Internal Auditor was made aware of the requirements for reporting. With no knowledge that reports were to be submitted to the Internal Auditor, he was unable to recognize the absence of reports and pursue the cause of non-performance. Further, nothing was found to indicate that Community Development took action to verify compliance in this area. The JPOIG also observed that the submission of such reports to the Internal Auditor is inconsistent with the role of that office. Further, that such submissions may compromise the independence of the Internal Auditor if

<sup>8</sup> CEA Section 11-Reports “Organization shall furnish narrative reports to the Jefferson Parish Internal Auditor on the amounts and reasons for all expenditures of funds allocated under this Agreement. Agreements for amounts that are less than \$100,000 require annual narrative reporting and such reports shall be furnished by the end of the calendar year in which the Agreement is executed. Agreements for amounts of \$100,000 or greater require quarterly narrative reporting. Narrative reports for agreements of less than 1 year in duration must be furnished within 30 days of the event taking place.”

subsequent reviews were conducted on the department or entity responsible for general oversight of the funds in question, in this case Community Development. Lastly, the tasking to Internal Audit came via a CEA as opposed to through the Governmental Ethics and Compliance and Audit Committee responsible for assigning tasks to that office.

### **RJCHC Expense Reimbursements**

- During the period from 03/07/2013, through 06/04/2015, the Parish reimbursed the RJCHC for expenses totaling \$203,133.04. The RJCHC used these funds to pay its vendors for insurance, salaries, equipment, and renovations to its facility. It was noted that the RJCHC had not yet submitted adequate proof of vendor payment prior to Parish reimbursement for funds totaling \$158,238.73. Further, the auditor found no policy or procedure that addresses proof of vendor payment criteria in the Community Development Department.
- On 07/05/2013, the Parish reimbursed the RJCHC \$29,625.63 for subcontractor Kent & Associates invoice # 002 for renovation expenses. On 07/05/2013, the RJCHC paid subcontractor Kent & Associates \$29,000 resulting in the Parish overpaying the RJCHC \$625.63.
- On 07/18/2013, the Parish reimbursed the RJCHC \$10,000 for subcontractor Kent & Associates invoice #003 to renovate its facility. On 09/23/2013, the RJCHC paid subcontractor Kent & Associates \$9,600 resulting in the Parish overpaying the RJCHC \$400.
- Bryans United Air Conditioning Services (Bryans United) re-installed three (3) air conditioning units at the RJCHC facility with copper, Freon, and disconnected the box and control board for a price of \$2,500. On 07/10/13, the Parish reimbursed the RJCHC \$2,500 for the work performed by Bryans United. Bryans United stated in an e-mail dated 06/16/2015, that they were never paid for this work and had to write off the \$2,500 as a bad debt resulting in the Parish overpaying the RJCHC \$2,500.
- On 04/30/2015, the Parish reimbursed the RJCHC \$2,190 for lawn services performed by Lagniappe Lawn Services, Inc. These expenses were not supported by copies of the RJCHC checks payable to Lagniappe Lawn Services, Inc.
- On 03/20/2014, the Parish “reimbursed” the RJCHC \$1,478.52 for the purported cash purchase of limestone from FMT. The limestone was delivered on 01/30/2013; however, the CEA was not signed until 02/18/2013. In addition, no documentation was located to support that the RJCHC ever paid FMT. Interviews conducted during the audit reflected incongruent information regarding the date of the cash payment, however, the Parish paid for this expense before the RJCHC did.
- Community Development, in order to correct some of the unsupported vendor payments, reduced future reimbursements to the RJCHC (documentation provided on invoices # 216 & 217) in the amount of \$3,125.63 ( $\$625.63 + \$2,500.00 = \$3,125.63$ ). The \$400.00 shortage to Kent & Associates is disputed by the RJCHC. Community Development states that they will withhold \$400 from future reimbursements to the RJCHC.

Inadequate oversight and monitoring procedures over the RJCHC expenses resulted in the Parish overpaying RJCHC expenses in the amount of \$7,194.15. See Table # 4.

Table # 4

**Rickey Jackson Community Hope Center-Courage House  
Analysis of Proof of Vendor Payments**

Vendor	Description	Date Parish Paid the RJCHC	Date RJCHC Paid the Vendor	Did RJCHC Timely Provide a Copy of the Vendor Check to the Parish?	Parish Check Amount To RJCHC	RJCHC Check Amount To Vendor	Difference
Bowles & Associates, Inc.	General Liability Ins. Policy # 0100009258-0	03/07/2013	03/07/2013	No	^\$8,795.00	\$8,795.00	\$0.00
Bowles & Associates, Inc.	Workers Comp Policy # 0100009258-0	03/07/2013	03/07/2013	No	^2,439.00	2,439.00	0.00
Bowles & Associates, Inc.	General Liability Ins. Policy# 0100009258-0	03/21/2013	3/21/2013	No	^1,769.25	1,769.25	0.00
Bowles & Associates, Inc.	General Liability Ins. Policy #0100001671.1	02/25/2014	03/07/2014	No	^8,637.50	8,637.50	0.00
Roubion Construction	Renovations	04/30/2013	05/01/2013	No	^32,040.00	32,040.00	0.00
C Kent & Associates, Inc.	Renovations	05/24/2013	11/25/2013	No	^20,000.00	20,000.00	0.00
C Kent & Associates, Inc.	Renovations	07/5/2013	07/5/2013	No	^29,625.63	29,000.00	*625.63
C Kent & Associates, Inc.	Renovations	07/18/2013	09/23/2013	No	^10,000.00	9,600.00	*400.00
Bryans United AC	Renovations	10/10/2013	Not Submitted	No	^2,500.00	0.00	*2,500.00
C Kent & Associates, Inc.	Renovations	01/23/2014	01/23/2014	No	^9,651.25	9,651.25	0.00
Florida Marine/Wood Materials	Material - Lime Stone	03/20/2014	Not Submitted	No	^1,478.52	0.00	**1,478.52
Guitar Center	Musical equipment	02/20/2014	12/2/2013	No	^8,753.94	8,753.94	.00
Office Depot	Musical equipment	02/20/2014	01/8/2014	No	^9,346.08	9,346.08	0.00
Best Buy/Michaels	Game Room Equip. and Art Supplies	02/19/2015	07/8/15	No	^2,436.70	2,436.70	0.00
Bowles & Assoc.	Insurance	02/5/15	Not Submitted	No	^12,259.37	12,259.37	0.00
Hunt Telecom, Lagniappe, Entergy	Lawn Care, Internet, Water	04/30/2015	Not Submitted	No	^5,700.64	3,510.64	***2,190.00
Various Employees	Salaries	06/4/2015	Various	Timely	5,141.37	5,141.37	0.00
			<b>Subtotals</b>		<b>\$170,574.25</b>	<b>\$163,380.10</b>	<b>\$7,194.15</b>
Various Employees	Salaries	02/19/2015	Various	Timely	21,498.79	21,498.79	0.00
Bowles & Associates	Insurance	02/3/2015	02/4/2015	Timely	8,375.00	8,375.00	0.00
Kent & Associates	Renovations	05/12/2015	05/12/2015	Timely	2,685.00	2,685.00	0.00
			<b>Subtotals</b>		<b>\$32,558.79</b>	<b>\$32,558.79</b>	<b>\$0.00</b>
			<b>Totals</b>		<b>\$203,133.04</b>	<b>\$195,938.89</b>	<b>\$7,194.15</b>

\*Parish overpaid the RJCHC for vendor expenses.

\*\*Parish overpaid the RJCHC for a cash payment of \$1,478.52 to Florida Marine Transport (FMT) for limestone.

\*\*\* Parish paid the RJCHC for Lagniappe Lawn Services, Inc., expenses of \$2,190 without having proof of vendor payment.

^The RJCHC's proof of vendor payments totaling \$158,238.73 were not properly supported at the time of reimbursement.

## **RJCHC FMT Cash Payment**

During January of 2013, FMT purchased \$1,478.52 of limestone from Wood Materials to be spread at the RJCHC facility in Marrero, La. On 03/20/2014, the Parish reimbursed the RJCHC \$1,478.52 for the purchase of the limestone. The RJCHC purportedly paid FMT in cash for the limestone in late 2014 or early 2015. This cash transaction was not adequately documented with either a receipt or an invoice. In addition, inconsistencies surrounding the transaction were identified via interviews including reports that only 15 tons of limestone were delivered to the facility instead of the purchased amount of 46.82 tons. The Parish reimbursed the RJCHC \$1,478.52 for the purchase of limestone without obtaining and reviewing adequate documentation.

## **Parish Funding Commingled With Rickey Jackson's Whitney Bank Business Funds**

On 04/15/2015, the RJCHC paid two (2) employee salaries in the amount of \$1,375.50 from Mr. Jackson's Whitney Bank business account instead of the RJCHC First NBC Bank account. The JPOIG requested a copy of the Parish funding reimbursement deposit documentation to Mr. Jackson's business bank account; however, no documents have been provided by the RJCHC. The memo section of the checks stated "loan RJCHF."<sup>9</sup> On 06/04/2015, the Parish reimbursed the RJCHC for these expenses. Ms. Hebert, the Director of Community Development, spoke with Mr. Jackson regarding the word "loan" in the memo section of payroll checks to staff members. The following explanation was given by Ms. Hebert via email:

He is not loaning or advancing his staff Parish funds. Because the account used for the Courage House does not have adequate monies to pay salaries, Mr. Jackson sometimes pays the staff from the account of his other business entity. He marks the memo as "loan" to indicate his business is loaning the funds to the Courage House to pay salaries. When the funds are received from the Parish, he then repays his business with those funds.<sup>10</sup>

The JPOIG auditor spoke with **REDACTED**, the owner of Lagniappe Lawn Services who said that the last three check payments received from the RJCHC in the amount of \$1,440 were from Mr. Jackson's Whitney Bank business account instead of the RJCHC First NBC Bank account. **REDACTED** was able to produce a copy of one of these payments made on 07/09/2015, for lawn maintenance in the amount of \$450. Inadequate oversight and monitoring procedures over the RJCHC expenses resulted in Parish funds being commingled with Rickey Jackson's Whitney Bank business account.

## **Parish CDBG Grant Funding**

The JPOIG could not find evidence that CDBG funds were expended in accordance with 24 CFR 85.36 and 84.44 as required. "Small purchases are made through the use of purchase orders. Competition is sought through oral or written price quotations." Based on the aforementioned, the JPOIG was not able to determine if the Parish's reimbursements to the RJCHC represented a fair price for these renovations as would have been established via competitive, multiple bids. The lack of

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<sup>9</sup> RJCHF stands for "Rickey Jackson and Friends Community Hope Foundation." According to the IRS website, the organization's exempt status was automatically revoked by the IRS on 05/15/2015, for failure to file a Form 990-series return or notice for 3 consecutive years.

<sup>10</sup> Email received on 08/05/2015, from Dietrich D. Hebert, Director, Department of Community Development.

oversight over the RJCHC bid process can result in the Parish overpaying the RJCHC expenses as well as HUD audit issues.

It was noted that the RJCHC subcontracted renovations to Roubion Shoring, Co. (“Roubion Shoring”) for contract amounts of \$35,190. The RJCHC paid Roubion Shoring \$32,040.52. Roubion Shoring subcontracted their work to Ameritrust Construction, LLC (“Ameritrust”) for \$24,880. Roubion’s profit was \$7,160.52 (\$32,040.52 - \$24,880.00 = \$7,160.52), or 22%. Without a competitive bid process, as is required by the applicable grant regulations, the parish has no method of verifying that the vendor secured competitive pricing.

### **RJCHC CEA Section 3 - Payment (i)**

On 03/20/2014, subcontractor Kent & Associates submitted a change order to the RJCHC for renovation costs in the amount of \$9,651.25. The JPOIG reviewed the change order and noted that subcontractor Kent & Associates charged a 21% mark-up on their construction costs of \$7,961 in the amount of \$1,690.25. The CEA with the RJCHC states in Section 3 - Payment (i), “Payment by the Parish to the ORGANIZATION those amounts actually incurred, without increase of mark-up...”<sup>11</sup> A lack of monitoring procedures over the CEA resulted in the Parish overpaying the RJCHC expenses in the amount of \$1,690.25. In an e-mail dated 08/20/2015, the Director of Community Development stated that they will withhold this amount from future RJCHC reimbursements.

### **RJCHC Performance Measurements**

The JPOIG did not find evidence that the Parish had established performance measurements to analyze the benefits of their investments, track the progression of the RJCHC project, or evaluate the overall program effectiveness. The lack of performance measurement controls in place can result in program goals not being achieved resulting in a potential waste of public funds.

### **RJCHC Training**

The JPOIG did not find evidence showing that the Parish provided training and guidance to the RJCHC regarding requirements of the CEA and CDBG funding requirements. Training is essential to ensure that the CEA and CDBG requirements are followed. A lack of training can result in compliance issues and misunderstandings.

## **INTERVIEWS**

### **Vice President & Management Counsel - FMT Aggregates, LLC (FMT)**

A recorded interview was conducted on 07/23/2015, at 10:20 a.m. with FMT’s Vice President & Management Counsel. The subject of the interview was the actions of FMT regarding the acquisition of 46 tons of limestone for the RJCHC. The circumstances discussed involved two additional companies, Wood Materials, LLC (Wood Materials), and Roubion Shoring, and occurred between 01/2013 and 06/2015.

The FMT’s Vice President stated that Rickey Jackson is an old football teammate of a sales representative for FMT Aggregates, LLC (FMT),<sup>12</sup> and that it was his understanding that Rickey Jackson came to his old teammate **REDACTED** knowing that he sold rocks and said, “I would like to

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<sup>11</sup> CEA between the Parish and Rickey Jackson and Friends D/B/A Rickey Jackson Community Hope Center dated 02/18/2013.

<sup>12</sup> Recorded interview of 07/23/2015, 2:50-3:05.

spruce up the parking lot of the school because I am having some NFL visitors...over Superbowl weekend.”<sup>13</sup>

Based upon that conversation, FMT’s Vice President stated that, the sales representative said “let me see what I can do.”<sup>14</sup> FMT then contacted Wood Materials, a vendor who deals in the specific aggregate, and purchased 46 tons of limestone. The purchase was made on FMT’s account for \$1,478.52, invoice # 947941 dated 01/31/2013. FMT’s Vice President also stated that Wood Materials “charged us freight,” which means they (Wood Materials) were “responsible for delivery.”<sup>15</sup>

FMT’s Vice President indicated that his understanding is that Rickey Jackson came to the FMT sales representative in late 01/2013 to get the rock to put at his school (RJCHC) and indicated that Roubion Construction was going to spread it and would also take care of paying FMT. FMT’s Vice President further indicated that he understood the FMT sales representative had been informed by Rickey Jackson in 01/2013 that FMT would find and arrange for the rock, but not deliver it, and that Roubion Construction apparently would be spreading it at the school and taking care of payment to us (FMT). Additionally, the FMT’s Vice President stated that this was basically a trust agreement of friendship so no invoice was generated by (FMT) at that time.

Concerning the idea that the limestone may have been a donation to the RJCHC, the FMT’s Vice President stated that it was a “real transaction, we really had to go and pay for the limestone that was then delivered to, as far as we know, all delivered to the school” (meaning the RJCHC). The FMT’s Vice President then said, “We paid our supplier and we were actually paid in cash in about the 12/2014 area.”<sup>16</sup> Further, that “[t]his wasn’t a donation by Wood Materials certainly and we paid Wood Materials.”<sup>17</sup>

Clarification was sought on the issue of payment based on inconsistencies in FMT’s internal accounting process, a claimed cash payment by Mr. Jackson in 12/2014 for the limestone delivered in 02/2013, and notes referencing a donation on paperwork prepared by the FMT sales representative.

Referring to an e-mail previously received by the JPOIG, FMT’s Vice President stated that the FMT sales representative forwarded an e-mail dated 08/18/2014, to the FMT Accounts Payable Department referencing Wood Materials invoice #947941 for \$1,478.52 and reading that “these invoices are good to pay.” Further, the FMT Vice President indicated that he believes the source of the confusion about donations came from the following language also contained in the e-mail: “invoice #947941 was a donation to Roubion Construction for Rickey Jackson’s child development school.” See Attachment 6. Additionally, he stated that as far as he can tell, the e-mail language “was a bit of sarcasm because at that point we (FMT) had not been paid in more than a year and a half.”<sup>18</sup>

FMT’s Vice President reiterated that he did not see it as a donation since they had to pay Wood Materials and that the FMT sales representative was trying to collect the money from Roubion Shoring. Although no invoice had been generated to Roubion, FMT’s Vice President stated that there was a period where the FMT sales representative tried to get paid; where he is calling Roubion

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<sup>13</sup> Id. at 3:25-3:54.

<sup>14</sup> Id. at 3:48-3:51.

<sup>15</sup> Id. at 4:10-4:32.

<sup>16</sup> Id. at 1:22-1:55.

<sup>17</sup> Id. at 4:45-4:51.

<sup>18</sup> Id. at 10:30-11:43.

Construction, but getting no response; so he is asking Rickey Jackson about payment with the understanding that Roubion Construction was supposed to pay us.<sup>19</sup>

In 12/2014, FMT stated that Rickey Jackson paid FMT \$1,478.52 in cash. The cash payment of \$1,478.52 was not deposited into the bank system, we did not have any record of it.<sup>20</sup> Based upon inquiries from the JPOIG in 2015, the FMT Vice President indicated that they had requested information from within FMT during 06/2015 that was supplied with the FMT sales representatives 08/2014 e-mail that created the confusion about this being a donation.<sup>21</sup>

The FMT Vice President further stated that “the reason is . . . we finally got paid in 12/2014 by Rickey Jackson to our sales representative and that he took an envelope containing the cash payment “to his house and just leaves it there . . . and forgets about it.”<sup>22</sup> Then in 07/2015, the FMT sales representative received an e-mail from Ms. Hebert of the Jefferson Parish Community Development Department asking “for confirmation that the limestone was donated” or in the alternative if it was not, “requesting a copy of the invoice that was given to Mr. Jackson.” Based upon this correspondence, the FMT sales representative asked “if FMT could generate an invoice to document this transaction?”<sup>23</sup>

The FMT Vice President indicated that during June or July of 2015 when this matter came up, they were “trying to generate an invoice so the [FMT sales representative] is going oh, ah, we got paid for that . . . so he gives (the envelope with the cash) to . . . our manager of FMT Aggregates. That person then “gave the cash to [an FMT accountant] at the FMT office, to lock up.” The FMT Vice President then stated that “because they didn’t deal with cash very much it stayed locked up until 07/22/2015.”<sup>24</sup>

The FMT Vice President indicated that FMT “did not deposit it (the cash) so it was not shown as being received. The proof of (payment) receipt we have is the invoice that was generated at the request of (Ms.) D. D. Hebert to document the transaction.”<sup>25</sup>

The FMT Vice President also produced and discussed the FMT sales representatives e-mail response to Ms. Hebert of Community Development that sought clarification on the donation issue or in the alternative requesting a copy of the invoice. The initial response, written by the FMT sales representative, is an e-mail dated 07/15/2015, providing a copy of the requested invoice to which Ms. Hebert responds stating “Got it!” The FMT Vice President indicated that “(Ms. Hebert) responded again just two minutes later with “Oops its dated 2015, can you change the date to 2013?” The FMT Vice President stated that “we did not do that . . . we didn’t do it because you got the invoice showing it was paid – we’re documenting the transaction. Can we just leave it at that?”<sup>26</sup>

### **Mr. Rickey Jackson - RJCHC**

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<sup>19</sup> Id. at 8:50-9:10.

<sup>20</sup> Id. at 1:54-1:58, 18:18-18:22.

<sup>21</sup> Id. at 14:10-14:27.

<sup>22</sup> Id. at 19:34-19:48.

<sup>23</sup> Id. at 16:55-17:43.

<sup>24</sup> Id. at 22:30-22:42.

<sup>25</sup> Id. at 24:18-24:31.

<sup>26</sup> Id. at 31:35-32:20.

A recorded interview was conducted on 07/20/2015, at 11:05 a.m. with Rickey Jackson - RJCHC. The subject of the interview was actions taken by Rickey Jackson of the RJCHC regarding the acquisition of 46.82 tons of limestone to be spread at the RJCHC facility.

Mr. Jackson said that he paid cash to the FMT sales representative for the limestone “about four, five, or six months ago.” Mr. Jackson said, “I don’t know what [the FMT sales representative] did with the cash.” Further Mr. Jackson said, “I paid him at Florida Marine,” (the office on Peters Road in Harvey, La.). Mr. Jackson thought FMT had been paid, but after finding out they hadn’t is when he paid them. Mr. Jackson said he didn’t have a check so he paid (FMT) in cash. Mr. Jackson said that he got a receipt from FMT and gave it to Ms. Hebert of the Jefferson Parish Community Development Department.<sup>27</sup> Mr. Jackson said he paid for the limestone, FMT did not donate it. Mr. Jackson said when Roubion Shoring put the limestone down, it looked like it (the load) had been shorted.<sup>28</sup>

### **FMT Sales Representative**

A recorded interview was conducted on 07/29/2015, at approximately 10:00 a.m. with the FMT sales representative. The subject of the interview was the receipt of a cash payment from Rickey Jackson in the amount of \$1,478.52 for the purchase of 46.82 tons of limestone to be spread at the RJCHC facility in Marrero, La.

The FMT sales representative said, “Rickey (Jackson) called me right before the Superbowl to see if he could get a couple of truckloads of stone out to his facility to clean up the parking lot.” The FMT sales representative said FMT purchased the stone from Wood Materials. He further indicated that Mr. Jackson paid cash for the stone in 2014, “well after the original transaction took place.”

The FMT sales representative said the e-mail stating the transaction was a donation was a bit of sarcasm or a tongue-and-cheek deal in he had done a favor for an old teammate and hadn’t gotten paid for it in a year and a half. The FMT sales representative said Mr. Jackson paid him in cash at a restaurant, but couldn’t remember exactly where. Later in the interview he related that he received the money from Mr. Jackson at Smilie’s restaurant (on Jefferson Hwy).<sup>29</sup> The FMT sales representative said he put the money in a filing cabinet at his office on the Northshore in Mandeville, La., and he could not remember how long the cash stayed there. Further, that “We (FMT) don’t have a traditional setup like most companies do.” “I work for the Dry Cargo division and our parent company is FMT...predominantly a liquids hauler.” He also indicated that at a point in time he dealt with bank wire transfers as the general rule and was not involved in small collections. “I basically worked out of my truck and had an office on the Northshore in Mandeville, but didn’t always go there.”

When asked to describe the transaction with RJCHC, the FMT sales representative related that Mr. Jackson “paid me cash towards the end of November, December ’14, 2014” and that the money was in a filing cabinet in the FMT Dry Cargo office on 675 N. Causeway Blvd.” in Mandeville.<sup>30</sup> Further, that he does not how long it stayed there until he gave it to his boss . . . , nor did he know how the FMT Vice President got the money, but suspected he got it from his boss.<sup>31 32</sup> The FMT sales

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<sup>27</sup> Recorded interview of Mr. Rickey Jackson – RJCHC conducted on 07/20/2015. Interview time 0:01-3:09.

<sup>28</sup> Recorded interview of the FMT Sales Representative conducted on 07/29/2015. Interview time 5:36-6:22.

<sup>29</sup> Id. at 7:40-8:05.

<sup>30</sup> Id. at 8:21-8:27.

<sup>31</sup> Id. at 6:48-7:02.

<sup>32</sup> Id. at 8:27-8:47.



representative said that at the time the invoice was prepared, the cash was with his boss.<sup>33</sup> Additionally, he said an invoice was prepared because “D. D. Hebert (of Jefferson Parish Community Development) asked for an invoice that stated it had been paid.”<sup>34</sup> The FMT sales representative said Ms. Hebert asked for an invoice two different times. Regarding the invoice, he indicated that “she (Ms. Hebert) asked, can you show this was paid? In another instance she said it has come to my attention this was a donation can you confirm or not.”<sup>35</sup>

When asked why Mr. Jackson gave him cash, he said, “I do not know that, to be honest with you, I expected a check.”<sup>36</sup> Further, he did not know why the receipt was dated February 2, 2015. Even though the cash payment was made in November or December 2014.<sup>37</sup> The FMT sales representative said that if he received cash at that time, he would “take it to the main (FMT) office, or take it to the Dry Cargo and the main office.”<sup>38</sup> He indicated, “There’s no set way of how we do it.” Continuing, he said, “The basic walk through would be we get the cash; we would take it to the main office. We got the cash, I took it to my office; I work out of my car, I work out of my vehicle I wasn’t going over, I guess, at the time.”<sup>39</sup> When asked if a receipt was normally issued when they received cash, he said that “In general, there is usually a receipt [and] I usually don’t get paid like that” in cash.”<sup>40</sup> Normally, he would give the money “to someone at that office or at the main office (FMT office). Lastly, he reiterated that he did not know why that did not happen in this instance. The cash was in the drawer of the filing cabinet and he forgot about it.”<sup>41</sup>

### **Accounts Receivable - Wood Materials, LLC**

A recorded interview was conducted on 07/29/2015, at approximately 2:30 p.m. with the accounts receivable clerk for Wood Materials, LLC. The subject of the interview was actions taken by Wood Materials regarding the delivery of 46.82 tons of limestone to be spread at the RJCHC facility in Marrero, La.

The Wood Materials accounts receivable clerk stated, that Wood Materials “sold 610 limestone to FMT Aggregates, for this job. Evidently, it was put in as an order for FMT (inaudible)...1120 Baratara Blvd.”<sup>42</sup> Further, the accounts receivable clerk said that normally Wood Materials does not receive any documentation from the recipient verifying that the goods were received”<sup>43</sup> It was also stated that, “When they pick it up, we get a ticket signed.”<sup>44</sup> Continuing the accounts receivable clerk said, “As far as the delivery, the general contractor has somebody on site that signs off on that saying that they received the material.”<sup>45</sup> The procedure is whoever is paying for the material would receive

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<sup>33</sup> Id. at 10:04-10:20.

<sup>34</sup> Id. at 10:20-10:45.

<sup>35</sup> Id. at 10:45-11:24.

<sup>36</sup> Id. at 14:04-17:46.

<sup>37</sup> Id. at 17:46-19:01.

<sup>38</sup> Id. at 21:10-21:20.

<sup>39</sup> Id. at 20:50-21:30.

<sup>40</sup> Id. at 21:30-22:07.

<sup>41</sup> Id. at 22:07-23:14.

<sup>42</sup> Recorded interview with the Accounts Receivable Clerk – Wood Materials conducted on 07/29/2015. Interview time 0:01-0:56.

<sup>43</sup> Id. at 1:48-2:07.

<sup>44</sup> Id. at 2:07-2:15.

<sup>45</sup> Id. at 2:15-2:26.

verification from the general contractor; “FMT might have got that.”<sup>46</sup> Lastly, the accounts receivable clerk said, “FMT was the sub [contractor], they hired us [Wood Materials] just to deliver it, but they would either have had somebody or the general contractor at the site to sign off on it.”<sup>47</sup>

### **Representative - Roubion Shoring**

A recorded interview was conducted on 07/30/2015, at approximately 2:55 p.m. with a representative of Roubion Shoring. The subject of the interview was actions taken by Roubion Shoring regarding the delivery of 46.82 tons of limestone to be spread at the RJCHC facility in Marrero, La.

The Roubion Shoring representative said, “I was never part of any transaction as far as Woods (sic) Materials and Rickey Jackson was concerned, my understanding was the project was a time and materials.”<sup>48</sup> It was explained further that “Rickey Jackson supplied the material, the limestone. I got a call from one of the owners, one of the Roubions the day before the reveal to go out and spread the stone for the property to fill in the holes in the driveway and the parking lot area.”<sup>49</sup>

When the Roubion Shoring representative arrived at the RJCHC “there was one truckload, approximately 15 tons of limestone.”<sup>50</sup> He was confident in the amount stating that “I know that because I’ve hauled it before and I have spread thousands of tons over my lifetime.”<sup>51</sup> “When I got there, the material was wet so I spread it out as best I could [and] did some cleanup around the property with a piece of equipment that I had with me.”<sup>52</sup> Additionally, he “[c]ontacted the owners of the company, told them that the stone needs to dry out because it’s spread in clumps; so I had to go back the next morning, early the next morning, to finish spreading the stone to give it a good appearance.”<sup>53</sup>

Roubion Shoring’s representative also stated that when he “worked for Roubion that it was a policy in place to take pictures prior to, during, and after the jobs. So I’m sure on their records that they have pictures of the stone out there.”<sup>54</sup> When asked if he mentioned to Roubion that there was only 15 tons of limestone delivered, the representative answered, “No, I did not.”<sup>55</sup> He stated that he did not see the Wood Materials truck and further that “You can tell by a truckload because it’s all in one pile. If there were two or three truckloads, there would be individual piles. There was one pile of limestone there approximately, like I said, 15 - 17 tons.”<sup>56</sup> When asked how Roubion would know that the right amount of material was delivered, he said, “There’s a ticket system. So, if Roubion or Rickey Jackson were to order the material, say I need three truckloads. When it comes to limestone, Wood Materials goes on the weight scale, as opposed to river sand, they go by cubic yards. Wood Materials and most stone companies go by the tonnage. The truck is weighed-in when it’s empty and it’s weighed-out

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<sup>46</sup> Id. at 1:48-2:35.

<sup>47</sup> Id. at 2:33-2:50.

<sup>48</sup> Recorded interview with a representative of Roubion Shoring on 07/30/2015. Interview time 0:01-0:59.

<sup>49</sup> Id. at 0:59-1:20.

<sup>50</sup> Id. at 1:20-1:27.

<sup>51</sup> Id. at 1:27-1:31.

<sup>52</sup> Id. at 1:31-1:45.

<sup>53</sup> Id. at 1:45-2:01.

<sup>54</sup> Id. at 2:17-2:39.

<sup>55</sup> Id. at 2:13-2:18.

<sup>56</sup> Id. at 3:08-3:34.

when it's full. That's how they can determine the weight and they charge the customer for that amount."<sup>57</sup>

### **Manager - Roubion Shoring**

A recorded interview was conducted on 07/31/2015, at approximately 2:50 p.m. with a manager of Roubion Construction (Roubion Shoring) Company. The subject of the interview was actions taken by Roubion Shoring regarding the delivery of 46.82 tons of limestone to be spread at the RJCHC facility in Marrero, La.

During this interview, the Roubion Shoring manager stated that his representative "had said that there was only one truck (load) that was delivered, 15 tons, and that's what he spread and he was our representative on the (RJCHC) job. Continuing, he indicated that his representative "says 15 tons is what was delivered, then 15 tons is what was delivered."<sup>58</sup> The Roubion manager said, "I don't remember seeing anything to that nature signed delivery ticket verifying the quantity of limestone delivered."<sup>59</sup> Further, that "These signatures that are on these tickets are not our...anybody from Roubion's signature."<sup>60</sup> Additionally, he added that "I don't know exactly when he (the representative) was there, I know [he] could tell you if this was the morning of the, I guess the big hoopla with the NFL and everything like that, it would have been early in morning that he would have been out there. I kind of have some kind of recollection that he went out very early to start spreading, but I don't know if that's the day or it was the day before."<sup>61</sup> When asked if the Roubion representative was the only one spreading at the site, Mr. Roubion said, "Yes, without a doubt, yeah. He's the only one who would have been on the machine."<sup>62</sup> When asked if he believed the statement from his representative about receiving only 15 tons of limestone was correct, he stated "I would stand behind what [he] said 100%. If he said it was one truck, it was one truck."<sup>63</sup>

### **FINDINGS, OBSERVATIONS, AND RECOMMENDATIONS**

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 a combination of the following: (1) significant deficiencies in internal controls; (2) fraud and illegal acts; (3) violations of contracts and grant agreements; (4) abuse in relation to taxpayer monies.

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<sup>57</sup> Id. at 3:34-5:00.

<sup>58</sup> Recorded interview of Mr. Dennis Roubion – Roubion Shoring on 07/31/2015. Interview time 0:01-1:40.

<sup>59</sup> Id. at 1:40-2:05.

<sup>60</sup> Id. at 2:05-2:10.

<sup>61</sup> Id. at 4:15-4:25.

<sup>62</sup> Id. at 4:25-4:51.

<sup>63</sup> Id. at 4:51-5:09.

<b>Finding # 1: Three (3) Parish payment requests totaling \$45,043.25 were not properly approved.</b>	
Condition:	On 03/07/2013, the Parish reimbursed the RJCHC for three (3) payment requests for insurance and renovation expenses totaling \$45,043.25. The JPOIG did not find evidence that the three (3) payment requests were approved by the Finance Department as required by form #256. Rev 11/90.
Criteria:	Payment requests are signed by the responsible Department, the Finance Department, and the subrecipient.
Cause:	The prior policy that required certification of payment requests processed by purchase order be submitted directly to accounts payable has been reversed under the current Finance Director.
Exposure:	The Parish has an increased risk for overpayments, to include grant fund reimbursements, if expenses are not reviewed for accuracy managing department and the Finance Department.
Recommendations:	<p>The Parish should ensure that payment requests are reviewed and signed by the Responsible Department, the Finance Department, and the RJCHC or the applicable subrecipient.</p> <p>The JPOIG recommends the Parish require written policy and procedure for the oversight and management of all CEAs, which authorizes reimbursement by the Accounting Department only when the Request for Payment Form includes all required approvals.</p>

**Finding # 2: Descriptions on two (2) purchase orders generated by Community Development totaling \$41,691 did not match the description on the invoice or change order provided by the RJCHC.**

Condition:	On 04/30/2013, and 01/23/2014, the Parish reimbursed the RJCHC for expenses totaling \$41,691. It was noted that the item descriptions on purchase orders #13-0007587 and #14-0000853 in the amounts of \$32,040 and \$9,651, respectively, did not match the description on the corresponding invoice and change order.
Criteria:	Purchase orders, invoices, and change orders are matched for validity and accuracy.
Cause:	Per the Accounting Department: “the explanation given regarding the discrepancy is correct. The point of entry for these invoices into our financial system allowed the copying of the previous requisition numbers (this is no longer an option), thus resulting in the error. It appears that the descriptions were not updated for either PO 13-0004189 or 13-0007587 in our <u>financial system only</u> to match the actual expense. However, the invoice and backup documentation shows the actual descriptions and explanations of the costs.”
Exposure:	The financial system may not accurately reflect the transaction increasing risk of adverse audit and verification findings pertaining to the accuracy and validity of data.
Recommendations:	<p>Policy and procedure must ensure that purchase order descriptions accurately reflect the data provided on the invoice and/or change order to ensure the validity and accuracy of the transaction.</p> <p>The JPOIG recommends the Parish require written policy and procedure for the oversight and management of all CEAs, which includes an invoice purchase/change order review and verification prior to reimbursement.</p>

**Finding # 3: The effective dates for insurance coverages were prior to the effective date of the CEA.**

Condition:	Based upon a review of the RJCHC supporting documentation for these insurance expenses, it was noted that the effective dates for coverage were prior to the effective date of the CEA. The insurance coverage dates were 12/20/2012-12/20-2013, for \$11,234.00 and 12/26/2012-02/24/2013 for \$1,769.25. The date of the CEA was 02/18/2013.
Criteria:	Purchases of insurance and policy terms are reconciled to the effective date of the agreement.
Cause:	A lack of oversight and monitoring over the RJCHC expenses.
Exposure:	The Parish appears to have overpaid the RJCHC expenses by approximately \$2,144.06.
Recommendations:	The JPOIG recommends the Parish require written policy and procedure for the oversight and management of all CEAs that ensures reimbursement for term based services (i.e. insurance) are not paid for period of service or coverage outside of the effective period of the CEA.

**Finding # 4: Failure to perform a physical inspection of the RJCHC inventory to ensure existence and completeness.**

Condition:	On 02/20/2014, the Parish reimbursed the RJCHC for 40 items of musical and computer equipment totaling \$18,100.02. The Parish did not verify the purchase or acquisition. Also, the JPOIG noted that the RJCHC inventory list was incomplete because the inventory list did not contain the cost of each item. On 03/12/2015, the JPOIG performed an inspection of the inventory and accounted for items on the RJCHC inventory list.
Criteria:	A Parish policy is in place that requires the Parish to conduct a physical count and observation of the RJCHC inventory. The policy addresses the ownership and disposition of items purchased with Council funds after termination of the CEA.
Cause:	A lack of oversight and monitoring over the RJCHC inventory. The Parish does not have a policy in place that requires the Parish to conduct a physical count and observation of the RJCHC inventory.
Exposure:	There is a potential risk that the RJCHC inventory may not be accurate and complete.
Recommendations:	<p>The JPOIG recommends the Parish require written policy and procedure for the oversight and management of all CEAs that requires an inspection of inventory to safeguard Parish assets and to ensure accuracy, existence, and completeness of inventory.</p> <p>If entities know that an inventory will be taken and items are being tracked, there is a greater likelihood that incidences of theft will decrease. Furthermore, if equipment is lost, stolen, or destroyed, an accurate inventory would help greatly when filing a claim with the insurance company.</p>

**Finding # 5: The Parish system of grant management fails to address the ownership and disposition of the RJCHC inventory purchased with public funds, including grant funds, at termination of the CEA.**

Condition:	A Parish ordinance or policy was not in place to address the ownership and disposition of inventory purchased with public funds, including grant monies, at termination of the CEA.
Criteria:	An ordinance or policy addressing the ownership and disposition of items purchased with public funds (those not received as pass through funds) after termination or completion of the CEA.
Cause:	Lack of an ordinance or policy to support oversight of grant funds.
Exposure:	The value of items purchased with public funds during the CEA and possessing value at the conclusion of the CEA may be improperly donated or gratuitously alienated. The RJCHC has no guidance on the eventual disposition of the inventoried items.
Recommendations:	The JPOIG recommends the Parish establish written policy and procedure for the oversight and management of all CEAs that addresses ownership and disposition of items purchased with Parish funds by non-governmental entities after termination of the CEA.

**Finding # 6: Failure to comply with CEA Section 11 - Narrative Reports.**

Condition:	The JPOIG did not find evidence of compliance with CEA Section 11- Narrative Reports. Narrative reports on expenditures were not submitted to the Parish Internal Auditor for review to help ensure accuracy and validity of the RJCHC expenditures.
Criteria:	Per CEA Section 11, narrative reports are submitted to the Parish Internal Auditor for independent review.
Cause:	A lack of monitoring and oversight. Narrative reports regarding expenditures were not submitted to the Parish Internal Auditor for independent review.
Exposure:	There is a risk that the Parish could overpay the RJCHC expenses.
Recommendations:	The required RJCHC expenditure narrative reports should be submitted to the Parish Internal Auditor for an independent review to help ensure expense accuracy and validity.  The Parish also needs to notify the Internal Auditor that he/she should expect these reports. The Internal Auditor will be able to identify those entities which are not in compliance with the CEA.



**Finding # 7: Failure to provide timely proof of vendor payments to the Parish for expense reimbursements totaling \$158,238.73.**

Condition:	During 2013-2015, the Parish reimbursed the RJCHC for various expenses in the amount of \$203,133.04. It was noted that the RJCHC did not submit to the Parish proof of vendor payment for expense reimbursements totaling \$158,238.73 in a timely manner.
Criteria:	The RJCHC provides to the Parish in a timely manner proof of vendor check payments to support Parish reimbursements.
Cause:	Inadequate oversight over the RJCHC expenses.
Exposure:	The Parish permitted reimbursements without sufficient documentation demonstrating a substantial weakness of controls.
Recommendation:	The JPOIG recommends the Parish require written policy and procedure for the oversight and management of all CEAs that prohibits payments to non-governmental entities without adequate supporting documentation. That documentation must include, at a minimum, a copy of the invoice and proof of vendor payment. The invoice must detail the item or service purchased, the date, and the amount. These items must be verified and approved by Parish staff.

**Finding # 8: The Parish reimbursed the RJCHC for a cash payment of \$1,478.52 for the purchase of limestone without adequate supporting documentation.**

Condition:	On 03/20/2014, the Parish reimbursed the RJCHC for a cash payment of \$1,478.52 for the purchase of limestone without having adequate supporting documentation.
Criteria:	The Parish incorporates into their CEAs that all payments are to be made by check.
Cause:	Inadequate policy and procedure regarding cash payments to non-governmental entities from both the Community Development and Finance Departments.
Exposure:	Cash payment reimbursements present inherent difficulties to proper oversight related to the lack of a verifiable audit trail and increase the risk of overpayment as seen in the RJCHC overpayment for the purchase of limestone.
Recommendations:	The JPOIG recommends the Parish require written policy and procedure for the oversight and management of all CEAs that the Parish not allow reimbursement for cash payments. This provision should be considered for adoption into ordinance and be incorporated into the CEA. Payments by check provide a more accurate, easy to follow, audit trail.

**Finding # 9: Failure to comply with CDBG funding rules 24 CFR 85.36 and 84.44, the competitive bid process.**

Condition:	The JPOIG could not find evidence that the RJCHC was in compliance with CDBG funding rules 24 CFR 85.36(d) (1), and 84.44(e) (2). “Small purchases are made through the use of purchase orders. Competition is sought through oral or written price quotations.” The Parish reimbursed the RJCHC approximately \$100,291.25 for renovations to its facility. Based on the aforementioned, the JPOIG was not able to determine if the Parish’s reimbursements to the RJCHC represented a fair price for these renovations as would have been established via competitive, multiple bids.
Criteria:	CDBG funding rules 24 CFR 85.36 and 84.44 need to be monitored for compliance pursuant to the terms of the CDBG funds.
Cause:	No policy or procedure was in place to monitor the requirements of 24 CFR 85.36 and 84.44.
Exposure:	There is a risk that the RJCHC did not pay a fair price resulting in the Parish over-paying the RJCHC expenses.
Recommendation:	<p>The JPOIG recommends the Parish require written policy and procedure for the oversight and management of all CEAs that mandate compliance with federal, state or Parish imposed grant provisions pertaining to bid processes, quotes and estimates. In this case CDBG funding requirements found in 24 CFR 85.36(d) (1) and 84.44(e) (2).</p> <p>Provisions of this nature are designed to ensure subrecipients make sufficient effort to ensure public funds are expended in a cost effective manner.</p>

**Finding #10: The Parish reimbursed the RJCHC for contracting, insurance, utilities, and lawn service expenses totaling \$49,304.79. However, the RJCHC paid its vendors \$42,110.64 resulting in the Parish overpaying the RJCHC expenses in the amount of \$7,194.15.**

Condition: 1	On 07/05/2013, the Parish reimbursed the RJCHC \$29,625.63 for subcontractor Kent & Associates invoice #002 for renovation expenses. On 07/05/2013, the RJCHC paid subcontractor Kent & Associates \$29,000 resulting in the Parish overpaying the RJCHC \$625.63.
Condition: 2	On 07/18/2013, the Parish reimbursed the RJCHC \$10,000 for subcontractor Kent & Associates invoice #003 to renovate its facility. On 09/23/2013, the RJCHC paid subcontractor Kent & Associates \$9,600 resulting in the Parish overpaying the RJCHC \$400.
Condition: 3	Bryans United Air Conditioning Services performed work on three (3) Air Conditioning units at the RJCHC for total of \$2,500. On 7/10/13, the Parish reimbursed the RJCHC \$2,500 for the work. It was determined that Bryans United was not paid for the work and had to write off the \$2,500 as a bad debt resulting in the Parish overpaying the RJCHC \$2,500.
Condition: 4	On 04/30/2015, the Parish reimbursed the RJCHC \$2,190 for lawn services performed by Lagniappe Lawn Services, Inc. These expenses were not supported by copies of the RJCHC checks payable to Lagniappe Lawn Services, Inc.
Condition: 5	On 03/20/2014, the Parish reimbursed the RJCHC \$1,478.52 for the purchase of limestone from FMT. In 12/2013, Mr. Jackson (RJCHC) states that he paid FMT in cash for the limestone. Cash payments are not sufficient, competent evidence to support the payment.
Condition: 6	Community Development, in order to correct some of the unsupported vendor payments, reduced future RJCHC reimbursements (documentation provided on invoices #216 & #217) in the amount of \$3,125.63 (\$625.63+\$2,500.00 = \$3,125.63). The \$400.00 shortage to Kent & Associates is disputed by the RJCHC. Community Development states that they will withhold \$400 from the RJCHC future reimbursements.
Criteria:	The Parish, in this case via Community Development, must reasonably monitor expense documentation to ensure that expenses are accurate and valid prior to reimbursement with public funds.
Cause:	Inadequate monitoring procedures concerning expense documentation prior to reimbursement.
Exposure:	The Parish overpaid the RJCHC expenses by \$7,194.15.
Recommendations:	The Parish should reconcile the RJCHC vendor payments with the Parish reimbursements, resolve any differences, and collect any overpayments. Additionally, the Parish should ensure that ordinances, policies, and procedures require reasonable and verifiable reconciliation prior to issuance of payment.

**Finding # 11: Failure to comply with CEA Section 3 – Payment (i).**

Condition:	On 01/23/2014, the Parish reimbursed the RJCHC \$9,651.25 for contracting expenses. The JPOIG reviewed the RJCHC subcontractor Kent & Associates change order for this transaction and noted that the subcontractor charged a 21% mark-up on their construction costs of \$7,961 in the amount of \$1,690.25, in conflict with CEA Section 3-Payment (i).
Criteria:	Invoices are monitored against the CEA requirements including Section 3-Payment (i). Markups on costs are not allowed.
Cause:	The Parish was not monitoring compliance with CEA Section 3-Payment (i).
Exposure:	The Parish overpaid the RJCHC expenses in the amount of \$1,690.25.
Recommendation:	The JPOIG recommends the Parish require written policy and procedure for the oversight and management that prohibits reimbursement for markups on cost in accordance with CEA Section 3- Payment, and other provisions as appropriate.

**Finding # 12: RJCHC comingled Parish funds with a non-RJCHC account.**

Condition:	On 04/30/2015, and 06/04/2015, the Parish reimbursed the RJCHC for expenses totaling \$1,825.50. The RJCHC paid employee salaries of \$1,375.50 and lawn maintenance services of \$450 from Mr. Jackson's Whitney Bank business account instead of using the RJCHC's First NBC Bank account.
Criteria:	The Parish funding should not be comingled with other business funds.
Cause:	Inadequate oversight and over the RJCHC's expenses.
Exposure:	The RJCHC comingled Parish funds of \$1,825.50 with funds in Mr. Jackson's Whitney Bank business account funds. This practice could lead to questionable expenses by grantees.
Recommendation:	Public funds should not be comingled with funds not connected with the account(s) of the non-governmental entity in which the Parish has entered into a CEA. The JPOIG recommends that the Parish require grant recipients to maintain grant funds in a separate account. To ensure a proper audit trail, the non-governmental entities expenses (payments) and the subsequent Parish reimbursements (deposits) should be required to be processed through the entity's official account(s). Additionally, grantees should be required to sign an attestation that grant funds will not be comingled with any other public or private funds.

<b>Observation # 1: The RJCHC performance measurements were not established.</b>	
Condition:	The JPOIG did not find evidence that the Parish had established performance measurements to analyze the benefits of their investments, track the progression of the project, and evaluate the overall program effectiveness. It was noted that HUD has established performance measurements for CDBG funding.
Recommendation:	Regarding Parish funding, a policy should be in place that requires the preparation of a subrecipient performance measurement checklist to help ensure that project goals and objectives are being met.

<b>Observation # 2: The Parish did not provide CEA and CDBG training to the RJCHC.</b>	
Condition:	The JPOIG did not find evidence showing that the Parish provided training and guidance to the RJCHC regarding Parish and CDBG funding requirements.
Recommendation:	The Parish should have a policy in place that requires training sessions, especially for new grantees, for CEA and CDBG requirements to help ensure that contract requirements are being followed. Training is essential to ensure that CEA and CDBG requirements are followed to avoid compliance issues and misunderstandings.

<b>Observation # 3: General ledger Coding for the RJCHC purchases did not agree with the Parish Resolutions.</b>	
Condition:	The Parish auditor noted that the Parish Resolution stipulated that the purchases of insurance \$13,003.25 and inventory equipment \$18,100.02 should have been posted to account #21280-1173-139-7454 - "Other Contracted Services." The JPOIG reviewed the RJCHC purchases of insurance, musical equipment, and computers and noted that some were posted to the following accounts: <ul style="list-style-type: none"> <li>• Purchases in the amount of \$13,003.25 were posted to general ledger account #21280-1173-139-7331-"Professional Services."</li> <li>• Purchases of computers/equipment in the amount of \$18,100.02 were posted to account #21280-1173-139-7432.3 - "Other Equipment."</li> </ul>
Recommendation:	The Parish should monitor general ledger coding to ensure they are aligned with Parish resolutions.

## **CONCLUSIONS**

The JPOIG recommends that the Parish ensure the Community Development Department requires verifiable proof of vendor payment for Parish review and approval prior to the Parish reimbursing any future RJCHC expenses. Further, it is recommended that the Parish seek reimbursement from the RJCHC for questioned expenses, in the amount of \$158,238.73, and overpayments in the amount of \$7,194.95, unless adequate, verifiable support is submitted.

The JPOIG noted deficiencies in the Community Development Department's and the Parish's overall internal control system regarding the monitoring of the RJCHC and believe those same concerns exist across the monitoring efforts for non-governmental entities with Parish CEAs.

While there are various systems used to monitor grant funds, there are some commonalities that are easily adaptable to most circumstances and which fit well within the Parish structure. An effective grant monitoring system should address administering entities' roles and responsibilities and an effective monitoring effort across the full spectrum of grant sources. Purposefully addressing each grant recipient will ensure that the funds are adequately administered and overseen, that the subrecipient project or purpose stays on an acceptable progression toward the intended outcome, and that the subrecipient produces the appropriate measurables at specific check points and upon completion. Below we set forth some of the components that should be addressed and in doing so borrow liberally from federal guidance on grant administration.<sup>64</sup>

### **Roles and Responsibilities**

The JPOIG auditor recommends the following improvements to the overall internal control system. It is the responsibility of the department administering the funds to ensure compliance through subrecipient monitoring. This typically includes the following:

- Determine the frequency and scope for monitoring programmatic activities of each subrecipient to include regular contact with the subrecipient based upon the specific project's complexities.
- Ensure that department personnel involved in financial administration of sponsored projects are familiar with the policy for subrecipient monitoring.
- Ensure that the grant award process includes a training or orientation aspect so that awardees fully understand their obligations under the specific fund guidelines. Ensure subrecipients comply with the technical provisions of the grant.
- Ensure that both the department personnel involved in monitoring and the subrecipient are aware of all applicable procurement and reimbursement criteria.
- Ensure that the grantee does not commingle grant funds with non-grant funding.
- Ensure that subrecipient costs are appropriate, approved, and entered into the applicable monitoring and accounting systems(s).
- Ensure all required subrecipient programmatic reporting is current.
- Keep detailed records of communications regarding performance by the subrecipient.
- Ensure the monitoring process addresses when consideration should be given to amending the subrecipient's award and how to initiate the amendment.

### **Monitoring Effectively**

The CDBG program requires that "reimbursements to subrecipients reflect timely performance in accomplishing measurable objectives (such as numbers of housing units inspected, buildings

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<sup>64</sup> ARRA Guidelines for Sub-Recipient Monitoring-Addendum 1- 2009 OMB Compliance Supplement, OMB A-133 and 110.

rehabilitated, or clients assisted).”<sup>65</sup> The Parish should ensure that managing departments have policy and procedure in place that documents subrecipients’ awareness and understanding of grant requirements and obligations. The CDBG guidebook recognizes that “[i]t is not uncommon for grantees to hear subrecipient staff excuse their failure to comply with program requirements by saying they did not understand the terms and conditions of the written Agreement; . . . [h]owever, lack of understanding excuses neither you nor your subrecipients from the consequences of a mistake.”<sup>66</sup>

In order to meet its obligations of grant management under the CDBG and other similarly regulated funding sources, the Parish must develop a system of oversight that can be applied across the sub-recipient spectrum. The benefits of this approach are:

1. internal consistency and accuracy of monitoring efforts;
2. efficiency due to staff’s ability to track a greater number of subrecipients on larger or more complex activities;
3. comprehensive reports covering multiple subrecipients operating under the same funding source; and
4. the development of individualized monitoring procedures to address individual subrecipients.

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<sup>65</sup> Managing CDBG A Guidebook for CDBG Grantees on Subrecipient Oversight chapter 3-7.

<sup>66</sup> Id.

Cooperative Endeavor  
Agreement between the  
Parish and RJCHC;  
Resolution 120307





**COOPERATIVE ENDEAVOR AGREEMENT  
BETWEEN  
THE PARISH OF JEFFERSON  
AND  
RICKEY JACKSON AND FRIENDS D/B/A RICKEY JACKSON  
COMMUNITY HOPE CENTER**

This Agreement is made and entered into on this 18<sup>th</sup> day of February, 2013, by and between the Parish of Jefferson, Louisiana, by and through the Parish Council, hereinafter called the PARISH, represented by Christopher L. Roberts, Council Chairman, duly authorized to act pursuant to Resolution No. 120307, adopted on Jan. 30, 2013, and the Rickey Jackson and Friends d/b/a Rickey Jackson Community Hope Center, a 501(C)3 not-for-profit corporation, Federal ID No. 52-2443765, hereinafter called ORGANIZATION, represented by Rickey A. Jackson, its President; and

**WHEREAS**, Art. VII, Sec. 14(C) of the Louisiana Constitution of 1974 provides that for a public purpose, the State and its political subdivisions may engage in cooperative endeavors with each other, with the United States or its agencies, or with any public or private ORGANIZATION, corporation or individuals; and

**WHEREAS**, Art. VII, Sec. 14(B) of the Louisiana Constitution of 1974 provides that public funds may be used for programs of social welfare for the aid and support of the citizens of Jefferson Parish; and

**WHEREAS**, the PARISH is authorized by Art. 1. Sec. 1 of the Louisiana Constitution to enter into this Agreement to promote the happiness and general welfare of the people; and

**WHEREAS**, the PARISH is authorized by Section 1.01 (5), (15) of the Jefferson Parish Charter to enter into this Agreement for recreational and crime prevention programs; and

**WHEREAS**, the public purpose of the Project is to provide funding for a Community Hope Center which will offer a refuge for the abused and at-risk youth of Jefferson Parish by providing services such as mentoring, academic enrichment, leadership development, and career path development assistance; and

**WHEREAS**, the PARISH has a reasonable expectation of receiving the benefits of programs to enrich the lives of the abused and at-risk youth of Greater New Orleans and Jefferson Parish through services such as mentoring, academic enrichment, leadership development, and career path development assistance, which are at least equivalent to the \$125,000.00 consideration provided for in this Agreement; and

**WHEREAS**, the transfer or expenditure of public funds or property is not a gratuitous donation; and

**WHEREAS**, the citizens of Jefferson Parish will benefit from the efforts of these parties working together; and

**WHEREAS**, PARISH desires to cooperate with the ORGANIZATION in the implementation of the Project as hereinafter provided;

**NOW, THEREFORE**, the PARISH and ORGANIZATION hereby agree as follows:

**SECTION 1- SERVICES**

The ORGANIZATION shall establish and operate the Rickey Jackson Community Hope Center, hereinafter called FACILITY, to serve as a refuge for abuse and at-risk youth from the Greater New Orleans area. At the FACILITY, participants will be

provided the following services: Mentoring, Academic Enrichment, Leadership Development, and Career Path Development Assistance.

## **SECTION 2 - DELIVERABLES**

Deliverables: ORGANIZATION shall establish, maintain, and operate a FACILITY to provide the services described in SECTION 1. Establishment of the FACILITY will require renovations, and ORGANIZATION estimates the renovations will cost two hundred twenty-five thousand dollars (\$225,000.00), as detailed in Exhibit A.

PARISH shall provide limited funding as described in SECTION 3 to help cover the costs of establishing, maintaining, and operating the FACILITY but ORGANIZATION shall be responsible for obtaining additional funding needed to realize the object of this agreement as described in SECTION 1. The funds provided by PARISH may be used for costs including but not limited to the following: renovations, insurance, and utilities.

## **SECTION 3- PAYMENT**

In consideration of the services described above, the PARISH hereby agrees to pay the ORGANIZATION a maximum fee of one hundred twenty-five thousand dollars (\$125,000.00). All payments shall be made on a reimbursement basis in accordance with Code of Ordinance, Jefferson Parish, Louisiana, § 2-925.1. Reimbursement shall be defined as either:

(i) Payment by the Parish to the ORGANIZATION those amounts actually incurred, without increase or mark-up, and supported by documentation to the reasonable satisfaction of the Parish; or in the alternative,

(ii) Payment by the Parish to the ORGANIZATION those amounts supported by advance service invoices to the reasonable satisfaction of the Parish, for those services to be supplied at actual cost, without increase or mark-up.

ORGANIZATION acknowledges and understands that payments shall be made from two separate funds by the PARISH in the following manner.

A. Payment of twenty-five thousand dollars (\$25,000.00) shall be will be made on a reimbursement basis for any costs to establish, maintain, or operate the FACILITY.

B. Payment of one hundred thousand dollars (\$100,000.00) shall only be reimbursed under SECTION 3, (i) of this Agreement for costs actually incurred during the renovation of a public facility. In addition, no reimbursement shall be made under this provision (SECTION 3 (B)) until PARISH has completed the Environmental Records Review.

## **SECTION 4 – TERM OF AGREEMENT**

The term for this Agreement shall commence on the date first above written and shall continue in effect for five (5) year unless sooner terminated as provided in Paragraphs 5 and 6.

## **SECTION 5 – TERMINATION FOR CAUSE**

The PARISH may terminate this Agreement for cause based upon the failure of ORGANIZATION to comply with the terms and/or conditions of the Agreement; provided that the PARISH shall give ORGANIZATION written notice specifying ORGANIZATION's failure. If within thirty (30) days after receipt of such notice, ORGANIZATION shall not have either corrected such failure or, in the case which cannot be corrected in thirty (30) days, begun in good faith to correct said failure and thereafter proceeded diligently to

complete such correction, then the PARISH may, at its option, place ORGANIZATION in default and the Agreement shall terminate on the date specified in such notice. The PARISH may exercise any rights available to it under Louisiana law to terminate for cause upon the failure of the ORGANIZATION to comply with the terms and conditions of this Agreement; provided that the PARISH shall give the ORGANIZATION written notice specifying the ORGANIZATION's failure and a reasonable opportunity for the ORGANIZATION to cure the defect.

#### **SECTION 6 - TERMINATION FOR CONVENIENCE**

The PARISH may terminate the Agreement at any time by giving thirty (30) days written notice to ORGANIZATION. Upon receipt of notice, ORGANIZATION shall, unless the notice directs otherwise, immediately discontinue the work and placing of orders for materials, facilities, services and supplies in connection with the performance of this Agreement. The ORGANIZATION shall be entitled to payment for deliverables in progress to the extent work has been performed satisfactorily.

#### **SECTION 7 – FORCE MAJEURE**

Neither party to this Agreement shall be responsible to the other party hereto for any delays or failure to perform caused by any circumstances reasonably beyond the immediate control of the party prevented from performing, including, but not limited to, acts of God.

#### **SECTION 8 – INDEPENDENT CONTRACTOR**

ORGANIZATION hereby agrees and accepts that it shall be acting as an independent contractor in providing services under this Agreement. It is understood and agreed by the parties that ORGANIZATION 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 PARISH and ORGANIZATION.

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 ORGANIZATION; or
- d. pay workman's compensation insurance premiums for coverage for ORGANIZATION.
- e. ORGANIZATION 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.

ORGANIZATION 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 ORGANIZATION as an independent contractor. ORGANIZATION 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.

## **SECTION 9 – INDEMNIFICATION**

The PARISH, its agents and employees shall not be liable for any loss, damage, injuries, or other casualty of whatsoever kind or by whomsoever caused, to the person or property of anyone (including ORGANIZATION), arising out of or resulting from ORGANIZATION'S providing services under this Agreement, whether apparent or hidden, or from the installation, existence, use, maintenance, condition, repair, alteration, removal, or replacement of any equipment used in the provision of said services, its agents or employees, and the ORGANIZATION hereby agrees to indemnify and hold the PARISH, its agent and employees, harmless from and against all claims, demands, liabilities, suits or actions (including all reasonable expenses and attorneys' fees incurred by or imposed on the PARISH in connection therewith) for any such loss, damage, injury or other casualty.

ORGANIZATION also agrees to pay all reasonable expenses and attorneys' fees incurred by the PARISH in connection with the provisions of this SECTION.

## **SECTION 10 – INSURANCE**

ORGANIZATION 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 cancelled without thirty (30) days prior notice of cancellation given to the PARISH, in writing, on all of the required coverage provided to PARISH. All notices will name ORGANIZATION, and identify the Council Resolution approving the terms of the contract. The PARISH may examine the policies at any time and without notice.

A. ALL POLICIES AND CERTIFICATES OF INSURANCE OF THE ORGANIZATION SHALL CONTAIN THE FOLLOWING CLAUSES:

1. ORGANIZATION insurers will have no right of recovery or subrogation against the 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.
2. The PARISH shall be named as additional insured as regards to general liability with respect to negligence by ORGANIZATION.
3. 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.
4. Any and all deductibles in the below described insurance policies shall be assumed by and be at the sole risk of ORGANIZATION.
5. ORGANIZATION shall include all subcontractors as additional insureds under its policies or shall furnish specific certificates of insurance for each subcontractor. All coverage for subcontractors shall be subject to all the requirements stated herein for the ORGANIZATION.

B. Prior to the execution of this Agreement ORGANIZATION, shall provide at its own expense, proof of the following insurance coverage required by the contract to the 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.

1. In the event ORGANIZATION hires workers within the State of Louisiana it shall obtain Worker's Compensation Insurance. As required by State Statute exception; employer's liability, Section B, 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.
2. 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 coverage shall include coverage for bodily injury and property damage.
  3. In the event ORGANIZATION owns or leases automobiles it shall obtain Comprehensive Automobile Liability insurance with a Combined Single Limit of \$1,000,000.00 per occurrence for bodily injury and property damage.
  4. No insurance required herein shall include a deductible greater than \$10,000.00. The cost of the deductible shall be borne by the ORGANIZATION.
  5. Umbrella Liability coverage or excess liability coverage may be used to meet the minimum requirements.

All policies of insurance shall meet the requirements of the PARISH prior to the commencing of any work. The 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 the PARISH as to form or substance; or if a company issuing any such policy shall be or become unsatisfactory to the PARISH, ORGANIZATION shall promptly obtain a new policy, submit the same to the PARISH for approval and submit a certificate thereof as provided above.

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

#### **SECTION 11 - REPORTS**

ORGANIZATION shall furnish narrative reports to the Jefferson Parish Internal Auditor on the amounts and reasons for all expenditures of funds allocated under this Agreement. Agreements for amounts that are less than \$100,000 require annual narrative reporting and such reports shall be furnished by the end of the calendar year in which the Agreement is executed. Agreements for amounts of \$100,000 or greater require quarterly narrative reporting. Narrative reports for Agreements of less than 1 year in duration must be furnished within 30 days of the event taking place.

#### **SECTION 12 – COST AND COLLECTION RECORDS**

The PARISH shall be entitled to audit the books, documents, papers and records of ORGANIZATION and any subcontractors which are reasonably related to this Agreement.

ORGANIZATION and its subcontractors shall maintain all books, documents, papers, accounting records and other evidence pertaining to funds collected and shall make such materials available at their respective offices at all reasonable times during the Agreement period and for three years from date of final payment under this Agreement, for inspection by the PARISH, and copies thereof shall be furnished if requested.

**SECTION 13 - NOTICE**

All notices and correspondence required to be sent shall be by U.S. Certified Mail – Return Receipt Requested, or via nationally recognized overnight courier service addressed as follows:

PARISH: Christopher L. Roberts  
COUNCIL CHAIRMAN  
Jefferson Parish Council  
200 Derbigny Street, Suite 6200  
Gretna, La. 70053  
Phone No.: (504) 364-2626

ORGANIZATION: Rickey A. Jackson  
President  
3053 Mercedes Drive, New Orleans, LA 70114  
(504) 655-7911  
rickeyjacksack@yahoo.com

**SECTION 14– ASSIGNMENT**

This Agreement shall be binding upon the successors and assigns for the parties hereto. This Agreement shall not be assigned or subcontracted in whole or in part by ORGANIZATION as to the services to be performed hereunder without the written consent of the PARISH.

**SECTION 15 — LEGAL COMPLIANCE**

The PARISH and the ORGANIZATION shall comply with all federal, state, and local laws and regulations, including, specifically, the Louisiana Code of Governmental Ethics (R.S. 42:1101, *et seq.*) in carrying out the provisions of this Agreement and Legislative Auditor’s authority to audit (R.S. 24:513) in order to monitor and evaluate the use of the funds to ensure effective achievement of project goals and object.

**SECTION 16 — EMPLOYMENT OF PARISH PERSONNEL**

ORGANIZATION certifies that it has not employed and will not employ any person to engage in the performance of this Agreement who is, presently, or at the time of such employment, an employee of the Parish of Jefferson.

**SECTION 17 – COVENANT AGAINST CONTINGENT FEES**

The ORGANIZATION warrants that it has not employed or retained any entity or person, other than a bona fide employee working solely for the ORGANIZATION, to solicit or secure this Agreement, and that it has not paid or agreed to pay any entity or person, other than a bona fide employee working solely for the ORGANIZATION any fee, commission, percentage, brokerage fee, gift, or any other consideration, contingent upon or resulting from the award or making of this Agreement. For breach or violation of this warranty, the PARISH shall have the right to annul this Agreement without liability or, in PARISH’s discretion, to deduct from the contract price or consideration, or otherwise recover the full amount of such fee, commission, percentage, brokerage fee, gift, or contingent fee.

### **SECTION 18 – DISCRIMINATION CLAUSE**

The ORGANIZATION agrees to abide by the requirements of the following as applicable: Title VI and VII of the Civil Rights Act of 1964, as amended by the Equal Opportunity Act of 1972, Federal Executive Order 11246, the Federal Rehabilitation Act of 1973, as amended, the Vietnam Era Veteran's Readjustment Assistance Act of 1974, Title IX of the Education Amendments of 1972, the Age Act of 1975, and Contracting Party agrees to abide by the requirements of the Americans with Disabilities Act of 1990. ORGANIZATION agrees not to discriminate in its employment practices, and will render services under this contract without regard to race, color, religion, sex, sexual orientation, national origin, veteran status, political affiliation, or disabilities. Any act of discrimination committed by ORGANIZATION, or failure to comply with these statutory obligations when applicable shall be grounds for termination of this Agreement.

### **SECTION 19 – ANNUAL APPROPRIATION**

In the event funds are not budgeted or appropriated in any fiscal year for payments due under this Agreement for the then current or succeeding fiscal year, this Agreement shall impose no obligation on the PARISH as to such current or succeeding fiscal year, and said Agreement shall become null and void, and no right of action shall accrue to the benefit of the ORGANIZATION, its successors or assigns for any further payments.

### **SECTION 20 — JURISDICTION**

This Agreement shall be deemed to be a contract 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. The ORGANIZATION 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 venue for any suit or proceeding brought pursuant to this contract shall be the 24<sup>th</sup> Judicial District Court for the Parish of Jefferson, State of Louisiana.

### **SECTION 21 – 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 so amended it will be deemed to be deleted. Such amendment or deletion will not affect the validity of any other provisions of this Agreement.

### **SECTION 23 — ENTIRE AGREEMENT**

This Agreement constitutes the entire Agreement between the PARISH and ORGANIZATION, and supersedes all prior negotiations, representations or Agreements, either written or oral. This Agreement may be amended only by written instrument signed by both PARISH, through its Council Chairman and ORGANIZATION by its authorized representative.

This Agreement is executed in 4 originals on the day, month, and year first above written.

WITNESSES:

Norma Lincei

Karen B. Seguer

WITNESSES:

Yvonne Salento

Betty Overton

PARISH OF JEFFERSON

BY:   
Christopher L. Roberts  
COUNCIL CHAIRMAN

RICKEY JACKSON AND FRIENDS  
D/B/A RICKEY JACKSON  
COMMUNITY HOPE CENTER

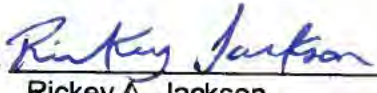
BY:   
Rickey A. Jackson  
President



Exhibit A  
Construction Cost Estimate

Clearing & Cleaning Grounds	4,000.00
30 yd Dumpster	800.00
Parking Area and Parking lot	60,000.00
5 loads of Gravel	4,800.00
labor	1,000.00
Pressure Wash all Buildings	1,500.00
Change all windows	17,000.00
Siding and Soffit	12,000.00
Exterior Painting	10,000.00
New Gutters	8,000.00
Replace Glass Closure in Breezway	6,000.00
Gut Entire Kitchen	1,000.00
Replace Front Entrance Cabinets	10,000.00
Appliances	9,000.00
Ceramic Floor Laundry Room	1,500.00
Cabinets in Laundry Room	1,000.00
Remove & Replace carpet	7,900.00
Remove & Replace Baseboards	3,000.00
Interior Painting	15,000.00
Replace Office Cabinets	3,000.00
Ceiling Fans	1,000.00
5 ton A C Units for Computer Room	12,500.00
Phone System	2,000.00
Repair and clean existing A C	3,000.00
Electrical Work for Computer Room	7,000.00
Electrical Work for Music Room	6,000.00
Flooring in Music Room	2,000.00
Hall door	1,000.00
Clean and Restore 8 Bathrooms	14,000.00
<b>Total</b>	<b>225,000.00</b>

Non-Collusion  
AFFIDAVIT

STATE OF Louisiana  
PARISH/COUNTY OF Jefferson

BEFORE ME, the undersigned authority, personally came and appeared,  
Rickey Jackson, (Affiant) who after being duly sworn, deposed and said that  
he/she is the fully authorized Executive Director of Courage House  
(Entity), the party who submitted a Proposal/Contract/Bid/RFP/SOQ No. \_\_\_\_\_,  
to Jefferson Parish.

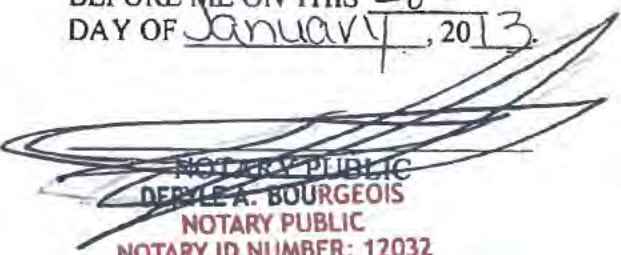
Affiant further said:

- (1) That Affiant has not and will not employ any person, either directly or indirectly, to secure the public contract under which he/she is to receive payment, other than persons regularly employed by the Affiant whose services, in connection with the project or in securing the public contract, are in the regular course of their duties for the Affiant; and
- (2) That no part of the contract price was paid or will be paid to any person for soliciting the contract, other than the payment of normal compensation to persons regularly employed by the Affiant whose services with the project are in the regular course of their duties for the Affiant.

Rickey Jackson

Signature of Affiant

SWORN TO AND SUBSCRIBED  
BEFORE ME ON THIS 28<sup>th</sup>  
DAY OF January, 2013.

  
NOTARY PUBLIC  
DEBYLE A. BOURGEOIS  
NOTARY PUBLIC  
NOTARY ID NUMBER: 12032  
JEFFERSON PARISH, LA  
MY COMMISSION IS ISSUED FOR LIFE

Updated: 2.8.2012  
LA-RS § 38:2224(2011)  
Code of Ord., Jeff. Parish, LA § 2-923-923.2

Employment Status Verification  
AFFIDAVIT

STATE OF Louisiana  
PARISH/COUNTY OF Jefferson

BEFORE ME, the undersigned authority, personally came and appeared,  
Rick Jackson Courage House (Affiant) who after being duly sworn, deposed and said that  
he/she is the fully authorized Executive Director of Courage House  
(Entity), the party who submitted a Proposal/Contract/Bid/RFP/SOQ No. \_\_\_\_\_,  
to Jefferson Parish. (Choose one of the following):

Affiant further said:

- (1) Entity is registered and participates in a status verification system to verify that all employees in the State of Louisiana are legal citizens of the United States or are legal aliens.
- (2) Entity shall continue, during the term of the contract, to utilize a status verification system to verify the legal status of all new employees in the State of Louisiana.
- (3) Entity shall require all subcontractors to submit to the Entity a sworn affidavit verifying compliance with statements (1) and (2).

\_\_\_\_\_ Affiant further said that neither Entity nor subcontractors of Entity have any employees in the State of Louisiana.

Rick Jackson  
Signature of Affiant

SWORN TO AND SUBSCRIBED  
BEFORE ME ON THIS 28<sup>th</sup>  
DAY OF January, 2013.

~~NOTARY PUBLIC~~  
BERTIE A. BOURGEOIS  
NOTARY PUBLIC  
NOTARY ID NUMBER: 12032  
JEFFERSON PARISH, LA  
MY COMMISSION IS ISSUED FOR LIFE

Solicitation Affidavit  
AFFIDAVIT

STATE OF Louisiana  
PARISH/COUNTY OF Jefferson

BEFORE ME, the undersigned authority, personally came and appeared: Rickey Jackson, (Affiant) who after being by me duly sworn, ~~deposed~~ and said that he/she is they fully authorized Executive Director of Courage House (Entity), the party who is contracting with Jefferson Parish on a non-bid basis (the Matter) with the Parish of Jefferson.

**(Choose ONE of the following, Choice A or B):**

       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, who have solicited a campaign contribution or other monetary consideration by telephone or by personal contact with the person or firm contracting or proposing to contract during the two-year period immediately preceding the date the affidavit is signed, listing the approximate date of such solicitation, if known to the affiant; if this affidavit is submitted on behalf of a corporation, LLC or any other legal entity, the Attached must additionally report any such solicitations of officers, directors and owners, including employees, owning twenty-five percent (25%) or more of the company.

Choice B: Affiant Entity, and/or officers, directors and owners, including employees, owning 25% or more of the Entity, have received no solicitations such as those described in Choice A.

Finally, Affiant stated that if any additional solicitations are made after the affidavit is executed, but prior to the time the Jefferson Parish Council acts on the Matter, an updated affidavit will be submitted by Affiant.

Rickey Jackson  
Signature of Affiant

SWORN AND SUBSCRIBED TO BEFORE ME  
ON THE 28<sup>th</sup> DAY OF January, 2013

[Signature]  
Notary Public  
**DEBYE A. BOURGEOIS**  
NOTARY PUBLIC  
NOTARY ID NUMBER: 12032  
JEFFERSON PARISH, LA  
MY COMMISSION IS ISSUED FOR LIFE

Updated: 10.04.12  
Code of Ord., Jeff. Parish LA § 2-923  
1 of 1

Campaign Contribution  
AFFIDAVIT

STATE OF Louisiana  
PARISH/COUNTY OF Jefferson

BEFORE ME, the undersigned authority, personally came and appeared:  
Rickey Jackson (Affiant) who after being by me duly sworn, deposed and said that  
he/she is the fully authorized Executive Director of  
Courage House (Entity), the party who submitted a  
Proposal/Contract/Bid/RFP/SOQ No. \_\_\_\_\_ (the Matter), to the Parish of Jefferson.

(Choose one of the following):

\_\_\_\_ Attached hereto is a list of all campaign contributions, including the date and amount of each contribution, made to the current or former members of the Jefferson Parish Council or the Jefferson Parish President 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. Further, Entity, Affiant, and/or Entity Owners have not made any contributions to or in support of the 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.

\_\_\_\_ Affiant, Entity, and/or officers, directors and owners, including employees, owning 25% or more of the Entity, have made no campaign contributions made to the current or former members of the Jefferson Parish Council or the Jefferson Parish President during the two-year period preceding the date of this affidavit. Further, Entity, Affiant, and/or Entity Owners have not made any contributions to or in support of the 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.

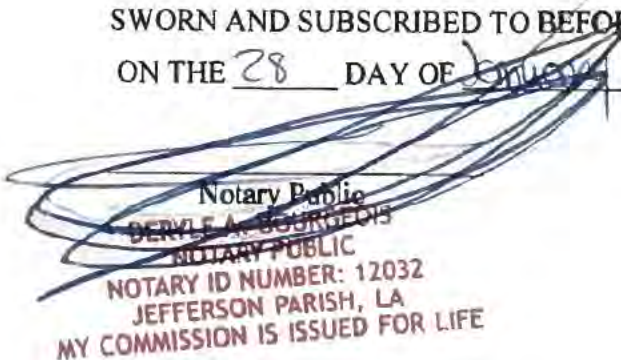
Affiant further stated, that Affiant will submit a new affidavit if any additional campaign contributions are made after the execution of this affidavit, but prior to the time the Jefferson Parish Council acts on the Matter.

Rickey Jackson

Signature of Affiant

SWORN AND SUBSCRIBED TO BEFORE ME

ON THE 28 DAY OF October, 2013

A large, stylized signature in blue ink is written over the notary seal. The seal itself is a circular stamp with the text: Notary Public, BERLE A. BOURGEOIS, NOTARY PUBLIC, NOTARY ID NUMBER: 12032, JEFFERSON PARISH, LA, MY COMMISSION IS ISSUED FOR LIFE.  
Notary Public  
BERLE A. BOURGEOIS  
NOTARY PUBLIC  
NOTARY ID NUMBER: 12032  
JEFFERSON PARISH, LA  
MY COMMISSION IS ISSUED FOR LIFE

Updated: 2.20.12  
Code of Ord., Jeff. Parish LA § 2-923-923.1

1 of 3

Jefferson Parish Code of Ordinance

Sec. 2-923. - Disclosure and approval of all subcontractors and persons receiving payments for all non-bid contracts.

- (a) All persons or firms who are under contract awarded on a non-bid basis with Jefferson Parish or with any of its agencies, divisions or special districts or who submit responses to any request for submittals to contract on a non-bid basis with Jefferson Parish or with any of its agencies, divisions or special districts must identify all subcontractors and persons, excluding full time employees of the firm, who would assist in providing services or materials under the contract or who would share in any fees, commissions or other remuneration under the contract. Each such subcontractor or person shall submit all documents and information required by this section. Substitutions or subsequent addition of subcontractors or other persons to the contract must be ratified by council resolution. The person or firm under contract shall provide to the council detailed justification of the need for any such additional subcontractor or person. 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.
- (b) In addition, the person or firm contracting or proposing to contract with Jefferson Parish or with any of its agencies, divisions or special districts on a non-bid basis must submit prior to the ratification by the council of the contract or contract amendment:
- (1) An affidavit attesting:
    - a. That the affiant has not and will not employ any person either directly or indirectly to secure the public contract under which he is to receive payment, other than persons regularly employed by the affiant whose service in connection with the provision or procuring of insurance under the contract or in securing the public contract are in the regular course of their duties for the affiant; and
    - b. That no part of the contract price was paid or will be paid to any person for soliciting the contract other than the payment of normal compensation to persons regularly employed by the affiant whose services with the project are in the regular course of their duties for the affiant; and
  - (2) An affidavit attesting to:
    - a. Any and all campaign contributions that the affiant has made to elected officials of the parish, whether still holding office at the time of the affidavit or not, during the two-year period immediately preceding the date the affidavit is signed, listing the date and amount of each contribution made to a Jefferson Parish Council member or Parish President; if any additional campaign contributions are made after the affidavit is executed, but prior to the time the council acts on the matter, an updated affidavit is required; for the purposes of this requirement, if the affidavit is submitted on behalf of a corporation, LLC or any other legal entity, then the affidavit must additionally report contributions made by officers, directors and owners, including employees, owning twenty-five (25) percent or more of the company; and
    - b. Any and all debts owed by the affiant to any elected or appointed official of the parish, and any and all debts owed by any elected or appointed official of the parish to the affiant; and attesting:
    - c. That the affiant has not made any contribution to or in support of elected officials of the parish through or in the name of another person or firm either directly or indirectly.
  - (3) Any affidavit required under state law.
- (c) For purposes of this Section, the terms "non-bid contract(s)", "contract(s) awarded on a non-bid basis" or "contract(s) on a non-bid basis" shall not include group purchasing contracts. For purposes of this section, "subcontractors" in contracts with insurance agents of record or for the provision of insurance for Jefferson Parish or for any of its agencies, divisions or special districts, including, but not limited to Jefferson Parish Hospital Service District No. 1 and Jefferson Parish Hospital Service District No. 2, shall include any person or firm who would assist in providing insurance under the contract or who would share in the commissions generated by the placement of insurance under the contract, excluding full time employees of the primary firm under contract. Notwithstanding any provision of this section to the contrary, however, nothing herein shall prohibit an insurance producer of record or agent from using the services of a wholesale broker for the placement of insurance coverage without prior approval of the use of said wholesale broker by the council, provided that the name of the wholesale broker and the amount of the broker's fee is disclosed on the invoice for

Updated: 2.20.12

Code of Ord., Jeff. Parish LA § 2-923-923.1

2 of 3

the placement of any insurance using the broker's services and that the risk management department provides a copy of said invoice to each member of the council within five (5) days of the department's receipt of the invoice.

- (d) Notwithstanding any other provision of this section to the contrary, submissions of subcontractor affidavits as required by this section for all non-bid contracts with Jefferson Parish Hospital Service District No. 1 and/or Jefferson Parish Hospital Service District No. 2 which are not subject to ratification or approval by the Jefferson Parish Council under applicable regulations and procedures shall be made to the hospital board or hospital administration or other appropriate agency which is authorized to approve the prime contract related to the proposed subcontract, and said agency shall be the proper and final authority to approve any such subcontract. In addition, for those contracts with the parish's hospital service districts which are not subject to ratification or approval by the Jefferson Parish Council, contractors shall not be required to acknowledge with the invoices submitted under such contracts that no subcontractors or other persons have been added to the contract without prior council approval by resolution.

Sec. 2-923.1. - Disclosure and approval of all subcontractors and persons receiving payments for bid contracts.

- (a) All non-collusion affidavits, affidavits of fee disposition and campaign disclosure forms or other similar attachment, required to be provided with any bid, request for proposal, or statement of qualification, if not elsewhere required to be provided earlier, must be provided to the parish at least nine (9) days before the Jefferson Parish Council meeting at which the matter triggering the requirement of the submittal is to be considered by the council, unless a council member approves the resolution or ordinance for the addendum agenda, in which case the required attachments must be with the posting to the addendum agenda.
- (b) The parish department which initiated the request for such submittal shall be responsible for reviewing the submittals and coordinating with the parish EIS department to have the non-collusion affidavits, affidavits of fee disposition, campaign disclosure forms, or other similar attachment, posted on the parish web site at a link no later than the Monday before the council meeting at which the matter is to be considered by the council, unless a council member approves the resolution for the addendum agenda, in which case the required attachments must be with the posting to the addendum agenda.
- (c) In order to facilitate this, all required affidavits and disclosures must be attached to any legislation which is routed for approval to be included on the council agenda. For the purposes of this routing requirement as it applies to RFP's, all affidavits received must be attached; the fact that some may have not been provided by the proposer will be reported to the council by the evaluation committee.

Updated: 2.20.12

Code of Ord., Jeff. Parish LA § 2-923-923.1

3 of 3

# ACORD CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
01/09/2013

PRODUCER Phone# 504-362-0922

Bowles & Associates, Inc.  
2804 Belle Chasse Hwy  
Gretna, LA 70053

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED  
Rickey Jackson and Friends Community Hope Foundation  
1108 Barataria Blvd.  
Marrero, LA 70072

**INSURERS AFFORDING COVERAGE**

NAIC #

INSURER A: Kinsale Insurance Company

INSURER B: LC&I

INSURER C:

INSURER D:

INSURER E:

**COVERAGES**

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A X	<b>GENERAL LIABILITY</b> <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Deductible GL \$2,500 <input checked="" type="checkbox"/> Deductible Prof. \$2,500 GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	0100009258-0	12/20/2012	12/20/2013	EACH OCCURRENCE \$ 1,000,000
	DAMAGE TO RENTALS PREMISES (Ea occurrence) \$ 50,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ Excluded GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COMPI/OP AGG \$ INCLUDED ABUSE 1,000,000/2,000.0				
	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS				COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	<b>GARAGE LIABILITY</b> <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN EA ACC \$ AUTO ONLY: AGG \$
	<b>EXCESS/UMBRELLA LIABILITY</b> <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE RETENTION \$				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$ \$
B	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below	LCI12202012	12/20/2012	12/20/2013	<input checked="" type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER E L EACH ACCIDENT \$ 1,000,000 E L DISEASE - EA EMPLOYEE \$ 1,000,000 E L DISEASE POLICY LIMIT \$ 1,000,000
	OTHER				

**DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS**

Certificate Holder is listed as additional insured and waiver of subrogation in reference to the general liability policy and waiver of subrogation in reference to the workers compensation policy.

**CERTIFICATE HOLDER**

Jefferson Parish Department of Community Development  
1221 Elmwood Park Blvd STE 605  
Jefferson, La 70123

**CANCELLATION**

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

*[Signature]*



# ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
01/09/2013

PRODUCER  
Bowles & Associates, Inc.  
2804 Belle Chasse Hwy  
Gretna, LA 70053

Phone# 504-362-0922

**THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.**

INSURED  
Rickey Jackson and Friends Community Hope Foundation  
1108 Barataria Blvd.  
Marrero, LA 70072

**INSURERS AFFORDING COVERAGE**

NAIC #

INSURER A: Kinsale Insurance Company  
INSURER B: LC&I  
INSURER C:  
INSURER D:  
INSURER E:

**COVERAGES**

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INSR ACCT LTR	INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	X	<b>GENERAL LIABILITY</b>	0100009258-0	12/20/2012	12/20/2013	EACH OCCURRENCE \$ 1,000,000
		<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Deductible GL \$2,500 <input checked="" type="checkbox"/> Deductible Prof. \$2,500 GEN'L AGGREGATE LIMIT APPLIES PER <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC				DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 50,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ Excluded GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COM/OP AGG \$ INCLUDED ABUSE 1,000,000/2,000,0
		<b>AUTOMOBILE LIABILITY</b>				COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
		<b>GARAGE LIABILITY</b>				AUTO ONLY - EA ACCIDENT \$ OTHER THAN EA ACC \$ AUTO ONLY: AGG \$
		<b>EXCESS/UMBRELLA LIABILITY</b>				<input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE RETENTION \$
B		<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b>	LCI12202012	12/20/2012	12/20/2013	<input checked="" type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
		OTHER				

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS  
 Certificate Holder is listed as additional insured and waiver of subrogation in reference to the general liability policy and waiver of subrogation in reference to the workers compensation policy.

**CERTIFICATE HOLDER**

**CANCELLATION**

The Roman Catholic Church of The Archdiocese of New Orleans  
1000 Howard Avenue New Orleans, LA 70113

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE



Ph: 504-362-0922 Fax: 504-362-8722  
2804 Belle Chasse Hwy.  
Gretna, LA 70053

## ***Invoice***

Invoice # 399

Invoice Date: 12/20/2012

Due Date:

Rickey Jackson and Friends Comm. Hope  
Foundation  
1108 Baratavia Blvd.  
Marrero, LA 70072

Policy Number: 0100009258-0

Company:

---

General Liability/Professional Combined Limits \$3,000,000  
Abuse Limits \$250,000/500,000

Additional Insured and Waiver of Subrogation to Jefferson Parish and The  
Archdiocese of New Orleans.

PREMIUM \$8,795.00

Please mail your payment to Bowles & Associates, Inc to the above address. As  
Always Thank you for your business. Stephanie

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Invoice Total: \$8,795.00



JEFFERSON PARISH  
DEPARTMENT OF THE PARISH ATTORNEY

WWW.JEFFPARISH.NET

JOHN F. YOUNG, JR.  
PARISH PRESIDENT

DEBORAH CUNNINGHAM FOSHEE  
PARISH ATTORNEY

E. ROSS BUCKLEY, JR.  
DEPUTY PARISH ATTORNEY

EDWARD S. RAPIER, JR.  
DEPUTY PARISH ATTORNEY

CERTIFICATION

In compliance with Jefferson Parish Code of Ordinances § 2-890, I certify that the proposed contract described below has been reviewed by the Parish Attorney's Office and it is my legal opinion that the proposed contract complies with all current legal requirements for such contract under federal, state and parish law. This certification is made in reliance upon the availability of funds and the legality of all financial transactions as certified by the Department of Finance pursuant to Jefferson Parish Charter § 4.02(A)(5).

Contract Description: CEA with the Rickey Jackson and Friends d/b/a Rickey Jackson Community Hope Center – Courage House, to provide a refuge for abused and at-risk youth from the Greater New Orleans Area for mentoring, academic enrichment, leadership development and career path development assistance at a cost not to exceed \$125,000.00.

Parish Council Approval: Resolution No. 120307, adopted January 30, 2013.

DEBORAH CUNNINGHAM FOSHEE  
Parish Attorney, Jefferson Parish

Sworn to and subscribed before me,  
Notary Public on the 15th day of February, 2013.

Signature

Printed Name

Notary or Bar Roll Number

GERARD LEIGHTON CIRAVOLO  
Notary Public  
LA Bar No. 27996  
Parish of Jefferson, State of LA  
My Commission is Issued for Life

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

**RESOLUTION NO. 120307**

A resolution ratifying the Cooperative Endeavor Agreement between the Parish of Jefferson and the Rickey Jackson and Friends d/b/a Rickey Jackson Community Hope Center: Courage House to provide a refuge for abused and at-risk youth from the Greater New Orleans Area for mentoring, academic enrichment, leadership development and career path development assistance at a cost not to exceed \$125,000.00 (Council District 3)

**WHEREAS**, Art. VII, Sec. 14(C) of the Louisiana Constitution of 1974 provides that for a public purpose, the State and its political subdivisions or political corporations may engage in cooperative endeavors with each other or with any other private association, corporation or individuals; and

**WHEREAS**, this Cooperative Endeavor Agreement provides for a program of social welfare for the aid and support of the citizens of Jefferson Parish; and

**WHEREAS**, Public Purpose of this project is to provide a Community Hope Center which will provide a refuge for the abused and at-risk youth of Jefferson Parish by providing mentoring, academic enrichment, leadership development and career path development assistance; and

**WHEREAS**, Parish has a reasonable expectation of receiving the benefits of programs to enrich the lives of the abused and at-risk youth of Jefferson Parish through services such as mentoring, academic enrichment, leadership development and career path development assistance, which are at least equivalent to the \$125,000.00 consideration provided for in this Cooperative Endeavor Agreement.

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

**SECTION 1.** The Cooperative Endeavor Agreement between the Parish of Jefferson and the Rickey Jackson and Friends d/b/a Rickey Jackson Community Hope Center to provide a refuge for abused and at-risk youth from the Greater New Orleans Area for mentoring, academic enrichment, leadership development and career path development assistance at a cost not to exceed \$125,000.00 is here by ratified.

**SECTION 2.** The costs associated with this agreement shall be taken from account No. 21280-1173-139-7454-12114-100.

**SECTION 3.** That the Chairman of the Jefferson Parish Council, or in his absence the Vice-Chairman, be and they are, hereby authorized to execute any and all documents necessary to give full force and effect to this resolution.

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

**YEAS: 7      NAYS:      None      ABSENT:      None**

This resolution was declared to be adopted on this 30<sup>th</sup> day of January, 2013.

THE FOREGOING IS CERTIFIED  
TO BE A TRUE & CORRECT COPY

  
**EULA A. LOPEZ**  
**PARISH CLERK**  
**JEFFERSON PARISH COUNCIL**

Amendment No. 1 to the  
Cooperative Endeavor  
Agreement; Resolution  
121804



AMENDMENT NO. 1  
TO THE COOPERATIVE ENDEAVOR AGREEMENT  
BETWEEN  
THE PARISH OF JEFFERSON  
AND  
RICKEY JACKSON COMMUNITY HOPE CENTER-COURAGE HOUSE  
CONTRACT NO: 550013249

STATE OF LOUISIANA  
PARISH OF JEFFERSON

This amendment made and entered into on this 4th day of DECEMBER, 2013 by and between the Jefferson Parish Council, hereinafter called PARISH, represented herein by its Council Chairman, Christopher L. Roberts, duly authorized to act by virtue of Resolution No. 121804, adopted October 16, 2013 which is made a part hereof, and Rickey Jackson Community Hope Center-Courage House, hereinafter called the Courage House, represented herein by Rickey Jackson.

No prior amendments have been made to this contract.

Now, it is hereby agreed between the parties that Amendment No. 1 to the Agreement dated February 18, 2013 is as follows:

**SECTION 3 – PAYMENT**

In consideration of the services described above, the PARISH hereby agrees to pay the ORGANIZATION a maximum amount of One Hundred Seventy-Five Thousand Dollars (\$175,000.00). All payments shall be made on a reimbursement basis in accordance with Code of Ordinance, Jefferson Parish, Louisiana, § 2-925.1. Reimbursement shall be defined as either:

- (i) Payment by the Parish to the ORGANIZATION those amounts actually incurred, without increase or mark-up, and supported by documentation to the reasonable satisfaction of the Parish; or in the alternative,
- (ii) Payment by the Parish to the ORGANIZATION those amounts supported by advance service invoices to the reasonable satisfaction of the Parish, for those services to be supplied at actual cost, without increase or mark-up.

ORGANIZATION acknowledges and understands that payments shall be made from two separate funds by the PARISH in the following manner.

- A. Payment of Twenty Thousand Dollars (\$25,000.00) shall be, made on a reimbursement basis for any costs to establish, maintain, or operate the FACILITY.
- B. Payment of One Hundred Thousand Dollars (\$100,000.00) shall only be reimbursed under SECTION 3. (i) of this Agreement for costs actually incurred during the renovation of a public facility. In addition, no reimbursement shall be made under this provision (SECTION 3 (B)) until Parish has completed the Environmental Records Review.
- C. That \$50,000.00 will be for computers, furniture, and other office related items necessary for the operation of the youth program.
- D. That the Department of Community Development will be responsible to assure all expenditures are necessary and appropriate to follow Parish Accounting and Purchasing requirements and shall be responsible for general monitoring of the program.

All other terms and conditions of the contract will remain unchanged and in full force and effect except as amended herein.

Thus done and signed on the 4<sup>th</sup> day of DECEMBER, 2013, in quadruplicate original, in the presence of the undersigned competent witnesses.

WITNESSES:

Mama Lina

Ann H. Hudry

[Signature]

Betty Overton

PARISH OF JEFFERSON:

BY:

[Signature]  
Christopher L. Roberts, Chairman  
Jefferson Parish Council

RICKEY JACKSON AND FRIENDS  
D//B/A RICKEY JACKSON  
COMMUNITY HOPE CENTER

BY:

[Signature]  
Rickey Jackson  
President

[Signature]  
Rickey  
Jackson

# ACORD CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
11/20/2013

**PRODUCER**  
Bowles & Associates, Inc.  
2804 Belle Chasse Hwy  
Gretna, LA 70053

Phone# 504-362-0922

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

**INSURED**  
Rickey Jackson and Friends Community Hope Foundation  
1108 Barataria Blvd.  
Marrero, LA 70072

**INSURERS AFFORDING COVERAGE**

NAIC #

INSURER A: Kinsale Insurance Company  
INSURER B: LC&I  
INSURER C:  
INSURER D:  
INSURER E:

**COVERAGES**

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	ADD'L INSR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	X	<b>GENERAL LIABILITY</b> <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY CLAIMS MADE <input checked="" type="checkbox"/> OCCUR Deductible GL \$2,500 Deductible Prof. \$2,500 GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC:	00194128	03/14/2013	03/14/2014	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (EA OCCUR) \$ 50,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ Excluded GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COMPOP AGG \$ INCLUDED ABUSE 1,000,000/2,000,0	
		<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS				COMBINED SINGLE LIMIT (EA ACCIDENT) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$	
		<b>GARAGE LIABILITY</b> <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA ACC \$ AGG \$	
		<b>EXCESS/UMBRELLA LIABILITY</b> <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE RETENTION \$				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$ \$	
B		<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below OTHER	19137-12	12/20/12	12/20/13	<input checked="" type="checkbox"/> WC STATL-TORY/LIMITS <input type="checkbox"/> OTR-LTR E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000	

**DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS**  
 The Parish of Jefferson, its Districts, Departments and Agencies under the direction of the Parish President and Parish Councils listed as additional insured and waiver of subrogation in reference to the general liability policy and waiver of subrogation in reference to the workers compensation policy.

**CERTIFICATE HOLDER**  
 The Parish of Jefferson, Its Districts, Departments and Agencies under the Direction of the Parish President and the parish council (Resolution 120307, 121804)  
 Department of Community Development  
 1221 Elmwood Park Blvd STE 605  
 Jefferson, La 70123

**CANCELLATION**  
 SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.  
 AUTHORIZED REPRESENTATIVE: *Stephan...*

ACORD 25 (2001/08)

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**Insurance Declaration Affidavit  
Automotive**

AFFIDAVIT

STATE OF Louisiana  
PARISH/COUNTY OF Jefferson

BEFORE ME, the undersigned authority, personally came and appeared,  
Ny-Haura Gray, (Affiant) who after being duly sworn, deposed and said that  
he/she is the fully authorized Agent of New Orleans Saints Camp & House  
(Entity), the party who submitted a Proposal/Contract/Bid/RFP/SOQ No. \_\_\_\_\_,  
to Jefferson Parish.

Affiant further said:

- (1) That entity does not own automobiles or use automobiles in the furtherance of the services provided under the contract.
- (2) That if the entity obtains automobiles or begins to use automobiles in the furtherance of the services provided under the contract, affiant will notify Jefferson Parish and obtain the proper coverage.

Ny-Haura Gray  
\_\_\_\_\_  
Signature of Affiant  
Ny-Haura Gray

SWORN TO AND SUBSCRIBED  
BEFORE ME ON THIS 25th DAY  
OF NOVEMBER 2013.

Kenneth B. Krobot  
\_\_\_\_\_  
NOTARY PUBLIC  
**Kenneth B. Krobot**  
Notary Public #12439  
Parish of Jefferson  
State of Louisiana  
My commission is issued for life.

Cooperative Endeavor Agreement  
AFFIDAVIT

STATE OF LOUISIANA

PARISH/COUNTY OF Jefferson

BEFORE ME, the undersigned authority, personally came and appeared: Mickey  
JACKSON, (Affiant) who after being by me duly sworn, deposed and said that  
he/she is the fully authorized AGENT of Mickey Jackson Community  
(Entity), who submitted a proposed Cooperative Endeavor Agreement (CEA) to \_\_\_\_\_  
\_\_\_\_\_ (Briefly describe the services the CEA  
will cover), to the Parish of Jefferson.

Affiant further said:

Campaign Contribution Disclosures

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

Choice A.  Affiant, Entity, and/or officers, directors and owners have made no  
campaign contributions, elected official of Jefferson parish.

Choice B. \_\_\_\_\_ Attached hereto is a list of all campaign contributions, including the  
date and amount of each contribution, made to the current or former members of the  
Jefferson Parish Council or the Jefferson Parish President 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. Further,  
Entity, Affiant, and/or Entity Owners have not made any contributions to or in support of  
the 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.

Affiant further said:

Solicitation of Campaign Contribution Disclosures

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

Choice A.  Affiant, Entity, and/or officers, directors and owners have received no solicitation for campaign contributions, from elected official of Jefferson parish.

Choice B.  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.

Affiant further said:

Debt Disclosures

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

Choice A.  Affiant, Entity, and/or officers, directors and owners are neither borrowers nor debtors to an elected or appointed official of Jefferson Parish.

Choice B.  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.

Affiant further said:

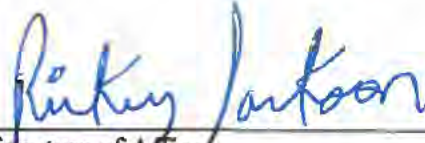
Affiant has not made any contribution to or in support of elected officials of the Parish of Jefferson through or in the name of another person or firm either directly or indirectly

Affiant will submit a new affidavit if any additional campaign contributions are made after the execution of this affidavit, but prior to the time the Jefferson Parish Council acts on the CEA.

Affiant further said:

That Affiant has not and will not employ any person, either directly or indirectly, to secure the CEA under which he/she is to receive payment, other than persons regularly employed by the Affiant whose services, in connection with the project or in securing the public contract, are in the regular course of their duties for the Affiant; and

That no part of the payment made under this CEA was paid or will be paid to any person for soliciting the contract, other than the payment of normal compensation to persons regularly employed by the Affiant whose services with the project are in the regular course of their duties for the Affiant.



Signature of Affiant

SWORN AND SUBSCRIBED TO BEFORE ME

ON THE 10 DAY OF 9, 2013.



Notary Public

**JOHN M. McMAHON**  
NOTARY PUBLIC  
BAR #23215  
STATE OF LOUISIANA



**JEFFERSON PARISH  
DEPARTMENT OF THE PARISH ATTORNEY**

WWW.JEPPARISH.NET

**JOHN F. YOUNG, JR.  
PARISH PRESIDENT**

**DEBORAH CUNNINGHAM FOSHEE  
PARISH ATTORNEY**

**E. ROSS BUCKLEY, JR.  
DEPUTY PARISH ATTORNEY**

**EDWARD S. RAPIER, JR.  
DEPUTY PARISH ATTORNEY**

**CERTIFICATION**

In compliance with Jefferson Parish Code of Ordinances § 2-890, I certify that the proposed contract described below has been reviewed by the Parish Attorney's Office and it is my legal opinion that the proposed contract complies with all current legal requirements for such contract under federal, state and parish law. This certification is made in reliance upon the certification of the requesting Department's Director that the Parish is in compliance with all grant requirements, as well as certification of the Department of Finance regarding the availability of funds, and the legality of all financial transactions pursuant to Jefferson Parish Charter § 4.02(A)(5).

Contract Description: Amendment No. 1 to the CEA with Rickey Jackson and friends d/b/a Rickey Jackson Community hope Center: Courage house to add additional funding of \$50,000.00 to provide a refuge for abused and at-risk youth from the Greater New Orleans Area at a cost not to exceed \$175,000.00.

Parish Council Approval: Resolution No. 121804 adopted on the 16<sup>th</sup> day of October, 2013.

**DEBORAH CUNNINGHAM FOSHEE  
Parish Attorney, Jefferson Parish**

Sworn to and subscribed before me,  
Notary Public on the 3 day of  
December, 2013.

Signature

**E. Ross Buckley, Jr.**

Printed Name

Notary Public  
LA Bar No. 3627

Parish of Jefferson, State of LA

Notary or Bar Roll Number

JOSEPH S. YENNI BLDG - 1221 ELMWOOD PARK BLVD - SUITE 701 - JEFFERSON, LA 70123 OFFICE 504.736.6300 - FAX 504.736.6307

GENERAL GOVERNMENT BLDG - 200 DERBIGNY ST - SUITE 5200 - P O BOX 9 - GRETN, LOUISIANA 70054 - OFFICE 504.364.3822 FAX 504.364.2673

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

**RESOLUTION NO. 121804**

A resolution ratifying Amendment No. 1 to the Cooperative Endeavor Agreement between the Parish of Jefferson and the Rickey Jackson and friends d/b/a Rickey Jackson Community Hope Center: Courage House to add additional funding of \$50,000.00 to provide a refuge for abused and at-risk youth from the Greater New Orleans Area for mentoring, academic enrichment, leadership development and career path development assistance at a cost not to exceed \$175,000.00 (Districts 2 and 3)

**WHEREAS**, Art. VII, Sec. 14(C) of the Louisiana Constitution of 1974 provides that for a public purpose, the State and its political subdivisions or political corporations may engage in cooperative endeavors with each other or with any other private association, corporation or individuals; and

**WHEREAS**, the Cooperative Endeavor Agreement provides for a program of social welfare for the aid and support of the citizens of Jefferson Parish; and

**WHEREAS**, the Public Purpose of this project is to provide a Community Hope Center which will provide a refuge for the abused and at-risk youth of Jefferson Parish by providing mentoring, academic enrichment, leadership development and career path development assistance; and

**WHEREAS**, the Parish has a reasonable expectation of receiving the benefits of programs to enrich the lives of the abused and at-risk youth of Jefferson Parish through services such as mentoring, academic enrichment, leadership development and career path development assistance, which are at least equivalent to the amended amount of \$175,000.00 consideration provided for in this Cooperative Endeavor Agreement; and

**WHEREAS**, the Cooperative Endeavor Agreement (Contract No. 550013249) provides for payment not to exceed \$125,000 for costs including but not limited to renovations, insurance and utilities; and,

**WHEREAS**, there is a need to further assist this endeavor by providing additional funds for computer, furniture and other such items necessary for the efficient operation of the program; and

**WHEREAS**, additional funding in the amount of \$50,000.00 will be added to the current contract amount, as follows: \$25,000.00 from Account No. 44530-4007-7680 (45311.252) (Council District 2) and \$25,000.00 from District 3 West Bank Riverboat Gaming Fund, with both amounts to be transferred into Account No. 21280-1173-139-7454-12114-100.

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

**SECTION 1.** The Cooperative Endeavor Agreement between the Parish of Jefferson and the Rickey Jackson and Friends d/b/a Rickey Jackson Community Hope Center to provide a refuge for abused and at-risk youth from the Greater New Orleans Area for mentoring, academic enrichment, leadership development and career path development is hereby amended to add \$50,000.00 to original cost, for a total cost of \$175,000.00.

**SECTION 2.** That, as specified in the Section 3- Payment section of the Contract, the contract shall be amended as provided in the attached, Amendment No. 1.

**SECTION 3.** The expenditures associated with this amendment shall be made as follows: \$25,000.00 from Account No. 44530-4007-7680 (45311.252) (Council District 2) and \$25,000.00 from Council District 3's West Bank Riverboat Gaming Fund, and both shall be transferred to Account No. 21280-1173-139-7454-12114-100.

**SECTION 4.** That the Department of Community Development shall be responsible for monitoring the proper expenditure of these funds to include payment approval and processing;

**SECTION 5.** That the Chairman of the Jefferson Parish Council, or in his absence the Vice-Chairman, be and they are, hereby authorized to execute any and all documents necessary to give full force and effect to this resolution.

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

follows:

**YEAS: 7    NAYS: None**

**ABSENT: None**

This resolution was declared to be adopted on this 16th day of October, 2013.

THE FOREGOING IS CERTIFIED  
TO BE A TRUE & CORRECT COPY



**EULA A. LOPEZ  
PARISH CLERK**

**JEFFERSON PARISH COUNCIL**

Amendment No. 2 to the  
Cooperative Endeavor  
Agreement; Resolution  
123835





**AMENDMENT NO. 2  
TO THE COOPERATIVE ENDEAVOR AGREEMENT  
BETWEEN  
THE PARISH OF JEFFERSON  
AND  
RICKEY JACKSON COMMUNITY HOPE CENTER-COURAGE HOUSE  
CONTRACT NO. 550013249**

STATE OF LOUISIANA  
PARISH OF JEFFERSON

This amendment made and entered into on this 7<sup>th</sup> day of January, 201~~4~~<sup>5</sup>, by and between the Jefferson Parish Council, hereinafter called PARISH, represented herein by its Council Chairman, Christopher L. Roberts, duly authorized to act by virtue of Resolution No. 123 835, adopted 11-5-14, which is made a part hereof, and Rickey Jackson Community Hope Center-Courage House, represented herein by Rickey Jackson.

There was one prior amendment to this contract.

Now, it is hereby agreed between the parties that Amendment No. 2 to the Agreement dated February 18, 2013, is as follows:

**SECTION 3 – PAYMENT**

In consideration of the services described above, the PARISH hereby agrees to pay the ORGANIZATION a maximum amount of Two Hundred Fifteen Thousand Dollars (\$215,000.00). All payments shall be made on a reimbursement basis in accordance with Code of Ordinance, Jefferson Parish, Louisiana, 2-925.1. Reimbursement shall be defined as either;

- (i) Payment by the Parish to the ORGANIZATION those amounts actually incurred, without increase or mark-up, and supported by documentation to the reasonable satisfaction of the Parish; or in the alternative,
- (ii) Payment by the Parish to the ORGANIZATION those amounts supported by advance service invoices to the reasonable satisfaction of the Parish, for those services to be supplied at actual cost, without increase or mark-up.

ORGANIZATION acknowledges and understand that payments shall be made from funds by the PARISH in the follow manner.

- A. Payment of Forty Thousand Dollars (\$40,000.00) shall be made on a reimbursement basis for costs to upkeep the facilities, including but not limited to insurance, utilities, equipment, repairs and renovations. Funds will also be utilized for supplies, approved activities and field trips, scholarships and dining needs of the participants.
- B. That the Department of Community Development will be responsible to assure all expenditures are necessary and appropriate to follow Parish Accounting and Purchasing requirements and shall be responsible for general monitoring of the program.

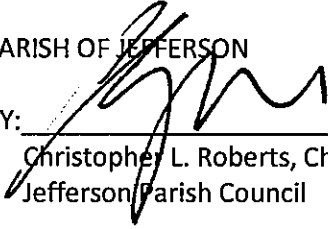
All other terms and conditions of the contract will remain unchanged and in full force and effect except as amended herein.

Thus done and signed on the 7th day of January, 201~~4~~<sup>5</sup>, in quadruplicate original, in the presence of the undersigned competent witnesses.

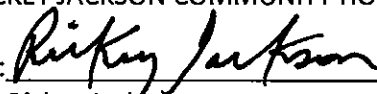
WITNESSES:

Gail LeNormand  
Ann St. Guidry

PARISH OF JEFFERSON

BY:   
Christophe L. Roberts, Chairman  
Jefferson Parish Council

RICKEY JACKSON AND FRIENDS D/B/A/  
RICKEY JACKSON COMMUNITY HOPE CENTER

BY:   
Rickey Jackson  
President

Gail LeNormand  
Ann St. Guidry

Cooperative Endeavor Agreement

AFFIDAVIT

STATE OF Louisiana

PARISH/COUNTY OF Jefferson

BEFORE ME, the undersigned authority, personally came and appeared: Rickey Jackson, (Affiant) who after being by me duly sworn, deposed and said that he/she is the fully authorized owner-manager of Courage House (Entity), the party to a Cooperative Endeavor Agreement (CEA) which provides refuge for abused at risk youth in Jefferson Parish (Briefly describe the services the CEA will cover), with 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 NO 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 X 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):**

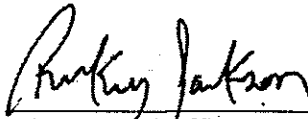
Choice A \_\_\_\_\_ Attached hereto is a list of all elected officials of the Parish of Jefferson, whether still holding office at the time of the affidavit or not, where the elected official, individually, either by **telephone or by personal contact**, solicited a campaign contribution or other monetary 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 No there are **NO** solicitations for campaign contributions 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.



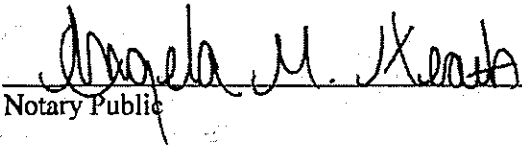
Signature of Affiant

Ricky Jackson

Printed Name of Affiant

SWORN AND SUBSCRIBED TO BEFORE ME

ON THE 4<sup>th</sup> DAY OF November, 2014.

  
Notary Public

Printed Name of Notary

Notary/Bar Roll Number

My commission expires \_\_\_\_\_.

Angela M. Heath  
Notary Public  
LA Bar No. 24450  
Parish of Jefferson, State of LA  
My Commission is Issued for Life

# ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
12/08/2014

PRODUCER  
Bowles & Associates, Inc.  
2804 Belle Chasse Hwy  
Gretna, LA 70053

Phone# 504-362-0922

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED  
Rickey Jackson and Friends Community Hope Foundation  
1108 Barataria Blvd.  
Marrero, LA 70072

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: Kinsale Insurance Company	
INSURER B:	
INSURER C: Progressive	
INSURER D:	
INSURER E:	

## COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR	INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	X	<b>GENERAL LIABILITY</b> <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Deductible GL \$2,500 <input checked="" type="checkbox"/> Deductible Prof. \$2,500 GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	0100016771-1	01/13/2014	01/13/2015	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 50,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 3,000,000 PRODUCTS - COMP/OP AGG \$ INCLUDED Sexual Abuse 1,000,000/2,000,0
C	X	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input checked="" type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS <input checked="" type="checkbox"/> Uninsured/Underinsured Motorist \$100,000	01347381-0	02/06/2014	02/06/2015	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
		<b>GARAGE LIABILITY</b> <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA ACC \$ AGG \$
		<b>EXCESS/UMBRELLA LIABILITY</b> <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE \$ RETENTION \$				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$
		<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below				WC STATU-TORY LIMITS   OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
		OTHER				

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS  
 The Parish of Jefferson, its Districts, Departments and Agencies under the direction of the Parish President and Parish Councils listed as additional insured and waiver of subrogation in reference to the general liability policy. Additional insured and waiver of subrogation in reference to auto policy.

**CERTIFICATE HOLDER**  
 The Parish of Jefferson, its Districts, Departments and Agencies under the Direction of the Parish President and the parish council (Resolution .120307,121804)  
 Department of Community Development  
 1221 Elmwood Park Blvd STE 605  
 23 Jefferson, La 70123

**CANCELLATION**  
 SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.  
 AUTHORIZED REPRESENTATIVE: *Stephen Daulton*

**Insurance Declaration Affidavit  
Worker's Compensation**

AFFIDAVIT

STATE OF Louisiana  
PARISH/COUNTY OF Jefferson

BEFORE ME, the undersigned authority, personally came and appeared, Rickey Jackson (Affiant) who after being duly sworn, deposed and said that he/she is the fully authorized owner of Hope Center (Entity), the party who submitted a Proposal/Contract/Bid/RFP/SOQ No. \_\_\_\_\_, to Jefferson Parish.

Affiant further said:

- (1) That affiant has no employees in which Worker's Compensation Insurance is required pursuant to state law.
- (2) That if affiant hires employees such that they would be required under state law to obtain Worker's Compensation Insurance, affiant will notify Jefferson Parish and obtain the proper coverage.

Rickey Jackson  
Signature of Affiant

Rickey Jackson  
Printed Name of Affiant

SWORN AND SUBSCRIBED TO BEFORE ME

ON THE 29<sup>th</sup> DAY OF December, 2014.

[Signature]  
Notary Public

\_\_\_\_\_  
Printed Name of Notary

\_\_\_\_\_  
Notary/Bar Roll Number

My commission expires \_\_\_\_\_

Edward S. Rapier, Jr  
Notary Public  
LA Bar No. 17898  
Parish of Jefferson, State of LA  
My Commission is issued for Life



JEFFERSON PARISH
DEPARTMENT OF THE PARISH ATTORNEY

RUSH

WWW.JEFFPARISH.NET

JOHN F. YOUNG, JR.
PARISH PRESIDENT

DEBORAH CUNNINGHAM FOSHEE
PARISH ATTORNEY

E. ROSS BUCKLEY, JR.
DEPUTY PARISH ATTORNEY

EDWARD S. RAPIER, JR.
DEPUTY PARISH ATTORNEY

CERTIFICATION

In compliance with Jefferson Parish Code of Ordinances § 2-890, I certify that the proposed contract described below has been reviewed by the Parish Attorney's Office and it is my legal opinion that the proposed contract complies with all current legal requirements for such contract under federal, state and parish law. This Office has not reviewed any technical specifications of any contract and this certification applies only to the legal terms of the contract. This certification is made in reliance upon the certification of the requesting Department's Director that the Parish is in compliance with all grant requirements, as well as certification of the Department of Finance regarding the availability of funds, and the legality of all financial transactions pursuant to Jefferson Parish Charter § 4.02(A)(5).

Contract Description: Ratifying Amendment No. 2 to the Cooperative Endeavor Agreement between the Parish of Jefferson and the Rickey Jackson and Friends d/b/a Rickey Jackson Community Hope Center: Courage House to add additional funding of \$40,000.00 to provide a refuge for abused and at-risk youth from the Greater New Orleans Area for mentoring, academic enrichment, leadership development and career path development assistance at a cost not to exceed \$215,000.00.

Parish Council Approval: Resolution No. 123835 adopted on the 5th day of November 2014

[Handwritten signature of Deborah Cunningham Foshee]
DEBORAH CUNNINGHAM FOSHEE
Parish Attorney, Jefferson Parish

Sworn to and subscribed before me,
Notary Public on the 6 day of

January 2015.
[Handwritten signature]

E. Ross Buckley, Jr.
Notary Public
LA Bar No. 3627

Signature
Printed Name
Parish of Jefferson, State of LA
My Commission is Issued for Life

Notary or Bar Roll Number



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

**RESOLUTION NO. 123835**

A resolution ratifying Amendment No. 2 to the Cooperative Endeavor Agreement between the Parish of Jefferson and the Rickey Jackson and Friends d/b/a Rickey Jackson Community Hope Center: Courage House to add additional funding of \$40,000.00 to provide a refuge for abused and at-risk youth from the Greater New Orleans Area for mentoring, academic enrichment, leadership development and career path development assistance at a cost not to exceed \$215,000.00. (Districts 3).

**WHEREAS**, Art. VII, Sec 14(C) of the Louisiana Constitution of 1974 provides that for a public purpose, the State and its political subdivisions or political corporations association, corporation or individuals; and

**WHEREAS**, the Cooperative Endeavor Agreement provides for a program of social welfare for the aid and support of the citizens of Jefferson Parish; and

**WHEREAS**, the Public Purpose of this project is to provide a Community Hope Center which will provide a refuge for the abused and at-risk youth of Jefferson Parish by providing mentoring, academic enrichment, leadership development and career path development assistance; and

**WHEREAS**, the Parish has a reasonable expectation of receiving the benefits of programs to enrich the lives of the abused and at-risk youth of Jefferson Parish through services such as mentoring, academic enrichment, leadership development and career path development assistance, which are at least equivalent to the amended amount of \$215,000.00 consideration provided for in this Cooperative Endeavor Agreement; and

**WHEREAS**, the Cooperative Endeavor Agreement (Contract No. 55-0013249) provides for payment not to exceed \$125,000 for costs including but not limited to renovations, insurance and utilities; and

**WHEREAS**, there is a need to further assist this endeavor by providing additional funds for the upkeep of the facilities, including but not limited to insurance, utilities, equipment, repairs and renovations. Funds will also be utilized for supplies, approved activities and field trips, scholarships and dining needs of the participants; and

**WHEREAS**, additional funding in the amount of \$40,000.00 will be added to the current contract amount, as follows: \$40,000.00 from Account No. 44530-4007-7680-(45311.252) (Council District 3) West Bank Riverboat Gaming Fund, to be transferred into Account No. 21280-1173-139-7454-12114-100.

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

**SECTION 1.** The Cooperative Endeavor Agreement between the Parish of Jefferson and the Rickey Jackson and Friends d/b/a Rickey Jackson Community Hope Center to provide a refuge for abused and at-risk youth from the Greater New Orleans Area for mentoring, academic enrichment, leadership development and career path development is hereby amended to add \$40,000.00 to the previously amended amount, for a total of \$215,000.00.

**SECTION 2.** That, as specified in the Section 3-Payment section of the Contract, the contract shall be amended as provided in the attached, Amendment No. 2.

**SECTION 3.** The expenditures associated with this amendment shall be made as follows: \$40,000 from Account No. 44530-4007-7680 (45311.252) (Council District 3) West Bank Riverboat Gaming Fund, and shall be transferred to Account No. 21280-1173-139-7454-12114-100.

**SECTION 4.** That the Department of Community development shall be responsible for monitoring the proper expenditure of these funds to include payment approval and processing.

**SECTION 5.** That the Chairman of the Jefferson Parish Council, or in his absence the Vice-Chairman, be and they are, hereby authorized to execute any and all documents necessary to give full force and effect to this resolution.

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

**YEAS: 4                      NAYS: None                      ABSENT:(3)Templet,Lagasse,Roberts**

This resolution was declared to be adopted this 5<sup>th</sup> day of November, 2014.

THE FOREGOING IS CERTIFIED  
TO BE A TRUE & CORRECT COPY



EULA A. LOPEZ  
PARISH CLERK

JEFFERSON PARISH COUNCIL

## Contract Deficiency Memorandum

To: Ms. Bobbi Palmisano, Research and Budget Analysis  
From: Stephanie D. Mund, Senior Assistant Parish Attorney  
Date: December 15, 2014  
Re: Rickey Jackson Community Hope Center – Res. No. 123835

---

Ms. Palmisano, per our conversation, this agreement is being returned to your department for the following deficiencies:

- This packet lacks the insurance required under the agreement. Please obtain a certificate of insurance which lists all of the insurance required by the agreement:
  - Business Automobile Liability Insurance Combined Single Limit of \$1,000,000 per Occurrence
  - Commercial General Liability Insurance Combined Single Limit of \$1,000,000 per Occurrence
  - Worker’s Compensation Insurance Combined Single Limit of \$500,000 per Occurrence
- The certificate of insurance must list **Jefferson Parish as the Certificate Holder**. Please obtain a current certificate of insurance listing the following address along with the Resolution Number associated with this agreement:

The Parish of Jefferson, its Districts, Departments and Agencies under the direction of the Parish President and the Parish Council  
(Address of Department)  
(Address)  
RESOLUTION NO. \_\_\_\_\_

Once these deficiencies have been corrected, please re-submit the packet, **with this memorandum** to:

Parish Attorney’s Office  
General Government Building  
200 Derbigny Street-Suite 5200  
Gretna, Louisiana 70053

The packet must be resubmitted with this memorandum or it will not be accepted. If you have any questions please contact our contract section at 504.364.3813.

Community  
Development Block  
Grant (CDBG)  
B-11-UC-22-0001



## Certification of Categorical Exclusion (subject to 58.5)

Determination of activities listed at 24 CFR 58.35(a)

May be subject to provisions of Sec 58.6, as applicable

**Grant Recipient:** Jefferson Parish

**Project Name:** 2011 Public Improvement – Public Facilities (Courage House)

**Project Description** (include all actions which are either geographically or functionally related):  
Improvements include the minor to rehabilitation of the existing unit to allow for computers and activity areas for assisted clients.

**Location:** 6001 Barataria Blvd.

**Funding Source:** CDBG    **Funding Amount:** \$100,000    **Grant Number:** B-11-UC-22-0001

**I hereby certify that the above mentioned project has been reviewed and determined to be a Categorically Excluded activity (subject to 58.5) per 24 CFR 58.35(a) as follows:** ✓

	1. Acquisition, repair, improvement, reconstruction, or rehabilitation of public facilities and improvements (other than buildings); when the facilities and improvements are in place and will be retained in the same use without change in size or capacity of more than 20 percent (e.g., replacement of water or sewer lines, reconstruction of curbs and sidewalks, repaving of streets).
	2. Special projects directed to the removal of material and architectural barriers that restrict the mobility of and accessibility to elderly and handicapped persons.
X	3. Rehabilitation of buildings and improvements when the following conditions are met: i. In the case of a building for residential use (with one to four units), the density is not increased beyond four units, the land use is not changed, and the footprint of the building is not increased in a floodplain or in a wetland; ii. In the case of multifamily residential buildings: (A) Unit density is not changed more than 20 percent; (B) The project does not involve changes in land use from residential to non-residential; and (C) The estimated cost of rehabilitation is less than 75 percent of the total estimated cost of replacement after Rehabilitation. iii. In the case of non-residential structures, including commercial, industrial, and public buildings: (A) The facilities and improvements are in place and will not be changed in size or capacity by more than 20 percent; and (B) The activity does not involve a change in land use, such as from non-residential to residential, commercial to industrial, or from one industrial use to another.
	4. i. An individual action on up to four dwelling units where there is a maximum of four units on any one site. The units can be four one-unit buildings or one four-unit building or any combination in between; or ii. An individual action on a project of five or more housing units developed on scattered sites when the sites are more than 2,000 feet apart and there are not more than four housing units on any one site. iii. Paragraphs (a)(4)(i) and (ii) of this section do not apply to rehabilitation of a building for residential use (with one to four units) (see paragraph (a)(3)(i) of this section.
	5. Acquisition (including leasing) or disposition of, or equity loans on an existing structure, or acquisition (including leasing) of vacant land provided that the structure or land acquired, financed, or disposed of will be retained for the same use.
	6. Combinations of the above activities.

The responsible entity must also complete and attach a **Statutory Checklist**. By signing below the Responsible Entity certifies in writing that each activity or project is Categorically Excluded (subject to 58.5) and meets the conditions specified for such exemption under section 24 CFR 58.35(a). Please keep a copy of this determination in your project files.

Anatola B. Thompson  
 Responsible Entity Certifying Official Name

Director  
 Title (please print)

24 CFR 85.32

Equipment



### § 85.31

project which requires Federal prior approval, the grantee will obtain the Federal agency's approval before approving the subgrantee's request.

#### § 85.31 Real property.

(a) *Title.* Subject to the obligations and conditions set forth in this section, title to real property acquired under a grant or subgrant will vest upon acquisition in the grantee or subgrantee respectively.

(b) *Use.* Except as otherwise provided by Federal statutes, real property will be used for the originally authorized purposes as long as needed for that purposes, and the grantee or subgrantee shall not dispose of or encumber its title or other interests.

(c) *Disposition.* When real property is no longer needed for the originally authorized purpose, the grantee or subgrantee will request disposition instructions from the awarding agency. The instructions will provide for one of the following alternatives:

(1) *Retention of title.* Retain title after compensating the awarding agency. The amount paid to the awarding agency will be computed by applying the awarding agency's percentage of participation in the cost of the original purchase to the fair market value of the property. However, in those situations where a grantee or subgrantee is disposing of real property acquired with grant funds and acquiring replacement real property under the same program, the net proceeds from the disposition may be used as an offset to the cost of the replacement property.

(2) *Sale of property.* Sell the property and compensate the awarding agency. The amount due to the awarding agency will be calculated by applying the awarding agency's percentage of participation in the cost of the original purchase to the proceeds of the sale after deduction of any actual and reasonable selling and fixing-up expenses. If the grant is still active, the net proceeds from sale may be offset against the original cost of the property. When a grantee or subgrantee is directed to sell property, sales procedures shall be followed that provide for competition to the extent practicable and result in the highest possible return.

### 24 CFR Subtitle A (4-1-10 Edition)

(3) *Transfer of title.* Transfer title to the awarding agency or to a third-party designated/approved by the awarding agency. The grantee or subgrantee shall be paid an amount calculated by applying the grantee or subgrantee's percentage of participation in the purchase of the real property to the current fair market value of the property.

#### § 85.32 Equipment.

(a) *Title.* Subject to the obligations and conditions set forth in this section, title to equipment acquired under a grant or subgrant will vest upon acquisition in the grantee or subgrantee respectively.

(b) *States.* A State will use, manage, and dispose of equipment acquired under a grant by the State in accordance with State laws and procedures. Other grantees and subgrantees will follow paragraphs (c) through (e) of this section.

(c) *Use.* (1) Equipment shall be used by the grantee or subgrantee in the program or project for which it was acquired as long as needed, whether or not the project or program continues to be supported by Federal funds. When no longer needed for the original program or project, the equipment may be used in other activities currently or previously supported by a Federal agency.

(2) The grantee or subgrantee shall also make equipment available for use on other projects or programs currently or previously supported by the Federal Government, providing such use will not interfere with the work on the projects or program for which it was originally acquired. First preference for other use shall be given to other programs or projects supported by the awarding agency. User fees should be considered if appropriate.

(3) Notwithstanding the encouragement in § 85.25(a) to earn program income, the grantee or subgrantee must not use equipment acquired with grant funds to provide services for a fee to compete unfairly with private companies that provide equivalent services, unless specifically permitted or contemplated by Federal statute.

(4) When acquiring replacement equipment, the grantee or subgrantee

may use the equipment to be replaced as a trade-in or sell the property and use the proceeds to offset the cost of the replacement property, subject to the approval of the awarding agency.

(d) *Management requirements.* Procedures for managing equipment (including replacement equipment), whether acquired in whole or in part with grant funds, until disposition takes place will, as a minimum, meet the following requirements:

(1) Property records must be maintained that include a description of the property, a serial number or other identification number, the source of property, who holds title, the acquisition date, and cost of the property, percentage of Federal participation in the cost of the property, the location, use and condition of the property, and any ultimate disposition data including the date of disposal and sale price of the property.

(2) A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years.

(3) A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft shall be investigated.

(4) Adequate maintenance procedures must be developed to keep the property in good condition.

(5) If the grantee or subgrantee is authorized or required to sell the property, proper sales procedures must be established to ensure the highest possible return.

(e) *Disposition.* When original or replacement equipment acquired under a grant or subgrant is no longer needed for the original project or program or for other activities currently or previously supported by a Federal agency, disposition of the equipment will be made as follows:

(1) Items of equipment with a current per-unit fair market value of less than \$5,000 may be retained, sold or otherwise disposed of with no further obligation to the awarding agency.

(2) Items of equipment with a current per unit fair market value in excess of \$5,000 may be retained or sold and the awarding agency shall have a right to an amount calculated by multiplying

the current market value or proceeds from sale by the awarding agency's share of the equipment.

(3) In cases where a grantee or subgrantee fails to take appropriate disposition actions, the awarding agency may direct the grantee or subgrantee to take excess and disposition actions.

(f) *Federal equipment.* In the event a grantee or subgrantee is provided federally-owned equipment:

(1) Title will remain vested in the Federal Government.

(2) Grantees or subgrantees will manage the equipment in accordance with Federal agency rules and procedures, and submit an annual inventory listing.

(3) When the equipment is no longer needed, the grantee or subgrantee will request disposition instructions from the Federal agency.

(g) *Right to transfer title.* The Federal awarding agency may reserve the right to transfer title to the Federal Government or a third party named by the awarding agency when such a third party is otherwise eligible under existing statutes. Such transfers shall be subject to the following standards:

(1) The property shall be identified in the grant or otherwise made known to the grantee in writing.

(2) The Federal awarding agency shall issue disposition instruction within 120 calendar days after the end of the Federal support of the project for which it was acquired. If the Federal awarding agency fails to issue disposition instructions within the 120 calendar-day period the grantee shall follow § 85.32(e).

(3) When title to equipment is transferred, the grantee shall be paid an amount calculated by applying the percentage of participation in the purchase to the current fair market value of the property.

#### § 85.33 Supplies.

(a) *Title.* Title to supplies acquired under a grant or subgrant will vest, upon acquisition, in the grantee or subgrantee respectively.

(b) *Disposition.* If there is a residual inventory of unused supplies exceeding \$5,000 in total aggregate fair market value upon termination or completion of the award, and if the supplies are



Attachment #6

[REDACTED] email RE:  
donation of limestone



**Viviane Grisoli**

---

**From:** [REDACTED]  
**Sent:** Monday, August 18, 2014 6:10 PM  
**To:** Dry Invoices  
**Subject:** Wood Material  
**Attachments:** Wood Material Inv 947941

These Invoices are good to pay: Inv 947941 was a donation to Rubion Construction for Rickey Jackson's Child Development School

Regards,

[REDACTED]  
@fmtdry.com

FLORIDA MARINE  
**FMT**  
DRY CARGO

Aggregate Barge Sales  
675 N. Causeway Blvd.  
Mandeville, LA 70448  
(985) 629-0108 phone  
(985) 629-0110 fax  
(504) 493-4630 cell

ENTERED SEP 11 2014



Wood Materials L.L.C.

5821 River Road  
Avondale, LA 70094  
504-436-1234

INVOICE 947941  
PAGE 1  
DATE 01/31/2013  
TERMS Net 30 Days

ACCOUNT NO. 333

SOLD TO FMTAggregates, LLC  
675 N. Causeway Blvd.  
Mandeville, LA 70448

Rubion Shoring

1120 Barataria Blvd.

Ticket	Date	PO	Order	Location	Product	Qty	Material		Freight		Fee Amount	Tax Amount	Total
							Rate	Amount	Rate	Amount			
249953	01/30/2013		1533	1	610 Limestone	24.78	24.90	617.02	4.50	111.51	0.00	53.99	782.52
250018	01/30/2013		1533	1	610 Limestone	22.04	24.90	548.80	4.50	89.18	0.00	48.02	696.00
Subtotal			1533		610 Limestone	46.82 Ton		\$1165.82		\$210.69	\$0.00	\$102.01	\$1,478.52
Invoice Total						46.82		\$1165.82		\$210.69	\$0.00	\$102.01	\$1,478.52

Total Invoice —> \$1,478.52

*[Handwritten signature]*  
Approved  
8-18-14



FMT Aggregate, LLC  
 675 North Causeway Blvd  
 Mandeville, LA 70448  
 Phone: 985-629-0100

DATE: February 2, 2015  
 INVOICE # RJ-1

**Bill To:**  
 Rickey Jackson Foundation  
 1120 Barataria Blvd.  
 Marrero, LA 70072

DESCRIPTION		AMOUNT
610 Limestone	46.82 Tons	
	\$24.90 per Ton	\$1,165.82
Freight	\$4.50 per Ton	\$210.69
Sales Tax		\$102.01
Paid Cash		(1,478.52)
<b>TOTAL</b>		<b>\$0.00</b>

WOOD MATERIALS, LLC

Payment Number  
0000000000087410

Check Date  
09/12/2014

Check Number  
0000045664

Voucher Number	Invoice Number	Invoice Date	Outstanding Amt	Net Paid Amt	Discount Taken	Write Off	Net Check Amt
	947941	01/31/2014	\$1,478.52	\$1,478.52	\$0.00	\$0.00	\$1,478.52

TOTALS:      \$1,478.52      \$1,478.52      \$0.00      \$0.00      \$1,478.52

WARNING - THIS CHECK IS PROTECTED BY SPECIAL SECURITY GUARD PROGRAM™ FEATURES

Florida Marine, LLC  
2360 5th Street  
Mandeville, LA 70471

Wells Fargo Bank, N.A.  
Van Wert, OH  
For Inquiries call:  
1-800-289-3557, option 1, option 2

0000045664

Pay to the Order of: One Thousand Four Hundred Seventy Eight Dollars and 52 Cents

DATE: Sep 12, 2014      AMOUNT: \$1,478.52

WOOD MATERIALS, LLC  
5821 RIVER ROAD  
AVONDALE, LA 70094

*Don A. Barton*  
Authorized Signature

THIS CHECK CONTAINS MULTIPLE SECURITY FEATURES - SEE BACK FOR DETAILS

#0000045664

333 ✓

Audit Response  
Department of Community  
Development  
&  
Yenni Administration



**JEFFERSON PARISH  
DEPARTMENT OF COMMUNITY DEVELOPMENT**



**RE: AUDIT # 2014-0027 RICKEY JACKSON  
COMMUNITY HOPE CENTER ("RJCHC") - GRANT  
MANAGEMENT**

March 17, 2016

Michael S. Yenni, Parish President  
1221 Elmwood Park Blvd., Suite 1002  
Jefferson, LA 70123

Councilwoman Cynthia Lee-Sheng  
1221 Elmwood Park Blvd., Suite 1018  
Jefferson, LA 70123

Councilman Christopher L. Roberts  
1221 Elmwood Park Blvd., Suite 1016  
Jefferson, LA 70123

Councilman Ricky J. Templet  
200 Derbigny Street, Suite 6200  
Gretna, LA 70053

Councilman Paul D. Johnston  
1221 Elmwood Park Blvd., Suite 1013  
Jefferson, LA 70123

David McClintock, Inspector General  
5401 Jefferson Highway, Suite C  
Jefferson, Louisiana 70123

Councilman Mark D. Spears  
200 Derbigny Street, Suite 6500  
Gretna, LA 70053

Councilman E. Ben Zahn, III  
1221 Elmwood Park Blvd., Suite 1015  
Jefferson, LA 70123

Councilwoman Jennifer VanVrancken  
1221 Elmwood Park Blvd., Suite 1014  
Jefferson, LA 70123

**RE: JPOIG PROJECT NUMBER: 2014-0027  
RICKEY JACKSON COMMUNITY HOPE CENTER  
COURAGE HOUSE**

Honorable Parish President, Council Members, and Inspector General:

The Jefferson Parish Office of Inspector General (hereinafter referred to as "JPOIG") performed an audit of expenditures of public funds to the Rickey Jackson Community Hope Center – Courage House (hereinafter referred to as "RJCHC") pursuant to a Cooperative Endeavor Agreement (CEA) entered into by RJCHC and the Parish of Jefferson. The sources of the public funds audited were secured from federal funds under the Community Development Block Grant (CDBG) program and parish funds. Oversight of the CEA and associated expenditures were designated by Resolution to be the responsibility of the Jefferson Parish Department of Community Development (hereinafter referred to as "JPCD").

This communication is a response to JPOIG Audit 2014-0027 and the corrective measures that will be implemented by the Yenni Administration to ensure that the expenditures of RJCHC are in accordance with the terms and conditions defined in the CEA. In summary, the audit defined several areas where the Parish can improve upon its obligation to provide effective controls, monitoring, and oversight concerning the expenditures of public funds.



Overall, the Yenni Administration would like to thank the Inspector General's office for its recommendations and observations and is committed to working with his office to strengthen our programs as well as the Department.

Respectfully,



TAMITHIA P. SHAW

cc: Keith Conley, Chief Operating Officer  
Michael J. Power, Parish Attorney  
Timothy Palmatier, Finance Director  
Darryl Ward, Chief Administrative Assistant

**Attachments**

Attachment A  
Attachment B

**RICKEY JACKSON COMMUNITY HOPE CENTER -  
COURAGE HOUSE**

**JPOIG PROJECT NUMBER: 2014-0027**

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## **Background**

Pursuant to Resolution 120307, adopted on January 30, 2013, the Parish of Jefferson entered into a Cooperative Endeavor Agreement with Rickey Jackson and Friends d/b/a Rickey Jackson Community Hope Center (RJCHC), a 501(C)3 not-for-profit corporation, on February 18, 2013. The purpose of the CEA was to provide funds for a center which would offer a refuge for the abused and at-risk youth of Jefferson Parish by providing services such as mentoring, academic enrichment, leadership development, and career path development assistance. The funds were provided were \$100,000.00 from CDBG funds for renovations to the facility and 25,000.00 from parish funds. The CEA also contained a provision that payments should be made on a reimbursement basis with reimbursement being either (i) payment of amounts actually incurred or (ii) payments of amounts supported by advance service invoices to the reasonable satisfaction of the Parish.

Pursuant to Resolution 121804, adopted on October 16, 2013, the Parish Council ratified Amendment No. 1 to the CEA that was executed on December 4, 2013. The Amendment provided additional funding in the amount of \$50,000.00 to RJCHC solely from parish funds. The CEA also designated the Department of Community Development as the entity responsible for monitoring the proper expenditure of funds to include payment approval and processing and to assure all expenditures are necessary and appropriate to follow parish Accounting and Purchasing requirements.

Pursuant to Resolution 123835, adopted on November 5, 2014, the Parish Council ratified Amendment No.2 that was executed by and between the Parish of Jefferson and RJCHC on January 7, 2015. The Amendment provided additional funding in the amount of \$40,000.00 to RJCHC solely from parish funds.

It should be noted that the report predates the current Administration (Yenni Administration); however the Yenni Administration is committed to work towards putting strong policy and compliance practices in place to account for and protect the public fisc.

**Finding #1:** Three (3) Parish payment requests totaling \$45,043.25 were not properly approved.

Condition: On 03/07/2013, the Parish reimbursed the RJCHC for three (3) payment requests for insurance and renovation expenses totaling \$45,043.25 did not find evidence that the three (3) payment requests were approved by the Finance Director as required by form #256. Rev 11/90

Recommendations: The Parish should ensure that payment requests are reviewed and signed by the Responsible Department, the Finance Department, and the RJCHC or the applicable sub recipient. The JPOIG recommends the Parish require written policy and procedure for the oversight and management of all CEAs, which authorizes reimbursement issued by the Accounting Department only when the Request for Payment Form includes all required approvals.

**Response:** The JPOIG noted that the payments issued for \$11,234.00 on 03/07/2013, \$1,769.25 on 03/21/2013 and \$32,040.00 on 04/30/2013 were made without approval of the Finance Department. However, it should be noted that the Request for Payment Forms, while not signed by the Finance Director, were approved by the Finance Department, as they were processed and ultimately reimbursed the requested funds to the subrecipient. Furthermore, there appears to be an acknowledgement by the JPOIG that it was not the policy of the parish at that time to have the payment request submitted to the Finance Director. Therefore, reimbursement payments made to RJHCH without the signature approval of the Finance Department, made in accordance with the policies of the Accounting Department at that time, and therefore valid. Moreover, as the JPOIG states this is no longer the policy under the current Finance Department, this matter has been corrected as current policy states that payments must be signed by the Finance Director for approval. Thus, it is requested that this finding be cleared.

**Corrective Action:** Current policy within Community Development will ensure that payment requests are reviewed for accuracy and signed by the responsible departments, such as Finance, and the applicable subrecipient and ensure that reimbursements will only be issued when the Request for Payment Form includes all required approvals.

**Finding #2:** Descriptions on two (2) purchase orders generated by Community Development totaling \$41,691 did not match the description on the invoice or change order provided by the RJCHC.

Condition: On 04/30/2013 and 01/23/2014, the Parish reimbursed the RJCHC for expenses totaling \$41,691. It was noted that the item descriptions on the purchase order

#13-0007587 and #14-0000853 in the amounts of \$32,040 and \$9,651, respectively, did not match the description on the corresponding invoice and change order.

**Recommendations:** Policy and procedure must ensure that purchase order descriptions accurately reflect the data provided on the invoice and/or change order to ensure the validity and accuracy of the transaction. The JPOIG recommends the Parish require written policy and procedure for the oversight and management of all CEAs, which includes an invoice purchase/change order review and verification prior to reimbursement.

**Response:** This was an error when the data was entered into the system (computer). The system duplicated past descriptions when the project numbers were entered. However, the invoice and backup documentation shows the actual descriptions and explanations of the costs. The Accounting Department has verified that the financial system has been updated to no longer allow copying of the previous requisition numbers that could lead to this type of discrepancy. Since the update there have been no other instances wherein the purchase order did not match the description on the corresponding invoice and change order. Therefore, this matter has been corrected and it is requested that this finding be cleared.

**Corrective Action:** As stated above, the software has been programmed to prevent this from happening in the future, there has not been a similar incident since this adjustment.

<b>Finding #3:</b> The effective dates for the insurance coverages were prior to the effective date of the CEA.
---

**Condition:** Based upon a review of the RJCHC supporting documentation for these insurance expenses, it was noted that the effective dates for coverage were prior to the effective date of the CEA. The insurance coverage dates were 12/20/2012-12/20-2013, for \$11,234.00 and 12/26/2012-02/24/2013 for \$1,769.25. The date of the CEA was 02/18/2013.

**Recommendations:** The JPOIG recommends the Parish require written policy and procedure for the oversight and management of all CEAs, that ensures reimbursement for term based services (i.e. insurance) are not paid for period of service or coverage outside (sic) of the effective period of the CEA.

**Response:** The CEA allowed reimbursement for costs with insurance being specifically designated as a cost. JPCD received the supporting documentation and the reimbursement was made in accordance with the CEA. Moreover, this was a one-time occurrence and it is requested that this finding be cleared.

**Corrective Action:** Current policy of The Department of Community Development ensures that reimbursements for term based services (i.e. insurance) are not paid for periods of service or coverage outside of the effective period of the CEA. We will also continue to monitor the subrecipient to ensure compliance. The Parish will seek reimbursement for funds paid outside of the terms of the agreement.

**Finding #4:** Failure to perform a physical inspection of the RJCHC inventory to ensure existence and completeness.

**Condition:** On 02/20/2014, the Parish reimbursed the RJCHC for 40 items of musical and computer equipment totaling \$18,100.02. The Parish did not verify the purchase or acquisition. Also, the JPOIG noted that the RJCHC inventory list was incomplete because the inventory list did not contain the cost of each item. On 03/12/2015, the JPOIG performed an inspection of the inventory and accounted for items on the RJCHC inventory list.

**Recommendations:** The JPOIG recommends the Parish require written policy and procedure for the oversight and management of all CEAs that requires an inspection of inventory to safeguard parish assets and to ensure accuracy, existence, and completeness of inventory. If entities know that an inventory will be taken and items are being tracked, there is a greater likelihood that incidences of theft will decrease. Furthermore, if equipment is lost, stolen, or destroyed, an accurate inventory would help greatly when filing a claim with the insurance company.

**Response:** The JPOIG noted that the cause of the finding was “a lack of oversight and monitoring over the RJCHC inventory”. The Parish does not have a policy in place that requires the parish to conduct a physical count and observation of the RJCHC inventory. The CEA and its Amendments contain provisions that all expenditures would follow Parish Accounting and Purchasing requirements. Since the JPOIG acknowledges that there is no policy by the Parish regarding the parish to conduct a physical count and observation of inventory by a sub-recipient, there was not a requirement by the JPCD to conduct a physical inventory of the equipment purchased pursuant to the CEA and it is requested that this finding be cleared.

**Corrective Action:** Although there was not a policy in the past administration to take an “on sight” inventory of movables purchased through public funds, the Yenni Administration has required departments to do so. Further the inventory at RJCHC will be labeled as assets of Jefferson Parish and documented accordingly.

The Administration will consult with the Parish Attorney’s office and request that all CEAs will include a clause stating that any movable property of sufficient value purchased with public money is Parish property and cannot

**be alienated at the end of its use. The property must be treated as surplus property in accordance with state law.**

**Finding #5:** The Parish system of grant management fails to address the ownership and disposition of the RJCHC inventory purchased with public funds, including grant funds, at the termination of the CEA.

**Condition:** A Parish ordinance or policy was not in place to address the ownership and disposition of inventory purchased with public funds, including grant monies, at the termination of the CEA.

**Recommendations:** The JPOIG recommends the Parish require written policy and procedure for the oversight and management of all CEAs that addresses ownership and disposition of items purchased with Parish funds by non-governmental entities after termination of the CEA.

**Response:** The JPOIG noted that the cause of the finding was “a lack of an ordinance or policy to support oversight of grant funds”. The CEA and its Amendments contain provisions that all expenditures would follow Parish Accounting and Purchasing requirements. Further, the CEA and its Amendments contain a provision that the agreement signed by the parties constituted the entire agreement between the parties. The acknowledgment by the JPOIG recognizes that there is no ordinance or policy by the Parish regarding the ownership of the inventory; therefore, it is requested that this finding be cleared as there was not an obligation on JPCD to conduct the inventory search.

**Corrective Action:** See the Corrective Action outlined in Finding #4.

**Finding #6:** Failure to comply with CEA Section 11 – Narrative Reports.

**Condition:** The JPOIG did not find evidence of compliance with CEA Section 11 – Narrative Reports. Narrative reports on expenditures were not submitted to the Parish Internal Auditor for review to help ensure accuracy and validity of the RJCHC expenditures.

**Recommendations:** The required RJCHC expenditure narrative reports should be submitted to the parish Internal Auditor for an independent review to help ensure expense accuracy and validity.

**Response:** As the CEA requires the subrecipient to submit the narrative reports directly to the Internal Auditor, JPCD has no oversight of this function. Therefore, it is requested that this finding be cleared.

**Corrective Action:** As stated in the CEA, Section 11-Narrative Reports, JPCD will advise the subrecipient of the requirement to submit expenditure narrative reports directly to the Parish Internal Auditor, Tommy Fikes as an independent review to ensure expense accuracy and validity. Also, Internal Auditor, as the responsible department of the Parish, having the responsibility to provide independent review to ensure expense accuracy and validity shall provide the appropriate training, as recommended by JPOIG. The Administration will put policy in place to ensure that the Internal Auditor is included in the process.

**Finding #7:** Failure to provide timely proof of vendor payments to the Parish for expense reimbursements totaling \$158,238.73.

**Condition:** During 2013-2015, the parish reimbursed the RJCHC for various expenses in the amount of \$203,133.04. It was noted that the RJCHC did not submit to the Parish proof of vendor payment for expense reimbursements totaling \$158,238.73 in a timely manner.

**Recommendations:** The JPOIG recommends the Parish require written policy and procedure for the oversight and management of all CEAs that prohibits payments to non-governmental entities without adequate supporting documentation. That documentation must include, at a minimum, a copy of the invoice and proof of vendor payment. The invoice must detail the item or service purchased, the date, and the amount. These items must be verified and approved by parish staff.

**Response:** While the CEA requires payments to be made on a reimbursement basis, it does specify a timeline or time period for the agency to submit proof of vendor payments for expense reimbursements.

**Corrective Action:** The Department of Community Development will continue to require adequate supporting documentation that includes, at a minimum, a copy of the invoice and proof of vendor payments, as recommended by the JPOIG. These invoices and proof of vendor payments will be independently verified and approved by the Parish staff. The Yenni Administration will make policy that any CEA's that include reimbursement payments will include strict timelines.

**Finding #8:** The Parish reimbursed the RJCHC for a cash payment of \$1,478.52 for the purchase of limestone without adequate supporting documentation.



Condition: On 03/20/2014, the Parish reimbursed the RJCHC for a cash payment of \$1,478.52 for the purchase of limestone without having adequate supporting documentation.

Recommendations: The JPOIG recommends the Parish require written policy and procedure for the oversight and management of all CEAs that the Parish not allow reimbursement for cash payments. This provision should be considered for adoption into ordinance and be incorporated into the CEA. Payments by check provide a more accurate, easy to follow, audit trail.

**Response:** The JPOIG noted that the cause of the finding was “inadequate policy and procedure regarding cash payments to non-governmental entities from both the Community Development and Finance Departments.” The CEA and its Amendments contain provisions that all expenditures would follow Parish Accounting and Purchasing requirements. The acknowledgment by the JPOIG recognizes that there is no policy or procedure by the Parish regarding cash payments. Moreover, the Parish staff made several independent inquiries regarding the payment to ensure the veracity of the transaction. Furthermore, since this occurrence there have been no other instances of a cash payment. Therefore, it is requested that this finding be cleared.

**Corrective Action:** Although there is not a policy or procedure in place, this administration agrees that any reimbursement by the Parish will be for monies expended by check or other negotiable instrument along with verified supporting documentation.

<b>Finding #9:</b>	Failure to comply with CDBG funding rules 24 CFR 85.36 and 84.44, the competitive bid process.
--------------------	--

Condition: The JPOIG could not find evidence that the RJCHC was in compliance with CDBG funding rules 24 CFR 85.36(d)(1) and 84.44(e)(2). “Small purchases are made through the use of purchase orders. Competition is sought through oral or written price quotations.” The Parish reimbursed the RJCHC approximately \$100,291.25 for renovations to its facility. Based on the aforementioned, the JPOIG was not able to determine if the Parish’s reimbursements to the RJCHC represented a fair price for these renovations as would have been established via competitive, multiple bids.

Recommendations: The JPOIG recommends the Parish require written policy and procedure for the oversight and management of all CEAs that mandate compliance with federal, state, or Parish imposed grant provisions pertaining to bid processes, quotes and estimates. In this case CDBG funding requirements found in 24 CFR 85.36(d)(1) and 84.44(e)(2). Provisions of this nature are designed to ensure recipients make sufficient effort to ensure public funds are expended in a cost effective manner.

**Response:** JPCD will implement training for all subrecipients pertaining to bid processes quotes and estimates to ensure public funds are expended in a cost effective manner.

**Corrective Action:** The Department of Community Development will work diligently to monitor the RJCHC as well as other grantees to ensure compliance with CDBG funding regulations 24 CFR 85.36 (d)(1), and 84.44 (e)(2), when federal funds are involved.

**Finding #10:** The Parish reimbursed the RJCHC for contracting, insurance, utilities, and lawn service expenses totaling \$49,304.79. However, the RJCHC paid its vendors \$42,110.64 resulting in the Parish overpaying the RJCHC expenses in the amount of \$7,194.15.

**Condition 1:** On 07/05/2013, the Parish reimbursed the RJCHC \$29,625.63 for subcontractor Kent & Associates invoice #002 for renovation expenses. On 07/05/2013, the RJCHC paid subcontractor Kent & Associates \$29,000 resulting in the Parish overpaying the RJCHC \$625.63.

**Condition 2:** On 07/18/2013, the Parish reimbursed the RJCHC \$10,000 for subcontractor Kent & Associates invoice #003 to renovate its facility. On 09/23/2013, the RJCHC paid contractor Kent & Associates \$9,600 resulting in the Parish overpaying the RJCHC \$400.

**Condition 3:** Bryans United Air Conditioning Services performed work on three (3) Air Conditioning units at the RJCHC for total of \$2,500. On 07/10/2013, the Parish reimbursed the RJCHC for total of 2,500 for the work. It was determined that Bryans United was not paid for the work and had to write off the \$2,500 as a bad debt resulting in the Parish overpaying the RJCHC \$2,500.

**Condition 4:** On 04/30/2015, the Parish reimbursed the RJCHC \$2,190 for lawn services performed by Lagniappe Lawn Services, Inc. These expenses were not supported by copies of the RJCHC checks payable to Lagniappe Lawn Services, Inc.

**Condition 5:** On 03/20/2014, the Parish reimbursed the RJCHC \$1,478.52 for the purchase of limestone from FMT. In 12/2013, Mr. Jackson (RJCHC) states that he paid FMT in cash for the limestone. Cash payments are not sufficient, competent evidence to support the payment.

**Condition 6:** Community Development, in order to correct some of the unsupported vendor payments, reduced future RJCHC reimbursements (documentation provided on invoices #216 & 217) in the amount of \$3,125.63 ( $\$625.63 + \$2,500.00 = \$3,125.63$ ). The \$400.00 shortage to Kent & Associates is disputed by the RJCHC. Community Development states that they will withhold \$400 from the RJCHC future reimbursements.

**Response:** The JPOIG acknowledges that JPCD, prior to the issuance of this report, recognized that there were unsupported vendor payments and took the corrective action to reduce future payments. Therefore, it is requested that this finding be cleared.

**Corrective Actions:** The Department of Community Development will monitor all expense documentation to ensure that expenses are accurate and valid prior to reimbursement with public funds. The Department has withheld payments to RJCHC in the amount of \$3, 125.63. The remaining overpayment of \$400.00 is disputed by RJCHC. We will also work to reconcile the RJCHC vendor payments, resolve any differences, and collect any and all overpayments.

**Finding #11:** Failure to comply with CEA Section 3-Payment (i)

**Condition:** On 01/23/2014, the Parish reimbursed the RJCHC \$9,651.25 for contracting expenses. The JPOIG reviewed the RJCHC subcontractor Kent & Associates change order for this transaction and noted that the subcontractor charged a 21% mark-up on their construction costs of \$7,961 in the amount of \$1,690.25, in conflict with CEA Section 3-Payment (i).

**Response:** JPCD will implement training for all subrecipients pertaining to bid processes quotes and estimates to ensure public funds are expended in a cost effective manner.

**Corrective Action:** The Department of Community Development will monitor compliance with the CEA with RJCHC as it relates to Section 3-Payment as well as other terms and conditions in the CEA.

**Finding #12:** RJCHC comingled Parish funds with a non-RJCHC account.

**Condition:** On 04/30/2015, and 06/04/2015, the Parish reimbursed the RJCHC for expenses totaling \$1,825.50. The RJCHC paid employee salaries of \$1, 375.50 and lawn maintenance services of \$450 from Mr. Jackson's Whitney Bank business account instead of using the RJCHC's First NBC Bank account.

**Response:** The CEA does not specify that subrecipients are not allowed to use multiple bank accounts related to expense reimbursements. Therefore, as JPCD was not required to reject payment request made from different bank accounts, it requested that this finding be cleared.

**Corrective Action:** The Department of Community Development understands the risks of comingling funds as stated by the JPOIG. Going

forward, JPCD will require all grantees that have entered into a CEA with the Parish, to sign an attestation which states that grant funds will not be commingled with any other public or private funds. (Attachment A)

**Observation #1:** The RJCHC performance measurements were not established.

**Condition:** The JPOIG did not find evidence that the Parish had established performance measurements to analyze the benefits of their investments, track the progression of the project, and evaluate the overall program effectiveness. It was noted that HUD has established performance measurements for CDBG funding.

**Response to Observation:** Since October 2015, the Department of Community Development has required performance reports along with pay requests to evaluate performance measures. JPCD will continue to monitor the performance reports to ensure that project goals and objectives are being met.

**Observation #2:** The Parish did not provide CEA and CDBG training to the RJCHC.

**Condition:** The JPOIG did not find evidence showing that the Parish provided training and guidance to the RJCHC regarding Parish and CDBG funding requirements.

**Response to Observation:** As stated in the previous observation, we now have a new program manager that is working assiduously to assist the staff at RJCHC in ensuring compliance with HUD's rules and regulations. On October 15, 2015, the program manager provided Eric Bucich with technical assistance regarding supporting documentation when submitting Request for Payments as well as developing a performance report. (Attachment B). The Department of Community Development understands that training is essential and will now provide all grantees with training on requirements and management of the grant they receive to ensure compliance and to avoid misunderstandings.

**Observation #3:** General ledger coding for the RJCHC purchases did not agree with the Parish resolutions.

**Condition:** The Parish auditor noted that the Parish Resolution stipulated that the purchases of insurance \$13,003.25 and inventory equipment \$18,100.02 should have been posted to account #21280-1173-139-7454- "Other Contracted Services." The JPOIG reviewed the RJCHC purchases of insurance, musical equipment, and computers and noted that some were posted to the following accounts:

- Purchases in the amount of \$13,003.25 were posted to general ledger account #21280-1173-139-7331- “Professional Services”
- Purchases of computers/equipment in the amount of \$18,100.02 were posted to account #21280-1173-139-7432.3- “Other Equipment.”

**Response to Observation:** The Department of Community Development will monitor the general ledger coding to ensure all accounts align with Parish resolutions.

## **Conclusion**

In conclusion, the Department of Community Development will follow the recommendations of the JPOIG and implement the corrective measures stated above. We will also work towards recovering any monies owed the parish in instances of over payment.

The undersigned has met with the Chief Operating Officer for Jefferson Parish and together have thoroughly and methodically gone through each finding and observation. Based on these meetings and outside conversations, the Yenni Administration agrees that policy and compliance methods have lacked in the past and vows to institute such practices. Our responsibility is to provide oversight and management of grants and CEAs. In light of your report and in furtherance of the Yenni Administration's overhaul of parish wide policy and compliance practices, we are working with a consultant to draft policies and procedures on guiding our staff on managing public funds and we will also continue to adhere to HUD's federal rules and regulations as it relates to CDBG funding.

Thank you for your recommendations and observations. This will assist us in taking corrective measures to ensure compliance in the present and the future.



# JEFFERSON PARISH

## Department of Community Development

**Michael S. Yenni**  
Parish President

**Tamithia P. Shaw**  
Director

### CERTIFICATION

The submission of the reimbursement request by this Subrecipient, Rickey Jackson Community Hope Center – Courage House, constitutes a certification that it has previously made the appropriate expenditures. Further, the submission of the reimbursement request by this Subrecipient also constitutes a certification that the expenditures are allowable and appropriate to the deliverables of the Cooperative Endeavor Agreement authorized by Resolution 120307 on January 30, 2013. Moreover, that for future reimbursements, this Subrecipient will keep all funds for this agreement in a separate account and that reimbursements will be made from the expenditures and receipts processed through the Subrecipient's official bank account, Rickey Jackson and Friends Community, listed under the name of the program in the agreement.


  
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RICKY JACKSON

O/B/O RICKEY JACKSON AND FRIENDS

D/B/A RICKEY JACKSON COMMUNITY HOPE CENTER COURAGE HOUSE

Sworn to and subscribed before me,  
Notary Public on the 8 day of  
March, 2016.

  
\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
PRINTED NAME

**Kelly Hopkins**  
Notary Public  
LA Bar No. 33186  
Parish of Jefferson, State of LA  
My Commission is Issued for Life

\_\_\_\_\_  
NOTARY OR BAR ROLL NUMBER

Technical Assistance Report

Contractor/Subrecipient Rickey Jackson - Courage House Date 10/15/15

Address: 1150 Baratavia Blvd  
Marrero, LA 70072

Contract Period: February 18, 2013 - February 18, 2018 Contract NO.: 55-13249

Manager's Notes

Today I discussed what is required when submitting pay requests with Eric and Mr. Jackson. We all agreed on creating a performance report to submit monthly with pay requests.

On this day, I Eric Beuch was provided technical assistance from  
Stephanie Brumfield. Eric Beuch