

GRAND ISLE VOLUNTEER FIRE COMPANY No.1



COMPLIANCE AUDIT
ISSUED APRIL 6, 2011

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LOUISIANA LEGISLATIVE AUDITOR
DARYL G. PURPERA, CPA, CFE

April 6, 2011

**MR. AUBREY CHAISSON, FIRE CHIEF,
AND MEMBERS OF THE BOARD OF DIRECTORS
GRAND ISLE VOLUNTEER FIRE COMPANY NO. 1**
Grand Isle, Louisiana

We have audited certain transactions of the Grand Isle Volunteer Fire Company No. 1. Our audit was conducted in accordance with Title 24 of the Louisiana Revised Statutes to determine the propriety of certain financial transactions.

Our audit consisted primarily of inquiries and the examination of selected financial records and other documentation. The scope of our audit was significantly less than that required by *Government Auditing Standards*.

The accompanying report presents our findings and recommendations as well as management's response. This is a public report. Copies of this report have been delivered to the District Attorney for the Twenty-Fourth Judicial District of Louisiana and others as required by law.

Respectfully submitted,

Daryl G. Purpera, CPA, CFE
Legislative Auditor

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Executive Summary

- During the period January 1, 2007, to December 31, 2009, the Grand Isle Volunteer Fire Company No. 1's (GIVFC) board of directors included between five and nine members who were either full- or part-time employees, including Chief Aubrey Chaisson. Seven members of the board, which included five employees, voted to enter into a verbal four-year employment contract with Chief Chaisson (the employees' supervisor), which could be a conflict of interest.
- During the period January 2007 to December 2009, GIVFC bank records indicate \$19,435 was transferred from the general bank account used for property tax revenue, FEMA grants, and a cooperative endeavor with the Grand Isle Volunteer Emergency Services to the private bank account used for donations. The GIVFC may have violated the Louisiana Constitution, which prohibits loans of public funds, by transferring public funds from the general bank account to the private bank account. In our limited procedures, we found the GIVFC used the private bank account to make purchases such as alcohol at a training event in College Station, Texas; alcohol to be sold at a UFC fight; flowers for ill employees and family members and funerals; and throws and decorations for the Grand Isle Mardi Gras Parade.
- For the 2009 calendar year, Chief Chaisson received \$36,984 in regular and holiday pay and \$21,357 in overtime pay from the GIVFC. There is no documentation in the board minutes or Chief Chaisson's Human Resources file to indicate that he is eligible for overtime. Further, it appears to be a conflict of interest to have employees he supervises approve the chief's salary and overtime pay.
- From January 1, 2007, to December 31, 2009, the GIVFC bought \$77,525 in raw food and supplies as well as prepared meals from local restaurants. Chief Chaisson stated that many of the prepared meals had no public purpose and that he had no records of who consumed the raw food or the business purpose of those meals.
- From January 2007 to December 2009, the GIVFC made payments totaling \$43,687 to various employees of which \$24,080 or approximately 55 percent did not have documentation or only contained partial documentation. The GIVFC also made checks to cash totaling \$9,600 of which \$4,857, or approximately 51 percent, did not have documentation or only contained partial documentation. The GIVFC also made payments to third parties totaling \$2,937 of which \$636 did not have documentation or only contained partial documentation. Because the GIVFC did not maintain proper documentation for the above-mentioned purchases, it may have violated state law.

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Board Composition

During the period January 1, 2007, to December 31, 2009, the Grand Isle Volunteer Fire Company No. 1's (GIVFC) board of directors included between five and nine members who were either full- or part-time employees, including Chief Aubrey Chaisson. According to Chief Chaisson, employees on the board abstain from voting on employee issues. However, according to board minutes dated December 4, 2007, seven members of the board, which included five employees, voted to enter into a verbal four-year employment contract with Chief Chaisson (the employees' supervisor), which could be a conflict of interest.

The GIVFC received a letter dated August 31, 2010, from Jefferson Parish Government recommending the removal of board members who are also full-time employees. On September 23, 2010, the GIVFC employees resigned from the board.

We recommend the GIVFC and/or board:

- (1) consider ratification of the current contract with Chief Chaisson;
- (2) do not allow employees to be members of the board; and
- (3) properly file any changes to the Articles of Incorporation with the Secretary of State.

Transfers

During the period January 2007 to December 2009, GIVFC bank records indicate \$19,435 was transferred from the general bank account used for property tax revenue, FEMA grants, and a cooperative endeavor with the Grand Isle Volunteer Emergency Services to the private bank account used for donations. The GIVFC operates as a private, not-for-profit organization primarily funded by property taxes collected by Jefferson Parish, which are deposited into the general bank account. There was \$15,380 of transfers from the private bank account to the general bank account during this period, but since the GIVFC did not keep records of the purpose for the transfers or the beginning balance, we could not determine the balance due to the general bank account. The GIVFC may have violated the Louisiana Constitution,¹ which prohibits loans of public funds, by transferring public funds from the general bank account to the private bank account.

Since the GIVFC commingled public funds during fiscal years 2007, 2008, and 2009 from the general account by transfers to the private account, the private account should have been audited as public funds as prescribed by Louisiana law.² In our limited procedures, we found the GIVFC used the private bank account to make purchases such as alcohol at a training

¹ **Article 7, Section 14 of the Louisiana Constitution** provides, in part, "except as otherwise provided by this constitution, the funds, credit, property, or things of value of the state or of any political subdivision shall not be loaned, pledged, or donated to or for any person, association, or corporation, public or private."

² **Louisiana Revised Statute 24:513(J)(d)** states, in part, "if the state or local assistance received and/or expended by a quasi public agency or body is commingled with other funds of the quasi public agency or body then such state or local assistance and other funds of the quasi public agency or body shall be audited pursuant to Subparagraph (1)(c) of this Subsection."

event in College Station, Texas; alcohol to be sold at a UFC fight; flowers for ill employees and family members and funerals; and throws and decorations for the Grand Isle Mardi Gras Parade. The attorney general has opined in AG 99-358³ and 03-0157⁴ that alcohol and flowers are not an appropriate purpose for the expenditure of public funds. Also, in AG 91-421, the attorney general opined that commingling of (public and private) funds could result in a violation of the Louisiana Constitution.¹ Because of the commingling of funds, it appears these are public funds and these purchases were not for a public purpose. According to Chief Chaisson, the GIVFC also used the private donation bank account to purchase items for fundraising events such as a concession stand at baseball tournaments, a haunted house, and a firearm for a raffle. The GIVFC did not keep accounting records of these fundraising events; therefore, we cannot determine if the GIVFC lost any funds on these fundraising activities.

The GIVFC also solicited donations for the private bank account through the use of a contractor, Pistol Productions. According to Chief Chaisson, the GIVFC contracted with Pistol Productions in 2008 and agreed to give Pistol Productions 70 percent of all donations raised. Chief Chaisson could not produce a written contract to that effect because of the loss of records from the flooding experienced from hurricanes Gustav and Ike. The GIVFC also paid Pistol Productions's phone bill as part of payment for its services. According to Chief Chaisson, the GIVFC canceled the contract with Pistol Productions in July 2010.

We recommend the GIVFC:

- (1) discontinue transfers of funds from the general bank account to the private bank account to eliminate commingling of public and private funds;
- (2) repay the general bank account for all funds due;
- (3) take additional safeguards to ensure records are preserved; and
- (4) keep an accounting of funds used and collected for fundraisers.

Chief's Salary and Benefits

For the 2009 calendar year, Chief Chaisson received \$36,984 in regular and holiday pay and \$21,357 in overtime pay from the GIVFC. The board approved a verbal contract with Chief Chaisson on December 4, 2007, but there is no documentation in the board minutes or Chief Chaisson's Human Resources file to indicate that he is eligible for overtime. Chief Chaisson stated that the GIVFC does not have an overtime policy, but that he approves employees to work overtime on an as-needed basis and that his administrative assistant, who was also on the board, approved his overtime. Since there is no overtime policy or board-approved practice, we could

³ **AG Opinion 99-358** provides, in part, "Several prior Attorney General Opinions have stated that alcoholic beverages may not be paid for with public funds." For example, Attorney General Opinion 99-358 states, "The cost of meals must be reasonable and the cost of alcoholic beverages may not be paid from public funds."

⁴ **AG Opinion 03-0157** provides, in part, "This office is unaware of any legal obligation or authority that has been placed upon political subdivisions such as fire districts which would authorize the utilization of public funds to purchase or defray the cost of flowers for a hospitalized fireman."

not determine if Chief Chaisson was entitled to receive overtime pay. Further, it appears to be a conflict of interest to have employees he supervises approve the chief's salary and overtime pay.

Chief Chaisson stated that the GIVFC keeps employee files, which include board minutes approving the hiring and salary of each employee, but these records were not available due to flooding from recent hurricanes in the area. In management's response, the GIVFC states its policy, although not written, is to treat Chief Chaisson as a "working supervisor" under the Fair Labor Standards Act; however, this was never mentioned during the audit, nor did GIVFC provide any board minutes or documentation to confirm this claim.

According to Chief Chaisson, in 2005 the GIVFC board approved his take-home use of a GIVFC vehicle to ensure his availability at all times, but he does not keep a mileage log for the vehicle nor does the GIVFC keep mileage logs on any other vehicle. Chief Chaisson further stated that he does not have a copy of the board minutes to verify this approval due to flooding. Since there are no board minutes to reflect approval of this benefit and he does not have a written contract, he is not properly authorized to have a take-home GIVFC vehicle.

We recommend the GIVFC and/or board:

- (1) obtain documented board approval of Chief Chaisson's employment to include salary, overtime, and use of a GIVFC vehicle;
- (2) obtain board approval for the salary and benefits paid to Chief Chaisson;
- (3) implement an overtime policy;
- (4) establish a vehicle usage policy;
- (5) keep mileage logs on take-home vehicles; and
- (6) take additional safeguards to ensure records are preserved.

Food Purchases

From January 1, 2007, to December 31, 2009, the GIVFC bought \$77,525 in raw food and supplies as well as prepared meals from local restaurants. The GIVFC operates primarily as a volunteer fire department, but does have full-time and part-time employees. Three full-time employees are required to be at the firehouse at all times. When asked about the food and local meal purchases, Chief Chaisson stated that many of the prepared meals had no public purpose and that he had no records of who consumed the raw food or the business purpose of those meals.

Since the GIVFC did not keep detailed documentation for the raw food and meal purchases, we could not determine the necessity or reasonableness of the purchases or if the purchases benefited the GIVFC. Purchases with no valid business purpose, that are not necessary to the operations of the GIVFC, or that are made at an unreasonable price may be a violation of the Louisiana Constitution,¹ which prohibits the donation of public funds. The

attorney general provides guidance with regard to the Louisiana Constitution¹ in Opinion 09-0018, which states that “the public entity must have the legal authority to make the expenditure” and outlines a three-prong test for the expenditure of public funds as follows:

1. There must be a public purpose that comports with the governmental purpose of the public entity.
2. When taken as a whole, the expenditure does not appear to be gratuitous.
3. There must be evidence demonstrating that the public entity has a reasonable expectation of receiving a benefit or value at least equivalent to the amount expended or transferred.

We recommend the GIVFC:

- (1) maintain records for meals consumed, including the names of the attendees and the public purpose for the meals;
- (2) adopt a policy as to when employees are authorized to receive meals; and
- (3) ensure all meals purchased with GIVFC funds have a public purpose.

Payments to Employees and Cash

From January 2007 to December 2009, the GIVFC made payments totaling \$43,687 to various employees of which \$24,080 or approximately 55 percent did not have documentation or only contained partial documentation. The GIVFC also made checks to cash totaling \$9,600 of which \$4,857, or approximately 51 percent, did not have documentation or only contained partial documentation. The GIVFC also made payments to third parties totaling \$2,937 of which \$636 did not have documentation or only contained partial documentation. Because the GIVFC did not maintain proper documentation for the above-mentioned purchases, it may have violated state law.⁵

On November 17, 2010, auditors presented Chief Chaisson with a list of questionable payments which lacked proper documentation and gave Chief Chaisson until November 29, 2010, to find the documentation. On November 30, 2010, auditors received a package containing about half of the documentation requested. On December 17, 2010, auditors gave Chief Chaisson another chance to provide missing documentation with a due date of January 7, 2011. On January 12, 2011, auditors received a package from Chief Chaisson containing much of the same documentation as previously received on November 30, 2010.

⁵ **R.S. 44:36(A)** states, in part, “All persons and public bodies having custody or control of any public record, other than conveyance, probate, mortgage, or other permanent records required by existing law to be kept for all time, shall exercise diligence and care in preserving the public record for the period or periods of time specified for such public records in formal records retention schedules developed and approved by the state archivist and director of the division of archives, records management, and history of the Department of State. However, in all instances in which a formal retention schedule has not been executed, such public records shall be preserved and maintained for a period of at least three years from the date on which the public record was made.”

Chief Chaisson was only able to provide about half of the documentation for the questioned payments.

Chief Chaisson stated that many of the payments to employees were for station supplies and that, because of the financial condition of the GIVFC, many of the local vendors did not allow purchases on credit. He further stated that the GIVFC could not get approved for a credit card; therefore, employees would use their personal credit cards to make purchases and get reimbursed for them. However, the GIVFC had and used a Wal-Mart Money Card (debit card) that was in Chief Chaisson's name.

Two of the six checks written to cash had FEMA trip and LSU training written in the memo section of the check. Chief Chaisson stated that these checks were advances for travel expenses, but could only provide partial documentation for these two trips. The other four checks written to cash were to put money on Chief Chaisson's Wal-Mart Money Card. Chief Chaisson provided several months of statements for the money card with cash deposits totaling \$3,600, but could only provide \$1,824 in receipts. As of November 2, 2009, the Wal-Mart Money Card had a balance \$57.80.

In management's response, the GIVFC states that the records were fully or partially destroyed because of hurricanes and that the documents did exist in 2007 and 2008 when the disbursements were made. Payments with no documentation or invoices were reported in the GIVFC's annual audit in 2006, 2007, 2008, and 2009; however, the management response in those reports does not mention the destruction of any records. In 2006 and 2007, management stated it was forced to relax the rules on when checks are issued and that employees did not provide proper supporting documents after the fact. In 2008 and 2009, management cited that it was behind in filing or was not filing the documents. None of the four-year responses stated that any records were lost or damaged as a result of a hurricane.

The GIVFC requires two signatures on each check: Chief Chaisson and Ms. Richoux, former secretary or a designated board member. However, some checks were only signed by Ms. Richoux. Chief Chaisson stated that he was not aware Ms. Richoux had done this and that he does not review the bank statements. As he reviewed copies of cancelled checks during our interview, Chief Chaisson identified several checks where he claimed his signature was not his. Chief Chaisson further stated that on occasion he signed blank checks and did not review invoices or documentation before authorizing payment.

We recommend the GIVFC:

- (1) maintain all documentation for purchases and require employees to submit receipts for reimbursements and travel advances;
- (2) mark original invoices as paid;
- (3) require separate employees to prepare checks and reconcile the bank statements;
- (4) review and approve all documentation before payment is made;

- (5) stop writing checks made payable to cash and signing blank checks; and
- (6) seek legal advice to determine if payments to employees should be recovered.

The Grand Isle Volunteer Fire Company No. 1 was incorporated on April 25, 1969, as a nonprofit corporation in the Parish of Jefferson to supervise and control fires and other related hazards in Jefferson Parish, bounded by and including Grand Isle and Cheniere to the parish line. The GIVFC is comprised of a board of directors who have the power to designate management; the ability to significantly influence operations; and primary accountability for fiscal matters.

The Louisiana Legislative Auditor (LLA) received information alleging improper expenditures of public funds. As a result, LLA reviewed available GIVFC records to determine the credibility of the information.

The procedures performed during this audit included:

- (1) interviewing employees and officials of the GIVFC;
- (2) interviewing other persons as appropriate;
- (3) examining selected documents and records of the GIVFC;
- (4) performing observations; and
- (5) reviewing applicable state laws and regulations.

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Management's Response



GRAND ISLE FIRE DEPARTMENT

P. O. Box 550, Grand Isle, LA 70358, Office: 985-787-2777 * Fax: 985-787-3942

February 21, 2011

Mr. Daryl Purpera, CPA
Louisiana Legislative Auditor
1600 North Third Street
PO Box 94397
Baton Rouge, LA 70804-9397

Dear Mr. Purpera,

We appreciate this opportunity to respond to the recently concluded compliance audit performed by your office on the Grand Isle Volunteer Fire Department. The Board of Directors and Chief Chaisson have reviewed the draft report provided by your staff and offer the following comments.

We would like it known that the Grand Isle Volunteer Fire Department takes its fiduciary responsibility to the citizens of Grand Isle very seriously. We understand that we are providing a very important public service with public funds and that it is our responsibility to provide the best service at the best price.

The Town Of Grand Isle has been directly or indirectly affected by four (4) hurricanes in the past five years – Hurricanes Katrina and Rita in 2005 and Hurricanes Gustav and Ike in 2008. In 2005, Hurricanes Katrina and Rita caused severe to catastrophic destruction throughout the area, including the destruction of our main fire station (the building ultimately was condemned and has recently been torn down). After that, GIVFD was forced to operate out of a cramped camper/trailer purchased by FEMA.

When Hurricane Gustav approached the island in August 2008, GIVFD packed its records and computer files and headed for high ground upon the declaration of an evacuation order. GIVFD personnel returned to the island shortly after the storm and began the process of restoring services to the island. When Hurricane Ike threatened a few weeks later but then turned towards Texas, no mandatory evacuation was given, thus, GIVFD personnel remained on the island. Although Ike did technically miss the area, the southerly winds swept floodwaters across the island and our camper/trailer was flooded out, along with our records.

While the audit period covered 2007, 2008, and 2009, many of the issues mentioned in the findings of the audit have to do with the audit period from 2007 and 2008, prior to Hurricanes Gustav and Ike. Thus, we believe that many of the items that remain “unsupported” according to the draft report were really properly supported prior to the hurricanes.

That being said, we offer the following comments/responses to your findings and recommendations.

FINDING – BOARD COMPOSITION

COMMENTS ON FINDING

We acknowledge that the Board did include some full or part-time employees as members. This was corrected in September 2010, when all full-time employees resigned from the Board. The Board now consists of 7 members, none of which are full-time employees.

Please understand that Grand Isle is a small community and volunteers are not easy to come by. All major administrative matters of the Fire District were brought up to the Board for discussion and/or approval. Nothing was ever hidden from the Board and there was never any pressure put on Board members to vote one way or another by anyone.

The perceived “conflict of interest” related to the vote by the Board on whether or not to appoint Aubrey Chaisson as Fire Chief. Being the immediate supervisor of some of the board members played no role in the decision to appoint him to the position of Fire Chief. If the employees had voted against him, he would no longer have been their supervisor. Therefore, they had nothing to gain by voting for him and he could not retaliate against them if they voted no. He was voted in to the position because he was the best candidate. We do not believe there was a conflict of interest in this appointment.

Also, there was no written “employment contract” when he was appointed because it has not been our practice to sign employment contracts with any of our employees. If you feel the need to have the Board ratify this decision, we will consider putting a motion on the agenda for their consideration.

We understand the need to modify the composition of the Board and, as stated above, we have already done so. We will file the necessary paperwork with the Secretary of State to amend the Articles of Incorporation, as needed.

RESPONSES TO RECOMMENDATIONS

<u>Recommendation</u>	<u>Plan of Action</u>
1) Consider ratification of the current contract with Chief Chaisson	We will bring this motion to the Board.
2) Do not allow employees to be members of the Board	This step has already been taken – employees removed from Board in September 2010.
3) Properly file any changes to the Articles of Incorporation with the Secretary of State	We will do so as soon as possible.

FINDING - TRANSFERS

COMMENTS ON FINDING

We disagree with comment that we “commingled” public and private funds and that we “may have violated the Louisiana Constitution, which prohibits loans of public funds, by transferring public funds from the general bank account to the private account.”

We are aware of the rules prohibiting the comingling of public and private accounts. The definition of “commingled” is “to combine (funds or properties) into a common fund or stock”. We do not combine public and private funds into one fund. In fact, we maintain two separate bank accounts – one for public funds and one for private funds.

The Grand Isle Volunteer Fire Department (GIVFD), like many other fire departments, operates on two levels – the public side of the office and the private side. The public side of the office primarily relates to our cooperative endeavor with the Parish to administer the operations of the Jefferson Parish Fire District No. 9. This side of the office is funded with the proceeds of an ad valorem tax that is levied by the Parish and remitted to GIVFD in a set amount on a monthly basis. These “public” funds are used for fire district operations, including salaries, benefits, supplies, fuel and oil, repairs, etc.

The private side of the office has to with the GIVFD entity being incorporated as a 501 (c) 3 non profit entity. As a non-profit entity, GIVFD is allowed to raise funds through memberships or donations to meet the needs of the entity and its members. If the members want to use some of this money to help pay bills for the public side of the office, it is our understanding that is perfectly legal. Thus, we see nothing wrong with transferring private funds to the public account and there is nothing prohibiting this.

According to the records, we did transfer \$15,380 from the Private Account to the Public Account during 2007, 2008, and 2009. The transfers were made because of the shortage in cash flows that the public side of the office was experiencing due to the Parish accounting office giving us the incorrect monthly stipend. The tax levy called for a monthly distribution of around \$44,000 and we were only receiving \$36,000 per month. When bills would come in and the public account didn't have cash available to pay the bills, we would transfer money from the private account to the public account to help out. This was one of the main reasons we held fund-raisers. As noted above, we are not aware of any prohibition in making these transfers and doing so does not mean we are "commingling" funds.

The \$19,435 of transfers from the public account to the private account were researched and we offer the following:

- In 2007, two transfers totaling \$5,500 were made. Due to the loss of our records in Hurricanes Gustav and Ike, we are unable to determine why these transfers were made.
- In 2008, one transfer for \$2,500 was made from the public account to the Grand Isle Volunteer Emergency Services (GIVES), a non-profit entity operating the local ambulance district. GIVFD and GIVES have a cooperative endeavor agreement whereby GIVFD pays all of the administrative costs of the two entities (salaries, electricity, office supplies, etc.) and GIVES reimburses GIVFD a set amount each month. Apparently, GIVES gave GIVFD too much and GIVFD was remitting the \$2,500 back to GIVES.
- In 2009, five transfers totaling \$11,435.25 were made as follows:

Date	Check #	Amount
8/18/2009	ach	\$ 2,800.00
8/21/2009	ach	2,990.00
9/1/2009	ach	3,545.25
9/24/2009	ach	1,600.00
12/10/2009	ach	500.00
		\$11,435.25

The first three transfers appear to relate to money being moved around to cover cash flow shortages. On 8/16/09, the GIVFD private account cut a check (#1075) for \$2,500.00 to the general account (most probably to help cover payroll or bills). On 8/18/09, the public account transferred \$2,800.00 back. This left a balance in the private account of (\$18.25).

On 8/21/09, the private account issued check no. 1076 for \$2,900.00 and deposited it to the public account. On 8/21/09, a transfer back of \$2,990.00 was made. On 8/24/09, the private account issued check no. 1077 for \$3,500.00 and deposited it to the public account. On 9/1/09, the public account transferred back \$3,545.25, leaving a balance in the private account of (\$59.00).

While the amounts transferred back and forth do not match up exactly, it appears that our bookkeeper was attempting to move money from the private account to the public account to help pay bills and then when money was available; she would transfer the money back. Thus, these transfers are not truly from the public to the private, rather they are paying back money borrowed from the private fund.

The transfer for \$1,600.00 on 9/24/09 does appear to be a transfer from the public account to the private account to help cover a private account cost (i.e., a private donation); however, this was done so without Board approval. Again, our bookkeeper appears to have been trying to cover the bills with whatever account had money available. We will look to reimburse the public fund for this \$1,600.00 from private funds as soon as they become available.

The final transfer of \$500.00 on 12/10/09 appears to have been made to reimburse the private account for a \$500.00 check (# 1083) that was issued on 12/4/09 from the private account to the payroll account to help cover an employee's Christmas/tenure bonus. Apparently, these funds were not needed and the public fund paid the private fund back.

Our policy is that these public and private funds are not to be commingled; however, as noted above, in some cases, our bookkeeper was forced to move money around due to cash flow shortages. While the Legislative Auditor states that they could not determine the beginning balance owed to the general bank account, we simply say this balance was \$-0-. We do not typically loan money back and forth between the two funding sources. If money is moved, it is typically from the private to the public and the members have approved the transfer.

We are also a bit confused by the wording in the finding that states "Since the GIVFC commingled public funds from the general account by transfers to the private account, the private account should be audited as prescribed by Louisiana Law." This statement's footnote then says that "Louisiana Revised Statute 24:513(J)(d) states, in part, if the state or local assistance received and/or expended by a quasi-public agency or body is commingled with other funds of the quasi-public agency or body, then such state or local assistance and other funds of the quasi-public agency or body shall be audited pursuant to Subparagraph (1)(c) of this Subsection."

As noted above, we do not commingle our funds and to make sure we don't, we maintain separate bank accounts. Our annual external audit does include the private accounts in the scope of the audit each year, as per guidance provided by the Legislative Auditor's Office some years ago. Thus, we do not understand why this comment is made in the report.

The finding goes on to question the purchase of alcohol, flowers for funerals and other items purchased out of the private account as not being for a "public purpose". Again, we contend that these funds were made out of the private account with funds raised from membership dues or private donations and not public funds. A couple of transfers here and there between the public account and the private account do not make all of the private account transactions "public".

We have shown that the few transfers that were made from the public account to the private account were in most cases, reimbursing the private account for previous advances. We are very aware of the prohibitions against using public funds for items such as alcohol or Mardi Gras beads. That is why we typically only use private funds for these items.

The mention by Chief Chaisson of additional private fund-raising events also does not mean that we violated the Louisiana Constitution. Again, these fund-raising events were done through the non-profit arm of GIVFD and have nothing to do with the public account. While we may not have kept a separate tally of each event and whether or not it made money, we did deposit any receipts from these events into our private or fund-raising account and we did pay any related bills from the same accounts. Thus, in the end, if anyone would like to know if there were profits or losses on these events, it would show up in the revenue line "fund-raising revenues, net".

The finding also mentions the use of a private fund-raising contractor, Pistol Productions, during 2008 and 2009. We previously provided a copy of the contract with Pistol Productions to the Legislative Auditor when they first began their compliance audit and asked for "everything". The contract was in the files that we turned over to the auditors. We do not know why they did not locate the copy of the contract in the files, but we are attaching a copy for the record (see Attachment A).

Also, we did pay the cell-phone bill for the fund-raising contractor for a period of time; however, this practice has been stopped. In fact, as the report mentions, this entire fund-raising contract with Pistol Productions has been cancelled. Pistol Productions was notified in early July 2010 to cease and desist all fund-raising on GIVFD's behalf. Our only concern with this matter was that we heard from a few local businesses after we had cancelled the contract that Pistol Productions was still soliciting funds in our name. We have made several attempts to ensure that Pistol Productions cease and desist, however, we do not have access to his records and do not know if all funds (if any) raised on our behalf after the cancellation of the contract were turned over to us.

RESPONSES TO RECOMMENDATIONS

<u>Recommendation</u>	<u>Plan of Action</u>
1) Discontinue transfers of funds from the general bank account to the private bank account to eliminate commingling of public and private funds	While we still disagree that these funds were “commingled”, we will make sure that transfers from the public to the private account are not made.
2) Repay the general bank account for all funds due	As noted above, from our analysis, it looks like the private fund owes the public account \$1,600.00. We will pay this back as funds become available.
3) Take additional safeguards to ensure records are preserved	We have already done so (including backing up our QuickBooks files off-site and placing our hard-copy records in water-proof containers for ease of carrying)
4) Keep an accounting of funds used and collected for fundraisers	We will do so
5) Obtain an audit of the private account funds as required by law	We already do so and do not understand why this comment is included

FINDING – CHIEF’S SALARY AND BENEFITS

COMMENTS ON FINDING

The report properly notes that Chief Chaisson received \$58,341 (\$36,984 in regular and holiday pay and \$21,357 in overtime) during 2009. It also properly notes that the Board had previously approved the appointment of Aubrey Chaisson to the position of Fire Chief in December 2007. We disagree with the comment that “because there was no documentation in the board minutes or in Chief Chaisson’s Human Resources file” that he would “not be eligible for overtime.” We also disagree with the statement that “since there was no overtime policy or board-approved practice” that you “could not determine if Chief Chaisson was entitled to receive overtime pay.”

While it is true that GIVFD doesn’t have a written overtime policy, we are aware of and do abide by the Fair Labor Standards Act (FLSA). Under the FLSA, the basic overtime requirements for employees are that any time worked over 40 hours in one 7-day period, shall be paid at the rate of one and a half times the employee’s base rate. There are certain exceptions to this rule, particularly for fire and law enforcement personnel, which provide for higher numbers of hours before “overtime” rates would kick in.

At GIVFD, we utilize the “fire fighter” exception to the FLSA overtime rules and only pay our full-time firefighters time-and-a-half overtime when they work more than 114 hours in a 14-day work period. Our basic formula is that each full-time fire fighter covers five 24-hour shifts in a 14 day period. Thus, they are paid 120 hours (5 x 24) every 14 days (114 base rate hours and 6 overtime hours at time-and-a-half).

FLSA also has provisions for distinguishing which employees fall under these overtime rules. The terms “exempt” and “non-exempt” are used. Basically, most employees fall into the “non-exempt” category and thus, the FLSA overtime rules apply. Employers cannot get around paying “non-exempt” employees overtime. As for “exempt” employees, the basic rule is that if an employee is deemed “exempt”, the employer may get away with not paying overtime rates to that employee.

The “exempt” tag typically covers the higher-ranking or executive levels of an organization. However, even this exempt tag can be lifted if the entity so chooses. It may also be lifted if a supervisor is deemed a “working supervisor”. In the case of GIVFD, we are a small town fire department with a limited number of employees and a 365/24/7 schedule to fill. It has always been a known and accepted practice for the Fire Chief to fill open spots in the schedule and to be appropriately compensated for it. As the Fire Chief, Chief Chaisson is pretty much considered “on-call” for most of the hours that he is not working at the station.

Although it is not written anywhere, it has been GIVFD’s policy to treat Chief Chaisson as a “working supervisor” and/or a “non-exempt” employee for FLSA purposes and to pay him overtime for work over and above his normal tour of duty. Thus, the Chief is paid overtime under FLSA rules after he works 40 hours per week for whatever shifts he fills. This overtime would also cover his “on-call” time to some extent.

Although there is no written employment contract or notation in the board minutes for overtime, Chief Chaisson’s rights to receive overtime pay are provided by and protected by the Fair Labor Standards Act. As an employer, we must abide by these rules.

It should also be noted that despite GIVFD paying Chief Chaisson a large amount of overtime, his total annual salary (including overtime) of \$58,341 is not out of line with the salaries being paid to other Fire Chiefs in Jefferson Parish or the surrounding area. In fact, it is probably less than half of what some of the Eastbank Fire Chiefs receive in Jefferson Parish. It is also not as much as we paid several of our full-time “fire-fighters” when you take their overtime into account. Whether this amount came in the form of base pay or overtime shouldn’t matter. If one were to look at the base pay by itself, it is probably well below what the market calls for.

The report also seems to question the approval of the time sheets by the GIVFD bookkeeper. Because GIVFD is so small, it is nearly impossible to attain a proper segregation of duties (we basically have only two administrative staff members – the Chief and the bookkeeper). To cover the department and him, the Chief insisted that his payroll sheets be approved by someone other than himself. This is why the bookkeeper of the fire district was assigned the responsibility of approving his time. We thought this was a good thing, yet we are being written up for it.

As to the recommendation regarding this finding that we obtain board approval or seek legal advice regarding the salary and benefits paid to Chief Chaisson, we really do not consider this necessary, however, to protect all parties involved; we will discuss this matter with our legal counsel and look to bring a motion to the board to ratify the "salary" package.

The report also brings up the matter of the Chief's take-home vehicle. We are being cited for not keeping a mileage log for this vehicle or any other GIVFD vehicles. The report states that "since the board minutes do not reflect approval of this benefit and he does not have a written contract, he is not properly authorized to have a take-home GIVFC vehicle."

Again, we completely disagree with this statement and this conclusion. As is noted in the report, Chief Chaisson explained that most of the records from 2007 and 2008 were destroyed by Hurricanes Gustav and Ike in August 2008. No one knows whether or not the board minutes reflect a discussion about the Chief having a take-home car – the records no longer exist. It has been a known and accepted practice for Chief Chaisson to have a take-home vehicle. If the Board needs to ratify this or approve it, we will make the necessary recommendation to the board.

The recommendations also seem to place an unnecessary burden on GIVFD to 1) establish a vehicle usage policy and 2) to keep mileage logs on all vehicles. We are not aware of any fire departments or police departments that do so, especially when the vehicle is granted to an employee who is "of rank" and is "on-call" and the vehicle is clearly marked as a fire department vehicle.

The Internal Revenue Code has a special exemption for the tax treatment of take-home cars assigned to firefighters and law enforcement personnel. In short, because the cars are assigned to full-time firefighters who are considered "on-call", many of the regular rules and regulations do not apply (i.e., a log of personal use doesn't matter because the personal use of the vehicle is not taxable anyway). Since the majority of the vehicle usage is in and around the Town and the Fire Chief is considered on call, how would we decide what was personal use and what was business use? When he is called out to a fire, when does the usage change from personal to business? Also, the vehicle is colored red and is clearly marked as being a fire department vehicle.

As for keeping logs on fire trucks and other heavy equipment, we feel this is unnecessary. It is highly unlikely that our employees would be driving these large and clearly marked vehicles for personal reasons. In the interest of addressing this matter and not causing too much of a record-keeping burden on our employees, we will draft a take-home vehicle policy that spells out who can have a take-home car and what restrictions, if any, are placed on that car. For example, our practice now is that the Fire Chief can have a take-home car but if he were to try and take the car out of State, he would have to seek approval from the board. This policy isn't written down anywhere, but it is what we have been doing. We will look to putting restrictions like this in writing and will seek board approval of the policy.

Another recommendation that we will address is that we “obtain documented board approval of Chief Chaisson’s employment, to include salary, overtime, and use of a company vehicle.” We will draft a motion for the board to consider that retroactively approves these items. This motion will be put to the board to replace the records that were lost in the hurricanes.

Finally, we do not understand the recommendation that we reconcile W-2s and file an updated copy with the IRS. There is no discussion in the report that talks about our W-2s not being reconciled or that we need to file updated copies with the IRS.

We are aware that our external auditor has written us up for this in 2007, 2008, and 2009 for this matter and that we have addressed it by implementing the use of the QuickBooks payroll module in 2010. Our payroll is now captured by QuickBooks and all of our tax reports and remittances are generated by the system. This should ensure that all of our payroll records reconcile and balance.

RESPONSES TO RECOMMENDATIONS

<u>Recommendation</u>	<u>Plan of Action</u>
1) Obtain documented board approval of Chief Chaisson’s employment, to include salary, overtime, and use of a company vehicle	We will bring a motion to the Board to document this.
2) Establish a vehicle usage policy	Although we do not believe this is necessary, however, we will meet with our legal counsel to draft a policy regarding the use of vehicles other than the fire trucks and pumpers
3) Keep mileage logs on all vehicles	We consider this to be unworkable, burdensome, and unnecessary, especially on the fire trucks and pumpers. The Chief’s take home car is clearly marked and there will be restrictions placed on its use outside of our district.
4) Obtain board approval or seek legal advice regarding the salary and benefits paid to Chief Chaisson	We will bring a motion to the Board to document this. We do not believe we need any legal advice in this matter.

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| 5) Implement an overtime policy | We already follow the Fair Labor Standards Act (FLSA) when it comes to overtime, including the “fire fighters” exception that allows us to have a higher threshold for overtime based on a 14 day work period. We will consider putting a motion to the Board to document that this is what we follow. |
| 6) Take additional safeguards to ensure records are preserved | We have already done so (including backing up our QuickBooks files off-site and placing our hard-copy records in water-proof containers for ease of carrying). |
| 7) Reconcile W-2s and file an updated copy with the IRS | As noted above, we don’t understand why this recommendation is being made. There is no discussion in the report about this. We do use QuickBooks payroll module now and all reports are system generated. |

FINDING – FOOD PURCHASES

COMMENTS ON FINDING

The report notes that “from January 1, 2007 to December 31, 2009, the GIVFC bought \$77,525 in raw food and supplies as well as prepared meals from local restaurants.” The report goes on to note that “GIVFC operates primarily as a volunteer fire department, but does have full-time and part-time employees.” The report also states that “when asked about the food and local meal purchases, Chief Chaisson stated that many of the meals had no public purpose and that he had no records of who consumed the food or the business purpose.” The report goes on to conclude that “purchases with no valid business purpose, that are not necessary to the operations of the Company, or that are made at an unreasonable price may be in violation of the Louisiana Constitution.”

It should be noted that many of the items that were “unsupported” relate to the two years (2007 and 2008) which had records destroyed by hurricanes. Our contention is that receipts were turned in for these items and are no longer available due to the hurricanes.

We disagree with your interpretation of Chief Chaisson’s comments on these meals and that there was no “business purpose.” As a volunteer fire house in a small tourist town, we have full-time and part-time employees who must stay at the fire house 24 hours a day. It is not an uncommon practice for the fire department to feed these employees while they are away from home and on-duty. Chief Chaisson’s comments appear to be related to meals purchased outside of the fire house (i.e., restaurants). He meant to say that in most cases, these receipts were not marked with the business purpose. This doesn’t mean that there wasn’t one.

If one were to break down \$77,525 spent over a 3 year period, you would see that that averages out to \$25,842 a year, or \$2,153 per month, or \$71.78 a day. We do not think it is unreasonable to feed 3 to 15 people (depending on shifts, local events, summer season, etc.) on \$71.78 per day. In most cases, breakfast, lunch and dinner are made available to employees working shifts. Thus, for \$71.78 a day, anywhere from 3 to 15 people ate three meals per day.

It must be kept in mind that Grand Isle is a summer and tourist destination. During the summer months and for events like the Annual Tarpon Rodeo, the population of the island swells to several thousand. GIVFD is responsible for local fire, ambulance and search and rescue needs. During these times, we bring in additional volunteers to help provide these services. We don't see anything wrong in providing these volunteers a hot meal in return for their services. Again, this is a common practice among fire departments throughout the state.

We can honestly say that most of our meals are prepared in relation to monthly meetings, training classes, hydrant inspections, after major events like a fire or rescue, etc. While we have not marked every receipt for exactly which event caused a meal to be served, these meals were not served to just anyone who walked into our facility. .

We feel that the meals that we served did meet the "three-prong" test outlined in the report – 1) there must be a public purpose, 2) taken as a whole, the expenditure should not appear to be gratuitous, and 3) there must be evidence that the public entity received a benefit or value at least equivalent to the amount expended.

As for the recommendation that we keep a log of everyone who eats a meal at the firehouse and that we document the public purpose of the meal, we find this requirement to be unrealistic and burdensome. As stated above, we are not simply buying food for anyone who walks in off of the street. It is not uncommon for a fire house to purchase and store food. This is why our station has a kitchen and a pantry. When we buy store food, how do we mark the public purpose at the time of purchase? We know we will feed our employees and volunteers, but we do not know what event will trigger the meal.

We understand that these meals are being paid for with public money and we are not trying to make light of the matter, but we do not believe that these recommendations can be carried out without causing a tremendous paperwork burden. We understand that meals purchased at restaurants and on trips need to be documented and we will make sure that our employees know this. We don't believe it is practical to document every person who eats a meal cooked in our kitchen or that we adopt a policy that restricts when employees are authorized to receive meals. We also don't understand how one can question the feeding of full-time firefighters who are assigned to a station for 24 hours at a time or the feeding of volunteers who help out whenever needed – especially when our three year average comes to \$71.78 per day.

RESPONSES TO RECOMMENDATIONS

<u>Recommendation</u>	<u>Plan of Action</u>
1) Maintain records for meals consumed, including the names of the attendees and the public purpose for the meals	We agree to do this on all meals purchased outside of the fire house. We do not believe this is realistic for meals cooked "in-house". As noted above, we believe that feeding our employees and volunteers is not unreasonable.
2) Adopt a policy to when employees are authorized to receive meals	We disagree with this recommendation. We agree to budget and monitor the amount of food purchased, however it is impossible to put restrictions on when and why a meal can be prepared or consumed.
3) Ensure that meals purchased with GIVFC funds have a public purpose	We agree to do so on all meals purchased outside of the fire house.

FINDING – PAYMENTS TO EMPLOYEES AND CASH

COMMENTS ON FINDING

Before commenting on any of the findings related to cash disbursements, we would like to address where the report notes that "because GIVFC did not maintain proper documentation for the above mentioned purchases, they may have violated state law."

The report comment is footnoted with a reference to LRS 44:36(A) which states, in part, "All persons and public bodies having custody or control of any public record, other than conveyance, probate, mortgage, or other permanent records required by existing laws to be kept for all time, shall exercise diligence and care in preserving the public record for the period or periods of time specified for such public records ... However, in all instances which a formal retention schedule has not been executed, such public records shall be preserved and maintained for a period of at least three years from the date on which the public record was made."

As we noted in our opening to this letter, the Town of Grand Isle has been directly or indirectly affected by four (4) hurricanes in the past five years – Hurricanes Katrina and Rita in 2005 and Hurricanes Gustav and Ike in 2008. Hurricanes Katrina and Rita caused severe to catastrophic destruction throughout the area, including the destruction of our main fire station. The building ultimately was condemned and has recently been torn down. In the years after Katrina/Rita, GIVFD operated out of a cramped camper/trailer purchased by FEMA.

When Hurricane Gustav approached the island in August 2008, GIVFD packed its records and computer files and headed for high ground upon the declaration of an evacuation order. GIVFD personnel returned to the island shortly after the storm and began the process of restoring services to the island. When Hurricane Ike threatened a

few weeks later but then turned towards Texas, no mandatory evacuation was given, thus, GIVFD personnel remained on the island. Although Ike did technically miss the area, the southerly winds swept floodwaters across the island and our camper/trailer was flooded out, along with our records.

We are listing these facts so that it is known that we did, and do, take our responsibility over these public records seriously and we did exercise "due diligence" in moving the records out of harms way when Gustav threatened. Ike simply caught us and most of the area by surprise.

We would also like it known that most of the records that we ultimately could not provide during the compliance audit relate to the 2007 and 2008 fiscal years. We have explained on numerous occasions to the Legislative Auditor that these records were fully or partially destroyed due to these events. We think it is unfair to audit these disbursements three years after they occurred and declare GIVFD in violation of state law when supporting documents cannot be produced. We believe the documents did exist back in 2007 and 2008 when these disbursements were made; the records have simply been destroyed by an Act of God.

The report notes that we were unable to provide "proper complete support" for \$25,016 of payments made to employees and for \$4,748 of payments made out to cash. Understanding that GIVFD is a small entity and has been experiencing cash flow problems for some time now, several local vendors no longer extended credit to GIVFD. Because of this, in many cases, GIVFD was forced to make advances to employees for travel and such and to also have employees pay for GIVFD expenses out of their own pockets and then seek reimbursement for these costs. This is why there are a large number of items paid to employees or to cash.

Most, if not all, of the items paid to employees relate to training trips or the trip that our personnel had to take to the east coast to evaluate fire trucks being offered to us by FEMA. Due to the costly nature of these travels, GIVFD would typically make a check payable to cash or to one of the employees so that he or she could cash the check and have funds available for the trip. These funds would cover transportation costs, hotels, meals, training fees, etc.

We recognize that it may not have been a good practice to make these checks out to cash. We also recognize that we should have done a better job of tracking these advances and reconciling them back to the receipts turned in at the end of the trip. We thought this was being managed by our bookkeeper. In some cases, some of the receipts could still be located. However, because we did not utilize a formal expense reimbursement form, there is no formal reconciliation of the costs of the trips.

In several instances where we were unable to locate receipts for the trips, we were able to produce attendance certificates from the training facility proving that there was a valid business purpose for the trip.

GIVFD also could not obtain a traditional credit card from Visa or MasterCard due to past financial hardships. The only credit card we did obtain was a pre-paid "money card" from Wal-Mart. A check to "Cash" would be issued and brought to Wal-Mart so the amount could be placed on the money card. It was only then that we were able to utilize this card like a traditional credit card. If the card ran low of funds, we would again reload the card by following the same procedure. Our bookkeeper handled most of these transactions. This is why several of the checks were made payable to our bookkeeper or to cash (and, ultimately, signed by her).

The report describes how "on November 17, 2010, auditors presented Chief Chaisson with a list of questionable payments which lacked proper documentation" and how "on November 30, 2010, auditors received a package containing about half of the documentation requested." We disagree with how this is stated. In fact, their initial request included a listing of 95 checks from the three years under review totaling \$53,086.46. Within 10 days of being asked, we produced documentation on 61 of the questioned items totaling \$37,743.45.

The auditors did give us another chance to provide the remaining documentation and we were able to find a few items, however, most of the items still in question were from 2007 and 2008 and due to the destruction caused by the hurricanes, we could not provide any additional support. We were able to go to some of our vendors that received checks from us and obtain signed affidavits stating that they did in fact receive funds from us for valid purposes. These affidavits were given to the Legislative Auditor.

Ultimately, of the \$53,086.46 questioned, we were able to fully support or partially support \$36,545.00 or 68% of the amount. Of the amounts still not supported, \$4,951.42 (30.0%) is from 2007, \$4,020.02 (24.0%) is from 2008, and \$7,610.02 (46.0%) is from 2009. Most of the 2009 dollars relate to the FEMA trip and the Wal-Mart money card deposits (see explanation above). We did find some additional information on the FEMA trip and are including it with this letter.

We acknowledge that we should have done a better job maintaining our records, particularly in the years since the hurricanes; however, we were under the impression that our bookkeeper was maintaining the records in an appropriate manner. Apparently, she was not. Discovering this issue is one of the reasons her resignation was asked for and accepted in April 2010.

The report goes on to acknowledge some of what we discuss above, but then seems to indicate that weren't telling the truth in regards to our inability to obtain credit from our vendors. The report says that "he further stated that the GIVFC could not get approved for a credit card; therefore, employees would use their personal credit cards to make purchases and get reimbursed for them. However, the GIVFC had and used a Wal-Mart Money Card (debit card) that was in Chief Chaisson's name." This "however" makes it sound like the truth differed from what we were saying.

As noted above, the Wal-Mart Money Card is not a debit card or a traditional credit card. It is a "pre-paid" card whereby money would have to be put down on the card in order to use it at a later date like a credit card. Cards like this are used because a business has little or no good credit. Also, while this card listed Aubrey Chaisson as the primary cardholder, it was available to all GIVFD administrative staff. His name was only on the card because of his position as Fire Chief (i.e., someone in authority had to put their name on the card). All receipts for items charged to this card were to be turned into the bookkeeper. It was our understanding that she was keeping folders with the monthly statements and receipts in them. It was during the compliance audit that it was discovered that documentation wasn't being maintained and that there were only a few receipts kept. We did find all but one of the monthly statements and provided them to the Legislative Auditor.

This section concludes with a discussion of our check signing policy requiring two signatures on each check (Chief Chaisson and Ms. Richoux (our previous bookkeeper) or by a designated board member). The report notes that some checks only included one signature (Ms. Richoux). It also notes that comments were made that some of Chief Chaisson's signatures may have been forged. Finally, the report states that Chief Chaisson admitted to signing blank checks on occasion and not reviewing invoice or documentation before authorizing payment.

The part outlining our dual-signature requirement is accurate and is something we will take up with our bank. We do not understand why the bank allowed checks with a single signature to be processed. Because we are a small entity and a proper segregation of duties is nearly impossible to achieve, we have always required two signatures on our checks. If our bank processed these checks without the proper endorsement, this is their error as well. Our new bookkeeper knows the policy and is abiding by it.

As to the allegedly forged signatures, it is not within our ability or Chief Chaisson's to identify handwriting techniques or to determine whether something is forged or not. All we can say on this matter is that "if" our previous bookkeeper or some other employee or board member signed Chief Chaisson's name to a check, it was probably done in order to pay a bill promptly. The Legislative Auditor did not indicate during his audit that any checks were true forgeries and we are unaware of any of the checks being made out for a fraudulent purpose. Looking back at all of the checks, all of the vendors appear to be legitimate and the amounts appear to be for valid purposes. We could not find one instance where a check with an allegedly forged signature resulted in the check being deposited into our bookkeeper's account or made out to her without a legitimate business purpose.

We acknowledge that it was bad practice to have Chief Chaisson sign blank checks and to have our bookkeeper hold these checks until needed. This practice is now prohibited and has been stopped. Again, this seems to have been done to expedite payment on bills when the Chief was unavailable to sign a check and payment was needed. Our new bookkeeper knows about this issue and is not allowing this to happen any longer.

RESPONSES TO RECOMMENDATIONS

<u>Recommendation</u>	<u>Plan of Action</u>
1) Maintain all documentation for purchases and require employees to submit receipts for reimbursements and travel advances	This is now being done. We are also restricting the use of travel advances and are also implementing the use of a standard travel reimbursement form in order to reconcile and account for any advances made.
2) Mark all original invoices paid	This practice is already in place. Each invoice would be stamped and the check number and date would be noted. We are also now attaching a check stub to each invoice.
3) Require separate employees to prepare checks and reconcile bank statements	As noted above, we have a very small administrative staff – basically the Chief and the bookkeeper. To segregate these duties would be impossible at this time. We are now requiring our bookkeeper to provide the bank reconciliations to the Board Treasurer for review and approval each month.
4) Review and approve all documentation before payment is made	This was more or less being done before; however, we have enhanced this process by using purchase orders that must be approved by Chief Chaisson or his designee for all purchases. The POs are kept on file and then matched against the invoices when received from the vendors. The POs and invoices and checks are then presented to the Chief for signature. Once he signs the check, the bookkeeper co-signs the checks.
5) Stop writing checks made payable to cash and signing blank checks	As noted above, these practices have been stopped.

Recommendation	Plan of Action
6) Seek legal advice to determine if payments to employees should be recovered.	We do not believe this is required. All of the payments made to the employees appear to be for legitimate business purposes and are coded properly in our ledger, even though we cannot produce “proper” support for some of these disbursements. We base our conclusion on to whom the check is made out to, what notations, if any, were made on the check’s memo line or on the check stub, our knowledge of what training class the check might have been related to, or other knowledge of the transaction. As we stated previously, we are unaware of a single check being made payable to cash or to an employee that didn’t ultimately look like a legitimate expenditure.

COMMENTS ON CHECK LISTING PROVIDED WITH FINDINGS

The report includes a listing of checks which the Legislative Auditor still says are “not supported.” We disagree with this conclusion to some extent, especially since some of these items have been explained and some proof has been presented to the legitimacy of the expense. We acknowledge that many of these items are lacking a formal receipt or invoices, however, in the cases where we can produce training certificates to support a check made out for training, we consider these costs at least “partially supported”. As to some of these checks, we offer the following comments.

Check No. 513 – written to Elizabeth Dinsmore for \$4,000.00 on 2/9/07. We provided documentation that shows these funds were donated by Exxon to pay for us to send our employees to a training class in Texas. We have a copy of the purchase order and a partial email stating the attendance fees would be \$1,200 per employee. We acknowledge that true receipts could not be generated; however, we can explain the trip and prove that our employees did attend this training. We consider this amount to at least be “partially supported.”

Check No. 532 – written to Floyd Lasseigne for \$1,000.00 on 4/14/2007. Floyd was one of our volunteer fire fighters and was diagnosed with cancer. GIVFD made a \$1,000 donation to him out of the private account. As this donation was made from private funds, we do not believe it is the Legislative Auditor’s place to question it. Also, even though the donation is not noted in board minutes, all of the board members are aware of the donation and approved it. The check was actually presented to Mr. Lasseigne at a public meeting. Mr. Lasseigne also signed an affidavit stating that he did in fact receive the donation. We do not agree that this item is still “unsupported.”

Check No. 1006 – written to Phyllis Bradberry for \$300.00 on 1/20/2008. Phyllis performed janitorial services for GIVFD after the 2007 Fireman’s Ball (an annual awards dinner for our employees and volunteers). Ms. Bradberry doesn’t own a janitorial company and does not produce invoices. We simply paid her for mopping the floors of the Community Center and putting out the trash. Ms. Bradberry also signed an affidavit saying that she received the money for services rendered. We do not agree that this item is still “unsupported.”

Check No. 1054 – written to Aubrey Chaisson for \$900.00 on 1/12/2009. The band at the Fireman’s Ball played longer than originally agreed to and Mr. Chaisson paid them out of his own pocket for these services. This check reimbursed him. An affidavit was signed by the band stating that they received the payment for services rendered. We do not agree that this item is still “unsupported.”

Check No. 1083 – written to Bryant Pierce, Jr. for \$500.00 on 12/4/09. This money was paid to Bryant and was noted to represent his “Christmas Bonus”. The check was written out of the public account. We acknowledge that there is no approval of this in the minutes; however, it was common practice to pay these Christmas or “tenure” bonuses each year. We consider this amount to at least be “partially supported.”

Check No. 1166 – written to Kelly Besson, Jr. for \$320.98 on 4/15/08. It is GIVFD’s policy to pay 100% of its employee’s health insurance. Several times in 2008 and 2009, our health insurance carrier dropped our coverage due to non-payment of the monthly bill. When an employee incurred health related costs while we were between coverages, we would pay him or her back for these costs. This is what this check was for. We acknowledge that one “cannot determine the eligibility of the individual being treated” (as the report states), however, we would at least consider this cost to explained and at least “partially supported.”

Check No. 1328 – written to Kelly Besson, Jr. for \$205.00 on 6/13/08. See explanation above for Check No. 1166. This was another situation where we reimbursed an employee for health related costs. We consider this to at least be “partially supported.”

Check No. 1333 – written to Elizabeth Richoux for \$407.67 on 6/17/08. As explained, we asked our employees in some cases to charge departmental costs to their personal debit or credit cards and then seek reimbursement. We explained that this cost had to do with our employees attending a party thrown by the Tarpon Rodeo Committee and the Parish of Jefferson to promote the island and its return from Hurricane Katrina. Several State, Parish and Town officials were asked to attend. Liz was able to produce a copy of her bank statement from that month indicating a debit to her account from the hotel where our employees stayed in New Orleans. Yes, no formal receipt was found, however, we do consider this cost to be explained and reasonable and at least “partially supported.”

Check Nos. 1337 and 1360 – written to Aubrey Chaisson for \$200.00 and \$800.00 on 6/20/08 and 6/26/08. This \$1,000.00 relates to the same party discussed above (see Check No. 1333). We produced receipts for hotel rooms, gas, and meals totaling \$1,036.18 that were to be applied against this \$1,000.00. Because the amounts do not match up perfectly, it appears that the Legislative Auditor is not giving us credit for fully supporting these amounts. We do not agree that portions of these two checks are still “unsupported.”

Check No. 10822 – written to Elizabeth Dinsmore for \$1,200.00 on 5/4/07. We explained that this expense was to cover travel costs associated with a Swift Water Rescue School that was being mandated by the Parish. While we could not locate the receipts for the travel costs, we were able to provide copies of the certificates issued by the training firm to our employees for attending the classes. We would consider these costs to at least be “partially supported.”

Check No. 1117 – written to Aubrey Chaisson, Jr. for \$550.00 on 10/29/07. This cost was incurred to perform some emergency repairs on some of our equipment. The person performing the repair work does not own a formal business and did not provide a true receipt for services performed. We did obtain an affidavit from this individual stating that he did perform the services and was paid the \$550.00 in return for these services. We do not agree that this item is still “unsupported.”

Check No. 1730 – written to Cash for \$2,500.00 on 3/20/09. This check was cashed to provide money to our employees attending a training session hosted by LSU FETI. We located some of the receipts for this trip but could not locate the hotel invoices. We agree that the balance of \$1,329.43 has no receipts, but we did at least explain the trip.

Check No. 1971 – written to Cash for \$3,500.00 on 8/20/09. This check was cashed to provide money to our employees traveling to the east coast to evaluate several fire trucks being offered to us by FEMA. Three trucks were being purchased under a PW from the hurricanes and FEMA wanted us to view them before purchase was approved. From what we can tell, it looks like receipts for our rental car costs and other meals are still missing. We acknowledge that we were only able to produce some of the receipts for this trip; however, we do feel that the trip’s purpose has been justified and reasonable.

Check No. 2013 – written to Cash for \$500.00 on 9/17/09 – remaining balance of \$226.31 not supported.

Check No. 2074 – written to Cash for \$1,000.00 on 10/8/09 – remaining balance of \$423.31 not supported.

Check No. 2090 – written to Cash for \$600.00 on 10/22/09 – remaining balance of \$486.61 not supported.

Check No. 2140 – written to Cash for \$1,500.00 on 11/4/09 – remaining balance of \$531.04 not supported.

All of these checks have to do with the Wal-Mart pre-paid Money Card discussed previously. Our previous bookkeeper was keeping a folder on the activity on this card; however, all of the receipts could not be located. We did provide the monthly statements on this account for all of the months that the card was in use except for the last month. A scanning of the activity on the card indicated charges for meals, gasoline, hotel rooms, etc. in and around the Grand Isle area, Houma, Baton Rouge, Westwego, etc. All of the charges look to be with vendors that we have dealt with in the past and can be related to various trips to the Parish Courthouse to meet with Parish Officials, training classes attended by our employees, an awards banquet given on our behalf by another fire department, etc.

While several of the receipts could not be located, we believe that we are able to justify or explain the majority of the "unsupported" amounts and at least indicate that they were for a valid public purpose.

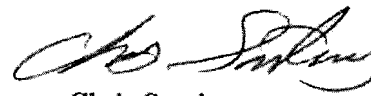
CONCLUSION

Once again, we appreciate the opportunity to respond to the comments and findings offered by your office in regards to this compliance audit. While we acknowledge many of the findings and comments, we would like it known that we have made great strides in correcting many of the issues noted. For 2010, all of our payroll is now run through QuickBooks and is reconciled to our quarterly and monthly reports, all of our bank reconciliations are now done in a timely basis and are reviewed by our Board Treasurer, the Parish has increased their monthly allocation to us allowing us to pay our vendors on a more timely basis, our files are in much better order and support for all disbursements is now maintained, etc.

If you have any additional comments or questions for us, please do not hesitate to contact us at 985-787-2777. If no additional comments are made, we consider this audit completed and look forward to providing the public with the services called for under our agreement with them.

Sincerely,


Aubrey Chaisson
Fire Chief


Chris Santiny
Board President

PISTOL PRODUCTIONS, LLC



1944 BULL RUN ROAD, SCHRIEVER, LA 70395 (985)449-0657

Agreement made this 9th day of October, 20 07, between the Grand Isle Volunteer Fire Department (the "Sponsor") and PISTOL PRODUCTIONS, LLC (the "Producer"). In consideration of the mutual promises set forth below the Sponsor and Producers agrees as follows:

Section 1. Joint Venture.

The Sponsor and Producer associate themselves as joint ventures for the sole purpose of staging the fund-raising described below.

Section 2. Production.

The Producer and Sponsor shall have executive authority as to all phases of the production, and shall have the right to exercise this authority without interference by the Sponsor. The Producer's responsibilities shall include, but not limit to, (1) hiring and supervising all employees, (2) arranging for adequate promotion of the production, (3) arranging for the sale and distribution of tickets, and (4) publications and distribution from time to time of programs or other publications which promote the Sponsor, (5) hold Sponsor harmless of expense related to production. The Producer will use its best effort to distribute publications promoting the Sponsor before performance date or as soon thereafter as possible.

The Producer may, if it desires, delegate certain responsibilities to the Sponsor. Accordingly, the Producer has delegated to the Sponsor and the Sponsor has agreed to accept the following responsibilities: (1) assist in obtaining local Post Office Box, (2) assist in obtaining a local facility in which to stage the production.

Section 3. Revenues and Expenses.

The Sponsor and the Producer shall open a checking account at a local bank in the name of Grand Isle Volunteer Fire Department, which shall be under the joint control of authorized officers and/or agents of the parties in this agreement. The account agreement with the bank shall specify, if possible, that checks made out to the account name must be deposited into the account and may not be cashed. The Sponsor and Producer further agree

that they shall not sign or authorize anyone to sign checks payable to the account name unless such endorsement is accompanied by the legend "**FOR DEPOSIT ONLY.**" All revenues, whether cash or check shall be deposited into the account.

All expenses of the production must be paid from this account. No expenses shall be paid directly from cash or checks received by the Sponsor and/or Producer for tickets or advertising. All checks drawn on the account must have the same signatures or authorized officers and/or agents of both the Sponsor and Producer. Signature of a party on any check payable from the joint account shall signify that the party has reviewed and approved the amount and purpose of disbursement, and that it waives and is stopped from asserting any claims to the invalidity of that particular item of expense. All production cost shall be paid on Friday every week.

When the Office Manager Leaves, all mail addressed to the Post Office Box will then be forwarded to the **Sponsor**. The **Sponsor** will make weekly deposits of all mail, record payments and handle all correspondence. Further financial reports will be mailed to **Producer** on a regular basis. Sponsor will give his prompt attention to all mailed correspondence and financial reports from Producer.

Section 4. Performance Production Amounts.

A. The Producer shall pay to the Sponsor the following amounts:

- (a) \$ 10,000.00, or
- (b) 25% of the gross collected from the first performance, what ever is the greater amount of.

B. The second year,

- (a) \$ 15,000.00, or
- (b) 30% of the gross collected from the second performance, whatever is the greater amount of.

Section 5. Other Fun-Raising.

Sponsor shall not engage in or arrange for any similar fund-raising with a professional fund-raising company on its behalf for the duration of this contract.

Section 6. Right to Solicit.

Producer shall have the sole right to solicit advertisements for the production program playbill and shall deposit into the joint account all advertising and admissions revenues. If Sponsor is delegated the responsibility of collecting any of the revenues, it shall deposit into the joint account all such revenues.

Section 7. Sponsor's Cooperation with Producer.

The Sponsor shall inform its members of the production and all performances and shall cooperate with the Producer achieving the goals of this agreement and not delay or change the time it takes to raise the guaranteed amounts, or complete in any way with the production.

Section 8. Sponsor Warranties and Indemnification.

Sponsor covenants and warrants that it will comply under the laws of the state where it resides, and that its execution or performance of this agreement will not violate any local ordinances or State or Federal laws.

Sponsor shall indemnify Producer for any cost and attorneys fees incurred by Producer as a result of any claim made against Producer arising as a result of Producer's reliance on the Sponsor's warranties and representations contained in this agreement.

Section 9. Provisions.

It is understood and agreed by the Sponsor and Producer that if any part, term, or provision of this contract is by the courts held to be illegal or in conflict with law of the State where made, the validity of the remaining portions of provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the contract did not contain the particular part, term, or provision held to be invalid.

Section 10. Cancellation of Contract.

If Sponsor wishes to cancel this contract Sponsor may by written letter stating cancellation of contract within thirty (30) days after the **Fund Raiser** by certified mail and signed by original signers of the contract. Otherwise contract stays intact for its full term without change.

Section 11. Amended.

This agreement shall not be amended except by written agreement signed by both Sponsor and Producer, in the section below.

In witness whereof, the Sponsor and Producer have caused this agreement to be signed by there authorized officer and/or agents.

It is hereby agreed by the parties hereto that if the fund-raising efforts of **PISTOL PRODUCTIONS, LLC** are never started or are terminated or stopped in accordance with the request of Sponsor, or any law enforcement official, local of state, or any other state or local official, department, or agency, the Promoter or **PISTOL PRODUCTIONS, LLC** shall not be responsible for payment to the Sponsor of the guaranteed amount.

Section 12. Authorized Signatures.

Agreed, on this 16 day, of OCTOBER, 2007.

SPONSOR: GRAND ISLE VOLUNTEER FIRE DEPARTMENT

AUTHORIZED OFFICER: Auber Lavin

TITLE: Chief

Agreed, on this 16th day, of October, 2007.

PRODUCER: PISTOL PRODUCTIONS, LLC

AUTHORIZED OFFICER: [Signature]

TITLE Owner

SECURITY MATERIAL

LOUISIANA OFFICE OF HOMELAND SECURITY AND EMERGENCY PREPAREDNESS
 SUMMARY ATTACHMENT C - MATERIAL SUMMARY RECORD

PAGE 1 OF 3

APPLICANT Grand Isle Fire Department	PA ID NO. 051-06E41-00	PROJECT NO. 3462	DISASTER 1786
LOCATION/SITE 100 Chighizola lane, Grand Isle, La	CATEGORY E. Public Buildings	PERIOD COVERING 08/17/2009 TO 8/26/2009	

DESCRIPTION OF WORK PERFORMED

VENDOR	DESCRIPTION	QUAN.	UNIT PRICE	TOTAL PRICE	DATE PURCHASED	DATE USED	INFO FROM
							(CHECK ONE) INVOICE
Kelly Besson Sr.	Plane Tickets			\$1,776.50	8/17/09	8/24-8/26	Check
New Orleans Int'l Airport	Parking			\$48.00	8/26/09	8/24-8/26	x
Champions Mart. Boute La	Misc snacks and Gas			\$55.40	8/26/09	8/26/09	x
Philly Steak and Bassetts	Drinks			\$6.14	8/26/09	8/26/09	x
Dennys Kenner, La	Breakfast	5.0		\$26.67	8/24/09	8/24/06	x
Hudson News, Nashville, Tn	Bottled water	1.0		\$2.61	8/25/09	8/25/09	x
Hooters Nashville Tn.	Dinner			\$76.79	8/24/09	8/24/09	x
Airport transportation Nashville, Tn	Travel to Hooters			\$50.00	8/24/09	8/24/09	x
McDonalds Nashville, Tn	Breakfast			\$10.48	8/25/09	8/25/09	x
Hampton Inn, Nashville, Tn	Room Number 320/KXTD			\$151.17	8/25/09	8/24-8/24	x
				\$0.00			
GRAND TOTAL							

1776.50+
 48.00+
 55.40+
 6.14+
 26.67+
 2.61+
 76.79+
 50.00+
 10.48+
 151.17+
2203.76*

2203.76+
 772.10+
 341.24+
3317.10*


APPLICANT Grand Isle Fire Department	PA ID NO. 051-06E41-00	PROJECT NO. 3482	DISASTER 1786
LOCATION/SITE 100 Chighizola lane, Grand Isle, La	CATEGORY E. Public Buildings	PERIOD COVERING 08/17/2009 TO 08/26/2009	

DESCRIPTION OF WORK PERFORMED

VENDOR	DESCRIPTION	QUAN.	UNIT PRICE	TOTAL PRICE	DATE PURCHASED	DATE USED	INFO FROM (CHECK ONE)	
							INVOICE	STOCK
Hampton Inn, Nashville, Tn	Room Number 305/SXBL			\$139.65	8/25/09	8/24-8/25	x	
Hampton Inn, Nashville, Tn	Room Nubmer 302/SXBL			\$139.65	8/25/09	8/24-8/25	x	
Johnnies Dog House Philadelphia, Pa	Burger Combo			\$7.44	8/26/09	8/26/09	x	
The Paradise shops, Philadelphia, Pa	Poland Spring Water			\$2.29	8/26/09	8/26/09	x	
Rapid Rover Airport shuttle	Clarksburg, NJ to Philadelphia, Pa			\$150.00	8/26/09	8/26/09	x	
Rapid Rover Airport shuttle	Philadelphia, Pa to Clarksburg, NJ	139.65+		\$150.00	8/26/09	8/26/09	x	
Johnnies Dog House Philadelphia, Pa	Fries	7.44+		\$2.94	8/26/09	8/26/09	x	
Asian Chao, Philadelphia, PA	Food	157.70+		\$9.61	8/26/09	8/26/09	x	
Asian Chao, Philadelphia, PA	Food	2.94+		\$9.61	8/26/09	8/26/09	x	
Sbarro, Philadelphia, PA	Food	9.61+		\$32.42	8/26/09	8/26/09	x	
Holiday Inn Select, Claymont DE	Room Number 506	32.42+		\$128.49	8/26/09	8/25-8/26	x	
GRAND TOTAL				132.40	\$772.10			

ATTACHMENT C - MATERIAL SUMMARY RECORD

APPLICANT Grand Isle Fire Department	PA ID NO. 051-06E41-00	PROJECT NO. 3462	DISASTER 1786
LOCATION/SITE 100 Chighizola Lane, Grand Isle, La		CATEGORY E. Public Buildings	PERIOD COVERING 08/17/2009 TO 08/26/2009

VENDOR	DESCRIPTION	QUAN.	UNIT PRICE	TOTAL PRICE	DATE PURCHASED	DATE USED	INFO FROM (CHECK ONE)	
							INVOICE	STOCK
Holiday Inn Select, Claymont, DE	Room Number 605			\$128.52	8/26/09	8/25-8/26	x	
Holiday Inn Select, Claymont, DE	Room Number 507			\$128.52	8/26/09	8/25-8/26	x	
Holiday Inn Select, Claymont, DE	Breakfast			\$84.20	8/26/09	8/26/09	x	
GRAND TOTAL 					\$341.24			

128.52 +
128.52 +
84.20 +
341.24

GRAND ISLE FIRE DEPARTMENT 1965
 PH# 868-7347TT
 P.O. BOX 650
 GRAND ISLE LA 70306

PAY TO THE ORDER OF Wally Bason Sr. DATE August 19, 1969 \$ 1916.50

CONTRIBUTION TO THE GRAND ISLE FIRE DEPARTMENT

SOUTH LAFOURCHES *Boat & Truck*
 OULACHIN, LOUISIANA, 70364
 COMPANY

Wally Bason Sr. Paul Chaves
Edith Bason a personal

#001965# #06540167# 1403 788#

BOB KELLY REIMBURSEMENT

8/24/09 new orleans to nashville

Southwest

Depart - 9:40 AM
Arrive - 11:05 AM

TOTAL Price 5-people - \$~~548.00~~

548.00

8/25/09 Nashville to Philly

Southwest

Depart - 10:45 AM
Arrive - 1:50 PM

TOTAL Price 5-people - \$~~675.50~~

675.50

8/26/09 Philly to new orleans

United

Depart - 7:30 PM
Arrive - 9:31 PM

TOTAL Price 5-people \$~~553.00~~

553.00

PAT

AUG 17 2009
BY: [Signature]

548.00
675.50
553.00

~~1876.50~~

Do not expose to excessive heat or direct sunlight
STAPLE HERE ATB2
INSERT F56

PASSENGER TICKET AND BAGGAGE CHECK
 TICKET RECEIPT
 FROM TO
 CASH/TX BAGGAGE FEE (10) 01 0020 (20) 00 0000 (30) 00 0000 (04) 00 00
 FARE USD 20.00 DOCUMENT NUMBER 0372301420624
 TAX US 00
 037058854748751
 NO CASH VALUE
 TOTAL USD 20.00 NOT VALID FOR TRAVEL
 THANK YOU FOR FLYING
 US AIRWAYS

Do not expose to excessive heat or direct sunlight
STAPLE HERE ATB2
INSERT F56

PASSENGER TICKET AND BAGGAGE CHECK
 TICKET RECEIPT
 FROM TO
 CASH/TX BAGGAGE FEE (10) 01 0020 (20) 00 0000 (30) 00 0000 (04) 00 00
 FARE USD 20.00 DOCUMENT NUMBER 0372301421117
 TAX US 00
 037058854749321
 NO CASH VALUE
 TOTAL USD 20.00 NOT VALID FOR TRAVEL
 THANK YOU FOR FLYING
 US AIRWAYS

Do not expose to excessive heat or direct sunlight
STAPLE HERE ATB2
INSERT F56

PASSENGER TICKET AND BAGGAGE CHECK
 TICKET RECEIPT
 FROM TO
 CASH/TX BAGGAGE FEE (10) 01 0020 (20) 00 0000 (30) 00 0000 (04) 00 00
 FARE USD 20.00 DOCUMENT NUMBER 0372301420487
 TAX US 00
 037058854748511
 NO CASH VALUE
 TOTAL USD 20.00 NOT VALID FOR TRAVEL
 THANK YOU FOR FLYING
 US AIRWAYS

Do not expose to excessive heat or direct sunlight

STAPLE
HERE ATB2

INSERT F56

PASSENGER TICKET AND AIRWAYS RECEIPT

AIRWAYS

TICKET RECEIPT

ARETAL

FROM ID

DESTINATION

CLASS OF SERVICE

FARE BASIS

FARE

TAXES

TOTAL

20.00

05905885474895

NO CASH VALUE

NOT VALID FOR TRAVEL

DOCUMENT NUMBER 0372391420882

TANK YOU FOR FLYING
US AIRWAYS

New Orleans Int'l Airport

Cashier : 8 Seq # 30125
 License Plate : XX 208738
 Ent : 08:07 08/24/08 Lane 10
 Exit: 21:41 08/26/08 Lane 52

FEE \$ 48.00
 AMOUNT TEND \$ 48.00
 CASH \$ 48.00
 CREDIT CARD \$ 0.00
 CHECK \$ 0.00
 CHANGE CALC 9 0.00

PAID AT CT \$ 48.00
 Taxes Included
 *** Thank You ***

84882

CHAMPIONS MART ✓
 14130 HWY 90
 BOUTTE, LA
 08/26/2008 21:57
 Harv Chd S \$0.99T
 HEATH BAR \$1.09T
 WRIGLEYS S \$0.35T
 GOODY PO \$ \$0.59T
 20oz Bar S \$1.49T
 ALLTAX \$2.99T
 ALLTAX \$0.89T
 2 X \$0.990
 Doritos S \$1.88T
 20oz Dte S \$1.49T
 20oz Sna S \$1.49T
 Pretzel S \$0.99T
 PREPAID PUMP 3
 FUEL \$40.00
 TOTAL ~~100.00~~
 CASH \$100.00

TL/NOTAX \$4.64
 TAX PD \$0.96
 CHANGE \$44.60
 RECEIPT NO. 2-1400
 REPRINT

Hudson News

NEW ORLEANS INT'L AIRPORT
 PO BOX 20205
 NEW ORLEANS, LA 70191

STORE: 00453 REG: 002 CASHIER: COURTNEY
 THE NEW YORK TIMES NTL D 2.00 N
 035400000633 1 @ 2.00
 THE TIMES PICAYUNE MON T .75 N
 712393111118 1 @ .75
 USA TODAY - MONDAY EDITION 1.00 N
 89505010059 1 @ 1.00
 SCUBA DIVING 4.99
 074820082737 1 @ 4.99
 GUNS AMMO HORNADY 8.99
 070989348387 1 @ 8.99
 FANTASY FOOTBALL 7.99
 071486023869 1 @ 7.99
 SUBTOTAL 25.72
 SALES TAX (10.75000%) 2.36
TOTAL 28.08
 AMOUNT TENDERED
 Cash 30.00
 TOTAL PAYMENT 30.00
 CHANGE 1.92
 Transaction: 82053 8/24/2009 8:28 AM

out of scope

THANK YOU COME AGAIN
 BASKET'S AND
 PHILLY STEAK

 SHAKE 1 3.99
 BKATER 1 1.75
 ITEM CT 2
 TAX 0.40
 TOTAL 6.14
 CASH TD 20.00
 CHANGE 13.86
 28-08-2009 PM 06:35
 0405
 CLEK01

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 or Email comments@hudsonsgroup.com
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* DENVER

1021 AIRLINE DRIVE
Kenner, LA
(504) 464-8536

1064 April

Tbt 9/1 Chk 4057 Gst 5
AUG 24 2009

Closed Check
Reprint

3 LRG JUICE @ 2.35	7.05
1 BYO SLAM	5.99
1 LUMBERJACK	8.49
HAM BAC LINKS	
1 WATER	0.00
2 EGG VALUE	4.99
2 ALL-AMER SLAM	
@ 7.99	15.98
1 LRG MILK	2.30
2 REG JUICE @ 1.90	3.80
50 %	
Police/Fire	24.55-
Cash	100.00
Subtotal	24.54
Tax	2.13
Payment	26.87
Change Due	73.33

-----2007 Aug24 '09 08:04AM-----

TIP _____

TOTAL _____

ROOM NUMBER _____

(SIGNATURE)

(NAME PLEASE PRINT)

Hudson News

Nashville International Airport
One Terminal Drive
Nashville, TN 37214

STORE: 00807 REG: 002 CASHIER: ERIC
 DASANI BOTTLED WATER 20
 4900009774 1 @ 2.39 2.39
 SUBTOTAL 2.39
 SALES TAX (9.25000%) .22
 TOTAL 2.61
 AMOUNT TENDERED
 Cash 3.00
 TOTAL PAYMENT 3.00
 CHANGE .39
 Transaction: 303740 8/26/2009 10:05 AM

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or Email comments@hudson-nw.com
Thank You for shopping with us.



Cowboy Town (White Creek)
 Dollywood (Pigeon Forge)
 Downtown Nashville
 Doves Ranch (Home of Loretta Lynn)
 Greatland (Memphis)
 Jack Daniel Distillery
 ✓ Inland University (Chattanooga)
 Gayland Hotel
 The Smoky (Knoxville, NC)
 Tennessee Museum
 Shopping Malls
 Smoky Mountains (Gatlinburg)
 Private Tours Available

Airport, Home and Office Transportation

From: Hampshire
 To: Dr. Hooper
 Arrive: 8:00
 Driver: Marcus
 Date: 08-24-2009

We travel up to 500 miles from Nashville, TN

Apply at www.mcdonnessee.com/7397
To tell us about your visit today please
email us at customer-care@mcdonnessee.com or
give us a call at (615)885-8006

545 DONELSON PIKE
NASHVILLE, TN 37214

THANK YOU

MCDONALD'S TEL# (615) 885-8006
 79 KS#03 ~~802~~ ~~AMERICAN AIRPORT~~
 STORE# 7397

Order ~~802~~ EAT IN

1 DELUXE BREAKFAST	3.59
3 SAUSAGE BISCUIT	3.00
2 MILK	2.00
1 MED COKE	1.00
SUB TOTAL 9.59	
EAT IN TAX	0.89
<hr/>	
CASH TENDERED	11.00
CHANGE	0.52

10.48

Handwritten notes:
 Headers of
 Nashville Don Town
 184 2nd Ave North
 Nashville, TN 37201
 (615) 244-4866
 Ring us up for Wings to Go!!
 200105151000
 TN 31/2
 08/24/09 05:54PM
 Subtotal 70.29
 Tax 0.51
 Amount Due 70.80
 Change 23.21
 70.80
 70.59
 4.05
 3.90
 13.89
 6.97



583 Donelson Pike Nashville, TN 37214 phone (615) 883.4242 fax (615) 893.6726

official sponsor U.S. Olympic Team



CHAUSSON, AUBREY
PO BOX 58
RANISLE, LA 70368
US

name
address

room number: 320/10CTD
arrival date: 8/24/2008 4:52:00PM
departure date: 8/25/2008
adult/child: 1/0
room rate: \$129.00

If the debit/credit card you are using for check-in is attached to a bank or checking account, a hold will be placed on the account for the full anticipated dollar amount to be owed to the hotel, including estimated incidental charges, through your date of check-out and such funds will not be released for 72 business hours from the date of check-out or longer at the discretion of your financial institution.

RATE PLAN LVI
HHH
AL
BONUS AL CAR

Confirmation: 82898243

8/25/2008 PAGE 1

Rates subject to applicable sales, occupancy, or other taxes. Please do not leave any money or items of value unattended in your rooms. A safety deposit box is available for you in the lobby. I agree that my liability for this bill is not waived and agree to be held personally liable in the event that the indicated person, company, or association fails to pay for any part of the full amount of these charges. I have requested wire/direct delivery of USA TODAY. If refused, a credit will be applied to my account. In the event of an emergency, I, or someone in my party, require special occupation due to a physical disability. Please advise me by checking here:

signature:

date	reference	description	amount
8/24/2008	1374954	GUEST ROOM	\$129.00
8/24/2008	1374954	STATE TAX	\$11.93
8/24/2008	1374954	HOTEL OCCUPANCY TAX	\$7.74
8/24/2008	1374954	CITY TAX	\$2.50
WILL BE SETTLED TO VS 18814			\$151.17
EFFECTIVE BALANCE OF			\$0.00
ESTIMATED CURRENCY TOTAL			

For reservations call 1.800.hampton or visit us online at hampton.com

thanks.

account no.	date of charge	folio/check no.
		338171 A
card member name	authorization	initial
establishment no. and location	purchases & services	
	taxes	
	tips & misc.	
signature of card member	total amount	D.00
X		





583 Donelson Pike Nashville, TN 37214 phone (615) 885.4242 fax (615) 885 6726

official sponsor U.S. Olympic Team



BESSON, KELLY PD SOX 134 GRANDISLE, LA 70358 US	name address	room number: 305/SXBL arrival date: 8/24/2009 4:55:00PM departure date: 8/29/2009 adult/child: 1/0 room rate: \$119.00
If the status-visit card you are using for check-in is attached to a bank or checking account, a hold will be placed on the account for the full strike dollar amounts to be billed to the hotel, including estimated incidentals through your date of checkout; and such funds will not be released for 72 business hours from the date of check-out or longer at the discretion of your financial institution.		RATE PLAN LV1 NAME AL BONUS AL CAR
Confirmation: 08132531 8/25/2008 PAGE 1		Rate subject to applicable sales, occupancy, or other taxes. Please do not leave any money or items of value unattended in your room. A safety deposit box is available for you. In the lobby, I agree that my liability for theft is not waived and agree to be held personally liable in the event that the indicated person, company, or association fails to pay for any bill or the full amount of these charges. I have requested voluntary delivery of USA TODAY if actual. If credit will be applied to my account, in the event of an emergency, I or someone in my party, require special evacuation due to a physical disability. Please indicate yes by checking here: <input type="checkbox"/> signature:

DATE	ACCOUNT NO.	DESCRIPTION	TOTAL
8/24/2009	1374851	GUEST ROOM	\$119.00
8/24/2009	1374851	STATE TAX	\$11.01
8/24/2009	1374851	HOTEL OCCUPANCY TAX	\$7.14
8/24/2009	1374851	CITY TAX	\$2.50
WILL BE SETTLED TO VS *6814 EFFECTIVE BALANCE OF			\$139.65
			\$0.00
ESTIMATED CURRENCY TOTAL			

for reservations call 1.800.hampton or visit us online at hampton.com

thanks.

account no.	date of charge	folio/check no.
		338172 A
card member name	authorization	initial
establishment no. and location	purchases & services	
	taxes	
	tips & misc.	
signature of card member	total amount	0.00
X		





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official sponsor U.S. Olympic Team



BRADBERRY, JOEL
 name
 PO BOX 1058
 address
 GRAND ISLE, LA 70368
 US

room number: 302/8X08L
 arrival date: 8/24/2009 4:57:00PM
 departure date: 8/25/2009
 adult/child: 1/0
 room rate: \$119.00

If the debit/credit card you are using for check-in is attached to a bank or checking account, a hold will be placed on the account for the full anticipated dollar amount to be owed to the hotel, including estimated incidentals. If such your date of check-out and your funds will not be released for 72 business hours from the date of check-out or longer at the discretion of your financial institution.

RATE PLAN LV1
 HH#
 AL
 BONUS AL CAR

Confirmation: 80631283
 8/25/2009 PAGE 1

Rates subject to applicable sales, occupancy, or other taxes. Please do not leave any money or items of value unattended in your room. A safety deposit box is available for you in the lobby. I agree that my liability for this box is not waived and agree to be held responsible for it in the event that the indicated person, company or association fails to pay for any part of the full amount of these charges. I have requested immediate delivery of USA TODAY. If refused, a credit will be applied to my account. In the event of an emergency, I, or someone in my party, require special evacuation due to a physical disability. Please indicate yes by checking here:
 signature:

DATE	AMOUNT	DESCRIPTION	TAX
8/24/2009	1374948	GUEST ROOM	\$118.00
8/24/2009	1374948	STATE TAX	\$17.01
8/24/2009	1374948	HOTEL OCCUPANCY TAX	\$7.14
8/24/2009	1374948	CITY TAX	\$2.50
WILL BE SETTLED TO VS *8814 EFFECTIVE BALANCE OF			\$138.65
			\$0.00
ESTIMATED CURRENCY TOTAL			

for reservations call 1.800.hampton or visit us online at hampton.com thanks.

account no.	date of charge	initial/check no.
card member name	authorization	initial
establishment no. and location	purchases & services	
	taxes	
	tips & misc	
signature of card member: X	total amount	0.00



Johnnie's Dog House
Philadelphia
International Airport
Philadelphia, PA
19103

p#: 1 1:54 pm ✓
d#: 887
08/26 ✓

BURGER COMBO 6.95
SUB \$ 5.95
DISC \$ 0.00
TAX \$ 0.49
TOT \$ 7.44
CASH TEND \$ 7.44

*** PAID ***

The Paradies Shops
PHILADELPHIA INTERNATIONAL AIRPORT
Philadelphia, PA

POLAND SPRING 24 OZ 71229650000
2.29 T

TOTAL \$2.29
CASH \$5.00
CHANGE \$2.71

ITEMS 1 J. PANDORA
08/26/2009 03:48PM 1771 OZ 17068 3770

THANK YOU FOR SHOPPING CNBC STORES
OPERATED EXCLUSIVELY BY PARADISE SHOWS
CNBC & FORTUNE MAGAZINE PRESENTS
THE FASTEST GROWING COMPANIES OF 2009
PREMIERE WEB AUG 19 9PM ET/10P PT CNBC



N.J (856) 428-1500
FROM PHILA. AIRPORT
DIAL 21 AT GROUND
TRANSPORTATION DESK

CASH RECEIPT DATE ~~08/26/09~~
FROM: Clarksburg NJ
TO: PHL
Fare 150.00
DRIVER: DU Tip
VEHICLE: 73 TOTAL 150.00



N.J (856) 428-1500
FROM PHILA. AIRPORT
DIAL 21 AT GROUND
TRANSPORTATION DESK

CASH RECEIPT DATE 8-26-09
FROM: PHL
TO: Clarksburg
Fare 150.00
DRIVER: DV Tip
VEHICLE: 73 TOTAL 150.00

Johnnie's Dog House
Philadelphia
International Airport
Philadelphia, PA
19103

Emp#: 1 1:54 pm
Ord#: 888 08/26

FRIES 2.75

SUB \$ 2.75
DISC \$ 0.00
TAX \$ 0.19
TOT \$ 2.94
CASH TEND \$

Asian Chao

ORIENTAL EATERY

TWO ITEM COMBO	6.99
BOTTLED DRINK	1.99
<hr/>	
SUBTOTAL	\$8.98
TAX 1	\$0.63
<hr/>	
SUBTOTAL	\$9.61
CASH	\$10.00
CHANGE	\$0.39

SYSTEM
#001-060-000179-0001 08/26/2009 13:55-R

STORE #76 B-C CONNECTOR H-11
PHILADELPHIA AIRPORT
PHILADELPHIA PA

Asian Chao

ORIENTAL EATERY

TWO ITEM COMBO	6.99
LRG SODA	1.99
<hr/>	
SUBTOTAL	\$8.98
TAX 1	\$0.63
<hr/>	
SUBTOTAL	\$9.61
CASH	\$20.00
CHANGE	\$10.39

SYSTEM
#001-060-000176-0001 08/26/2009 13:53-R

STORE #76 B-C CONNECTOR H-11
PHILADELPHIA AIRPORT
PHILADELPHIA PA

Subtotal: 50.30
Tax: 2.12
Take Out Total: 32.42
Cash: 100.00
Change: 67.58

Celebrating fifty Years
Over 1000 Locations
World's #1 Italian
Quick Service Restaurant
--- Check Closed ---

Combo 2 Fries (2 @9.59)
(2) Large Drink Upgrade
Garlic Butter Dip (2 @0.59)
Pub Sauce Dip
Porch Dip
Fry Pepperoni Slice (2 @6.39)

Host: NATIA
2184

08/26/2009
1:59 PM
20185

* PHILADELPHIA AIRPORT 1 *
B/C CONNECTOR SPACE #6
PHILADELPHIA AIRPORT, PA
215-863-2252



109

08-26-09

Aubrey Chaisson Po Box 550 Grand Isle Louisiana Grand Isle, LA 70358 US	Folio No. :	88024	Room No. :	404
	A/R Number :		Arrival :	08-25-09
	Group Code :		Departure :	08-26-09
	Company :	Fire Company	Conf. No. :	68775891
	Membership No. :		Rate Code :	IGCOR
	Invoice No. :		Page No. :	1 of 1

Date	Description	Charges	Credits
08-25-09	XXXXXXXXXXXXXXXXXXXX		
08-25-09	XXXXXXXXXXXXXXXXXXXX		
08-25-09	In Room Movie Line# 509 : MOVIE		
08-25-09	*Accommodation	119.00	
08-25-09	8% Occupancy Tax	9.52	
08-26-09	In Room Movie Line# 509 : MOVIE		
08-28-08	Visa XXXXXXXXXXXXX6814		205.48
Total		202.54	205.48
Balance		0.00	

Guest Signature: _____

I have received the goods and / or services in the amount shown hereon. I agree that my liability for this bill is not waived and agree to be held personally liable in the event that the indicated person, company, or associate fails to pay for any part or the full amount of these charges. If a credit card charge, I further agree to perform the obligations set forth in the cardholder's agreement with the issuer.

Holiday Inn Select Wilmington-Brandywine
630 Neamans Road
Claymont, DE 19703
Telephone: (302) 792-2700 Fax: (302) 798-6182

Holiday Inn SELECT

109

08-26-09

Aubrey Chaisson Po Box 580 Grand Isle Louisiana Grand Isle, LA 70358 US	Folio No. : B6026 A/R Number : Group Code : Company : Fire Company Membership No. : Invoice No. :	Room No. : 3115 Arrival : 08-25-09 Departure : 08-26-09 Conf. No. : 68775921 Rate Code : IGCOR Page No. : 1 of 1
---	--	---

Date	Description	Charges	Credits
08-25-09	*Accommodation	119.00	
08-25-09	8% Occupancy Tax	9.52	
08-26-09	Visa XXXXXXXXXXXXX8814		128.52
Total		128.52	128.52
Balance		0.00	

Guest Signature: _____

I have received the goods and / or services in the amount shown hereon. I agree that my liability for this bill is not waived and agree to be held personally liable in the event that the indicated person, company, or associate fails to pay for any part or the full amount of these charges. If a credit card charge, I further agree to perform the obligations set forth in the cardholder's agreement with the issuer.

Holiday Inn Select Wilmington-Brandywine
630 Naamans Road
Claymont, DE 19703
Telephone: (302) 792-2700 Fax: (302) 798-6182

Holiday Inn SELECT

109

08-26-09

Aubrey Chalsson Po Box 550 Grand Isle Louisiana Grand Isle, LA 70358 US	Folio No. : 88028 A/R Number : Group Code : Company : Fire Company Membership No. : Invoice No. :	Room No. : Arrival : Departure : Conf. No. : 88775926 Rate Code : IGCOR Page No. : 1 of 1
---	--	--

Date	Description	Charges	Credits
08-25-09	In Room Movie MOVIE	13.99	← out of Scope
08-25-09	Line# 507 : MOVIE	14.99	← out of Scope
08-26-09	*Accommodation	119.00	
08-26-09	8% Occupancy Tax	9.52	
08-26-09	Visa XXXXXXXXXXXX6814		157.50
Total			157.50
Balance		0.00	

Handwritten: 157.50

Guest Signature: _____

I have received the goods and / or services in the amount shown herein. I agree that my liability for this bill is not waived and agree to be held personally liable in the event that the indicated person, company, or associate fails to pay for any part or the full amount of these charges. If a credit card charge, I further agree to perform the obligations set forth in the cardholder's agreement with the issuer.

Holiday Inn Select Wilmington-Brandywine
630 Naamans Road
Claymont, DE 19703
Telephone: (302) 792-2700 Fax: (302) 798-6182

Holiday Inn Select
630 Neamans Road
Claymont, DE 19703

108 QUENTIN ----- 2

21/1 ----- 65 5
26AM 10:20

REPRINT
CLOSED CHECK

3 \$12.95 bkfst buf	38.85
2 Full American Br	19.90
1 COFFEE	2.95
1 8oz ORANGE JCE	2.50
Subtotal	64.20
Total Paid	100.00
Cash	100.00
Change Due	35.80

---201 CLOSED 28X100 8:28AM---

Tip: \$20.00

Total: -----

Signature: -----

Room#: -----

Print Name: -----

DATE: MARCH 1, 2011

TO: LOUISIANA LEGISLATIVE AUDITOR

ATTENTION: COREY LEJEUNE

RE: GRAND ISLE FIRE COMPANY AUDIT

FROM: ELIZABETH RICHOUX

ELIZABETH RICHOUX

PO BOX 315

GRAND ISLE, LA 70358

TO: LOUISIANA LEGISLATIVE AUDITOR

1600 NORTH THIRD STREET

PO BOX 94397

BATON ROUGE, LA 70804-9397

RE: GRAND ISLE VOLUNTEER FIR COMPANY COMPLIANCE AUDIT

ENCLOSED IS MY FOLLOWING STATEMENT CONCERNING THE FINDINGS IN THE GRAND ISLE FIRE DEPARTMENT AUDIT:

I RECALL THAT THE CHECKS WAS SIGNED BY MYSELF AS THE BOOK KEEPER AND PRESENTED TO THE CHIEF OR PRESIDENT TO SIGN. I KNOW THAT MANY CHECKS WERE GIVEN TO THE CHIEF TO SIGN AT ONE TIME AND HE FORGOT OR SKIPPED SOME AT TIMES. I JUST RECEIVED THE CHECKS BACK AND PLACED THEM IN THE ENVELOPES TO BE MAILED OFF. THIS IS SOMETHING THAT THE FINANCIAL INSTITUTE SHOULD HAVE BEEN AWARE OF AND CALLED US TO LET US KNOW ABOUT NOT HAVING TWO SIGNATURES PROVIDED.

I MAY HAVE SIGNED THE CHIEF'S NAME OCCASIONALLY AND IF I DID, I CALLED THE CHIEF WHEN HE WAS OUT OF TOWN OR BUSY DOING OTHER THINGS OR TOLD HIM AFTER THE FACT I DID SO. THE REASON FOR THIS WAS FOR A GENERAL PURPOSE OF VENDORS CALLING TO GET PAID IN A RUSH BECAUSE THE FIRE DEPARTMENT WAS BEHIND ON BILLING. AS I RECALL ALL CHECKS WERE MADE OUT TO CERTAIN VENDORS FOR PAYMENTS AND INVOICES WERE PROVIDED.

SINCERELY,

Elizabeth Richoux
ELIZABETH RICHOUX