



LOS ANGELES FIRE DEPARTMENT

RALPH M. TERRAZAS
FIRE CHIEF

March 9, 2017

BOARD OF FIRE COMMISSIONERS FILE NO. 17-042
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TO: Board of Fire Commissioners

FROM: *RMT* Ralph M. Terrazas, Fire Chief

SUBJECT: FIRE PREVENTION BUREAU OUTSTANDING RECEIVABLE COLLECTION
PROCESS ENHANCEMENT

FINAL ACTION:	<input type="checkbox"/> Approved	<input type="checkbox"/> Approved w/Corrections	<input type="checkbox"/> Withdrawn
	<input type="checkbox"/> Denied	<input type="checkbox"/> Received & Filed	<input type="checkbox"/> Other

SUMMARY

Based upon the direction of the Board of Fire Commissioners, the Fire Prevention Bureau (FPB) and the Administrative Services Bureau (ASB) have developed modified procedures (Attachment 1) that will reduce the amount of outstanding uncollectable receivables thereby enhancing revenue collection.

The Department's process to minimize outstanding receivables has been formalized with revised written policies and procedures to increase collection of permit and service fees due to the FPB. Payments are accepted by cash, check, credit or debit card. Additionally, advance lump sum deposit or credit card on-file authorization forms are available for frequent users of these services which will provide a more convenient method to pre-pay for multiple permits or services.

FPB Fire Inspectors, public counter staff and accounting personnel will be trained and will have access to the intranet to search all outstanding accounts receivable, which are updated on a daily basis by the ASB Accounting Section through the City's Financial Management System. Accounting Section personnel will be available to the FPB during normal business hours to research outstanding accounts receivable balances and process payments.

If the customer requesting an FPB inspection, permit or related services is current and does not have a past due balance on the Outstanding Receivable by Billing Profile and Customer Report, FPB staff shall certify the Customer Receivable Clearance Certificate (CRCC) (Attachment 2) and proceed with the processing of the pre-payment for the inspection, permit or service requested. The completed CRCC will then be attached to the FPB application for services to be scheduled.

If the customer requesting an FPB inspection, permit or related services has a past due balance, FPB will instruct the customer to contact the ASB Accounts Receivable Unit by either telephone, email or in-person at the public counter located on the 16th floor of City Hall East (CHE) to obtain the total outstanding delinquent balance due including any collection fees, if applicable. The past due balances can then be paid by credit card over the phone or in person at the Accounts Receivable public counter with cash, check, credit card or debit card. If paid in person at the public counter, accounting staff will sign and date the approved CRCC form, provide a copy to the customer and email or fax a copy to the Fire Inspector processing the request. If payment is processed over the phone, accounting staff will email the customer and the Fire Inspector processing the request a copy of the approved CRCC form. The completed CRCC form will be attached to the FPB application for inspection, permit or services.

Implementation of these policies and procedures should reduce the frequency of outstanding receivables and enhance the Fire Department's revenue collection capability.

RECOMMENDATION

That the Board:
Receive and file this report.

FISCAL IMPACT

It is anticipated that the enhanced revenue billing and collection procedures will reduce the number of uncollectable accounts within the Fire Protection Bureau, thereby enhancing revenue receipts.

Board report prepared by Mark Davis, Chief Management Analyst, Administrative Services Bureau.

Attachments

**LOS ANGELES FIRE DEPARTMENT
FIRE PREVENTION BUREAU
PERMIT, INSPECTION AND/OR SERVICE ENFORCEMENT
WITH OUTSTANDING RECEIVABLE BALANCE**



Outstanding Receivable Collection Process

In accordance with the Mayor's Executive Directive No. 5 and the Citywide Guidelines to Maximize Revenue Collection, each City department has the responsibility to incorporate standardized Citywide billing and collection procedures in its processes and, if necessary, formulate and implement new billing or collection processes to increase the efficiency of its billing and collection functions or to maximize the recovery of revenue owed to the City. In an effort to optimize collections of outstanding receivables, each permit and/or service issuing location in the LAFD Fire Prevention Bureau (FPB) shall ensure that before any new permit and/or service are provided by the FPB, customer outstanding receivable balances are current and payments for past due receivables are collected from the customer.

FPB Permit, Inspection and/or Service Request

Customer will contact the FPB for a new permit, inspection, and/or service.

FPB contact information is as follows:

- | | |
|--|---|
| 1. Research Unit: | <i>Location: 200 N. Main St., Rm 1770, LA 90012</i> |
| ○ Office (213) 978-3570 | Fax (213) 978-3516 Email: firemarshal@lacity.org |
| 2. Compliance Unit: | <i>Location: 200 N. Main St., Rm 1750, LA 90012</i> |
| ○ Office (213) 978-3560 | Fax (213) 978-3516 Email: lafdreg4@lacity.org |
| 3. CUPA Section: | <i>Location: 200 N. Main St., Rm 1780, LA 90012</i> |
| ○ Office (213) 978-3680 | Fax (213) 978-3615 Email: lafdcupa@lacity.org |
| 4. Industrial/Commercial Section: | |
| ○ High Rise Unit | <i>Location: 200 N. Main St., Rm 1720, LA, 90012</i> |
| Office (213) 978-3600 | Fax (213) 978- 3518 Email: lafdhr@lacity.org |
| ○ Central Industrial Unit | <i>Location: 200 N Main S., Rm 1720, LA, 90012</i> |
| Office (213) 978-3630 | Fax (213) 978-3519 Email: lafdciu@lacity.org |
| ○ Harbor Industrial Unit | <i>Location: 638 Beacon St, Rm 530, San Pedro, 90731</i> |

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WITH OUTSTANDING RECEIVABLE BALANCE**

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|---------------------------------|--|---|
| Office (310) 732-4580 | Fax (310) 732-4579 | Email: lafdhiu@lacity.org |
| ○ West Industrial Unit | Location: 7166 W Manchester Ave, Rm 5, LA, 90045 | |
| Office (213) 473-7700 | Fax (213) 473-7702 | Email: lafdwr@lacity.org |
| ○ Valley Industrial Unit | Location: 6262 Van Nuys Blvd, Rm 451, Van Nuys, 91401 | |
| Office (818) 374-1110 | Fax (818) 778-4911 | Email: lafdvic@lacity.org |
| ○ Brush Clearance Unit: | Location: 6262 Van Nuys Blvd, Rm 451, Van Nuys, 91401 | |
| Office (800) 994-4444 | Fax (818) 778-4910 | Email: lafdbrush@lacity.org |

5. Public Safety Section:

- **Film Unit** **Location: 200 N. Main St, Rm 1710, LA 90012**
Office (213) 978-3640 Fax (213) 978-3613 Email: lafdilm@lacity.org
- **Public Assemblage Unit** **Location: 200 N. Main St, Rm 1730, LA 90012**
Office (213) 978-3640 Fax (213) 978-3611 Email: lafdpu@lacity.org
- **Schools, Churches, Institutions.** **Location: 200 N. Main St, Rm 1710, LA 90012**
Office (213) 978-3730 Fax (213) 978-3612 Email: lafdsci@lacity.org
- **Valley Public Safety** **Location: 6262 Van Nuys Blvd, Rm 451, Van Nuys, 91401**
Office (818) 374-1110 Fax (818) 778-4911 Email: lafdvspu@lacity.org
 - Includes schools, churches, institutions and public assemblage in the San Fernando Valley area

6. Fire Development Services: Location: 201 N. Figueroa St., Suite 210, LA 90012

- Office (213) 482-6543 Fax (213) 482-6949 Email: lafdcsu@lacity.org
 - FIMS online at <https://fims.lafd.org/>
- Application for new inspection, permit, and/or service are provided and filled out by customer with specifics, e.g., location, dates, times, etc. and are to be returned to FPB.

FPB Verification of Customer Receivable Balance

- The FPB personnel shall access LAFD intranet under Organization, Administrative Services Bureau, and Accounts Receivable Unit @ <http://lafdweb/forms/administrative-forms/accounting-services/accounts-receivable-unit> under Accounts Receivable Reports: Outstanding Receivable by Billing Profile and Customer to verify the status of the customer's account before proceeding to process a request.
- To verify:
 1. Open your internet browser and go to <http://lafdweb/forms/administrative-forms/accounting-services/accounts-receivable-unit>
 2. Under Accounts Receivable Report, select Outstanding Receivables By Billing Profile And Customer.pdf
 3. Look up customer by pressing Ctrl+F to open the search function and enter customer name

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FIRE PREVENTION BUREAU
PERMIT, INSPECTION AND/OR SERVICE ENFORCEMENT
WITH OUTSTANDING RECEIVABLE BALANCE**

4. For advance search, download the excel version of the report by selecting Outstanding Receivables By Billing Profile And Customer.xls
5. Select the headers on row

Billing Profile	Customer Name	Customer Code	Dept. Revenue Source	Document ID	Permit No.	Event Name	Event Date	Invoice Due Date	Amount Billed	Amount Paid	Balance	# of Days Past Due
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Sort & Filter

6. Select the Sort & Filter button and use the arrows to filter customer information

Billing Profile	Customer Name	Customer Code	Dept. Revenue Source	Document ID	Permit No.	Event Name	Event Date	Invoice Due Date	Amount Billed	Amount Paid	Balance	# of Days Past Due
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Customer Receivable Clearance Certificate with New Inspection, Permit and/or Service Request

- If customer is current and has no past due balance on the Outstanding Receivable by Billing Profile and Customer report, FPB staff shall certify the Customer Receivable Clearance Certificate and proceed with the processing of the new inspection, permit, and/or service request.
- Customer Receivable Clearance Certificate **must** accompany all new inspection, permit and /or service request.
- If there is any past due balance, FPB will instruct the Customer to contact LAFD Accounts Receivable at (213) 978-3463, via e-mail at LAFDAR@lacity.org or go to 200 N. Main Street, Room 1620, LA, CA 90012 with the Customer Receivable Clearance Certificate to obtain the total outstanding delinquent balance including any collection fee.
- Before payment is accepted, Accounts Receivable staff shall ensure customer has no past due balance with collection fees outstanding and any written off account balances, by accessing RESTA table in the City's Financial Management System.
- Customer must settle the total past due balance before any new inspection, permit and/or service is approved or issued.
- Upon settlement of the customer past due balance, LAFD Accounts Receivable staff certifies the Customer Receivable Clearance Certificate.
- Upon LAFD Accounts Receivable clearance, FPB can proceed to process the customer's request for a new inspection, permit, and/or service. FPB shall attach to the request the completed Customer Receivable Clearance Certificate.
- In the event the customer does not have the Customer Receivable Clearance Certificate when paying for new inspection, permit and/or service, LAFD cashiers or LAFD Accounts Receivable shall ensure that the customer's account is cleared of any past due balance before accepting the payment and shall provide the customer and the FPB Unit with the Clearance Certificate.

Payment Options

1. In person payment via **cash, check, or credit/debit card:**

LAFD ASB-Accounting Services Section
Account Receivables Unit

Dated 3/08/2017

**LOS ANGELES FIRE DEPARTMENT
FIRE PREVENTION BUREAU
PERMIT, INSPECTION AND/OR SERVICE ENFORCEMENT
WITH OUTSTANDING RECEIVABLE BALANCE**

- a. **Main Counter** 200 N. Main St, Rm 1620, LA, CA 90012
 - *Accepts payments for all LAFD revenue fees*
 - b. **CUPA Counter** 200 N. Main St, 17th Floor, LA, CA 90012
 - *Accepts payments for CUPA related fees*
 - c. **Valley Counter** 6262 Van Nuys Blvd, Rm 451, Van Nuys, CA 91401
 - *Accepts check payments for schools, churches, institutions and public assemblage related fees in the San Fernando Valley area*
 - d. **Harbor Counter** 638 Beacon St, Rm 530, San Pedro, 90731
 - *Accepts check payments for Harbor Industrial related fees*
 - e. **West Counter** 7166 W Manchester Ave, Rm 5, LA, 90045
 - *Accepts check payments for West Industrial related fees*
 - f. **Arson Counter** 1700 Stadium Way, LA, CA 90017
 - *Accepts cash and check payments for subpoenas and record requests*
2. **Credit card by phone, email and fax**
- Call (213) 978-3463 with valid credit card information or
 - E-mail signed application form to LAFDAR@lacity.org or
 - Fax signed application form to (213)978-3414 or 3413
 - ***DO NOT include any credit card information via email or fax***
3. **A completed LAFD Credit Card on File Authorization Form together with a credit card authorization on company letterhead** are to be submitted to 200 N. Main St., Rm. 1620 for ongoing requests for permits or services to be charged to the credit card on file.
4. **Advance lump sum deposit with cash, check, or credit/debit card, and a completed LAFD Advance Deposit Authorization Form** for drawdown of ongoing requests for permits and services. Tracking of available balances will be accessible in the shared R drive/Administrative Bureau/Accounts Receivable/Outstanding AR folder.

**BOARD OF FIRE
COMMISSIONERS**

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PRESIDENT

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CITY OF LOS ANGELES
CALIFORNIA



ERIC GARCETTI
MAYOR

**ATTACHMENT 2
FIRE DEPARTMENT**

RALPH M. TERRAZAS
FIRE CHIEF

200 NORTH MAIN STREET
ROOM 1635
LOS ANGELES, CA 90012

(213) 978-3477
FAX: (213) 978-3414

HTTP://WWW.LAFD.ORG

Fire Prevention Bureau
Customer Receivable Clearance Certificate

Date _____

Customer Account Name: _____

For LAFD Fire Prevention Bureau (FPB) Use Only

- ☐ I certify that the customer receivable account is clear of any past due balance.
- ☐ The customer receivable account has a past due balance and has been referred to LAFD Accounts Receivable (for outstanding past due balance information, please contact LAFD Accounts Receivables at (213) 978-3463 or email LAFDAR@lacity.org or go to 200 N. Main St. Rm 1620, Los Angeles, CA 90012 for payment of any past due balance and completion of this Clearance Certificate).

FPB Staff Name: _____

Signature: _____

For LAFD Accounting Use Only

- ☐ I certify that the customer receivable account is clear of any past due balance.
- ☐ I certify that the customer account has been settled of all outstanding past due receivables and customer can proceed to request for the new inspection, permit and/or service.

Accounting Staff Name: _____

Signature: _____

Please note that this Customer Receivable Clearance Certificate needs to be completed and attached to any FPB application for new inspection, permit, and/or service.

New Inspection, Permit and/or Service No.: _____

AN EQUAL EMPLOYMENT OPPORTUNITY – AFFIRMATIVE ACTION EMPLOYER