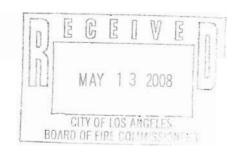


DOUGLAS L. BARRY FIRE CHIEF



May 12, 2008

	F FIRE COMMISSIONERS
FILE NO.	08-076

TO: Board of Fire Commissioners

FROM: Douglas L. Barry, Fire Chief

SUBJECT: WRITE-OFF OF UNCOLLECTIBLE LAFD CHARGES FOR SERVICES OF

FIRE SAFETY OFFICERS & CUPA FOR FISCAL YEARS 1998 / 2006 VALUED

OVER \$1,000.00

FINAL ACTION: A		Approved w/Corrections	Withdrawn
D	enied	_ Received & Filed	Other

### **Recommendations:** That the Board:

Authorize the Fire Chief to refer to the Board of Review any or all pertinent documentation regarding \$2,638.50 in uncollectible accounts for write-off authority. This recommendation is based on the findings, listed below.

### Findings:

- 1. The Los Angeles Municipal Code Section 11.04 (Ch. 1, Art. 1) provides that any Board, Commission, or Head of a Department may prepare a report setting forth findings regarding the status of unpaid accounts. This report may then be submitted to the Board of Review for appropriate actions.
- 2. All accounts have been submitted to the Office of Finance for collection and were determined to be uncollectible for reasons indicated on the list.
- 3. Three or more invoices were sent in addition to the original invoice. Accounts originating Fiscal Years 1998 / 2006 are now past the statute of limitations, therefore the Department has no legal means of collecting these balances. The Department's resources will be more efficiently utilized on all recent outstanding accounts.
- 4. The staff of Accounting Services along with the recommendation by the Office of Finance determined that the attached list of unpaid accounts amounting to \$2,638.50 should be written-off. These accounts are for Fiscal Years 1998 / 2006 (refer to attachment A for details).

Board of Fire Commissioners Page 2

### **Conclusion:**

In view of the above findings, it is appropriate that these uncollectible accounts for Fiscal Years 1996 / 2006 be referred to the Board of Review in compliance with the Los Angeles Municipal Code.

Upon your Board's approval, Board of Review and Council consideration/approval will be initiated.

Board report prepared by Isela Iniguez, Secretary, Bureau of Administrative Services.

ii:Board Report Greater than \$1000.00

Attachment

### BOARD OF FIRE COMMISSIONERS

### CITY OF LOS ANGELES

CALIFORNIA

FIRE DEPARTMENT

DOUGLAS L. BARRY FIRE CHIEF

200 NORTH MAIN STREET LOS ANGELES, CA 90012

(213) 978-3838 FAX: (213) 978-3814

www.lafd.org/comm.htm

GENETHIA HUDLEY-HAYES
PRESIDENT

CASIMIRO U. TOLENTINO VICE PRESIDENT DIANA M. BONTÁ ANDREW FRIEDMAN

BLANCA GOMEZ-REVELLES EXECUTIVE ASSISTANT II

JILL FURILLO



May 6, 2008

Louis J. Benjamin, Chairperson Board of Review Office of the Controller Room 300, City Hall East

Dear Chairperson Benjamin:

WRITE-OFF OF UNCOLLECTIBLE LAFD CHARGES FOR SERVICES
OF FIRE SAFETY OFFICERS AND CUPA FOR FISCAL YEARS 1998 / 2006
VALUED OVER \$1,000.00

### **BACKGROUND**

Los Angeles Administrative Code, Chapter 11, Article 1, Section 5.183, provides that the Fire Chief of the Los Angeles Fire Department (LAFD) shall review the status of uncollectible accounts to determine whether they are collectible. He shall refer those accounts determined to be uncollectible to the Board of Review in accordance with the Los Angeles Municipal Code, Article 1, Section 11.04, for appropriate action. The removal of these unpaid accounts from the current Fire Safety Officers and CUPA accounts shall not preclude the City from collecting any sum that later proves to be collectible.

### **RECOMMENDATIONS**

It is recommended that the Honorable Board of Review approve the write-off of \$2,638.50 in uncollected Fire Safety Officers and CUPA accounts for Fiscal Years 1998 / 2006. The removal of this unpaid account shall not preclude the City from collecting any sum that later proves to be collectible.

### **FINDINGS:**

The Los Angeles Administrative Code, Chapter 11, Article 1, Section 5.183
provides that the Fire Chief of the Fire Department shall review the status of
unpaid accounts to determine whether they are collectible.

Board of Review May 6, 2008 Page 2

He shall refer those accounts determined to be uncollectible to the Board of Review in accordance with the Los Angeles Municipal Code, Article 1, Section 11.04, for appropriate action.

- 2. All accounts have been submitted to the Office of Finance for collection and were determined to be uncollectible for reasons indicated on the list.
- 3. In addition, three or more invoices were sent in addition to the original invoice. Accounts originated Fiscal Years 1998 / 2006 are now past the statute of limitations, therefore the Department has no legal means of collecting these balances. The Department's resources will be more efficiently utilized on all recent outstanding accounts.
- 4. The staff of Accounting Services along with the recommendation by the Office of Finance determined that the unpaid account amounting in \$2,638.50 should be written-off. Accounts are for Fiscal Years 1998 / 2006 (refer to attachment A for details).
- Writing off this account would be consistent with General Accepted Accounting Principles. This is also consistent with existing City policy to reflect the accurate status of accounts in the City's financial statement so not to overstate the revenue.

If you require additional information, please contact Accountant II Emma Pangilinan at (213) 978-3452.

Very truly yours,

DOUGLAS L. BARRY

O(1) Alland Tel

Fire Chief

DLB:ii

### ATTACHMENT A

## LOS ANGELES FIRE DEPARTMENT

Uncollectible / For Write-off by the City Attorney's Office Individual Invoices > \$1,000
Recap by Fiscal Year

i i	Revenue	Revenue	
Fiscal Year	Fire Safety Officer	CUPA	lotal
1998	1,480.50		1,480.50
2006		1,158.00	1,158.00
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	1,480.50	1,158.00	2,638.50

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# Schedule of Accounts Referred to Board of Review

Individual Invoice over \$1,000

Revenue Source Code Invoice #	Invoice #	Invoice Date	Customer Name	Invoice Amount Uncollectible Code	ncollectible	Code	Remarks
3883							
	FS000001826	5/29/1998 C	5/29/1998 CAPITOL TENT INC	\$1,480.50	∞	LEGAL JUDG	LEGAL JUDGEMENT EXPIRED
Summary for 'Revenue Source Code' = 3883 (1 detail record)	urce Code' = 388	13 (1 detail record)					
Sum				\$1,480.50			
3898							
	IN0114428	8/27/2005 FASTIRES	ASTIRES	\$1,158.00	∞	BANKRUPTCY	>
Summary for 'Revenue Source Code' = 3898 (1 detail record)	urce Code = 385	8 (1 detail record)					
Sum				\$1,158.00			
Grand Total				\$2,638.50			