

GREATER NEW ORLEANS EXPRESSWAY COMMISSION



PERFORMANCE AUDIT
ISSUED APRIL 28, 2010

**LEGISLATIVE AUDITOR
1600 NORTH THIRD STREET
POST OFFICE BOX 94397
BATON ROUGE, LOUISIANA 70804-9397**

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LOUISIANA LEGISLATIVE AUDITOR
DARYL G. PURPERA, CPA

April 28, 2010

The Honorable Joel T. Chaisson, II,
President of the Senate
The Honorable Jim Tucker,
Speaker of the House of Representatives

Dear Senator Chaisson and Representative Tucker:

This report provides the results of our performance audit on the Greater New Orleans Expressway Commission (GNOEC) that resulted from House Concurrent Resolution No. 126 of the First Extraordinary Session of 2008.

The report contains our findings, conclusions, and recommendations. Appendix A contains GNOEC's response to this report. I hope this report will benefit you in your legislative decision-making process.

We would like to express our appreciation to the management and staff of GNOEC for their assistance during this audit.

Sincerely,

A handwritten signature in blue ink that reads "Daryl G. Purpera". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Daryl G. Purpera, CPA
Legislative Auditor

DGP/dl

GNOEC10

Office of Legislative Auditor

Daryl G. Purpera, CPA, Legislative Auditor

Greater New Orleans Expressway Commission



April 2010

Audit Control # 40080009

Objectives and Overall Results

We conducted a performance audit of the Greater New Orleans Expressway Commission (GNOEC). We conducted this audit in response to House Concurrent Resolution (HCR) No. 126 of the First Extraordinary Legislative Session of 2008. The resolution directed the legislative auditor to conduct a performance audit of GNOEC. Appendix B provides a copy of the resolution. We used the resolution, information from GNOEC, and legislative input to develop the audit objectives. The audit objectives and results of our work are as follows:

Objective 1: Is GNOEC in compliance with state laws governing the bidding of contracts and open meetings?

Results: GNOEC's contract bidding practices are in compliance with state law. While GNOEC properly bid all applicable contracts in our audit period, it could improve its bidding process by developing more detailed written policies and procedures for purchases greater than \$20,000. GNOEC could also improve its practices by consistently discussing and obtaining approval from the Commission for its purchases over a certain amount. Finally, GNOEC is in compliance with state open meetings laws.

Objective 2: Does GNOEC monitor its contracts?

Results: Although GNOEC hires engineering firms to externally monitor its construction contracts, GNOEC does not have written requirements or documentation pertaining to management's internal monitoring of non-construction contracts. By consistently reviewing best practices and incorporating them into its policies and procedures where necessary, GNOEC could strengthen management's role in monitoring non-construction contracts as well as improve the contract content itself.

Objective 3: Is GNOEC able to justify the use and cost of its take-home vehicles?

Results: GNOEC spent \$343,189 on the acquisition and maintenance of approximately 28 non-police take-home vehicles during our three-year audit period. However, GNOEC does not maintain all necessary documentation that would enable it to justify the use and cost of these take-home vehicles. This is based on the fact that GNOEC does not have written policies and procedures to identify which employees are eligible to use a take-home vehicle or determine that those who should have assigned vehicles are using them appropriately. According to GNOEC, it has an unwritten policy that take-home vehicles are assigned to personnel who are on 24-hour call and required to respond to all

emergencies. However, GNOEC's job descriptions are not updated to include all positions that require employees to be on 24-hour call and thus drive a take-home vehicle. Also, GNOEC's written guidelines for take-home vehicles usage are not consistent and GNOEC does not calculate and review total costs for non-police take-home vehicles. We identified some criteria that will help GNOEC determine the appropriate assignment and usage of take-home vehicles.

Audit Initiation, Scope, and Methodology

We conducted this audit in response to HCR No. 126 of the First Extraordinary Legislative Session of 2008 under the provisions of Title 24 of the Louisiana Revised Statutes of 1950, as amended. Appendix B contains a copy of HCR No. 126. The resolution does not list specific audit objectives but instead general areas of concern. After speaking with the author regarding his concerns and conducting additional background research on GNOEC, we developed three audit objectives to satisfy the request. The audit objectives were to answer the following questions:

1. Is GNOEC in compliance with state laws governing the bidding of contracts and open meetings?
2. Does GNOEC monitor its contracts?
3. Is GNOEC able to justify the use and cost of its take-home vehicles?

Our audit scope was November 1, 2005 through October 31, 2008. We conducted this audit in accordance with generally accepted government auditing standards. These standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. To answer our objectives, we reviewed internal controls relevant to the audit objectives and performed the following audit steps:

- Conducted background research and a risk assessment, including reviewing state and federal laws relating to GNOEC
- Interviewed GNOEC staff and management to gather information on GNOEC's processes regarding acquisitions, take-home vehicles, and contracts
- Examined GNOEC's policies and procedures relating to our audit objectives
- Researched state laws, attorney general opinions, and best practices relating to our audit objectives
- Reviewed Commission meeting minutes for evidence of proper purchasing procedures and approvals
- Analyzed expenditures to ensure that contracts were in place prior to expenditure

- Reviewed bid files for five biddable contracts in sample of 28 contracts for evidence of proper bidding procedures
- Reviewed sample of 28 contracts for best practice provisions
- Analyzed vehicle mileage and maintenance cost data
- Reviewed IRS tax guidelines pertaining to the valuation of commuter vehicles
- Interviewed the engineers who monitor various aspects of GNOEC's contracts

Appendix A contains GNOEC's response to this report.

Overview of Greater New Orleans Expressway Commission

Legal Authority. The 1921 Louisiana Constitution grants St. Tammany and Jefferson parishes (the Parishes) the authority to jointly construct, operate, and maintain the Greater New Orleans Expressway (GNOE). The constitution mandates that the GNOE be operated as a toll project. The tolls charged should be reasonable but sufficient to pay for all costs of maintenance and operation. Also, the tolls shall be used, in conjunction with vehicular license taxes, to pay for revenue bonds issued for the construction of the GNOE. The GNOE shall be operated by the Parishes as a toll project until all revenue bonds have been paid in full, upon which time the *GNOE shall become property of the state* and thereafter operated as toll free.

The GNOEC oversees the GNOE. The GNOEC is not a state agency and therefore finances its own operational costs. It is a local entity that has the same powers and limitations as its two parent parishes. As mentioned above, GNOEC will become a state entity when the revenue bonds are paid in full, and the Louisiana Department of Transportation and Development will operate and maintain the Causeway Bridge. According to the bond indenture, this will occur in 2033.

Organizational Structure. GNOEC is the five-member controlling body of GNOE, also known as the Causeway Bridge. GNOEC operates and maintains the bridge system, which is comprised of the two-lane, 24-mile twin-span bridges across Lake Pontchartrain and the approach road system on the North Shore of the lake. GNOEC is also responsible for the continuous supervision and operation of the bascule drawbridge which is located at the 16-mile marker on the Causeway Bridge.

GNOEC employs a general manager who is responsible for managing everyday operations. The person who was GNOEC's general manager during our audit period retired a few weeks before we completed our audit. For the purposes of this report, we will refer to him as GNOEC's general manager.

GNOEC also employs 113 employees, which include administrative, maintenance, Motorist Assistance Patrol (M.A.P.), toll, dispatch, police, bridge monitors, and bascule employees. In addition, GNOEC employs 21 police officers to patrol the Causeway Bridge

and approaches, including the Chief of Police, two lieutenants and 17 officers. Seven other police officers are assigned to patrol the Huey P. Long Bridge as mandated in Act 762 of the 1986 Regular Legislative Session.

Budget. GNOEC’s funding is largely from toll revenues. An amendment to Article VI, Section 22, of the Louisiana Constitution stipulated that GNOEC use funds from Highway Fund Number 2 for its revenue bond debt service. Highway Fund Number 2 is comprised of half of the revenues from vehicles licensed in Orleans, Jefferson, St. John the Baptist, St. Charles, Tangipahoa, and St. Tammany parishes. The other half of the vehicle license fees in those parishes goes to the Crescent City Connection Division. In fiscal years 2008 and 2009, GNOEC was able to use the fund to service its debts, with the balance used for maintenance and rehabilitation of the Causeway Bridge.

The GNOEC submitted a budget of \$23,974,000 to the legislature in FY 2008-09. The exhibit below shows a summary of GNOEC’s FY 2008-09 approved budget.

Exhibit 1 GNOEC Financial Summary FY 2008-09			
Budget Unit Means of Financing (MOF)	Approved FY 07-08	Actual FY 07-08	Approved FY 08-09
Highway Fund No. 2	\$5,750,000	\$5,330,222	\$5,500,000
Tolls	18,012,000	17,135,070	17,714,000
Interest Income	1,200,000	830,763	750,000
Other Revenue	102,731	81,026	10,000
Total MOF	\$25,064,731	\$23,377,081	\$23,974,000
Source: Prepared by legislative auditor’s staff using data from the Louisiana Legislative Fiscal Office.			

Objective 1: Is GNOEC in compliance with state laws governing the bidding of contracts and open meetings?

GNOEC’s contract bidding practices are in compliance with state law. While GNOEC properly bid all applicable contracts in our audit period, it could improve its bidding process by developing more detailed written policies and procedures for purchases greater than \$20,000. GNOEC could also improve its practices by consistently discussing and obtaining approval from the Commission for its purchases over a certain amount. Finally, GNOEC is in compliance with state open meetings laws.

GNOEC followed state laws for bidding of contracts. According to state laws regarding contracts, GNOEC is required to comply with the Louisiana Public Bid Law (PBL) as detailed in Louisiana Revised Statute (R.S.) 38:2212. This law states that public entities must follow PBL for contracts related to public works that exceed the contract limits of \$100,000 for public works and \$20,000 for materials and supplies. We analyzed expenditures and GNOEC contracts from November 1, 2005 through October 31, 2008, and determined that contracts were in place for all expenditures as required by state law. From the 81 contracts that were in effect during our audit period, we judgmentally selected a sample of 28 contracts to review so that we reviewed one contract from each GNOEC vendor.¹ Out of these 28 contracts, we identified five contracts that should have been bid according to PBL contract limits. We then reviewed GNOEC’s bid files to determine whether GNOEC bid these five contracts properly based on the contract amounts above (i.e., they followed the RFP process, received quotes, etc.). During our review, we determined that one of these five contracts was a sole source vendor and thus did not need to be bid. However, the other four contracts were bid in compliance with PBL.

While GNOEC complied with state laws governing the bidding of contracts in the five biddable contracts we reviewed, it has limited written policies and procedures for the contract process and bidding procedures of purchases greater than \$20,000. GNOEC’s existing policies and procedures manual contains the text of the PBL, purchasing guidelines for purchases less than \$20,000, and purchase order procedures for purchases less than \$10,000. However, it does not clearly indicate the necessary internal procedures for GNOEC employees to follow to meet PBL requirements regarding bidding of contracts greater than \$20,000. GNOEC should expand its existing policies and procedures to help ensure compliance with applicable state laws.

Currently, GNOEC’s written policies and procedures do not require the Commission to approve purchases over a certain amount. However, management does recognize the importance of discussing and obtaining approval on certain purchases. We identified three instances where the Commission did discuss and approve purchases during our audit period.

- On November 3, 2005, in response to damage from Hurricane Katrina, the Commission passed a resolution declaring a public emergency and authorized consulting engineer GEC/KLL to waive the advertisement and bid solicitation

¹ Our sample did not include daily operating services contracts, employee benefits contracts, existing state contracts, and contracts less than \$1,000.

requirements to complete plans and specifications for the necessary emergency repairs to the nine-mile turnaround. The contract amount was \$921,300.

- On July 1, 2008, the Commission voted to modify the closed-circuit television system. The contract amount was \$1,192,950.
- On August 5, 2008, the Commission approved the replacement of a portable “lunchbox” programmer for the bascule control system for \$6,579. Although this amount falls under the general manager’s authority for approval, he still brought it to the Commission’s attention “in the realm of transparency.”

By making it a written policy to discuss and obtain approval on purchases over a certain limit in its commission meetings, GNOEC could further improve its transparency. This is also important because it would allow more consistency in GNOEC’s purchasing practices.

According to the general manager, he discussed the purchases above with the Commission in the interest of transparency. He also stated that it is GNOEC’s policy to discuss and get approval for non-budgeted purchases in excess of \$20,000. However, this policy is not documented anywhere, even though the Commission meeting minutes support this informal policy. Since GNOEC’s policies and procedures do not require the Commission to approve purchases over a certain amount, it would be good business practice for GNOEC to formally require this additional level of approval. First, it would ensure consistency in purchasing practices. Second, it would continue to allow full disclosure to the board and the public about GNOEC’s purchases.

GNOEC followed state law for open meetings. According to R.S. 42:4.1, it is essential that public business be performed in an open and public manner. In addition to one-on-one educational meetings between the general manager or GNOEC’s CPA and new commission members, GNOEC discussed the budget during public commission meetings.

Recommendation 1: GNOEC should expand its existing policies and procedures to include the necessary procedures for employees to follow to ensure compliance with Public Bid Law requirements for bidding non-construction contracts over \$20,000.

Summary of Management’s Response: GNOEC agrees with this recommendation. It will expand its existing policies and procedures to supplement the text of the PBL currently used as a basis for bidding non-construction contracts over \$20,000. In addition, GNOEC will include internal step-by-step instructions and procedures that are more straightforward for following and complying with PBL requirements.

Recommendation 2: GNOEC management and the Commission should determine the amount at which purchases must have Commission approval and formally adopt these requirements into its written policies and procedures.

Summary of Management's Response: GNOEC agrees with this recommendation. It has been GNOEC's informal policy to discuss and get approval for non-budgeted purchases in excess of \$20,000. Even though Commission meeting minutes support that this policy has been followed, GNOEC will make it official by formally adopting the \$20,000 threshold and the policy and including them in its written policies and procedures.

Objective 2: Does GNOEC monitor its contracts?

Although GNOEC hires engineering firms to externally monitor its construction contracts, GNOEC does not have written requirements or documentation pertaining to management's internal monitoring of non-construction contracts. By consistently reviewing best practices and incorporating them into its policies and procedures where necessary, GNOEC could strengthen management's role in monitoring non-construction contracts as well as improve the contract content itself.

GNOEC management does have monitoring procedures in place for construction contracts that are formally documented in its policies and procedures. GNOEC works with at least two and sometimes three different types of engineering firms on each construction project to perform monitoring activities.² The first type, the construction engineer, manages the project, reports on the progress of the project through inspection reports and monthly reports presented during Commission meetings, and approves the invoices for materials quantity and specification accuracy. The second type, the design (or bridge) engineer, ensures that the project and resulting invoices comply with the design specifications of the contract. The third type, the consulting (or outside) engineer, is employed according to a mandate in GNOEC's General Bond. This engineer is responsible for reviewing the Commission's construction and design engineers' hours and charges as well as the contractors' invoices for confirmation that the other two engineers have approved the invoices and ensuring that the invoices have proper signatures, are not duplicative, and went through the appropriate approval channels. The consulting engineer must approve all construction invoices before GNOEC receives the invoices for payment. Exhibit 2 on the following page summarizes the total amount paid to each engineering firm for monitoring the eight construction contracts active between November 1, 2005 and October 31, 2008. As of February 5, 2010, the total cost of these eight construction projects was \$26,907,724 and GNOEC had paid engineering firms \$4,121,959 of this total.

² GEC/KLL served as both the design engineer and the construction engineer on three of the eight construction contracts during our audit period, so only two engineering firms were paid on these projects (GEC/KLL and N-Y Associates, Inc.).

Exhibit 2

**GNOEC Payments as of February 5, 2010, to Engineering Firms for Construction Contracts*
Contracts Active November 1, 2005, Through October 31, 2008**

Project Name & Contract Beginning Date	Type of Engineering Firm	GEC/KLL	Burk-Kleinpeter, Inc.	Kyle Associates, LLC	Meyer Engineers, LTD	N-Y Associates, Inc.**
CCTV Cameras (5/28/04)	Design Engineer	\$347,129				
	Construction Engineer	297,603				
Fender Replacement (4/29/04)	Design Engineer	661,580				
	Construction Engineer		\$796,374			
N. Channel Bascule Marine Radar (4/8/04)	Design Engineer	188,283				
	Construction Engineer	85,036				
North Shore Merge Lanes (3/23/06)	Design Engineer	165,823				
	Construction Engineer		533,839			
North Shore Plaza Access/Egress (6/19/06)	Design Engineer	120,840				
	Construction Engineer				\$44,055	
NS Approach Road Drainage Improv. (6/15/04)	Design Engineer	200,945				
	Construction Engineer			\$224,101		
Piling Restoration (11/12/03)	Design Engineer	59,332				
	Construction Engineer	170,163				
NT Plaza Drive & Drainage Improv. (7/29/08)	Design Engineer	160,945				
	Construction Engineer			54,581		
Above 8 Construction Projects	Consulting Engineer					\$11,330
Total		\$2,457,679	\$1,330,213	\$278,682	\$44,055	\$11,330

*Amount paid to engineers (except N-Y Associates, Inc.) also may include costs for managing construction projects, writing bids, conducting inspections, materials, and reproduction costs.

**N-Y Associates, Inc., is responsible for reviewing all invoices for all construction projects.

Note: All payments are as of 2/5/10 except for N-Y Associates, Inc., which only includes payments from 11/1/05-10/31/08.

Source: Prepared by legislative auditor's staff using data from GNOEC.

GNOEC does not have written requirements or documentation pertaining to management's internal monitoring of non-construction contracts. According to GNOEC, management does perform some monitoring of its non-construction contracts; its internal document management system tracks payments and change orders, and a tickler system notifies management monthly of upcoming contract termination dates. Contractor fees and rates are also monitored by the accounting department. In addition, the Purchase Order Tracking System contains information related to payments of purchase orders less than \$10,000 and included a checklist for purchase order procedures. However, GNOEC does not require management to monitor its non-construction contracts for compliance with contract specifications or evaluate contractor performance, as the best practices below suggest. In addition, management could not produce any evidence of monitoring, such as checklists or reports for applicable contracts over \$10,000. Written criteria for the monitoring of non-construction contracts is limited to the approval and payment of invoices and does not include monitoring procedures for items and services purchased under contracts over \$10,000.

We identified some best practices from the National State Auditors Association (NSAA) to help GNOEC internally monitor its non-construction contracts to ensure that contractors and vendors meet the terms of the contracts. GNOEC could improve management's role in monitoring by incorporating the best practices listed below into its policies and procedures. This would help management ensure compliance with all aspects of the contracts, minimize potential future problems, and help ensure that GNOEC's money is spent efficiently.

The Louisiana Revised Statutes specify the requirements of state agencies regarding contract monitoring. R.S. 39:1500(A) states, in part, that upon entering into a professional, personal, consulting, or social service contract, the using agency shall have full responsibility for the diligent administration and monitoring of the contract. GNOEC would benefit by adopting similar guidelines into its policies and procedures that specifically require administration and monitoring throughout the contract. In addition, since GNOEC will become property of the state when all revenue bonds are paid in full, it makes sense that GNOEC should preemptively attempt to comply with all state regulations.

According to the book *Contracting for Services* published by the NSAA, contract monitoring is a crucial part of the contracting process. Without a sufficient monitoring process, the contracting agency does not have assurance it is receiving what it contracted for. To properly monitor a contract, the agency should:

1. Track budgets and compare invoices and charges to contract terms and conditions.
2. Ensure deliverables are received on time and document the acceptance or rejection of deliverables.
3. Withhold payments to contractors until deliverables are received.
4. Evaluate the contractor's performance on the contract against a set of pre-established, standard criteria and retain the record of contract performance for future use.

We also identified some best practice provisions that could improve the overall content of GNOEC's non-construction contracts. These provisions are from the Office of Contractual Review (OCR), the NSAA, and Florida's Council on Efficient Government. We reviewed all 28 contracts in our sample to determine if they met our best practices. Based on our review, GNOEC is already following most of these best practices provisions, but not all. GNOEC could improve its contract process by consistently including in its non-construction contracts the provisions listed below, as applicable:

- Clearly stated and defined scope of work
- Reporting requirements and due dates
- Payment information
- Performance guidelines
- Monitoring plan
- Non-performance and/or dispute resolution provisions
- Transition plan
- Audit and inspection guidelines
- Dates
- Termination and renegotiation provision
- Signatures and other basic requirements
- Accounting records requirements

Recommendation 3: GNOEC should formally adopt best practices into its written policies and procedures to help improve its internal monitoring process and help ensure that all contracts are monitored.

Summary of Management's Response: GNOEC agrees with this recommendation. Although GNOEC is currently following the applicable best practice provisions as outlined in *Contracting for Services*, the LA Office of Contractual Review (OCR), the National State Auditor's Association (NSAA), and Florida's Council of Efficient Government, GNOEC will make it official by formally adopting and incorporating them in more detail into its written policies and procedures.

Objective 3: Is GNOEC able to justify the use and cost of its take-home vehicles?

GNOEC does not maintain all necessary documentation that would enable it to justify the use and cost of its take-home vehicles. This is based on the fact that GNOEC does not have written policies and procedures to identify which employees are eligible to use a take-home vehicle and therefore cannot determine if the vehicles are assigned appropriately. According to GNOEC, it has an unwritten policy that take-home vehicles are assigned to personnel who are on 24-hour call and required to respond to all emergencies. GNOEC’s job descriptions do not include all positions that require employees to be on 24-hour call and thus drive a take-home vehicle. In addition, GNOEC’s written guidelines for take-home vehicle usage are not consistent. Finally, GNOEC does not calculate and review total costs for non-police take-home vehicles. During our audit period of November 1, 2005 through October 31, 2008, we calculated that GNOEC assigned between 26 and 28 take-home vehicles to non-police employees at a total cost of \$343,189. This total includes vehicle acquisition costs, maintenance costs, fuel costs, and insurance costs, minus any reimbursement employees provide to GNOEC for off-duty usage of the vehicle to and from work. We identified some best practices that could help GNOEC determine the appropriate assignment and usage of take-home vehicles.

GNOEC does not have written policies and procedures with criteria regarding which employees are eligible to use a take-home vehicle. According to the Director of Operations, take-home vehicles are assigned to personnel who are on 24-hour call and required to respond to all emergencies (e.g., accidents or fog on the Causeway). GNOEC considers these personnel “first responders” and integral to providing safe travel across the Causeway and reducing response time to emergency situations. However, GNOEC’s take-home vehicle assignment policy is not documented in its policies and procedures.

GNOEC is not a state agency; therefore, it is not required to follow state laws regarding take-home vehicles. However, state law does provide specific criteria for the assignment of take-home vehicles. In addition, since GNOEC will eventually become a state entity, it would be in GNOEC’s best interest to move toward compliance with state requirements. Adopting the state’s criteria would allow GNOEC to be more consistent in its assignment of take-home vehicles. According to state law, personally assigned and home storage vehicles must meet one or more of the following requirements:

- The vehicle should be assigned as a take-home vehicle and individually assigned vehicles only when the cost savings to the state is substantiated, the health and welfare of the general public are essentially affected, and appropriate authorities deem it to be in the best interest of the state.
- The performance of assigned duties requires the employee to drive in excess of the break-even mileage³ as established by the appropriate authorities.

³ According to the LPAA (Louisiana Property Assistance Agency), the break-even mileage is the point at which it is more fiscally prudent to provide a state vehicle rather than reimburse an employee for mileage from using a personal vehicle. The LPAA sets the break-even mileage at 15,000 miles.

- Law enforcement officers with the power of arrest who use this power in the regular performance of daily job duties and whose home storage of a fleet vehicle is deemed by their agency head to be in the best interest of public safety and law enforcement.
- Employees for whom the provision of transportation to and from the workplace is a condition of employment as approved at the time of employment by the appropriate authorities.
- Employees whose job duties require the use of special vehicles or vehicles with special equipment, installed outside of normal working hours and for whom home storage of such vehicles can be documented as either cost effective to the state or necessary to protect the safety or health of the public.

We identified an additional best practice GNOEC could apply to determine the appropriate assignment of take-home vehicles. The Louisiana Attorney General's Office determined that a three-prong test applied to a local entity's use of public funds for home storage of a public vehicle: there must be a public purpose when expending funds; the transaction must be looked at as a whole and cannot appear to be gratuitous on its face; and public entities must have an expectation of receiving something of value when expending public funds.⁴

GNOEC's job descriptions do not include all positions that require employees to be on 24-hour call and thus drive a take-home vehicle. GNOEC had between 26 and 28 non-police employees with take-home vehicles during our audit period, including a sales clerk⁵ and a Motorist Assistance Patrol (M.A.P.) operator.⁶ According to GNOEC, these employees are all cross-trained in various positions that require them to be on 24-hour call. However, based on GNOEC's current job descriptions, there are only five positions that meet the state's requirements for take-home vehicles or the requirements of the three-prong test. According to GNOEC management, it is updating job descriptions to reflect employees on 24-hour call and assigned a take-home vehicle.

GNOEC's written guidelines for take-home vehicle usage are not consistent. For example, section 508 of the *GNOEC Employee Manual* states that employees are not authorized to use take-home vehicles for personal use. However, according to the *Policies and Procedures Manual*, employees assigned take-home vehicles must restrict off-duty use to a 50-mile radius of the bridge, unless a supervisor approves otherwise. GNOEC should clarify its policies to accurately reflect management's criteria of take-home vehicles usage.

GNOEC does not calculate and review total costs for non-police take-home vehicles. GNOEC did provide supporting documentation that allowed us to calculate total vehicle cost and verified our calculations and methodology. Based on documentation obtained from GNOEC, we estimated the cost for between 26 and 28 non-police take-home vehicles during the audit period to be \$343,189, as shown in Exhibit 3 on the following page. These totals include vehicle acquisition costs, maintenance costs, fuel costs, and insurance costs, minus any reimbursement

⁴ Attorney General Opinion 01-0198 discusses the details of this case.

⁵ Toll Tag offices are open weekdays 7 a.m. - 7 p.m. (North Shore) and 9 a.m. - 5 p.m. (South Shore).

⁶ M.A.P. vehicles operate daily 5 a.m. - 8 p.m.

employees provide to GNOEC for off-duty usage of the vehicle to and from work. According to GNOEC management, it reviews the statements from the fuel provider monthly. However, without routine calculation and review of total take-home vehicle costs, management cannot evaluate whether these vehicles are used appropriately. Maintaining documentation of take-home vehicle costs would help management determine whether GNOEC’s resources are efficiently used as they continue to provide the same level of safety and services to Causeway motorists.

Exhibit 3							
Summary of GNOEC Costs for Non-Police Take-Home Vehicles							
FY	Acquisition Cost	Maintenance Cost	Fuel Cost	Total Insurance Costs	Total Costs	Employee Reimbursement for Off-Duty Use*	Total Costs After Deducting Employee Reimbursement
2006	\$76,055	\$17,692	\$70,243	\$12,600	\$176,590	(\$35,940)	\$140,650
2007	24,385	16,150	69,475	11,700	121,710	(37,860)	83,850
2008	24,491	25,127	98,789	12,600	161,007	(42,318)	118,689
Total	\$124,931	\$58,969	238,507	\$36,900	\$459,307	(\$116,118)	\$343,189
<p>*If employees choose to use their assigned vehicle when off-duty (to and from work), they must sign an agreement authorizing GNOEC to make monthly deductions from their paychecks based on the distance between an employee’s primary residence and GNOEC premises.</p> <p>Source: Prepared by legislative auditor’s staff using unaudited data provided by GNOEC.</p>							

GNOEC should considering applying best practices to help determine appropriate usage of take-home vehicles. The LPAA sets the break-even mileage at 15,000 miles⁷ and analyzes vehicles with less than this amount for underutilization. The break-even mileage is the point where it is more fiscally prudent to provide a state vehicle rather than reimbursing an employee for mileage from using a personal vehicle. A vehicle with an annual mileage reading of 15,000 or above is considered fiscally reasonable, while a reading below this limit indicates that it would be better financially for the state to reimburse the employee for mileage from using a personal vehicle. Our review of the mileage of GNOEC’s take-home vehicles found that 41% of GNOEC’s take-home vehicles did not meet the state’s criteria. Exhibit 4 shows our analysis.

Exhibit 4			
Analysis of GNOEC’s Take-Home Vehicle Mileage			
Mileage	Number of Vehicles	Percentage	Average Miles per Year
Above 15,000	20	59%	20,204
Under 15,000	14	41%	11,919
Total	34	100%	
<p>Source: Prepared by legislative auditor’s staff using information provided by GNOEC.</p>			

⁷ The Louisiana Legislative Auditor’s Office released a performance audit on the LPAA in October 2009. The audit discussed the break-even mileage for the state’s fleet of vehicles. According to the report, “the purpose of computing the break-even mileage annually is to monitor and evaluate whether there are an appropriate number of vehicles in the vehicle fleet.”

While GNOEC is not subject to the requirements established by LPAA, it could use the state's criteria as a guideline to conduct a similar comparison for its own fleet of vehicles. Following LPAA's criteria, GNOEC should analyze usage of 14 of its 34 take-home vehicles to determine underutilization. According to GNOEC, determining the need for vehicles based strictly on mileage usage would not properly measure the role its vehicles play in enhancing safety and efficiency. For example, the mileage of some vehicles may be low because of extended periods of engine idle time. However, GNOEC should perform some type of analysis of vehicle usage to determine vehicles that are potentially underused and require further review. We identified a best practice in Georgia's Fleet Management manual that could help GNOEC justify the use of take-home vehicles with low mileage. According to Georgia's Fleet Management manual, on-call staff must maintain documentation of the number of times they are called to a scene on a month-to-month basis. Only those individuals who have 12 call-outs per year will be authorized for take-home vehicle assignment on a routine basis. Performing this type of analysis, for example, could help GNOEC optimize its vehicle usage and potentially reduce the number of vehicles in its fleet, while still enabling GNOEC to provide the same level of safety and services for Causeway motorists. As a result, this could reduce vehicle maintenance and acquisition costs while fuel costs and mileage could be shifted to another vehicle.

Recommendation 4: GNOEC should formally adopt written policies and procedures with specific criteria governing which employees are eligible for take-home vehicles.

Summary of Management's Response: GNOEC agrees with this recommendation. Even though GNOEC is not a state agency and is already in compliance with applicable state law requirements for personally assigned and home storage non-police vehicles, GNOEC will make these compliances and practices official by formally adopting them into its written policies and procedures that include specific criteria governing which employees are eligible for take-home vehicles.

Recommendation 5: GNOEC should update its job descriptions to include all positions that require employees to be on 24-hour call.

Summary of Management's Response: GNOEC agrees with this recommendation. Employees assigned a vehicle are required to acknowledge by signature the policies and procedures for take-home vehicles. The job description for those employees assigned a vehicle will be expanded to include more specific criteria.

Recommendation 6: GNOEC should routinely calculate and review total take-home vehicle costs to ensure appropriate usage.

Summary of Management's Response: GNOEC agrees with this recommendation. GNOEC maintains and reviews documentation of costs in the forms of actual fuel invoices and maintenance records. Costs data are being compiled into spreadsheets to facilitate the review, analysis and evaluation to ensure appropriate use of assigned take-home vehicles.

Recommendation 7: GNOEC should formally adopt written policies and procedures with specific criteria governing the appropriate use of take-home vehicles.

Summary of Management's Response: GNOEC agrees with this recommendation. GNOEC will add language to its current policies to provide additional guidance regarding personal use of its assigned vehicles.

Recommendation 8: GNOEC should maintain documentation to evaluate and justify its use of take-home vehicles for non-police employees.

Summary of Management's Response: GNOEC disagrees with this recommendation. Identification of a best practice in Georgia's Fleet Management manual that on-call staff must maintain documentation of the number of times they are called to a scene on a month-to-month basis and only individuals who have 12 call-outs per year will be authorized for take-home vehicle assignment on a routine basis is not applicable to the Causeway's first responder assignments of non-police employees.

Legislative Auditor's Additional Comments: GNOEC's response does not address our recommendation for the documentation to evaluate and justify its use of take-home vehicles for non-police employees.

Recommendation 9: GNOEC should consider applying best practices regarding the analysis of take-home vehicle usage to determine if they are underutilizing take-home vehicles.

Summary of Management's Response: GNOEC disagrees with this recommendation. The use of assigned take-home vehicles is based on the need for designated employees to have access to vehicles that are appropriately equipped to meet the safety and efficiency needs of the agency as Causeway Bridge first responders. It would not be appropriate to measure the assignment of take-home vehicles by mileage usage.

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APPENDIX A: MANAGEMENT'S RESPONSE



FRANK L. LEVY
Chairman
LAWRENCE K. KATZ
Vice Chairman
PAT BRISTER
Secretary
LAWRENCE M. RASE
Treasurer
PETER EGAN
Assistant Secretary / Treasurer
CARLTON F. DUFRECHOU
General Manager

GREATER NEW ORLEANS EXPRESSWAY COMMISSION

P. O. BOX 7656, METAIRIE, LOUISIANA 70010 • TELEPHONE 835-3118 • FAX 835-2518
www.thecauseway.com • email: gnoec@gnoec.org

April 5, 2010

Mr. Daryl G. Purpera, CPA
Louisiana Legislative Auditor
P. O. Box 94397
Baton Rouge, LA 70804-9397

Dear Mr. Purpera:

As Chairman of the Greater New Orleans Expressway Commission and on behalf of the Commission and its management team, I want to express my appreciation for the professionalism you and your staff exhibited throughout this detailed performance audit process and for the courtesies extended to me during our meetings and conference calls.

As discussed, the audit determined the GNOEC is in compliance with state laws and applicable best practices. Further, the audit found the GNOEC free of fraud, theft, mismanagement of funds, kickbacks, deception, improprieties or any wrong-doings. The GNOEC thanks you for this positive audit report, which we believe will give confidence to the general public. We have reviewed the audit report and offer the following brief observations.

The audit report acknowledges that the GNOEC was created by the 1921 Louisiana Constitution and is not a state agency. The audit determined and acknowledged that even though the GNOEC is not a state agency, it does comply with the state Public Bid Laws, state Open Meetings Laws, maintains appropriate oversight on its construction and non-construction contracts. The recommendations are that the procedures currently being performed should be formally adopted and included in GNOEC's existing written policies and procedures.

The GNOEC requires that management implement and oversee systems that provide efficient operations with an emphasis on compliance with the laws of the State of Louisiana. The results of your audit are an indication of the success of the system of controls in place.

We would like to express our concerns as to the LAA comments relating to the take-home vehicle policy. The enabling authority of the 1921 Louisiana Constitution mandates that the GNOEC operate this agency as a toll facility, 24 hours every day, seven days every week. As a stand alone agency, the GNOEC'S mission requires its first responders to carry out a host of assignments to operate the World's Longest Bridge over water. The Causeway Bridge is a total

Mr. Daryl Purpera
April 5, 2010
Page 2

of forty-eight miles of two-lane roadway, north and south, crossing Lake Pontchartrain, with no shoulders, leaving motorists with limited or no room to maneuver when encountering vehicular breakdowns, accidents, debris in the roadway, fog, hurricanes, evacuations, bridge repairs, etc., and with the potential for accidents that create major regional traffic gridlock issues.


The recommended Louisiana Property Assistance Agency's (LPAA) best practice to determine appropriate usage of take-home vehicles based on mileage criteria is not conducive to the GNOEC mission of public safety. The assigned take-home vehicles are on 24-hour call and are GNOEC emergency response vehicles with specialized personnel, tools and equipment. These vehicles are clearly marked as GNOEC vehicles and are equipped with lights, radios, fire extinguishers, life rings, rope ladders, first aid kits, rescue and special emergency equipment to assist motorists, provide safe travel across the Causeway and reduce response time in reaching a motorist in distress. They must also respond to incidents with toll equipment, the bascule (a complex drawbridge system), electrical issues, lighting issues, and water rescue, to name a few.

The GNOEC is proud of its stellar safety record, one of the best in the world, resulting from the agency's safety programs. There has not been a traffic fatality in more than two years on the Causeway Bridge. As a toll facility financed by user fees, the GNOEC is obligated to provide these services.

As recommended by LLA, the procedures currently being performed by the GNOEC, will be formally adopted and made a part of its existing written policies and procedures. The formal responses of the Greater New Orleans Expressway Commission are attached.

Very truly yours,

Greater New Orleans Expressway Commission



Frank L. Levy
Chairman

Attachment

Greater New Orleans Expressway Commission
Response to Performance Audit
April 5, 2010

Objective 1: Is GNOEC in Compliance with State Laws Governing the Bidding of Contracts and Open Meetings?

Results: GNOEC's contract bidding practices are in compliance with state law. While GNOEC properly bid all applicable contracts in our audit period, it could improve its bidding process by developing more detailed written policies and procedures for purchases greater than \$20,000. GNOEC could also improve its practices by consistently discussing and obtaining approval from the Commission for its purchases over a certain amount. Finally, GNOEC is in compliance with state open meetings laws.

Recommendation 1: GNOEC should expand its existing policies and procedures to include the necessary procedures for employees to follow to ensure compliance with Public Bid Law requirements for bidding non-construction contracts over \$20,000.

GNOEC Response: As acknowledged by LLA, GNOEC's existing Policies and Procedures Manual contains the text of the Public Bid Law, purchasing guidelines by GNOEC's General Counsel and purchase order procedures, which include references to the PBL. Purchasing responsibilities are limited to specific management positions, not all employees. By following the existing internal purchasing guidelines, including PBL, detailed in the policies and procedures manual, all purchases are performed properly and in accordance with state laws. **GNOEC will expand its existing policies and procedures to supplement the text of the PBL currently used as a basis for bidding non-construction contracts over \$20,000 and will include additional internal step-by-step instructions and procedures that are more straightforward for following and complying with PBL requirements.**

Recommendation 2: GNOEC management and the Commission should determine the amount at which purchases must have Commission approval and formally adopt these requirements into its written policies and procedures.

GNOEC Response: Since 1981, GNOEC has followed the \$20,000 purchasing threshold, which is the same limit set forth in the Public Bid Law. It has been GNOEC's policy to discuss and get approval for non-budgeted purchases in excess of \$20,000. The Commission will take appropriate action to confirm that GNOEC continues to follow the Public Bid Law and purchase amounts in excess of the \$20,000 threshold will be approved. Any changes in the Public Bid Law will be adhered to by the Commission. **Even though Commission meeting minutes support this policy has been followed, GNOEC will make it official by formally adopting the \$20,000 threshold and the policy, and including them in its written policies and procedures.**

Objective 2: Does GNOEC Monitor its Contracts?

Results: Although GNOEC hires engineering firms to externally monitor its construction contracts, GNOEC does not have written requirements or documentation pertaining to management's internal monitoring of non-construction contracts. By consistently reviewing best practices and incorporating them into its policies and procedures where necessary, GNOEC could strengthen management's role in monitoring contracts as well as improve the contract content itself.

Recommendation 3: GNOEC should formally adopt best practices into its written policies and procedures to help improve its internal monitoring process and help ensure that all contracts are monitored.

GNOEC Response: GNOEC does require management to monitor its non-construction contracts. Non-construction contracts are monitored by means of the Purchase Order Tracking System. GNOEC provided examples from the Purchase Order Tracking System that included checklists and other pertinent information on non-construction invoices. GNOEC currently reviews contracts and invoices to ensure charges are correct and there are no overpayments, receipt of deliverables is documented, and payments are withheld until deliverables are received as outlined in *Contracting for Services* provided by LLA. **Even though GNOEC is currently following the applicable best practice provisions as outlined in *Contracting for Services*, the LA Office of Contractual Review (OCR), the National State Auditor's Association (NSAA) and Florida's Council on Efficient Government, GNOEC will make it official by formally adopting and incorporating them in more detail into its written policies and procedures.**

Objective 3: Is GNOEC Able to Justify the Use and Cost of its Take-Home Vehicles?

Results: GNOEC spent \$343,189 on the acquisition and maintenance of approximately 28 non-police take-home vehicles during our three year audit period. However, GNOEC does not maintain all necessary documentation that would enable it to justify the use and cost of these take-home vehicles. This is based on the fact that GNOEC does not have written policies and procedures to identify which employees are eligible to use a take-home vehicle or to determine that those who should have assigned vehicles are using them appropriately. According to GNOEC, it has an unwritten policy that take-home vehicles are assigned to personnel who are on 24-hour call and required to respond to all emergencies. However, GNOEC's job descriptions are not updated to include all positions that require employees to be on 24-hour call and thus drive a take-home vehicle. Also, GNOEC's written guidelines for take-home vehicles usage are not consistent and GNOEC does not calculate and review total costs for non-police take-home vehicles. We identified some criteria that will help GNOEC determine the appropriate assignment and usage of take-home vehicles.

GNOEC Response: The \$343,189 cost noted by LLA during the three-year audit period equates to an average of \$4,086, including acquisition costs, for each year, for each of the 28 non-police take-home vehicles. **Causeway personnel assigned take-home vehicles are on 24-hour call, and as first responders, they provide essential safety and rescue services for the**

motoring public using the Causeway Bridge. The Greater New Orleans Expressway Commission is an agency that is manned to operate and maintain the Causeway Bridge twenty-four hours every day, seven days a week in accordance with the requirements of its Trust Indenture. The Causeway Bridge is a total of forty-eight miles of two-lane roadway, north and south, crossing Lake Pontchartrain, with no shoulders for stopping in emergency situations. GNOEC is a traffic and emergency response agency with the first and foremost responsibility of safety for the motoring public, along with immediate and appropriate response to situations on the Causeway Bridge. Employees assigned a take-home vehicle are first responders for the Causeway Bridge who are cross-trained in several areas and whose vehicles are equipped with lights, radios, fire extinguishers, life rings, rope ladders, first aid kits, rescue and special equipment to assist motorists, provide safe travel across the Causeway and reduce response time in reaching a motorist in distress.

During inclement weather, fog and/or other conditions, the Causeway first responders implement appropriate restrictions, rolling convoys and right lane only travel to ensure the safety of the motoring public. **The Causeway has an outstanding and unmatched safety record due to its first responder operations.**

In addition to being Causeway Bridge first responders, GNOEC employees assigned take-home vehicles ensure that the Causeway roadways remain clear of any hazardous items/materials (i.e. debris, gravel, oil and any other items that may be dropped or spilled from a vehicle). Employees with take-home vehicles are called out at all times to make repairs to damages sustained (i.e. railings knocked out, toll lane barricade arms, bascule barricade arms, etc.).

GNOEC currently maintains and reviews vehicle costs in the forms of actual fuel invoices and maintenance records. Schedules and spreadsheets are prepared to facilitate the evaluation of the appropriate use of take-home vehicles.

Recommendation 4: GNOEC should formally adopt written policies and procedures with specific criteria governing which employees are eligible for take-home vehicles.

GNOEC Response: As acknowledged by LLA, the GNOEC is not a state agency, therefore it is not required to follow state laws regarding take-home vehicles. **According to state law, personally assigned and home storage vehicles must meet one or more of five requirements. Even though the GNOEC is not a state agency, it complies with two of the five state law requirements for personally assigned and home storage non-police vehicles:**

- The vehicle should be assigned as a take-home vehicle and individually assigned vehicles only when the cost savings to the state is substantiated, the health and welfare of the general public are essentially affected, and appropriate authorities deem it to be in the best interest of the state.
- Employees whose job duties require the use of special vehicles or vehicles with special equipment, installed outside of normal working hours and for whom storage of such

vehicles can be documented as either cost effective to the state or necessary to protect the safety or health of the public.

Even though GNOEC is not a state agency, all take-home vehicle assignments meet the requirements of the Louisiana Attorney General's Office three-prong test applied to a local entity's use of public funds for home storage of a public vehicle:

- **There must be a public purpose when expending funds:** Greater New Orleans Expressway Commission is an agency that is manned to operate and maintain the Causeway Bridge twenty-four hours every day, seven days a week in accordance with the requirements in its Trust Indenture. **GNOEC is a traffic and emergency response agency with the first and foremost responsibility of safety for the motoring public, along with immediate and appropriate response to situations on the Causeway Bridge. Employees assigned a take-home vehicle are first responders for the Causeway Bridge to ensure the safety of the motoring public. The Attorney General, in his Opinion #90-370, stated "the public purpose of providing 24-hour transportation for an individual with a 24-hour job is clear. It facilitates the prompt response.....when a problem arises."**
- **The transaction must be looked at as a whole and cannot appear to be gratuitous on its face:** In looking at the transaction as a whole, it does not appear to be gratuitous on its face because of the safety and emergency response benefit provided to the motoring public using the Causeway Bridge.
- **Public entities must have an expectation of receiving something of value when expending public funds:** The expectation received is saving lives, providing safe travel across the Causeway and reducing response time in reaching a motorist in distress, which are things of significant value. The Causeway Bridge's stellar safety record is outstanding and unmatched.

Even though GNOEC is not a state agency and is already in compliance with applicable state law requirements for personally assigned and home storage non-police vehicles and meets the Louisiana Attorney General's three-prong test applied to a local entity's use of public fund for home storage of a public vehicle, GNOEC will make these compliances and practices official by formally adopting them into its written policies and procedures that include specific criteria governing which employees are eligible for take-home vehicles.

Recommendation 5: GNOEC should update its job descriptions to include all positions that require employees to be on 24-hour call.

GNOEC Response: Employees assigned a GNOEC vehicle are required to acknowledge by signature the policy and procedures for take-home vehicles as well as the fact that they are on 24-hour call. **The existing Take-Home Policy and Procedures provide specific criteria governing the appropriate use of take-home vehicles. The job description for those employees assigned a GNOEC vehicle will be expanded to include more specific criteria.**

Recommendation 6: GNOEC should routinely calculate and review total take-home vehicle costs to ensure appropriate usage.

GNOEC Response: GNOEC maintains and reviews documentation of costs in the forms of actual fuel invoices and maintenance records. **Costs data are being compiled into schedules and spreadsheets to facilitate the review, analysis and evaluation to ensure appropriate use of assigned take-home vehicles.**

Recommendation 7: GNOEC should formally adopt written policies and procedures with specific criteria governing the appropriate use of take-home vehicles.

GNOEC Response: As per GNOEC's existing policy: "The assignment of take-home vehicles is for the convenience and benefit of the agency to operate efficiently for the safety of the motoring public. The purpose of assigning a take-home vehicle is to enhance the response time of employees who are required to respond to agency business even when off-duty and to afford the agency the resources for management and oversight at any time. The assignment of a take-home vehicle provides these employees immediate access to communications and transportation capabilities as well as a means for immediate and timely response in any situation."

The last update of the existing Policy and Procedures for Take-Home Vehicles was on August 14, 2008. The Take-Home Policy and Procedures provide specific criteria governing the appropriate use of take-home vehicles. **Language will be added to the current policies to provide additional guidance regarding personal use of the assigned vehicle as follows:**

- **The vehicle cannot be used for personal purposes other than commuting and de minimis personal use such as stopping for a personal errand during the commute or while on duty. Employees are responsible for reimbursing the GNOEC for other than de minimis personal use at applicable IRS mileage rates. Personal use of a vehicle is all use that is not in connection with the employees' job duties except for that which is de minimis (minor) in nature. (Per Internal Revenue Service Guidelines)**

Recommendation 8: GNOEC should maintain documentation to evaluate and justify their use of take-home vehicles for non-police employees.

GNOEC Response: Identification of a best practice in Georgia's Fleet Management manual that on-call staff must maintain documentation of the number of times they are called to a scene on a month-to-month basis and only individuals who have 12 call-outs per year will be authorized for take-home vehicle assignment on a routine basis is not applicable to the Causeway's first responder assignments of non-police employees. GNOEC is a traffic and emergency response agency with the first and foremost responsibility of safety for the motoring public, along with immediate and appropriate response to situations on the Causeway Bridge. **Employees assigned a take-home vehicle are first responders for the**

Causeway Bridge who are cross-trained in several areas and whose vehicles are equipped with lights, radios, fire extinguishers, life rings, rope ladders, first aid kits, rescue and special equipment to assist motorists, provide safe travel across the Causeway and reduce response time in reaching a motorist in distress.

During inclement weather, fog and/or other conditions, the Causeway first responders implement appropriate restrictions, rolling convoys and right lane only travel to ensure the safety of the motoring public. The Causeway has an outstanding and unmatched safety record due to its first responder operations.

In addition to being Causeway Bridge first responders, GNOEC employees assigned take-home vehicles ensure that the Causeway roadways remain clear of any hazardous items/materials (i.e. debris, gravel, oil and any other items that may be dropped or spilled from a vehicle). Employees assigned take-home vehicles are called out at all times to make repairs to damages sustained (i.e. railings knocked out, toll lane barricade arms, bascule barricade arms, etc.).

Recommendation 9: GNOEC should consider applying best practices regarding the analysis of take-home vehicle usage to determine if they are underutilizing take-home vehicles.

GNOEC Response: The use of assigned take-home vehicles is based on the need for designated employees to have access to vehicles that are appropriately equipped to meet the safety and efficiency needs of the agency as Causeway Bridge first responders. It would not be appropriate to measure the assignment of take-home vehicles by mileage usage. The mission and purpose of these assigned vehicles are to enhance the ability of management to deploy necessary resources to monitor and respond to the unique incident and safety requirements of the Causeway Bridge. The vehicles are assigned for reason of public safety and to enable Causeway first responders to provide the essential safety and rescue services for the motoring public using the Causeway Bridge. The Louisiana Property Assistance Agency (LPAA) best practice of break-even mileage is not applicable to first responder take-home vehicles.

**APPENDIX B: HOUSE CONCURRENT RESOLUTION NO. 126
OF THE FIRST EXTRAORDINARY LEGISLATIVE SESSION OF 2008**

Regular Session, 2008

HOUSE CONCURRENT RESOLUTION NO. 126

BY REPRESENTATIVE LABRUZZO

A CONCURRENT RESOLUTION

To urge and request the legislative auditor to conduct an audit of the Greater New Orleans Expressway Commission.

WHEREAS, R.S. 47:820.5.1 provides that, in the exercise of its toll powers, the Greater New Orleans Expressway Commission is authorized to exercise the police powers of the state as necessary to maintain the peace and accomplish the orderly handling of authority; and

WHEREAS, R.S. 47:820.5.1 mandates that no motor vehicle shall be driven through a toll collection facility on the Greater New Orleans Expressway, commonly referred to as the "Causeway", without payment of the proper toll; and

WHEREAS, the Greater New Orleans Expressway Commission is responsible for the maintenance, improvement, and restoration of the Causeway and enters into contracts with a number of entities for those projects; and

WHEREAS, the Greater New Orleans Expressway Commission provides around-the-clock law enforcement and motorist assistance for the thirty thousand vehicles traveling on the Causeway each day and the fifty thousand vehicles traveling on the Huey P. Long Bridge, on weekdays between 6:00 a.m. and 10:00 p.m.; and

WHEREAS, the Greater New Orleans Expressway collects tolls from persons using the expressway, particularly the citizens of Jefferson and St. Tammany parishes; and

WHEREAS, the public has the right to know where and how toll monies are being spent by the Greater New Orleans Expressway Commission.

THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby urge and request the legislative auditor to conduct an audit, which would include a performance audit, of the Greater New Orleans Expressway Commission.

HCR NO. 126

ENROLLED

BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to the legislative auditor and the chairmen of the Greater New Orleans Expressway Commission.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE