



AUDIT REPORT



DATE December 20, 2018

NO. 2018-007

DISTRICT 22 MEDICAL EXAMINER OFFICE

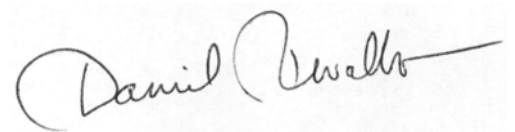
INTERNAL AUDIT DIVISION
ROGER D. EATON
CLERK OF THE CIRCUIT COURT AND COUNTY COMPTROLLER
CHARLOTTE COUNTY FLORIDA

Honorable Roger D. Eaton
Charlotte County Clerk of the Circuit Court and Comptroller
350 East Marion Avenue
Punta Gorda, Florida 33950

We have completed an audit of the District Medical Examiner Office. The purpose of this audit was to ensure adequate controls exist regarding operations, budgeted amounts, records are properly maintained, and requirements are met as per the contract.

The report details the current control environment and includes our comments and recommendations. Management responses from each the Budget and Administrative Services Director and the District 22 Medical Examiner have been included and immediately follow the audit report.

Respectfully submitted,

A handwritten signature in black ink that reads "Daniel Revallo". The signature is written in a cursive style with a long horizontal stroke extending to the right.

Daniel Revallo
Internal Audit Director

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EXECUTIVE SUMMARY

The Internal Audit Division completed an audit of the District 22 Medical Examiner Office for Charlotte County.

Procedures performed during the audit determined the following:

1. The agreement between Charlotte County and Dr. Riazul H. Imami for Medical Examiner Services (hereinafter the "Contract") is current and enforceable.
2. Medical Examiner services provided are consistent with Chapter 406, Florida Statutes, as well as the services described in the Contract's Scope of Services (referred to as "Exhibit A").
3. Tangible personal property valued at \$1,000 or more and purchased utilizing County funds are appropriately tagged as County property.
4. Proposed budgets, quarterly financials and workload statistic reports are provided to the County in a timely manner.
5. County funds expended by the Medical Examiner's Office appeared both reasonable and expended with public purpose.
6. Approved budgets were considered adequate to meet operating expenses for the fiscal years reviewed.

The following is a summary of our audit recommendations:

1. **We recommend** the County and Medical Examiner agree to contract provisions governing the disposition of end-of-year budget variances, whether savings or costs.
2. **We recommend** the County ensure Certificates of Insurance are on file with the County.
3. **We recommend** the Contract be amended to only include the current budget submitted, provided the County has the remaining details on file.
4. **We recommend** the County ensure compliance between financial reports and contract provisions.
5. **We recommend** the County verify what detail level of operating expenses needs to be included in the Medical Examiner's annual budget as approved by the County.
6. **We recommend** the County and Medical Examiner agree to language improvements in the Contract regarding Travel Expenditures.
7. **We recommend** that the Contract be amended to further clarify salaries and benefits, to eliminate any confusion in the future.

Further details of these comments and recommendations are included in the following pages of this report.

BACKGROUND

Medical Examiners are practicing physicians in Pathology. Chapter 406, Part 1, of the Florida Statutes (the “Medical Examiner’s Act”) describes the responsibilities and requirements of the twenty-five (25) Districts serving the State of Florida. In addition, Florida Administrative Code 11G – Records, Autopsy Reports, provides for the records to be maintained by each district medical examiner.

Charlotte County, which is the sole county served by District 22, contracts with Dr. Riazul Imami, M.D., Ph.D., as the County’s Medical Examiner. Consistent with other Florida districts, Dr. Imami performs procedures such as examinations, investigations and autopsies as well as the issuance of cremation approvals, etc. Workload statistics are reported by each district medical examiner to the Medical Examiner Commission annually.

The Florida Governor appoints the various district medical examiners. Dr. Imami’s most recent appointment occurred on July 27, 2018, extending his role as the District 22, Medical Examiner until July 1, 2020.

Dr. Imami’s previous reappointment expired on July 1, 2017, providing for a gap year between his term expiration and his recent reappointment. According to Dr. Imami, “The incumbent District Medical Examiner continues to serve until reappointed or replaced by the Governor, pursuant to Article X, Section 3, of the Florida Constitution.” The County explained that reappointments are dependent on the Governor, not the County or Medical Examiner.

The contractual agreement between Charlotte County and Dr. Imami commenced on October 1, 2015. Pursuant to Section 3, the Contract automatically renewed for “subsequent three (3) year terms” upon his reappointment. Given his recent reappointment, it would appear, as the Contract will expire simultaneously with Dr. Imami’s appointed term on July 1, 2020.

AUDIT OBJECTIVES

The purpose of this audit is to determine whether controls are in place to ensure:

1. That the funds provided by the County to operate the Medical Examiner’s Office are spent appropriately,
2. That amounts budgeted by the Medical Examiner are sufficient, but not excessive, in order to meet expenses incurred on a fiscal basis,
3. The Contract between the County and the Medical Examiner is current and that all requirements of the Contract are being met, and
4. That records are being maintained by the Medical Examiner in accordance with Florida Administrative Code 11G – Records, Autopsy Reports.

SCOPE AND METHODOLOGY

The audit considered a 24-month transaction period, including both fiscal years ended September 30, 2016 and 2017. We obtained and analyzed various documents consisting of (but not limited to) the approved annual budgets, the quarterly financial expense reports, check registers and detail support, transaction receipts and/or statements, etc. and any other records deemed necessary to satisfy the audit objectives.

In addition, we interviewed various individuals to obtain an understanding of operations from both the County and the Medical Examiner's Office.

We evaluated the Medical Examiner's operations against the applicable Florida Statutes, Florida Administrative Code, Practice Guidelines, the Contract for Medical Examiner Services, the 2016 and 2017 budgets, and the prior 2008 audit findings, etc.

Medical Examiner expenses are included in the County's General Fund. Over 80% of expenses paid are for Professional Services, which include the salaries, benefits and operating expenses for the Medical Examiner's Office.

Professional Services paid by the County over the past five fiscal years are as follows:

2017	\$555,398
2016	\$499,797
2015	\$434,800
2014	\$429,900
2013	\$431,900

Operating expenses decreased slightly over fiscal year 2016. The top three (3) operating expenses included autopsy supplies, office supplies and toxicology fees. Toxicology fees alone yielded approx. 44% of the operating expense budgeted for both fiscal years. Autopsy and office supplies were each approx. 15%.

Overall, County funds employed to operate the Medical Examiner's office appear both appropriate in nature and with public purpose. Likewise, the approved annual budgets were considered appropriate to meet operational needs.

COMMENTS AND RECOMMENDATIONS

1. The Contract does not provide a scope to disposition of Medical Examiner Funds Remaining or Owed

Medical Examiner expenses, both appropriate in nature and with public purpose, exceeded budget by \$397 and \$482 for fiscal years ended September 30, 2016 and 2017 (as audited), respectively. The County did not reimburse these funds, though required by the Contract in its current form.

Pursuant to Section 4, Part G of the Contract, "Any portion of the approved budgeted amount that is not actually used by the Medical Examiner for salaries, benefits, and expenses shall be retained by the County at the end of the fiscal year. Any reasonable operating expenses incurred that are over the approved budget amount shall be initially paid by the Medical Examiner but will be reimbursed by the County at the end of the fiscal year."

The Contract seeks to ensure parties are made whole when actual results vary from the approved budgeted amounts. The Contract, in its current form, does not provide either a threshold to act on budget to actual variances, or an opportunity to provide discretion over this process.

We recommend the County and Medical Examiner agree to contract provisions governing the disposition of end-of-year budget variances, whether savings or costs.

2. Certificates of Insurance held and sent by the Medical Examiner were not found in the County

The required certificates of insurance while current with the Medical Examiner, were not on file with the County's Risk Management Department.

Pursuant to Section 15, Part E of the Contract, "Certificates of insurance shall be provided to Charlotte County Risk Management..."

Without the required certificates, the County is unable to verify coverage is both current and maintained within the established guidelines noted in the Contract. An unknown lapse in coverage could result in undue risk and exposure.

We recommend the County ensure Certificates of Insurance are on file with the County.

3. Budget Details Not in Compliance with the Contract

Proposed budgets did not include historical details as described in the Contract.

Section 11, Part A states, "The budget submission shall include a budget proposal for all services and shall indicate the previous fiscal year's actual, current fiscal year estimated and subsequent fiscal year proposed revenues, expenses and net impact associated with the operations of the Medical Examiner."

Excluding details such as previous fiscal year's actual and current fiscal year estimated, etc. may impede the Contract's potential goal to easily compare proposed budgets to prior year(s) and/or identify known or anticipated future funding needs, if this information is not available.

We recommend the Contract be amended to only include the current budget submitted, provided the County has the remaining details on file.

4. Financial Reports Lack Support

Financial Reports provided on a quarterly basis lack the check register and necessary supporting details.

Pursuant to Section 11, Part B (2) of the Contract the "Medical Examiner shall provide County, on a quarterly basis, with a copy of his check register and supporting details."

The County is unable to validate that the expenses incurred are both reasonable and with public purpose without consideration of the check register. Review would enable the County to identify any questionable items and to request further support, as considered necessary.

We recommend the County ensure compliance between financial reports and contract provisions.

5. Operating Expenses Not Detailed on Budget

During our review, we noted petty cash transactions were not provided in detail. Cumulative petty cash expenditures were \$841 and \$1,222 for fiscal years ended September 30, 2016 and 2017, respectively.

Pursuant to Section 4, Part C of the Contract, "The Medical Examiner shall also be entitled to receive County funds to pay for the reasonable and necessary expenses of operating his office, provided that such expenses have been included in the Medical Examiner's annual budget as approved by the County."

The budgets provided do not break out the reasonable and necessary expenses of operating the Medical Examiner's office. As a result, there is no way to determine if the petty cash expenditures noted are approved, reasonable and necessary for current operations.

We recommend the County verify what detail level of operating expenses needs to be included in the Medical Examiner's annual budget as approved by the County.

6. Travel Expenditures language needs improvement in the Contract (Repeat Comment: Reported in the 2008 Audit as a non-compliance issue.)

The Contract states, "As required by Section 112.061, Medical Examiner and his employees shall be required to document all travel expenditures on the approved County form in order to be reimbursed for such expenditures. Reimbursement will be at the current County-approved mileage rate and shall be paid by Medical Examiner as an operating expense."

Travel expenditures are necessary for Medical Examiner employees to perform their responsibilities in the field.

The response of the Medical Examiner in 2008 was "Any employee travel reimbursements paid from the Medical Examiner's budget will be documented in sufficient detail to comply with Florida Statute 112.061. The county auditors have recently provided the proper form for future documentation."

Since that audit, the Medical Examiner instituted auto mileage reimbursement forms and comp time/mileage slips and monthly mileage logs broken down in weeks which are used as support for reimbursement. The auto mileage reimbursement forms were evidenced as incomplete, some missing point of origin, destination, mileage, purpose of travel and signatures. The form provided by the County auditors was not utilized.

The Contract requires travel expenditures documented on an approved County form for reimbursement, yet are paid as an operating expense. The County does not see the travel expenditure forms, auto mileage reimbursement forms, mileage slips and mileage logs during course of their reviews.

We recommend the County and Medical Examiner agree to language improvements in the Contract regarding Travel Expenditures.

7. Contract Not Clear on Salaries and Benefits

Section 4, Part B "Salaries and Benefits" of the Contract does not provide clear language as to what benefits should be paid out of County funds.

We recommend that the Contract be amended to further clarify salaries and benefits, to eliminate any confusion in the future.

FOLLOW UP ON PRIOR COMMENTS

We reviewed the prior Medical Examiner Office audit performed in 2008. The majority of the comments and recommendations were appropriately addressed when the present Contract was negotiated and executed in September 2015. Documentation maintained for district travel, however, remains an area for improvement. Refer to the “Comments” section. **(Implemented, pending Comment 6 in this report)**

CONCLUSION

Our review determined opportunities to improve and enhance the Medical Examiner Contract and documentation.

ACKNOWLEDGEMENT

We would like to thank the Medical Examiner and his staff for their support and cooperation as well as County Administration, Purchasing, Fiscal Services, Risk Management, the Supervisor of Elections Office, the County Attorney Office and the Clerk of the Circuit Court Comptroller’s Division for their assistance in the completion of this audit.

Audit performed by:

Misti Payette

Internal Auditor

Charlotte County Clerk of Court and County Comptroller



OFFICE OF THE DISTRICT MEDICAL EXAMINER
District 22, State of Florida
Charlotte County
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Port Charlotte, FL 33954
(941) 625-1111

District Medical Examiner
R.H. Imami, M.D., Ph.D.
Forensic Odontologist
Judith Y. Marshall, D.M.D.

December 10, 2018

Honorable Roger Eaton
Clerk of the Circuit Court and County Comptroller
350 East Marion Avenue
Punta Gorda, FL 33950

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Re: Audit – Medical Examiner Office – District 22

Dear Mr. Eaton,

In response to the audit report, conducted as per your office letter, dated June 25, 2018, from Dan Revallo, Director, Internal Audit, my response to the audit comments and recommendations is as under:

1. Medical Examiner agrees with the recommendation: “the County and Medical examiner agree to contract provisions governing the disposition of end-of-year-budget variances”.
2. Medical Examiner agrees with the recommendation: “the County ensure Certificates of Insurance are on file with the County”.
3. Medical Examiner agrees with the recommendation: “the contract be amended to only include the current budget submitted, provided the County has the remaining details on file”.
4. Medical Examiner agrees with the recommendation: “the County ensure compliance between financial reports and contract provisions”.

Furthermore, the Medical Examiner states that at the beginning of the contract period, he provided the documents specified in the contract (including the check register). After submission of the first quarterly report, the County stated that the check register was not necessary. Medical Examiner has continued to provide a detailed quarterly report (without check register). The Medical Examiner requests the contract be amended to reflect which documents the county now finds necessary each quarter.

5. Medical Examiner agrees with the recommendation: “the County verify what detail of operating expenses needs to be included in the Medical Examiner’s annual budget as approved by the County”.

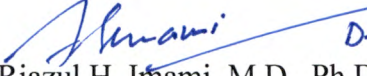
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6. Medical Examiner agrees with the recommendation: “the County and Medical Examiner agree to language improvements in the Contract regarding Travel Expenditures”.

7. Medical Examiner agrees with the recommendation: “the Contract be amended to further clarify salaries and benefits, to eliminate any confusion in the future”.

The Medical Examiner appreciates the review of the Medical Examiner’s Office and thanks the auditors, Mr. Revallo and Ms. Payette, for their comments and recommendations for improvement. Both were quite pleasant, courteous, and highly professional during the audit. The Medical Examiner is looking forward to meeting with the County soon to discuss the items mentioned during the audit that require contract amendments.

Sincerely,

 *Dec. 10. 2018*
Riazul H. Imami, M.D., Ph.D.
District 22 Medical Examiner

RHI:pwf

CC: Mr. Ken Doherty, Chairman of the Board, Charlotte County Board of Commissioners
Mr. Ray Sandroek, County Administrator, Charlotte County
Ms. Janette Knowlton, County Attorney, Charlotte County



MEMORANDUM

Date: December 19, 2018

To: Dan Revallo, Internal Audit Director

From: Rick Arthur, Sr. Division Manager, Fiscal Services

CC: Gordon Burger, Director of Budget and Administrative Services

Subject: Response to the Internal Audit

Please find below the answer from the Budget and Administrative Services:

The Budget and Administrative Services Division agrees that the results of the audit need to be addressed.

Our response is that we will meet with the County Attorney's Office to determine our stance on corrective action for each item, whether it be to update or enforce the language, and will address these items in an upcoming meeting with the Medical Examiner's office to be scheduled promptly after we determine the proper course in the best interest of the County.

