



COMMISSIONERS COURT
COMMUNICATION

REFERENCE NUMBER 0

PAGE 1 OF 27

DATE: 12/8/2009

SUBJECT: **RECEIVE AND FILE THE AUDITOR'S REPORT OF THE MEDICAL EXAMINER'S OFFICE CONTROLS OVER FINANCIAL OPERATIONS**

COMMISSIONERS COURT ACTION REQUESTED:

It is requested that the Commissioners Court receive and file the Auditor's Report of the Medical Examiner's Office Controls Over Financial Operations.

BACKGROUND:

In accordance with Local Government Code, Subchapter A, Sec. 115.001 Examination of Records, and Sec. 115.002, Examination of Books and Reports and Examination of Funds Collected by County Entity, the Auditor's Office reviewed the financial operations of the Tarrant County Medical Examiner's Office for the twenty (20) months ended August 31, 2009. The objective of the review was to determine whether controls over County assets were adequate.

Attached to this report is a written response from the Medical Examiner's Office.

FISCAL IMPACT:

There is no direct fiscal impact associated with this action.

SUBMITTED BY: Auditor's Office

PREPARED BY: Renee Tidwell
APPROVED BY:



TARRANT COUNTY
TARRANT COUNTY ADMINISTRATION BUILDING - ROOM 506
100 E. WEATHERFORD
FORT WORTH, TEXAS 76196-0103
817/884-1205
Fax 817/884-1104

S. RENEE TIDWELL, CPA
COUNTY AUDITOR
rtidwell@tarrantcounty.com

RONALD D. BERTEL, CPA
FIRST ASSISTANT COUNTY AUDITOR
rbertel@tarrantcounty.com

September 1, 2009

Dr. Nizam Peerwani, M.D., P.A., Chief Medical Examiner
The Honorable District Judges
The Honorable Commissioners Court
Tarrant County, Texas

RE: Auditor's Report – Medical Examiner's Office, Controls over Financial Operations

SUMMARY

In accordance with Local Government Code, Subchapter A, Sections 115.001 *Examination of Records*, 115.002 *Examination of Books and Reports*, and 115.0035 *Examination of Funds Collected By County Entity*, we reviewed the financial operations of the Tarrant County Medical Examiner's Office for the 20 months ended August 31, 2009. The objective of our review was to determine whether controls over County assets were adequate. We also determined whether the controls over the Medical Examiner's automated systems were adequate. As a result, we found opportunities where controls should be improved to safeguard County assets. Specifically, we observed the following issues that require management's attention:

- Observation 1 The County's contract with the Medical Examiner's Professional Association allows for a potential conflict of interest.
- Observation 2 Management review and oversight of certain financial functions should be improved.
- Observation 3 A material weakness exists over the current billing process.
- Observation 4 Segregation of duties was not adequate between certain incompatible tasks.
- Observation 5 Receipts were not deposited in a timely manner.
- Observation 6 Controls over access to the CRYPT database should be improved.



It should be noted that the Medical Examiner's Office had previously identified the need for improved financial oversight. In 2007, the ME requested a new position be provided by the Commissioners Court to manage certain financial functions. Effective in December 2008, the position of Business Manager was approved by the Commissioners Court. Among other duties, this position is responsible for daily business operations, including the implementation and enforcement of policies and procedures, and oversight and review of the billing process and payroll. The Medical Examiner's Office also began working with the Information Technologies Department in 2006 to enhance system security since the design of the *CRYPTS* system had not allowed for "read only" access. As of September 2009, system controls were modified to include read-only functionality. Finally, the Medical Examiner's Office completed the *Operational Guidelines*, effective June 1, 2009, that describes procedures for various activities related to the Business Office. The guidelines also describe the responsibilities of the Business Manager.

We discussed our observations and recommendations with the Medical Examiner and appropriate staff on October 6 and November 16, 2009.

BACKGROUND

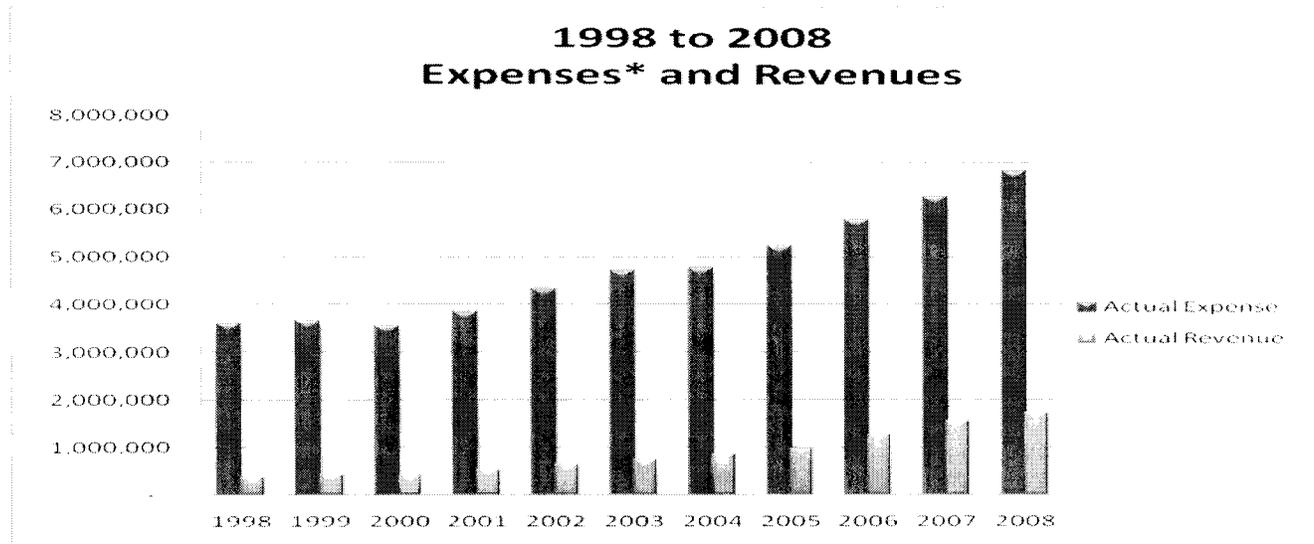
The Tarrant County Medical Examiner's Office was established by the Commissioners Court in December 1965. Dr. Nizam Peerwani assumed the responsibility of Chief Medical Examiner (ME) in September 1979. Tarrant County contracts the operation of forensic services with Dr. Peerwani's Professional Association (PA). The contract is a five-year renewable professional service contract that requires the PA to provide all professional services, as defined by the Texas Professional Association Act, which includes conducting all inquests in Tarrant County, such as external examinations, autopsies, death scene investigations, dental charting, and human remains identification services. The Commissioners Court provides oversight and the necessary facilities, equipment, supplies, and support staff for the operation of the PA.

In 1989, the Commissioners Court approved the ME's District Agreement to serve three counties including Tarrant, Denton, and Parker Counties with a combined population exceeding 2 million. Each county contributes to the operation of the District. Each county within the District pays the contracted amount to the County Auditor's Office in quarterly installments. Johnson County joined the District in October 2008. The PA also provides services to justices of the peace and law enforcement agencies in other counties (non-jurisdictional services) on a fee-per-case basis in accordance with the annual fee schedule adopted by the Tarrant County Commissioners Court.

Revenues and expenses associated with the ME's office have steadily increased over the years. During fiscal year 2009, jurisdictional and non-jurisdictional revenue earned by the PA totaled approximately \$1.6 million as of July 31, 2009 and is projected to be about \$1.7 million for the year. Revenues are budgeted to remain at \$1.7 million for fiscal year 2010. Expenses are budgeted to be about \$7 million and \$7.1 million for fiscal years 2009 and 2010, respectively.



The following graph compares actual expenses and revenues during 1998 through 2008.



*Expenses include both capital and operating expenses.

OBSERVATIONS AND RECOMMENDATIONS

Contract Terms:

Observation 1 – The County’s contract with the Medical Examiner’s Professional Association allows for a potential conflict of interest.

Background

The professional services contract between Tarrant County and the Doctor’s PA includes a provision for additional services, such as non-jurisdictional autopsies to be conducted at the ME’s office. The current contract states that Tarrant County, “agrees to pay Doctor, on an invoice basis, sixty percent (60%) of such fees actually collected by County, and only after such fees are actually collected by County.”

The contract also states, “The Doctor shall have the right to engage in private practice provided such practice is conducted in a location other than the County’s facilities for the operation of the Office of the Medical Examiner.” Furthermore, the contract states that if the Doctor chooses to use the forensic laboratories, “the Doctor shall be charged customary fee(s) similar to that paid by other law enforcement agencies.”



Observation

The County's contract with the PA is a unique arrangement in that it also provides for the ME to engage in private practice. The District Attorney's Office reviewed and approved the contract between the PA and the County. However, the County's contract with the PA allows for a potential conflict of interest. According to the ME, five doctors are currently employed by the PA. The ME also stated that no County employees are employed by the PA. However, the ME stated that two County employees also perform work for the ME's private practice, *Anatomic & Forensics Pathology*. While we have no way to determine whether County employees performed non-County activities on County time or within County facilities, nothing came to our attention to indicate such activities occurred. The County received no reimbursements for outside use of County facilities during the review period. The ME also stated that there was no outside use of the County facility.

During our review, we identified certain non-jurisdictional cases that were not billed, as further described in Observation 2.

Financial Issues:

Observation 2 - Management review and oversight over certain financial functions should be improved.

Specifically:

1. Management's review over payroll was not adequate. In January 2009, the previous Business Manager contacted the Auditor's Office to report that a ME employee had been overpaid for mileage. After researching this matter, we determined that this employee was overpaid by almost \$16,400 during the period of October 2003 through January 2009. This employee received additional pay up to \$220 every pay period. During our review, we also identified that a second employee was overpaid by almost \$3,400 during the period of February 2007 through January 2009. Both employees claimed that the overpayment occurred because they entered mileage into SAP incorrectly. For example, they entered 35 miles into SAP rather than the 3.5 miles they had actually driven. Management's review and approval of the mileage entered into SAP did not detect these errors and subsequent overpayments in a timely manner. Both employees are currently reimbursing the County through payroll deduction.
2. Management did not review the accuracy of billings. We compared the billing files prepared by different labs to *QuickBooks*, and found some cases that had not been invoiced. According to management, this condition was due to a clerical error. However, an independent review was not performed to verify the accuracy and completeness of the invoiced cases. We provided a list of these cases to the ME and, as of November 2009, the ME's office invoiced an additional \$77,000 in services rendered.



The Business Manager reviews all mileage entered into SAP, and then prints a SAP report that lists employees who have entered mileage. The Business Manager forwards a copy of the report to the employees for their review and sign-off.

Furthermore, the Business Manager performs a review to verify that the cases included on the billing files, as prepared by the various ME departments, were billed correctly. The Auditor's Office is currently working with the Business Manager to implement additional procedures to ensure that all billable cases were billed accurately. Specifically, the manager has begun generating a report from *CRYPT* to verify that all non-jurisdictional autopsies were billed.

No additional recommendations are required at this time.

Observation 3 – A material weakness exists over the current billing process.

Background

The ME uses four separate programs to complete the billing cycle: *CRYPT*, *LabWorks*, *Microsoft Office*, and *QuickBooks*. The programs are not integrated. The *CRYPT* system, installed in approximately 2002, is the case management software used to track cases handled by the ME's office. The billing files from all departments (except the chemistry lab) are created using reports generated from the *CRYPT* system. Toxicology, Crime Laboratory, and Chemistry procedure reports are compiled by the Lab Medical Transcriptionist into billing files in Microsoft Word and Excel. The chemistry lab utilizes *LabWorks* to track procedures performed and issue reports with procedure codes. These files are sent to the bookkeeper for input into *QuickBooks*. Autopsy and Histology reports are sent directly to the bookkeeper for invoicing. Using *QuickBooks*, the bookkeeper generates the monthly invoices to send to the customers. The ME's office implemented *QuickBooks* in 1998.

Observation

During our review, we found a material weakness exists over the current billing process. Specifically, we could not determine whether all ME services were appropriately billed, paid, recorded, and subsequently deposited. Furthermore, reconciliation between *CRYPT*, the case management system, to the invoiced amounts recorded in *QuickBooks* is not possible since the systems are not integrated. It is probably not possible to integrate the two systems since *QuickBooks* is a proprietary software application. Furthermore, the Information Technologies Department (IT) does not support *QuickBooks*.



Recommendation

We recommend that the Commissioners Court and County management consider enhancements to the functionality of *CRYPT* that would allow an interface to another financial application. *QuickBooks* was designed for “small businesses,” and is not an acceptable financial application for the ME’s office. The ME’s office should consult with IT to provide the necessary enhancements to *CRYPT* and identify an appropriate financial application for the billing of cases. This integration should allow *CRYPT* to export billable cases to the financial application and provide the ability to reconcile the two systems to verify that cases are appropriately billed. Furthermore, the financial application should have the ability to run periodic reports for management’s review such as outstanding/aged accounts receivable.

Observation 4 – Segregation of duties was not adequate between certain incompatible tasks.

Background

Lack of segregation of duties occurs when a few employees are required to perform incompatible tasks. Reducing the risk of fraud and errors is the primary objective of segregating incompatible duties. This objective is achieved by disseminating the tasks and associated privileges for a specific business process among multiple users. In situations where it is impossible to separate duties due to the small number of employees, mitigating controls should be implemented.

Observation

During our review, we observed that the bookkeeper performed substantially all the financial functions. Specifically, she invoices customers, receives and records payments, and prepares the bank deposits and monthly reconciliations. The bookkeeper also prepares and sends past due statements. Procedures did not include a secondary or management review of these incompatible tasks. Due to the lack of segregation of duties and management oversight, fraud and errors could occur but may not be detected.

Recommendation

To decrease the risk of fraud and errors, management should review employees’ responsibilities to ensure that no employee has control over a complete transaction cycle. We realize the staffing limitations at the ME’s office, and therefore, we offer the following procedures to mitigate the risk of errors and fraud:

1. Front desk clerk or mail clerk – This individual should initially receive all payments. The clerk should open the mail and record payments received via mail and walk-in customers onto a Daily Receipt Log. After recording the payment onto the log, the clerk should forward the payments to the Bookkeeper. At the end of the day, the clerk should forward the Daily Receipt Log to the Business Manager.



2. Bookkeeper – This individual should record the payments into *QuickBooks*. The Bookkeeper should also prepare a daily deposit. After the deposit is complete, the Bookkeeper should forward the deposit to the Business Manager for review and approval.
3. Business Manager – This individual should run a daily receipts report from *QuickBooks*. The Business Manager should verify that the total on this report agrees to the total on the Daily Receipt Log prepared by the Front Desk Clerk and the total deposit prepared by the Bookkeeper.

The ME recently completed a procedures manual titled, *Operational Guidelines for the Business Office*. According to procedures outlined in this manual, the Business Manager will review the bookkeeper's entries into *QuickBooks* and will "perform periodic audits of accounts receivable..." We confirmed that the Business Manager began performing these audits in August 2009.

Observation 5 – Certain deposits were not made in accordance with the Local Government Code.

Background

Local Government Code, Section 113.022 *Time for Making Deposits*, states:

A county officer who receives funds shall deposit the funds with the county treasurer on or before the next regular business day after the date on which the funds are received. If this deadline is not met, the officer must deposit the funds, without exception, on or before the seventh business day after the day on which the funds are received.

Observation

On April 24, 2009, the ME's staff remitted 21 checks dated between November 12, 2008 and April 5, 2009 to the Auditor's Office for deposit into the county depository. The checks were for payment of witness fees, document fees, and judicial-ordered restitution fees. Furthermore, the county depository returned five of these checks for non-payment due to closed accounts. The bookkeeper stated that the checks had been misplaced and later found in her desk drawer. Untimely deposits increase the risk of loss, theft, or misappropriation of County funds.

Recommendation

To reduce the risk of misuse or loss of County funds, management should ensure that monies are deposited in accordance with Section 113.022 of the Local Government Code. As stated in Observation 3 above, management should implement procedures whereby someone other than the bookkeeper, such as the front desk clerk or mail clerk, opens the mail and records payments onto a Daily Receipt Log. The log should be forwarded to the Business Manager daily, so that the total of the daily deposit can be verified to the total receipts recorded on the Daily Receipt Log.

System Security:

Observation 6 – Controls over access to the CRYPT database should be improved.

Background

The ME authorizes certain individuals the security access to the *CRYPT* system. Upon authorization from the ME, the Tarrant County IT Department establishes access privileges to the appropriate individuals.

Observation

We examined the controls over access to the *CRYPT* database. During our review, we observed that *CRYPT* does not have a “read-only access” privilege. We found that all individuals with access to *CRYPT* also had the ability to change and enter data. The ME was aware of this situation and has been working with IT for some time to enhance system security. As of September 2009, system controls include read-only functionality in *CRYPT*. No further recommendation is required.

CLOSING REMARKS

We wish to thank the Medical Examiner and his staff for their cooperation in the completion of this project. We also appreciate their prompt attention to our recommendations.

Very truly,



Renee Tidwell, CPA
County Auditor

Attachment:

Management's response dated December 1, 2009

Audit Team:

Ron Bertel, First Assistant Auditor
Susan E. Black, Senior Internal Auditor
Maki Ogata, Internal Auditor

Kim Trussell, Audit Manager
Julie Hillhouse, Senior Internal Auditor
Milton Briggs, Auditor

Distribution:

Ronald Singer, Technical and Administrative Director, Medical Examiner's Office
Tracye Poirier, Business Manager, Medical Examiner's Office
Suzanne McKenzie, Financial Accounting Manager, Auditor's Office



Marc A. Krouse, M.D.
Chief Deputy Medical Examiner

Gary L. Sisler, D.O.
Deputy Medical Examiner

Lloyd White, M.D., Ph.D.
Deputy Medical Examiner

Shiping Bao, M.D.
Deputy Medical Examiner

Ron L. Singer, M.S.
Technical and Administrative Director

Linda F. Anderson
Executive Assistant

**OFFICE OF CHIEF MEDICAL EXAMINER
AND FORENSIC LABORATORIES
TARRANT COUNTY MEDICAL EXAMINER'S DISTRICT
SERVING TARRANT, DENTON, JOHNSON AND PARKER COUNTIES
200 FELIKS GWOZDZ PLACE
FORT WORTH, TEXAS 76104-4919
(817)920-5700
Fax (817)920-5713
Nizam Peerwani, M.D.
Chief Medical Examiner**

Susan R. Howe, Ph.D.
Director, Crime Laboratory

Roger Metcalf, D.D.S., J.D.
Director, Human Identification Lab

Tracye K. Poirier
Business Manager

Angela C. Springfield, Ph.D.
Chief Toxicologist

Tommy Swan
Chief Medical Investigator

Traci T. Wilson
Director, Morgue and Lab Services

December 01, 2009

Honorable District Judges
Honorable County Commissioners
Tarrant County, Texas

MEDICAL EXAMINER'S RESPONSE TO TARRANT COUNTY AUDIT

I would like to take this opportunity to commend the Auditor and her staff for their thoroughness and professionalism. The Auditor's report is indeed a reflection of the hard work that Ms. Tidwell and her staff put into the audit. We appreciate all suggestions and comments that will help us improve business practice at the Tarrant County Medical Examiner's Office to safeguard County assets. We are also grateful for the opportunity to respond.

I am also pleased to report that many of the recommendations made in the audit report have already been implemented and are currently in force.

As a historic note, the Tarrant County Medical Examiner's Office began first providing services on a fee basis with the establishment of an interlocum agreement with Parker County as early as 1986 which created the District Medical Examiner's Office. In 1989, the District was expanded to include Denton County and more recently, Johnson County. Also, beginning in 1989, with the approval of the Commissioner's Court, the Tarrant County Medical Examiner's Office began performing non-jurisdictional autopsies on a fee-per-case basis upon request from a justice of peace. In addition, again with the approval of the Commissioner's Court, we began performing forensic testing on a billable basis. Revenues generated and the account management was supervised by my executive secretary. By the early 1990s, the revenues generated were beginning to be significant and we therefore requested a book-keeper's position which was approved in 1994. The first business rules were set up with the assistance of Auditor's Office in 1994, including setting up the QuickBooks Program for invoicing and keeping track of accounts receivable.

The business aspect of the office continued to grow and by 2007, our gross revenues exceeded two million dollars (for the calendar year ending December 31, 2008, we generated gross revenues of **\$2,837,834.85**). It was obvious to us that we needed additional staff to manage and supervise both the accounts payable and receivable. We had several discussions starting March 2007 with the Budget office to help create a new position. The position of "Business Manager" was finally approved by the Commissioner's Court effective December 1, 2008 at which time we hired our new Business Manager. Over the next few months, we did an in-depth review of our accounting system in order to come up with a detailed operating procedure which incorporated all expected responsibilities, foremost of which were to provide day-to-day supervision of the accounts payable and receivable as well as control of purchasing supplies and spot auditing. We made several revisions over the months and adopted the final version effective June 1, 2009 (attached as Addendum-1).

We have established that the overall duty of the Tarrant County Medical Examiner's Office Business Manager is to oversee the daily business operations involved in the running of the Tarrant County Medical Examiner's Office. This duty includes implementation and enforcement of all business policies and procedures. Additionally, their duties involve seeking and establishing new or improved methods and ideas that help promote a healthier and improved working environment and overall efficiency of daily operations while insuring that financial parameters are kept within limits, as well as seeking more cost effective methods and ways to increase productivity.

At the onset, I directed our newly appointed Business Manager to audit all invoices including those that were delinquent, track all supplies ordered, perform audit of all capital items, ensure that all scientific instrument service warranties were active, and establish as well as implement mileage reimbursement policy. The audit report mentions discrepancies in the mileage reimbursement which were overlooked by the management at the medical examiner's office as well as the auditor's office and initially discovered by our newly appointed Business Manager. I directed our Business Manager to report to the Auditor's Office the overpayment made to the employee and have subsequently put into place checks and balances including close scrutiny of all mileage reimbursements and implementation of a mileage log book for each county issued vehicle to prevent future errors.

The Tarrant County Medical Examiner's Office was one of the earliest departments to implement an electronic data management system starting as early as 1985. Our first system, called "DEAD" was a mainframe based system and we quickly outgrew it. By the late 1980s, we realized that most modern systems were web-based, so we initiated the process of converting to a new system. It took some 4-5 years to establish and implement the new system, "CRYPT", and beginning September 2003 we were on-line. Since September 2003, our IT department has worked very hard and issued several new versions to incorporate changes that we have deemed important and necessary. One area of weakness was the inability of "CRYPT" to provide "read only" access to a user. Hence, to ensure the integrity of our data, we had limited

access to our electronic files to only those users who were actively engaged in performing or reporting a particular test or function at the medical examiner's office.

It is important to note that we do not delete names of terminated or retired employees since they are linked to multiple electronic files. We do have the ability to locally inactivate the employee and we have rigorously carried this policy out. In addition, in order to access the "CRYPT" system, an individual must have access to the County network. This access is removed when an employee leaves the County, thus eliminating access to CRYPT. In short, the integrity of data on CRYPT has never been breached.

In 2006, we received funding from the Commissioner's Court to implement new security measures, and as of September 11, 2009 we have successfully implemented the revised version of "CRYPT" with security at all levels and with the capability to provide "read only" function to a user.

Observation 1 – The County's contract with the Medical Examiner's Professional Association allows for a potential conflict of interest. The contract with the Medical Examiner's Professional Association has been in force since 1979 and was recently renewed by the Commissioner's Court. It is mutually beneficial. This arrangement is both legal and enforceable. At all levels of government, potential for conflict of interest exists and this would be true whether the Medical Examiner was a county employee or employed through a professional contract. And so, from that perspective we agree with the audit report. We also note that the exhaustive audit that lasted over six months did not reveal any County employees having performed non-County activities on County time ("..nothing came to our attention to indicate such activities occurred"). It is also important to note that the two employees mentioned in the audit report are in full compliance of Article 5.04 of the County's Code of Conduct.

Observation 2 – Management review and oversight should be improved. This recommendation has already been implemented by the Medical Examiner.

As noted we now have a highly qualified Business Manger who has implemented the following protocol for tracking the mileage of employees who are requesting reimbursement by Tarrant County:

- Employees are encouraged to use the Texas State Mileage Guide for estimating mileage.
- Employees must use the text field to indicate the reason for mileage, such as "court testimony in Denton County" or "Intoxilyzer maintenance Azle PD".
- Supervisors must approve the mileage on SAP.
- The Business Manager runs a monthly mileage check for all ME staff on the SAP and maintains a monthly balance sheet of mileage used by the office.
- The Business Manager reviews the mileage logs for use of Tarrant County vehicles.

The Business Manager has also implemented a protocol for a monthly billing audit. The audit includes Non-Jurisdictional cases, Crime Laboratory, Toxicology and Chemistry billing and is able to detect if cases have not been invoiced in *QuickBooks*. She also maintains audit records for

future review of the Auditor's office. We have also requested that periodic audits of the billing by the Auditor's Office be done to ensure internal controls are properly functioning and continuous improvements have been made by our office.

Observation 3 – A material weakness exists over the current billing process. "CRYPT" was designed as a case management system and has no financial functions. We welcome any support that can be given by our Tarrant County Commissioners in regards to upgrading the system with enhancements to incorporate financial functions. These enhancements would eliminate the limitations of our current billing software, *QuickBooks*. Realistically, even if the funding was made available now, we do not expect that we would be able to implement a "CRYPT"-based billing system before two years. This is because we have to first implement a new death codification and laboratory procedures system – this may take 1-2 years if not more, and only then can we link our billable work with the "CRYPT" system.

Observation 4 – Segregation of duties was not adequate between certain incompatible tasks. This recommendation has already been implemented by the Medical Examiner.

Historically, the billing and bookkeeping at the Tarrant County Medical Examiner's was performed by the executive secretary, and then by our staff bookkeeper starting 1994. In December 2008, our office hired a Business Manager to oversee all of the accounting aspects of the office. Our Business Office now consists of the Business Manager and a bookkeeper. With the assistance of our administrative staff, the Business Manager has designed and implemented a separation of duties for reducing the risk of fraud and errors. This procedure was reviewed by [REDACTED] the Auditor's office to ensure adequate separation of duties. We have implemented the following procedure:

Separation of Duties

(1) Billing Process:

Step 1: Billing

Generated by various people throughout the laboratory and entered in Excel spreadsheet then submitted to bookkeeper and Business Manager.

Step 2: Creates Invoice – Bookkeeper [REDACTED]

Step 3: Opens the receivables from the mail and records checks in ledger

- Administrative staff [REDACTED]

Step 4: Enters payments for invoices in QuickBooks

- Business Manager [REDACTED]

Step 5: Deposit and Warrant created. – Bookkeeper [REDACTED]

Verification of deposit and Warrant sent to Auditor's office and to Business Manager [REDACTED]

(2) Over the Counter Sales:

Payments for photos, reports, affidavits, etc...

Step 1: [REDACTED] will give checks to [REDACTED] to record in ledger.

Step 2: Records reviewed by [REDACTED]

Step 3: [REDACTED] creates sales receipt in QuickBooks.

Step 4: Sales receipts are mailed with document request by [REDACTED]

Step 5: [REDACTED] creates a deposit slip then sends a copy of deposit to Auditor's Office and to [REDACTED] for final review.

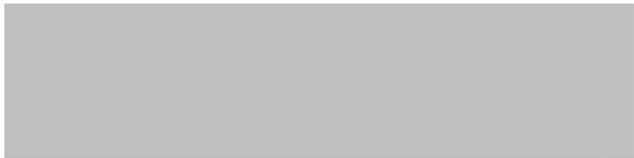
(3) Check Request for Payment:

Dr. Nizam Peerwani, Chief Medical Examiner, and Ronald Singer, Technical & Administrative Director, are authorized.

Observation 5 – Certain deposits were not made in accordance with the Local Government Code. Our office has already taken steps to ensure that the restitution checks are deposited in accordance with Tarrant County policy.

The Tarrant County Medical Examiner's Office received checks from various agencies that were **unable** to be traced to any outstanding invoices. In this particular instance, these checks were being sent by various counties (Dallas, Parker and Johnson) from the CSCD for restitution fees. Our Business Manager has been working diligently with the various CSCD staff members, requesting proper information be put on the checks to ensure the fees are returned to the appropriate agency.

Observation 6 – Security over the CRYPT database should be improved. We have no further comments since the revised and enhanced security has been in force since September 11, 2009.



Nizam Peerwani, M.D.
Chief Medical Examiner



Statement of Purpose Business Office

The mission of the Tarrant County Medical Examiners Office is to serve the public by performing death investigations in a timely and professional manner as well as performing forensic laboratory testing as part of formal inquest or when requested by law enforcement agencies in non-inquest related cases. Policies set forth are therefore mutable provided such derogations do not in any fashion contradict the stated purpose of the Tarrant County Medical Examiners Office as defined by Statutes 49.25 and related statutes, of the Code of Criminal Procedures, State of Texas, and the enforceable standards established by the two accrediting bodies which provide professional oversight to the Tarrant County Medical Examiner's Office, including ASCLD and NAME.

It remains the over-riding policy of the Tarrant County Medical Examiners Office that whenever called upon to assist, even if it is outside the defined jurisdiction, out of the scope of stated duties, or otherwise removed from responsibility under the law, the medical examiner shall help the individual reach the appropriate agency, organization or person who can assist.

The Business Office at the Tarrant County Medical Examiner's Office is established to provide much needed support in the financial aspects of the Office including accounts payable, accounts receivable, personnel matters and other related fiscal issues. The Business Office will be supervised by the Business Manager who will answer directly to the Chief Medical Examiner.

I. Overview

The duty of the Tarrant County Medical Examiner's Office Business Manager is to oversee the daily business operations involved in the running of the Tarrant County Medical Examiners Office. This duty includes implementation and enforcement of all business policies and procedures as set forth in these operating procedures.

Additionally, it involves seeking and establishing new improved methods and ideas that help promote a healthier and improved working environment and overall efficiency of daily operations while insuring that financial parameters are kept within limits as well as seeking more cost effective methods and ways to increase productivity.

II. Job Description of Business Manager

A. Summary

1. Oversee all invoices for services rendered and prepare monthly reports
2. Monitor, track, and approve all requisitions and prepare monthly reports
3. Oversee annual cost estimate for fee schedule.
4. Approve payroll for employees
5. Assist in preparing annual departmental budget and provide monthly tracking of all the budget line-items

B. Essential Duties and Responsibilities of Business Manager

1. Manage payroll for the Medical Examiner's Office.
2. Oversee purchasing and approve requisitions and purchase orders
3. Develop, prepare, submit and monitor annual budget under the direct supervision of the department head
4. Supervise Transportation of Human Remains contract.
5. Maintain inventory including supplies, computer hardware, office equipment and scientific instruments.

6. Exercise management/supervisory responsibility for departmental cash management, revenue, grant compliance and financial reporting.
7. Prepares annual cost estimates for fee schedule.
8. Prepares out-of-state travel for Commissioners' Court and arranges travel.
9. Establish, monitor, and recommend changes to departmental administrative and business policies and procedures with the approval of the department head
10. Ensures all service warranties are current and in force
11. Provide monthly budget reports and distribute to sectional supervisors
12. Supervise Bookkeeper position.
13. Perform all other related duties as assigned.

III. Work Hours and Schedule

The regularly scheduled work shift for the Tarrant County Medical Examiners Office Business Manager will be 8:00 am to 4:30 pm Monday through Friday with a half hour lunch period.

The Business Manager position is considered an exempt position and therefore will fall under the definitions and rules as defined by Civil Service Statues pertaining to all Tarrant County exempt employees. The work schedule is assigned by the Chief Medical Examiner and is subject to change at his discretion.

IV. Procedure for Time Management and Payroll Approval

1. The Business Manager will maintain a current list of all employees and their regularly scheduled work days and times as provided by sectional supervisors.
2. The Business Manager will be responsible for monitoring of all employees time and benefit usages.
3. Daily time entry monitoring should be performed periodically during the week. Ideally this is done on Friday afternoon but no later than first thing

Monday mornings. This is accomplished using specific reports with the proper variances.

4. Business Manager will monitor time approval for each of the respective departments insuring that sectional supervisors or authorized staff have approval done no later than 9:00 am Monday mornings.
5. The Business Manager will be directly responsible for the approval of the bookkeeping position and any other positions the Chief Medical Examiner may assign.
6. In the event that a sectional supervisor is unavailable or could not make alternate arrangements the Technical Administrative Director will approve those departments' entries.
7. The Business Manager will report any discrepancies or variances to the Chief Medical Examiner as necessary or upon his request.

V. Procedures for the Transportation of Human Remains Contract

1. The Business Manager is responsible for the Transportation of Human Remains Contract. The contract is annual and provides an option to extend for one additional year.
2. The Business Manager will provide the purchasing department with the specifications detailing the requirements and will include:
 - a. Estimated amount of bodies per month
 - b. Availability (will be 24/7-365 days per year)
 - c. Type of communication (Cell phone, pager, two-way radio etc.)
 - d. Response time (Stated length or shortest time possible)
 - e. Amount of personnel to be dispatched to scenes (2)
 - f. Method for preserving the bodies and evidence from the scene (all bodies must be wrapped in white sheet)
 - g. Requirements for mandatory use of crash bags (charred, mutilated, decomposing, or infected remains)
 - h. Specific instructions when infectious diseases are suspected
 - i. Estimated maximum amount of time spent on the scene (2 hours)
 - j. Procedures for transportation of multiple death scenarios
 - k. Procedures on how to handle additional evidence gathered at the scene
 - l. The Business Manager will attend the bid opening procedures on the date and time specified by the purchasing department.

- m. The Business Manager will receive the bid notifications from the purchasing department with the list of potential vendors.
- n. The Business Manager will do all reference checks and background investigative work of potential vendors and supply purchasing with a duplicate copy of the information.
- o. The Business Manager will do an inspection of the potential vendor's equipment and personnel at a place and time as stated in the bid specifications.
- p. The Business Manager will provide the Chief Medical Examiner a briefing of the overall findings to determine the most qualified vendor and that recommendation will be forwarded to the purchasing department.
- q. The Business Manager will attend the awarding of the contract in Commissioners Court at the date and time specified by the purchasing department.

VI. Procedure for Prescription Drug Disposal

1. The Business Manager and Chief Forensic Death Investigator will coordinate disposal of stored prescription medications from the storage locker in the investigator's office.
2. This procedure should be done on a quarterly basis to insure a minimum amount of space is used; however two quarters may be combined if space allows.
3. Documentation will be provided to the Business Manager from the Chief Forensic Death Investigator showing case names and numbers.
4. The Business Manager and Chief Forensic Death Investigator shall be present during the beginning of the disposal process.
 - a. Gather and combine all prescription medications into a single container
 - b. Weigh the container documenting the weight in the incinerator log
 - c. Both department heads shall be present for the beginning of the burn process
 - d. The Business Manager will maintain the duplicate copy of the case files showing the disposal list for a period of 6 months post disposal.
 - e. The Business Manager will provide the information to the Chief Medical Examiner and Technical Administrative Director.
 - f. Prescription medications must be disposed of separately and may not be combined with any other pathological materials or waste.

VII. Procedure for Vendor Selection for Burial Rotation of Unclaimed Human Remains

A. Policy Statement

Unclaimed human remains are of three types:

1. Unidentified remains;
2. Identified remains where next-of-kin has been notified but remains have not been claimed;
3. Identified remains where next-of-kin cannot be located and notified.

If next-of-kin has been notified, but remains have not been claimed, the remains will be placed on burial rotation list and released for burial two (2) weeks after the date of next-of-kin notification.

If next-of-kin cannot be located and notified after a reasonable search by the Investigator's Division, the remains will be placed on burial rotation list and released for burial four (4) weeks after date of arrival at T.C.M.E. District morgue.

Unidentified remains will be placed on burial rotation list and released for burial six (6) weeks after date of arrival at T.C.M.E. District morgue. In compliance with Sec. 9. (b) of the Code of Criminal Procedure, a medical examination on an unidentified person shall include detailed information as enumerated to enable a timely and accurate identification of the person. All such descriptions and examinations must be completed prior to release.

B. Procedures

1. The Business Manager will be responsible for the procedure to insure proper rotation in vendor selection is followed once it has been established that the body is ready to be placed on a rotation list. The Business Manager will receive this information from the Chief of Human Identification and in his absence, the Chief of Forensic Death Investigators.

Approval for release will be made on a copy of the case cover sheet and will be in the form of signature or initials and will include the date the release is authorized.

2. The Business Manager will coordinate with an authorized staff member of the Morgue for a time to perform the calls soliciting a vendor.

3. Using an approved list of authorized funeral homes the Business Manger and in his absence, the Morgue Director, will initiate telephone calls seeking a facility willing to accept a body on county rotation.
4. Documentation of the telephone calls must be maintained in a log book showing the date and time of the call. Notes shall additionally indicate if the vendor chooses to pass on the call or if the vendor requests removal from the list. The information will include their name and what position they hold with their company.
5. The Business Manager will maintain a list of all bodies released through the rotational process and will include the case cover sheet and release documentation.
6. The Business Manager will provide the information to the Chief Medical Examiner upon request.

VIII. Procedure for Annual Budget Preparation

1. The Business Manager will be responsible for the preparation and submission of the annual Tarrant County Medical Examiners Office budget.
2. The Business Manager will attend the yearly SAP budget training sessions.
3. The Business Manager will notify all sectional supervisors to submit their budget request with justifications in a timely manner.
4. The Business Manager will take and prepare the individual sectional requests and put the data into the county approved format. A formal departmental budget meeting attended by all supervisors, Technical Administrative Director and the Chief Medical Examiner, will be held to present all the requests and to prioritize re-classifications, capital requests and new personnel. Once approved, the final budget will be submitted electronically to the Tarrant County Budget Office.
5. The Business Manager will attend along with Technical Administrative Director and the Chief Medical Examiner, all county required meetings from submission of the initial budget known as version "A" to final approval of the budget in Commissioners Court.
6. A copy of Court approved budget will be made available to all sectional supervisors.

IX. Procedure for Monthly Budget Tracking

1. The Business Manager will be responsible for the preparation and submission of the monthly budget tracking reports.
2. The Business Manager will assemble data received from bookkeeping into a standardized excel format that will be distributed to each respective department.
3. The Business Manager will insure that the data includes:
 - a. Total amount of funds spent per month by departments
 - b. The year-to-date running total of funds spent
 - c. The percentage of funds spent in ratio to total budgeted dollars allocated
 - d. The total amount of funds available for the remaining portion of the year
4. The Business Manager will provide the Technical Administrative Director and Chief Medical Examiner copies of a master report that includes each of the individual departmental data combined into a single report.
5. The Business Manager will monitor the monthly budget and make any suggestions resulting in an improved financial position or increased cost benefit directly to the Chief Medical Examiner.
6. The Business Manager will report any variances, issues or changes other than normal daily operations directly to the Chief Medical Examiner as necessary or upon his request.

X. Procedures for Purchasing

1. The Business Manager will oversee bookkeeping for purchasing of office supplies and goods pertaining to The Tarrant County Medical Examiners Office.
2. The Business Manager will provide the purchasing department with the specifications detailing the requirements of services or products.

3. The Business Manager will be provided information from individual departments of their needs in cases where specific expertise is needed.
4. The Business Manager will not be responsible for purchases of items that require advanced scientific or mechanical knowledge. That duty remains the responsibility of qualified staff that has the technical skills and knowledge.
5. The Business Manager will notify the purchasing department of any problems or issues that arise from poor quality or service by vendors.
6. The Business Manager will do all reference checks and background investigative work of potential vendors and supply purchasing with a duplicate copy of the information.
7. The Business Manager will receive notification from the purchasing department of the selected vendor and issuing of resulting purchase orders.
8. The Business Manager will coordinate with bookkeeping for the issuance of requisition specifications to match new vendor quotes or bids.
9. The Business Manager will provide the Chief Medical Examiner a briefing of the any issues or changes in services or suppliers when requested.

XI. Procedure for Approving of Purchase Orders

1. The Business Manager will be responsible for approving purchase requisitions for Tarrant County Medical Examiners Office.
2. The Bookkeeper will forward the purchase requisition to the Business Manager for approval.
3. The Business Manager will monitor the status of open requests per the purchasing departments ME5A report and follow up if there are any issues still outstanding.
4. The Business Manager will coordinate with bookkeeping for verification of requisition details to match vendor quotes or bids.
5. The Business Manager will serve as backup to the Bookkeeper for entry of new requisitions when the bookkeeper's workload creates a conflict or timing necessitates quicker action.
6. The Business Manager receives notification from the purchasing department of open requisitions and unpaid purchases on report GR-SES 30 Day+.

7. The Business Manager will provide the Chief Medical Examiner details of the any issues or changes in services or suppliers when requested.

XII. Employee Travel Procedures

1. The Business Manager will be responsible for the preparation and submission of travel request.
2. The Business Manager will receive information regarding destinations and dates of travel from the staff member.
3. The Business Manager will research air fare, hotels, rent cars and any other service that might be necessary and put it into a standardized format.
4. The Business Manager will submit the paperwork to the Auditors office for approval and once it is received notify the staff member.
5. The Business Manager will monitor monthly travel expenses and compare them to the approved budget. Any variances or changes that would improve the financial situation will be directed to the Chief Medical Examiner for his review.

XIII. Procedures for Mileage Monitoring

A. County Vehicles

1. The Business Manager will be responsible for monitoring of mileage incurred during the use of county owned vehicles
2. The Business Manager will receive information regarding details of mileage and dates of usage from a designated staff member.
3. The Business Manager will provide the Chief Medical Examiner with a report of total miles incurred during the month.

B. Personal Vehicles

1. The Business Manager will be responsible for monitoring of mileage incurred during the use of personal vehicles on county business,
2. The Business Manager will review information regarding details of mileage and dates of usage from the time and payroll monitoring system on SAP.

3. The Business Manager will notify sectional supervisors with notification of any undocumented mileage or mileage occurring outside of approved areas.
4. The Business Manager will provide the Chief Medical Examiner of any issues or deviations outside of the written policy.

XIV. Fixed Asset Inventory

1. The Business Manager will be responsible for the fixed asset inventory.
2. The Business Manager is assigned the position of "designated asset coordinator" and will work with the Tarrant County Auditors Asset Manager.
3. The Business Manager will monitor the repositioning or movement of all fixed assets and their respective departments.
4. Business Manager will receive inventory tags from the Auditors office and be responsible for insuring the tags are affixed to the proper equipment by verifying model and/or serial numbers coincide.
5. Business Manager will notify the County Asset Manager by use of proper paperwork, form FA-01, of any asset in process of being retired, transferred or disposed of.
6. The Business Manager will be directly responsible for the annual asset inventory and any periodic inspections by the county auditor's office or the purchasing department.

XV. Business Manager Bookkeeping Responsibility

1. Business Manager will be responsible for acting as a backup for the bookkeeping position.
2. Business Manager will be familiar enough with designated aspects of the bookkeeping position to be able to perform basic functions such as:
 - a. Requisition Request and Entry
 - b. Request for Service
 - c. Invoicing procedures
 - d. Deposit Entry and Record
 - e. Office Supply

XVI. Grant Coordination

1. The Business Manager will be responsible for Grants pertaining to the Tarrant County Medical Examiners Office.
2. The Business Manager will work with the Tarrant County Grant Coordinator to research available local, state and federal grant programs.
3. The Business Manager will coordinate with department heads to see if grant parameters meet with any of their needs.
4. Business Manager will monitor the requirements for grant tracking and insure the grant reports are submitted in a timely manner.
5. Business Manager will notify the Chief Medical Examiner of any possible grants or issues arising from grant operations as needed or upon his request.

XVII. Invoicing, Invoice Tracking and Bank Deposits

Policy: Services provided by Tarrant County Medical Examiner's Office and Crime Lab are of three types:

1. **Non-billable:** These include all autopsies and laboratory tests performed as part of the inquest under the authority of Statute 49.25 of the Code of Criminal Procedures for the entire District including Tarrant, Parker, Denton and Johnson counties.
2. **Billable:** These including all autopsies and laboratories tests performed upon request by law enforcement agencies, including sheriff's office, district attorney's office, police departments and justices of peace.
3. **Billable with fees waived:** Laboratory tests performed for three county agencies including the Tarrant County Sheriff's Office, Tarrant County District Attorney's Office and Tarrant County Narcotics Unit, are billed but fees waived in accordance with the county policy.

The rate for services rendered is based on Fee Schedule established by Tarrant County Commissioner's Court.

1. Invoicing for services rendered is initiated and performed by the Bookkeeper. The Bookkeeper shall receive on a monthly basis at the beginning of each month, a written summary of all billable cases from following sections including:

- a. Toxicology Lab
- b. Chemistry Lab
- c. Crime Lab including the DNA section, firearm section, fingerprint section, photo lab and trace evidence section
- d. Histology Lab

The Bookkeeper will check once a month at the beginning of each month the log book maintained at the reception desk for use of facility by tissue and eye banks.

Finally, the Bookkeeper will receive from the doctors reports of non-jurisdictional autopsies performed.

2. The Bookkeeper will invoice using QuickBooks all billable cases once a month and those for non-jurisdictional autopsies upon receipt of a completed autopsy report. In the absence of the Bookkeeper, it shall be responsibility of the Business Manager to perform this task.
3. The Bookkeeper will provide a monthly Quicken spreadsheet to the Business Manager who will verify all entries made.
4. Accounts older than 60-days shall be considered delinquent. It shall be the responsibility of the Business Manager to follow-up on all delinquent accounts and take appropriate actions including informing the Auditor's Office and the Chief Medical Examiner.
5. All checks received shall be deposited once a week on Fridays in the Tarrant County's General Fund at Chase Bank in downtown Fort Worth by the Bookkeeper. The Bookkeeper shall maintain a copy of the deposit slip and Quicken spreadsheet, copies of which shall be promptly provided electronically to [REDACTED] or any other person designated by the Auditor in the Auditor's Office. In the absence of the Bookkeeper, it shall be responsibility of the Business Manager to perform this task.
6. The Business Manager shall performed periodic audits of accounts receivable and payable to ensure that this policy remains in force.

End

Effective June 1, 2009