

CADDO PARISH CORONER



LIMITED PROCEDURES REPORT
ADVISORY SERVICES DIVISION
ISSUED MAY 10, 2006

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

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STEVE J. THERIOT, CPA
LEGISLATIVE AUDITOR

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May 10, 2006

The Honorable Paul J. Carmouche
District Attorney
First Judicial District
501 Texas Street
Shreveport, Louisiana 71101

Dear Mr. Carmouche:

We obtained the following information for your consideration in determining whether the remaining funds in the Caddo Parish Coroner's General Account (Account No. 42 0070 1004), at the time of the death of Dr. George McCormick, are public or private funds:

- The Caddo Parish Coroner's (coroner) funding comes primarily from the City of Shreveport (city) and the Caddo Parish Commission (parish). From 1991 through 2004, \$9,224,164 or 98.4% of the coroner's total revenue came from the city and parish (see Attachment 1).
- The earliest financial statements that we could obtain for the coroner is for the year ending December 31, 1991. These financial statements were reported as a governmental fund. For the December 31, 1992, financial statements, the coroner changed the basis of accounting and presentation from a "governmental fund" to a "proprietary (enterprise) fund." All subsequent financial statements since 1992 have been reported as an enterprise fund (see Attachment 1).
- Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Proprietary funds differ from governmental funds in that their focus is on income measurement, which, together with the maintenance of equity, is an important financial indicator. Proprietary funds (enterprise) account for operations (a) where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges, or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

The term "proprietary fund" as used in governmental accounting does not mean "private ownership." A "proprietary fund" in governmental accounting means

that the operations are reported in a manner similar to a business as opposed to the manner in which government operations are generally reported.

- The coroner's 2005 budget submitted to the city and parish for funding included salaries and related benefits for the coroner and all other employees, along with all operating costs of the coroner's office. Louisiana Revised Statute 33:1555 provides that salaries of coroner employees shall be paid by the coroner out of his fees or by arrangement with the parish governing authority if the coroner is on a salary basis. The 2005 budget demonstrates that the coroner is on a salary basis. The audited financial statements from 1991-2004, which include the budget, are reported in the same manner as the 2005 budget.
- Ms. Kay Gilbert, former administrative assistant to Dr. McCormick, stated that for the 15 years (1990 - October 2005) that she worked for the coroner, a budget was submitted to the city and parish each year for the funding of the coroner's office. Ms. Gilbert stated that copies of those budgets are on file at the coroner's office. However, Ms. Cindy McClinton, administrative assistant to the acting coroner, stated that she could not locate the files with the budget documents.
- Mr. Hugh Walmsley, former Caddo Parish Commission Director of Finance, said that the coroner's office under Dr. McCormick was paid on a fee basis and then on the basis of a budget submitted to the city and the Parish Commission. Mr. Walmsley thinks the change from the fee basis to the budget basis took place in either 1994 or 1995.
- A disclosure made in the budget request for calendar year 2005 (see Attachment 2) indicates that the coroner's office has been submitting a budget to the city and parish since 1996 (10 years).
- Ms. Kay Gilbert, former administrative assistant, stated that the two part-time forensic pathologist positions contained in the 2005 budget were not filled.
- Financial records for 2005 revealed that premiums for employee dental and health insurance, paid by the coroner's office, included two employees that worked at the coroner's private business (Forensic Pathologists, Inc.). Financial records for 2005 document that Forensic Pathologists reimbursed the coroner for five months of premiums for 2004 and two months of premiums for 2005 (February and May). There was no evidence that Forensic Pathologists reimbursed the coroner for January, March, April, June, July, August, or September 2005 premiums totaling \$4,773.

The Honorable Paul J. Carmouche
District Attorney
First Judicial District
May 10, 2006
Page 3

Reimbursement was received from Forensic Pathologists for dental insurance premiums for the first seven months of 2005. However, there was no documentation that premiums totaling \$164 for August and September 2005 were reimbursed.

No other instances of commingling of funds between the coroner's office and his private business were found.

- The State Supreme Court decision, 707 So.2d 979 David L. Carriere, Coroner v. St. Landry Parish Police Jury, et al., provides, “. . . At the end of the year, any surplus amounts will be returned to the Police Jury or may be used as a credit in funding the next year's budget request.”

We attempted to obtain information from Regions Bank as to when the Coroner's General Account was initially opened, the original name on the account, and the original federal tax identification number. However, we were informed by the Custodian of Records for Regions Bank, Ms. Alice Turk (205/420-5425), that information on this account can only be released by subpoena.

If you have any questions, please contact me or Joy Irwin, Director of Advisory Services, at 225/339-3800.

Sincerely,



Steve J. Theriot, CPA
Legislative Auditor

SJT/ss

[CADCORONER]

cc: Dr. Mairus McFarland, Caddo Parish Coroner

**Caddo Parish Coroner's Office
Summary of Financial Information 1991-2004**

Caddo-Parish Coroner's Office											
Summary of Financial Information 1991-2004 *											
Governmental Fund - General Fund											
Calendar Year	Fees from City/Parish	Total All Revenue	Expenditures	Excess (deficiency) of Revenues Over Expend	Fund Balance Beginning	Fund Balance Ending	Depreciation Capital Assets	Capital Assets	CORONER	SALARIES OTHER EMPLOYEES	TOTAL
1991	\$525,120	\$606,604	\$647,055	-\$40,451	\$24,124	-\$16,327	N/A	(1)	\$ 72,833	\$ 153,428	\$ 226,261
Proprietary Fund - Enterprise Fund											
Calendar Year	Fees from City/Parish	Total All Revenue	Expenses	Net Income	Retained Earnings Beginning	Retained Earnings Ending	Depreciation Expense for Capital Assets	Capital Assets Before Depreciation	CORONER	SALARIES OTHER EMPLOYEES	TOTAL
1992	460,786	483,924	474,061	9,863	-16,327	-6,464	N/A	(1)	70,333	181,418	251,751
1993	457,476	507,540	470,189	37,351	-6,464	30,887	N/A	(1)	69,950	188,854	258,804
1994	664,450	684,839	563,763	121,076	30,887	151,963	2,225	110,130	(2)	(2)	327,195
1995	567,548	609,397	595,082	14,315	151,226	165,541	19,747	113,176	"	"	354,113
1996	593,314	638,567	649,226	-10,659	165,541	154,882	20,133	115,101	"	"	391,354
1997	606,094	649,499	655,834	-6,335	154,882	148,547	20,133	115,101	"	"	405,564
1998	669,566	702,923	681,113	21,810	148,547	170,357	21,166	115,341	"	"	412,258
1999	705,926	745,922	798,220	-52,298	170,357	118,059	20,159	130,907	"	"	476,833
2000	742,265	771,302	760,908	10,394	118,059	128,453	5,175	137,676	"	"	471,730
2001	781,236	832,327	761,672	70,655	128,453	199,108	4,756	142,140	"	"	447,779
2002	764,223	812,217	853,761	-41,544	199,108	157,564	7,546	172,219	"	"	473,283
2003	835,421	894,746	853,772	40,974	157,564	198,538	11,780	172,219	"	"	471,771
2004	850,739	921,329	900,353	20,976	198,538	219,514	14,623	209,193	"	"	472,196
Sub-Total	8,699,044	8,770,608	9,017,954	196,127			147,443				5,214,631
Grand Total	\$9,224,164	\$9,377,212	\$9,665,009	\$155,676			\$147,443				\$5,440,892
	98.4% of total revenue										

* Obtained from copies of audited financial statements maintained by Legislative Auditor office
(1) No assets reported - notes to financial statements state that all fixed assets were property of Caddo Parish Commission
(2) Reported in total instead of being broken down by coroner and other employees

Caddo Parish Coroner's Office
2005 Budget

FROM : CADDO CORONER

FAX NO. : 318 226 6884

F 24 2005 03:54PM P1

**CADDO PARISH CORONER'S OFFICE
2005 BUDGET**

STATEMENT OF PURPOSE

The attached budget reflects the support from the City of Shreveport and the Caddo Parish Commission which is necessary to operate the Caddo Parish Coroner's Office for the year 2005. All such expenses are certified by the Coroner as "necessary or unavoidable" for the operation of the office.

WORKLOAD

Attached as Workload Table I is a historical summary of workload statistics for 1999, 2000, 2001, 2002, 2003 and current projections for 2004 and 2005. The projections for 2004 and 2005 are respectively based on extrapolation of year to date experience and an extension of five year trends.

Total investigations have continued to increase at about the same levels in recent years. Trauma related deaths as well as natural deaths have slightly increased. The number of autopsies remains at a level comparable to recent years.

Sanity investigations are increasing, due to a lack of previously state provided long term hospitalization for the chronically mentally ill. Expenditures for psychiatric services processing this workload are projected to increase in 2005. This cost is non-discretionary, as the Coroner's Office continues to be legally mandated by LA R. S. 28:53 to examine each person who is involuntarily hospitalized in Caddo Parish within 72 hours of admission. Costs for the psychiatric examinations are generated on a per case basis and have not increased incrementally in more than ten years.

FROM : CADDO CORONER

FAX NO. : 318 226 6884

F 24 2005 03:54PM P2

Caddo Parish Coroner's Office
2005 Budget
Page 2

UNDERFUNDED BUDGET CATEGORY

The amount budgeted for the above sanity investigations for 2004 was \$110,000.00. As of August 31, 2004, the actual expenditure in this budget category was \$90,785.00. Thus, this legally mandated cost has far exceeded the amount which was budgeted for 2004, with four months left in the year. To date, the cost override has been paid by shifting money from such discretionary categories as travel and education, office supplies and investigator's supplies. The mandated cost for the remainder of the year will be paid by shifting money from all discretionary budget items. This will prevent the necessity of returning to the City and Parish for a budget supplement which would otherwise be necessary. With this remarkable increase in needed psychiatric services for Caddo Parish, the 2005 budget must reflect reality. Office supplies are needed, personnel must be trained in new areas such as DNA collection at murder scenes, and additional supplies and possibly equipment will be needed in 2005. At such time as additional equipment is needed, as per a new scene investigation protocol being developed in conjunction with the Shreveport Police Department and the Caddo Parish Sheriff's Office, a supplementary budget demand should be anticipated.

The Caddo Parish Coroner's Office has recently assumed supervision of all sexual assault exams, as required by law. At the present time, such sexual assault victims are being examined by two certified and extremely competent nurses (Sexual Assault Nurse Examiners SANE)

The Caddo Parish Coroner's Office has not included in this 2005 budget expenditures for rape exams. It should be noted that SANE nurses and possibly a non-pathology physician will be needed in the near future.

PERSONNEL

1. \ Coroner's Office staff includes the Coroner and two part-time Forensic Pathologists.
2. (In addition to the Coroner and the Forensic Pathologists mentioned above, this budget provides for 5 full time Deputy Coroners/investigators and one part-time Deputy Coroner/investigator. Three-fourths of our Deputy Coroners/investigators now have Masters degrees.

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FAX NO. : 318 226 6884

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Caddo Parish Coroner's Office
2005 Budget
Page 3

3. Administrative section includes an administrator and administrative assistant/secretary. While this level of staffing will not be increased in 2005, an increase will be necessary in the near future. Obviously, when the secretary is on vacation, only the administrator remains to answer the phone, type, handle families coming to the office for sanity investigations, etc.
4. Salaries have increased due to a 3% cost of living increase.
5. A part time clerical worker was added last year. This person is scanning records in an attempt to put all Coroner's Office records on compact discs.

BUDGET CHANGES

The total year 2005 budget for the office is \$939,930.00.

CAPITAL PURCHASES

No capital purchases are planned for the year 2005.

	2005 Monthly Support
City	64,134.63
Parish	11,317.88 (5,658.94)

Self generated income for 2005 is projected at \$ 34,500.00

It should be noted that an appropriation for autopsy costs and third party lab expenses have not been included, since invoices from Forensic Pathologists, Inc., continue to go directly to the City and the Parish, with those agencies responsible for those costs. Such an appropriation was also omitted from the 1996, 1997, 1998, 1999, 2000, 2001, 2002, 2003, and 2004 budgets, for the same reason. A price list for services rendered by Forensic Pathologists, Inc., in 2005 will be furnished to this office as required by law not later than December 2004 and will be passed on to the City and Parish. Such price list will be furnished earlier, if it is received before December. City and Parish should review their historical expenses for those items and make such projections as may be deemed appropriate.

FROM : CADDO CORONER

FAX NO. : 318 226 6884

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Caddo Parish Coroner's Office
2005 Budget
Page 4

LINE ITEM	2005 BUDGET
Operating costs	
Books/subscriptions	1,050
Professional dues	7,000
Travel and education	9,000
Office supplies	4,000
Postage	1,000
Repairs-equipment	2,500
Office equipment	1,000
Telephone	12,000
Maint. contract	3,000
Investigator supplies	5,000
Misc. expense	3,000
Total operating expenses	48,550
Salaries	
Coroner, Deputy Coroners, Investigators	451,474
Administrator, Admin. Assistant, clerical worker	88,406
Total salaries	539,880

FROM : CADDO CORONER

FAX NO. : 318 226 6884

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Caddo Parish Coroner's Office
2005 Budget
Page 5

LINE ITEM	2005 BUDGET
Employee related expenses	
Taxes-FICA/MCARE	39,000
Workman's compensation	25,000
Unemployment tax	2,000
Health benefits	40,000
Retirement	40,000
Bonds	500
Malpractice insurance	40,000
Total employee related expenses	186,500
Professional services	
Audit	10,000
Psychiatric services	130,000
Accounting, legal professional services	15,000
Total professional services	155,000
Transportation services	
Oil, gas, maint.	10,000
Total transportation	10,000
Total operating expenses	939,930
TOTAL 2005 BUDGET	939,930

FROM : CADDO CORONER

Caddo Parish Coroner's Office
2005 Budget
Page 6

INCOME

2005 BUDGET

City of Shreveport
Caddo Parish Commission
CEC reimbursement
Report fees
Other

769,615.50
135,814.50
30,000.00
2,000.00
2,500.00

Total income

939,930.00

Table I

Recent Workload Statistics

	1999	2000	2001	2002	2003	Projected 2004	Projected 2005
Total investigations	4665	5074	4945	5486	5891	6300	6950
Total reported deaths	2309	2285	2317	2333	2580	2700	2950
Homicides	47	64	51	55	57	60	60
Accidents	100	112	121	120	116	130	130
Suicides	32	36	28	26	35	35	35
Natural deaths	1850	2073	1809	1922	1966	2200	2400
Autopsies	326	320	330	330	330	330	330
Sanity investigations	2356	2789	2628	3153	3311	3600	4000