



DeKalb County

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Department of Finance

Internal Audit and Licensing

MEMORANDUM

TO: Dr. Michael J. Bell, Chief Financial Officer

FROM: Deputy Director of Finance, Internal Audit & Licensing

DATE: June 1, 2009

SUBJECT: DeKalb County Medical Examiner's Office Audit Report

Attached is the report of the Medical Examiner's Office, which you requested. The issues raised in the report were discussed with the Chief Medical Examiner, Dr. Gowitt, Director, Paul Kelhofer, Pat Bailey and Jody Deweese at an exit conference on May 27, 2009.

As is customary with our audit work, we do not include the auditee's comments in our report. However, the auditee may consider sending their comments or response directly to you.

We appreciate the cooperation and assistance received from the Medical Examiner's Office during the course of this audit. If you have any questions about the audit or this report, please feel free to contact me at extension 404 371-2619.

Sincerely,

Eugene O'Mard

cc: Joel Gottlieb, Assistant Director of Finance

**DeKalb County
Medical Examiner's Office
Audit Report**

**Finance – Internal Audit & Licensing
Maloo Building
1300 Commerce Drive
4th Floor
Decatur, Georgia 30030**

**MEDICAL EXAMINER'S OFFICE
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**Medical Examiner's Office
Audit Report
BACKGROUND**

Background:

DeKalb County is one of five Georgia Counties that have established (1981), a County Medical Examiner. The other Counties are, in order, Fulton (1965), Cobb (1973), Gwinnett (1989) and Clayton (2001). Other Georgia Counties have an Office of Coroner, which is an elected official. The Georgia Death Investigation Act (O.C.G.A. 45-16-20) "requires that the coroner or county medical examiner of the county where the body is found or the death occurs be notified and that a medical examiner's inquiry be made in all deaths that occur in this state that meet the following criteria:

1. As a result of violence;
2. By suicide or casualty;
3. Suddenly when in apparent good health;
4. When unattended by a physician; no person shall be deemed to have died unattended when the death occurred while the person was a patient of a hospice licensed under Article 9 of Chapter 7 of Title 31 of the Georgia Code.
5. In any suspicious or unusual manner, with particular attention to those persons 16 years of age and under;
6. After birth but before seven years of age if the death is unexpected or unexplained;
7. As a result of an execution carried out pursuant to the imposition of the death penalty under Article 2 of Chapter 10 of Title 17;
8. When an inmate of a state hospital or a state, county, or city penal institution; or
9. After having been admitted to a hospital in an unconscious state and without regaining consciousness within 24 hours of admission."

Therefore, county coroners use the Georgia Bureau of Investigation, Division of Forensic Sciences (GBI DOFS) or contract with forensic pathologists to provide autopsy services. Counties that request services from DeKalb County Medical Examiner are Hall, Henry, and Rockdale Counties.

DeKalb County Medical Examiner, Gerald T. Gowitt, M.D., is Board Certified in Anatomic Pathology (AP), Clinical Pathology (CP) and Forensic Pathology (FP) who has the authority to make determinations concerning medical matters within the Medical Examiner's office. Dr. Gowitt has contracted with DeKalb County, as stated per contract, to provide "services in all of the pertinent aspects of death investigations, which might include but not limited to, scene investigations, the performance of autopsies, and post mortem examinations, the formulation and filing of reports incident thereto, and testimony in Court, when called upon to testify concerning same, both before the Grand Jury and other Courts of DeKalb County or any other County of Georgia wherein such testimony is pertinent, and, if need be, concerning the circumstances of death, findings based upon autopsy and investigation thereof, of all persons who are subject of inquiry, or investigation, or which may be assigned to the Medical Examiner." He assumed the responsibilities of DeKalb County Medical Examiner on March 1, 2000, as the successor of Dr. Joseph Burton.

**Medical Examiner's Office
Audit Report
OBJECTIVES**

AUDIT OBJECTIVES AND METHODOLOGY

- The significant objectives of this audit were the following:
- Determine whether DeKalb County received a reasonable share from the financial transactions related to the operation of the facilities.
- Ensure that the Medical Examiner and DeKalb County were in compliance with the DeKalb County Contract for medical services.
- Review services for any possible additional sources of revenue.
- Compare DeKalb's Contract with other jurisdictions' medical examiner contracts.
- Ensure revenues remitted to DeKalb County and expenses were reasonable.
- Obtain an overview of the physical environment and security of the facilities, data, records and departmental personnel.

Our review was conducted in accordance with Generally Accepted Auditing Standards and included such tests of records and other auditing procedures as were considered necessary under the circumstances.

Based on the results of our review, we prepared specific issues and related recommendations for improvement that were discussed at the exit conference with management. These recommendations can be found in the following sections of this report.

Specific Objectives:

1. To obtain, review and ensure compliance with all existing contracts in the Medical Examiner's Office.
2. To review supply expense report and supporting documentation.
3. To obtain an understanding of the guidelines and procedures for tissue bank program and billing process with LifeLink Foundation.
4. To review supporting documentation for revenues and expenditures.
5. To review any other revenue and expenditures of the Medical Examiner's Office.
6. To obtain and review the organizational chart of the Medical Examiner's Office.
7. To review all current and former DeKalb employee records of the Medical Examiner's Office.
8. To review security of the environment and data/records.
9. To review services for other jurisdictions and evaluate advantages and disadvantages.

Scope:

Review and evaluate contracts, policies, processes, procedures, internal control structure, personnel file, overtime hours and interview staff of the Medical Examiner's Office. The period audited was January 1, 2007 thru April 30, 2009.

TESTING PROCEDURES:

The following were audit steps performed:

OBJECTIVE 1 - Obtain, Review And Ensure Compliance Contracts

1. Obtain and review contracts with the County Medical Examiner, vendors, doctors, subcontractors, other counties and service contacts.
2. Analyze and evaluate compliance of contracts.

OBJECTIVE 2 - Review Supply Expense

1. Review DeKalb County budget amount and yearly expense.
2. Review other, if any (e.g. donated).

OBJECTIVE 3 – Review Lifelink Foundation Program

1. Obtain detailed description of program's operations.
2. Analyze revenues derived from program's operation.
3. Compare DeKalb's revenue with other jurisdictions.

OBJECTIVE 4 - Review Revenues and Expenditures

1. Review sources and amounts of revenues and expenditures.
2. Evaluation of missed opportunity to charge for services or increase current fees.
3. Review DeKalb County budget amount and yearly expense.
4. Review internal controls relating to collection and transmittal of revenues to DTAS.
5. Review internal controls relating to administrative and accounting for disbursements (i.e. approvals, documentation, budget, etc.)
6. Determine whether non-County employees were paid wages/salaries with County funds other than specified in the County's contract.
7. Analyze and evaluate cost to the County (i.e. can cost be reduced?)

OBJECTIVE 5 - Review Any Other Revenues and Expenditures

1. Examine revenues generated at the Medical Examiner's Office.
2. Examine expenses paid by Medical Examiner from his own funds.

OBJECTIVE 6 - Obtain And Review the Organizational Chart

1. Determine whether County employees were reporting to non-County employees? Or vice versa.
2. Evaluate reporting structure

OBJECTIVE 7 - Review Dekalb Employee Records

1. Determine whether County employees were paid overtime.
2. Review comp-time and overtime policy.
3. Analyze and evaluate overtime/comp-time

4. Determine whether Department Head authorized employees to work a second job (i.e. as an independent contractor with Forensic Medicine Associates, Inc.)
5. Review personnel records at the Medical Examiner's Office.

OBJECTIVE 8 - Review of Security and Data/Records

1. Perform a walk-through of physical environment and security.
2. Obtain the retention policy of data records.
3. Obtain from departmental personnel the method in securing confidential information.

OBJECTIVE 9 - Review Services For Other Jurisdictions

1. Compare DeKalb's contract with those of other jurisdictions.
2. Determine whether fee for services should be increased.
3. List advantages and disadvantages of the Medical Examiner contract with DeKalb County.

**MEDICAL EXAMINER'S OFFICE
2009 AUDIT
DETAILED COMMENTS**

I. Obtain, Review and Ensure Contract Compliance

One operating contract existed, which was the contract between DeKalb County and the Medical Examiner, Dr. Gerald Gowitt. A partially signed contract agreement between the Medical Examiner and the County was obtained. There were many verbal agreements with service vendors, other doctors, LifeLink and other counties, as stated by Dr. Gowitt.

Issues

- Internal Audit noted that the initial March 1, 2000 contract agreement between Dr. Gowitt, Medical Examiner and DeKalb County was not signed by the CEO or Executive Assistant (The signature space for DeKalb County was blank).
- Other than the budget line item for the Medical Examiner's salary, Internal Audit could not find an agenda item requesting the Board of Commissioners (BOC) to approve the hiring of the Medical Examiner.
- Purchasing and Contracting, owner of the County's contracts and procurement system did not have a record or a copy of a contract with the medical examiner. As auditors, we view this to be a serious internal control weakness over the custody and maintenance of contracts.
- The contract has no expiration date and is vague in content regarding services to other jurisdictions, revenues and expenditures.
- Internal Audit did not find a written contract between the service vendors, other doctors, and LifeLink. However, there is an agenda item, date January 27, 1998, approving a fee of \$450 per use of the Tissue Procurement room by LifeLink.

Recommendation

We recommend a new contract be written, signed by the CEO and all other required signatories. The contract should cover all the terms, payments, etc. and agreed upon by the Medical Examiner and the County. It should be presented to the BOC for approval. The negotiated contract period should not exceed five years. Also, contracts with service vendors, doctors and LifeLink should be initiated and executed.

Since the current contract did not specify any limitations on the use of County's facilities and employees for non-county activities, the new contract should clearly state some limitations and more reasonable compensation to the County for work performed at the County facilities for other jurisdictions, private and public companies, individuals, etc.

The new contract should clearly address the role County employees should play in regard to non-County activities at the Medical Examiner's Office and the manner of compensation that would not create a conflict of interest. Additionally, the new contract should ensure that the County shares in all sources of revenue generated using County's facilities, employees, supplies etc.

II. Review Supply Expense

Budgeted and actual expenses were reviewed. In 2007, \$ 142,226 was budgeted for supplies, while \$ 153,431 was spent. In 2008, \$ 193,784 was budgeted for supplies (an increase of 36%), while \$ 204,906 was spent (an increase of 34%).

There were separate supply storage areas at the Medical Examiner's facility for supplies used for DeKalb autopsies and those purchased by Dr. Gowitt for Forensic Medicine Associates, Inc. (FMA) autopsies.

Issue

- In our review Dr. Gowitt noted that he used some of the income received from LifeLink and the other counties to supplement the County's supply expense shortfall.

Recommendation

We recommend that the Medical Examiner's Office conduct a comparison of comparable counties' supply expenses to determine the appropriate level of expense for the number of deaths reviewed by the Medical Examiner.

III. Review LifeLink Foundation Program

Donated organs are procured by the LifeLink Foundation at hospitals while the donor is still living. When there are donated tissues in addition to organs (bone, skin, etc... procured after death), LifeLink personnel obtain medical and legal clearances from families involved and perform the procurements in a sterile room at the DeKalb County Medical Examiner's facilities. LifeLink requests autopsies of the bodies by Dr. Gowitt to ensure that there are no communicable diseases or other impairments that would hinder the use of the tissues.

LifeLink pays DeKalb County \$450 for each use of the Tissue Procurement room, which was approved by the BOC on January 27, 1998. Dr. Gowitt receives \$1,650 per autopsy from LifeLink with an additional charge of \$1,000 if Sunday work is required. Transportation of the body is the responsibility of LifeLink.

In 2007, DeKalb County received \$43,650 from LifeLink and, in 2008, the County received \$40,050.

Issue

- The use of Tissue Procurement room fee of \$450 has not been increased for eleven years.

Recommendation

We recommend County management determine an appropriate and reasonable fee for the use of the Tissue Procurement room.

IV. Review Revenues and Expenditures

Revenues received by the County from the Medical Examiner are in three categories – Sale of Printed Materials (copying fees for autopsy reports to defense attorneys, etc...), Use of the Morgue

(monthly payment from Dr. Gowitt), and the Tissue Bank Program (payment for use of the Tissue Procurement room by the LifeLink Foundation). Revenues received for 2007 and 2008 are as follows:

	2007	2008
Sale of Printed Materials	\$ 130	760
Use of Morgue	\$ 6,000	6,000
Tissue Bank Program	\$ 43,650	40,050

Sales and Tissue Procurement revenues vary annually because they are dependent on requests/uses each year. The average fee per autopsy report is \$25. LifeLink pays \$450 for each use of the Tissue Procurement room. The \$500/month that Dr. Gowitt pays for the use of the morgue is a holdover from a previous Medical Examiner and, as such, has been set for ten or more years.

County expenditures for the Medical Examiner’s Office are primarily for County employees, supplies, and other office expenses. Non-County employees are paid wages/salaries out of the annual stipend that Dr. Gowitt receives, in accordance with Dr. Gowitt’s contract. Also, expenditures, traditionally associated with the Medical Examiner function, such as transportation of the body, are paid for out of the Medical Examiners annual stipend. \$2,297,661 was budgeted for 2007 and \$2,475,054 for 2008.

Revenues obtained by the Medical Examiner’s Office are submitted to the County once a month. Disbursements are primarily handled through the Oracle process, the Medical Examiner does not maintain a bank account, with emergency purchases made with the use of P-cards after approval of the Director in accordance with P-card policies.

Issue

- A reevaluation of the fees for autopsy report copies, use of the morgue, and use of the Tissue Procurement room should be re-examined.

Recommendation

We recommend that County management determine reasonable fees for autopsy report copies, use of the morgue, and use of the Tissue Procurement room.

V. Review Other Revenues and Expenditures

In addition to the annual salary that the County pays Dr. Gowitt, he also receives payments ranging from \$250 to \$2,650 for autopsies performed for other counties or LifeLink, on behalf of his company, Forensic Medicine Associates, Inc. (FMA). According to Dr. Gowitt, the professional service fees paid to him plus outside autopsies totaled \$997,100 in 2007 and \$1,037,650 in 2008.

Agency	Basic Fee/Autopsy	Basic Fee/Autopsy <i>(Sunday)</i>	Toxicology & Report Only <i>(No autopsy)</i>	No toxicology or Report, Body Returned <i>(No autopsy)</i>
LifeLink	\$1,650	\$2,650	-	-
Other Counties	\$800	-	\$400	\$250

From these revenues, Dr. Gowitt pointed out that he has expenditures that are a combination of DeKalb County and FMA expenses. He pays the salaries of four non-merit County employees of Medical Examiner Office (includes himself); purchased equipment and furniture used in the office, and pays other expenses that would be considered DeKalb County expenses. Those expenditures were approximately \$916,000 and, \$878,000 in 2007 and 2008, respectively.

Issues

- As noted above, this contract is vague and did not address the outside income issue.

Recommendation

A new contract should be negotiated.

VI. Review Organizational Chart

Internal Audit acquired two organizational charts of the Medical Examiner's Office; one from the budget book and the other was provided by the Medical Examiner staff. The budget book displays the Chief Medical Examiner as the head of the office and the chart provided by the Medical Examiner staff displays both the Chief Medical Examiner and the Director are head of the Medical Examiner's Office; both report to CEO or Executive Assistant/COO. As stated per staff, the Chief Medical Examiner is responsible for overseeing and managing the Medical/Pathology services of the Department. The Director is responsible for oversight and management of all other aspects of the organization, i.e. the Forensic Death Investigation Division and Special Operations, the Forensic Laboratory Division, and the Forensic Services Division. A revised copy was submitted with the 2009 budget. The Chief Medical Examiner's Senior Executive Secretary, who is a non-county employee, is listed as reporting to the Deputy Director, who is a merit employee.

Issue

- When the current contract was written, there was no Director for the Medical Examiner's Office. The organizational structure as outlined in the budget book differs from the current structure in that the budget book displays the Chief Medical Examiner as head of the office and the current structure has these positions as equals.

Recommendation

We recommend that the next contract specify the reporting structure and also official documents be updated to reflect such changes.

VII. Review Employee Records

County Code Sec. 20-22. Full Time Service; Outside Employment States in Part:

"The county shall be entitled to full-time services of all employees whose positions are on a full-time basis. All outside employment must be approved in advance by the department head."

Issues:

- Internal Audit noted that twelve County employees, former and active, who received a form W-2 from Dekalb County payroll system, received a Form 1099 as an independent contractor form Forensic Medicine Associates, Inc. for years (2007 and 2008). Also five of

those employees received overtime pay and/or comp-time during the same years (2007 and 2008). We were not allowed access to billable hours for which these 1099's represent.

- Internal Audit noted that there were no approvals by the department head to work as an independent contractor included in the employee's personnel files.
- Internal Audit noted that although employees in management did not obtain overtime pay or comp-time, they were among the highest paid independent contractors, with the former director earning in excess of 70% of his Dekalb County's Salary in 2007.

Recommendation:

County Code Sec.20-22 continues:

"No outside employment which interferes with the employee's scheduled county work time shall be allowed, nor shall any outside employment be allowed which may create a conflict, or apparent conflict, between private interest of the individual and official county duties and responsibilities."

Internal Audit recommends that the CEO's Office look into the arrangement where County Employees received W-2 and Form 1099 from Chief Medical Examiner's Company (FMA) and also received overtime pay and/or comp-time in some cases County and the Medical Examiner's Corporation, receive overtime pay and/or comp-time in some cases.

The above situation could easily be perceived to be a conflict of interest, as we interpret Sec. 20-20.

VIII. Review Security and Data/Records

During our tour of the facility we noted that all areas were secured included the examination rooms and storage facilities. Data retention regarding wet tissue were kept for three years, slides and blocks of wet tissue were kept forever, and inquiry records were kept forever (includes doctor's report and investigator's report, addenda, etc.). There were no issues regarding security and data/records.

IX. Review Services for Other Jurisdictions

Internal Audit obtained copies of the contracts, budget, and revenue and expense information for other jurisdictions. Additionally, we received information from the Medical Examiner that agreed with the information we obtained. The Medical Examiner's Office, through its networking provided information that is presented in Exhibit 2. No further information was obtained from the other jurisdictions regarding the fees. See Exhibit 2 for the comparison of other jurisdictions.

Issue

- As mentioned above, the contract is vague therefore a fair comparison cannot be attained.

Recommendation

We recommend that County Management review the statistics in the exhibit and negotiate a new contract with the Chief Medical Examiner.

DeKalb County, Georgia
 Medical Examiner's Office
 Statement of Operations (Oracle Information)
 For The Years 2008 and 2007 Compared
 Exhibit 1

	<u>2008</u>	<u>2007</u>	<u>Increase (Decrease)</u>
Revenues:			
Sale of Printed Materials	760	130	630
Use of Morgue	6,000	6,000	-
Tissue Bank Program	40,050	43,650	(3,600)
Total Revenues	46,810	49,780	(2,970)
Expenses:			
Salaries/Benefits	1,462,165	1,542,813	(80,648)
Other Professional Services	660,000	430,753	229,247
Investigation Services	12,705	28,422	(15,717)
Postage	693	280	413
Rental of Equipment	3,012	3,197	(185)
Repair/Maintenance	18,076	16,173	1,903
Supplies	106,227	91,212	15,014
Other Expenses	20,875	21,237	(362)
Capital Outlays	7,568	10,787	(3,219)
Subtotal Expenses	2,291,320	2,144,875	146,445
Other Expenses			
Telephone Service	10,070	8,337	1,733
Electricity	56,666	57,646	(980)
Interfund/Interdepartmental	116,999	86,803	30,196
Subtotal Other Expenses	183,735	152,786	30,948
Total Expenses	2,475,054	2,297,661	177,393
Net Revenue/(Loss)	(2,428,244)	(2,247,881)	180,363

Dekalb County, Georgia
Medical Examiner's Office
Other Jurisdictions Medical Examiner's Comparison
EXHIBIT 2

DEKALB	COBB	FULTON	WINNETT	GWINNETT	GBI
Employee/Contract: Contract	Employee/Contract: Contract	Employee/Contract: Employed by Emory	Employee/Contract: Contract	Employee/Contract: Contract	Employee/Contract: State Employee
Base Salary: \$230,000	Base Salary: \$200,000	Base Salary: \$183,000	Base Salary: \$200,000	Base Salary: \$200,000	Base Salary: \$188,300
Benefits: 35%	Benefits: 35%	Benefits: 35%	Benefits: 35%	Benefits: 35%	Benefits: 35%
Total Cost: \$310,500	Total Cost: \$270,000	Total Cost: \$297,000	Total Cost: \$270,000	Total Cost: \$270,000	Total Cost: \$254,205
Contract Amt: \$660,000	Contract Amt: \$430,000	Contract Amt:	Contract Amt: \$915,000	Contract Amt:	Contract Amt:
Other:	Other:	Other:	Other:	Other:	Other:
- User's Fee: \$6,000/yr	- User's Fee: None	- User's Fee: Outside Cases	- User's Fee: None	- User's Fee: None	- User's Fee: No Outside Cases Allowed
- Unlimited Outside Income	- Unlimited Outside Income	- County funds all staff	- Unlimited Outside Income	- Entire Staff is Private and	- Unlimited Outside Income(consulting)
- 25% of staff employed	- County Funds all staff	- County funds all staff	- County funds all staff	County supplies the morgue	
by Chief Medical Examiner	and facility	and facility		- 5% annual increase	

DeKalb County, Georgia
 Medical Examiner's Office
 Summary of W-2 & 1099 Employees
 January 1, 2007 thru April 30, 2009
 EXHIBIT 3

DeKalb Medical Examiner's Office Employees					
Employee Title	W-2 Employee	1099 Employee	Total Overtime	Comp Time Accrual ¹	Comp Time Taken
Director	Yes	Yes	-	-	-
Director (Former)	Yes	Yes	-	-	-
Chief Investigator	Yes	Yes	-	-	-
Chief Investigator (Former)	Yes	Yes	-	-	-
Deputy Chief Investigator (Former)	Yes	Yes	-	-	-
Forensic Laboratory Manager	Yes	Yes	-	-	-
Forensic Service Manager ²	Yes	Yes	25.50	35.00	43.50
Office Assistant Senior	Yes	Yes	-	-	7.00
Office Assistant Senior	Yes	Yes	2.00	16.00	15.00
Office Assistant Senior	Yes	Yes	-	-	-
Senior Forensic Technician	Yes	Yes	98.00	34.00	63.50
Senior Forensic Technician	Yes	Yes	53.00	57.00	68.00

¹ Prior Balance Not Shown

² Overtime and accrued comp time were taken prior to assuming management position.