

GALVESTON COUNTY



Office of County Auditor

Randall Rice CPA CISA CIO, County Auditor
Kristin Bulanek CIA, First Assistant County Auditor

P.O. Box 1418, Galveston, Texas 77553

(409) 770-5304

722 Moody Ave 4th Floor, Galveston, TX 77550

July 1, 2019

Honorable Mark A. Henry, County Judge, and
Members of the Commissioners Court
722 Moody Avenue
Galveston, Texas 77550

Honorable Mark A. Henry and Members of the Court:

Attached to be received and filed is the internal audit report of the Interlocal Cooperation Agreement between UTMB and Galveston County relating to the Galveston County Medical Examiner's Office. The audit covered the period September 1, 2018 through February 28, 2019. Also attached is the response letter from David Delac, Chief Financial Officer, dated June 21, 2019.

Sincerely,

Randall Rice CPA
County Auditor

Attachment: Galveston County Medical Examiner's Office Internal Audit Report
Response Letter, David Delac

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722 Moody Ave 4th Floor, Galveston, TX 77550

May 28, 2019

To: David Delac
Chief Financial Officer

From: Lillian Arredondo
Internal Auditor

Re: Galveston County Medical Examiner's Office Audit Report

The Internal Audit Division conducted an audit of the Interlocal Cooperation Agreement by and between the University of Texas Medical Branch (UTMB) at Galveston and the County of Galveston relating to the Galveston County Medical Examiner's Office in accordance with Local Government Code §115. The audit covered the period September 1, 2018 through February 28, 2019.

The objectives of the audit were to provide reasonable assurance concerning:

- Reliability and integrity of the information.
- Compliance with laws, regulations, contracts, policies, plans and procedures.

Interlocal Cooperation Agreement

The Interlocal Cooperation Agreement (Agreement) between the University of Texas Medical Branch (UTMB) and Galveston County was renewed on September 1, 2018 and expires on August 31, 2019. The Agreement, in accordance with CCP §49.25 Medical Examiners, authorizes the county to pay the salaries and compensation of the Medical Examiner and the Medical Examiner's staff for medical examiner services.

Article V. Duties of the Medical Examiner

Article V of the Agreement states the duties of the medical examiner include:

- Inquests and Autopsies
Autopsies are performed on victims of crime whose remains are discovered within Galveston County and on persons who die within Galveston County under circumstances requiring an autopsy.
- Limited Autopsy/Views
Limited autopsy/views involve taking blood samples or any other samples of body fluids, tissues or organs in order to ascertain the cause of death or whether a crime has been committed. Limited autopsy/views are performed when a complete autopsy is deemed unnecessary by the Medical Examiner.

Article VIII. Non-County (Private) Autopsies

Article VIII of the Agreement states the term "private autopsy" means an autopsy or view:

- Performed for a county other than Galveston County
- Performed for a governmental entity other than a county
- Performed at the request of an individual or entity on an individual who died outside Galveston County
- Performed on an individual who died within Galveston County whose death would not otherwise be investigated as required by the Texas Code of Criminal Procedure or other applicable State law

Article IX. Costs, Compensation, Financial Records

Article IX Section 9.1(a) of the Agreement states the county will pay UTMB for services performed by the Chief Medical Examiner, Deputy Medical Examiner(s) and staff employed on their behalf. Article IX Section 9.1(b)(3) states UTMB shall credit the county for services performed by the Medical Examiner's Office for non-county (private) entities. The credits serve as compensation for the use of the county building and operational overhead.

UTMB shall submit invoices to the county no more than monthly but no less than quarterly. The maximum amount of compensation and reimbursement that may be paid by the county shall not exceed \$750,000.00 for FY2019. UTMB shall provide written notice to the county's Contract Administrator when the compensation within the fiscal year reaches \$700,000.00.

UTMB submits invoices to the county monthly. As of February 28, 2019, Galveston County paid a total of \$278,795.00 to UTMB for the services performed by the Medical Examiner's Office.

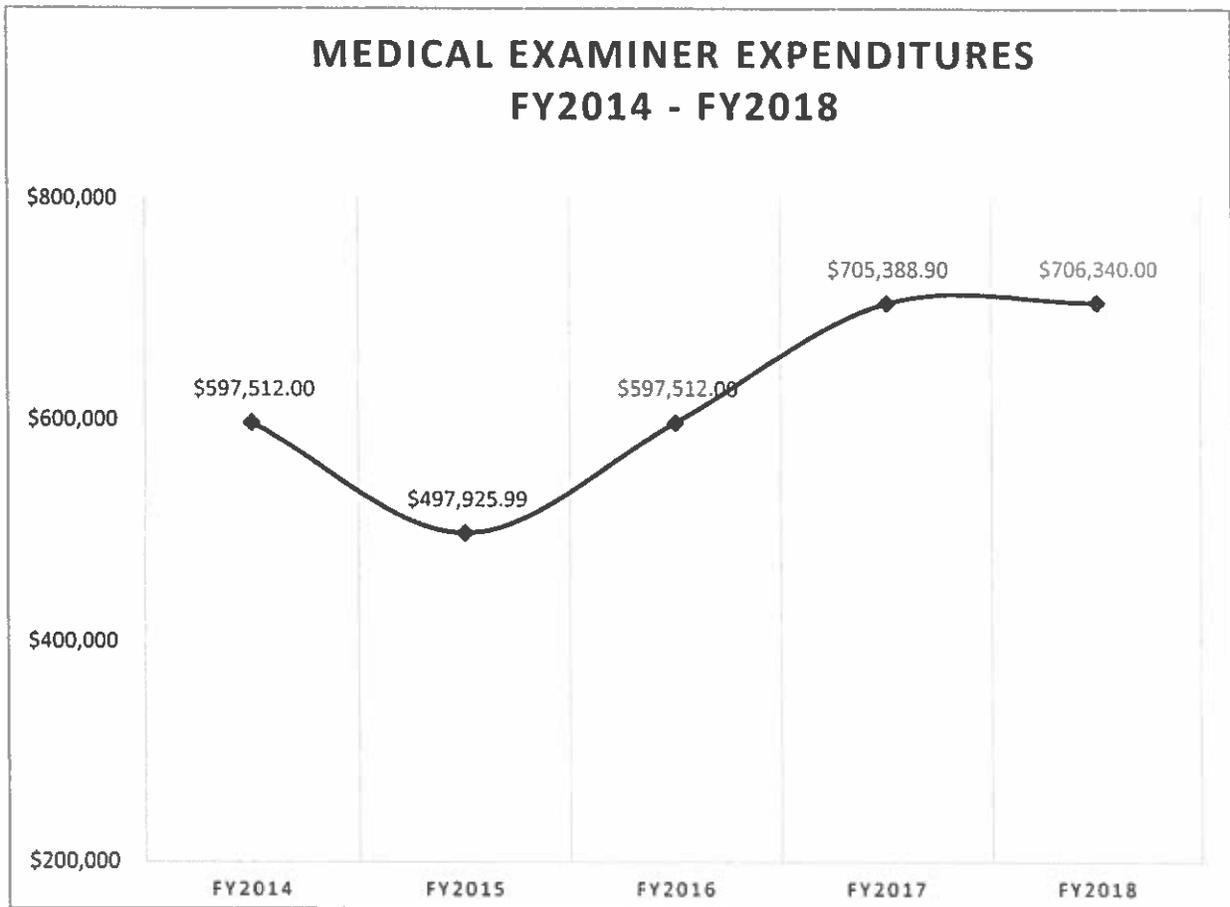
Review of Invoices

Article IX Section 9.1(b)(2) states the county shall pay UTMB \$2,340.00 for each full autopsy performed on behalf of Galveston County and \$800.00 for each limited autopsy/view. UTMB shall credit the county \$160.00 for each autopsy performed by the Medical Examiner's Office for non-county (private) entities and \$50.00 for each limited autopsy/view performed for non-county entities. UTMB shall credit the county ten percent (10%) of other Medical Examiner Office services provided to any party other than the Galveston County. Such services include but are not limited to cremation requests, laboratory testing and other technical services and reports generated.

The auditor reviewed the monthly invoices for the period of September 2018 – February 2019 to verify compliance with the agreement. The review included recalculating the amount due (charges less credits) for each invoice and verifying actual services were performed for a sample of charges. No material exceptions were noted.

Statistical Analysis

A statistical analysis was performed on the compensation paid to UTMB for the medical examiner’s services from FY2014 through FY2018. Since FY2016, the expenditures have increased from \$597,512 to \$706,340, an 18.21% increase. Prior to FY2017, the county paid UTMB an annual lump sum amount of \$597,512. For FY2017 and FY2018, the county began paying UTMB contracted amounts per services rendered. The chart below reflects the trend of expenditures for the Contract Services -Medical Examiner.



We wish to thank Mr. Delac and the Medical Examiner’s Office personnel for their cooperation and assistance.

- cc: Randall Rice CPA, County Auditor
- Kristin Bulanek CIA, First Assistant County Auditor
- Erin Barnhart MD, Galveston County Chief Medical Examiner



COUNTY OF GALVESTON
Professional Services Department

DAVID M. DELAC, CHIEF FINANCIAL OFFICER

CDBG Housing Department
CDBG Non-Housing
Child Welfare
Fleet
Grants/FEMA

Budget
Financial Assistance
Guardianship Program
Indigent Burials
Indigent Health Care

June 21, 2019

To: Lillian Arredondo
Internal Auditor

From: David M. Delac *DM*
CFO/Budget Officer

Re: Response to the Interlocal Cooperation Agreement between UTMB and Galveston County relating to the Galveston County Medical Examiner's Office Internal Audit Report

The following is in response to the Internal Audit Report on the Galveston County Medical Examiner's Office performed by the Galveston County Auditor's Office.

I am pleased that according to the audit of the Medical Examiner's Office Internal Audit Report that there were no findings and/or recommendations. My office will continue to work with the Galveston County Medical Examiner's Office and the Auditor's Office to ensure that both parties maintain the terms of the agreement.

Thank you to Lillian and the Auditor's Office for providing the internal audit on this contract.

cc: Randall Rice CPA, County Auditor
Kristin Bulanek, CIA, First Assistant County Auditor
Lori McWhirter, Internal Audit Manager
Erin Barnhart MD, Galveston County Chief Medical Examiner