



COUNTY OF EL PASO
OFFICE OF THE COUNTY AUDITOR

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09-32

September 17, 2024

Dr. Mario A. Rascon
Chief Medical Examiner
4505 Alberta Avenue
El Paso, Texas 79905

Dear Dr. Rascon:

The County Auditor's Internal Audit division performed an audit of the Medical Examiner's Office financial records to determine if internal controls are adequate to ensure proper preparation of the Medical Examiner's financial reports. Policies, procedures and regulations were also reviewed to ensure processes are documented, operating and efficient.

The audit report is attached. We tested five financial controls and three operating controls with a total of 194 samples. There were two findings noted as a result of the audit procedures with one being a repeat finding. We wish to thank the management and staff of the Medical Examiner's Office for their assistance and courtesies extended during this audit.

Because of certain statutory duties required of the County Auditor, this office is not independent in regard to your office, as defined by AICPA professional standards. However, our audit was performed with objectivity and due professional care.

Respectfully,

A handwritten signature in blue ink that reads "Barbara Parker".

Barbara Parker
County Auditor

BP:LD:ya

cc: Ms. Betsy Keller, Chief Administrator
Ms. Irene Santiago, Chief of Operations, Medical Examiner's Office



**Office of the Medical Examiner Audit
For the Period of February 2023 thru January 2024**

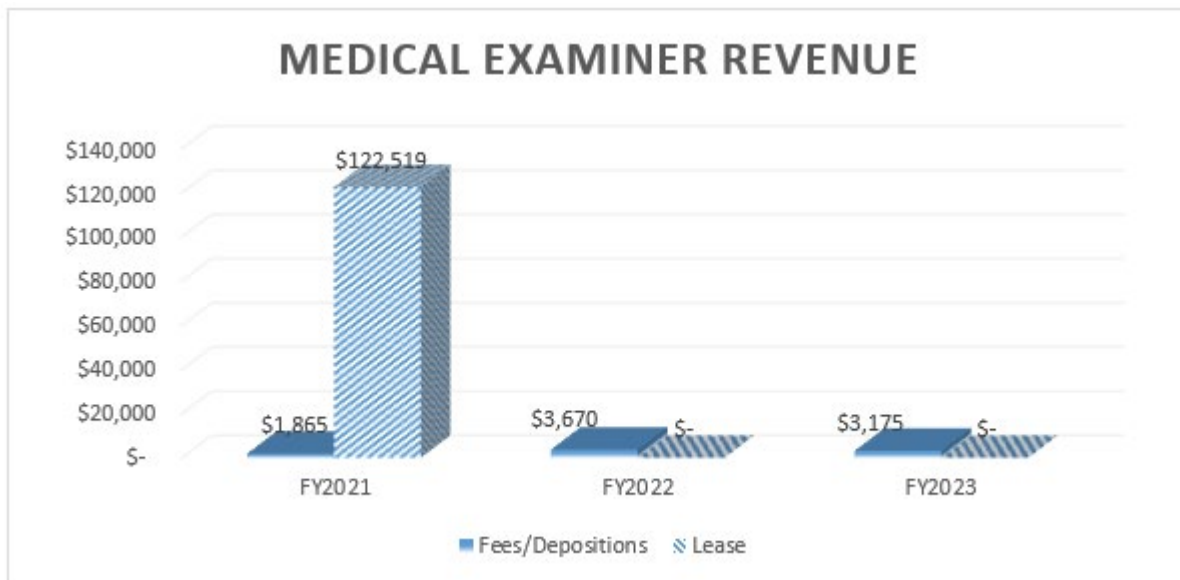


EXECUTIVE SUMMARY

BACKGROUND

The Office of the Medical Examiner is responsible for the death investigation of sudden, unexpected or unexplained deaths in El Paso County. It is accredited by the National Association of Medical Examiners (NAME) which provides reasonable assurance that the system well serves its jurisdiction. This office collects administrative fees for items such as copies of autopsy reports, photographs and depositions. The current Chief Medical Examiner was appointed by Commissioners Court in December 2014. The audit was performed by Letty Dominguez, internal auditor, certified I. The most recent prior audit was issued on December 2020 and had two reportable findings.

Financial reports are generated from Enterprise ERP, the County’s financial system, showing all transactions occurring each month. The following chart is a comparison of revenue collected at the Medical Examiner’s Office for the past three fiscal years.



Source: Enterprise ERP

The 51% fee/deposition revenue increase from FY 2021 to FY 2022 is due to an increase in deposition services totaling \$1,805. The 100% lease revenue decrease from FY 2021 to FY 2022 is due to the City of El Paso ending their lease with the Medical Examiner. The City of El Paso moved out of the Medical Examiner’s building in August 2021.

SCOPE

The scope of the audit includes financial records from February 2023 through January 2024.

OBJECTIVES

The audit evaluated the adequacy of controls and processes to achieve key business objectives related to the Medical Examiner’s Office financial reports. Following are the business objectives and related control assessment.

Business Objectives	Control Assessment
1. Functioning appropriate cash controls	Satisfactory
2. Timely bank deposits and complete documentation	Satisfactory
3. Completeness of the mail payment log and timely posting to Tyler Cashiering	Satisfactory
4. Applicable unclaimed property is submitted to the Texas Comptroller	Satisfactory
5. Voids are properly justified, approved and posted	Needs Improvement
6. Proper purchase requisition and receiving procedures	Needs Improvement
7. Documentation of updated policies and procedures	Satisfactory



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EXECUTIVE SUMMARY

METHODOLOGY

To achieve the audit objectives, we:

- Performed a surprise cash count in accordance with *LGC §115.0035*
- Reviewed a sample of daily deposit reports and compared them to daily deposit slips and bank statements for timeliness and completeness
- Reviewed a sample of mail payment log entries for completeness and timely posting to Tyler Cashiering
- Reviewed the unclaimed property that has met the three-year retention period and the supporting documentation
- Reviewed voids to ensure they were properly justified, approved and posted
- Reviewed the purchase requisition workflow for management approval and segregation of duties
- Reviewed policies and procedures for completeness and updates

RESULTS

Listed below are controls and findings summaries, with findings listed from highest to lowest risk. Please see the *Findings and Action Plans* section of this report for details and management action plans and the status of prior audit action plans.

Control Summary	
Good Controls	Weak Controls
<ul style="list-style-type: none"> • Cash handling controls (Obj. 1) • Complete deposit documentation (Obj. 2) • Mail payment log controls (Obj. 3) • Unclaimed property policy (Obj. 4) • Documentation of policies and procedures (Obj. 7) 	<ul style="list-style-type: none"> • Voided transaction controls (Obj. 5) • Purchase requisition and receiving controls (Obj. 6)
Findings Summary	
<ol style="list-style-type: none"> 1. 100% percent of voids sampled were not properly justified and approved. 2. Purchase requisitions do not have documented management approval. There is a lack of segregation of duties in the ordering and receiving functions within the Medical Examiner’s Office (prior finding). 	

INHERENT LIMITATIONS

This financial review was designed to provide reasonable assurance that the internal control structure is adequate to safeguard the County’s assets from loss, theft or misuse. The County’s internal control structure is designed to provide reasonable, but not absolute assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of implementing the controls should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires the use of estimates and judgment by management. Because of the inherent limitations in any system of internal controls, errors or irregularities may occur and not be detected.

CONCLUSION

The Medical Examiner’s Office has implemented improvements in their operations. However, the department only met five of the seven audit objectives. Implementation of the recommendations provided in this report should assist the Medical Examiner’s Office in producing complete and accurate financial reports by strengthening their internal control structure.



Office of the Medical Examiner Audit
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FINDINGS AND ACTION PLANS

Prior Audit Findings Summarized with Current Status

Status

H Closed

1. **Finding:** Deposits lacked management review.
Recommendation: Management review will be documented.
Action Plan: Management concurs with the recommendation. **Resolved**

H Open
See current
finding #2

2. **Finding:** Lack of segregation of duties in the ordering and receiving functions.
Recommendation: Enterprise ERP purchase requisition workflow should be updated to include management approval. Workflow should be set up so same person entering a requisition cannot approve it. Ordering and receiving functions should be segregated.
Action Plan: Morgue Manager and Chief of Operations will enter the requisitions and receiving records. One will enter the requisition and the other the receiving record. Procedure will be documented in policies and procedures. **Unresolved**



**Office of the Medical Examiner Audit
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FINDINGS AND ACTION PLANS

Current Audit Findings

Finding #1		Risk Level H								
<p>Voids Review – Two void transactions were processed during the audit period and both void transactions were reviewed. Neither (100%) were properly justified or approved. The Medical Examiner’s Office policies and procedures does not document the void approval process. Lack of management approval and proper documentation on void transactions could result in misappropriation of County funds.</p>										
<p>Recommendation</p> <p>Management should review all voided transactions and document such approval in the voids log. Policies and procedures should be updated to include the voids process.</p>										
<p>Action Plan</p> <table border="1"> <thead> <tr> <th>Person Responsible</th> <th>Chief of Operations</th> <th>Estimated Completion Date</th> <th>Completed</th> </tr> </thead> <tbody> <tr> <td colspan="4"> <p>A void log has been implemented and the new process includes management review and approval. Policies and procedures have been updated.</p> </td> </tr> </tbody> </table>			Person Responsible	Chief of Operations	Estimated Completion Date	Completed	<p>A void log has been implemented and the new process includes management review and approval. Policies and procedures have been updated.</p>			
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Finding #2		Risk Level H								
<p>Purchase Requisitions - Of the 34 purchase requisitions tested, 13 (38%) lacked segregation of duties in the ordering and receiving functions. Purchase requisitions are submitted in Enterprise ERP by the Chief of Operations without documented approval by another manager or supervisor. The Chief of Operations also receives most of the deliveries. Lack of controls over the purchase requisition and receiving process could result in theft or misuse of County property and funds. This is a repeat finding.</p> <p>Auditor’s Note: The Medical Examiner’s office has indicated that they have had high turnover for the last three years and it was not possible to maintain proper segregation of duties while they were short staffed.</p>										
<p>Recommendation</p> <p>Ordering and receiving functions within the Medical Examiner’s Office should be segregated. Approval workflow should be set up so the same person cannot approve their own purchase requisition entries. Further, changes to the current process should be documented in procedures.</p>										
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