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ORLEANS PARISH CORONER  
(A Component Unit)  
CITY OF NEW ORLEANS  
New Orleans, Louisiana  
Financial Statements  
For the Years Ended June 30, 1998 and 1999

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 1-19-2000

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**Kelton & Company**

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Independent Auditors' Report

To the Orleans Parish Coroner

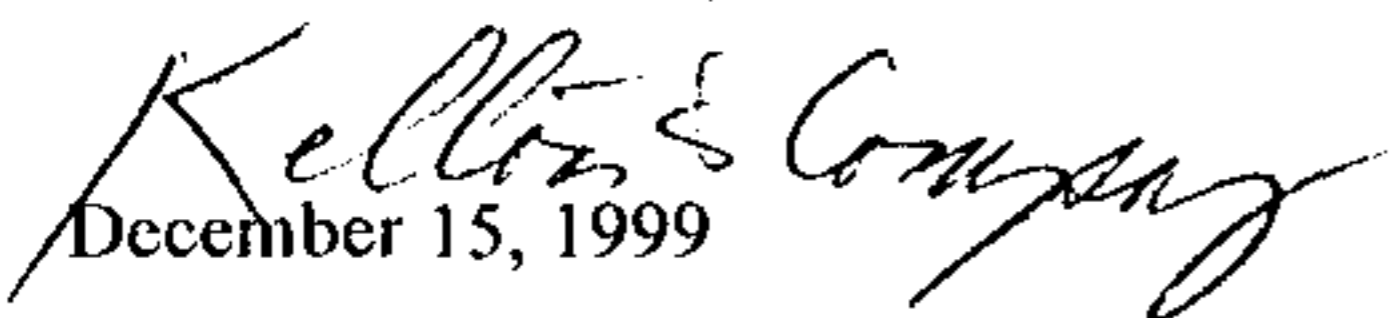
We have audited the accompanying general purpose financial statements of the Orleans Parish Coroner, a component unit of the City of New Orleans, as of June 30, 1998 and 1999, and for the years then ended. These general purpose financial statements are the responsibility of the Orleans Parish Coroner's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in note 4, the general purpose financial statements of the Orleans Parish Coroner are intended to present the financial position and results of operations of only that portion of the funds and account groups of the City of New Orleans that is attributable to the funds solely in the custody of the Orleans Parish Coroner's Office, and does not include the funds appropriated and expended by the City of New Orleans for the operations of the Coroner's Office.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Orleans Parish Coroner as of June 30, 1998 and 1999, and the results of its operations for the years then ended, in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued a report dated December 15, 1999 on our consideration of the Orleans Parish Coroner's compliance with laws and regulations and internal control over financial reporting based on our audit of the general purpose financial statements dated December 15, 1999.

  
December 15, 1999

ORLEANS PARISH CORONER  
(A Component Unit)  
CITY OF NEW ORLEANS

2

Balance Sheet  
All Fund Types and Account Groups  
June 30, 1999

	Governmental Fund Type- General Fund	Account Group General Fixed Assets	Total (Memorandum Only)
<b>Assets</b>			
Cash	\$ 16,423		\$ 16,423
Accounts receivable (Net of allowance for doubtful accounts of \$1,000)	13,955		13,955
<b>Fixed assets</b>			
Improvements		\$ 1,113	1,113
Movable property		40,721	40,721
<b>Total assets</b>	<b>\$ 30,378</b>	<b>\$ 41,834</b>	<b>\$ 72,212</b>
<b>Liabilities</b>			
Accounts payable	\$ 44,367		\$ 44,367
<b>Total liabilities</b>	<b>44,367</b>		<b>44,367</b>
<b>Fund Equity</b>			
Investment in general fixed assets		\$ 41,834	41,834
Fund balance Unreserved and undesignated (Deficit)	(13,989)		(13,989)
<b>Total fund equity</b>	<b>(13,989)</b>	<b>41,834</b>	<b>27,845</b>
<b>Total liabilities and fund equity</b>	<b>\$ 30,378</b>	<b>\$ 41,834</b>	<b>\$ 72,212</b>

The accompanying notes are an integral part of these general purpose financial statements.

ORLEANS PARISH CORONER  
(A Component Unit)  
CITY OF NEW ORLEANS

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Balance Sheet  
All Fund Types and Account Groups  
June 30, 1998

	Governmental Fund Type- General Fund	Account Group General Fixed Assets	Total (Memorandum Only)
<b>Assets</b>			
Cash	\$ 1,923		\$ 1,923
Accounts receivable (Net of allowance for doubtful accounts of \$1,000)	8,485		8,485
<b>Fixed assets</b>			
Improvements		\$ 1,113	1,113
Movable property		36,738	36,738
<b>Total assets</b>	<b>\$ 10,408</b>	<b>\$ 37,851</b>	<b>\$ 48,259</b>
<b>Liabilities</b>			
Accounts payable	\$ 8,492		\$ 8,492
<b>Total liabilities</b>	<b>8,492</b>		<b>8,492</b>
<b>Fund Equity</b>			
Investment in general fixed assets		\$ 37,851	37,851
Fund balance Unreserved and undesignated	1,916	---	1,916
<b>Total fund equity</b>	<b>1,916</b>	<b>37,851</b>	<b>39,767</b>
<b>Total liabilities and fund equity</b>	<b>\$ 10,408</b>	<b>\$ 37,851</b>	<b>\$ 48,259</b>

The accompanying notes are an integral part of these general purpose financial statements.

ORLEANS PARISH CORONER  
(A Component Unit)  
CITY OF NEW ORLEANS

Statement of Revenues, Expenditures, and Changes in Fund Balance-  
Governmental Fund Type - General Fund  
For the Year Ended June 30, 1999

Revenues	\$	66,905
Autopsy and toxicology reports		138
Burial permits		19,170
Cremation permits		492
Death reports		160
Photographs		11,790
Use of coroner's facility		5,075
Miscellaneous		(560)
Less: refunds		(560)
Total revenues		<u>103,170</u>
Expenditures - current		250
Bad debts		350
Banking		475
Books and printing		---
Continuing education and training		1,590
Dues and memberships		4,174
Gasoline		---
Licenses and permits		2,416
Other		1,555
Postage		49,127
Professional services		419
Repairs and maintenance		23,065
Salary supplements		18,702
Office		11,477
Laboratory and morgue		1,392
Telephone		100
Travel, conferences, and conventions		<u>115,092</u>
Total expenditures - current		115,092
Expenditures - capital outlay		3,983
Equipment		<u>3,983</u>
Total expenditures		<u>119,075</u>
Excess of expenditures over revenues		(15,905)
Fund balance, beginning of year		<u>1,916</u>
Fund balance, end of year (Deficit)	\$	<u><u>(13,989)</u></u>

The accompanying notes are an integral part of these general purpose financial statements.

ORLEANS PARISH CORONER  
(A Component Unit)  
CITY OF NEW ORLEANS

Statement of Revenues, Expenditures, and Changes in Fund Balance-  
Governmental Fund Type - General Fund  
For the Year Ended June 30, 1998

Revenues	\$	55,482
Autopsy and toxicology reports		310
Burial permits		20,200
Cremation permits		25
Death reports		1,861
Photographs		6,400
Use of coroner's facility		2,890
Miscellaneous		---
Less: refunds		---
		<hr/>
Total revenues		87,168
		<hr/>
Expenditures - current		200
Bad debts		738
Banking		1,007
Books and printing		888
Continuing education and training		1,322
Dues and memberships		4,090
Gasoline		---
Licenses and permits		1,456
Other		1,970
Postage		26,450
Professional services		661
Repairs and maintenance		23,022
Salary supplements		8,663
Office		2,893
Laboratory and morgue		1,077
Telephone		1,134
Travel, conferences, and conventions		---
		<hr/>
Total expenditures - current		75,571
		<hr/>
Expenditures - capital outlay		---
Equipment		---
		<hr/>
Total expenditures		75,571
		<hr/>
Excess of revenues over expenditures		11,597
Fund balance (deficit), beginning of year		(9,681)
		<hr/>
Fund balance, end of year	\$	<u>1,916</u>

The accompanying notes are an integral part of these general purpose financial statements.

ORLEANS PARISH CORONER  
(A Component Unit)  
CITY OF NEW ORLEANS

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Statement of Revenues, Expenditures, and Changes in Fund Balance-  
Governmental Fund Type - General Fund  
Budget and Actual

	For the Year Ended June 30, 1999		
	Budget	Actual Non-GAAP Budget Basis	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Autopsy and toxicology reports	\$ 32,000	\$ 74,585	\$ 42,585
Burial permits	600	138	(462)
Cremation permits	20,000	19,420	(580)
Death reports	200	488	288
Photographs	1,000	160	(840)
Use of coroner's facility	8,000	10,590	2,590
Miscellaneous	3,500	4,880	1,380
Less: refunds	---	(471)	(471)
	65,300	109,790	44,490
<b>Expenditures - current</b>			
Banking	600	350	250
Books and printing	1,800	365	1,435
Continuing education and trainings	1,000	---	1,000
Dues and memberships	2,000	1,590	410
Gasoline	3,400	3,802	(402)
Insurance	300	---	300
Licenses and permits	200	---	200
Other	1,100	2,366	(1,266)
Postage	1,400	1,555	(155)
Professional services	10,000	32,152	(22,152)
Repairs and maintenance	1,300	419	881
Salary supplements	24,000	22,876	1,124
Supplies and expense			
Office	10,000	17,440	(7,440)
Laboratory and morgue	4,000	9,993	(5,993)
Telephone	1,500	1,299	201
Travel, conferences, and conventions	1,500	100	1,400
Utilities	200	---	200
	64,300	94,307	(30,007)
<b>Expenditures - capital outlay</b>			
Equipment	1,000	3,983	(2,983)
	65,300	98,290	(32,990)
Excess of revenues over expenditures	\$ ---	11,500	\$ 11,500
Fund balance, beginning of year		1,581	
Fund balance, end of year		\$ 13,081	

The accompanying notes are an integral part of these general purpose financial statements.



ORLEANS PARISH CORONER  
(A Component Unit)  
CITY OF NEW ORLEANS

7

Statement of Revenues, Expenditures, and Changes in Fund Balance-  
Governmental Fund Type - General Fund  
Budget and Actual

For the Year Ended June 30, 1998

	Budget	Actual Non-GAAP Budget Basis	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Autopsy and toxicology reports	\$ 32,000	\$ 62,172	\$ 30,172
Burial permits	600	316	(284)
Cremation permits	20,000	20,125	125
Death reports	200	25	(175)
Photographs	1,000	1,861	861
Use of coroner's facility	6,000	6,050	50
Miscellaneous	3,500	2,945	(555)
Less: refunds	---	---	---
<b>Total revenues</b>	<u>63,300</u>	<u>93,494</u>	<u>30,194</u>
<b>Expenditures - current</b>			
Banking	800	738	62
Books and printing	2,000	1,014	986
Continuing education and training	1,700	888	812
Dues and memberships	2,300	1,342	958
Gasoline	3,000	4,205	(1,205)
Insurance	300	100	200
Licenses and permits	200	---	200
Other	600	1,355	(755)
Postage	1,400	1,970	(570)
Professional services	10,000	43,315	(33,315)
Repairs and maintenance	1,300	661	639
Salary supplements	23,000	23,271	(271)
Supplies and expense			
Office	8,500	8,558	(58)
Laboratory and morgue	4,000	2,899	1,101
Telephone	1,500	1,180	320
Travel, conferences, and conventions	1,500	1,134	366
Utilities	200	---	200
<b>Total expenditures - current</b>	<u>62,300</u>	<u>92,630</u>	<u>(30,330)</u>
<b>Expenditures - capital outlay</b>			
Equipment	1,000	---	1,000
<b>Total expenditures</b>	<u>63,300</u>	<u>92,630</u>	<u>29,330</u>
<b>Excess of revenues over expenditures</b>	<u>\$ ---</u>	<u>864</u>	<u>\$ 864</u>
<b>Fund balance, beginning of year</b>		<u>717</u>	
<b>Fund balance, end of year</b>		<u>\$ 1,581</u>	

The accompanying notes are an integral part of these general purpose financial statements.

ORLEANS PARISH CORONER  
(A Component Unit)  
CITY OF NEW ORLEANS

Notes to Financial Statements

1. Summary of significant accounting policies

The Orleans Parish Coroner is authorized by Louisiana Revised Statute 33:1551(B). The coroner is elected by the qualified electors of the Parish of Orleans for a term of four years. The coroner, in general, is responsible for determining the nature and cause of all suspicious, unexpected, unusual, violent, and sudden deaths; examining all cases of alleged rape, carnal knowledge, and crime against nature; committing mentally disturbed persons; and providing medical and health services to parish prisoners and reporting on the health and sanitation conditions of parish prisons.

A. Reporting entity

As defined in Section 2100 of the Codification of Governmental Accounting and Financial Reporting Standards, the governmental "reporting entity" is the City of New Orleans, since it exercises significant "oversight responsibility" over the Orleans Parish Coroner, and is, therefore, a "component unit" of the City of New Orleans. Accordingly, these general purpose financial statements only present information as to the funding of activities of the Orleans Parish Coroner, which are solely in the custody of the Coroner's office.

B. Fund accounting

The accounting policies of the Orleans Parish Coroner conform to generally accepted accounting principles as applicable to governments. The accounts of the Orleans Parish Coroner are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts comprised of its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are spent and the means by which spending activities are controlled.

The General Fund is the general operating fund of the Orleans Parish Coroner. It is used to account for all financial resources, except those required to be accounted for in another fund.

The General Fixed Asset Account Group is used to account for fixed assets used in governmental fund type operations. These assets are recorded as expenditures in the general fund when they are purchased. No depreciation has been provided for general fixed assets.

ORLEANS PARISH CORONER  
(A Component Unit)  
CITY OF NEW ORLEANS

Notes to Financial Statements

1. Summary of significant accounting policies – (continued)

C. Basis of accounting

The General Fund is accounted for using the modified accrual basis of accounting, which recognizes revenues from fees when earned, all other revenues when they become available and measurable, and all expenditures and the related fund obligations when incurred.

D. Budgetary accounting

The Orleans Parish Coroner, as an independently elected parish official, is a "political subdivision", as defined by the Local Government Budget Act, and is, accordingly, required to adopt a budget. The Coroner has adopted a budget for the general fund type for that portion of the funds attributable to the transactions generated by the funds solely in the custody of his office; therefore, these general purpose financial statements include a comparison of revenues and expenditures to budget.

The budgets for the years ended June 30, 1998 and 1999 were prepared on the cash (non-GAAP) basis. Budget appropriations lapse at year end, if uncommitted. Budgetary control is exercised at the fund level.

A reconciliation of excess of revenues and expenditures - budget (non-GAAP) basis to excess of revenues over expenditures - modified accrual (GAAP) basis for the years ended June 30, 1998 and 1999 is as follows:

	June 30, 1999	June 30, 1998
Excess of revenues over expenditures budget (non-GAAP) basis	\$ 11,500	\$ 864
Net effect of conversion of revenues to modified accrual (GAAP) basis	(6,620)	(6,326)
Net effect of conversion of expenditures to modified accrual (GAAP) basis	(20,785)	17,059
Revenues greater than (less than) expenditures modified accrual (GAAP) basis	\$ (15,905)	\$ 11,597

E. Total (Memorandum Only) column - Balance Sheet

The total column on the balance sheet is presented and captioned "(Memorandum Only)" to indicate it is only to facilitate financial analysis. Data in this column does not present financial position in conformity with generally accepted accounting principles. Such data is not comparable to, nor should be construed to be, a consolidation.

ORLEANS PARISH CORONER  
(A Component Unit)  
CITY OF NEW ORLEANS

Notes to Financial Statements

2. Cash

Cash consists of demand deposits in a local bank chartered by the State of Louisiana. The deposit is insured up to \$100,000 by FDIC insurance. The balance per the bank was \$21,984 and \$4,306 as of June 30, 1999 and 1998, respectively.

3. Fixed assets

Fixed assets, as denoted on the balance sheet, consist of building improvements and movable property, and are accounted for in the general fixed assets account group. All fixed assets are valued at historical cost. No depreciation has been provided on fixed assets. The account group is not a "fund". Accordingly, it is only related to the measurement of financial position and is not a part of the measurement of results of operations.

Any fixed assets, including the coroner's operating facility, which are furnished by the City of New Orleans are accounted for by the City of New Orleans and are not presented in these financial statements.

A summary of the changes in general fixed assets is as follows:

	Balance 6/30/98	Addition	Deletion	Balance 6/30/99
Improvements	\$ 1,113	---	---	\$ 1,113
Movable property	36,738	\$ 3,983	---	40,721
Total	\$ 37,851	\$ 3,983	---	\$ 41,834
	Balance 6/30/97	Addition	Deletion	Balance 6/30/98
Improvements	\$ 1,113	---	---	\$ 1,113
Movable property	36,738	---	---	36,738
Total	\$ 37,851	---	---	\$ 37,851

4. Expenditures by the City of New Orleans

Expenditures were made by the City of New Orleans for the operations of the Orleans Parish Coroner. These expenditures are not included in the accompanying general purpose financial statements because the expenditures were made directly by the City of New Orleans and are, accordingly, reported by that entity. The City of New Orleans pays salaries, employee benefits, and other necessary expenses for the Orleans Parish Coroner.

ORLEANS PARISH CORONER  
(A Component Unit)  
CITY OF NEW ORLEANS

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Notes to Financial Statements

5. Salary supplements

During the years ended June 30, 1999 and 1998, the Orleans Parish Coroner paid \$23,065 and \$23,022, respectively, in salary supplements to employees in addition to the salary paid by the City of New Orleans.

6. Contingencies

At June 30, 1999 and 1998, there was litigation against the Office of the Orleans Parish Coroner, which was named as a party, although not singularly, amongst other co-defendants in claims aggregating approximately \$100,000.

No liability has been recorded in the general purpose financial statements relating to these claims as it is considered probable these claims will not have a material effect on the general purpose financial statements.

7. Budget

The budgets for the years ending June 30, 1998 and 1999 were approved by the Coroner. Actual total revenues and total expenditures were more than budgeted. These variances exceed the percentage variance allowed by law, which is 5%.

8. Year 2000 issue

The year 2000 issue is the result of shortcomings in many electronic data processing systems and other electronic equipment that may adversely affect the Orleans Parish Coroner's operations as early as fiscal year 1999 – 2000. However, because the Coroner's office only utilizes electronic data processing systems for administrative purposes, namely word processing, adverse effects may only be minimal.

Because of the unprecedented nature of the year 2000 issue, its effects will not be fully determinable until the year 2000 and thereafter.

9. Deficit in Fund Balance

As shown on page 2 of financial statements, the Orleans Parish Coroner has a deficit of \$13,989 in the fund balance of the general fund under the modified accrual basis of accounting as of June 30, 1999.

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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Orleans Parish Coroner:

We have audited the general purpose financial statements of the Orleans Parish Coroner, as of and for the years ended June 30, 1998 and 1999, and have issued our report thereon dated December 15, 1999. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Orleans Parish Coroner's general purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under *Government Auditing Standards*, which are described in the accompanying schedule of current year audit findings and corrective action plan as items 99-5, 99-6, and 99-7.

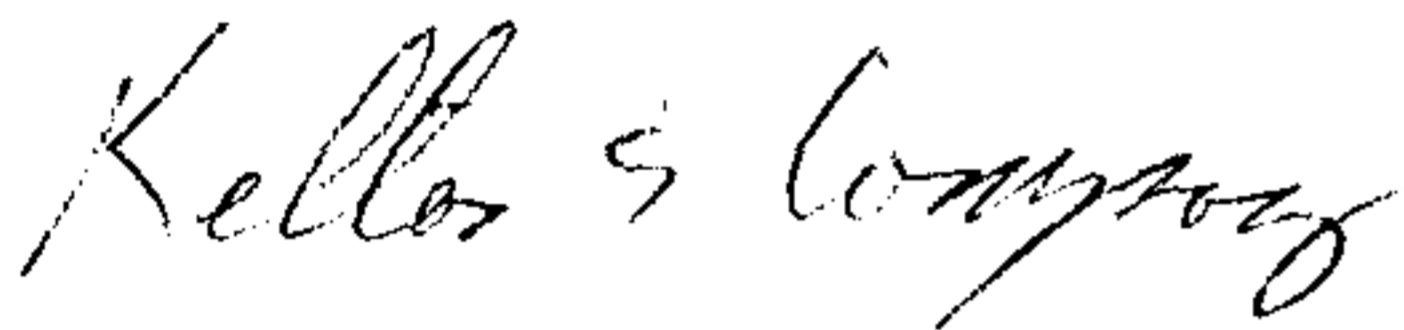
Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Orleans Parish Coroner's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general purpose financial statements and not to provide assurance on the internal control over financial reporting. However, we noted certain matters involving the internal control over financial reporting and its operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect the Orleans Parish Coroner's ability to record, process, summarize and report financial data consistent with the assertions of management in the general purpose financial statements. Reportable conditions are described in the accompanying schedule of current year audit findings and corrective action plan as items 99-1, 99-2, 99-3, and 99-4.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses.

However, of the reportable conditions described above, we consider items 99-3 and 99-4 to be material weaknesses.

This report is intended solely for the information and use of the Orleans Parish Coroner and its management, and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.



Kelton & Company, P.C.

December 15, 1999

ORLEANS PARISH CORONER  
(A Component Unit)  
CITY OF NEW ORLEANS

Schedule of Current Year Audit Findings and Corrective Action Plan  
For the Years Ended June 30, 1998 and 1999

Ref. No.	Description of Finding	Corrective Action Planned	Name of Contact Person	Anticipated Completion Date
99-1	See below	See below	Wayne Maggio	6/30/00

Description of Finding: Accounting for receivables and revenues

Condition - The Coroner's office manually prepares billing invoices for parishes, other than Orleans, for the use of its facilities on autopsies performed for those parishes. The financial information in this manual accounts receivable system does not reflect, at any point in time, the current or accurate amount of receivables and related revenues due from those parishes, nor does it ensure that the amounts billed or any related collections are recorded into the accounting system.

Criteria - Accurate receivables and revenues data are essential to prepare reliable financial statements.

Cause - There are numerous causes of this problem including: (1) failure to use consecutively, pre-numbered invoices; (2) failure to retain and systematically file invoices; (3) lack of properly trained employees assigned to this duty; and (4) failure to periodically reconcile both billings and collections with invoices and accounting system records.

Effect - Extensive substantive audit tests of unrecorded billings and related revenue collections allowed estimates to be made for financial reporting purposes. Our increased substantive tests of these estimates indicated they prevented the financial statements from being materially misstated; therefore, we consider this to be only a reportable condition.

Corrective action planned - The Coroner's office should use pre-numbered invoices and maintain a copy of invoices in numerical order. Employees should also be trained to maintain a proper invoice and receivable system and reconcile the receivables monthly. The Coroner's office is in the process of installing a computer system for billing and receivables, which will be responsive to this recommendation.

Ref. No.	Description of Finding	Corrective Action Planned	Name of Contact Person	Anticipated Completion Date
99-2	See below	See below	Wayne Maggio	6/30/00



ORLEANS PARISH CORONER  
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Schedule of Current Year Audit Findings and Corrective Action Plan  
For the Years Ended June 30, 1998 and 1999

Description of Finding: Missing invoices or other support of cash disbursements

Condition - During our tests of cash disbursements, we found \$2,358.57 in disbursements for which the invoice or other supporting documentation was missing or incomplete.

Criteria - All cash disbursements should be supported by the original invoice or other documentation.

Cause - The Coroner's system requires invoices or other support to be attached to the file copy of the checks. At present, supporting documentation has not been located.

Effect - The total of these disbursements was immaterial and the canceled checks were available for examination; therefore, there is no material effect on the financial statements.

Corrective action planned - The Coroner should and will re-emphasize the importance of maintaining detailed invoices or other support for cash disbursements.

Ref. No.	Description of Finding	Corrective Action Planned	Name of Contact Person	Anticipated Completion Date
99-3	See below	See below	Wayne Maggio	6/30/00

Description of Finding: Lack of segregation of duties

Condition - The Coroner's office employs one bookkeeper who initiates expenditure transactions and processes all financial data, except for the billing of receivables, which is performed by a non-accounting type employee. This limited number of personnel does not allow for proper segregation of duties, which contributes to the lack of adequate internal control.

Criteria - Accurate recording, processing, reviewing, and approval of all financial data are essential to prepare reliable financial statements.

Cause - The primary causes of this problem are (1) the small size of the entity, (2) the lack of qualifications and training of personnel performing accounting functions, and (3) the lack of review and approval of transactions.

Effect - We increased the extent of substantive tests of the financial data where applicable. No instances of material misstatement to the financial statements were found. However, due to its significance, we consider this condition to be a material weakness in internal control.

ORLEANS PARISH CORONER  
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Schedule of Current Year Audit Findings and Corrective Action Plan  
For the Years Ended June 30, 1998 and 1999

Corrective action planned - Although the size of the entity does not allow for the proper segregation of duties, other compensating controls should be implemented to improve internal control. The Coroner's office is currently evaluating this recommendation and will implement new control policies and procedures as considered necessary.

Ref. No.	Description of Finding	Corrective Action Planned	Name of Contact Person	Anticipated Completion Date
99-4	See below	See below	Wayne Maggio	6/30/00

Description of Finding: Reimbursements to employees

Condition – The Coroner reimburses employees for materials and supplies, which they purchase for use by the Coroner's office with their personal funds or credit cards. A significant number of checks were paid to a certain employee for this purpose. In some of these cases, the documentation of the items purchased was not in sufficient detail to determine the purpose of the purchase. These purchases totaled approximately \$3,000.

Criteria – Sufficient documentation should be maintained on all expenditures so the type and purpose of items purchased can be determined.

Cause – Documentation was not properly filed.

Effect - We increased the extent of substantive tests where applicable. No instances of material misstatement to the financial statements were found. However, due to its significance, we consider this to be a material weakness in internal control.

Corrective action planned – Detailed receipts or other documentation should and will be properly maintained for all future expenditures. Also, the Coroner should strive to purchase items directly from vendors whenever possible to avoid excessive reimbursements to employees.

Ref. No.	Description of Finding	Corrective Action Planned	Name of Contact Person	Anticipated Completion Date
99-5	See below	See below	Wayne Maggio	6/30/00

Description of Finding: Expenditures exceeded budgets

Condition – Total actual expenditures exceeded total budgeted expenditures by more than 5% for the years ended June 30, 1998 and 1999. The budgets for the fiscal years ended June 30, 1998 and 1999 were not amended.

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Criteria – La. Rev. Statute 39:1310 requires an amendment to the budget if expenditures are expected to exceed five percent of budgeted expenditures.

Effect – No known material effect on the financial statements.

Cause – Supplemental salaries were increased during the period and management inadvertently neglected to amend the budget accordingly. Also, physicians performing autopsies in the Orleans Parish Coroner’s facility for other parishes were paid by the Coroner and recorded as professional fees and amounts received from these parishes for these services were recorded as revenue.

Corrective action planned – The budget should be and will be amended whenever total expenditures are expected to exceed budgeted amounts by more than 5%.

Ref. No.	Description of Finding	Corrective Action Planned	Name of Contact Person	Anticipated Completion Date
99-6	See below	See below	Wayne Maggio	6/30/00

Description of Finding: 1099 forms

Condition – 1099 forms are not prepared and submitted to physicians and the IRS for payments made to physicians performing autopsies.

Criteria - Federal and state regulations require that 1099 forms be submitted on amounts paid to independent contractors.

Effect – The Orleans Parish Coroner may be liable to the state and federal government for possible penalties.

Cause – Supplemental salaries were increased significantly in the current year.

Corrective action planned – 1099 forms should be submitted to physicians and the IRS for amounts paid. The Coroner’s office is currently evaluating this recommendation and will implement new policies and procedures as considered necessary.

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Schedule of Current Year Audit Findings and Corrective Action Plan  
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<u>Ref. No.</u>	<u>Description of Finding</u>	<u>Corrective Action Planned</u>	<u>Name of Contact Person</u>	<u>Anticipated Completion Date</u>
99-7	See below	See below	Wayne Maggio	1/7/00

Description of finding: Late submission of audited financial statements

Condition – By statute, audited financial statements and accompanying reports and schedules must be submitted to the Legislative Auditor no later than December 31, 1999.

Criteria – Louisiana Revenue Statute 24:513 requires governmental entities having their financial statements audited to do so in a timely manner. The audited financial statements must also be submitted to the Legislative Auditor within six months after the entity's fiscal year end.

Cause – The Orleans Parish Coroner did not provide appropriate documentation for expenditures incurred in a timely fashion.

Effect – No known material effect on the financial statements.

Corrective action planned – The audited financial statements of the Orleans Parish Coroner, including all findings and management's corrective action plan, will be submitted to the legislative auditor by January 10, 2000.

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Schedule of Prior Year Findings  
For the Year Ended June 30, 1997

Internal Control Reportable Conditions

<u>Ref. No.</u>	<u>Fiscal Year Finding Occurred</u>	<u>Description of Finding</u>	<u>Corrective Action Taken</u>	<u>Additional Explanation</u>
97-1	June 30, 1995	See below	None See below	See below

Description of finding: Accounting for receivables and revenues

Condition – The Coroner’s office manually prepares billing invoices for parishes, other than Orleans, for the use of its facilities on autopsies performed for those parishes. The financial information in this manual accounts receivable system does not reflect, at any point in time, the current or accurate amount of receivables and related revenues due from those parishes, nor does it ensure that the amounts billed or any related collections are recorded into the accounting system.

Criteria – Accurate receivables and revenues data are essential to prepare reliable financial statements.

Cause – There are numerous causes of this problem including: (1) failure to use consecutively, pre-numbered invoices; (2) failure to retain and systematically file invoices; (3) lack of properly trained employees assigned to this duty; and (4) failure to periodically reconcile both billings and collections with invoices and accounting systems records.

Effect – Extensive substantive audit tests of unrecorded billings and related revenue collections allowed estimates to be made for financial reporting purposes. Our increased substantive tests of these estimates indicated they prevented the financial statements from being materially misstated; therefore, we consider this to be only a reportable condition.

Corrective action taken – None. (This matter was first reported for the year ended June 30, 1995.)

Additional explanation - This problem has also been included in the schedule of current year audit findings and corrective action plan. As noted, the Coroner’s office is in the process of installing a computer system for billing and receivables, which will be responsive to the auditors’ original recommendation.

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Schedule of Prior Year Findings  
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Internal Control Reportable Conditions (continued)

Ref. No.	Fiscal Year Finding Occurred	Description of Finding	Corrective Action Taken	Additional Explanation
97-2	June 30, 1995	See below	None See below	See below

Description of finding: Missing invoices or other support of cash disbursements

Condition – During our tests of cash disbursements, we found 7 disbursements out of 114 for which the invoice or other supporting documentation was missing or incomplete.

Criteria – All cash disbursements should be supported by the original invoice or other documentation.

Cause – The Coroner’s system requires invoices or other support to be attached to the file copy of the checks. Management believes these seven were simply misplaced.

Effect – The total of these 7 disbursements was immaterial and the canceled checks were available for examination; therefore, there is no material effect on the financial statements.

Corrective action taken - None. (This matter was first reported for the year ended June 30, 1995.)

Additional explanation – This problem has also been included in the schedule of current year audit findings and corrective action plan. As noted previously, the Coroner should and will re-emphasize the importance of maintaining detailed invoices or other support for cash disbursements.

Ref. No.	Fiscal Year Finding Occurred	Description of Finding	Corrective Action Taken	Additional Explanation
97-3	June 30, 1997	See below	Yes See below	See below

Description of finding: Inventory of property

Condition – A complete physical inventory of property was not taken this fiscal year.

Criteria - LSA-R.S. 39:32A requires physical inventory of property every fiscal year.

Effect – No known material effect on the financial statements. A test of all items costing more than \$700 was performed during the audit.

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Schedule of Prior Year Findings  
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Internal Control Reportable Conditions (continued)

Cause - Management oversight.

Corrective action taken - Corrected.

Additional explanation - A physical inventory of assets is properly taken each year.

Internal Control Material Weaknesses

Ref. No.	Fiscal Year Finding Occurred	Description of Finding	Corrective Action Taken	Additional Explanation
97-4	June 30, 1995	See below	None See below	See below

Description of finding: Lack of segregation of duties

Condition - The Coroner's office employs one bookkeeper who initiates expenditure transactions and processes all financial data, except for the billing of receivables, which is performed by a non-accounting type employee. This limited number of personnel does not allow for proper segregation of duties, which contributes to the lack of adequate internal control.

Criteria - Accurate recording, processing, reviewing, and approval of all financial data are essential to prepare reliable financial statements.

Cause - The primary causes of this problem are (1) the small size of the entity, (2) the lack of qualifications and training of personnel performing accounting functions, and (3) the lack of review and approval of transactions.

Effect - We increased the extent of substantive tests of the financial data where applicable. No instances of material misstatement to the financial statements were found. However, due to its significance, we consider this condition to be a material weakness in internal control.

Corrective action taken - None. (This matter was first reported for the year ended June 30, 1995.)

Additional explanation - This problem has also been included in the schedule of current year audit findings and corrective action plan. As noted previously, the Coroner's office is currently evaluating and will be implementing the auditors' original recommendation of new control policies and procedures.

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Internal Control Material Weaknesses (continued)

Ref. No.	Fiscal Year Finding Occurred	Description of Finding	Corrective Action Taken None	Additional Explanation
97-5	June 30, 1995	See below	See below	See below

Description of finding: Reimbursements to employees

Condition – The Coroner reimburses employees for materials and supplies, which they purchase for use by the Coroner’s office with their personal funds or credit cards. A significant number of checks, 71, were paid to a certain employee for this purpose totaling \$11,500. In five of these cases, the documentation of the items purchased was not in sufficient detail to determine the purpose of the purchase. These five total \$1,000.

Criteria – Sufficient documentation should be maintained on all expenditures so the type and purpose of items purchased can be determined.

Cause – Documentation was not properly filed.

Effect – We increased the extent of substantive tests where applicable. No instances of material misstatement to the financial statements were found. However, due to its significance, we consider this to be a material weakness in internal control.

Corrective action taken – None. (This matter was first reported for the year ended June 30, 1995.)

Additional explanation – This problem has also been included in the schedule of current year audit findings and corrective action plan. As noted previously, the Coroner’s office will maintain appropriate documentation for all future expenditures.

Ref. No.	Fiscal Year Finding Occurred	Description of Finding	Corrective Action Taken Yes	Additional Explanation
97-6	June 30, 1997	See below	See below	See below

Description of finding: Related employees



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Internal Control Material Weaknesses (continued)

Condition – The Coroner’s office employs a limited number of personnel which, as stated in item 97-4, does not allow for proper segregation of duties. Also, two employees are married to each other, which further limits the Coroner’s ability to properly segregate duties.

Criteria – Accurate recording, processing, reviewing, and approval of all financial data are essential to prepare reliable financial statements.

Cause – Small size of entity.

Effect – We increased the extent of substantive tests where applicable. No instances of material misstatement to the financial statements were found. However, due to its significance, we consider this to be a material weakness in internal control.

Corrective action taken – Corrected.

Additional explanation – One of the employees has resigned from the Coroner’s office.

Ref. No.	Fiscal Year Finding Occurred	Description of Finding	Corrective Action Taken	Additional Explanation
97-7	June 30, 1997	See below	None See below	See below

Description of finding: Budget

Condition – Total actual expenditures exceed total budgeted expenditures by 37.8%. The budget for the fiscal year ended June 30, 1997 was not amended.

Criteria – La. Rev. Statue 39:1310 requires an amendment to the budget if expenditures are expected to exceed five percent of budgeted expenditures.

Effect – No known material effect on the financial statements.

Cause – Supplemental salaries were increased during the period and management inadvertently neglected to amend the budget accordingly. Also, physicians performing autopsies in the Orleans Parish Coroner’s facility for other parishes were paid by the Coroner and recorded as professional fees and amounts received from these parishes for these services were recorded as revenue. This is a reclassification of these items from prior year presentation.

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Internal Control Material Weaknesses (continued)

Corrective action taken – Not corrected. (This matter was first reported for the year ended June 30, 1995.)

Additional explanation – The budget will be amended in future years whenever total expenditures are expected to exceed budgeted amounts by more than 5%.

Ref. No.	Fiscal Year Finding Occurred	Description of Finding	Corrective Action Taken	Additional Explanation
97-8	June 30, 1996	See below	Yes See below	See below

Description of finding: Payroll taxes and 1099 forms

Condition – Payroll taxes are not withheld and remitted on supplemental salaries paid to employees. 1099 forms are not prepared and submitted to physicians and the IRS for payments made to physicians performing autopsies.

Criteria – Federal and state regulations require that payroll taxes be withheld and remitted on employee compensation and that 1099 forms be submitted on amounts paid to independent contractors.

Effect – The Orleans Parish Coroner may be liable to the state and federal government for these taxes and for possible penalties.

Cause – Supplemental salaries were increased significantly during the current year. Also, payments to physicians performing autopsies for other parishes were reclassified in the current year to report them with professional fees expenditures rather than to net them with amounts received from other parishes.

Corrective action taken – The payroll taxes condition has been corrected; however, the omission of 1099 forms has not been corrected. (This matter was first reported for the year ended June 30, 1996.)

Additional explanation – This problem has been included in the schedule of current year audit findings and corrective action plan. As noted previously, the Coroner's office is currently evaluating the auditors' original recommendation to implement new policies and procedures with respect to the submission of 1099 forms to physicians and the IRS.

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Schedule of Prior Year Findings  
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Management Letter

A management letter was not issued for the year ended June 30, 1997; however, all prior year findings were properly disclosed in the independent auditors' report on compliance with laws and regulations and internal control over financial reporting.