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AUDITOR GENERAL

STATE OF ARIZONA
OFFICE OF THE
AUDITOR GENERAL

WILLIAM THOMSON
DEPUTY AUDITOR GENERAL

June 6, 2005

The Honorable Robert Blendu, Chair
Joint Legislative Audit Committee

The Honorable Laura Knaperek, Vice Chair
Joint Legislative Audit Committee

Dear Senator Blendu and Representative Knaperek :

Our Office has recently completed a 24-month followup of the State Board of Funeral Directors and Embalmers regarding the implementation status of the 19 audit recommendations (including sub-parts of the recommendations) presented in the performance audit report released in May 2003 (Auditor General Report No. 03-04). As the attached grid indicates:

- 13 recommendations have been implemented;
- 5 recommendations are in the process of being implemented; and
- 1 legislative recommendation has not been implemented.

Unless otherwise directed by the Joint Legislative Audit Committee, this report concludes our follow-up work on the Board's efforts to implement the recommendations from the May 2003 performance audit.

Sincerely,

Debbie Davenport
Auditor General

DKD:Imn
Attachment

cc: Rodolfo R. Thomas, Executive Director
State Board of Funeral Directors and Embalmers

**STATE BOARD OF
FUNERAL DIRECTORS AND EMBALMERS
24-Month Follow-Up Report To
Auditor General Report No. 03-04**

FINDING 1: Board should improve inspections to better protect and inform public

Recommendation	Status of Implementing Recommendation	Explanation for Recommendations That Have Not Been Implemented
<p>1. The Board should improve inspection procedures to ensure that the inspection process is consistent across establishments. The procedures should include guidelines for appropriate methods to use in determining compliance with state requirements, specifically:</p> <p>a. When an inspector should make a visual examination of the premises;</p> <p>b. When the inspector should obtain supporting documentation; and</p> <p>c. How to conduct a file review.</p>	<p style="text-align: center;">Implemented at 6 Months</p> <p style="text-align: center;">Implemented at 6 Months</p> <p style="text-align: center;">Implemented at 6 Months</p>	
<p>2. The Board should adopt an administrative rule that defines a standard for whether an establishment is in compliance at the end of an inspection.</p>	<p style="text-align: center;">Implementation in Process</p>	
<p>3. The Board should implement a rating system that is understandable to consumers and describes the violations of funeral establishments, and adopt this system in administrative rule.</p>	<p style="text-align: center;">Implementation in Process</p>	

**STATE BOARD OF
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24-Month Follow-Up Report To
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FINDING 1: Board should improve inspections to better protect and inform public (concl'd)

Recommendation	Status of Implementing Recommendation	Explanation for Recommendations That Have Not Been Implemented
<p>4. The Board should develop administrative rules and procedures that govern the inspection follow-up process. These should include:</p> <p>a. Time frames for correcting deficiencies;</p> <p>b. The circumstances under which the Board may open a complaint against an establishment in order to take disciplinary action as the result of an inspection; and</p> <p>c. Methods for verifying correction of violations.</p>	<p>Implementation in Process</p> <p>Implementation in Process</p> <p>Implementation in Process</p>	
<p>5. The Board should implement a system for tracking the results of compliance inspections.</p>	<p>Implemented at 18 Months</p>	
<p>6. The Board should develop and implement a policy that requires staff to make inspection results available to the public via the telephone. If resources are available, the Board should also make results available on its Web site or at establishments.</p>	<p>Implemented at 6 Months</p>	

**STATE BOARD OF
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FINDING 2: Board should improve complaint handling and investigations

Recommendation	Status of Implementing Recommendation	Explanation for Recommendations That Have Not Been Implemented
<p>1. The Board should ensure that staff follow established procedures for complaint handling. Specifically, staff should:</p> <ul style="list-style-type: none"> a. Open complaint investigations upon receiving complaints written either as letters or on the Board's complaint form; and b. Ensure all written complaints are forwarded to the Board for final disposition. 	<p style="text-align: center;">Implemented at 6 Months</p> <p style="text-align: center;">Implemented at 6 Months</p>	
<p>2. The Board should further develop its complaint investigation procedures to instruct and guide staff in preparing complete investigations for the Board's review, and ensuring that staff follow the procedures. The procedures should require staff to:</p> <ul style="list-style-type: none"> a. Identify all potential violations; b. Determine whether the investigation supported complaint allegations; 	<p style="text-align: center;">Implemented at 6 Months</p> <p style="text-align: center;">Implemented at 6 Months</p>	

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FINDING 2: Board should improve complaint handling and investigations (concl'd)

Recommendation	Status of Implementing Recommendation	Explanation for Recommendations That Have Not Been Implemented
c. Take witnesses' statements during interviews; and	Implemented at 6 Months	
d. Obtain all necessary records for a complete investigation and use subpoenas as appropriate.	Implemented at 6 Months	

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SUNSET FACTOR 5: The extent to which the Board has encouraged input from the public before adopting its rules, and the extent to which it has informed the public of its actions and their expected public impact.

Recommendation	Status of Implementing Recommendation	Explanation for Recommendations That Have Not Been Implemented
1. The Board should ensure that meeting notices appear at all designated locations at least 24 hours before the meeting.	Implemented at 12 Months	
2. In the official record of board meeting minutes, board staff should note when board members recuse themselves from a vote.	Implemented at 6 Months	

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SUNSET FACTOR 9: The extent to which changes are necessary in the laws of the Board to adequately comply with the factors listed in the Sunset law.

Recommendation	Status of Implementing Recommendation	Explanation for Recommendations That Have Not Been Implemented
1. The Legislature should consider modifying the licensing requirements for funeral establishments in A.R.S. §32-1382 by requiring any establishment offering embalming to have a preparation room or access to one.	Not Implemented	The Legislature has not taken any action on this recommendation.