

Arizona State Board of Funeral Directors and Embalmers

REPORT HIGHLIGHTS PERFORMANCE AUDIT

Our Conclusion

The Arizona State Board of Funeral Directors and Embalmers (Board) regulates individuals and facilities involved in funeral directing, embalming, and cremation. The Board should strengthen its licensing process by ensuring that application forms are consistent with all of its administrative rules (rules). The Board should also apply late fees for untimely renewals, ensure that its renewal application forms are consistent with rules, and either audit continuing education or require documentation of it with the renewal application. In addition, the Board needs to improve its inspection process by inspecting facilities at least once every 5 years, as required by statute, and by better documenting inspection results and following up on deficiencies. Finally, the Board adequately investigated and resolved complaints in a timely manner, but should implement procedures for providing accurate and complete public information about those it regulates.



2013

Board should improve its licensing functions

As of April 2013, the Board had 1,510 licensees, consisting of funeral establishments, funeral directors, embalmers, interns, crematories, and cremationists; registered 90 embalmer assistants and prearranged funeral salespersons; and endorsed 25 licensed funeral establishments to sell prearranged funerals.

Board applications inconsistent with rules—Although the Board ensured that applicants for licenses supplied all the information required by its license applications, application forms did not request all the information required by its rules. For example, rule requires that an applicant disclose dishonest, negligent, or criminal conduct that occurred in the past 5 years, but the application did not specifically ask about such conduct. Renewal applications were also missing several minor items required by its rules.

Board inappropriately processed late renewals—Licenses and registrations should be renewed by July 1 of each year. If the person renewing fails to meet the July 1 deadline but submits the renewal before August 1, the applicant must also pay a late fee along with the renewal fee. However, if the August 1 deadline is missed, the person must submit an initial application and fee. We reviewed a sample of 16 renewal applications and found that 5 renewal applications were submitted after July 1 but before August 1, and 3 of those were not charged the late fee. Another 2 renewal applications were submitted after August 1, but the Board did not require the licensees to reapply for licenses.

Board should verify continuing education hours—Licensees and registrants are required to complete continuing education hours before they apply for renewal. Although the application requires information about the classes and hours taken, the Board does not follow up to ensure that the training was actually completed. To help ensure that licensees/registrants complete their continuing education requirements, the Board should either follow up on a sample of renewal applications to verify the completion of continuing education or require licensees/registrants to submit proof that they completed the continuing education.

Recommendations

The Board should:

- Revise its application forms so they are consistent with all rule requirements;
- Ensure that it collects late fees and requires reapplication as necessary; and
- Follow up on a sample of renewal applications or require documentation to ensure that continuing education requirements are met.

Board should improve its inspection process

Board failed to inspect about half its facilities in time frame required by statute—The Board is statutorily required to inspect each funeral establishment and crematory at least once every 5 years. There are about 200 such facilities that the Board regulates, but we estimated that it had inspected only 92 facilities between January 2008 and December 2012. The importance of these inspections is illustrated by an

April 2011 television station's news report that indicated that a crematory had stacked human bodies waiting for cremation in unrefrigerated vans for at least 19 hours because there were too many bodies to fit in the crematory's cooling system. Following the news report, the Board inspected the crematory for the first time in more than 4½ years and subsequently revoked its license. As a result of our audit, the Board conducted 147 inspections from January through April 2013, and indicated that it caught up on its inspections by May 2013.

Board did not adequately document all inspection results—Although the Board has inspection checklists, it did not consistently or completely document inspection results. We reviewed a random sample of 20 funeral facility inspection files, each containing checklists for one or more inspections conducted between calendar years 2002 and 2013, and found that for at least 12 of the inspection files, a checklist was not appropriately completed or the inspection results were unclear. For example, the Board's inspector rarely completed the entire portion of the checklist section that involved a review of customer files for appropriate documentation, such as consent to embalm or cremate, potentially indicating that the review was not done.

Board neglected to appropriately conduct and document inspection followup—The Board has procedures to follow up on deficiencies discovered during inspections, but did not follow these procedures. For the 20 funeral facility inspection files we reviewed, at least 16 facilities had one or more inspections with identified deficiencies, but none had corrective action plans, as required by rule. Although the inspector did some follow-up work, at least 8 of the 16 facility inspection files had insufficient information to determine whether the funeral facility had corrected deficiencies.

The Board has begun to take action to address the factors that contributed to inspection shortcomings. For example, the Board has begun revising its inspections procedures, and a new inspector has been hired and will meet regularly with the Executive Director to review inspection progress and plans.

Recommendations

The Board should:

- Ensure that each facility is inspected at least once every 5 years, track inspection progress, and fully complete inspection checklists;
- Follow up, as required by rule, on inspections where deficiencies are identified, and obtain appropriate evidence of and document corrective action; and
- Have its Executive Director conduct random, supervisory reviews of inspection files.

Board should improve its provision of information to public

Information about licensee discipline is available on the Board's Web site. At the beginning of our audit, the Web site also had information about dismissed complaints and nondisciplinary actions, which should be publicly available but is not statutorily allowed on the Board's Web site. The Board has since fixed this issue. In two instances, some disciplinary information was not available on the Web site because it was improperly entered into the Board's data system. In addition, the Board did not always provide adequate information about licensees over the phone. Specifically, for three of four calls we placed to the Board about licensees, board staff did not provide complete information because they did not know what information they should provide to the public.

Recommendations

The Board should:

- Implement its revised policy and procedures that will help prevent staff from making inaccurate computer entries that prevent discipline records from being displayed on its Web site; and
- Ensure that staff follow its January 2013 procedure for providing complete information about licensees and registrants over the phone.