



ARIZONA BOARD OF FUNERAL DIRECTORS AND EMBALMERS

1400 West Washington, Suite 230 Phoenix, Arizona 85007

(602) 542-3095 phone • (602) 542-3093 fax

Web Site: www.funeralboard.az.us

September 3, 2013

Board Members

John Munden
Funeral Director
President

James Ahearne, Jr.
Funeral Director
Secretary

Msgr. Richard O'Keefe
Consumer Member

Samuel Bueler
Funeral Director

Kristina Dyrr
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Samuel Bueler
Funeral Director

Rev. William O. Smith
Consumer Member

Staff

Rodolfo Thomas
Executive Director

Gary Hendrix
License Administrator

Patricia Keith
Programs and Projects
Specialist

Office of the Auditor General
Debra K. Davenport
2910 N. 44st. suite 410
Phoenix Arizona 85018

Dear Ms. Davenport,

Pursuant to the Auditor General's finding and recommendations, the Arizona State Board of Funeral Directors and Embalmers ultimate goal is to provide the best possible services to residents of this state. The audit performed by your staff has assisted in creating a more effective and efficient agency benefiting both consumer and licensee alike.

Sincerely,

Rodolfo R. Thomas
Executive Director



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AUDITOR GENERAL FINDING - LICENSING

Recommendation - The Board should further revise its licensing, registration, and endorsement application forms so that they are consistent with all of its rule requirements.

1. Prior applications utilized for licensure requested submittal of all felony and misdemeanors committed by applicants. There were no denials of an applicant's request for license that resulted from the stringent background investigation. Although prior applications did not include questions verbatim from rules, board staff did complete a thorough investigation based upon the results of finger prints submitted to the Federal Bureau of Investigations (FBI) and the Criminal Justice Information Services Division (CJISD) providers of all criminal violations committed by an applicant. Applications for licensure have been modified to reflect the requirements and criteria of the agency's rules. To ensure board staff continue engaging in appropriate processes, the Board will document its licensing, registration and endorsement procedures. If an applicant was licensed in another state and charged with dishonesty, fraud, or received disciplinary actions, this information would be included on the licensure state's verification letter. To ensure board staff continue engaging in appropriate processes, the Board will document its licensing, registration and endorsement procedures. The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

AUDITOR GENERAL FINDING -LICENSING

Recommendation - The Board should develop and implement policies and procedures to ensure that all licensure, registration, and endorsement requirements, including any future revisions to these requirements, are accurately reflected in its policies and procedures.

2. The Board has updated its policies and procedures to ensure that all licensure, registration and endorsement requirements are accurately reflected in its policies and procedures. To ensure board staff continue engaging in appropriate procedures, the Board will document its licensing, registration and endorsement procedures. The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

AUDITOR GENERAL FINDING – LICENSING

Recommendation - To ensure that the Board has an appropriate process for collecting late fees and ensuring that licensees/registrants reapply as required, the Board should develop and implement policies and procedures to guide the renewal process and ensure staff receive adequate supervisory oversight.

3. The board will modify its procedures concerning renewals of licensees/registrants to ensure that board staff continues engaging in appropriate processes, the Board will document its licensing, registration, and endorsement procedures. The employee responsible for not collecting fees identified by the audit has since been replaced and staff is aware of the proper processes to be followed and notifications to be made to the Executive Director who will monitor the process. The Board will enhance its renewal process to ensure that licensees/registrants meet all renewal requirements. The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

AUDITOR GENERAL FINDING - LICENSING

Recommendation - Where the information asked for in the Board’s renewal applications differs from the information required by its administrative rules, the Board should determine whether to revise its renewal application forms or revise its rules. However, unless and until it revises its rules to change the renewal requirement, the Board should ensure its renewal application forms request all information required in rule.

4. Applications have been revised to reflect the contents of administrative rules. Although some information was not listed in the application the investigation into the applicants eligibility to meet the board’s standards were maintained at the highest possible level. The Board will ensure that staff continues engaging in appropriate processes. The Board shall ensure that its renewal application forms request all information required by rule. The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

AUDITOR GENERAL FINDING -LICENSING

Recommendation - To help ensure licensees/registrants meet the continuing education requirements, the Board should either follow up on a sample of renewal applications to verify that the licensee/registrant has completed the continuing education, or require all licensees/registrants to submit proof that they have completed the continuing education, such as a certificate of completion.

5. The Board will take random samplings of applicants who submit their renewals to verify completion and authenticity of continuing education and that they meet the requirements. The replacement of the former employee responsible for verification has been advised and the process is in place and will be monitored for completeness and follow through. The Board shall ensure that staff continues engaging in appropriate processes to verify the continuing education processes. The findings of the Auditor General are agreed to and the audit recommendation will be implemented.

AUDITOR GENERAL FINDING - INSPECTIONS

Recommendation -The Board should revise and implement its inspection policies and procedures to ensure that all licensed facilities are inspected at least once every 5 years;

1. (A.) The former Compliance Administrator responsible for the inspections of establishments initially performed his responsibilities without any problems. A reduction in force and serious illness to the Executive Director however played a key role in the former employee's negligence. As indicated in the Auditor's report inspections have been conducted and are in compliance with statutory timeframes. The replacement of the former inspector has been trained and Board shall ensure that staff continues engaging in appropriate processes to inspect all licensed facilities at least once every five years. Modified procedures shall ensure that establishments are inspected within and above timeframes. Based upon scheduled bi-weekly and quarterly meetings between the Executive Director and Compliance Administrator the Board will be able to ensure that establishments are inspected at least once every two years. The Board shall also be advised on a quarterly basis of the progress and of inspection results. The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Recommendation - Staff track inspection progress and report compliance with the 5-year requirement to the Board;

1. (B.) The Board has implemented a quarterly review based upon information generated from the database to assist in the tracking and progress of establishments. In addition to bi-weekly meetings to review the status of inspections, the data utilized in the tracking will be presented to the Executive Director for review and discussion. As stated the Board is ahead of schedule of its statutory inspections and the Board shall ensure that staff continues engaging in appropriate processes to track inspections. Improved policies and procedures will additionally ensure compliance. The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Recommendation - Inspection checklists are fully completed and that there are no checklist items left unchecked without an explanation, and to require a periodic supervisory review of the inspections checklists to ensure that checklists are clearly and accurately completed;

1. (C.) The former Inspector failed to fully complete the checklist. The replacement of the former has been advised to ensure that all items on the checklist will be checked and if not, an explanation shall be provided. The Executive Director will periodically randomly review checklists for compliance during bi- weekly reviews and during quarterly reports concerning establishment inspection progress. Board will ensure that staff continues engaging in appropriate processes concerning inspection checklists. The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Recommendation - Board staff conduct follow-up activities as required by AAC R4-12-120, including requesting written corrective action plans; documenting whether and when corrective action is taken; and obtaining appropriate evidence to verify that deficiencies have been corrected; and

1. (D.) Inspection procedures have been modified to reflect follow-up actions pursuant to AAC R4-12-120 and supporting evidence to verify that deficiencies have been corrected. Staff has been advised of their responsibilities and bi-weekly meetings with the Executive Director will also ensure compliance. Random reviews shall be conducted by the Executive Director of corrective actions plans to monitor compliance and completeness. The Executive Director and Board will ensure that staff continues engaging in appropriate processes. The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Recommendation - The Board's Executive Director randomly reviews inspection files and associated database entries at a specified, regular interval to ensure required follow-up activities have been performed.

1. (E.) As indicated above the Executive Director will review inspection files and database entries on a biweekly and quarterly basis to ensure that processes are being continued by staff. This process is already in effect and the replacement of the prior inspector is also ensuring that follow up activities are being performed. The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

AUDITOR GENERAL FINDING – INSPECTIONS

Recommendation - The Board should develop and implement policies and procedures that provide direction to its staff on appropriately identifying and informing the Board of deficiencies that meet the three serious deficiency criteria specified in AAC R4-12-120(G), and that provide guidance to the Board for taking appropriate disciplinary action to address serious deficiencies identified during an inspection.

2. The Board has developed and implemented procedures governing inspections and the identification of serious deficiencies. The three serious deficiency criteria are explained and direct the Compliance Administrator to contact an appropriate agency such as the health department in the appropriate county and the Executive Director. Board shall ensure that staff continues engaging in appropriate processes. The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

AUDITOR GENERAL FINDING-PUBLIC INFORMATION

Recommendation - The Board should implement its revised policy and procedures designed to help prevent staff from making inaccurate computer entries, which prevent discipline records from being displayed on the Web site.

1. The revised policy has been implemented and consumers are receiving correct information. The Board makes every attempt to ensure that callers are provided full disclosure on any of their questions and that it is also accurate. New staff member and existing staff have additionally received training to prevent inaccurate information from appearing on the web site. The Board shall ensure that staff continues engaging in appropriate processes. The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

Recommendation - The Board should ensure that its staff follows its new written procedure it developed in January 2013 to ensure that the public is provided complete information regarding licensees and registrants over the phone.

2. The Executive Director will closely monitor requests for information provided by staff. The entire staff maintains a copy of telephone procedures which are readily available for review near the telephone on each desk. The new staff member has been properly trained and the Board shall ensure that staff continues engaging in appropriate processes. The finding of the Auditor General is agreed to and the audit recommendation will be implemented.

AUDITOR GENERAL FINDING SUNSET FACTOR 2

Recommendation -To ensure board staff continue engaging in appropriate processes, the Board should document its licensing, registration, and endorsement procedures.

1. The Board has reviewed the areas of its licensing registration, and endorsement procedures that require additional guidelines and updates to current procedures identified in the Auditor Generals findings. Board will make necessary additions to ensure compliance. Time frame reports are completed and gathered through the board's data base and this process will also be included in the revised procedures and policies. The validation of numbers provided by establishments representing the annual total of death certificates filed by each location for renewal purposes is provided by the Director of the Department of Health Services. Prior to submittal of the establishment renewal form from the board the Executive Director prepares a letter requesting a report providing the number of disposition for funeral establishment throughout the state. The report is then utilized to verify licensee's numbers. The Board shall ensure that staff continues engaging in appropriate processes. The finding of the Auditor General is agreed to and the audit recommendation will be implemented.