

# **Office of Inspector General**

**City of New Orleans**

## **A Review of the Orleans Parish Coroner's Supplemental Payments to Employees and Contractors**

**AR12REV001**

**E.R. Quatrevaux  
Inspector General**

**Issued March 11, 2013**

**A Review of the Orleans Parish Coroner’s Supplemental Payments  
AR12REV001**

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## EXECUTIVE SUMMARY

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In August 2012, the Orleans Parish Coroner requested that the Office of Inspector General (OIG) review the supplemental payments disbursed to the Office's employees and contractors. The Coroner wanted to ensure that the office was in compliance with city policies, and state and federal laws regarding the supplemental payments. The Coroner's proactive approach in reporting the issues identified in this report will aid their proper resolution and is commendable.

The auditors noted that the Orleans Parish Coroner's Office (Coroner's Office) made supplemental payments to its employees and contractors from public funds without proper authority.

The Coroner's Office hired independent contractors in addition to the Coroner's employees.<sup>1</sup> The majority of the contractors were doctors. Many contractors were paid through the City's general fund. Other contractors were paid through the Coroner's separately maintained bank account (the Coroner's account), which had insufficient supporting documentation.<sup>2</sup> An existing Coroner's Office employee entered into a separate contract with the Coroner's Office to perform the same services provided through their employment,<sup>3</sup> which is a violation of the Louisiana Code of Governmental Ethics.<sup>4</sup>

The Coroner's Office paid monthly supplemental payments to some contractors and Coroner's Office employees that ranged from \$200 to \$2,000 per month. The payments that were disbursed from the Coroner's account did not have supporting documentation for the services performed. The Coroner did not have documentation from the employees or the contractors to support the supplemental payment amounts and was not authorized by statute or the City Council to make such payments.<sup>5</sup>

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<sup>1</sup> "The general rule is that an individual is an independent contractor if the payer has the right to control or direct only the result of the work and not what will be done and how it will be done." [www.irs.gov/Businesses/Small-Businesses-&Self-Employed/Independent-Contractor-Defined](http://www.irs.gov/Businesses/Small-Businesses-&Self-Employed/Independent-Contractor-Defined)."

<sup>2</sup> The auditors could not determine with certainty the amounts that did not have documentation because of the lack of consistency in the coding of these amounts within the Coroner's separately maintained accounting system.

<sup>3</sup> The 2012 annual salary paid by the City for this employee was \$147,020. The Coroner's Office 2012 annual contract amount for this contractor was \$20,000 and the salary supplements paid from January through June 2012 was approximately \$5,900.

<sup>4</sup> No public servant...shall...enter into any contract, subcontract, or other transaction that is under the supervision or jurisdiction of the agency of such public servant. La. R.S. 42:1113(A).

<sup>5</sup> La. R.S. 13:5708.

The Louisiana Constitution prohibits gratuitous donations<sup>6</sup> of public funds.<sup>7</sup>

Documentation supporting the calculations was not available to support the salary supplement amounts paid to the Coroner's employees and the contractors. The amounts paid were not pursuant to a contract or specific services performed.

The supplemental salary payments were coded to several general ledger accounts, which made it difficult to verify the total amount of salary supplements paid.

The auditors also noted that the salary supplements disbursed from the Coroner's account to the Coroner's employees in previous years<sup>8</sup> were not included in the employees' W-2 wages.<sup>9</sup> In addition, no payments made to the contractors through the Coroner's account<sup>10</sup> were reported as income on a 1099-MISC form.<sup>11</sup> Failure to issue 1099-MISC and W-2 forms meant the income was not reported to the Internal Revenue Service (IRS) as required by law.

The Coroner's Office provided services to other parishes outside the scope of its jurisdiction (Orleans Parish), without a cooperative endeavor agreement. The Coroner's Office did not separate the hours worked by employees for Orleans Parish functions from the hours worked for the other parishes. The only timesheets kept were the City's timesheets, which comingled hours worked for Orleans Parish with other parishes.

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<sup>6</sup> "This office has previously opined that an incentive pay plan could pass constitutional muster if the incentive pay was awarded for employee achievements beyond the scope of ordinary duties. However, if the remuneration is simply a spontaneous payment for past performance, it is an unconstitutional donation of public funds." La. Atty. Gen. Op. No. 03-0348 While supplemental pay can sometimes be approved, it must be determined on a case-by-case basis and is generally prohibited.

<sup>7</sup> La. Const. Art. VII, Sec. 14.

<sup>8</sup> For the years from 2006-2011.

<sup>9</sup> "When You Are an Employee... Your employer must withhold income tax and your portion of social security and Medicare taxes. Also, your employer is responsible for paying social security, Medicare, and unemployment (FUTA) taxes on your wages. Your employer must give you a Form W-2, Wage and Tax Statement, showing the amount of taxes withheld from your pay." Per Publication 1779 (Rev. 3-2012) Catalog Number 16134L Department of Treasury Internal Revenue [www.irs.gov/pub/irs-pdf/p1779.pdf](http://www.irs.gov/pub/irs-pdf/p1779.pdf).

<sup>10</sup> Contractors with written agreements who were paid through the City's allocations were issued 1099 forms by the City of New Orleans.

<sup>11</sup> Per the IRS website, "If you pay independent contractors, you may have to file Form 1099-MISC, Miscellaneous Income, to report payments for services performed for your trade or business. If the following four conditions are met, you must generally report a payment as nonemployee compensation.

1. You made the payment to someone who is not your employee;
2. You made the payment for services in the course of your trade or business (including government agencies and nonprofit organizations);
3. You made the payment to an individual, partnership, estate, or in some cases, a corporation; and
4. You made payments to the payee of at least \$600 during the year." [www.irs.gov/businesses/small-businesses-&-employed/paying-independent-contractors](http://www.irs.gov/businesses/small-businesses-&-employed/paying-independent-contractors).

The recommendations in this report, if adopted, should improve compliance with state law and federal income tax laws.<sup>12</sup>

*Note: All responses from the Coroner in the body of this report are direct statements and have not been modified.*

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<sup>12</sup> Refer to IRS Publication 15, Employer's Tax Guide for information on complying with tax laws.

## I. OBJECTIVES, SCOPE, AND METHODOLOGY

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The objective of this report was to review the accounting process for the supplemental payments made to the employees and contractors of the Coroner's Office. The Coroner's Office lost all of its accounting records in August 2005 as a result of the flooding from Hurricane Katrina. On April 25, 2011, the records subsequent to Katrina through April 2011 were also lost in a fire at the Coroner's Office. Due to this loss of records, the OIG was only able to review records from the current fiscal year, July 1, 2011 to June 30, 2012.

This review was conducted in accordance with the *Principles and Standards for Offices of Inspector General* (the Green Book<sup>13</sup>).

To accomplish the review's objectives, the auditors:

1. Conducted interviews with employees and the bookkeeper that performed the separate accounting functions<sup>14</sup> for the Coroner's account;
2. Reviewed the City's payroll system to determine the Coroner employees paid by the City;
3. Reviewed the City's purchasing system to determine which independent contractors of the Coroner's Office received payment from the City;
4. Reviewed the accounting records (bank statement, cash disbursements journal and copies of checks issued) provided by the Coroner's Office;
5. Reviewed the checks issued for supplemental pay to employees and contractors and available supporting documentation; and
6. Researched Internal Revenue Service rules regarding accounting for employees versus independent contractors.

The report includes findings and recommendations related to the supplemental payments made to the employees and contractors of the Coroner's Office. These recommendations were based on Internal Revenue Service rules and publications, State Statutes and the Louisiana Ethics Code.

Computer-processed data was provided and relied on during testing, which detailed information on the supplemental payments made by the Coroner's Office to employees/contractors for the period of this report. Although a formal reliability assessment of the computer-processed data was not performed, the auditors determined that hard copy documents reviewed were reasonable and generally agreed with the information contained in the computer-processed data.

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<sup>13</sup> Published by the Association of Inspectors General, May 2004.

<sup>14</sup> Allocations made by the City for the benefit and use by the Coroner's Office are maintained in the City's accounting records.

No errors were found that would preclude us from using the computer-processed data to meet the report's objectives or that would change the conclusions of this report.

## II. INTRODUCTION

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The Coroner's Office provides the following services to the public in Orleans Parish:

- Investigation of certain types of deaths;<sup>15</sup>
- Performance of autopsies;<sup>16</sup>
- Evaluation of individuals suspected of mental illness and/or substance abuse who are dangerous to self, dangerous to other, or gravely disabled, for protective custody (involuntary commitment);<sup>17</sup>
- Exercise general supervision over the sanitary conditions of the Orleans Parish Prison;<sup>18</sup>
- Examination of all sex crime victims;<sup>19</sup> and
- Provision of death certificates.<sup>20</sup>

The New Orleans City Council sets the salaries of the coroner, assistant coroners, and other employees of the office of the coroner of Orleans Parish, and these salaries are paid by the City of New Orleans.<sup>21</sup>

The City's 2012 adopted budget included general fund expenditures of \$1,669,099 for the Coroner's Office. The budget included funding for 17.42 full time employee equivalents funded at \$1,069,099, and \$600,000 for operating expenses. All general fund allocations to the Coroner's Office were disbursed by the City from the City's General Fund bank account as expenses were incurred. The Coroner's Office also received revenue from surrounding parishes for performing autopsies and toxicology reports for those parishes. The Coroner performed autopsies for the following other parishes: Assumption, Iberville, Livingston, St. Bernard, St. Charles, St. James, St. John, St. Mary's, St. Tammany, Washington, and Winn. The Coroner's Office collected fees for autopsies performed for the other parishes, and the average amount collected over a six year period was \$174,069 (See Table 1 below).

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<sup>15</sup> La. R.S. 13:5713(A).

<sup>16</sup> La. R.S. 13:5713(B).

<sup>17</sup> La. R.S. 28:53 et seq.

<sup>18</sup> La. R.S. 13:5731.

<sup>19</sup> This service is provided by Sexual Assault Nurse Examiners (SANE).

<sup>20</sup> La. R.S. 13:5713(E).

<sup>21</sup> La. R.S. 13:5708.

**Table 1: Summary of Income Earned From Other Parishes**

<b>Period</b>	<b>Amount</b>
<b>Jan – Dec 06</b>	<b>\$ 82,239</b>
<b>Jan – Dec 07</b>	<b>134,517</b>
<b>Jan – Dec 08</b>	<b>190,103</b>
<b>Jan – Dec 09</b>	<b>209,611</b>
<b>Jan – Dec 10</b>	<b>212,726</b>
<b>Jan – Dec 11</b>	<b>215,221</b>
<b>Total (2006-2011)</b>	<b>1,044,417</b>
<b>Average Earned Per Year</b>	<b>174,069</b>

These funds were collected in addition to the budget allocations disbursed by the City. The funds collected for the out-of-parish services were deposited into a separate bank account maintained and controlled by the Coroner’s Office.

The funds earned from other parishes were used to pay supplemental wages, independent contractors’ supplemental pay,<sup>22</sup> and other operating expenses not funded by the City’s budget allocation.

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<sup>22</sup> A professional who offers services to the public are generally independent contractors, such as doctors, accountants, lawyers, etc. Per the IRS website, “The general rule is that an individual is an independent contractor if the payer has the right to control or direct only the result of the work and not what will be done and how it will be done. The earnings of a person who is working as an independent contractor are subject to Self-Employment Tax.” [www.irs.gov/businesses/small/article/0,,id=179115,00.html](http://www.irs.gov/businesses/small/article/0,,id=179115,00.html).

### III. CORONER'S OFFICE FINDINGS

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#### **Finding # 1:**

**Condition:** The Coroner made supplemental payments from public funds<sup>23</sup> to its employees and contractors without authorization from either state law or the City Council<sup>24</sup>, and in violation of the Louisiana Constitution's ban on donations of public funds.<sup>25</sup>

**Recommendation:** The Coroner's use of public funds should comply with state law and be authorized by state statute or the City Council prior to payment. The payment of supplemental pay to employees and independent contractors should be discontinued.<sup>26</sup>

**Coroner Comment:** *"...Concerning your findings regarding supplemental payments ... These payments were intended to reward certain employees, to reimburse them for any costs, and, most importantly, to provide incentive for all in my office to continue to serve the public with such professionalism. By the end of the calendar year, we hope to obtain formal authorization from City Council for disbursement of these self-generated funds..."*

#### **Finding # 2:**

**Condition:** The Coroner's employees, who were paid through a City General Fund allocation, worked for other parishes during their City-funded work day.<sup>27</sup> The Coroner's Office did not differentiate between the time worked for Orleans Parish and the time worked for other parishes. The Coroner's employee's timesheets comingled all hours worked as if they had worked for Orleans Parish.<sup>28</sup>

**Recommendation:** The Coroner's Office should keep track of the time spent working for other parishes so that Orleans Parish receives the services due to it. The allocation provided by the City for the Coroner's employees should be used strictly for services provided for Orleans Parish. The services performed for other parishes should be paid from the funds earned from those Parishes.

**Coroner Comment:** *"Finally, with regards to your findings about employees providing services to other parishes, the fact that numerous other parishes request our forensic pathology services is a testament to my office's regional reputation of high scientific standards and professionalism...."*

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<sup>23</sup> The Coroner's Office received revenue from surrounding parishes for performing services for those parishes.

<sup>24</sup> La. RS 13:5708.

<sup>25</sup> La. Const. Art VII, Sec. 14.

<sup>26</sup> All supplemental payments should comply with the state constitution.

<sup>27</sup> This work was outside the jurisdiction of the office and should only be conducted pursuant to a cooperative endeavor agreement.

<sup>28</sup> Unlike most parishes in the State of Louisiana, Orleans Parish consists of one City, the City of New Orleans.

*In the future, we will track the time spent on such out-of-parish cases to document how these services do not affect our primary obligation to the citizens of Orleans Parish.”*

**Finding # 3:**

**Background:** The undocumented supplemental pay policy practiced by the Coroner’s Office required that an employee wait six months prior to participating in the policy.

**Condition:** The Coroner’s Office did not maintain a written policy outlining how long an employee or contractor needed to wait to receive supplemental payments.

**Recommendation:** The supplemental payments must be pre-authorized by the City Council or by statute, and must comply with constitutional restrictions. Once authorized, the Coroner’s Office should have a written policy for the salary supplements which defines when the salary supplement can be received by an employee or a contractor.

**Coroner Comment:** *“...These payments were intended to reward certain employees, to reimburse them for any costs, and, most importantly, to provide incentive for all in my office to continue to serve the public with such professionalism. By the end of the calendar year, we hope to obtain formal authorization from City Council for disbursement of these self-generated funds, and will then create formal policies that specify under what conditions such monies can be paid.”*

**Finding # 4:**

**Condition:** The Coroner did not maintain documentation of the calculations used in the supplemental payments. The monthly amounts paid to the employees and contractors varied from month to month.

**Recommendation:** The supplemental payments need to be pre-authorized by statute or the City Council. Once authorized, the Coroner’s Office should document its policy relating to salary supplement payments. The policy should clearly define how the calculation was determined.

**Coroner Comment:** *“...These payments were intended to reward certain employees, to reimburse them for any costs, and, most importantly, to provide incentive for all in my office to continue to serve the public with such professionalism. By the end of the calendar year, we hope to obtain formal authorization from City Council for disbursement of these self-generated funds, and will then create formal policies that specify under what conditions such monies can be paid.”*

### **Finding # 5:**

**Background:** The Coroner maintained separate accounting records for the amounts received from other parishes. The Coroner's Office recorded some supplemental payments for its employees to the salary supplement account. Other payments were coded to professional service accounts such as medical, accounting, and computer & data processing.

**Condition:** The Coroner's Office was inconsistent in its account coding of the supplemental payments in its general ledger. The inconsistent coding of the supplemental payments made it difficult to audit the salary supplement payments because they were in different general ledger accounts and categories.

**Recommendation:** If the Coroner's Office is able to institute a salary supplement which complies with state law, it should record the salary supplement payments to a designated general ledger account in order to distinguish these payments from other operating expenses. The consistency in recording these payments should facilitate the preparation of the year-end payroll reconciliations and forms.

**Coroner Comment:** *"With regard to your findings concerning accounting matters such as coding of payments in ledger accounts, issuance of appropriate tax forms, and the prohibition of contractors to sign checks, we have already corrected these issues and have consulted with an accountant regarding future practices."*

### **Finding # 6:**

**Background:** During 2012, a doctor providing pathology services for the Coroner's Office was receiving a salary as an employee, salary supplemental payments, and separate payments as a contractor.

**Condition:** The Coroner's Office had a doctor classified as an employee and an independent contractor simultaneously.<sup>29</sup> It is a violation of the Louisiana Code of Governmental Ethics for an employee to enter into a contract with the employee's own agency.<sup>30</sup>

**Recommendation:** The Coroner's Office and its employees must comply with the Louisiana Code of Governmental Ethics. Further, an employer must make a distinction between an employee and an independent contractor for federal tax purposes. The employee's classification affects the way the Coroner's Office should pay and file payroll tax returns.

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<sup>29</sup> The 2012 annual salary paid by the City for this employee was \$147,020. The Coroner's Office 2012 annual contract amount for this contractor was \$20,000 and the salary supplements paid from January through June 2012 was approximately \$5,900.

<sup>30</sup> Per La. R.S. 42:1113.

The Coroner's Office should discontinue the practice of classifying an employee as both a contractor and an employee.<sup>31</sup>

**Coroner Comment:** *"With regards to your findings of an employee classified as both an employee and an independent contractor, this is a consequence of a particular employee's retirement.... By the end of this calendar year, we hope to have successfully created a new employment classification within city government of 'Chief Forensic Pathologist' with appropriate reimbursement for both duties." "We are preparing an ordinance to create a new position in order to compensate our forensic pathologist for additional duties. Therefore, we will no longer pay contractual fee and regular city compensation."*

**Finding # 7:**

**Background:** The Coroner's Office was required to send an IRS tax form 1099 to any independent contractor to whom they paid more than \$600 in a calendar year.

**Condition:** The Coroner's Office did not issue 1099s to their contractors<sup>32</sup> paid through the Coroner's account from 2006 through 2011.

**Recommendation:** The Coroner's Office should require all independent contractors earning more than \$600 per calendar year to complete a Form W-9<sup>33</sup> prior to payment. A 1099 must be sent to each independent contractor who received more than \$600 in a calendar year by January 31 of the following year in accordance with IRS regulations.<sup>34</sup>

**Coroner Comment:** *"With regard to your findings concerning accounting matters such as coding of payments in ledger accounts, issuance of appropriate tax forms, and the prohibition of contractors to sign checks, we have already corrected these issues and have consulted with an accountant regarding future practices."*

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<sup>31</sup> IRS publication 1779.

<sup>32</sup> As of June 2012, the Coroner's Office paid 7 independent contractors more than \$600 for salary supplements through the Coroner's account for a total of \$18,190. Three of the seven contractors also received payments from the City's general fund under the Coroner's organization code.

<sup>33</sup> "If you've made the determination that the person you're paying is an independent contractor, the first step is to have the contractor complete Form W-9, Request for Taxpayer Identification Number and Certification. This form can be used to request the correct name and Taxpayer Identification Number, or TIN, of the worker. A TIN may be either a Social Security Number (SSN), or an Employer Identification Number (EIN). The W-9 should be kept in your files for four years for future reference in case of any questions from the worker or the IRS." Website: [www.irs.gov/businesses/small/article/0,,id=179114,00.html](http://www.irs.gov/businesses/small/article/0,,id=179114,00.html).

<sup>34</sup> "If you paid someone who is not your employee, such as a subcontractor, attorney or accountant \$600 or more for services provided during the year, a Form 1099-MISC needs to be completed, and a copy of the 1099-MISC must be provided to the independent contractor by January 31 of the year following payment. You must also send a copy of this form to the IRS by February 28 (although the form does not have to be sent to the IRS until March 31 if the business files the 1099s electronically, using the FIRE system)." Website: [www.irs.gov/businesses/small/article/0,,id=179114,00.html](http://www.irs.gov/businesses/small/article/0,,id=179114,00.html).

**Finding # 8:**

**Condition:** The salary supplements paid to the Coroner's Office employees<sup>35</sup> were not included on W-2s<sup>36</sup> from 2006 through 2011.

**Recommendation:** The Coroner's Office must issue W-2's<sup>37</sup> for any employee that received salary supplement payments in 2012. The Coroner's Office should consult with the IRS for tax guidance regarding supplemental payments to their employees during 2006-2011 that were not filed on a W-2 form.

**Coroner Comment:** *"With regard to your findings concerning accounting matters such as coding of payments in ledger accounts, issuance of appropriate tax forms, and the prohibition of contractors to sign checks, we have already corrected these issues and have consulted with an accountant regarding future practices."*

**Finding #9:**

**Condition:** As of June 2012, the Coroner's Office paid four contractual employees from the Coroner's account without a written agreement stating an amount to be paid for the services to be performed.

**Recommendation:** The Coroner's Office should have written agreements with all independent contractors specifying the rate of pay for the services to be performed prior to making payments to the contractor.

**Coroner Comment:** *"... We are entering into a letter of agreement with contractual employees." "... and establishing rate of pay."*

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<sup>35</sup> As of July 2012, the Coroner's Office had 16 employees, including the Coroner, paid through the City's payroll system. Salary supplements have been paid through the Coroner's account to 12 of the 16 employees as of June 2012 for a combined total of \$46,896.

<sup>36</sup> "When You Are an Employee... Your employer must withhold income tax and your portion of social security and Medicare taxes. Also, your employer is responsible for paying social security, Medicare, and unemployment (FUTA) taxes on your wages. Your employer must give you a Form W-2, Wage and Tax Statement, showing the amount of taxes withheld from your pay." Publication 1779 (Rev. 3-2012) Catalog Number 16134L Department of Treasury Internal Revenue: [www.irs.gov/pub/irs-pdf/p1779.pdf](http://www.irs.gov/pub/irs-pdf/p1779.pdf).

<sup>37</sup> Coroner employees who were paid by the City received W-2's from the City. The Coroner's Office did not issue W-2's for the additional supplemental payments issued to these employees.

## IV. CORONER'S OFFICE OBSERVATIONS

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### **Observation #1:**

The checks written by the Coroner's Office against its separately maintained bank account were signed by a part-time independent contractor.<sup>38</sup>

### **Observation # 2:**

The Coroner's Office had ten professional service contracts in 2012 that had not been competitively bid or solicited.

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<sup>38</sup> The contractual employee in question was a retired Coroner's Office employee.

## V. CONCLUSIONS

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The review of the Coroner's Office supplemental payments resulted in nine findings and two observations. The nine recommendations are intended to improve the accounting for the supplemental salary payments made to the employees/contractors and include these payments as wages on income for income tax purposes.

The Coroner made supplemental payments from public funds without documentation from the employees or contractors and without authority from state statute or the City Council. The payments were inconsistently coded in the general ledger and 1099s and W-2s were not issued to the employees/contractors paid through the Coroner's account.

The Coroner's Office and some of its employees were not in compliance with the Louisiana Ethics code and IRS guidelines distinguishing between an employee and an independent contractor for federal tax purposes. In addition, Coroner's employees who were paid through a City General fund allocation worked for other parishes during their City funded work day.

The Coroner's Office should document the salary supplement payment policy and obtain authorization through a state statute or by the City Council prior to making any future payments. The policy should clearly define how the salary supplement calculation is to be determined.

The Coroner's Office should require all independent contractors to complete a Form W-9 prior to payment if the contractor was expected to earn more than \$600 in the calendar year. The Coroner's Office should send a 1099 to each contractor who received more than \$600 in a calendar year.<sup>39</sup> Payroll taxes should be withheld from supplemental pay for the Coroner's Office employees. Additionally, the Coroner's Office should consult with the IRS for tax guidance on the forms that were not filed with the IRS for the supplemental payments made to their employees and contractors during 2006-2011.

A follow-up review to determine the status of the findings in this report will be conducted within 18 months.

The Coroner should be commended for exposing the problem so that corrective action can be taken to ensure compliance with city policies, and state and federal laws regarding the supplemental payments.

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<sup>39</sup> For 2012, the 1099s were due to each contractor by January 31, 2013.

## **VI. OFFICIAL COMMENTS FROM CORONER'S OFFICE**

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City Code Ordinance 2-1120 section (8)(b) "Prior to concluding an audit or evaluation report, which contains findings as to the person or entity which is the subject of the audit or evaluation, the Office of Inspector General shall provide the affected person or entity with an Internal Review Copy of the report. Such person or entity shall have 30 days from the transmittal date of the report to submit a written explanation or rebuttal of the findings before the report is finalized, and such timely submitted written explanation or rebuttal shall be attached to the finalized report."

An Internal Review Copy of this report was distributed to the Coroner's Office on January 30, 2013, to provide an opportunity to comment on the report prior to the public release of the Final Report. The Coroner's Office comments were due on March 1, 2013 and received on February 25, 2013. The Coroner's Office comments are included in the body of this report behind each finding and in its entirety behind this Section.



## NEW ORLEANS FORENSIC CENTER

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Ex-Officio City Physician: FRANK MINYARD, M.D., CORONER

February 25, 2013

Mr. Quatreveaux,

Thank you for your prompt response to my personal request for review of the post-Katrina financial practices of the Orleans Parish Coroner's Office. Ever since I called your office myself in August 2012 seeking consultation, you and your team have provided rapid and thorough assistance, culminating in your helpful report. I am pleased, but not surprised, that your independent review found no instances of inappropriate spending, no instances of self-dealing, and no suggestions of mishandled stewardship of the public's funds or trust. This is in keeping with our decades of spotless reports from the State Legislative Auditor's Office.

After Hurricane Katrina, my office has been the very definition of "doing more with less," handling more cases with less than half the resources we had before the storm and at funding levels that pale in comparison to that of surrounding parishes. Concerning your findings regarding supplemental payments, I must emphasize that my employees have shouldered the burden of the post-storm years heroically and have provided an incalculable service to the public. These payments were intended to reward certain employees, to reimburse them for any costs, and, most importantly, to provide incentive for all in my office to continue to serve the public with such professionalism. By the end of the calendar year, we hope to obtain formal authorization from City Council for disbursement of these self-generated funds, and will then create formal policies that specify under what conditions such monies can be paid. I would also add that we had previous conversations with the City Attorney's Office and Chief Administrator's Office regarding this self-generated fund, which funds both supplies and employee payments.

With regards to your findings of an employee classified as both an employee and an independent contractor, this is a consequence of a particular employee's retirement. This forensic pathologist reviewed all cases and assisted in the classification of deaths but did not perform autopsies. This role was then given to another forensic pathologist already employed to perform autopsies, with the appropriate contractual reimbursement for the additional work. By the end of this calendar year, we hope to have successfully created a new employment classification within city government of "Chief Forensic Pathologist" with appropriate reimbursement for both duties.

With regard to your findings concerning accounting matters such as coding of payments in ledger accounts, issuance of appropriate tax forms, and the prohibition of contractors to sign checks, we have already corrected these issues and have consulted with an accountant regarding future practices.

Finally, with regards to your findings about employees providing services to other parishes, the fact that numerous other parishes request our forensic pathology services is a testament to my office's regional reputation of high scientific standards and professionalism. These services provide smaller parishes around the state with forensic pathological services they could not perform independently. Most importantly, these services also benefit the citizens of New Orleans, as the funds generated purchase autopsy supplies that would otherwise be paid for with taxpayer money from New Orleanians. In the future, we will track the time spent on such out-of-parish cases to document how these services do not affect our primary obligation to the citizens of Orleans Parish.

Again, I thank you and your employees for your assistance in guiding me as to the solutions for the above issues. I look forward to continuing to work with your office in the coming year.

Sincerely,

A handwritten signature in black ink that reads "Frank Minyard MD". The signature is written in a cursive, flowing style with a horizontal line underneath the name.

Dr. Frank Minyard

FM/dkw



## NEW ORLEANS FORENSIC CENTER

New Orleans Coroner's Office  
2612 Martin Luther King Blvd.  
New Orleans, LA 70113  
(504) 658-9660 FAX: (504) 658-9674  
Ex-Officio City Physician: FRANK MINYARD, M.D., CORONER

February 27, 2013

ADDENNUM:

In reference to finding #9; we intend on entering into written letter of agreements with all contractual employees and establishing rate of pay.

A handwritten signature in black ink, reading "Frank Minyard M.D.", is written over a solid horizontal line.

Frank Minyard M.D

FM/dkw



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March 5, 2013

ADDENDUM #2

Mr. Quatreveaux,

We are preparing an ordinance to create a new position in order to compensate our forensic pathologist for additional duties. Therefore, we will no longer pay contractual fee and regular city compensation. Also, we are entering into a letter of agreement with contractual employees.

Frank Minyard, M.D.

FM/dkw