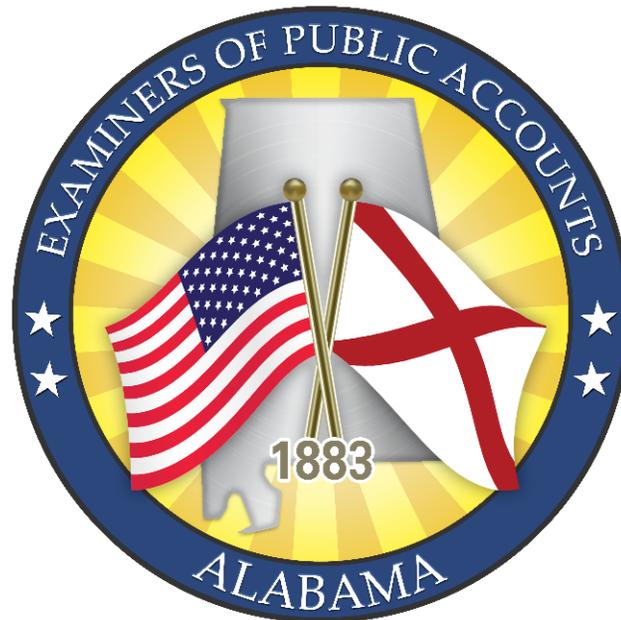


Report on the

**Board of Chiropractic Examiners  
State of Alabama  
Clanton, Alabama**

**October 1, 2016 through September 30, 2018**

Filed: January 3, 2020



**Department of  
Examiners of Public Accounts**

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*Rachel Laurie Riddle, Chief Examiner*



Rachel Laurie Riddle  
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Honorable Rachel Laurie Riddle  
Chief Examiner of Public Accounts  
Montgomery, Alabama 36130

Dear Madam:

Under the authority of the *Code of Alabama 1975*, Section 41-5A-19, I submit this report on the results of the examination of the Board of Chiropractic Examiners for the period of October 1, 2016 through September 30, 2018.

Sworn to and subscribed before me this  
the 10<sup>th</sup> day of December, 2019.

Kelly D. Matthews  
Notary Public

Respectfully submitted,

Troy A. Eastman  
Examiner of Public Accounts

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Department of  
**Examiners of Public Accounts**

**SUMMARY**

**Board of Chiropractic Examiners  
October 1, 2016 through September 30, 2018**

The Board of Chiropractic Examiners (the “Board”) operates under the authority of the *Code of Alabama 1975*, Sections 34-24-120 through 34-24-177. By law, the Board licenses and regulates the professional chiropractic practice in Alabama.

This report presents the results of an examination of the Board and a review of compliance by the Board with applicable laws and regulations of the State of Alabama. This examination was conducted in accordance with the requirements of the Department of Examiners of Public Accounts under the authority of the *Code of Alabama 1975*, Section 41-5A-12. Our examination was performed for the purpose of determining whether the public officers, agents, and employees of the Board properly and lawfully accounted for all money and other public assets or resources received, disbursed, or in the custody of the Board. Our examination included determining compliance by the Board with state laws and regulations that pertain to financial transactions; personnel; safeguarding of state-owned assets, property, and resources; information dissemination, processing, and retention; and official actions, rulemaking procedures, and meetings. As a part of our examination, we also reviewed internal control policies and procedures relating to the areas listed above. Our examination did not encompass managerial and operational matters, such as whether the Board accomplished its mission or its regulatory, enforcement, investigative, or other oversight activities in an efficient, fair, timely, or legal manner.

Findings are numbered and reported by the examination period in which the finding originally occurred.

The following instances of noncompliance with State laws and regulations and other matters were found during the examination as shown on the Schedule of State Legal Compliance and Other Findings and they are summarized below.

**CURRENT FINDINGS**

- 2018-01 Relates to four Board members being paid for overnight per diem they were not entitled to receive.
- 2018-02 Relates to four Board members receiving board member compensation for a meeting they did not attend.

Board members and the Executive Director were invited to an exit conference held on November 12, 2019. Individuals in attendance were Sheila Bolton, Executive Director; John Segrest, Board member; along with Robin Hutcherson, Audit Manager; and Troy Eastman, Examiner, from the Department of Examiners of Public Accounts.



Department of  
**Examiners of Public Accounts**

**COMMENTS**

**Board of Chiropractic Examiners  
October 1, 2016 through September 30, 2018**

The Board of Chiropractic Examiners operates under the authority of the *Code of Alabama 1975*, Sections 34-24-120 through 34-24-177. Duties of the Board include examining applicants for licensure as chiropractors, certifying and licensing successful applicants, making rules and regulations relating to professional chiropractic practice, establishing continuing education standards for chiropractors, and conducting investigations and hearings arising from complaints against chiropractors.

The Board is composed of nine members, eight of which must be licensed chiropractors. Seven members are elected by licensed chiropractors in each of the seven congressional districts. One African American member is elected from the state at-large. One consumer member is appointed by the Governor. In addition to being actively licensed, the elected members must have been a resident of Alabama for at least five years and must be a resident of the congressional district from which they were elected. Elected members must be a graduate of a chartered chiropractic school or college which required actual attendance in the school as a prerequisite to graduation, must be currently engaged in the clinical practice of chiropractic and must have been in practice in Alabama for at least five years preceding, and must not be on probation relating to the practice of chiropractic in any state.

Members serve four-year terms and may not serve more than two consecutive full terms. Members may continue to serve until their successors are qualified and elected or appointed.

The Executive Director, who is appointed by the Board, supervises the day-to-day operations of the Board. The Executive Director serves at the pleasure of the Board.

The Board operates from the State Treasury from Special Revenue Fund 0402. The Board's operating funds are derived from fees and fines collected from licensees regulated by the Board. The Board is subject to the State's normal budget procedures and cannot expend funds without a legislative appropriation. The Board retains all unexpended funds at year-end for subsequent expenditure.

The Board owned nonconsumable personal property consisting of office furniture, computers and equipment. Nonconsumable personal property in the custody of the Board was compared with the property records maintained by the Property Inventory Control Division of the State Auditor's Office. No discrepancies were found.

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*Schedule of State Legal  
Compliance and Other Findings*

***Schedule of State Legal Compliance and Other Findings***  
***For the Examination Period Ended September 30, 2018***

Ref. No.	Finding/Noncompliance
2018-01	<p><b><u>Finding:</u></b>  Four board members were overpaid \$75 per diem while not in overnight travel status. When notified of the incorrect travel payments, the members reimbursed the Board \$75.</p> <p>The <i>Code of Alabama 1975</i>, Section 36-7-20 states, “(a) Except as otherwise provided in Section 36-7-21, the amount allowable to a person <i>traveling</i> inside the State of Alabama in the service of the state or any of its departments, institutions, boards, bureaus, commissions, councils, committees, or other like agencies for expenses other than transportation may be fixed by the Governor at not less than seventy-five dollars (\$75) per day, and this amount shall be uniform in operation as to all persons <i>traveling</i> within the state on official business.”</p> <p><b><u>Recommendation:</u></b>  Board members should only be reimbursed travel per diem when they are traveling inside the State of Alabama in the service of the Board.</p>
2018-02	<p><b><u>Finding:</u></b>  The Board paid four members \$240 board compensation pay for a meeting that they did not attend. When notified of the discrepancy, the members reimbursed the Board for the payments made in error.</p> <p>The <i>Code of Alabama 1975</i>, Section 34-24-142 states, “Each member of the board shall be entitled to receive a per diem at the rate of 80 percent of the rate established by Section 34-24-54 for each day or any portion thereof that the member of the board is in attendance at a meeting of the board or any function of the board, plus an amount not to exceed the per diem expense and transportation costs allowed to Alabama state employees for in-state travel for each day actively engaged in the duties of their office.” According to the <i>Code of Alabama 1975</i>, Section 34-24-54, members are compensated up to \$300 per day or any portion thereof.</p> <p><b><u>Recommendation:</u></b>  The Board should only pay members compensation pay for attending board meetings or any other functions of the Board.</p>

***Schedule of Cash Receipts, Disbursements and Balances  
For the Period October 1, 2016 through September 30, 2018***

	<b>2017-2018</b>	<b>2016-2017</b>
<b><u>Receipts</u></b>		
Licensing Fees	\$ 429,698.98	\$ 402,706.95
<b><u>Disbursements</u></b>		
Personnel Costs	152,556.69	152,550.06
Employee Benefits	48,737.35	46,238.14
In-State Travel	18,183.08	18,355.19
Out-of-State Travel	4,326.78	1,891.08
Repairs and Maintenance	26.52	
Rentals and Leases	20,446.66	18,694.95
Utilities and Communication	11,133.69	10,680.63
Professional Services	69,928.81	75,309.94
Supplies, Materials, and Operating Expenses	9,154.59	8,042.72
Other Equipment Purchases	1,207.99	1,100.11
Total	<u>335,702.16</u>	<u>332,862.82</u>
Excess of Receipts Over Disbursements	93,996.82	69,844.13
Cash Balances at Beginning of Year	<u>602,524.55</u>	<u>532,680.42</u>
Cash Balances at End of Year	696,521.37	602,524.55
Reserved for Year-End Obligations	<u>(13,348.43)</u>	<u>(23,488.60)</u>
Available Cash Balances at Year-End	<u>\$ 683,172.94</u>	<u>\$ 579,035.95</u>

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***Board Members and Official***  
***October 1, 2016 through September 30, 2018***

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<b>Board Members</b>		<b>Term Expires</b>
Hon. Gregory Kuhlmann, D.C.	President	2019
Hon. Brian Wells, D.C.	Member	2021
Hon. John D. Neill, D.C.	Member	2021
Hon. Peter E. Keen, D.C.	Member	2019
Hon. T. Allan Lowman, D.C.	Member	2018
Hon. Rodney K. Palmer, D.C.	Member	2020
Hon. Toya T. Burton, D.C.	Member	2018
Hon. Allen Sanderson	Member	2020 (1)
Hon. Kenneth J. Randolph, D.C.	Member	2016
Hon. Patricia Wilson	Member	2016
Hon. Ronald J. Wheeler, D.C.	Member	2017
Hon. Peter J. DeFranco, D.C.	Member	2018

**Official**

Ms. Sheila Bolton  
Executive Director  
129 Chilton Place  
Clanton, AL 35045  
Phone: (205) 755-8000  
Fax: (205) 755-0081  
<http://www.chiro.state.al.us>

(1) Appointment terminated August 31, 2018.