

STATE OF WEST VIRGINIA

AUDIT REPORT

OF

WEST VIRGINIA PROSECUTING ATTORNEYS INSTITUTE

FOR THE PERIOD

JULY 1, 2000 - JUNE 30, 2003



OFFICE OF THE LEGISLATIVE AUDITOR

CAPITOL BUILDING

CHARLESTON, WEST VIRGINIA 25305-0610

WEST VIRGINIA PROSECUTING ATTORNEYS INSTITUTE

FOR THE PERIOD

JULY 1, 2000 - JUNE 30, 2003

WEST VIRGINIA LEGISLATURE
Joint Committee on Government and Finance

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CHARLESTON, WEST VIRGINIA 25305-0610

The Joint Committee on Government and Finance:

In compliance with the provisions of the West Virginia Code, Chapter 4, Article 2, as amended, we have examined the accounts of the West Virginia Prosecuting Attorneys Institute.

Our examination covers the period July 1, 2000 through June 30, 2003. The results of this examination are set forth on the following pages of this report. However, only the financial statements for the years ended June 30, 2003 and June 30, 2002 are included in this report.

Respectfully submitted,


Theodore L. Shanklin, CPA, Director
Legislative Post Audit Division

TLS/ela

WEST VIRGINIA PROSECUTING ATTORNEYS INSTITUTE

TABLE OF CONTENTS

Exit Conference 1

Introduction 2

Executive Council and Staff 4

Summary of Findings, Recommendations and Responses 5

General Remarks 11

Independent Auditors' Opinion 37

State of Appropriations/Cash Receipts, Expenditures/
Disbursements and Changes in Fund Balances 38

Notes to Financial Statement 40

Supplemental Information 42

Certificate of Director, Legislative Post Audit Division 50

WEST VIRGINIA PROSECUTING ATTORNEYS INSTITUTE

EXIT CONFERENCE

We held an exit conference on June 2, 2004 with the Executive Director of the West Virginia Prosecuting Attorneys Institute. All findings and recommendations were reviewed and discussed. The Executive Director's responses are included in bold and italics in the Summary of Findings, Recommendations and Responses, and after our recommendations in the General Remarks section of this report.

WEST VIRGINIA PROSECUTING ATTORNEYS INSTITUTE

INTRODUCTION

The West Virginia Prosecuting Attorneys Institute was created by an Act of Legislature effective June 8, 1995, as set forth in Section 6, Article 4, Chapter 7 of the West Virginia Code. The Institute, a public body, consists of the 55 elected county prosecuting attorneys in the State. The Executive Council, the regular executive body of the Institute, consists of five prosecuting attorneys elected by the membership of the Institute at its annual meeting and two persons appointed annually by the County Commissioner's Association of West Virginia. The Executive Council elects one member of the Council to serve as chairman of the Institute for a term of one year without compensation. The Executive Director, who is employed by the Executive Council, serves at the will and pleasure of the Executive Council of the Institute. The Executive Director must be licensed to practice law in the State of West Virginia and devotes full time to his or her official duties and may not engage in the private practice of law.

Subsection 6(d) establishes the duties and responsibilities of the West Virginia Prosecuting Attorneys Institute, which include the following:

- (1) Provide training for prosecutors.
- (2) Prepare manuals for use by prosecutors.
- (3) Provide for special prosecuting attorneys to pursue criminal matters.
- (4) Provide legal research, technical assistance, and technical and professional publications to prosecutors.
- (5) Establish and implement uniform reporting procedures for prosecutors.
- (6) Identify experts and other resources for prosecutors.

(7) Make recommendations to the Legislature in regard to the uniform processing of juvenile cases.

(8) Provide all other information requested and directed by the Executive Council.

Other statutory duties of the Institute include the following:

(1) In conjunction with the Criminal Identification Bureau and the Office of the Administrator of the Supreme Court of Appeals, develop reporting procedures for inclusion in the central abuse registry. (Chapter 15, Article 2C, Section 3 of the West Virginia Code)

(2) Nominate members for the child fatality review team. (Chapter 49, Article 5D, Section 5 of the West Virginia Code)

(3) When a dispute arises between the prosecuting attorney and the Department of Health and Human Resources about an action proposed by the other that is believed to place the child at imminent risk of abuse or serious neglect, mediate and provide a prompt resolution with the Secretary of the Department of Health and Human Resources. (Chapter 49, Article 6, Section 10a of the West Virginia Code)

(4) Administer the Forensic Medical Examination Fund to provide for payment of forensic medical examinations performed on victims of sexual assault. (Chapter 61, Article 8B, Sections 15 through 18, of the West Virginia Code)

By the act of the West Virginia Legislature that created the Institute in 1995, the Institute continued until July 1, 1998. The 1998 Regular Session of the Legislature continued the Institute until July 1, 2001; and the 2001 Regular Session of the Legislature continued the Institute until July 1, 2005.

The Institute is annually, by the first day of the regular legislative session, to provide the Joint Committee on Government and Finance with a report setting forth the activities of the Institute and suggestions for legislative action.

WEST VIRGINIA PROSECUTING ATTORNEYS INSTITUTE

EXECUTIVE COUNCIL AND STAFF

JUNE 30, 2003

EXECUTIVE COUNCIL

- Ginny Conley Prosecuting Attorney, Wood County
Chairperson
- Paul M. Blake, Jr. Prosecuting Attorney, Fayette County
- Alexander M. Ross Prosecuting Attorney, Upshur County
- Mark S. Sorsaia Prosecuting Attorney, Putnam County
- Christopher D. Chiles Prosecuting Attorney, Cabell County
- W. Kent Carper WV County Commissioner's Association,
Kanawha County
- James E. Sago WV County Commissioner's Association,
Marion County

STAFF

- William J. Charnock Executive Director
- Fred J. Giggenbach Assistant Prosecuting Attorney
- Edward Kornish High Intensity Drug Trafficking Area (HIDTA)
Prosecuting Attorney
- Clyde L. Arline, Jr. Database Administrator
- Amy R. Leslie Legal Assistant
- Charity Cole Legal Assistant
- Cynthia M. Burr Fiscal Officer

WEST VIRGINIA PROSECUTING ATTORNEYS INSTITUTE
SUMMARY OF FINDINGS, RECOMMENDATIONS AND RESPONSES

Lack of Effective System of Internal Controls

1. During the course of our post audit, it became apparent to us, based on the observed violations of the West Virginia Code and other rules and regulations which governed the Institute, the Institute did not have an effective system of internal controls in place to insure compliance with applicable State laws, rules and regulations. We believe an effective system of internal controls would have alerted management to these violations at an earlier date and allowed more timely corrective action.

Recommendation

We recommend the Institute comply with Chapter 5A, Article 8, Section 9 of the West Virginia Code.

Agency's Response

This is the first audit in the Institute's nine years of existence and it fails to show significant errors or performance failures. The audit showed the Institute simply needs to do a better job at record keeping. (See pages 12 - 14)

County Premiums

2. The Institute did not retain records of the county premiums collected under Chapter 7, Article 4, Section 6(g) of the West Virginia Code, as amended. As a result, we were unable to determine whether each county was invoiced the appropriate premium amount. Agency financial records showed the Institute deposited special prosecuting premiums totaling \$174,800 and \$180,050 for fiscal year 2002 and 2003, respectively.

Recommendation

We recommend the Institute comply with Chapter 7, Article 4, Section 6(g) of the West Virginia Code, as amended.

Agency's Response

No response by the spending unit. (See pages 14 and 15)

Unauthorized Duties Performed by Institute

3. The Institute went beyond what was required by applicable Code by providing services to the non-profit West Virginia Prosecuting Attorneys' Association and governmental entities other than county prosecuting attorneys. Also, we noted the Institute purchased additional equipment to loan, at no cost, to law enforcement departments for use in case preparation and trials.

Recommendation

We recommend the Institute comply with Chapter 7, Article 4, Section 6, Subsection (d), of West Virginia Code, as amended.

Agency's Response

The Institute strongly disagrees with the conclusion relating to it's duties. In an effort to avoid the appearance of impropriety, steps have been taken to maintain severability between the Institute and the Association. (See pages 15 - 19)

Forensic Medical Examination Fund

4. During our review of forensic medical examination payments, we noted the medical facilities invoicing the Institute did not always identify clearly the forensic examination and related charges from other non-forensic services performed at the same time. As a result,

the Institute generally pays the authorized limit of \$350.00, because it is unable to separate the examination costs from the other non-forensic services invoiced. In addition, we noted travel expenses totaling \$15,826.16, for the period of July 1, 2001 through June 30, 2003, which did not appear to have been made for the administration of the Forensic Medical Examination Fund (0557-683). Further, the Institute paid \$7,870.00, for the 2004 membership dues of the county prosecuting attorneys to the National District Attorneys Association.

Recommendation

We recommend the Institute comply with Chapter 61, Article 8B, Sections 15 and 16 of the West Virginia Code, and Title 168, Series I, Sections 3.1.7 and 3.1.8. Further, we recommend the Institute reimburse the Forensic Medical Examination Fund (No. 0557-683) for : (1) the unrelated travel expenses; (2) the 2004 membership dues for the county prosecuting attorneys to the National District Attorneys Association; and (3) the amount overpaid to Charleston Area Medical Center for a forensic medical examination charged to the Fund.

Agency's Response

No response by the spending unit. (See pages 20 - 22)

Equipment Inventory

5. The Institute did not have a complete inventory record for the period ending June 30, 2003. Also, two laser printers purchased for \$1,800.00 each could not be traced to the Institute's fixed asset inventory record.

Recommendation

We recommend the Institute comply with Chapter 5A, Article 3, Section 35 of the West Virginia Code, as amended.

Agency's Response

The Institute will comply with the recommendation of keeping inventory. (See page 23)

Executive Council Minutes

6. The Institute did not comply with applicable Code in the preparation of the Executive Council minutes, in that it did not include the name of the member who proposed the motion and the name of any absent member.

Recommendation

We recommend the Institute comply with Chapter 6, Article 9A, Section 5 of the West Virginia Code, as amended.

Agency's Response

The Institute will comply with this recommendation. (See pages 24 and 25)

Inadequate Accounting Records

7. The Institute could not locate various supporting documentation, including bid documentation, purchase orders, receiving reports, a travel expense settlement form and rental agreement for disbursements totaling \$30,616.41. In addition, we noted six instances where invoices totaling \$6,623.54 were not cancelled in some manner after payment.

Recommendation

We recommend the Institute comply with Section 6.1.2, of the West Virginia Purchasing Division's Policies and Procedures Handbook; Chapter 12, Article 3, Section 10f; and Chapter 12, Article 3, Section 9 of the West Virginia Code, as amended.

Agency's Response

The Institute followed all Purchasing Rules and Regulations relating to low bids. The Institute will provide adequate documentation for all future purchases. (See pages 25 - 29)

Absence of Time Sheets

8. Because the Institute's employees were not required to maintain time sheets during the audit period, we could not determine whether: (1) the Institute complied with the Fair Labor Standards Act of 1938, as amended, governing overtime compensation; (2) the payroll allocations between funds were reasonably and rationally established based on employees' duties as they relate to the intended purpose of each fund from which they are paid; (3) annual and sick leave balances were accurate; and (4) travel expense reimbursements received by employees were made in the correct amounts because the audit of travel expense reimbursements depends on knowing when the employees are present to perform duties on behalf of the spending unit.

Recommendation

We recommend the Institute comply with Part 553 and Part 516, of the Fair Labor Standards Act of 1938, as amended, the Annual Budget Bills, and Sections 14.3 and 14.4 of the Division of Personnel's Administrative Rule. Also, we recommend the Institute

maintain time records for those employees whose salaries are allocated between two accounts.

Agency's Response

The Institute's payroll/employee benefit matters are performed by the payroll section of the Department of Administration. (See pages 29 - 33)

Incorrect Increment Pay

9. We noted an employee of the Institute was paid an annual increment of \$100 more than what she was eligible to receive for the two years of our audit. Also, the same employee's salary was not adjusted after both her workload and workweek was reduced by a verbal agreement with the Institute's Executive Council effective April 1, 1999. We noted the Executive Council through its Executive Director did not act to rectify the situation until March 1, 2004.

Recommendation

We recommend the Institute comply with Chapter 12, Article 3, Section 13 of the West Virginia Code, and Chapter 5, Article 5, Section 2, of the West Virginia Code, as amended.

Agency's Response

The Institute's payroll/employee benefit matters are performed by the payroll section of the Department of Administration. (See pages 33 - 36)

WEST VIRGINIA PROSECUTING ATTORNEYS INSTITUTE

GENERAL REMARKS

INTRODUCTION

We have completed a post audit of the West Virginia Prosecuting Attorneys Institute (Institute). The audit covered the period July 1, 2000 through June 30, 2003.

GENERAL REVENUE ACCOUNTS

Expenditures required by the Institute for forensic medical examinations, matching monies for federal funds and grants, and payroll reserve and surplus were made from the following accounts:

<u>Fund Number</u>	<u>Description</u>
0557-364	Pay Equity Reserve
0557-497	Salary Shortfall - Surplus
0557-683	The Forensic Medical Examination Fund
0557-749	Federal Funds/Grant Match

SPECIAL REVENUE ACCOUNTS

All revenues received by the Institute and expenditures required for the general operation of the Institute were made from the following special revenue accounts:

<u>Fund Number</u>	<u>Description</u>
2520-099	Unclassified
2520-640	Departmental & Miscellaneous Income
2520-553	Statutory Transfers
2521-096	The West Virginia Prosecuting Attorneys Institute Fund - Unclassified Total

<u>Fund Number</u>	<u>Description</u>
2521-640	The West Virginia Prosecuting Attorneys Institute Fund - Departmental & Mis- cellaneous Income
2522-099	Unclassified
2522-640	Departmental & Miscellaneous Income
2522-553	Statutory Transfers

FEDERAL FUND ACCOUNTS - Consolidated Federal Funds

The Institute maintained the following Federal fund accounts during the audit period:

<u>Fund Number</u>	<u>Description</u>
8834-096	Unclassified-Total
8834-700	Consolidated Federal Fund

COMPLIANCE MATTERS

Chapter 7, Article 4, Section 6 of the West Virginia Code generally governs the Institute. We tested this section plus general State regulations and other applicable chapters, articles, and sections of the West Virginia Code as they pertain to fiscal matters. Our findings are discussed below.

Lack of Effective System of Internal Controls

During the course of our audit, it became apparent to us, based on the observed noncompliance with the West Virginia Code and other rules and regulations. The Institute did not have an effective system of internal controls in place to insure compliance with its applicable State laws, rules and regulations.

Chapter 5A, Article 8, Section 9(b) of the West Virginia Code, states in part:

“The head of each agency shall: . . .

(b) Make and maintain records containing adequate and proper documentation of the organization functions, policies, decisions, procedures and essential transactions of the agency designed to furnish information to protect the legal and financial rights of the state and of persons directly affected by the agency’s activities. . . .

.”

This law requires the agency head to have in place an effective system of internal controls in the form of policies and procedures set up to insure the agency operates in compliance with the laws, rules, and regulations which govern it.

We found the following noncompliance with State laws or other rules and regulations: (1) The Institute did not maintain adequate accounting records for the county premiums collected; (2) The Institute collected training seminar registration fees for the non-profit West Virginia Prosecuting Attorney’s Association (Association), and provided training to governmental entities other than county prosecuting attorneys and their staffs; (3) Since invoices for forensic examinations were not detailed, the Institute generally reimbursed medical facilities for services performed at the limit amount of \$350.00; (4) The Institute did not maintain a complete inventory record of its property; (5) The Institute did not comply with applicable sections of the West Virginia Code in the preparation of the Executive Council minutes; (6) We noted missing documentation for disbursements totaling \$30,616.41; (7) Since the Institute did not maintain time sheets for its employees, we could not test compliance with the Fair Labor Standards Act of 1938, governing overtime compensation, the reasonableness of pay allocations, the accuracy of annual and sick leave balances and travel expense reimbursements; (8) An employee received increment payments of \$100.00 in excess of what she was eligible.

We believe if the Institute would have had an effective system of internal controls in place, management would have been aware of the above noncompliance areas of State laws, rules, and regulations at an earlier date and would have been able to take corrective action in a more timely fashion. Therefore, we recommend the Institute comply with Chapter 5A, Article 8, Section 9 of the West Virginia Code, and establish an effective system of internal controls that will serve to alert management to areas of noncompliance with the West Virginia Code and other applicable rules and regulations.

Agency's Response

This is the first audit in the Institute's nine years of existence and it fails to show significant errors or performance failures. Many of the findings of the audit were historical practices which will be swiftly remedied. The audit uncovered minor and insignificant technical violations, none of which rise to a level of malfeasance, misfeasance or nonfeasance. The audit showed the Institute simply needs to do a better job at record keeping. As a result of this audit, the Institute has been made aware of the technical violations uncovered and same either has been, or will be, quickly remedied.

County Premiums

The Institute collected county premiums totaling \$174,800 and \$180,050, for fiscal years 2002 and 2003, respectively. However, the Institute did not retain records for these premiums authorized under Chapter 7, Article 4, Section 6(g) of the West Virginia Code, as amended, which states in part:

“. . . (g) Each county commission shall pay, on a monthly basis, a special prosecution premium to the treasurer of the state for the funding of the West Virginia prosecuting attorneys institute. The monthly premiums shall be paid according to the following

schedule:

MONTHLY PREMIUMS
Assessed Valuation of Property
of All Classes in the County

Category	Minimum	Maximum	Premium
A	\$1,500,000,000	Unlimited	\$400
B	\$1,000,000,000	\$1,499,999,999	\$375
C	\$ 8000,000.000	\$ 999,999,000	\$350
D	\$ 700,000,000	\$ 799,999,000	\$325
E	\$ 600,000,000	\$ 699,999,999	\$300
F	\$ 500,000,000	\$ 599,999,999	\$250
G	\$ 400,000,000	\$ 499,999,999	\$200
H	\$ 300,000,000	\$ 299,999,999	\$150
I	\$ 200,000,000	\$ 299,999,999	\$100
J	-0-	\$ 199,999,999	\$ 50....”

As a result, we were unable to determine whether the Institute collected the appropriate premium amounts. The employee in charge of the county premium collections stated she was not aware the documents were to be retained after the collections were received.

We recommend the Institute comply with Chapter 7, Article 4, Section 6(g) of the West Virginia Code, as amended.

Agency's Response

No response by the spending unit.

Unauthorized Duties Performed by Institute

Through our interviews with the Executive Director, and from a review of the Institute's 2002 and 2003 Annual Reports to the West Virginia Legislature, the Institute has gone beyond the scope of the law governing it by providing services and resources to other than to whom

applicable code authorizes.

Chapter 7, Article 4, Section 6, Subsection d, of the West Virginia Code, as amended, which deals with the duties of the Institute, states in part:

“(d) The duties and responsibilities of the institute, as implemented by and through its executive council and its executive director, shall include the following:

- (1) The provision for special prosecuting attorneys to pursue a criminal matter in any county upon the request of a circuit court judge of that county and upon the approval of the executive council;
- (2) The establishment and implementation of general and specialized training programs for prosecuting attorneys and their professional staffs;**
- (3) The provision of materials for prosecuting attorneys and their professional staffs, including legal research, technical assistance and technical and professional publications;
- (4) The compilation and dissemination of information on behalf of prosecuting attorneys and their professional staffs on current developments and changes in the law and the administration of criminal justice;
- (5) The establishment and implementation of uniform reporting procedures for prosecuting attorneys and their professional staffs in order to maintain and to provide accurate and timely data and information relative to criminal prosecutorial matters;
- (6) The acceptance and expenditure of, grants and gifts and acceptance of services from any public or private source;
- (7) The entering into of agreements and contracts with public or private agencies or educational institutions;
- (8) The identification of experts and other resources for use by prosecutors in criminal matters;**
- (9) The recommendation to the Legislature or the supreme court of appeals of the state of West Virginia on measures required, or procedural rules to be promulgated, to make uniform the processing of juvenile cases in the fifty-five counties of the state; and
- (10) The development of a written handbook for prosecutors and their assistants to use which delineates relevant information concerning the elements of various crimes in West Virginia and other information the institute considers appropriate.” **(Emphasis added)**

From our review of a deposit of the Association, the Institute invoiced and collected registration fees for the 2003 Summer Meeting for the non-profit Association. We noted the invoice for the registration fee was printed on Institute letterhead and included the name of an Institute employee responsible for the invoice. Also, we noted the following, as the address to where the appropriate fee amount was to be sent:

“Please remit check in the above amount to: WVPAA, 90 MacCorkle Avenue, SW, Ste. 202, South Charleston, WV 25303”

The acronym for the West Virginia Prosecuting Attorneys’ Association is WVPAA and 90 MacCorkle Avenue, SW, Suite 202, South Charleston, WV 25303, is the address of the Institute. Since we could not review copies of the checks that were remitted, we were unable to satisfy ourselves as to whether the monies collected and deposited were State monies. The Executive Director informed us the registration fee was discontinued prior to its 2004 Winter Training Seminar held January 29 - 31, 2004.

Also, based on the spending unit’s financial records and its 2003 Annual Report, the Institute has conducted training seminars and co-sponsored conferences for law enforcement agencies, Department of Health and Human Resources social workers, and Division of Natural Resources conservation officers. Further, the Institute has purchased equipment that is loaned, at no cost, to law enforcement departments for use in case preparation and trials.

To our request dated April 29, 2004, about why the Institute had invoiced and collected the seminar registration fees for the Association, the Executive Director told us the Association has never had its own staff and historically the Institute had done this for the

Association. Also, he stated an employee of the West Virginia Association of Counties, where the Association has its office, is currently performing clerical-type work (answering telephone calls and opening mail) for the Association. The Executive Director informed us the registration fee was discontinued prior to its 2004 Winter Training Seminar held January 29 - 31, 2004.

The Executive Director responded to our request, dated March 8, 2004, for a written interpretation of the aforementioned paragraphs emphasized in subsection (d), section six:

"I consider prosecuting attorneys' professional staff to include: assistant prosecutors, key personnel (secretaries, paralegals, receptionists, administrative assistants etc.), victim advocates and investigators. In addition, prosecutors are considered the chief law enforcement officers of the county. As such, I believe every law enforcement officer in the county a member of the professional staff of each county prosecuting attorney."

Also, he stated:

"Identification of resources" means any source of supply or support for county prosecutors. This definition includes, but by no means is limited to, technical support by Institute assistant prosecutors, technical support by the Institute's database administrator to include information and technical assistance, providing manuals and publications to county prosecutor offices, providing audio-visual equipment at no cost to county prosecutor offices and providing whatever type of support whenever it is requested."

In addition, we asked the Executive Director whether he believed the Institute has gone beyond what is required by subsection (d) of section six. He responded:

"The code would have to be amended and re-enacted every legislation session to include all the areas where the Institute provides support to county prosecutors. Since the Institute is the fifty-five prosecutors, every prosecutor is owed a duty from this office. Per this duty, I believe this office should provide whatever assistance is requested, whenever it is requested (assuming, of course, the request is not illegal, immoral or highly personal). Specifically, the code does not say the Institute can partner with the

Justice Department for the Appalachia HIDTA position; however, since assistance is being provided to the counties, I will not deny any kind of assistance because the code does not specifically allow our participation with the Justice Department. It is in this sense I believe the agency has gone over and beyond what is called for in the code. In addition, the Institute's database administrator makes himself available to every county office for information and technology support. The code does not specifically provide for this. It is also in this sense the Institute has gone over and beyond what is provided for in the Code of West Virginia."

Based on the above reasons, the Institute provides services and resources not specifically authorized by the West Virginia Code. We believe if the Code does not explicitly authorize a spending unit to provide a service or resource, the spending unit cannot provide the service or resource without being in violation of the Code.

We recommend the Institute comply with Chapter 7, Article 4, Section 6, Subsection d, of the West Virginia Code, as amended.

Agency's Response

I strongly disagree with the conclusion relating to the Institute's duties. Providing continuing education for law enforcement and others in the criminal justice system is a logical interpretation of the Institute's enabling legislation. This service fills a necessary void. To suggest a prosecuting attorney cannot and should not educate law enforcement to do its best possible work is illogical and an unnecessary restraint on the chief law enforcement officer of the county. The Prosecuting Attorneys Association began training law enforcement and the Institute continues this practice.

The Institute and the Association have been historically close because both serve the same constituency. In an effort to avoid even the appearance of impropriety, steps have been taken to maintain severability between the two entities. It is important to emphasize no state

monies have ever been deposited into Association accounts.

Forensic Medical Examination Fund

Spending unit records showed the Institute reimbursed various medical facilities approximately \$154,000, for 490 forensic medical examinations invoiced during the period of July 1, 2001 to June 30, 2003. We tested ten of the 490 invoices, totaling \$3,290.37, and noted all ten invoices did not clearly identify for forensic examination and related charges from other non-forensic services performed at the same time. In addition, we noted travel expenses totaling \$15,826.16, which were not made for the administration of the Forensic Medical Examination Fund (0557-683), as authorized by applicable Code. Further, we noted the Institute paid the National District Attorneys Association a total of \$7,870, from the Forensic Medical Examination Fund (0557-683), for the 2004 membership dues of the 55 county prosecuting attorneys.

Chapter 61, Article 8B, Section 15 of the West Virginia Code states in part:

“There is hereby created “The Forensic Medical Examination Fund” created as a special fund in the state treasury into which shall be deposited the appropriations made to the fund by the Legislature. Expenditures from the fund shall be made by the West Virginia prosecuting attorneys institute, created by the provisions of section six, article four, chapter seven of this code, for the payment of the costs of forensic medical examinations as they are defined in section sixteen of this article and for the reimbursement to the institute of its expenses in administering the payment of the costs from the fund.” (Emphasis added.)

Further, Chapter 61, Article 8B, Section 16 of the West Virginia Code, as amended, states in part:

“(a) When any person alleges that he or she has been a victim of an offense prescribed by this article, the West Virginia prosecuting attorneys institute shall pay to a licensed medical facility from the forensic medical examination fund the cost of the forensic medical

examination for this person on the following conditions and in the following manner:

- (1) The payment shall cover all reasonable, customary and usual costs of the forensic medical examination;
- (2) The costs of additional nonforensic procedures performed by the licensed medical facility, including, but not limited to, prophylactic treatment, treatment of injuries, testing for pregnancy and testing for sexually transmitted diseases, may not be paid from this fund; . . .”

Based upon the aforementioned code sections, we believe only expenses incurred to administer the Fund, such as salaries and related benefits, postage, and office expenses should be paid from the Forensic Medical Examination Fund, in addition to the payment of forensic medical examinations.

The Institute also paid \$15,826.16 for travel related items and \$7,870 for membership dues for the county prosecuting attorneys that were not for the administration of the Forensic Medical Examination Fund. The Executive Director told us he believed the travel could be paid from the fund, since the travel related to the subject of sexual assault. The Institute’s Forensic Medical Examination Fund Administrator explained the prosecuting attorneys were responsible for authorizing the forensic examinations in their respective counties as the reason for the Institute paying their annual membership dues.

Also, we noted one instance where the Institute overpaid Charleston Area Medical Center (CAMC) by \$68.94, for a forensic medical examination. The Institute received an invoice dated October 26, 2001, for \$281.06. Then, the Institute received another invoice dated November 21, 2001, for the same services for \$350, and the Institute paid \$350 to CAMC. We believe the invoice was overpaid because Section 3.1.8 of Title 168, Series I, Procedural Rule, Cost of Forensic Medical Examinations states:

“3.1.7. Following the completion of a forensic medical examination,

the hospital shall submit within a reasonable time of the date of examination an original invoice for the forensic medical examination to the prosecuting attorney in the country where the alleged offense occurred. The invoice shall contain the name of the alleged victim and the date of the alleged offense.

3.1.8. A second original invoice should be sent to the WV Prosecuting Attorneys Institute at its regular business address, Attention: Forensic Medical Examination Fund. **Reimbursement from the Fund is limited to \$350.00 for the cost of a forensic medical examination** or, when that sum appears to be less than all reasonable, customary and usual costs of the forensic medical examination, a greater sum determined by resolution of the Executive Counsel of the West Virginia Prosecuting Attorneys Institute after consultation with providers and consideration of the limits of available funding. A licensed medical facility may not bill the victim of an alleged violation for costs of a forensic medical examination authorized and approved by a Prosecuting Attorney, investigating officer or police agency.” **(Emphasis added.)**

The Institute’s Forensic Medical Examination’s Administrator told us she generally pays \$350 for an examination, because she is unable to separate the examination costs from the other non-forensic services invoiced by the medical facility. The Institute’s financial records showed the Institute made payments of \$350 for 367 examinations for a total of \$128,450 during the period July 1, 2001 through June 30, 2003.

We recommend the Institute comply with Chapter 61, Article 8B, Sections 15 and 16 of the West Virginia Code, and Title 168, Series I, Sections 3.1.7 and 3.1.8. Further, we recommend the Institute reimburse the Forensic Medical Examination Fund (No. 0557-683) for: (1) the unrelated travel expenses; (2) the 2004 membership dues for the county prosecuting attorneys to the National Direct Attorneys Association; (3) and the amount overpaid to Charleston Area Medical Center for a forensic medical examination charged to the Fund.

Agency’s Response

No response by the spending unit.

Equipment Inventory

The Institute did not maintain a complete inventory record of its property for the period ending June 30, 2003, in which it did not contain two laser printers costing \$1,800 each. Without accurate inventory records, the Institute has no means to effectively manage its inventory. As a result, the likelihood of losses and thefts are increased.

Chapter 5A, Article 3, Section 35 of the West Virginia Code, states in part:

“The head of every spending unit of state government shall, on or before the fifteenth day of July of each year, file with the director an inventory of all real and personal property, and of all equipment, supplies and commodities in its possession as of the close of the last fiscal year, as directed by the director.”

Also, as discussed earlier in this report, we noted the Institute loaned equipment at no cost to county prosecutors and law enforcement agencies for use in case preparation, trials, and investigations. We noted, however, the Institute never required the county prosecutor or his representative or a representative of a law enforcement agency to sign for the equipment to show a transfer of responsibility for equipment being loaned to the county prosecuting attorney or law enforcement agency.

We recommend the Institute comply with Chapter 5A, Article 3, Section 35 of the West Virginia Code.

Agency's Response

The Institute will comply with the recommendation of keeping inventory. It should be noted, however, that despite the lack of inventory, all fixed assets have been accounted.

Executive Council Minutes

During our review of the minutes of the Executive Council's meetings, we noted the Institute did not comply with the Code governing the preparation of minutes of its meetings. Specifically, the minutes did not state the name of the absent members; and more importantly, the name of the member proposing the motion.

Chapter 6, Article 9A, Section 5 of the West Virginia Code, as amended, states in part:

"Each governing body shall provide for the preparation of written minutes of all of its meetings. Subject to the exceptions set forth in section four of this article, minutes of all meetings except minutes of executive sessions, if any are taken, shall be available to the public within a reasonable time after the meeting and shall include, at least, the following information:

- (1) The date, time and place of the meeting;
- (2) The name of each member of the governing body present and absent;
- (3) All motions, proposals, resolutions, orders, ordinances and measures proposed, the name of the person proposing the same and their disposition; . . . " (Emphasis added.)

Since the minutes of the governing body are public information, all required information should be present in the minutes.

Also, during our review of the minutes, we noted the proceedings of the Institute's Executive Council and the proceedings of West Virginia Association's Executive Committee were recorded in the same set of minutes. At times, it was difficult to distinguish what proceedings we were reviewing. We believe the minutes of the proceedings of the two entities should be recorded separately, since the two entities are distinct from each other. Also, we suggest the minutes of the

Executive Council be stored together so they are readily accessible when required.

We recommend the Institute comply with Chapter 6, Article 9A, Section 5 of the West Virginia Code, as amended.

Agency's Response

The Institute will include the name of the person making motions in the minutes of the Executive Council Meeting. It should be noted, the minutes accurately reflect motions made and actions taken.

Inadequate Accounting Records

We noted several instances where the Institute's accounting records were inadequate or missing as follows:

1) There were 18 equipment transactions for the period of July 1, 2001 to June 30, 2003. We selected 15 of the 18 transactions to test; however, only the following 12 of the 15 transactions totaling \$29,004.97, were purchases of \$1,000 or more:

<u>Vendor</u>	<u>WVFIMS Document Number</u>	<u>Transaction Date</u>	<u>Fund/Object Code</u>	<u>Amount</u>
Pomeroy Computer Resources Sales Co.	I5343033	05/16/02	0557-683/170	\$ 2,730.00
Pomeroy Computer Resources Sales Co.	I5343033	05/16/02	2521/170	2,730.00
Insight Direct Inc	I5274988	03/25/02	0557-749/070	2,387.71
Insight Development Corp	I5139297	12/28/01	0557-749/170	2,289.99
Insight Development Corp	I5419467	07/22/02	0557-749/070	2,397.27
NCompass Networks	I5419472	07/22/02	0557-749/070	5,530.00
NCompass Networks	I5419228	07/22/02	2521/170	2,765.00
Hourly Computer Services	I5048867	10/19/01	2521/170	2,275.00
Computer Pro	I5686909	01/13/03	0557-683/170	1,800.00

<u>Vendor</u>	<u>WVFIMS Document Number</u>	<u>Transaction Date</u>	<u>Fund/Object Code</u>	<u>Amount</u>
Computer Pro	I5686925	01/13/03	2521/170	1,800.00
Computer Pro	I5012692	10/10/01	0557-749/170	1,150.00
Computer Pro	I5401557	06/11/02	0557-749/170	<u>1,150.00</u>
TOTAL				<u>\$29,004.97</u>

Of the 12 transactions, the Institute could not provide evidence of the bid process nor purchase order. For only one transaction (WVFIMS ID#I5401557, above), did the Institute provide a receiving report.

Section 6.1.2 of the West Virginia Purchasing Division's Policies and Procedures

Handbook states in part:

"6.1.2 Purchases \$1,000.01 to \$5,000: A minimum of three (3) verbal bids are required when possible.

Bids shall be documented and recorded for public record. (See Appendix B for **Verbal Bid Quotation Summary form, WV-49**). **An Agency Purchase Order, WV-88, or TEAM-Generated Purchase Order is required for purchase exceeding \$1,000. Awards are to be made only to vendors who are properly registered with the Purchasing Division. Fax bids are acceptable."**

Also, Chapter 12, Article 3, Section 10f of the West Virginia Code states in part:

". . . The state officer or employee acting as head of such spending unit is responsible for the completion and timely submission of the receiving reports which shall be prepared at the original point of receipt of the commodities at the spending unit by the employees designated by the head of the spending unit to receive the commodities and prepare the receiving reports. . . ."

Based on the Institute's inability to find the above documentation to support the payments, we believe the Institute does not have an effective system of filing accounting

documents. As a result, we could not audit the above transactions totaling \$29,004.97. We were told by the Institute's personnel, the bid process, purchases order, and/or receiving reports were not completed for the purchases above.

2) Also, the Institute was unable to provide the travel expense settlement form and other supporting documentation and the rental lease agreement for the WVFIMS documents as follows:

<u>Vendor</u>	<u>WVFIMS Document Number</u>	<u>Transaction Date</u>	<u>Fund/Object Code</u>	<u>Amount</u>
Chiles, Christopher	I4917363	07/19/01	0557/026	\$ 88.40
Kanawha Realty & Development Corporation	I4979191	08/22/01	2521/022	<u>1,523.04</u>
Total				<u>\$1,611.44</u>

As a result, we could not audit the transactions above. Also, without having the rental contract/agreement readily accessible for services the Institute receives, vendors could bill and the Institute could inadvertently pay for commodities/services at prices or rates higher than what the Institute agreed upon with the vendor. From our conversation with the Institute personnel, the Institute did not have a copy of the lease agreement on hand.

3) In addition, we noted six instances where invoices were not cancelled in some manner after payment as follows:

<u>Vendor</u>	<u>WVFIMS Document Number</u>	<u>Transaction Date</u>	<u>Fund/Object Code</u>	<u>Amount</u>
Dept. of Administration	E457344	07/22/02	0557/025	\$ 31.13
John Skidmore Development, Inc.	I5012735	09/19/01	0557-026/042	1,821.05

<u>Vendor</u>	<u>WVFIMS Document Number</u>	<u>Transaction Date</u>	<u>Fund/Object Code</u>	<u>Amount</u>
Holiday Inn Martinsburg	I5607425	11/01/02	2521-026/042	1,699.11
Process Strategies	I5897626	05/28/03	2521/025	300.00
William Johnston	I5366287	05/20/02	2521-025/026	2,582.25
John Skidmore Development, Inc.	I5107693	11/19/01	0557-022/042	<u>190.00</u>
TOTAL				<u>\$6,623.54</u>

Chapter 12, Article 3, Section 9, of the West Virginia Code, as amended, states in part:

“Every board or officer authorized by law to issue requisitions upon the auditor for payment of money out of the state treasury, shall, before any such money is paid out of the state treasury, certify to the auditor that the money for which such requisition is made is needed for present use for the purpose for it was appropriated . . .”

When invoices/statements are not properly cancelled after their approval for payment, the opportunity for duplicate payment arises for the particular invoices/statements. The employee who prepares invoices for payment stated the invoices were probably copied before the Executive Director signed the originals.

We recommend the Institute comply with Chapter 12, Article 3, Section 9, of the West Virginia Code, as amended, and Section 6.1.2 of the West Virginia Purchasing Division’s Policies and Procedures Handbook.

Agency’s Response

The Institute followed all Purchasing Rules and Regulations relating to low bids. The Institute requested the assistance of IS&C in obtaining low bids for equipment. The audit

did not find that the Institute did not follow Purchasing Rules and Regulations, only that it failed to maintain written documentation of these bids. The Institute will provide adequate documentation for all future purchases.

The audit incorrectly sites the Institute for failing to provide a copy of the lease agreement. The Institute's lease service is maintained by the leasing section of the Department of Administration.

Absence of Time Sheets

Our audit showed, with the exception of one of three non-exempt employees, whose salary was reimbursed through the West Virginia Division of Criminal Justice's Edward Byrne Grant, the Institute's non-exempt employees were not required to maintain time sheets for the period of July 1, 2001 through June 30, 2003.

Part 553, Subpart A, of the Fair Labor Standards Act of 1938, as amended, states in part:

"Subpart A - General Requirements

553.50 - Records to be kept of compensatory time.

For each employee subject to the compensatory time and compensatory time off provisions of section 7(o) of the Act, a public agency which is a State, a political subdivision of a State or an interstate governmental agency shall maintain and preserve records containing the basic information and data required by 516.2 of this title. . . ."

Further, Part 516, Subpart A, of the Fair Labor Standards Act of 1938, as amended, states in part:

"Subpart A - General Requirements

516.2 - Employees subject to minimum wage or minimum wage and overtime provisions pursuant to section 6 or sections 6 and 7(a) of the Act.

(a) Items required. Every employer shall maintain and preserve payroll or other records containing the following information and data with respect to each employee to whom section 6 or both sections 6 and 7(a) of the Act apply:

- (1) Name in full, as used for Social Security record keeping purposes, . . .
- (2) Home address, including zip code . . .
- (3) Time of day and day of week . . .
- (6)(i) Regular hourly rate of pay for any workweek in which overtime compensation is due under section 7(a) of the Act . . .
- (7) **Hours worked each workday and total hours worked each workweek . . .** (for purposes of this section, a “workday” is any fixed period of 24 consecutive hours and a “workweek” is any fixed and regularly recurring period of 7 consecutive workdays)
- (10) Total additions to or deductions from wages paid each pay period . . .
- (11) Total wages paid each pay period . . .” **(Emphasis added.)**

As a result, we could not readily determine whether the Institute complied with the Fair Labor Standards Act governing overtime compensation. In addition, we could not determine whether travel expense reimbursements received by employees were made in the correct amounts because the audit of travel expense reimbursements depends on knowing whether the employees are present to perform duties on behalf of the spending unit. The Executive Director stated he did not see the need for his employees to keep time sheets, since he knew when they were at work and what they were doing, as the reason for not having the Institute keep time records.

Also, from a review of the Institute’s approved payroll expenditure schedules, we noted four of its employees’ salaries were paid 100% from one of the general revenue fund activities or the special revenue fund, while the remaining three employees’ salaries were allocated between two of these funds or the Institute’s Federal fund. The Institute’s financial records showed personnel services and employee benefits for all funds totaled \$411,431.00 and \$419,152.97, for

fiscal years 2002 and 2003, respectively. Although the allocation amounts are incorporated into the Institute's fund budgets, no time records are maintained except for the employee paid through the Byrne Grant.

Chapter 1 of the Acts of the Legislature of West Virginia, Regular Session, 2001, in reference to the Fund 0557, activities 683 and 749, states in part:

“. . . Any unexpended balances remaining in the appropriations for Forensic Medical Examinations (fund 0557, activity 683) and the Federal Funds/Grant Match (0557, activity 749) at the close of the fiscal year 2001 are hereby reappropriated for expenditure during fiscal 2002, with the exception of fund 0557, fiscal year 2001, activity 6683 (\$10,020) which shall expire on June 30, 2001. . . .”

Further, Chapter 13 of the Acts of the Legislature of West Virginia (S.B. 100), Regular Session 2002, in reference to the Fund 0557, activities 683 and 749, and Fund 2521, states in part:

“Any unexpended balances remaining in the appropriations for Forensic Medical Examinations (fund 0557, activity 683) and the Federal Funds/Grant Match (0557, activity 749) at the close of the fiscal year 2002 are hereby reappropriated for expenditure during fiscal year 2003 . . .

. . . Any unexpended balances remaining in the appropriations for Unclassified - Total (2521, activity 096) at the close of the fiscal year 2002 is hereby reappropriated for expenditure during fiscal year 2003....”

In addition, year-end amounts to be re-appropriated in the general, special, and federal consolidated revenue funds may be affected by the unsupported payroll allocations, since three employees with allocated salaries are paid both from general, special, or Federal accounts. As a result, the Department of Administration may have failed to determine the correct amounts to be re-appropriated at the close of fiscal years 2002 and 2003. We were told payroll allocations are based on the duties the employee performs for the fund(s). However, no time analysis had been

performed by the Institute that supported the allocation amounts.

Further, we noted the Institute employees' workday generally included one-hour lunch breaks; and therefore, the employees worked seven-hour days. However, we noted sick and annual leave were accrued based on an eight-hour day.

Section 14.3 Annual Leave, of the Division of Personnel Administrative Rule (2000 amended) states in part:

“ . . . Annual leave cannot be accrued for hours not paid nor for hours worked beyond the normal work week which shall not exceed 40 hours.”

Additionally, Section 14.4 Sick Leave, of the Division of Personnel Administrative Rule (2000 amended) states in part:

“ . . . Sick leave cannot be accrued for hours not paid nor for hours worked beyond the normal work week which shall not exceed 40 hours.”

We believe overstatements in employees' sick and annual leave balances may be created when employees submit Requests for Leave based upon an eight-hour day when they are only working a seven-hour day. The calculation based on an eight-hour day compared to a seven hour day is as follows:

<u>Sick Leave</u>	<u>Seven-Hour Day</u>	<u>Eight-Hour Day</u>	<u>Difference in Hours</u>
0 - Years	126.00	144.00	18.00
<u>Annual Leave</u>	<u>Seven-Hour Day</u>	<u>Eight-Hour Day</u>	<u>Difference in Hours</u>
0 - 5 Years	105.00	120.00	15.00
5 - 10 Years	126.00	144.00	18.00
10 - 15 Years	147.00	168.00	21.00
15 - 20 Years	168.00	192.00	24.00

An improper amount may be charged to employees' leave balances when following the eight-hour method of calculating sick or annual leave balances. In instances where any increment of leave other than a full day is taken following this method, employees' leave balances may be overstated.

Any errors in leave balances could result in employees being overcompensated or under compensated for their services upon their resignation or retirement. Also, this may result in employees taking unearned leave. Even though the employees of the Institute are not classified under the West Virginia Division of Personnel, the Executive Director stated the Institute followed its policies.

We recommend the Institute comply with Part 553 and Part 516 of the Fair Labor Standards Act of 1938, as amended, and the Annual Budget Bills and Sections 14.3 and 14.4 of the Division of Personnel's Administrative Rule. Also, we recommend the Institute maintain time records for those employees whose salaries are allocated between two accounts.

Agency's Response

The audit incorrectly sites the Institute for failing to provide a copy of various employee benefit matters. The Institute's payroll/employee benefit matters are performed by the payroll section of the Department of Administration.

Incorrect Increment Pay

During our review of annual increment payments, we noted an employee of the Institute was paid \$100 annual increment in excess of the amount she was eligible.

Chapter 12, Article 3, Section 13 of the West Virginia Code, as amended, states:

“No money shall be drawn from the treasury to pay the salary of any officer or employee before his services have been rendered.”

Also, Chapter 5, Article 5, Section 2, of the West Virginia Code, as amended, March 9, 1996, states in part:

“Effective for the fiscal year beginning the first day of July, one thousand nine hundred ninety-six , every eligible employee with three or more years of service shall receive an annual salary increase equal to fifty dollars times the employees’ years of service, not to exceed twenty years of service. . . .”

Further, Paragraph II. DEFINITIONS, subparagraph B., of the WV Division of Personnel’s Annual Increment Policy, states in part:

“B. Years of Service: Full years of totaled service as an employee of the State of West Virginia. Employees who work less than half-time, 0.5 full-time equivalent (FTE), shall not receive years of service credit for such employment. . . .”

The Department of Administration’s personnel records showed the employee had prior service of 1.17 years with the Attorney General’s Office, and 3.58 years service with the Institute, totaling 4.75 years of service credit while she was a full-time employee. The employee’s full-time equivalency (FTE) was reduced to .38 FTE effective April 1, 1999. The reduction in FTE made her ineligible to receive years of service credit thereafter, for such employment as set out in section B, above. We noted the employee received annual increment payments in July 2002 and 2003 for five years service rather than for the four years for which she had service credit. As a result, this employee has been overpaid \$50.00 for each of the two years we audited.

Also, during an interview with the Executive Director, we learned the Executive Council of the Institute entered into a verbal agreement with this employee. According to the employee’s Personnel Action form (WV-11) effective April 1, 1999 : (1) The employee’s full-time

equivalency (FTE) was reduced from 1.0 FTE to .38 FTE (as noted above); and (2) the employee's workweek was reduced from 40 hours per week to 15 hours per week, of which five hours were to be worked at the Institute, and ten hours at her home. As a result of the agreement, the employee's salary was adjusted from \$27,756 to \$10,427 effective April 1, 1999, to reflect the adjustment in FTE. At a later date, some of the employee's duties (WVFIMS entries and daily processing of Agency invoices) were transferred to a full-time employee; however, the employee's salary and FTE were not adjusted to reflect the reduction in workload. Also, the employee's FTE was increased from .38 to .45 effective July 1, 2000, to reflect her duties for the Federal High Intensity Drug Trafficking Area (HIDTA) program. The Executive Director stated, shortly after his hire with the Institute, he noticed the disparity in her salary to her workload and the time she was required to give to the Institute; and he periodically brought the situation to the Executive Council's attention for resolution. Pay records in the employee's personnel file at the Institute showed that the employee received the following pay:

<u>Base Salary</u>	<u>FTE</u>	<u>WV-11 Effective Date</u>
\$10,427	.38	April 1, 1999
\$15,790	.45	July 1, 2000
\$16,130	.45	July 1, 2001
\$16,492	.45	July 16, 2002
\$16,632	.45	September 16, 2003
\$10,000	.38	March 1, 2004

At a meeting on June 26, 2003, the Executive Council finally directed the Executive Director to discuss with the employee the situation about compensation received and work performed. The Executive Director spoke with the employee on February 24, 2004, and the employee's salary was

adjusted from \$16,492 to \$10,000 effective March 1, 2004.

We recommend the Institute comply with Chapter 12, Article 3, Section 13 of the West Virginia Code, as amended, and the WV Division of Personnel's Annual Increment Policy.

Agency's Response

The audit incorrectly sites the Institute for failing to provide a copy of various employee benefit matters. The Institute's payroll/employee benefit matters are performed by the payroll section of the Department of Administration.

INDEPENDENT AUDITORS' OPINION

The Joint Committee on Government and Finance:

We have audited the statement of appropriations/cash receipts, expenditures/disbursements and changes in fund balances of the West Virginia Prosecuting Attorneys Institute for the years ending June 30, 2003 and June 30, 2002. The financial statement is the responsibility of the management of the West Virginia Prosecuting Attorneys Institute. Our responsibility is to express an opinion on the financial statement based on our audit.

Except as discussed in the following paragraph, we conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The West Virginia Prosecuting Attorneys Institute is authorized by State law to assess monthly premiums to the various counties of the State based on the assessed valuation of property of all classes in the respective counties. Based on the records supplied by the West Virginia Prosecuting Attorneys Institute, collections of such premiums totaled \$180,050 and \$174,800 for the years ended June 30, 2003 and June 30, 2002, respectively. However, the West Virginia Prosecuting Attorneys Institute was unable to supply us with records showing the property valuations within the counties. As a result, we were unable to recalculate the monthly premium assessments, nor were we able to satisfy ourselves that such monthly premiums were calculated in accordance with the applicable provisions of State law.

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had we been able to examine property valuations supporting the collection of county premiums, the financial statement referred to in the first paragraph above presents fairly, in all material respects, the appropriations and expenditures and revenues collected and expenses paid of the West Virginia Prosecuting Attorneys Institute for the years June 30, 2003 and June 30, 2002 on the bases of accounting described in Note A.

Our audit was conducted for the purpose of forming an opinion on the basic financial statement taken as a whole. The supplemental information is presented for the purpose of additional analysis and is not a required part of the basic financial statement. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statement and, in our opinion, is fairly stated in all material respects in relation to the basic financial statement taken as a whole.

Respectfully submitted,


Theodor L. Shanklin, CPA, Director
Legislative Post Audit Division

April 2, 2004

Auditors: Ethelbert Scott, Jr., CPA, Supervisor
Peter J. Maruish, Jr., CPA, Auditor-in-Charge
Amanda L. Poff
Debra R. Burkhardt

**WEST VIRGINIA PROSECUTING ATTORNEYS INSTITUTE
STATEMENT OF APPROPRIATIONS/CASH RECEIPTS,
EXPENDITURES/DISBURSEMENTS AND CHANGES IN FUND BALANCES**

	<u>Year Ended June 30, 2003</u>		
	<u>General Revenue</u>	<u>Special Revenue</u>	<u>Federal Revenue</u>
Appropriations and Cash Receipts:			
Appropriations	\$441,360.05	\$ 0.00	\$ 0.00
Collections, Fees, and Other Income	0.00	464,164.48	94,439.99
Gifts, Grants, and Donations	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
	441,360.05	464,164.48	94,439.99
Expenditures/Disbursements:			
Personal Services	79,811.93	193,381.94	58,871.57
Employee Benefits	21,411.72	51,448.05	14,227.76
Current Expenses	188,550.81	174,992.81	15,966.89
Repairs and Alterations	121.61	597.22	0.00
Equipment	11,230.77	9,005.99	0.00
Payment of Claims	1,867.56	933.79	0.00
Public Employee's Reserve Transfer	<u>1,839.33</u>	<u>919.67</u>	<u>0.00</u>
	<u>304,833.73</u>	<u>431,279.47</u>	<u>89,066.22</u>
Appropriations/Cash Receipts Over/(Under)			
Expenditures Disbursements	136,526.32	32,885.01	5,373.77
Expirations and Expenditures After June 30	0.00	0.00	0.00
Beginning Balance	<u>123,577.05</u>	<u>15,764.37</u>	<u>19,236.79</u>
Ending Balance	<u>\$260,103.37</u>	<u>\$ 48,649.38</u>	<u>\$24,610.56</u>

See Notes to Financial Statements

<u>Combined Totals</u>	<u>General Revenue</u>	<u>Year Ended June 30 , 2002</u>		<u>Combined Totals</u>
		<u>Special Revenue</u>	<u>Federal Revenue</u>	
\$441,360.05	\$464,583.89	\$ 0.00	\$ 0.00	\$464,583.89
558,604.47	0.00	406,851.69	76,083.32	482,935.01
<u>0.00</u>	<u>0.00</u>	<u>6,167.44</u>	<u>0.00</u>	<u>6,167.44</u>
999,964.52	464,583.89	413,019.13	76,083.32	953,686.34
332,065.44	97,077.65	193,037.50	35,282.80	325,397.95
87,087.53	24,829.74	52,086.26	9,117.05	86,033.05
379,510.51	207,565.09	185,757.52	13,867.34	407,189.95
718.83	0.00	45.00	0.00	45.00
20,236.76	9,707.70	5,513.62	0.00	15,221.32
2,801.35	0.00	0.00	0.00	0.00
<u>2,759.00</u>	<u>1,826.66</u>	<u>913.34</u>	<u>0.00</u>	<u>2,740.00</u>
<u>825,179.42</u>	<u>341,006.84</u>	<u>437,353.24</u>	<u>58,267.19</u>	<u>836,627.27</u>
174,785.10	123,577.05	(24,334.11)	17,816.13	117,059.07
0.00	0.00	0.00	0.00	0.00
<u>158,578.21</u>	<u>0.00</u>	<u>40,098.48</u>	<u>1,420.66</u>	<u>41,519.14</u>
<u>\$333,363.31</u>	<u>\$123,577.05</u>	<u>\$ 15,764.37</u>	<u>\$19,236.79</u>	<u>\$158,578.21</u>

WEST VIRGINIA PROSECUTING ATTORNEYS INSTITUTE
NOTES TO FINANCIAL STATEMENT

Note A - Accounting Policies

Accounting Method: The modified cash basis of accounting is followed for the General Revenue Fund. The major modification from the cash basis is that a 31-day carry-over period is provided at the end of each fiscal year. All balances of the General Revenue Fund appropriations for each fiscal year expire on the last day of such fiscal year and revert to the unappropriated surplus of the fund from which the appropriations were made, except that expenditures encumbered prior to the end of the fiscal year may be paid up to 31 days after the fiscal year-end, however, appropriations for buildings or land remain in effect until three years after the passage of the act by which such appropriations were made. The cash basis of accounting is followed by all other funds. Therefore, certain revenues and the related assets are recognized when received rather than when earned, and certain expenses are recognized when paid rather than when the obligation is incurred. Accordingly, the financial statement is not intended to present financial position and results of operations in conformity with generally accepted accounting principles.

Expenditures paid after June 30 in the carry-over period and expirations were as follows:

	<u>Expenditures</u>		<u>Expirations</u>	
	<u>Paid After June 30,</u>		<u>July 31,</u>	<u>July 31,</u>
	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>
Personal Services	\$0.00	\$ 0.00	\$0.00	\$0.00
Annual Increment	0.00	225.00	0.00	0.00
Employee Benefits	0.00	6,367.37	0.00	0.00
Unclassified	<u>0.00</u>	<u>1,468.84</u>	<u>0.00</u>	<u>0.00</u>
	<u>\$0.00</u>	<u>\$8,061.21</u>	<u>\$0.00</u>	<u>\$0.00</u>

Combined Totals: The combined totals contain the totals of similar accounts of the various funds. Since the appropriations and cash receipts of certain funds are restricted by various laws, rules and regulations, the totaling of the accounts is for memorandum purposes only and does not indicate that the combined totals are available in any manner other than that provided by such laws, rules and regulations.

Note B - Pension Plan

All eligible employees are members of the West Virginia Public Employees' Retirement System. Employees' contributions are 4.5% of their compensation and employees are vested under certain circumstances. The West Virginia Prosecuting Attorneys Institute matches contributions at 9.5% of the compensation on which the employees made contributions. The West Virginia Prosecuting Attorneys Institute pension expenditures were as follows:

	<u>Year Ended June 30,</u>	
	<u>2003</u>	<u>2002</u>
General Revenue	\$ 7,527.65	\$8,726.64
Special Revenue	16,568.15	17,318.62
Federal Revenue	<u>5,008.44</u>	<u>3,071.86</u>
	<u>\$29,104.24</u>	<u>\$29,117.12</u>

SUPPLEMENTAL INFORMATION

WEST VIRGINIA PROSECUTING ATTORNEYS INSTITUTE
STATEMENT OF APPROPRIATIONS AND EXPENDITURES

GENERAL REVENUE

	<u>Year Ended June 30,</u>	
	<u>2003</u>	<u>2002</u>
<u>Pay Equity Reserve - 0557-364</u>		
Appropriations:		
Reappropriations - Fiscal Year 2002	\$310.00	\$0.00
Expenditures		
Personal Services	264.00	0.00
Employee Benefits	<u>46.00</u>	<u>0.00</u>
	310.00	0.00
Transmittals Paid After June 30	<u>0.00</u>	<u>0.00</u>
Balance, June 30	<u>\$ 0.00</u>	<u>\$0.00</u>

WEST VIRGINIA PROSECUTING ATTORNEYS INSTITUTE
STATEMENTS OF APPROPRIATIONS AND EXPENDITURES

GENERAL REVENUE

	<u>Year Ended June 30,</u>	
	<u>2003</u>	<u>2002</u>
<u>Salary Shortfall - Surplus - 0557-497</u>		
Appropriations	\$ 0.00	\$ 222.00
Expenditures:		
Personal Services	0.00	190.00
Employee Benefits	<u>0.00</u>	<u>32.00</u>
	<u>0.00</u>	<u>222.00</u>
	0.00	0.00
Transmittals Paid After June 30	<u>0.00</u>	<u>0.00</u>
Balance, June 30	<u>\$ 0.00</u>	<u>\$ 0.00</u>

Forensic Medical Examinations - Fund 0557-683

Appropriations:		
Appropriations	\$185,723.00	\$194,336.00
Reappropriations - Fiscal Year 2002	119,530.59	0.00
Reappropriations - Fiscal Year 2001	<u>0.00</u>	<u>72,421.72</u>
	305,253.59	266,757.72
Expenditures:		
Personal Services	35,398.70	31,807.33
Employee Benefits	10,514.77	8,685.56
Current Expenses	151,817.47	103,090.91
Equipment	2,408.50	2,730.00
Payment of Claims	933.78	0.00
Public Employees Reserve Transfer	<u>919.67</u>	<u>913.33</u>
	<u>201,992.89</u>	<u>147,227.13</u>
	103,260.70	119,530.59
Transmittals Paid After June 30	<u>0.00</u>	<u>0.00</u>
Balance, June 30	<u>\$103,260.70</u>	<u>\$119,530.59</u>

WEST VIRGINIA PROSECUTING ATTORNEYS INSTITUTE
STATEMENT OF APPROPRIATIONS AND EXPENDITURES

GENERAL REVENUE

	<u>Year Ended June 30,</u>	
	<u>2003</u>	<u>2002</u>
<u>Federal Funds/Grant Match - Fund 0557-749</u>		
Appropriations:		
Appropriations	\$131,750.00	\$130,697.00
Reappropriations - Fiscal Year 2002	4,046.46	0.00
Reappropriations - Fiscal Year 2001	0.00	55,398.90
Reappropriations - Fiscal Year 2000	<u>0.00</u>	<u>11,508.27</u>
	135,796.46	197,604.17
Expenditures:		
Personal Services	44,149.23	65,080.32
Employee Benefits	10,850.95	16,112.18
Current Expenses	36,733.34	104,474.18
Repairs and Alterations	121.61	0.00
Equipment	8,822.27	6,977.70
Payment of Claims	933.78	0.00
Public Employee's Reserve Transfer	<u>919.66</u>	<u>913.33</u>
	<u>102,530.84</u>	<u>193,557.71</u>
	33,265.62	4,046.46
Transmittals Paid After June 30	<u>0.00</u>	<u>0.00</u>
Balance, June 30	<u>\$ 33,265.62</u>	<u>\$ 4,046.46</u>

WEST VIRGINIA PROSECUTING ATTORNEYS INSTITUTE
STATEMENTS OF CASH RECEIPTS AND DISBURSEMENTS

SPECIAL REVENUE

	<u>Year Ended June 30,</u>	
	<u>2003</u>	<u>2002</u>
<u>WV Prosecuting Attorneys Institute - Fund 2520</u>		
Cash Receipts:		
Other Collections, Fees, Licenses and Income	\$ 116.25	\$ 0.00
Disbursements	<u>0.00</u>	<u>0.00</u>
Cash Receipts Over Disbursements	116.25	0.00
Beginning Balance	<u>0.00</u>	<u>0.00</u>
Ending Balance	<u>\$ 116.25</u>	<u>\$ 0.00</u>
<u>WV Prosecuting Attorneys Institute - Fund 2521</u>		
Appropriations:		
Appropriation	\$637,905.00	\$633,817.00
Reappropriation - FY 2002	<u>196,463.76</u>	<u>0.00</u>
	834,368.76	633,817.00
Disbursements:		
Personal Services	193,381.94	193,037.50
Employee Benefits	51,448.05	52,086.26
Current Expenses	171,425.37	185,757.52
Repairs and Alterations	597.22	45.00
Equipment	6,405.99	5,513.62
Other Disbursements and Transfers	<u>1,853.46</u>	<u>913.34</u>
	<u>425,112.03</u>	<u>437,353.24</u>
	409,256.73	196,463.76
Transmittals Paid After June 30	<u>0.00</u>	<u>0.00</u>
Balance, June 30	<u>\$409,256.73</u>	<u>\$196,463.76</u>

WEST VIRGINIA PROSECUTING ATTORNEYS INSTITUTE
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
SPECIAL REVENUE

	<u>Year Ended June 30,</u>	
	<u>2003</u>	<u>2002</u>
<u>WV Prosecuting Attorneys Institute - Fund 2521</u>		
Cash Receipts:		
Other Collections, Fees, Licenses, and Income	\$464,048.23	\$406,851.69
Disbursements:		
Personal Services	193,381.94	193,037.50
Employee Benefits	51,448.05	52,086.26
Current Expenses	171,425.37	185,757.52
Repairs and Alterations	597.22	45.00
Equipment	6,405.99	5,513.62
Payment of Claims	933.79	0.00
Public Employee's Reserve Transfer	<u>919.67</u>	<u>913.34</u>
	425,112.03	437,353.24
Cash Receipts Over/(Under) Disbursements	38,936.20	(30,501.55)
Less: Transmittals Paid July 1-31	0.00	(8,061.21)
Beginning Balance	<u>1,535.72</u>	<u>40,098.48</u>
Ending Balance	<u>\$ 40,471.92</u>	<u>\$ 1,535.72</u>

WEST VIRGINIA PROSECUTING ATTORNEYS INSTITUTE
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
SPECIAL REVENUE

	<u>Year Ended June 30,</u>	
	<u>2003</u>	<u>2002</u>
<u>Gifts, Grants, and Donations - Fund 2522</u>		
Cash Receipts:	\$ 0.00	\$6,167.44
Disbursements:		
Current Expenses	3,567.44	0.00
Equipment	<u>2,600.00</u>	<u>0.00</u>
	<u>6,167.44</u>	<u>0.00</u>
Cash Receipts (Under)/Over Disbursements	(6,167.44)	6,167.44
Beginning Balance	<u>6,167.44</u>	<u>0.00</u>
Ending Balance	<u>\$ 0.00</u>	<u>\$6,167.44</u>

WEST VIRGINIA PROSECUTING ATTORNEYS INSTITUTE
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

FEDERAL FUNDS

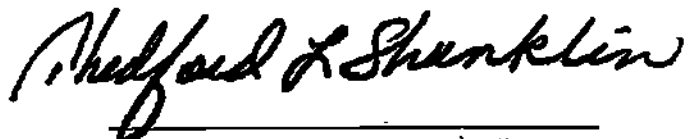
	<u>Year Ended June 30,</u>	
	<u>2003</u>	<u>2002</u>
<u>Consolidated Federal Fund - Fund 8834</u>		
Cash Receipts:		
Federal Grants	\$94,439.99	\$76,083.32
Disbursements:		
Personal Services	58,871.57	35,282.80
Employee Benefits	14,227.76	9,117.05
Current Expenses	15,966.89	13,867.34
Equipment	<u>0.00</u>	<u>0.00</u>
	<u>89,066.22</u>	<u>58,267.19</u>
Cash Receipts Over Disbursements	5,373.77	17,816.13
Less: Transmittals Paid July 1-31	0.00	0.00
Beginning Balance	<u>19,236.79</u>	<u>1,420.66</u>
Ending Balance	<u>\$24,610.56</u>	<u>\$19,236.79</u>

STATE OF WEST VIRGINIA

OFFICE OF THE LEGISLATIVE AUDITOR, TO WIT:

I, Thedford L. Shanklin, CPA, Director of the Legislative Post Audit Division, do hereby certify that the report appended hereto was made under my direction and supervision, under the provisions of the West Virginia Code, Chapter 4, Article 2, as amended, and that the same is a true and correct copy of said report.

Given under my hand this 13th day of June 2004.



Thedford L. Shanklin, CPA; Director
Legislative Post Audit Division

Copy forwarded to the Secretary of the Department of Administration to be filed as a public record. Copies forwarded to the West Virginia Prosecuting Attorneys Institute; Governor; Attorney General; State Auditor; and, Director of Finance Division, Department of Administration..