

AUDIT REPORT
OF
WEST VIRGINIA GEOLOGICAL AND ECONOMIC SURVEY
FOR THE PERIOD
JULY 1, 1978 - JUNE 30, 1980

West Virginia



LEGISLATIVE AUDITOR

CHARLESTON

The Honorable Encil Bailey
Legislative Auditor
State Capitol - Main Unit
Charleston, West Virginia

Sir:

In compliance with your instructions and the provisions of the West Virginia Code, Chapter 4, Article 2, as amended, we have examined the accounts of the West Virginia Geological and Economic Survey.

Our examination covered the period July 1, 1978 to and including June 30, 1980. The results of this examination are set forth on the following pages of this report.

Respectfully submitted,

A handwritten signature in cursive script that reads "Theford L. Shanklin".

Theford L. Shanklin, CPA, Director
Legislative Postaudit Division

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WEST VIRGINIA GEOLOGICAL AND ECONOMIC SURVEY

TABLE OF CONTENTS

Acknowledgment 1

History of Survey 2

Commission Membership and Survey Staff 4

Summary of Findings and Recommendations 6

General Remarks 10

Auditors' Opinion 21

Statement of Appropriations, Expenditures, Cash Receipts, Disbursements
and Changes in Cash Balances 22

Notes to Financial Statements 24

Supplemental Information 25

Certificate of Legislative Auditor 43

WEST VIRGINIA GEOLOGICAL AND ECONOMIC SURVEY

ACKNOWLEDGMENT

We extend our thanks and express our appreciation to the Director and his staff for their wholehearted cooperation and cheerful manner in supplying statistics, other information and answering the many questions necessary in preparing this report.

WEST VIRGINIA GEOLOGICAL AND ECONOMIC SURVEY

HISTORY OF AGENCY

The West Virginia Geological and Economic Survey was created by an act of the Legislature on February 26, 1897. Since its creation the Survey has been under the direction of the Geological and Economic Survey Commission consisting of five members, the Governor, State Treasurer, President of West Virginia University, Commissioner of Agriculture and the Director of the West Virginia Agricultural Experiment Station.

The Commission has general charge of the Survey to ascertain locations of natural and mineral resources such as water, coal, oil and gas and industrial and construction materials; it maintains basic natural resources records and computerized data files; carries out basic and applied research projects; examines physical features with reference to their bearing on the development of the state and prepares special topographic, geologic, and economic maps and reports and endeavors to ascertain best methods of utilization of natural resources in prevention of waste. Investigate archeological sites, catalog and restore recovered artifacts, and disseminate the results of archaeological investigations.

Prior to July 1, 1977 the Survey was located in the Mineral Building (White Hall) on the campus of the West Virginia University. Due to the growth of the Survey and the University's increased occupation of the building, the Survey's main facilities relocated to Mont Chateau near Morgantown, West Virginia. The Mont Chateau facilities (13 acres - 4 buildings) are leased from the Department of Natural Resources. The Survey's laboratory facilities are still located on the fourth floor of the Mineral Building. The laboratory is shared with the Geology Department of the University. The Survey also occupies a storage building on the University campus for storing core samples. Another building is rented in Morgantown for storing artifacts and materials.

To achieve the objectives mandated by Chapter 29, Article 2, Section 5 of the West Virginia Code the Survey is divided into the following sections which

are coordinated by an executive and administrative section:

Analytical Section
Archaeology Section
Coal Section
Economic Geology Section

Environmental Geology Section
Geologic Data Section
Oil and Gas Section
Publications and Graphics Section

WEST VIRGINIA GEOLOGICAL AND ECONOMIC SURVEY

COMMISSION MEMBERSHIP AND SURVEY STAFF

Present Members of the Geological and
Economic Survey Commission

Governor John D. Rockefeller IV President
Larrie Bailey, Treasurer Vice President
Gene A. Budig, President
West Virginia University Executive Officer
Gus R. Douglas, Commissioner
Department of Agriculture Member
Dale W. Zinn, Director
Agricultural Experiment Station Secretary

Staff

The present Survey staff consists of approximately 70 full-time and 45 part-time employees. The administrative officers and management personnel at the close of the audit period were as follows:

Executive Section

Director and State Geologist Robert B. Erwin, PH.D.
Assistant State Geologist Larry D. Woodfork, A.M.
Administrative Assistant Phyllis J. Summers
Librarian Ruth I. Hayhurst, B.A.

Administrative Section

Accountant John D. May, B.S.
Payroll Clerk/Accounts Expediter Gloria J. Rowan, B.S.
Administrative Clerk Kimberly E. Suder

Analytical Section

Geochemist John J. Renton, PH.D.
Analytic Chemist Gary A. Nicholson, PH.D.

Archaeology Section

Archaeologist and Section Head Jeffrey R. Graybill, M.A.

Coal Section

Coal Geologist and Section Head Carl J. Smith, A.M.

Economic Geology Section

Economic Geologist and Section Head Brent K. Dugolinsky, PH.D.

Environmental Geology Section

Environment Geologist and Section Head Peter Lessing, PH.D.

Geologist Data Section

Geologist and Section Head Mary C. Behling, M.S.

Oil and Gas Section

Petroleum Geologist and Section Head Douglas G. Patchen, PH.D.

Publications and Graphics Section

Editor and Section Head Fred C. Schroyer, B.A.

WEST VIRGINIA GEOLOGICAL AND ECONOMIC SURVEY

SUMMARY OF FINDINGS AND RECOMMENDATIONS

CURRENT EXPENSES
TELEPHONE USAGE

1. Procedures initiated by the Survey over telephone usage were not being enforced.

We recommend the Survey enforce their procedures over telephone usage.

(See pages 10-11)

TRAVEL EXPENSES

2. An employee received a duplicate reimbursement of \$194.13 for travel expenses.

We recommend the Survey attempt to collect the duplicate reimbursement of \$194.13. We also recommend the Survey devise a system to maintain a better control over travel expense vouchers to prevent duplicate payments from occurring. (See page 11)

EXPENDITURES PAID FROM WRONG
APPROPRIATED ACCOUNTS

3. We noted expenditures of \$14,290.00 and \$19,690.47 paid from the appropriated Current Expenses and Equipment Accounts, respectively, that should have been paid from the appropriated Repairs and Alterations Account.

We recommend the Survey institute procedures to ensure compliance with Legislative intent in making expenditures from the appropriated accounts.

(See pages 11-12)

REIMBURSEMENTS TO APPROPRIATED
ACCOUNTS NOT BEING MADE

4. A large amount of the receipts to the following special revenue accounts were actually reimbursements of expenditures made from appropriated accounts:

| | |
|---------|--------------------------------------|
| 8590-06 | Federal Grant Archaeology Survey |
| 8590-10 | Publication Sales |
| 8590-12 | Insurance Claims Refund |
| 8590-15 | Mineral and Water Analytical Program |
| 8590-18 | Federal Survey Overhead |

Transfers from these special revenue accounts reimbursing the appropriated accounts are not being made.

We recommend:

- A. The balance remaining in Insurance Claims Refunds Account (8590-12) be transferred to the applicable appropriated account in the fiscal year from which the expenditure was made.
- B. The balance remaining in Federal Survey Overhead Account (8590-18) be transferred to the applicable appropriated account in the fiscal year in which the reimbursement applies. If this cannot be determined then we recommend this balance be transferred to the General Revenue Fund.
- C. The Survey determine which part of the balances remaining in the following special revenue accounts pertains to reimbursements of expenditures made from appropriated accounts:

| | |
|---------|--------------------------------------|
| 8590-06 | Federal Grant Archaeology Survey |
| 8590-10 | Publication Sales |
| 8590-15 | Mineral and Water Analytical Program |

The Survey transfer these amounts to the applicable appropriated accounts in the fiscal year from which they were expended.

- D. The Survey transfer any funds received for reimbursement of expenditures from an appropriated account at the time the funds are receipted in the special revenue accounts. (See pages 14-16)

DEPOSITS NOT MADE
IN TIMELY MANNER

5. Deposits transferring funds from the local account to the state special revenue account are not being made promptly.

We recommend the Survey made deposits to the State Treasury on a more timely basis. (See page 17)

CHECKS NOT DEPOSITED

6. We noted the Survey was holding payments received up to three months while determining to which account the payment applied.

We recommend these checks be recorded upon receipt and deposited promptly.
(See page 17)

ACCOUNTING RECORDS
NOT MAINTAINED

7. Proper accounting records were not being maintained prior to our audit period but were established soon after, however, the records were not being balanced monthly and reconciled to the State Auditor's reports.

We recommend the Survey balance the general ledger monthly and reconcile to the State Auditor's monthly report. (See pages 17-18)

COOPERATIVE GROUND WATER
RESOURCES PROGRAM AGREEMENT
WITH UNITED STATES GEOLOGICAL
SURVEY

8. The Survey is not receiving an annual report of expenditures from the United States Geological Survey as per contract agreement.

We recommend the States Survey request an annual report of expenditures from the United States Geological Survey. (See pages 18-19)

AREA OF NONCOMPLIANCE

9. The Geological and Economic Survey Commission which has general charge of the Survey has not met since October, 1975. The Director informed us that he has been submitting the Survey's budget to the Budget Director without prior approval from the Commission.

We recommend the Survey submit its annual budget to the Survey Commission for approval before submitting it to the Budget Director. (See page 19)

WEST VIRGINIA GEOLOGICAL AND ECONOMIC SURVEY

GENERAL REMARKS

INTRODUCTION

An examination of the transactions of the West Virginia Geological and Economic Survey has been completed. The audit covered the period July 1, 1978 through June 30, 1980. The audit was designed to provide audit assurances that the West Virginia Geological and Economic Survey conducted financial operations adequately; presented financial data fairly; and, complied with applicable laws, regulations and administrative requirements.

APPROPRIATED FUNDS

All appropriated expenditures required for the general operation of the West Virginia Geological and Economic Survey are made

from the following accounts:

| | |
|---------|-------------------------|
| 5200-00 | Personal Services |
| 5200-01 | Current Expenses |
| 5200-02 | Repairs and Alterations |
| 5200-03 | Equipment |
| 5200-05 | Special Studies |

PERSONAL SERVICES

During the period covered by the audit personal services were expended from the following accounts:

| | |
|---------|--|
| 5200-00 | Personal Services |
| 5200-05 | Special Studies |
| 8590-06 | Federal Archaeology Survey |
| 8590-09 | USGS National Coal Data |
| 8590-14 | ERDA - Devonian Shale |
| 8590-17 | Oriented Core Field/Lab Operations |
| 8590-18 | Federal Survey Overhead |
| 8590-19 | National Water Use Data System |
| 8590-22 | EPA - West Virginia Department of Natural Resources UIC Program |

CURRENT EXPENSES

TELEPHONE USAGE

We attempted to check for possible abuse of the telephone system. However, we were unable to do so because the procedures

initiated by the Survey of having employees log all long distance phone calls and, subsequently, tracing the log sheets to the billing were not being enforced.

We recommend the Survey enforce their procedures over telephone usage.

TRAVEL EXPENSES

Our examination of travel expenses revealed two instances of employees receiving duplicate travel reimbursement. In one instance an employee was reimbursed \$191.37 on transmittal No. 49 dated August 6, 1979 for travel expenses to Parkersburg from Morgantown and return for the period June 15 through June 24, 1979. This employee was again reimbursed \$194.13 on transmittal No. 102 dated August 27, 1979 for the same period. This employee is no longer employed by the Survey. In the second instance an employee was reimbursed \$36.75 on transmittal No. 809 dated June 9, 1980 for travel expenses from Morgantown to the Washington, D.C. area and return for the period May 11 through May 13, 1980. This employee was again reimbursed \$33.75 on transmittal No. 982 dated July 30, 1980 for the same period. However, on bringing this matter to the attention of proper personnel, the duplicate reimbursement of \$33.75 was refunded to the Survey.

We recommend the Survey attempt to collect the duplicate reimbursement of \$194.13. Also, we recommend the Survey devise a system to maintain better control over travel expense vouchers to prevent duplicate payments.

EXPENDITURES PAID FROM WRONG
APPROPRIATED ACCOUNTS

During our examination of expenditures made by the Survey we noted instances of payment for repairs and alterations contracts from appropriated Current Expenses and Equipment Accounts.

On July 25, 1979 the Survey paid \$14,290.00 to a private contractor to install a water line from an existing reservoir to an existing supply line. This expenditure was charged to Line Item Code Contractual Services (029) and paid from the appropriated Current Expenses Account.

The Survey paid \$19,690.47 on July 30, 1980 to a private contractor to install 162 storm windows and replace entrance doors at the Mont Chateau Center. This expenditure was charged to Line Item Code Building (066) and paid from the appropriated Equipment Account.

According to the Line Item Code effective July 1, 1976 prepared by the Budget Division, Department of Finance and Administration, the above expenditures do not meet the attributes of current expenses or equipment expenditures and, therefore, should have been paid from the appropriated Repairs and Alterations Account. It appears these expenditures were paid from the Current Expense and Equipment Accounts because sufficient funds were not available in the Repairs and Alterations Account to allow for these expenditures.

We believe the above represents a misapplication of appropriated funds because legislative intent is for repairs and alterations expenditures be paid from the appropriated Repairs and Alterations Account.

We recommend the Survey institute procedures to ensure compliance with legislative intent in making expenditures from the appropriated accounts.

SPECIAL REVENUE ACCOUNTS

The Geological and Economic Survey had thirteen special revenue accounts during the audit period. These accounts were established for the receipt of funds received from various sources to aid in the financing of programs conducted by the Survey.

- 8590-06 Federal Grant Archaeology Survey
Receives funds from federal and state governments and private industry as an advance or reimbursement of expenditures to conduct archaeological projects.
- 8590-09 United States Geological Survey National Coal Data System
Federal grant; for formulating coal data for USGS National Coal Resources Data System in West Virginia.
- 8590-10 Publications Sales
Revenues derived from sale of publications; used to defray cost of producing publications.

- 8590-12 Insurance Claims Refunds
Reimbursement from insurance companies for damages to state-owned vehicles that were either totaled or damages amounted to more than book value of vehicle; used to repair state vehicles involved in accidents in which the Survey is at fault.
- 8590-14 ERDA - Devonian Shales Project
Federal Grant from the United States Department of Energy to characterize the devonian shales in West Virginia and to evaluate their energy producing potential.
- 8590-15 Mineral and Water Analytical Program
A federal grant from the United States Department of Energy - Morgantown Energy Technology Center and funds from West Virginia University- Department of Geology and Engineering Sciences comprise the revenues of this account and are utilized to conduct special chemical analysis and short term investigations for methology on fossil fuel and related samples submitted to the Survey.
- 8590-16 Oriented Core Field - Lab Operations
Modification of the federal grant from the United States Department of Energy for the Devonian Shales Project; to conduct field retrieval and devonian shale core taken under the United States Department of Energy eastern gas shales project and performed subsequent laboratory testing and description of the same.
- 8590-17 ARC - NASA Linement and Fractures
Federal grant from the Appalachian Regional Commission; to assess the value of information derived from Landsat based remote sensing in support of on-going surface geological studies with particular emphasis on linement and fracture patterns analysis in natural gas areas of Cabell and Wayne Counties in West Virginia.
- 8590-18 Federal Survey Overhead
Revenues are derived from charging a grant received by the Survey or a project conducted by the Survey a percentage rate of the total costs for indirect administrative costs. Miscellaneous expenditures are made from this account.
- 8590-19 National Water Use Data System
Federal grant from the United States Department of the Interior; for a reverse co-op water use data system.

- 8590-20 United States Geological Survey Coal Reserves Study
Federal grant from the United States Geological Survey; to conduct a coal reserve study of Barbour and Harrison Counties of West Virginia.
- 8590-21 EPA - Ground Water
State grant from the West Virginia Department of Natural Resources, Division of Water Resources; for the EPA mandates involving the definition and delineation of current and potential ground water drinking water sources.
- 8590-22 EPA - West Virginia Department of Natural Resources - Underground Injection Control Program
State grant from the West Virginia Department of Natural Resources, Division of Water Resources; for work to be completed for State assumption of primacy of the Underground Injection Control Program.

REIMBURSEMENT TO APPROPRIATED
ACCOUNTS NOT BEING MADE

Our examination of the special revenue accounts revealed a large amount of receipts to these accounts were actually reimburse-

ments of expenditures made from appropriated accounts. These funds are deposited in the following special revenue accounts:

| | |
|---------|--------------------------------------|
| 8590-06 | Federal Grant Archaeology Survey |
| 8590-10 | Publication Sales |
| 8590-12 | Insurance Claims Refund |
| 8590-15 | Mineral and Water Analytical Program |
| 8590-18 | Federal Survey Overhead |

Transfers from these special revenue accounts reimbursing the appropriated accounts are not being made, thus, allowing these funds to accumulate in the special revenue accounts. For example:

- A. The Survey was reimbursed \$1,825.00 by the United States Department of Interior, Heritage Conservation and Recreation Service for personal services of an employee performing archaeological services at Wheeling Creek Watershed. This amount was deposited in the Federal Grant Archaeology Survey Account (8590-06), however, this employee's salary was paid from the appropriated Special Studies Account (5200-05). The appropriated account was not reimbursed for this expenditure.

- B. The Blennerhasset Historical Park Commission reimbursed the Survey \$36,926.59 for expenses incurred on the Blennerhasset Archaeology Project. These expenses consisted of the following:

| | |
|-------------------------|--------------------|
| Personal Services | \$22,680.50 |
| Current Expenses | 8,091.66 |
| Administrative Overhead | 6,154.43 |
| | <u>\$36,926.59</u> |

The reimbursement for personal services and current expenses was deposited in the Federal Grant Archaeology Survey Account (8590-06) and the overhead in the Federal Survey Overhead Account (8590-18). The personal services reimbursement included \$5,771.25 of expenses that were paid from the appropriated Special Studies Account (5200-05) and all administrative overhead costs are paid from appropriated accounts. However, there were no reimbursements made to the appropriated accounts.

- C. The West Virginia Oil and Gas Conservation Commission paid the Survey \$20,251.40 for publications consisting of the following:

| | |
|---------------------------|--------------------|
| 750 Copies of Maps | \$ 5,373.00 |
| 1,000 Copies of Books and | |
| 62,000 Copies of Maps | 14,878.40 |
| | <u>\$20,251.40</u> |

This amount was deposited in the Publications Sales Account (8590-10). However, the cost of \$5,373.00 for printing the 750 maps was paid from the appropriated Current Expenses Account (5200-01) and again the appropriated account was not reimbursed for this expenditure.

- D. The Survey is reimbursed by the West Virginia University and also received a grant from the United States Geological Survey to perform chemical analysis on fossil fuel and related samples submitted to the Survey. The receipts derived from doing these samples are deposited in the Mineral and Water Analytical Program Account (8590-15). Although the employee analyzing these samples and the equipment used in the analysis are paid from appropriated accounts, no reimbursements are made to the appropriated accounts.
- E. The Survey received \$4,975.00 in fiscal year 1978 from an insurance company as reimbursement for a vehicle totaled in an accident involving a private citizen. This amount was deposited in special revenue Insurance Claims Refunds Account (8590-12) and used to pay the cost of minor repairs to State owned vehicles involved in accidents in which the Survey is at fault. We believe since the Survey was unable to replace the vehicle due to purchasing regulations imposed by the Department of Finance and Administration,

this reimbursement should have been redeposited in the account and year from which the vehicle was originally purchased.

We asked the Survey personnel why reimbursements to the appropriated accounts were not being made. They said they were not aware of these reimbursements should have been made and it had been a practice of the Survey for some time to account for these reimbursements in this manner.

We believe any funds received by an agency as reimbursement of funds previously expended from the agency's appropriated accounts should be redeposited to the applicable appropriated account in the fiscal year from which it was expended.

We recommend the following:

- A. The balance remaining in the Insurance Claims Refunds Account (8590-12) be transferred to the applicable appropriated account in the fiscal year from which the expenditure was made.
- B. The balance remaining in the Federal Survey Overhead Account (8590-18) be transferred to the applicable appropriated account in the fiscal year in which the reimbursement applies. If this cannot be determined this balance be transferred to the General Revenue Fund.
- C. The Survey determine which part of the balances remaining in the following special revenue accounts pertains to reimbursements of expenditures made from appropriated accounts:

| | |
|---------|--------------------------------------|
| 8590-06 | Federal Grant Archaeology Survey |
| 8590-10 | Publication Sales |
| 8590-15 | Mineral and Water Analytical Program |

The Survey transfer these amounts to the applicable appropriated account in the fiscal year they were expended.

- D. The Survey transfer any funds received for reimbursement of expenditures from an appropriated account at the time the funds are receipted in the special revenue accounts.

LOCAL ACCOUNT

The Survey maintains one local bank account in the First National Bank of Morgantown which is a depository for collections derived from the sale of publications. Collections are then transferred to the special revenue account Publication Sales (8590-10).

DEPOSITS NOT MADE
IN TIMELY MANNER

Our examination of the records of the Publication Sales Account revealed the Survey was depositing daily sales receipts in the local bank on a weekly basis and remittances to the State Treasury on a monthly basis. We believe these funds should be remitted to the State Treasury on a more timely basis so they are available for investment since it is the policy of the State Treasury to invest all state funds on deposit on a daily basis.

We recommend the Survey make deposits to the State Treasury on a more timely basis.

CHECKS NOT DEPOSITED

During our cash count performed on December 10, 1980 we noted 30 checks on hand totaling \$1,028.40. Of these checks 7 totaled \$657.27, 3 were dated prior to November 20, 1980, 1 in September and 3 in October. When the Publications Clerk was asked why these checks were being held and not deposited, he stated they were to be applied toward accounts receivables, however, they were unable to identify the invoice to which the payment corresponds. The checks were being held until this determination could be made.

We recommend these checks be recorded on receipt and deposited promptly. A copy of the checks could be made to aid the clerk in determining to which invoice the payment applies.

ACCOUNTING RECORDS
NOT MAINTAINED

During this audit period the Survey was not maintaining proper accounting records and was not keeping a general ledger to provide them with current financial information. They relied on reports generated by the State Auditor for current financial position and in preparing financial statements for their annual reports.

Proper accounting control comprises the plan of organization and the procedures and records that are concerned with the safeguarding of assets and the reliability of financial records and, consequently, are designed to provide rea-

sonable assurance that transactions are recorded as necessary to permit preparation of financial statements.

The West Virginia Code, Chapter 5, Article 8, Section 9, states in part "...The head of each agency shall:...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."

We discussed this problem with the Survey personnel and a general ledger was established by the accountant. However, the ledger is not being balanced monthly and reconciled to the State Auditor's reports.

We recommend the general ledger be balanced monthly and reconciled to the State Auditor's monthly report.

COOPERATIVE GROUND WATER
RESOURCES PROGRAM AGREEMENT
WITH UNITED STATES GEOLOGICAL
SURVEY

The West Virginia Geological and Economic Survey and the U.S. Geological Survey began a cooperative (matching dollar) program to study the ground water resources of the State in 1941. The continuing program provides a basic ground water data framework used by government agencies, municipalities, planning groups, industrial, agricultural, and private water users. Observation wells maintained throughout the State are used to monitor ground water level fluctuations which indicate changes in ground water storage during the year.

As per Cooperative Agreement dated July 1, 1979 ending June 30, 1980, the total budget for this program was \$410,000.00 (50% federal, 50% State). The State's share of this program is \$125,000.00 in-kind match and \$80,000.00 cash payable to the U.S. Geological Survey. During our examination of the records we noted they were not receiving an annual report of expenditures from the U.S. Geological Survey as required by Section 3 of the Cooperative Agreement which states in part "...Each party shall furnish to the other party such statements or reports of expenditures as may be needed to satisfy fiscal requirement."

We recommend the State Survey request an annual report of expenditures from the U.S. Geological Survey.

AREA OF NONCOMPLIANCE

§ 29-2-4. State geological and economic survey; commission; superintendent.

The state geological and economic survey, heretofore established, shall be continued under the direction of a commission composed of the governor, the treasurer, the president of West Virginia University, the commissioner of agriculture and the director of the West Virginia agricultural experiment station, who shall serve without compensation, but shall be reimbursed for actual expenses incurred in the performance of their official duties. The commissioners shall have general charge of the survey, and shall appoint as superintendent of the same a geologist of established reputation, and such assistants and employees as they may deem necessary, and they shall also determine the compensation of all persons employed by the survey, and may remove them at pleasure. (1897, c. 6, § 1; Code 1923, c. 15C, § 4.)

In reviewing the records made available to us by the Director of the Survey, it appears the Commission has reasonably carried out its objectives prior to October, 1975 by meeting at least once each year (with some exceptions) to review the Survey's annual report, budget and to discuss problems of the Survey. The records of the minutes reviewed indicate the Commission did not hold meetings in 1954, 1956, 1968, 1970 and 1974. The last official meeting was held in Charleston on October 27, 1975.

The Director of the Survey informed us there is no written records of correspondence between the Commission members and the Survey during the period October, 1975 to present date. Also, he informed us that he has been preparing the Survey's annual budget and submitting it for approval to the Budget Director of the Department of Finance and Administration without the Commission's prior approval.

It appears the Commission has not been carrying out its function since 1975 as stated in Chapter 29, Article 2, Section 4, West Virginia Code, as amended.

We recommend the Survey submit its annual budget to the Survey Commission for approval before submitting it to the Budget Director.

I. C. WHITE MEMORIAL
SYMPOSIA FUND

The I. C. White Memorial Symposia Fund was established in 1972 to provide an appropriate mechanism for support of certain Survey-sponsored educational programs, social functions, and other activities. Revenues are derived from fees charged participants who attend and are used to support Survey-sponsored symposia, workshops, short courses, meetings, lectures, and other activities. The fund is administered by employees from the Survey staff.

For informational purposes we have included in the supplemental information section of this report the articles of establishment of the fund; the unaudited financial statements for the periods ending June 30, 1979 and 1980; and, the most current audit report which covers the period August 1, 1972 to December 31, 1976.

EXIT CONFERENCE

An exit conference was held on Friday, May 8, 1981 with the Director of the Geological and Economic Survey, the assistant director, the accountant and the payroll clerk/accounts expediter and all findings and recommendations were reviewed and discussed. The above officials concurred with our findings and recommendations.

AUDITORS' OPINION

The Honorable Encil Bailey
Legislative Auditor
State Capitol - Main Unit
Charleston, West Virginia

Sir:

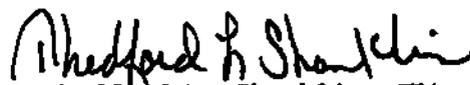
We have examined the statement of appropriations, expenditures, cash receipts, disbursements and changes in cash balances of the West Virginia Geological and Economic Survey for the years ended June 30, 1980 and June 30, 1979. Our examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

As more fully described in Note A, the financial statement was prepared using the modified cash and cash basis of accounting. Accordingly, the financial statement is not intended to present financial position and results of operations in conformity with generally accepted accounting principles.

In our opinion, the statement of appropriations, expenditures, cash receipts, disbursements and changes in cash balances of the West Virginia Geological and Economic Survey present fairly appropriations, expenditures and cash transactions for the years ended June 30, 1980 and June 30, 1979 on a basis consistent with the preceding year.

Our examination was made for the purpose of forming an opinion on the basic financial statement taken as a whole. The supplemental information is presented for purposes 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 examination 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,



Theodford L. Shanklin, CPA, Director
Legislative Postaudit Division

September 3, 1980

Auditors: James R. Blake, Supervisor-in-Charge
Nick Arvon, Supervisor
Charles Lumsford, Auditor-in-Charge
Martin Gargano
Matthew McGinley
Edward Magee

WEST VIRGINIA GEOLOGICAL AND ECONOMIC SURVEY

STATEMENT OF APPROPRIATIONS, EXPENDITURES, CASH RECEIPTS,

DISBURSEMENTS AND CHANGES IN CASH BALANCES

| | <u>Year Ended June 30, 1980</u> | | |
|---|---------------------------------|----------------------|-----------------------|
| | <u>General</u> | <u>Special</u> | <u>Combined</u> |
| | <u>Revenue</u> | <u>Revenue</u> | <u>Totals</u> |
| Appropriations/Cash Receipts: | | | |
| Appropriations | \$1,857,076.00 | \$ -0- | \$1,857,076.00 |
| Federal Grant Archaeology | | | |
| Survey | -0- | 1,825.00 | 1,825.00 |
| USGS National Coal Data System | -0- | 13,704.96 | 13,704.96 |
| Publication Sales | -0- | 62,439.13 | 62,439.13 |
| ERDA Devonian Shale Project | -0- | 218,249.90 | 218,249.90 |
| Mineral and Water Analytical | | | |
| Program | -0- | 7,550.00 | 7,550.00 ¹ |
| Federal Survey Overhead | -0- | 25,956.52 | 25,956.52 |
| National Water Use Data System | -0- | 28,000.00 | 28,000.00 |
| USGS Coal Reserves Study | -0- | 26,504.00 | 26,504.00 |
| EPA Ground Water | -0- | 14,112.00 | 14,112.00 |
| EPA WV DNR VC Program | -0- | 5,760.00 | 5,760.00 |
| State Agencies | -0- | 31,078.18 | 31,078.18 |
| Private Industry | -0- | 15,904.37 | 15,904.37 |
| | <u>1,857,076.00</u> | <u>451,084.06</u> | <u>2,308,160.06</u> |
| Expenditures/Disbursements: | | | |
| Personal Services | 628,869.57 | 186,430.16 | 815,299.73 |
| Current Expenses | 295,114.68 | 131,117.60 | 426,232.28 |
| Repairs and Alterations | 47,207.19 | 6,257.98 | 53,465.17 |
| Equipment | 55,165.93 | 7,935.26 | 63,101.19 |
| Special Studies | 556,727.78 | -0- | 556,727.78 |
| Federal Survey Overhead | -0- | 2,748.34 | 2,748.34 |
| | <u>1,583,085.15</u> | <u>334,489.34</u> | <u>1,917,574.49</u> |
| Appropriations/Cash Receipts | | | |
| Over (Under) Expenditures/ Disbursements | 273,990.85 | 116,594.72 | 390,585.57 |
| Beginning Cash Balance | <u>-0-</u> | <u>250,321.43</u> | <u>250,321.43</u> |
| Ending Balance | <u>\$ 273,990.85</u> | <u>\$ 366,916.15</u> | <u>\$ 640,907.00</u> |

See Notes to Financial Statements

Year Ended June 30, 1979

| <u>General</u> <u>Revenue</u> | <u>Special</u> <u>Revenue</u> | <u>Combined</u> <u>Totals</u> |
|----------------------------------|----------------------------------|----------------------------------|
| \$1,738,094.00 | \$ -0- | \$1,738,094.00 |
| -0- | 26,688.55 | 26,688.55 |
| -0- | 13,374.97 | 13,374.97 |
| -0- | 66,557.26 | 66,557.26 |
| -0- | 336,321.00 | 336,321.00 |
| -0- | 300.00 | 300.00 |
| -0- | 12,189.54 | 12,189.54 |
| -0- | 12,000.00 | 12,000.00 |
| -0- | -0- | -0- |
| -0- | -0- | -0- |
| -0- | -0- | -0- |
| -0- | 500.00 | 500.00 |
| -0- | -0- | -0- |
| <u>1,738,094.00</u> | <u>467,931.32</u> | <u>2,206,025.32</u> |
| 595,471.79 | 245,365.21 | 840,837.00 |
| 220,472.83 | 183,741.97 | 404,214.80 |
| 25,963.95 | 1,534.28 | 27,498.23 |
| 58,147.17 | 14,588.62 | 72,735.79 |
| 539,713.49 | -0- | 539,713.49 |
| -0- | -0- | -0- |
| <u>1,439,769.23</u> | <u>445,230.08</u> | <u>1,884,999.31</u> |
| 298,324.77 | 22,701.24 | 321,026.01 |
| -0- | 227,620.19 | 227,620.19 |
| <u>\$ 298,324.77</u> | <u>\$ 250,321.43</u> | <u>\$ 548,646.20</u> |

WEST VIRGINIA GEOLOGICAL AND ECONOMIC SURVEY

NOTES TO FINANCIAL STATEMENTS

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 30-day carry-over period is provided at the end of each fiscal year for the payment of obligations incurred in that 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 30 days after the fiscal year-end; however, appropriations for buildings and 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 revenue 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 during the 30-day carry-over period and expirations are as follows:

| | Expenditures | | Expirations | |
|-------------------------|---------------------|---------------------|---------------------|---------------------|
| | July 1-30, | | July 31, | |
| | 1980 | 1979 | 1980 | 1979 |
| Personal Services | \$ 3,913.27 | \$ 5,512.70 | \$ 25,669.16 | \$ 14,391.51 |
| Current Expenses | 33,068.50 | 63,776.57 | 14,940.82 | 20,218.60 |
| Repairs and Alterations | 25,279.14 | 46,856.03 | 3,263.67 | 930.02 |
| Equipment | 53,443.48 | 35,506.34 | 10,615.59 | 846.49 |
| Special Studies | 87,507.33 | 46,375.85 | 16,289.89 | 63,910.66 |
| Total | <u>\$203,211.72</u> | <u>\$198,027.49</u> | <u>\$ 70,779.13</u> | <u>\$100,297.28</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 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 4½% of their compensation and employees have vested rights under certain circumstances. Contributions by the West Virginia Public Employees' Retirement Board are 9½% of the employees' compensation.

Contributions from the Special Revenue Fund are as follows:

| June 30, 1980 | June 30, 1979 |
|--------------------|--------------------|
| <u>\$ 9,668.59</u> | <u>\$12,939.79</u> |

SUPPLEMENTAL INFORMATION

WEST VIRGINIA GEOLOGICAL AND ECONOMIC SURVEY

STATEMENTS OF APPROPRIATIONS AND EXPENDITURES

| | <u>Year Ended June 30,</u> | |
|--|--------------------------------|--------------------------------|
| | <u>1980</u> | <u>1979</u> |
| <u>Personal Services - Account 5200-00</u> | | |
| Appropriations | \$658,452.00 | \$615,376.00 |
| Expenditures | <u>632,782.84</u> 25,669.16 | <u>600,984.49</u> 14,391.51 |
| Transmittals Paid July 1 - July 30 | <u>3,913.27</u> | <u>5,512.70</u> |
| Balance | <u>\$ 29,582.43</u> | <u>\$ 19,904.21</u> |
| <u>Current Expenses - Account 5200-01</u> | | |
| Appropriations | \$343,124.00 | \$304,468.00 |
| Expenditures | <u>328,183.18</u> 14,940.82 | <u>284,249.40</u> 20,218.60 |
| Transmittals Paid July 1 - July 30 | <u>33,068.50</u> | <u>63,776.57</u> |
| Balance | <u>\$ 48,009.32</u> | <u>\$ 83,995.17</u> |
| <u>Repairs and Alterations - Account 5200-02</u> | | |
| Appropriations | \$ 75,750.00 | \$ 73,750.00 |
| Expenditures | <u>72,486.33</u> 3,263.67 | <u>\$ 72,819.98</u> 930.02 |
| Transmittals Paid July 1 - July 30 | <u>25,279.14</u> | <u>46,856.03</u> |
| Balance | <u>\$ 28,542.81</u> | <u>\$ 47,786.05</u> |
| <u>Equipment - Account 5200-03</u> | | |
| Appropriations | \$119,225.00 | \$ 94,500.00 |
| Expenditures | <u>108,609.41</u> 10,615.59 | <u>93,653.51</u> 846.49 |
| Transmittals Paid July 1 - July 30 | <u>53,443.48</u> | <u>35,506.34</u> |
| Balance | <u>\$ 64,059.07</u> | <u>\$ 36,352.83</u> |

WEST VIRGINIA GEOLOGICAL AND ECONOMIC SURVEY

STATEMENT OF APPROPRIATIONS AND EXPENDITURES

| <u>Special Studies - Account 5200-05</u> | <u>Year Ended June 30,</u> | |
|--|----------------------------|---------------------|
| | <u>1980</u> | <u>1979</u> |
| Appropriations | \$660,525.00 | \$650,000.00 |
| Expenditures: | | |
| Personal Services | 398,308.12 | 361,803.78 |
| Current Expenses | 44,698.55 | 50,419.62 |
| Repairs and Alterations | 19,640.33 | 33,683.42 |
| Equipment | 52,588.11 | 14,382.52 |
| Unclassified | 129,000.00 | 125,800.00 |
| | <u>644,235.11</u> | <u>586,089.34</u> |
| | 16,289.89 | 63,910.66 |
| Transmittals Paid July 1 - July 30 | <u>87,507.33</u> | <u>46,375.85</u> |
| Balance | <u>\$103,797.22</u> | <u>\$110,286.51</u> |

WEST VIRGINIA GEOLOGICAL AND ECONOMIC SURVEY

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

| | <u>Year Ended June 30,</u> | |
|---|----------------------------|--------------------|
| | <u>1980</u> | <u>1979</u> |
| <u>Federal Grant Archaeology Survey - 8590-06</u> | | |
| Beginning Balance: | | |
| State Treasury | \$41,160.68 | \$30,829.88 |
| Receipts: | | |
| Contractual Services: | | |
| Federal Government | 1,825.00 | 26,688.55 |
| State Government | 31,078.18 | 500.00 |
| Private Industry | 15,904.37 | -0- |
| | <u>48,807.55</u> | <u>27,188.55</u> |
| TOTAL CASH TO ACCOUNT FOR | <u>\$89,968.23</u> | <u>\$58,018.43</u> |
| Disbursements: | | |
| Personal Services | \$28,829.66 | \$11,241.19 |
| Current Expenses | 12,117.60 | 5,616.56 |
| Repairs and Alterations | 113.13 | -0- |
| | <u>41,060.39</u> | <u>16,857.75</u> |
| Ending Balance: | | |
| State Treasury | <u>48,907.84</u> | <u>41,160.68</u> |
| TOTAL CASH ACCOUNTED FOR | <u>\$89,968.23</u> | <u>\$58,018.43</u> |
| <u>USGS National Coal Data System - 8590-09</u> | | |
| Beginning Balance: | | |
| State Treasury | \$ 6,047.12 | \$ 1,747.51 |
| Receipts: | | |
| Contractual Services: | | |
| Federal Government | <u>13,704.96</u> | <u>13,374.97</u> |
| TOTAL CASH TO ACCOUNT FOR | <u>\$19,752.08</u> | <u>\$15,122.48</u> |
| Disbursements: | | |
| Personal Services | \$ 56.00 | \$ 1,771.00 |
| Current Expenses | 7,884.79 | 7,304.36 |
| | <u>7,940.79</u> | <u>9,075.36</u> |
| Ending Balance: | | |
| State Treasury | <u>11,811.29</u> | <u>6,047.12</u> |
| TOTAL CASH ACCOUNTED FOR | <u>\$19,752.08</u> | <u>\$15,122.48</u> |

WEST VIRGINIA GEOLOGICAL AND ECONOMIC SURVEY

STATEMENTS OF CASH RECEIPTS AND DISBURSEMENTS

| <u>Publication Sales - 8590-10</u> | <u>Year Ended June 30,</u> | |
|---|----------------------------|-------------------------|
| | <u>1980</u> | <u>1979</u> |
| Beginning Balance: | | |
| State Treasury | \$ 46,033.50 | \$ 36,444.26 |
| Receipts: | | |
| Cash Sales | 49,123.03 | 40,556.73 |
| Sales State Agencies | <u>13,316.10</u> | <u>26,000.53</u> |
| | 62,439.13 | 66,557.26 |
| TOTAL CASH TO ACCOUNT FOR | <u>\$108,472.63</u> | <u>\$103,001.52</u> |
| Disbursements: | | |
| Current Expenses | \$ 15,281.21 | \$ 56,913.02 |
| Equipment | <u>1,395.00</u> | <u>55.00</u> |
| | 16,676.21 | 56,968.02 |
| Ending Balance: | | |
| State Treasury | <u>91,796.42</u> | <u>46,033.50</u> |
| TOTAL CASH ACCOUNTED FOR | <u>\$108,472.63</u> | <u>\$103,001.52</u> |
| <u>Insurance Claims Refunds - 8590-12</u> | | |
| Beginning Balance: | | |
| State Treasury | \$ 5,168.97 | \$ 5,168.97 |
| Receipts | <u>-0-</u> | <u>-0-</u> |
| TOTAL CASH TO ACCOUNT FOR | <u>\$ 5,168.97</u> | <u>\$ 5,168.97</u> |
| Disbursements: | | |
| Repairs and Alterations | \$ <u>178.00</u> | \$ <u>-0-</u> |
| | 178.00 | -0- |
| Ending Balance: | | |
| State Treasury | <u>4,990.97</u> | <u>5,168.97</u> |
| TOTAL CASH ACCOUNTED FOR | <u>\$ 5,168.97</u> | <u>\$ 5,168.97</u> |

WEST VIRGINIA GEOLOGICAL AND ECONOMIC SURVEY

STATEMENTS OF CASH RECEIPTS AND DISBURSEMENTS

| | <u>Year Ended June 30,</u> | |
|---|----------------------------|---------------------|
| | <u>1980</u> | <u>1979</u> |
| <u>ERDA - Devonian Shale Project - 8590-14</u> | | |
| Beginning Balance: | | |
| State Treasury | \$ 70,924.12 | \$ 57,024.12 |
| Receipts: | | |
| U.S. Department of Energy | <u>218,249.90</u> | <u>336,321.00</u> |
| TOTAL CASH TO ACCOUNT FOR | <u>\$289,174.02</u> | <u>\$393,345.12</u> |
| Disbursements: | | |
| Personal Services | \$140,548.00 | \$220,957.38 |
| Current Expenses | 86,673.25 | 88,570.72 |
| Repairs and Alterations | 5,066.85 | 1,534.28 |
| Equipment | 5,399.95 | 11,358.62 |
| Federal Survey Overhead (8590-18) | <u>261.76</u> | <u>-0-</u> |
| | 237,949.81 | 322,421.00 |
| Ending Balance: | | |
| State Treasury | <u>51,224.21</u> | <u>70,924.12</u> |
| TOTAL CASH ACCOUNTED FOR | <u>\$289,174.02</u> | <u>\$393,345.12</u> |
| <u>Mineral and Water Analytical Program - 8590-15</u> | | |
| Beginning Balance: | | |
| State Treasury | \$ 5,830.60 | \$ 5,530.60 |
| Receipts: | | |
| Contractual Services: | | |
| Federal Government | 5,000.00 | -0- |
| State Government | <u>2,550.00</u> | <u>300.00</u> |
| | 7,550.00 | 300.00 |
| TOTAL CASH TO ACCOUNT FOR | <u>\$ 13,380.60</u> | <u>5,830.60</u> |
| Disbursements: | | |
| Repairs and Alterations | <u>\$ 900.00</u> | <u>\$ -0-</u> |
| | 900.00 | -0- |
| Ending Balance: | | |
| State Treasury | <u>12,480.60</u> | <u>5,830.60</u> |
| TOTAL CASH ACCOUNTED FOR | <u>\$ 13,380.60</u> | <u>\$ 5,830.60</u> |

WEST VIRGINIA GEOLOGICAL AND ECONOMIC SURVEY

STATEMENTS OF CASH RECEIPTS AND DISBURSEMENTS

| | <u>Year Ended June 30,</u> | |
|---|----------------------------|--------------------|
| | <u>1980</u> | <u>1979</u> |
| <u>Oriented Core Field/Lab Operations - 8590-16</u> | | |
| Beginning Balance: | | |
| State Treasury | \$ 2,486.58 | \$ 9,032.44 |
| TOTAL CASH TO ACCOUNT FOR | <u>\$ 2,486.58</u> | <u>\$ 9,032.44</u> |
| Disbursements: | | |
| Personal Services | \$ -0- | \$ 3,459.64 |
| Current Expenses | -0- | 3,086.22 |
| Federal Survey Overhead (8590-18) | 2,486.58 | -0- |
| | <u>2,486.58</u> | <u>6,545.86</u> |
| Ending Balance: | | |
| State Treasury | -0- | 2,486.58 |
| TOTAL CASH ACCOUNTED FOR | <u>\$ 2,486.58</u> | <u>\$ 9,032.44</u> |
| <u>ARC - NASA Linement and Fractures - 8590-17</u> | | |
| Beginning Balance: | | |
| State Treasury | \$ 5,900.34 | \$14,660.55 |
| TOTAL CASH TO ACCOUNT FOR | <u>\$ 5,900.34</u> | <u>\$14,660.55</u> |
| Disbursements: | | |
| Current Expenses | \$ 3,064.45 | \$ 5,585.21 |
| Equipment | -0- | 3,175.00 |
| | <u>3,064.45</u> | <u>8,760.21</u> |
| Ending Balance: | | |
| State Treasury | 2,835.89 | 5,900.34 |
| TOTAL CASH ACCOUNTED FOR | <u>\$ 5,900.34</u> | <u>\$14,660.55</u> |

WEST VIRGINIA GEOLOGICAL AND ECONOMIC SURVEY

STATEMENTS OF CASH RECEIPTS AND DISBURSEMENTS

| <u>Federal Survey Overhead - 8590-18</u> | <u>Year Ended June 30,</u> | |
|---|----------------------------|--------------------|
| | <u>1980</u> | <u>1979</u> |
| Beginning Balance: | | |
| State Treasury | \$63,064.18 | \$67,181.86 |
| Receipts: | | |
| Contractual Services: | | |
| Federal Government | 10,052.24 | \$12,189.54 |
| State Government | 11,183.63 | -0- |
| Private Industry | 1,972.31 | -0- |
| ERDA - Devonian Shale Project (8590-14) | 261.76 | -0- |
| Oriented Core Field/Lab Operations (8590-16) | 2,486.58 | -0- |
| | <u>25,956.52</u> | <u>12,189.54</u> |
| TOTAL CASH TO ACCOUNT FOR | <u>\$89,020.70</u> | <u>\$79,371.40</u> |
| Disbursements: | | |
| Personal Services | \$ -0- | \$ 617.00 |
| Current Expenses | -0- | 15,690.22 |
| Equipment | <u>1,140.31</u> | <u>-0-</u> |
| | 1,140.31 | 16,307.22 |
| Ending Balance: | | |
| State Treasury | <u>87,880.39</u> | <u>63,064.18</u> |
| TOTAL CASH ACCOUNTED FOR | <u>\$89,020.70</u> | <u>\$79,371.40</u> |
| | | |
| <u>National Water Use Data System - 8590-19</u> | | |
| Beginning Balance: | | |
| State Treasury | \$ 3,705.34 | \$ -0- |
| Receipts: | | |
| U.S. Geological Survey | <u>28,000.00</u> | <u>12,000.00</u> |
| TOTAL CASH TO ACCOUNT FOR | <u>\$31,705.34</u> | <u>\$12,000.00</u> |
| Disbursements: | | |
| Personal Services | \$14,777.00 | \$ 7,319.00 |
| Current Expenses | <u>2,713.42</u> | <u>975.66</u> |
| | 17,490.42 | 8,294.66 |
| Ending Balance: | | |
| State Treasury | <u>14,214.92</u> | <u>3,705.34</u> |
| TOTAL CASH ACCOUNTED FOR | <u>\$31,705.34</u> | <u>\$12,000.00</u> |

WEST VIRGINIA GEOLOGICAL AND ECONOMIC SURVEY
STATEMENTS OF CASH RECEIPTS AND DISBURSEMENTS

| <u>USGS Coal Reserves Study - 8590-20</u> | <u>Year Ended June 30,</u> | |
|---|----------------------------|-------------|
| | <u>1980</u> | <u>1979</u> |
| Beginning Balance: | | |
| State Treasury | \$ -0- | \$ -0- |
| Receipts: | | |
| U.S. Geological Survey | 26,504.00 | -0- |
| TOTAL CASH TO ACCOUNT FOR | \$26,504.00 | \$ -0- |
| Ending Balance: | | |
| State Treasury | \$26,504.00 | \$ -0- |
| TOTAL CASH ACCOUNTED FOR | \$26,504.00 | \$ -0- |
| <u>EPA Ground Water - 8590-21</u> | | |
| Beginning Balance: | | |
| State Treasury | \$ -0- | \$ -0- |
| Receipts: | | |
| Department of Natural Resources (Water Resources) | 14,112.00 | -0- |
| TOTAL CASH TO ACCOUNT FOR | \$14,112.00 | \$ -0- |
| Disbursements: | | |
| Current Expenses | \$ 3,000.00 | \$ -0- |
| | 3,000.00 | -0- |
| Ending Balance: | | |
| State Treasury | 11,112.00 | -0- |
| TOTAL CASH ACCOUNTED FOR | \$14,112.00 | \$ -0- |

WEST VIRGINIA GEOLOGICAL AND ECONOMIC SURVEY

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

| <u>EPA - WV Department of Natural Resources</u> <u>UIC Program - 8590-22</u> | <u>Year Ended June 30,</u> | |
|---|----------------------------|---------------|
| | <u>1980</u> | <u>1979</u> |
| Beginning Balance: | | |
| State Treasury | \$ -0- | \$ -0- |
| Receipts DNR Water Resources | <u>5,760.00</u> | <u>-0-</u> |
| TOTAL CASH TO ACCOUNT FOR | <u>\$5,760.00</u> | <u>\$ -0-</u> |
| Disbursements: | | |
| Personal Services | \$2,219.50 | \$ -0- |
| Current Expenses | <u>382.88</u> | <u>-0-</u> |
| | 2,602.38 | -0- |
| Ending Balance: | | |
| State Treasury | <u>3,157.62</u> | <u>-0-</u> |
| TOTAL CASH ACCOUNTED FOR | <u>\$5,760.00</u> | <u>\$ -0-</u> |

WEST VIRGINIA GEOLOGICAL AND ECONOMIC SURVEY

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

LOCAL ACCOUNT

| <u>Publication Sales Account</u> | <u>Year Ended June 30,</u> | |
|-----------------------------------|----------------------------|--------------------|
| | <u>1980</u> | <u>1979</u> |
| Beginning Balance: | | |
| First National Bank of Morgantown | \$ 3,437.91 | \$ 3,594.13 |
| Cash on Hand | 50.00 | 50.00 |
| | <u>3,487.91</u> | <u>3,644.13</u> |
| Cash Receipts: | | |
| Sales Receipts | <u>50,511.06</u> | <u>40,940.35</u> |
| TOTAL CASH TO ACCOUNT FOR | <u>\$53,998.97</u> | <u>\$44,584.48</u> |
| Disbursements: | | |
| WV State Treasury | \$49,123.03 | \$40,556.73 |
| State Tax Department | 612.64 | 539.84 |
| | <u>49,735.67</u> | <u>41,096.57</u> |
| Ending Balance: | | |
| First National Bank of Morgantown | 4,213.30 | 3,437.91 |
| Cash on Hand | 50.00 | 50.00 |
| | <u>4,263.30</u> | <u>3,487.91</u> |
| TOTAL CASH ACCOUNTED FOR | <u>\$53,998.97</u> | <u>\$44,584.48</u> |

WEST VIRGINIA GEOLOGICAL AND ECONOMIC SURVEY

PUBLICATION SALES ACCOUNT - LOCAL

BANK RECONCILIATION

JUNE 30, 1980

Bank Balance

| | |
|-----------------------------------|--------------------------|
| First National Bank of Morgantown | \$4,203.85 |
| NSF Check on Hand | <u>9.45</u> |
| Balance per Book | <u><u>\$4,213.30</u></u> |



GEOLOGICAL AND ECONOMIC SURVEY
P. O. BOX 879
MORGANTOWN
26505

ROBERT B. ERWIN, DIRECTOR
AND STATE GEOLOGIST

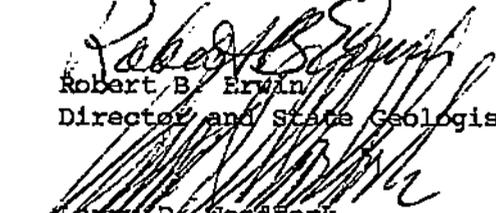
WHITE HALL
WEST VIRGINIA UNIVERSITY
PHONE 304-292-6331

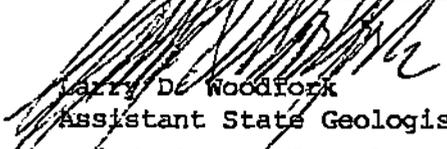
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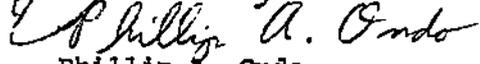
I.C. WHITE MEMORIAL SYMPOSIA FUND

The intent and purpose of the I.C. White Memorial Symposia fund, named in honor of the first State Geologist of West Virginia, and established in 1972, are to provide an appropriate mechanism for support of certain Survey-sponsored educational programs, social functions, and other activities. Such programs, activities, and functions are often of most interest to certain specific segments of the general public such as industry, various governmental agencies and academia and, therefore, it is believed that they can and should be self-supporting through the registration and other fees of participants rather than through expenditures from State general revenue funds.

The I.C. White Memorial Symposia fund is to be administered by trustees duly appointed from the Survey staff. The trustees shall include, but not necessarily be limited to, the Director and State Geologist, the Assistant State Geologist, and the Accounts Administrator and Office Manager. The fund is to be used to support Survey-sponsored symposia, workshops, short-courses, meetings, lectures, and other activities and their attendant social functions. All receipts and disbursements from the fund are to be accounted for by generally accepted accounting standards, practices and procedures. All disbursements from the fund are to be made by checks clearly designated as to purpose and signed by two (2) trustees of the fund. No Survey staff member(s) shall personally profit from the fund nor shall it be used to support any partisan political activities. The fund is to be periodically audited by an external firm or agent to insure its integrity.


Robert B. Erwin
Director and State Geologist


Larry D. Woodfork
Assistant State Geologist


Phillip A. Ondo
Accounts Administrator and Office Manager

UNAUDITED

I.C. White Memorial Symposia

July 1, 1978 through June 30, 1979

| | | |
|--------------------------------|--------------|--------------------|
| Balance July 1, 1978 | | \$21,006.34 |
| Receipts | | |
| | \$ 9,111.10 | |
| EXPENDITURES: | | |
| Postage | \$ 620.65 | |
| Social Expenses | 414.99 | |
| Printing | 671.89 | |
| Speaker's Expenses | 2,191.20 | |
| Travel Advance | 242.32 | |
| Seminar Lodging & Dimer | 5,576.18 | |
| WVU Geology Dept. Seminar | | |
| Profit split | 2,930.76 | |
| Meeting Facilities Renovations | 7,110.95 | |
| Miscellaneous | <u>57.22</u> | <u>19,816.16</u> |
| Net Expenditures | | <u>(10,705.06)</u> |
| Balance June 30, 1979 | | <u>\$10,301.28</u> |

I.C. White Memorial Symposia
 July 1, 1979 Through June 30, 1980

Balance July 1, 1979 \$ 10,301.28

Receipts \$ 27,474.00
 Less Refunds 224.00

\$27,250.00

Expenditures:

| | | |
|--------------------------------|----|---------------|
| Postage | \$ | 263.40 |
| Social Expenses | | 606.92 |
| Printing | | 1,763.27 |
| Speaker's Expenses | | 902.24 |
| Seminar Lodging & Dining | | 9,559.38 |
| Seminar Transportation | | 245.00 |
| NWU Foundation - Seminar | | |
| Profit Split | | 6,480.32 |
| Meeting Facilities Renovations | | 449.95 |
| Miscellaneous | | <u>135.57</u> |

20,406.05

NET INCOME

6,843.95

Balance June 30, 1980

17,145.23

VECCHIO, BADGER AND CO.

CERTIFIED PUBLIC ACCOUNTANTS

MICHAEL A. VECCHIO CPA

CHARLES L. BADGER CPA

430 SPRUCE STREET

MORGANTOWN, W. VA. 26505

Dr. Robert B. Erwin, Director
Geological and Economic Survey
P. O. Box 879
Morgantown, West Virginia

Dear Dr. Erwin:

We have recently completed our audit of the I. C. White Memorial Symposia Fund for the period from August 1, 1972 to December 31, 1976. Our examination was made for the purpose of expressing an opinion on the fairness of the statement of revenues, expenditures and fund balance and did not include a detailed review of systems and procedures. However, certain matters came to our attention which we believe can provide the fund with a potential to improve operational controls and provide additional funds. The more important of these are summarized in this letter.

REGISTRATION RECEIPTS

Registration remittances should be recorded and deposited as soon as possible after receipt. Remittances should first be receipted and then immediately forwarded to the accounts administrator for recording and deposit. The basic journal for recording cash receipts should identify all receipts deposited as to source and program.

PROGRAM EXPENDITURES

All purchases should be authorized by the program directors and invoices annotated with their approval prior to payment by the accounts administrator. Upon payment all invoices should be effectively cancelled to prevent duplicate payments.

A cash disbursements journal should be set up to record expenditure of funds by programs. This journal would facilitate the preparation of internal statements and save time expended by external auditors in their examinations.

INVESTMENT OF FUNDS

Additional funds could be generated by the investment of excess cash now held in the fund checking account.

After you have reviewed this letter, we will be happy to assist you in reviewing the recommendations and implementing those which you feel would benefit from our help.

Very truly yours,

David L. Kelly
David L. Kelly, CPA

DLK/11J

VECCHIO, BADGER AND CO.

CERTIFIED PUBLIC ACCOUNTANTS

MICHAEL A. VECCHIO CPA

CHARLES L. BADGER CPA

430 SPRUCE STREET

MORGANTOWN, W. VA. 26505

To the Director
I. C. White Memorial Symposia Fund
West Virginia Geological and Economic Survey
Morgantown, West Virginia

We have examined the attached statement of revenues, expenditures and fund balance for the I. C. White Memorial Symposia Fund for the period August 1, 1972 to December 31, 1976. Our examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion the accompanying statement of revenues, expenditures, and fund balance present fairly the recorded revenues, expenditures, and resulting fund balance for the period August 1, 1972 to December 31, 1976.

Vecchio, Badger and Co.

Morgantown, West Virginia

February 1, 1976

I. C. WHITE MEMORIAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND FUND BALANCE
FOR THE PERIOD AUGUST 1, 1972 TO DECEMBER 31, 1976

| | |
|---|--------------------|
| PROGRAM REGISTRATION RECEIPTS..... | \$68,099.68 |
| Less registration refunds..... | 1,592.00 |
| | <u>\$66,507.68</u> |
| PROGRAM EXPENSES: | |
| Meeting rooms, lodging and meals..... | \$28,316.86 |
| Honarium and other speaker expenses..... | 4,124.21 |
| Printing..... | 1,062.02 |
| Program supplies..... | 1,668.63 |
| Postage..... | 730.09 |
| Photography..... | 50.00 |
| | <u>\$35,951.81</u> |
| EXCESS PROGRAM RECEIPTS OVER EXPENSES..... | \$30,555.87 |
| Co-sponsor's pro-rate share of excess..... | 13,687.16 |
| | <u>\$16,868.71</u> |
| OTHER NON-PROGRAM RECEIPTS..... | 600.00 |
| | <u>\$17,468.71</u> |
| OTHER NON-PROGRAM EXPENSES..... | 2,005.99 |
| EXCESS RECEIPTS OVER EXPENDITURES..... | \$15,462.72 |
| BEGINNING FUND BALANCE, 1972..... | <u>-0-</u> |
| ENDING FUND BALANCE, DECEMBER 31, 1976..... | <u>\$15,462.72</u> |

STATE OF WEST VIRGINIA

OFFICE OF LEGISLATIVE AUDITOR, TO WIT:

I, Encil Bailey, Legislative Auditor, do hereby certify that the report of audit 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 16th day of June 1981.

Encil Bailey, Legislative Auditor

Copy forwarded to the Commissioner of the Department of Finance and Administration to be filed as a public record. Copies forwarded to the West Virginia Geological and Economic Survey; Governor; Attorney General; and State Auditor.