

STATE OF WEST VIRGINIA
AUDIT REPORT
OF
OHIO COUNTY CORRECTIONAL FACILITY

FOR THE PERIOD

March 14, 1998 - JUNE 30, 2000



OFFICE OF THE

AUDITOR

LEGISLATIVE

CAPITOL BUILDING

CHARLESTON, WEST VIRGINIA 25305-0610

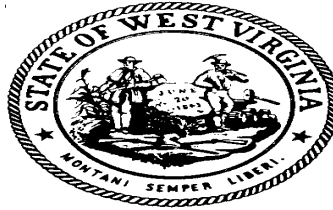
OHIO COUNTY CORRECTIONAL CENTER

FOR THE PERIOD

MARCH 14, 1998 - JUNE 30, 1999

WEST VIRGINIA LEGISLATURE
Joint Committee on Government and Finance

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CHARLESTON, WEST VIRGINIA 25305-0610

To 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 Ohio County Correctional Center.

Our examination covers the period March 14, 1998 through June 30, 1999. The results of this examination are set forth on the following pages of this report.

Respectfully submitted,

A handwritten signature in black ink, reading "Theford L. Shanklin".

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

TLS/ela

OHIO COUNTY CORRECTIONAL CENTER

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OHIO COUNTY CORRECTIONAL CENTER
EXIT CONFERENCE

We held an exit conference on December 21, 1999 with both the Commissioner and Director of Administrative Services of the Division of Corrections and all findings and recommendations were reviewed and discussed. The agency's responses are included in bold and italics in the Summary of Findings, Recommendations and Responses and after our findings in the General Remarks section of this report.

OHIO COUNTY CORRECTIONAL CENTER

INTRODUCTION

West Virginia Division of Corrections

The Division of Corrections, formerly a major division within the Department of Public Institutions, was established under Chapter 70, Acts of the Legislature in 1977. Under the executive reorganization of 1989, corrections became a division of the Department of Public Safety (now the Department of Military Affairs and Public Safety). The Commissioner of the Division of Corrections directs the state's adult correctional system. In November, 1997, oversight of the juvenile correctional institutions was transferred to the newly created Division of Juvenile Services. The Division of Corrections system consists of eleven adult facilities: Mount Olive Correctional Complex at Mount Olive, Northern Correctional Facility at Moundsville, Ohio County Correctional Center at Wheeling, St. Marys Correctional Center at St. Marys, Huttonsville Correctional Center at Huttonsville, Pruntytown Correctional Center at Grafton, Denmark Correctional Center at Hillsboro, Beckley Correctional Center and work release centers at Charleston and Huntington. The agency also operates one young adult offender facility--Anthony Center at Neola.

The Commissioner is also responsible for the supervision of parolees assigned to the division's custody or accepted through the Interstate Compact. The state's correctional system is responsible for approximately 3,300 incarcerated adults, 95 youthful offenders and approximately 1,320 persons under probation and parole supervision.

Ohio County Correctional Center

On April 6, 1998, the Ohio County Correctional Center opened. The facility is located in what used to be the Ohio County Jail. The Division of Corrections rents this facility on a monthly basis from the City of Wheeling. This facility houses approximately 54 female inmates with minimum to medium custody levels.

As the result of the limited amount of space available, the day-to-day business transactions of operating the facility are handled through Northern Correctional Facility's business office.

Inmate medical care and food service are handled through Regional Jail Authority contractors.

OHIO COUNTY CORRECTIONAL CENTER
ADMINISTRATIVE OFFICERS AND STAFF
AS OF JUNE 30, 1999

Paul KirbyCommissioner, Division of Corrections
William Yurcina.....Administrator
Kathy ConnerOffice Assistant

OHIO COUNTY CORRECTIONAL CENTER

SUMMARY OF FINDINGS, RECOMMENDATIONS AND RESPONSES

Lack of Effective System of Internal Controls

1. During the course of our examination, it became apparent to us, based on the observed noncompliance with the West Virginia Code, Ohio County Correctional Center did not have an effective system of internal controls in place to ensure compliance with applicable State laws. We believe an effective system of internal controls could have alerted management to these violations at an earlier date and allowed more timely corrective action.

Auditors' Recommendation

We recommend the agency comply with Chapter 5A, Article 8, Section 9(b) of the West Virginia Code, as amended, and establish a system of internal controls.

Agency's Response

Our plan is to hire an accounting assistant at the facility to help improve internal controls and accountability. (See pages 14-18)

Erroneous Expenditures

2. We noted eight instances in which duplicate payments were made to various vendors totaling \$17,397.24 during the

period March 14, 1998 through June 30, 1999. During the same period, Northern Correctional Facility (NCF) used its State purchasing card to purchase goods and services amounting to \$16,257.92 for the benefit of OCCC; however, OCCC reimbursed only \$8,122.27 of this amount to NCF. In addition, NCF did not reimburse \$1,000.00 to OCCC for a chair purchased by OCCC on October 7, 1998 for the Assistant Commissioner's Office.

Auditors' Recommendation

We recommend the agency comply with Chapter 12, Article 3, Section 9 of the West Virginia Code, as amended, and collect the amounts overpaid.

Agency's Response

The accounting assistant we plan to hire for the Ohio County Correctional Center will physically be located at the facility to perform related purchasing tasks as well as monitoring of invoices prior to submission for payment. (See pages 18-22)

**Payments Made to Food Service
Provider Without Valid Contract**

3. During the examination period, Correctional Food Service provided services benefitting the inmate population of the Ohio County Correctional Center without a valid

contract. Based on the monthly billings submitted to NCF and daily inmate count sheets prepared by OCCC, we estimated the total cost of food service provided to OCCC inmates amounted to approximately \$78,000.

Auditors' Recommendation

We recommend the agency comply with Section 2.2 of the Department of Administration's Agency Purchasing Manual.

Agency's Response

We have requested the Regional Jail Authority to include Ohio County Correctional Center as an entity on the new contract in process at this time. (See pages 22 and 24)

Late Payments

4. Ohio County Correctional Center prepared 13 invoices received from Prime Care Medical totaling \$85,002.67 for payment 67 to 195 days after the invoices were received by OCCC during the period March 14, 1998 through June 30, 1999.

Auditors' Recommendation

We recommend the agency comply with Chapter 5A, Article 3, Section 54 of the West Virginia Code.

Agency's Response

Payments were late due to the time frame involved in formulating a change order to accommodate on site medical

services at the facility. It should be noted the vendor did not request any late penalty. (See pages 24-27)

Telephone Commissions

5. Through September 1999, OCCC has received a combined total of \$18,427.46 in telephone commissions from both Bell Atlantic and Evercom Systems, Inc. All of the funds received from these sources have been deposited into the facility's Inmate Benefit Fund instead of the State's General Revenue Fund.

Auditors' Recommendations

We recommend the Ohio County Correctional Center comply with the provisions of Chapter 12, Article 2, Section 2 of the West Virginia Code, as amended. We also recommend the agency deposit all future telephone commissions into the General Revenue Fund.

Agency's Response

We will request Legislative approval to deposit telephone commissions into an appropriated Special Revenue account.

(See pages 27-29)

Overtime Compensation

6. During the examination period, the agency overpaid five employees a total of \$280.73 for overtime compensation. There was also one instance in which the agency was

unable to locate supporting documentation for 3.00 hours of overtime paid to an employee.

Auditors' Recommendations

We recommend the agency comply with both Chapter 21, Article 5C, Section 3 and Chapter 5A, Article 8, Section 9(b) of the West Virginia Code, as amended. In addition, we recommend that the agency comply with Section 778.219 of the Federal Fair Labor Employment Standards.

Agency's Response

We concur with this audit finding and are planning to establish controls to prevent this in the future. (See pages 30-34)

Equipment Inventory

7. Two of the equipment items reflected on the agency's equipment inventory listing had been tagged twice. We also noted where another equipment item maintained by the agency did not have a State property tag. This equipment item did not appear on the agency's equipment listing.

Auditors' Recommendation

We recommend the facility comply with Section 3.11 of the Purchasing Division's Inventory Management and Surplus Property Disposition Handbook.

Agency's Response

The equipment in question has been properly tagged and recorded on Ohio County's inventory system. (See pages 34 and 35)

Annual Increment

8. During our examination of personal services, we noted one instance in which an employee was paid \$150.00 more annual increment than he was entitled to receive and another instance in which the facility did not pay an employee an annual increment of \$250.00 that she was entitled to receive. In addition, Northern Correctional Facility paid \$3,100.00 for annual increment pay for five employees of the Ohio County Correctional Center in July 1999.

Auditors' Recommendation

We recommend the agency comply with Chapter 5, Article 5, Section 2 of the West Virginia Code, as amended, as well as Chapter 12, Article 3, Section 9 of the West Virginia Code, as amended.

Agency's Response

We will proceed to recover the overpayment of \$150.00 and the underpayment of \$250.00 has since been paid in full. Annual increment paid from NCF's account was in error and

reimbursement will be made from OCCC's account. (See pages 35-38)

Payment for Personal Services Not Rendered

9. During the examination period, the Ohio County Correctional Center paid a total of \$134.28 to two employees for personal services not rendered.

Auditors' Recommendation

We recommend the agency comply with Chapter 12, Article 3, Section 13 of the West Virginia Code, as amended.

Agency's Response

Overpayment of \$65.89 and \$38.39 to two employees did occur due to NCF's payroll office not being informed on a timely basis that the employees did not report to work on their last day. (See pages 38 and 39)

Underpayment of Wages at Resignation

10. Ohio County Correctional Center underpaid an employee \$90.08 when the employee resigned in October 1998.

Auditors' Recommendation

We recommend the agency comply with Chapter 21, Article 5, Section 4 of the West Virginia Code, as amended.

Agency's Response

Due to an oversight error, the employee was underpaid \$90.08. Again, we will be employing an Accounting

Assistant to assist in providing proper documentation on a timely basis regarding days worked, overtime, and other fiscal and payroll documentation. (See pages 40 and 41)

Payroll Deductions

11. We noted a total of six instances for two employees in which the agency did not withhold an additional \$143.37 in federal taxes in accordance with the withholding rate marked by each employee on their W-4 Form. Also, for one of these employees, the agency on four occasions did not withhold an additional \$5.00 for State taxes as requested by the employee on his State tax withholding form. In addition, the agency was unable to locate the authorization for payroll deductions for two employees.

Auditors' Recommendations

We recommend the Ohio County Correctional Center comply with the provisions of both the 'Circular E - Employer's Tax Guide' and the West Virginia Employer's Withholding Instructions Manual. We also recommend the agency comply with Chapter 5A, Article 8, Section 9(b) of the West Virginia Code, as amended.

Agency's Response

The payroll assistant will review each file to ensure compliance. (See pages 41-43)

Monthly Rental for Employee Parking

12. Effective June 1, 1998, the agency entered into a one-year lease agreement for employee parking with J. D. Miller & Associates. In addition to monthly rental payments, under the terms of the lease, OCCC was required to reimburse the vendor for the amount of electric and heating bills to maintain the property being rented. However, we noted one instance where the agency paid municipal fees amounting to \$39.14 as part of a monthly billing received from vendor J. D. Miller & Associates.

Auditors' Recommendation

We recommend the agency attempt to collect the amount of overpayment from this vendor.

Agency's Response

A letter will be sent to the vendor requesting reimbursement for the overpayment of \$39.14. A system to monitor all contracts has been put in place. (See pages 43-45)

OHIO COUNTY CORRECTIONAL CENTER

GENERAL REMARKS

INTRODUCTION

We have completed a post audit of the Ohio County Correctional Center (OCCC). The audit covered the period March 14, 1998 through June 30, 1999.

GENERAL REVENUE ACCOUNT

Expenditures required for the general operation of the Ohio County Correctional Center were paid from the following appropriated account:

**FUND
NUMBER**

DESCRIPTION

0450-784Ohio County Correctional Center

COMPLIANCE MATTERS

Chapter 25, Article 1 of the West Virginia Code generally governs the Ohio County Correctional Center. We tested applicable sections of the above plus other applicable chapters, articles, and sections of the West Virginia Code as they pertain to financial matters. Our findings are discussed below.

Lack of Effective System of Internal Controls

During the course of our examination, it became apparent to us, based on the observed noncompliance with the

West Virginia Code, Ohio County Correctional Center did not have an effective system of internal controls in place to ensure compliance with applicable State laws. Chapter 5A, Article 8, Section 9 of the West Virginia Code, as amended, 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 ensure the agency operates in compliance with the laws, rules and regulations which govern it.

During our audit of Ohio County Correctional Center, we found the following noncompliance with State laws or other rules and regulations: (1) There were eight instances in which duplicate payments totaling \$17,397.24 were made to various vendors during the period March 14, 1998 through June 30, 1999. During the same period, Northern Correctional Facility (NCF) used its State purchasing card to purchase goods and services amounting to \$16,257.92 for the benefit of OCCC; however, OCCC reimbursed only \$8,122.27 of this amount to NCF. In addition, NCF did not reimburse \$1,000.00 to OCCC for a chair purchased by

OCCC on October 7, 1998 for the Assistant Commissioner's Office.

(2) During the examination period, Correctional Food Service provided services to Ohio County Correctional Center without a valid contract. The cost of these services was approximately \$78,000.00. (3) Ohio County Correctional Center prepared 13 invoices received from Prime Care Medical totaling \$85,002.67 for payment 67 to 195 days after the invoices were received by OCCC during the period March 14, 1998 through June 30, 1999. This occurred because medical services were rendered without a valid contract or agreement. (4) We could locate no statutory authority which permitted Ohio County Correctional Center to deposit telephone commissions into the Inmate Benefit Fund (IBF) instead of the State's General Revenue Fund. Through September 1999, OCCC has received a combined total of \$18,427.46 in telephone commissions from both Bell Atlantic and Evercom Systems, Inc. All of the funds received from these sources have been deposited into the facility's IBF. (5) During the examination period, the agency over paid five employees a total of \$280.73 for overtime compensation. There was also one instance in which the agency was unable to locate supporting documentation for three hours of overtime paid to an employee. (6) Two of the equipment items reflected on the agency's equipment inventory listing had been tagged twice. Also,

another equipment item maintained by the agency did not have a State property tag. This equipment item did not appear on the agency's equipment listing. (7) During the examination period, the agency paid an employee \$150.00 more annual increment than he was entitled to receive. Also, the facility did not pay an employee an annual increment of \$250.00 that she was entitled to receive. In addition, the Northern Correctional Facility paid \$3,100.00 for annual increment pay for five employees of the Ohio County Correctional Center in July 1999. (8) During the examination period, the Ohio County Correctional Center paid a total of \$134.28 to two employees for personal services not rendered. (9) Ohio County Correctional Center underpaid an employee \$90.08 when the employee resigned in October 1998. (10) There were six instances involving two employees where the agency did not withhold an additional \$143.37 in federal taxes in accordance with the withholding rate marked by each employee on their W-4 Form. Also, for one of these employees, the agency on four occasions did not withhold an additional \$5.00 for State taxes as requested by the employee on his State tax withholding form. In addition, the agency was unable to locate the authorization for payroll deductions for two employees. (11) Effective June 1, 1998, the agency entered into a one-year lease agreement for employee parking with J. D. Miller & Associates.

In addition to monthly rental payments, under the terms of the lease, OCCC was required to reimburse the vendor for the amount of electric and heating bills to maintain the property being rented. However, on one occasion the agency paid municipal fees amounting to \$39.14 as part of a monthly billing received from vendor J. D. Miller & Associates.

We recommend Ohio County Correctional Center comply with Chapter 5A, Article 8, Section 9(b) of the West Virginia Code, as amended, and establish a system of internal controls.

Agency's Response

The Division acknowledges the lack of effective Internal Control and our plan is to hire an accounting assistant at the facility to help improve internal controls and accountability.

Erroneous Expenditures

There were eight instances in which duplicate payments were made to various vendors totaling \$17,397.24 during fiscal years 1998 through 1999. Agency records indicate that two payments were made to settle the same invoice for the following vendors:

<u>FIMS Doc. #</u>	<u>FIMS Doc. Date</u>	<u>Vendor</u>	<u>Amount Paid</u>	<u>Over-payment</u>	<u>Purpose of Expenditure</u>
E287670	09/09/98	Northern Correctional Facility	\$10,346.61		Overtime Reimbursement
E304516	01/21/99	Northern Correctional Facility	10,346.61	\$10,346.61	Overtime Reimbursement
I3597413	01/07/99	Prime Care Medical	6,091.03		Inmate Medical
I3818065	06/10/99	Prime Care Medical	6,091.03	6,091.03	Inmate Medical
E302756	01/08/99	Department of Administration	590.00		Leased Vehicles
E302758	01/08/99	Department of Administration	590.00	590.00	Leased Vehicles
I3193840	04/13/98	Global Computer Supplies	165.94		Grip Tread Mat
I3195459	04/14/98	Global Computer Supplies	165.94	165.94	Grip Tread Mat
I3510043	10/30/98	Galls Inc.	66.06		First Aid Kit
I3568134	12/11/98	Galls Inc.	66.06	66.06	First Aid Kit
I3192816	04/13/98	Fastenal Company	65.00		Repair Items
I3196475	04/14/98	Fastenal Company	65.00	65.00	Repair Items
I3234202	05/07/98	Advanced Lock and Safe	39.60		Keys
State Credit Card	06/28/99	Advanced Lock and Safe	39.60	39.60	Keys
I3405933	08/20/98	Advanced Lock and Safe	33.00		Keys
State Credit Card	06/28/99	Advanced Lock and Safe	33.00	<u>33.00</u>	Keys
TOTAL DUPLICATED PAYMENTS				<u>\$17,397.24</u>	

A refund of a duplicate payment was received from Prime Care Medical for \$6,091.03 on July 26, 1999 and deposited

on FIMS document number D576179. However, this refund was erroneously deposited to NCF's State account rather than to OCCC's State account. According to the business manager, this error was not detected by the business office. The deposit of the refund into the wrong account in conjunction with the \$10,346.61 duplicate payment resulted in OCCC subsidizing NCF's budget by a total of \$16,437.64. This \$16,437.64 that was appropriated for Ohio County Correctional Center was spent for the benefit of Northern Correctional Facility.

Upon inquiry of the business manager, we learned the agency does not properly monitor the payment of invoices that are received. However, the effect of paying invoices twice is that the agency does not receive the benefit of the expenditures. The total amount of the overpayments is \$17,397.24.

During the period March 14, 1998 through June 30, 1999, Northern Correctional Facility used its State purchasing card to purchase goods and services amounting to \$16,257.92 for the benefit of Ohio County Correctional Center. These items were purchased by Northern Correctional Facility since OCCC did not receive its own State purchasing card until July 1999. However, only \$8,122.27 of this amount was reimbursed. As a result, NCF subsidized OCCC's budget during this period by a

total of \$8,135.65. According to agency personnel, this under reimbursement to NCF was a result of the agency not maintaining an accurate record of all expenditures made on behalf of OCCC which were charged on NCF's State purchasing card.

In addition, on October 27, 1998 OCCC purchased a chair costing \$1,000.00 for the Assistant Commissioner's Office. We were told by agency personnel that all furniture being used in the Assistant Commissioner's Office is the property of Northern Correctional Facility. However, OCCC was not properly reimbursed by Northern Correctional Facility for the cost of this chair. According to the business manager, this error was an oversight.

We believe these errors are in noncompliance with Chapter 12, Article 3, Section 9 of the West Virginia Code, as amended, which states,

"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 purposes for which it was appropriated; and the auditor shall not issue his warrant to pay any money out of the state treasury unless he is satisfied that the same is needed for present use for such purposes".

We recommend the agency comply with Chapter 12, Article 3, Section 9 of the West Virginia Code, as amended, and collect the amounts overpaid. We further recommend the agency establish controls to ensure expenses are charged to the proper account.

Agency's Response

As stated, \$6,091.03 was recovered from one vendor. Letters will be sent to other vendors seeking reimbursement. One overpayment of \$10,346.61 was recovered but inadvertently deposited into NCF's account. The fiscal year has closed and we are unable to correct this error. Our plan is to hire an Accounting Assistant for the Ohio County Correctional Center who will physically located at the facility to perform related purchasing tasks as well as monitoring of invoices prior to submission of invoices to improve internal controls and accountability.

We obtained on July 1, 1999 a separate P-card solely for the use of OCCC so as to separate and provide accounting/purchasing data for OCCC.

**Payments Made to Food Service
Provider Without Valid Contract**

During the examination period, Correctional Food Service was paid for providing services to the Ohio County

Correctional Center without a valid contract. At this time Northern Correctional Facility had a contract with Correctional Food Service. Since business transactions relating to OCCC were processed through NCF's business office, Correctional Food Service included the cost of food service provided to OCCC inmates as part of the regular monthly billing submitted to NCF. Based on the monthly billings submitted to NCF and daily inmate count sheets prepared by OCCC, we estimated the total cost of food service provided to OCCC inmates amounted to approximately \$78,000. Through July 31, 1999, a total of \$78,111.17 has been transferred from OCCC's State account to NCF's State account to reimburse NCF for the total amount expended for food service on OCCC's behalf.

Ohio County Correctional Center is in noncompliance with Section 2.2 of the Department of Administration's Agency Purchasing Manual which states in part,

"...All requests or requisitions for commodities or services expected to exceed \$10,000 must be processed through the Purchasing Division...."

By not obtaining a contract for these services in accordance with the preceding section, the agency has not ensured that they are getting the best available services at the best available price. According to the business manager, OCCC

was considered by the central office to be an extension of NCF when first established and, thus, became subject to the same food service contract as NCF. However, OCCC is a separate entity from NCF since it receives its own budgeted appropriation.

We recommend the agency comply with Section 2.2 of the Department of Administration's Agency Purchasing Manual.

Agency's Response

We do not fully concur with this finding as the female inmates were transferred from Northern and Ohio County was serving as a satellite facility with all oversight provided by Northern. We did not have any kitchen or food service staff on site at Ohio County. However, we have requested the Regional Jail Authority to include Ohio County Correctional Center as an entity on the new contract in process at this time.

Late Payments

Ohio County Correctional Center prepared 13 invoices received from Prime Care Medical totaling \$85,002.67 for payment 67 to 195 days after the invoices were received by OCCC during the period March 14, 1998 through June 30, 1999. The following table details these late payments made to Prime Care Medical as follows:

<u>Month Services Were Rendered</u>	<u>Invoice Date</u>	<u>Date Paid</u>	<u>Difference (Days)</u>	<u>Amount Paid</u>
April 1998	6/26/98	1/07/99	195	\$ 5,006.25
April 1998	6/26/98	1/07/99	195	4,157.40
May 1998	6/26/98	1/07/99	195	6,091.03
May 1998	6/26/98	1/07/99	195	6,276.19
June 1998	6/26/98	1/07/99	195	6,091.03
June/July 1998	8/13/98	11/20/98	99	12,383.71
July 1998	8/13/98	1/07/99	147	6,502.25
August 1998	9/11/98	11/20/98	70	12,810.80
September 1998	9/11/98	11/20/98	70	6,091.03
October 1998	10/09/98	1/07/99	90	6,091.03
October 1998	3/08/99	5/17/99	70	619.75
February 1999	3/11/99	5/17/99	67	6,084.40
December 1998	3/09/99	5/28/99	80	<u>6,797.80</u>
Total				<u>\$85,002.67</u>

Ohio County Correctional Center is in noncompliance with the section of the West Virginia Code dealing with late payments and related penalties. Chapter 5A, Article 3, Section 54 of the West Virginia Code, states in part,

"...(d) the state agency initially receiving a legitimate uncontested invoice shall process such invoice for payment within ten days from its receipt...."

The agency may be required to pay interest penalties to vendors for invoices which are not paid in a timely manner.

When OCCC was established in April 1998, the Division of Corrections (DOC) considered this facility an extension of Northern Correctional Facility. Since NCF was already at that time under the Regional Jail contract with Prime Care Medical to provide medical services for its inmate population, the DOC sought to include OCCC's inmate population under the same contract. According to a DOC official, Prime Care Medical continued to provide medical services to the OCCC inmate population while the DOC prepared a new change order to the current contract with Prime Care Medical to include OCCC. Ten of the 13 invoices shown on the schedule could not be paid in a timely manner since there was not a valid contract between Ohio County Correctional Center and Prime Care Medical at the time these services were provided; however, there was no apparent reason for the three remaining invoices not being paid in a timely manner.

Ohio County Correctional Center received its first female inmates on April 7, 1998 but the change order was not approved by the Purchasing Division until October 14, 1998. In effect services were provided for approximately six months without a contract. The same official stated that preparation of the change order was a time consuming process due to structuring of the change order as well as the DOC's internal

administrative process. As a result, OCCC was unable to make payment on outstanding invoices received from Prime Care Medical for services rendered until approval of the new change order by the Purchasing Division.

We recommend the agency comply with Chapter 5A, Article 3, Section 54 of the West Virginia Code.

Agency's Response

Payments were late due to the time frame involved in formulating the change order to accommodate on site medical services at the facility. We received a supplemental appropriation in March 1998 and immediately began transferring the adult female inmates in April 1998 to reduce the backlog of inmates in the jail per court order. It should be noted the vendor did not request any late penalty.

Telephone Commissions

During January 1998, NCF acting on behalf of OCCC entered into an agreement with Bell Atlantic whereby the facility would receive a 20% commission on inmate telephone calls placed from payphones installed by the vendor. This agreement included an addendum which allowed the facility to terminate the agreement upon 30 days written notice to the vendor. OCCC terminated this agreement with Bell Atlantic on July 22, 1999 by sending written notification to Bell Atlantic.

At the end of May 1998, OCCC entered into another inmate pay telephone agreement with Evercom Systems, Inc. which was more beneficial to the facility. Previously, the Regional Jail and Correctional Facility Authority had entered into a contract with this vendor on behalf of various regional jails and DOC correctional facilities. Under this agreement Evercom was allowed to install their coinless telephone systems in several regional jails and correctional facilities, including Ohio County Correctional Center, and in return they agreed to pay a 43% commission to each facility for all calls placed from these phones. OCCC received the commissions on calls made from that facility.

Through September 1999, OCCC has received a combined total of \$18,427.46 in telephone commissions from both Bell Atlantic and Evercom Systems, Inc. All of the funds received from these sources have been deposited into the facility's Inmate Benefit Fund (IBF).

Ohio County Correctional Center is in noncompliance with Chapter 12, Article 2, Section 2 of the West Virginia Code, as amended, which states in part:

"(a) All officials and employees of the state authorized by statute to accept moneys due the state of West Virginia shall keep a daily itemized record of monies so received for deposit in the state treasury and shall deposit within twenty-four hours with the

state treasury all monies received or collected by them for or on behalf of the state for any purpose whatsoever...

(b) ...All monies, other than federal funds, defined in section two, article eleven, chapter four of this code, shall be credited to the state fund and treated by the auditor and treasurer as part of the general revenue of the state...."

The State is not deriving any benefit from these funds since OCCC is depositing any commissions received to the facility's IBF instead of the General Revenue Fund. Division of Corrections personnel have advised us the decision to deposit the aforementioned funds in the facility's IBF was based on the premise that the funds received are not the result of a State imposed fee and are generated from a service that is not financially supported by the State.

We recommend the Ohio County Correctional Center comply with the provisions of Chapter 12, Article 2, Section 2 of the West Virginia Code, as amended. We also recommend the agency deposit all future telephone commissions into the General Revenue Fund.

Agency's Response

We will request Legislative approval to deposit telephone commissions into an appropriated Special Revenue account.

Overtime Compensation

There were four instances of employees not being paid at the correct hourly rate. The first three instances involved one employee who was overpaid a net amount of \$27.91. Also, in one of these three instances, the employee's time sheet was not authorized by the employee's direct supervisor. The fourth instance related to an employee who was overpaid a total of \$143.44 as a result of the agency not utilizing the correct hourly rate as well as not correctly calculating his overtime hours earned.

In addition, three employees that should have been paid straight time were instead paid time and one-half for hours worked. These employees were overpaid by a total amount of \$109.38. In each case, the payroll assistant had erroneously counted a holiday taken by each employee as part of the total hours worked during the workweek. Thus, each employee was paid for eight hours at their overtime rate instead of at their straight time rate.

The following table depicts the amount underpaid or overpaid to each employee as well as the understatement or overstatement of each employee's total overtime and straight time hours.

<u>Employee</u>	<u>Actual Overtime Hours</u>	<u>Actual Straight Time Hours</u>	<u>Recalc . Over-time Hours</u>	<u>Recalc. Straight Time Hours</u>	<u>Total Hours (Under-stated)/ Overstated</u>	<u>Amount (Under-paid)/ Overpaid</u>
1	4.50	-0-	4.50	-0-	-0-	(\$2.47)
2	6.00	5.00	6.00	5.00	-0-	(\$5.12)
3	16.00	-0-	8.00	8.00	-0-	\$36.42
4	32.00	-0-	24.00	8.00	-0-	\$36.54
5	16.00	-0-	8.00	8.00	-0-	\$36.42
6	19.00	-0-	16.00	-0-	3.00	\$35.50
7	74.25	-0-	62.00	8.00	4.25	\$143.44

Ohio County Correctional Center is in noncompliance with Chapter 21, Article 5C, Section 3 of the West Virginia Code, as amended, which states in part:

"(a) On and after the first day of July, one thousand nine hundred eighty, no employer shall employ any of his employees for a workweek longer than forty hours, unless such employee receives compensation for his employment in excess of the hours above specified at a rate of not less than one and one-half times the regular rate at which he is employed..."

In addition, Ohio County Correctional Center is in noncompliance with Section 778.219 of the Federal Fair Labor Employment Standards which states in part,

"(a) Sums payable whether employee works or not. As explained in §778.218, certain payments made to an employee for periods during which he performs no work because of a holiday or vacation are not required to be

included in the regular rate because they are not regarded as compensation for working. Suppose an employee who is entitled to such a paid idle holiday or paid vacation foregoes his holiday or vacation and performs work for the employer on the holiday or during the vacation period. **If, under the terms of his employment, he is entitled to a certain sum as holiday or vacation pay, whether he works or not, and receives pay at his customary rate (or higher) in addition for each hour that he works on the holiday or vacation day, the certain sum allocable to holiday or vacation pay is still to be excluded from the regular rate. It is still not regarded as compensation for hours of work if he is otherwise compensated at his customary rate (or at a higher rate) for his work on such days. Since it is not compensation for work it may not be credited toward overtime compensation due under the Act...."**
[Emphasis Added]

The effect of not calculating employees' correct hourly rates and determining whether the employees are entitled to straight time or time and one-half may allow employees to be overcompensated or under compensated for services rendered. According to the payroll assistant, the undergarments and the overpayments were due to calculation errors.

During our examination of overtime transactions, there was also one instance in which the agency was unable to locate supporting documentation for 3.00 hours of overtime paid to an employee.

Ohio County Correctional Center is in noncompliance with Chapter 5A, Article 8, Section 9(b) of the West Virginia Code, as amended, which 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...."

By not maintaining adequate documentation, the agency would not be able to substantiate personal services transactions that are made. The agency's payroll assistant was unable to explain the undocumented overtime compensation paid to this employee.

We recommend the agency comply with both Chapter 21, Article 5C, Section 3 and Chapter 5A, Article 8, Section 9(b) of the West Virginia Code, as amended. In addition, we recommend that the agency comply with Section 778.219 of the Federal Fair Labor Employment Standards.

Agency's Response

We concur with this finding, some of which is due to clerical errors and others due to NCF providing remote payroll services. The Accounting Assistant will also be responsible to

insure all proper documentation is forwarded to NCF's payroll office.

Equipment Inventory

Two of the equipment items reflected on the agency's equipment inventory listing had been tagged twice. These items are detailed in the following table:

<u>Description</u>	<u>Serial #</u>
<u>GBC Shredder</u>	<u>KP102707</u>
<u>RCA Autoshot Camcorder</u>	<u>809330633</u>

One of the two tag numbers present on each equipment item matched the State tag number reflected on the agency's equipment inventory listing, while the other tag numbers did not appear on the agency's current equipment inventory listing. Also, a Pullman Holt Buffer maintained by the agency did not have a State property tag, nor did this equipment item appear on the agency's equipment listing.

Ohio County Correctional Center is in noncompliance with Section 3.11 of the Purchasing Division's Inventory Management and Surplus Property Disposition Handbook which states,

"Identification Tags: All equipment over \$1,000 will have a numbered tag and that equipment will be placed into the agency's inventory system. Agencies will be responsible for obtaining and placing the

proper tags on all equipment under their jurisdiction. Tags are to be placed on all items of property/equipment in such a manner that it may be easily seen and read."

Both the GBC Shredder and RCA Autoshot Camcorder were mistakenly tagged twice during a physical count of equipment inventory conducted by agency personnel. Upon speaking with agency personnel, we learned the Pullman Holt Buffer had been borrowed from the Assistant Commissioner's Office in Moundsville and was not the property of OCCO. However, we were unable to locate this equipment item on the equipment listing for the Assistant Commissioner's Office.

We recommend the facility comply with Section 3.11 of the Purchasing Division's Inventory Management and Surplus Property Disposition Handbook.

Agency's Response

The equipment in question has been properly tagged and recorded on Ohio County's inventory system.

Annual Increment

During the examination period, the agency paid an employee \$150.00 more annual increment than he was entitled. During July 1999, he was paid \$550 for 11 years of service as determined by the agency; however, he should have only received \$400 for eight full years of State service. Also, the facility

did not pay an employee an annual increment of \$250.00 that she was entitled to receive.

Ohio County Correctional Center is in noncompliance with Chapter 5, Article 5, Section 2 of the West Virginia Code, as amended, which 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. In each fiscal year thereafter and on the first day of July, each eligible employee shall receive an annual increment increase of fifty dollars for that fiscal year..."

As a result of these errors, one employee received more annual increment compensation than he was entitled to receive while another employee was denied the appropriate amount of annual increment compensation. According to the agency's payroll assistant, she believes the miscalculation involving the first instance occurred while the employee was at the Regional Jail Authority, and this error was transferred to the Ohio County Correctional Center. Based on our examination and discussions with agency personnel, the underpayment involving the second employee was caused by a miscalculation in the employee's prior years of State service.

In addition, Northern Correctional Facility paid \$3,100.00 for annual increment pay for five employees of the Ohio County Correctional Center in July 1999. We believe this is in noncompliance with Chapter 12, Article 3, Section 9 of the West Virginia Code, as amended, which states,

"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 purposes for which it was appropriated; and the auditor shall not issue his warrant to pay any money out of the state treasury unless he is satisfied that the same is needed for present use for such purposes."

Northern Correctional Facility (NCF) paying the increment for Ohio County Correctional Center (OCCC) results in NCF subsidizing the budget for OCCC. In addition, the Ohio County Correctional Center was budgeted \$3,500.00 to pay annual increment for fiscal year 2000. According to the agency's payroll assistant, the entire increment for OCCC was paid from the NCF budget and she would speak with the business manager about doing an expense to expense to put this money back into NCF's account.

We recommend the agency comply with Chapter 5, Article 5, Section 2 of the West Virginia Code, as amended, as well as

Chapter 12, Article 3, Section 9 of the West Virginia Code, as amended.

Agency's Response

We will proceed to recover the overpayment of \$150.00 and the underpayment of \$250.00 has since been paid in full. Annual Increment paid from NCF's account was in error and reimbursement will be made to OCCC's account. This inadvertently occurred when entering the FIMS cover sheets.

Payment for Personal Services Not Rendered

During the examination period, the Ohio County Correctional Center paid a total of \$134.28 to two employees for personal services not rendered. Ohio County Correctional Center is in noncompliance with Chapter 12, Article 3, Section 13 of the West Virginia Code, as amended, which states,

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

The effect of the agency paying for services that are not rendered is that the employee receives compensation that they are not entitled.

According to the agency's payroll assistant, the first employee was overpaid upon dismissal as the result of the employee misinforming the payroll assistant as to the employee's last day of work. We determined the employee should have been

paid for only 10.04 days during the last pay period worked, while the agency actually paid the employee for 11.00 days. Thus, this employee was overpaid by \$65.89 upon dismissal.

Regarding the second employee, we learned this employee was at the training academy from June 22, 1998 through July 21, 1998 and was to return to work on July 22, 1998; however, there was no supporting documentation at the facility to indicate the employee worked on this date. In addition, the employee did not take off any sick or annual leave for this date. The payroll assistant said she was not sure why this employee was not at work on this date; however, she stated, someone had told her that this employee was working.

We recommend the agency comply with Chapter 12, Article 3, Section 13 of the West Virginia Code, as amended. We further recommend that controls be established to ensure employees are paid for the correct number of hours.

Agency's Response

Overpayment of \$65.89 and \$68.39 to two employees did occur due to NCF's payroll office not being informed on a timely basis that the employees did not report to work on their last day. Again, the Accounting Assistant will provide proper documentation regarding employees' time sheets, overtime, annual and sick leave, etc.

Underpayment of Wages at Resignation

Upon resigning in October 1998, the OCCC underpaid an employee \$90.08 for wages earned. Ohio County Correctional Center is in noncompliance with Chapter 21, Article 5, Section 4 of the West Virginia Code, as amended, which states in part,

"(c) Whenever an employee quits or resigns, the person, firm or corporation shall pay the employee's wages no later than the next regular payday, either through the regular pay channels or by mail... (d) If a person, firm or corporation fails to pay an employee wages as required under this section, such person, firm or corporation shall, in addition to the amount due, be liable to the employee for liquidated damages in the amount of wages at his regular rate for each day the employer is in default, until he is paid in full, without rendering any service therefor: Provided, however, That he shall cease to draw such wages thirty days after such default...."

This error resulted in the employee not being fully compensated by the agency for services rendered. According to the agency's payroll assistant, she was unsure how this error occurred.

We recommend the agency comply with Chapter 21, Article 5, Section 4 of the West Virginia Code, as amended.

Agency's Response

Due to an oversight error, employee was underpaid \$90.08. Again, we will be employing an Accounting Assistant to

assist in providing proper documentation on a timely basis regarding days worked, overtime, and other fiscal and payroll documentation.

Payroll Deductions

There were six instances for two employees in which the agency did not withhold federal taxes in accordance with the withholding rate marked by each employee on their W-4 Form. In each case, federal withholding taxes were withheld from the employee's gross pay at a lower withholding rate than that reflected on their W-4 Form.

The first four instances involved the same employee which resulted in the agency not withholding a total of \$95.56 for the four instances we tested. The remaining two instances involved another employee which resulted in the agency not withholding a total of \$47.81 for the two instances we tested. In addition, the agency on four occasions did not withhold an additional \$5.00 for State taxes as requested by the first employee on his State tax withholding form.

We believe the improper withholding of taxes is in noncompliance with the West Virginia Employer's Withholding Instructions Manual, which states in part,

"13. Additional Withholding Agreement. An employee has the right to request his/her employer to withhold an additional amount of income taxes from wages to the extent of any

amount of wages that remains after all other federal, state, or local taxes have been withheld. Requests should be made on Employee's Withholding Exemption Certificate (Form WV/IT-104). The employer must comply when such requests are made."

Not withholding the correct amount of taxes as requested by the employees may result in the employee owing additional taxes at the end of the year or receiving less of a refund than anticipated. According to the agency's payroll assistant, she believes that both employees really meant to have their federal taxes withheld at the lower withholding rate rather than at the higher withholding rate. In addition, she stated that not withholding the additional State taxes as requested by the one employee was an oversight.

During our examination, there were two instances in which the agency was unable to locate payroll deductions for two employees. The agency was unable to locate the State tax withholding documentation for one employee as well as the credit union deduction authorization for another employee.

Ohio County Correctional Center is in noncompliance with Chapter 5A, Article 8, Section 9(b) of the West Virginia Code, as amended, which 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...."

By not maintaining adequate documentation, the agency would not be able to substantiate personal services transactions that are made. According to the agency's payroll assistant, she believes that the credit union authorization for the second employee was archived when the West Virginia Penitentiary was closed. She was not sure why she did not have the State tax withholding documentation for the first employee.

We recommend the Ohio County Correctional Center comply with the provisions of both the 'Circular E - Employer's Tax Guide' and the West Virginia Employer's Withholding Instructions Manual. We also recommend the agency comply with Chapter 5A, Article 8, Section 9(b) of the West Virginia Code, as amended.

Agency's Response

We will insure all appropriate payroll deduction documentation and requested withholding taxes are in place. The payroll assistant will review each file to insure compliance.

Monthly Rental for Employee Parking

Effective June 1, 1998, the agency entered into a one-year lease agreement for employee parking with J. D. Miller &

Associates. In addition to monthly rental payments, under the terms of the lease, OCCC was required to reimburse the vendor for the amount of electric and heating bills related to the property being rented. However, on one occasion the agency paid municipal fees amounting to \$39.14 as part of a monthly billing received from vendor J. D. Miller & Associates.

Ohio County Correctional Center is in noncompliance with Sections 3 and 5 of the lease agreement made between the parties which state in part,

"...(3) UTILITIES

In addition to the monthly rental herein provided, the Lessee covenants that the Tenant shall reimburse the Lessor for the electric and heat for the premises herein leased...

(5) TAXES AND ASSESSMENTS

The lessor will pay taxes and assessments levied on the subjects premises during the term of this lease."

By paying the vendor more than what the lease requires, the agency reduces the amount of money it has to fund the operations of other areas of the facility. The business manager stated that she was not aware that the vendor was responsible for paying any municipal fees under the terms of the lease agreement.

We recommend the agency establish a procedure for monitoring contracts and attempt to collect the amount of overpayment from this vendor.

Agency's Response

Letter will be sent to vendor requesting overpayment of \$39.14. This contract has been cancelled as it was only a temporary measure to assist the employees from Northern who were temporarily assigned at OCCC during the initial start up phase. The current Director of Operations has been assigned as one of her responsibilities the monitoring of contract compliance and performance compliance with all contracts; and Business Manager will insure accounting compliance.

INDEPENDENT AUDITORS' OPINION

The Joint Committee on Government and Finance:

We have audited the statement of appropriations, expenditures and changes in fund balances of the Ohio County Correctional Center for the years ended June 30, 1999 and June 30, 1998. The financial statement is the responsibility of the management of the Ohio County Correctional Center. Our responsibility is to express an opinion on the financial statement based on our audit.

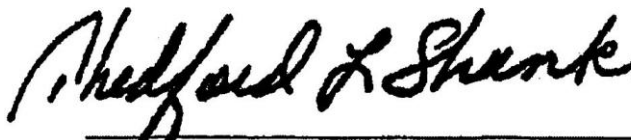
We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting 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.

As described in Note A, the financial statement was prepared on the cash and modified cash basis of accounting, which are comprehensive bases of accounting other than generally accepted accounting principles.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the appropriations and expenditures of the Ohio County Correctional Center for the years ended June 30, 1999 and June 30, 1998, 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,



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

October 22, 1999

Auditors: Michael A. House, CPA, Supervisor
Neil M. McEachron, Jr., CPA, Auditor-in-Charge
David N. Harris, CPA

WEST VIRGINIA DIVISION OF CORRECTIONS
OHIO COUNTY CORRECTIONAL CENTER
STATEMENT OF APPROPRIATIONS, EXPENDITURES AND
CHANGES IN FUND BALANCES

	Year Ended June 30,	
	1999	1998
Appropriations	\$1,552,860.97	\$475,000.00
Expenditures:		
Personal Services	595,178.81	73,914.14
Employee Benefits	171,791.34	981.92
Current Expenses	591,809.39	34,689.67
Repairs and Alterations	1,789.60	561.36
Equipment	8,406.89	11,991.94
	1,368,976.03	122,139.03
Appropriations Over Expenditures	183,884.94	352,860.97
Expirations and Expenditures After June 30	(183,884.94)	(352,860.97)
Beginning Balance	0.00	0.00
Ending Balance	\$ 0.00	\$ 0.00

See Notes to Financial Statement

OHIO COUNTY CORRECTIONAL CENTER

NOTES TO FINANCIAL STATEMENT

Note A - Accounting Policy

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 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 31 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 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>1999</u>	<u>1998</u>	<u>1999</u>	<u>1998</u>
<u>\$183,884.89</u>	<u>\$0.00</u>	<u>\$0.05</u>	<u>\$352,860.97</u>

Note B - Pension Plan

All eligible employees are members of the West Virginia Public Employees' Retirement System. Employees' contributions are 4.5% of their annual compensation and employees have vested rights under certain circumstances. The Ohio County Correctional

Center matches contributions at 9.5% of the compensation on which the employees made contributions.

The Ohio County Correctional Center's pension expenditures were as follows:

	<u>Year Ended June 30,</u>	
	<u>1999</u>	<u>1998</u>
General Revenue	\$42,853.10	\$0.00

SUPPLEMENTAL INFORMATION

WEST VIRGINIA DIVISION OF CORRECTIONS

OHIO COUNTY CORRECTIONAL CENTER

STATEMENT OF APPROPRIATIONS AND EXPENDITURES

GENERAL REVENUE


	<u>Year Ended June 30,</u>	
	<u>1999</u>	<u>1998</u>
Appropriations	\$1,200,000.00	\$475,000.00
Reappropriations:		
Fiscal Year 1998	<u>352,860.97</u>	<u>0.00</u>
	1,552,860.97	475,000.00
Expenditures:		
Personal Services	617,199.15	73,914.14
Employee Benefits	179,119.78	981.92
Current Expenses	741,738.00	34,689.67
Repairs and Alterations	2,136.11	561.36
Equipment	<u>12,667.88</u>	<u>11,991.94</u>
	<u>1,552,860.92</u>	<u>122,139.03</u>
	0.05	352,860.97
Transmittals Paid After June 30	<u>183,884.89</u>	<u>0.00</u>
Balance	<u>\$ 183,884.94</u>	<u>\$352,860.97</u>
Components of Balance June 30,		
Fiscal Year 1999	\$ 109,821.46	\$ 0.00
Fiscal Year 1998	<u>74,063.48</u>	<u>352,860.97</u>
	<u>\$ 183,884.94</u>	<u>\$352,860.97</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 10TH day of January 2000.



**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 Ohio County Correctional Center; Governor; Attorney General; and, State Auditor.