Albright Volunteer Fire Department

Preston County

January 1, 2012 – December 31, 2012

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The Honorable Jeffrey V. Kessler

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Legislative Post Audit Division

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Introduction

Albright Volunteer Fire Department in Preston County began 2012 with a balance of $16,141.33 in its state account. During 2012, the Department received additional monies from the State in the amount of $44,538.77. The use of these funds by volunteer fire departments is restricted by West Virginia Code §8-15-8b. The Department received additional state funding in the amounts of $45,010.58 in 2013, $46,815.67 in 2014 and $47,613.31 in 2015.

Objective

The objective of the audit of the Albright Volunteer Fire Department was to evaluate compliance with West Virginia Code §8-15-8b. Our report is designed to assist the Post Audits Subcommittee in exercising its legislative oversight function and to provide constructive recommendations for improving the operations of volunteer fire departments.

Scope

The Legislative Auditor conducted an audit of the revenue and expenditure transactions of Albright Volunteer Fire Department’s state account for the year ending December 31, 2012. The scope included determining instances of noncompliance with West Virginia Code §8-15-8b. The audit was conducted pursuant to the authority provided by West Virginia Code §12-4-14.

Conclusion

The Albright Volunteer Fire Department used $1,586.00 in state funds on accident and sickness insurance and $35.06 on food and beverage items which is unallowable under WV Code §8-15-8b. Additionally, the Department could not verify $46.28 in expenditures.1

Recommendations

1. The Legislative Auditor recommends the Department use state funds in accordance with WV Code §8-15-8b and reimburse its state account $1,621.06 for the unallowable items.

2. The Legislative Auditor recommends the Department reimburse its state account $46.28 for the unverified items or provide adequate documentation to verify the purchases were appropriate according to WV Code §8-15-8b.

All findings and recommendations presented in this report have been reviewed and discussed with the Albright Volunteer Fire Department. The Department was informed of the recommendation to reimburse its state account a total of $1,667.34.

1 See Appendix A for a Summary of Funds Reviewed
Findings

FINDING 1: UNALLOWABLE PURCHASES TOTALING $1,621.06

Condition: The Albright Volunteer Fire Department spent $1,586.00 for accident and sickness insurance which is not allowed under West Virginia Code. An additional $35.06 was spent on food and beverage items, also not allowed under West Virginia Code.

Criteria: W.Va. Code §8-15-8b, as amended, states in part:

“Authorized expenditures of revenues from the municipal pensions and protection fund and the fire protection fund.

Revenues allocated to volunteer and part volunteer fire companies and departments may be expended only for the items listed in subdivisions (1) through (15) of this section.” (Emphasis Added)

Cause: The Department was unaware that accident and sickness insurance was not allowed to be purchased with its state money. The Department allowed food and beverage items to be purchased on a store account with the North Preston Kwik Shop and then paid the account with state money.

Effect: Use of state funding for unallowable purchases negates the purpose for which the money was given to the Department, leaving the Department vulnerable to not being able to purchase other items needed and allowed per WV Code.

Recommendation:

1. The Legislative Auditor recommends the Department use state funds in accordance with WV Code §8-15-8b and reimburse its state account $1,621.06 for the unallowable items.
**FINDING 2: LACK OF SUPPORTING DOCUMENTATION FOR $46.28**

<table>
<thead>
<tr>
<th>Condition:</th>
<th>The Albright Volunteer Fire Department lacked proper supporting documentation to account for two expenditures, totaling $46.28 in state funding.</th>
</tr>
</thead>
</table>
| Criteria:  | **W.Va. Code §8-15-8b, as amended, states in part:**  

“Authorized expenditures of revenues from the municipal pensions and protection fund and the fire protection fund.

Revenues allocated to volunteer and part volunteer fire companies and departments **may be expended only for the items listed in subdivisions (1) through (15) of this section.**” (Emphasis Added) |
| Cause:     | The Department was unable to find and submit two receipts for verification of expenditures. |
| Effect:    | Due to the lack of proper supporting documentation, there is no way to determine if these expenditures were allowable. However, it should be noted the Department did maintain appropriate documentation for the majority of all expenditures made with state funds during 2012. |
| Recommendation: |

2. **The Legislative Auditor recommends the Department reimburse its state account $46.28 for the unverified items or provide adequate documentation to the Legislative Auditor to verify the purchases were appropriate according to WV Code §8-15-8b.**
## Appendix A

**AUDIT SUMMARY: ACTIVITY FOR ALBRIGHT VOLUNTEER FIRE DEPARTMENT**

<table>
<thead>
<tr>
<th>State Funds Audited and Accounted For</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>State Account:</strong></td>
<td></td>
</tr>
<tr>
<td>Beginning Account Balance (1/1/2012)</td>
<td>$16,141.33</td>
</tr>
<tr>
<td>2012 Deposits from State Treasurer</td>
<td>44,538.77</td>
</tr>
<tr>
<td><strong>Total Funds Audited:</strong></td>
<td>$60,680.10</td>
</tr>
<tr>
<td><strong>Expenditures:</strong></td>
<td></td>
</tr>
<tr>
<td>Purchases/Transfers Adequately Accounted For</td>
<td>$31,154.61</td>
</tr>
<tr>
<td>Unallowable Purchases <em>(finding 1)</em></td>
<td>1,621.06</td>
</tr>
<tr>
<td>Purchases Lacking Supporting Documentation <em>(finding 2)</em></td>
<td>46.28</td>
</tr>
<tr>
<td><strong>Total Expenditures:</strong></td>
<td>$32,821.95</td>
</tr>
<tr>
<td><strong>Balance Remaining in Account (12/31/2012):</strong></td>
<td>$27,858.15</td>
</tr>
</tbody>
</table>