

WEST VIRGINIA DIVISION OF VETERANS' AFFAIRS
FOR THE PERIOD
JULY 1, 1988 - JUNE 30, 1994

WEST VIRGINIA LEGISLATURE
Joint Committee on Government and Finance



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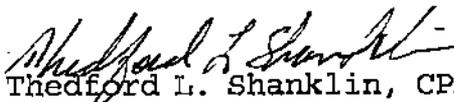
CHARLESTON, WEST VIRGINIA 25305

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 West Virginia Division of Veterans' Affairs.

Our examination covers the period July 1, 1988 through June 30, 1994. The results of this examination are set forth on the following pages of this report. However, only the financial statements for the years ended June 30, 1994 and June 30, 1993 are included in this report. The financial statements covering the period July 1, 1988 through June 30, 1992 are included in our audit workpapers.

Respectfully submitted,


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

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WEST VIRGINIA DIVISION OF VETERANS' AFFAIRS

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WEST VIRGINIA DIVISION OF VETERANS' AFFAIRS

EXIT CONFERENCE

We held an exit conference on November 4, 1994 with the Director of Veterans' Affairs, the Fiscal Officer of Veterans' Affairs, and the Administrator of the Veterans Home and all findings and recommendations were reviewed and discussed. The above officials' responses are included in italics in the Summary of Findings, Recommendations and Responses and after our recommendations in the General Remarks section of this report.

WEST VIRGINIA DIVISION OF VETERANS' AFFAIRS

INTRODUCTION

With the cessation of hostilities and demobilization of service personnel, the Legislature of the State of West Virginia, foreseeing the need of a State Department (Division) of Veterans' Affairs, created and established in 1945 by the passage of House Bill No. 152, the West Virginia Department (Division) of Veterans' Affairs, for the purpose of aiding, assisting, counseling and advising and looking after the rights and interest of all persons known as veterans who are citizens and residents of this State, and their widows, dependents and orphans who are or have become citizens and residents of this State, or all persons known as veterans who have served in the armed forces of the United States in the Army, Navy, Marine Corps, or Coast Guard, as defined by the laws of the United States and whose separation therefrom has been other than dishonorable. Pursuant to the Act a five-member Veterans Council selected with special reference to their ability and fitness to effectuate the purpose of the Act, was appointed.

The Department (Division) by authority of the Act, took over the work, funds and property of the Division of Veterans Service of the Department of Public Assistance and continued to operate three established offices at Huntington, Charleston and Clarksburg.

The first formal meeting of the Council was called by Governor Clarence W. Meadows on July 23, 1945 and was held in the conference room of the State Superintendent of Public Institutions. It was recommended by the Council in this first meeting that

offices be opened at Lewisburg, Martinsburg, Wheeling, Beckley and Parkersburg. It was discussed by the Council that a statement of general policy and rules to govern the Department (Division) be drawn up and presented for consideration.

On October 5, 1945, the Council approved the establishment of a regional office to be located in Welch. On March 25, 1946, it was authorized by the Council that an office should be established at Fairmont. On May 26, 1946, the Council in this meeting authorized the establishment of offices at Spencer and Logan. In addition, the Council authorized the creation of the Division of the Information, Special Services, Employment, and Housing. These divisions were created to function within the Department.

WEST VIRGINIA VETERANS HOME

The establishment of the West Virginia State Veterans Home was authorized by legislation passed during the regular session of the 1975 State Legislature, which placed the management and supervision of the Home under the West Virginia Division of Veterans' Affairs.

In accordance with the law, the Home is a "domiciliary" type home. The purpose of domiciliary care is to provide a non-institutional community setting for persons, primarily the aged, who require social care, but not medical care. Domiciliary care is provided in a home-like atmosphere. Since domiciliary facilities are not considered medical facilities, Medicare and Medicaid do not provide payment.

Domiciliary facilities provide care to ambulatory patients who, because of financial, age, mental, or health conditions, are dependent on others for their basic needs. Patients in domiciliary facilities may have health impairments, but not to the extent requiring skilled nursing or intermediate care. Domiciliary facilities are not for persons whose physical or mental conditions require care in a medical or psychiatric facility.

Specifically, Chapter 9A, Article 2, Section 1 of the West Virginia Code defines "qualified veterans" as follows:

"...As used in this article the term 'qualified veteran' means a disabled veteran as determined by the department of veterans' affairs, who: (a) Is ambulatory and is able to attend to his personal needs, dress himself and attend a general mess; (b) served on active duty in the armed forces of the United State of America or a nation allied therewith during wartime; (c) is a resident of the State of West Virginia for one year or more prior to the filing for admission; and (d) who was discharged or separated with an honorable discharge or with a general discharge under honorable conditions.

"In the event that the veteran served during peacetime and attained the age of sixty-five years, he shall be deemed a qualified veteran if he has met conditions (a), (c) and (d).

"In the event that the veteran is under sixty-five years of age with a service incurred or aggravated disability and is eligible for hospital-domiciliary benefits administered by the veterans' administration pursuant to the provisions of Title 38, United State Code, he shall be deemed a qualified veteran if he has met conditions (a), (c) and (d)."

The West Virginia State Veterans Home began operations on November 8, 1981.

WEST VIRGINIA DIVISION OF VETERANS' AFFAIRS

ADMINISTRATIVE OFFICERS AND STAFF

JUNE 30, 1994

Division Of Veterans' Affairs

Director..... Gail L. Harper
Chief Veterans Affairs Officer..... Burrell Miller
Fiscal Officer..... Charles H. Prather, Jr.
Office Assistant II..... Sandra K. Mullins
Claims Manager..... James T. Williams

West Virginia Veterans Home

Administrator..... Frederick Hubbard
Admissions Supervisor..... C. David Andrews
Director of Nursing..... Louise McMullen
Fiscal Supervisor..... Connie Hodapp
Accounting Assistant..... Donna Hicks
Accounting Assistant..... Doris Adkins

WEST VIRGINIA DIVISION OF VETERANS' AFFAIRS
SUMMARY OF FINDINGS, RECOMMENDATIONS AND RESPONSES

**Over Obligation at West Virginia Veterans Home For Year Ended
June 30, 1994**

1. Three factors contributed to the over obligation which occurred during fiscal year ending June 30, 1994. They are as follows: 1) The Director, of the Division of Veterans' Affairs, and the Administrator, of the Veterans Home did not comply with Series 1 and Series 2 of Title 86, Procedural Rules. 2) An internal accounting system was not maintained by the Veterans Home nor by the Division of Veterans' Affairs. 3) Veterans' Affairs did not supervise the fiscal affairs of the Home in accordance with Chapter 9A, Article 1, Section 10(e) of the West Virginia Code.

We recommend the West Virginia Veterans Home and Division of Veterans' Affairs implement an accounting system which complies with Title 86, Legislative Rules, West Virginia Department of Veterans Affairs, Series 2, State Home For Veterans - Fiscal, Section 86-2-1 through Section 86-2-5. We also recommend the Division of Veterans' Affairs comply with Chapter 9A, Article 1, Section 10(e) of the West Virginia Code.

AGENCY'S RESPONSE

We will comply with the audit recommendation. (See pages 11-19)

Vending Machine Services Contract

2. Since the opening of the Home in November 1981, there has been no vending services contracts in place for the eight vending machines at the Home.

We recommend the Division of Veterans' Affairs contact the State Division of Purchasing for assistance in contracting for vending services.

AGENCY'S RESPONSE

We will comply with the audit recommendation. (See pages 19-20)

Sick Leave Usage

3. We identified 30 employees who we believe used approximately \$67,500.00 in sick leave during the period January 1, 1993 through June 30, 1994.

We recommend the Division of Veterans' Affairs and Veterans Home review employees' sick leave records for significant leave usage and apply the provisions of Series 1, Section 15.03 of the West Virginia Division of Personnel's Administrative Rules when possible.

AGENCY'S RESPONSE

We will comply with the audit recommendation. (See pages 20-22)

Trustee Maintenance Cash Receipts

4. We noted that 53 of the 57 resident maintenance cash receipts tested which totaled \$21,822.96 were not deposited within twenty-four hours with the Board of Investments.

We recommend the West Virginia Veterans Home comply with Chapter 12, Article 2, Section 2 of the West Virginia Code.

AGENCY'S RESPONSE

We will comply with the audit recommendation. (See pages 22-23)

Restriction of Donations

5. We noted that the Veterans Home received \$44,534.43 in donations during fiscal years ending June 30, 1993 and June 30, 1994, however, there were no accounting procedures established to account for the restricted/unrestricted donations.

We recommend the Veterans Home comply with Title 86, Procedural Rule, West Virginia Department of Veterans Affairs, Series 1, State Home For Veterans, Section 86-1-15.

AGENCY'S RESPONSE

We will comply with the audit recommendation. (See page 24)

WEST VIRGINIA DIVISION OF VETERANS' AFFAIRS

GENERAL REMARKS

INTRODUCTION

We have completed a post audit of West Virginia Division of Veterans Affairs' and West Virginia Veterans' Home for the period July 1, 1988 through June 30, 1994.

GENERAL REVENUE ACCOUNTS

Expenditures required for the general operations of the West Virginia Division of Veterans' Affairs were made from the following appropriated accounts:

<u>Fund</u>	<u>Old Account Number</u>	<u>Description</u>
0456-001	4040-00	Personal Services
0456-004	4040-66	Annual Increment
0456-010	4040-35	Employee Benefits
0456-099	4040-09	Unclassified
0456-228	4040-21	Field Offices
0457-096	4040-41	Unclassified

Expenditures required for the general operations of West Virginia Veterans' Home were made from the following appropriated accounts:

<u>Fund Number</u>	<u>Old Account Number</u>	<u>Description</u>
0460-001	4010-00	Personal Services
0460-004	4010-66	Annual Increment
0460-010	4010-35	Employee Benefits
0460-064	4010-02	Repairs and Alter- ations
0460-070	4010-03	Equipment

SPECIAL REVENUE ACCOUNTS

During the audit period, West Virginia Veterans' Home maintained ten special revenue accounts. These accounts represent funds to account for proceeds of specific activities as required by

law or administrative regulations. These funds were deposited with the State Treasurer in the following special revenue accounts:

<u>Fund Number</u>	<u>Old Account Number</u>	<u>Description</u>
6750-999	8260-08 ...	WV Veterans Home Contributions Fund Miscellaneous donations and Collections to operate the Home.
6751-999	8260-11...	WV Veterans Home Improvement Fund Federal Funds for reimbursement of renovation.
6752-999	8260-13...	Resident Maintenance Collections Fund Resident Maintenance Fees for the operation of Home.
6753-999	8260-50...	Flood Disaster November 1985 Fund FEMA Funds for Moorefield Office.
6754-001	8261-00...	WV Veteran's Home Special Revenue Operating Fund - Personal Services Payroll for operation of Home.
6754-004	8261-66...	WV Veteran's Home Special Revenue Operating Fund - Annual Increment
6754-010	8261-35...	WV Veteran's Home Special Revenue Operating Fund - Employee Benefits
6754-999	8261-99...	WV Veteran's Home Special Revenue Operating Fund - Miscellaneous Income Transfers from all special revenue accounts for Personal Services.
8728-096	7840-07...	Consolidated Federal Funds Veterans Home Unclassified Disbursements for operation of Home
8728-999	7840-99...	Consolidated Federal Funds Veterans Home Federal Per Diem Funds from Veterans Administration

LOCAL ACCOUNTS

During the audit period, the West Virginia Veterans' Home maintained three local bank accounts for the collection of trustee

funds, maintenance fees, donations and key deposits. The three local bank accounts are as follows:

<u>Description</u>	<u>Purpose</u>
Trustee\Maintenance Account.....	Temporary depositing of maintenance fees; money held in trust for residents.
Welfare Account.....	Donations from various organizations for residents activities.
Key Account.....	Deposits to replace lost keys.

COMPLIANCE MATTERS

Chapter 9A, Article 1 of the West Virginia Code and Title 86, Series 3, Procedural Rules generally governs the West Virginia Division of Veterans' Affairs. Chapter 9A, Article 2 establishes the Veterans Home and Title 86, Series 1 and Series 2, Procedural Rules, governs the operations of the Veterans Home. We tested applicable sections of the above plus general State regulations, and other applicable sections of the West Virginia Code as they pertain to fiscal matters.

Over Obligation at West Virginia Veterans Home For Year Ended June 30, 1994

The West Virginia Veterans Home general operation and funding matters are not addressed in the West Virginia Code, however, rules were established in February, 1979. Title 86, Procedural Rule, West Virginia Department of Veterans' Affairs, Series 1, State Home for Veterans, established general rules for the operation of the Home and Title 86, Series 2, State Home for Veterans - Fiscal governs the financial matters related to the Home. We have included Series 1 and Series 2, in the supplemental section of the report.

Series 2, Title 86 of the rules provides a detailed outline for the expenditure of funds at the Home. Funds received by the State for the benefit of veterans residing at the Home must be expended, directly or indirectly, for the benefit of those veterans. The following summarizes sections of Series 2 of the rules which we will refer to in this finding:

Section 86-2-3 establishes the Veterans Home Improvement Fund for money recovered from federal government through grant program for the renovation and construction of the Veterans Home.

Section 86-2-4 establishes the Veterans Home Operating Fund for moneys received from the United States for the support and maintenance of the Home and all other moneys, income and collections of public funds arising from any source or endeavor. These moneys shall be used for the maintenance and operation of the Home. The administrative officer shall establish such accounts and funds control as are required by state statutes to receive and disburse moneys applicable to the Veterans Home. Section 86-2-4 also, establishes the trustee account and the welfare account.

Section 86-2-5 Establishes the residents contribution to be paid to the Home. All moneys are to be deposited into the Veterans Home Operating Fund and shall be used for the benefit of the Veterans Home. Moneys in the Veterans Home Improvement Fund shall be subject to and following legislative appropriation, be expended only for the development of new facilities, for enrichment of living conditions or for additional care for residents of the home, as deemed necessary by the home administrative committee. The following paragraphs explain how the Veterans Home monies were

spent to support programs not directly related to the operation of the Home.

During fiscal year 1989, Veterans' Affairs entered into a contract with the West Virginia Veterans' Memorial Commission which was obligated to be paid from Veterans Home money. The signature authority for the expenditures from the Veterans Home Operating Fund was controlled by Division of Veterans' Affairs. The amount paid on the contract during fiscal year 1989 was \$18,791.52. The contract paid for Administrative support for the purpose of assisting the Commission in the building of the West Virginia Veterans Memorial Plaza to be located on the Capitol grounds.

During fiscal year 1990, the Division of Veterans' Affairs transferred from the State Board of Investments \$2,332,488.00, in principal. The Division transferred the money into the Veterans Home Operating Fund and Veterans Home Improvement Fund. These monies were received from the Federal Government for reimbursement for renovation to the Veterans Home, Residents Maintenance Fees and Federal Per Diem money. Each of the above moneys were to be used directly for the operation and repair of the Veterans Home. The money was used to 1.) offset expenses that exceeded revenue collections at the Veterans Home, 2.) \$96,482.00 in various expenses incurred by the Division of Veterans' Affairs; and, 3.) during April of 1990, the Division of Veterans' Affairs transferred to the Department of Health and Human Services \$500,000.00, in accordance with House Bill #4456. The Division of Veterans' Affairs transferred \$250,000.00 from the Federal Funds

reimbursed for renovation of the Veterans Home and \$250,000.00 from the Residents Maintenance fees. The Veterans Home, during fiscal year 1990, paid the following expenses related to the operations of West Virginia Division of Veterans' Affairs:

Salaries for Field Representatives:	\$25,020.00
Fringe Benefits	\$ 8,757.00
Current Expenses for Veterans' Affairs:	\$ 9,742.00
Travel Veterans' Affairs:	\$15,889.00
Veterans Parade in Grafton	\$14,998.00
West Virginia Veterans Memorial Commission:	<u>\$22,076.00</u>
Total Fiscal Year 1990	\$96,482.00

The Veterans Home did not receive a general revenue fund appropriation for the fiscal year ending June 30, 1991. The Veterans Home relied on the \$2,311,679.00 balance carried forward from fiscal year 1990 to operate the Home. During this fiscal year, the Veterans Home subsidize the operation of Veterans' Affairs by paying \$198,334.00 for the following Veterans' Affairs expenses:

Salaries for Field Representatives	\$ 71,083.00
Fringe Benefits	\$ 24,879.00
Travel for Field Representatives	\$ 19,910.00
Veterans Parade in Grafton	\$ 7,492.00
Current Expenses for Veterans' Affairs	\$ 16,251.00
Rent for Veterans' Affairs and Field Offices	\$ 27,699.00
West Virginia Veterans Memorial Commission	<u>\$ 31,020.00</u>
Total Fiscal Year 1991	\$198,334.00

During fiscal year ending June 30, 1992, the Veterans Home paid for \$180,734.00 in expenditures incurred by Veterans' Affairs for Veterans' Affairs operations as follows:

Salaries for Field Representatives	\$ 57,502.00
Fringe Benefits	\$ 20,126.00
Workers Compensation (Delinquent)	\$ 10,275.00
Travel Expenses	\$ 22,269.00
Rent on Veterans' Affairs Offices	\$ 29,493.00
Current Expenses Veterans' Affairs	\$ 7,518.00
Veterans Parade in Grafton	\$ 7,497.00
West Virginia Veterans Memorial Commission	<u>\$ 26,054.00</u>
Total Fiscal Year 1992	\$180,734.00

Beginning with fiscal year 1993, the Veterans Home surplus balances had been reduced to \$909,139.00, however, Veterans' Affairs processed \$29,153.00 for Veterans' Affairs expenses through the Veterans Home Moneys:

Travel Expenses for Veterans' Affairs	\$ 1,484.00
West Virginia Veterans Memorial Commission	\$25,370.00
Rent on the Field Offices	<u>\$ 2,299.00</u>
Total Fiscal Year 1993	\$29,153.00

The Veterans Home paid one transaction relating to West Virginia Veterans' Memorial Commission during fiscal year 1994 in the amount of \$7,493.00.

During fiscal year 1993, the Veterans Home entered into two contracts to replace an air condition unit in the recreation hall and replace windows in the administration building. The cost for replacing the above was \$263,914.50, however, the balance of \$148,151.70 was carried forward into fiscal year 1994. According to the fiscal officer at Veterans' Affairs, he was unaware of the liability and had assumed it had been paid until the Vendor arrived at Veterans' Affairs demanding the balance be paid. The Home's primary account for operations is the Consolidated Federal Funds Fund 8728-096 (Account 7840-07). A transfer in August of 1993, in the amount of \$189,718.00 was made from Federal Funds Account 7840-99 to the Home Improvement Fund Account 8260-11 to cover the cost for the repairs. The transfer reduced money available for the operation of the Home.

It appears three factors contributed to the cause of the shortfall during the fiscal year ending June 30, 1994:

1.) The Director, of the Division of Veterans' Affairs, and the Administrator, of the Veterans Home stated they were not aware of Series 1 and Series 2 of Title 86, Procedural Rules, effective date February, 1979, which restricts the use of Veterans Home monies, except for Veterans Home operations. During four of the six years under audit, budget freezes were invoked by the Governor for all state agencies. The Division of Veterans' Affairs spent \$530,918.00 of Veterans Home as follows; \$320,000.00 to offset budget freezes in their general revenue fund, which occurred in four of the six years under audit, and the remaining 211,000.00 for various expenses for operations and activities Veterans' Affairs had obligated to pay through the Veterans Home Improvement Fund.

2.) During all the above years, an internal accounting system was not maintained by the West Virginia Veterans Home nor by the Division of Veterans' Affairs. Neither the Veterans Home nor Veterans' Affairs could determine the cash balances in the Veterans Home Operating Fund special revenue accounts or Veterans Home Improvement Fund during the fiscal years under audit. The Home's primary account for general operations is Federal Funds account 7840-99. The Home's spending authority for fiscal year 1994 was \$917,535.00, however, the home Federal Per Diem collections were approximately \$500,000.00 below the approved spending authority. The Home misconstrued the spending authority on the State Auditor's Account Status report for special revenue account 7840-99 as their cash balance each month. As of June 30, 1994, the Veterans Home believed the \$481,848.35 remaining spending authority to be their cash balance, however the correct cash balance was \$8,622.29. The large balances in the two funds in prior years had been available to offset the expenses that exceed collections during each of the fiscal years thus allowing the Veterans Home and Veterans' Affairs to operate without an accounting system.

3.) Veterans' Affairs did not supervise the fiscal affairs of the Home in accordance with Chapter 9A, Article 1, Section 10(e) of the West Virginia Code.

Veterans' Affairs expended \$530,918.00 in funds, in prior years, for their operation which should have been available for the repair and operation of the Home in future years. These expenditures were in noncompliance with Title 86, Series 2, Section 5 of the Procedural Rules and contributed to the Veterans Home

shortfall in the fiscal year ending June 30, 1994. The Veterans Home and Veterans' Affairs could not determine the cash balances in the two funds in any of the years under audit, thus allowing the Home to over obligate its operation and create the shortfall, during the fiscal year ending June 30, 1994, when surplus balances were depleted. The Veterans Home did not comply with Title 86, Section 86-2-4 which establishes control accounts and funds. Veterans' Affairs should have supervised the Home's fiscal operation in accordance with Chapter 9A, Article 1, Section 10(e) of the West Virginia Code.

We recommend the West Virginia Veterans Home and Division of Veterans' Affairs implement an accounting system which complies with Title 86, Legislative Rules, West Virginia Department of Veterans' Affairs, Series 2, State Home For Veterans - Fiscal, Section 86-2-1 through Section 86-2-5. We further recommend the Division of Veterans' Affairs comply with Chapter 9A, Article 1, Section 10(e) of the West Virginia Code.

AGENCY'S RESPONSE

Although there were some judgment errors on the part of this agency, there were circumstances beyond my control which necessitated same. I appreciate the opportunity to address said decisions which now appears were in violation of Series 1 and 2 of Procedural Rules, State of West Virginia as it pertains to Veterans' Affairs and the Veterans Home.

West Virginia Veterans Memorial Commission Expenditure:

This agency was contacted by the Governor's Office in 1989 requesting we provide financial support towards the administration

of the Memorial. My predecessor, Mr. John W. Moon, believed he was within his authority under Section 9A-1-10 of the West Virginia State Code to expend those funds under his control in support of the memorial. I inherited this expenditure and continued with same through fiscal year 1994. (Veterans Home funds were used as Veterans' Affairs did not have additional funding to provide same).

Department of Health and Human Services Expenditure:

This expenditure of \$500,000.00 occurred as a result of House Bill #4456 during fiscal year 1990. This agency had no control over the aforesaid expenditure as a result of subject House Bill.

Veterans Parade in Grafton: Again, my predecessor and I funded this expenditure which has been in effect for my 25 year tenure with this agency.

Travel for Field Representatives and Salaries of Field Representatives: Again, my predecessor and I believed authority under Section 9A-1-10 WV Code permitted use of funds under our control. We believe the aforesaid expenditures was justified as the field representatives complete the applications for admission to the Home and travel to the 55 county seats are necessary as many veterans have no travel to seek our assistance. In addition: If it were not for the aforementioned expenditures, budget freezes invoked on the agency would have necessitated closing offices, severing positions, and, curtailing or severing travel to those veterans and dependents in filing for state and federal benefits.

In conclusion, West Virginia Division of Veterans' Affairs has always (at least during my 25 years tenure) been required to stretch every dollar. I can honestly state none of my

employees in the field or at the Veterans Home has had a merit raise for in excess of five years. If it were not for the decisions of my predecessor and I, services would have been eliminated to our veterans and dependents during those years when budget freezes were imposed thus, we could not have completed our mission as set forth in the West Virginia Code.

During fiscal year 1994 this agency paid \$7,493.00 to the West Virginia Veterans Memorial Commission toward their operating costs. Due to the efforts of MG Joseph J. Skaff, Secretary of Military Affairs and Public Safety, funding for previous expenditures by this agency was secured through general revenue appropriations thereby the aforementioned expenditure of \$7,493.00 was the only expenditure paid from Veterans Home special revenue accounts for FY 1994.

VENDING MACHINE SERVICES CONTRACT

During our review of the Veterans Home contracts we noted, no contract was in place for vending services since the opening of the Home, in November of 1981. The Home entered into a verbal agreement with Atlantic Vending to furnish vending services to the residents of the Home. We noted during our examination of revenues there were no commissions paid to the Home by Atlantic Vending since the Home became operational. We discussed this situation with the employees at the Home to determine why there were no commissions paid. We were told Atlantic Vending would keep the prices of various items in the vending machines low, in lieu of paying the Home a commission. There are eight vending machines at the Home and we reviewed the prices charged by Atlantic Vending and

the prices appeared to be the same as other vending companies were charging. We also noted Atlantic Vending began paying commissions in August, 1994. We were unable to calculate how much the commissions should have been from the date of the opening of the Home. If the Home would have followed the state regular purchasing procedures which encourages competitive bidding and written agreements, this situation would not have occurred.

We recommend the Division of Veterans' Affairs contact the State Division of Purchasing for assistance in contracting for vending services.

AGENCY'S RESPONSE

To the best of our knowledge the system for the use of the vending machines has been in place since the opening of the Home in 1981. (Neither the Administrator nor the fiscal staff was working at that time). The original reason for the vending machines, as was told to us, was for the convenience of the residents. The prices were to remain low so that all residents could afford to use them, therefore, no commission would be paid. No prior audit had mentioned the commission before so we were unaware these was a problem. We have contacted Atlantic Vending and have been receiving a commission since June 1, 1994. However, we will comply by obtaining bids following regular purchasing procedures.

SICK LEAVE USAGE

Our examination of expenditures included a review of sick leave usage by employees. Auditing procedures of this type are designed to fulfill the requirements of Chapter 4, Article 2,

Section 4 of the West Virginia Code, as amended, which states in part,

"It shall be the duty of the legislative auditor to...report any misapplication of state funds or ... extravagant...expenditures by any spending unit..."
(Emphasis added)

Our examination of sick leave usage is based on the belief that the employees' use of sick leave is a privilege and not a right. Sick leave is designed to compensate employees who are ill and unable to perform their duties so that employees in such circumstances are not forced to be immediately removed from the payroll.

We reviewed the sick leave of all employees for the Division of Veterans' Affairs and the Veterans Home for the period January 1, 1993 through June 30, 1994. We determined as many as 30 employees may have been using significant amounts of sick leave with no evidence of illness. We performed a detailed analysis of the 30 employees sick leave usage, including evidence of illness. The test revealed that these employees utilized 6,237 hours of sick leave representing 2.5 full time time equivalent employees and costing 67,500.00. We found no evidence of illness was present regarding 2,644 of these hours representing 1.16 full time equivalent employee and costing \$28,000.00.

Series 1, Section 15.05 of the West Virginia Division of Personnel's Administrative Rules states,

"Suspected Leave Abuse: When an employee appears to have a pattern of leave abuse, including such frequent use of sick leave as to render the employee's services undependable, the appointing authority may request appropriate substantiation of the employee's claim for leave, for example, verification of an illness of less than three days. Prior written notice of the requirement

for appropriate substantiation must be given to the employee."

It should be noted the Division of Veterans' Affairs and the Veterans Home were in compliance with Section 15. Attendance and Leave with all requirements established by the Division of Personnel regarding sick leave and yet this significant sick leave usage still occurred. As a result, we believe the Division of Veterans' Affairs' employees are interpreting the Division of Personnel leave policies as a right and not a privilege and has resulted in sick leave being used by the employees as additional annual leave.

We recommend the Division of Veterans' Affairs and Veterans Home review employees' sick leave records for significant leave usage and if possible abuse is indicated, apply the provisions of Series 1, Section 15.03 of the West Virginia Division of Personnel's Administrative Rules.

AGENCY'S RESPONSE

I have endeavored to take whatever action necessary to eliminate sick leave abuse. I as well as other managers in state government are continually stretched to the limits on usage and abuse of sick leave. Division of Personnel rules and regulations do not require a doctors excuse until three consecutive days of leave are used, thus, employees will take up to three days and return to work. I sincerely believe leave rules need to be revised imposing more restrictions on employees in state government.

TRUSTEE MAINTENANCE CASH RECEIPTS

Chapter 12, Article 2, Section 2 of the West Virginia Code states in part,

"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 such moneys so received for deposit in the state treasury and shall deposit within twenty-four hours with the state board of investments all moneys received..."

During our test of resident maintenance cash receipts, we noted the residents maintenance fees were not deposited with the Board of Investments within the twenty-four hours of receipting of fees. Our test indicated 53 of the 57 cash receipts tested, in the amount of \$21,822.96 were deposited within a range of two days minimum to twenty-nine days maximum to the state board of investments.

The Veterans Home believed they were in compliance with Chapter 12, Article 2, Section 2 of the West Virginia Code because all receipts were deposited into a local bank account within twenty-four hours, however, the maintenance fees were not deposited to State Board of Investments on a daily basis. The Veterans Home deposited the fees monthly which did not allow the Veterans Home to utilize the fees for the operation of the home until they were deposited with the State Board of Investments.

We recommend the West Virginia Veterans Home Comply with Chapter 12, Article 2, Section 2 of the West Virginia Code.

AGENCY'S RESPONSE

By making deposits to the local bank with 24 hour period, we felt we were in compliance with Chapter 12, Article 2, Section 2 of the West Virginia Code. However, we will comply by making the deposits directly to the State Board of Investments.

RESTRICTION OF DONATIONS

Title 86, Procedural Rule, West Virginia Department of Veterans' Affairs, Series 1, State Home For Veterans, Section 86-1-15, states in part,

"The commandant, for and in behalf of the veterans home, is hereby authorized to accept or receive any donations gifts or bequests offered or tendered to, or for the benefit of the home. All such moneys received or accepted shall be used for the specific purposes for which they were given or donated...."

We noted the Veterans Home received \$44,534.43 in donations, during fiscal years ending June 30, 1993 and June 30, 1994, however, we could not determine if the donations were restricted for a specific purposes or unrestricted.

The Administrator at the Veterans Home was not aware of Title 86, Procedural Rule, Series 1 and had not taken steps to implement accounting procedures to account for donations received for specific purposes, which resulted in noncompliance with the Procedural Rule.

We recommend the Veterans Home comply with Title 86, Procedural Rule, West Virginia Department Of Veterans' Affairs, Series 1, State Home For Veterans, Section 86-1-15.

AGENCY'S RESPONSE

We were unaware that it was to have been a state account instead of a local account. We will comply with Series 1, Section 86-1-15.

INDEPENDENT AUDITORS' OPINION

The Joint Committee of Government and Finance:

We have audited the statement of appropriations/cash receipts, expenditures/disbursements and changes in fund balances of West Virginia Division of Veterans' Affairs for the years ended June 30, 1994 and June 30, 1993. The financial statement is the responsibility of the management of West Virginia Division of Veterans' Affairs. 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 and revenue collected and expenses paid of West Virginia Division of Veterans' Affairs for the years ended June 30, 1994 and June 30, 1993, 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,


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

November 4, 1994

Auditors: Nick Arvon, Supervisor
Harvey Burke
Kristi Ernest

**WEST VIRGINIA DIVISION OF VETERANS AFFAIRS
STATEMENT OF APPROPRIATIONS/CASH RECEIPTS , EXPENDITURES,
DISBURSEMENTS AND CHANGES IN FUND BALANCES**

	<u>Year Ended June 30, 1994</u>			
	<u>General Revenue</u>	<u>Special Revenue</u>	<u>Federal Programs</u>	<u>Combined Totals</u>
Appropriations/Cash Receipts:				
Appropriations	\$1,489,596.00	\$0.00	\$0.00	\$1,489,596.00
Resident Maintenance Income	0.00	420,320.31	413,655.58	833,975.89
Donations	0.00	26,320.48	18,000.00	44,320.48
Other Miscellaneous Income	0.00	<u>5,585.43</u>	<u>0.00</u>	<u>5,585.43</u>
	<u>1,489,596.00</u>	<u>452,226.22</u>	<u>431,655.58</u>	<u>2,373,477.80</u>
Expenditures/Cash Disbursements:				
Personal Services	830,660.26	511,224.80	16,817.00	1,358,702.06
Employees Benefits	411,913.07	124,136.37	0.00	536,049.44
Current Expenses	151,558.58	82,136.00	379,615.96	613,310.54
Repairs and Alterations	2,801.25	183,558.10	31,249.89	217,609.24
Equipment	9,941.63	0.00	4,003.80	13,945.43
Grants	<u>8,497.72</u>	<u>0.00</u>	<u>0.00</u>	<u>8,497.72</u>
	<u>1,415,372.51</u>	<u>901,055.27</u>	<u>431,686.65</u>	<u>2,748,114.43</u>
Appropriations/Cash Receipts Over (Under) Expenditures/ Cash Disbursements				
	74,223.49	(448,829.05)	(31.07)	(374,636.63)
Transfers In (Out)				
	37,670.00	335,651.00	(183,581.00)	189,740.00
Expirations & Expenditures - After June 30				
	(111,893.49)	0.00	0.00	(111,893.49)
Beginning Balance				
	0.00	<u>140,943.59</u>	<u>192,234.36</u>	<u>333,177.95</u>
Ending Balance				
	<u>(\$0.00)</u>	<u>\$27,765.54</u>	<u>\$8,622.29</u>	<u>\$36,387.83</u>

See notes to financial statements

**WEST VIRGINIA DIVISION OF VETERANS' AFFAIRS
STATEMENT OF APPROPRIATIONS/CASH RECEIPTS , EXPENDITURES,
DISBURSEMENTS AND CHANGES IN FUND BALANCES**

	<u>Year Ended June 30, 1993</u>			
	<u>General Revenue</u>	<u>Special Revenue</u>	<u>Federal Programs</u>	<u>Combined Totals</u>
Appropriations/Cash Receipts:				
Appropriations	\$1,591,317.51	\$0.00	\$0.00	\$1,591,317.51
Resident Maintenance Income	0.00	410,889.41	465,393.09	876,282.50
Donations	0.00	18,213.95	0.00	18,213.95
Other Miscellaneous Income	<u>0.00</u>	<u>7,153.73</u>	<u>0.00</u>	<u>7,153.73</u>
	<u>1,591,317.51</u>	<u>436,257.09</u>	<u>465,393.09</u>	<u>2,492,967.69</u>
Expenditures/Cash Disbursements:				
Personal Services	942,373.76	421,663.97	24,503.00	1,388,540.73
Employees Benefits	325,972.26	236,650.90	0.00	562,623.16
Current Expenses	115,627.73	59,353.57	429,789.13	604,770.43
Repairs and Alterations	7,836.51	118,007.80	48,696.53	174,540.84
Equipment	8,300.31	7,956.36	14,949.90	31,206.57
Grants	<u>8,499.91</u>	<u>0.00</u>	<u>0.00</u>	<u>8,499.91</u>
	<u>1,408,610.48</u>	<u>843,632.60</u>	<u>517,938.56</u>	<u>2,770,181.64</u>
Appropriations/Cash Receipts Over (Under) Expenditures/ Cash Disbursements				
	182,707.03	(407,375.51)	(52,545.47)	(277,213.95)
Transfers In (Out)	0.00	25,000.00	(145,000.00)	(120,000.00)
Expirations & Expenditures - After June 30				
	(182,707.03)	0.00	0.00	(182,707.03)
Beginning Balance	<u>0.00</u>	<u>523,319.10</u>	<u>389,779.83</u>	<u>913,098.93</u>
Ending Balance	<u>\$0.00</u>	<u>\$140,943.59</u>	<u>\$192,234.36</u>	<u>\$333,177.95</u>

See notes to financial statements

WEST VIRGINIA DIVISION OF VETERANS' AFFAIRS

NOTES TO FINANCIAL STATEMENT

Note A - Accounting Policies

Accounting Method: The modified cash basis of accounting is followed for the General Revenue Fund. The major modification from the cash basis is that a 31-day carry-over period is provided at the end of each fiscal year 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 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 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>1993</u>	<u>July 31,</u>	<u>July 31,</u>
	<u>1994</u>		<u>1994</u>	<u>1993</u>
Current Expenses	\$23,890.03	\$28,205.60	\$88,003.46	\$154,501.43
Total-Surplus	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
TOTAL	<u>\$23,890.03</u>	<u>\$28,205.60</u>	<u>\$88,003.46</u>	<u>\$154,501.43</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 accounts is for memorandum purposes only and does not indicate that the combined totals are available in any manner other than that provided by such laws, rules and regulations.

Note B - Pension Plan

All eligible employees are members of the West Virginia Public Employees' Retirement System. Employees' contributions are 4.5% of their annual compensation and employees are vested under certain

Contributions to the pension and retirement plan were as follows:

	<u>Year Ended June 30,</u>	
	<u>1994</u>	<u>1993</u>
General and Special Revenue	<u>\$121,147.20</u>	<u>\$130,735.97</u>

Note C - Intra-Account Transactions

The following intra-account transactions have been eliminated:

	<u>Year Ended June 30,</u>	
	<u>1994</u>	<u>1993</u>
General Revenue	\$ 23,430.00	\$ -0-
Special Revenue	<u>\$457,839.98</u>	<u>\$550,000.00</u>
	<u>\$481,269.98</u>	<u>\$550,000.00</u>

Note D - Trustee Accounts

The Division of Veterans' Affairs has established resident trustee accounts for residents seeking such accounts in accordance with Chapter 5, Article 25, Section 1 of the West Virginia Code. The resident trustee accounts are comprised of moneys received from and held in trust for use by the residents. The activities of the resident trustee accounts, including balances have not been included in the basic financial statements. The total balance of all residents' trustee accounts were as follows:

<u>June 30, 1994</u>	<u>June 30, 1993</u>
<u>\$18,294.18</u>	<u>\$15,916.64</u>

SUPPLEMENTAL INFORMATION

**WEST VIRGINIA DIVISION OF VETERANS' AFFAIRS
STATEMENTS OF APPROPRIATIONS AND EXPENDITURES
GENERAL REVENUE**

	<u>Year Ended June 30</u>	
	<u>1994</u>	<u>1993</u>
<u>Personal Services Fund 0456-001</u>		
<u>(Account 4040-00)</u>		
Appropriations	\$651,185.00	\$691,943.00
Expenditures:		
Personal Services	640,786.79	665,361.48
Transfer from Annual Increment Fund		
0456-004 (Account 4040-66)	0.00	(13,392.00)
	<u>640,786.79</u>	<u>651,969.48</u>
Balance July 31,	10,398.21	39,973.52
Transmittals Paid July 1-31	<u>0.00</u>	<u>0.00</u>
Balance	<u>\$10,398.21</u>	<u>\$39,973.52</u>
<u>Unclassified Fund 0456-099</u>		
<u>(Account 4040-09)</u>		
Appropriations	\$74,763.00	\$9,034.00
Expenditures:		
Current Expenses	60,363.29	5,892.69
Repairs and Alterations	4,035.74	0.00
Equipment	102.50	96.50
	<u>64,501.53</u>	<u>5,989.19</u>
Balance July 31,	10,261.47	3,044.81
Transmittals Paid July 1-31	<u>11,600.71</u>	<u>976.50</u>
Balance	<u>\$21,862.18</u>	<u>\$4,021.31</u>

**WEST VIRGINIA DIVISION OF VETERANS' AFFAIRS
STATEMENTS OF APPROPRIATIONS AND EXPENDITURES
GENERAL REVENUE**

	<u>Year Ended June 30</u>	
	<u>1994</u>	<u>1993</u>
<u>Veterans Field Offices 0456-228</u>		
<u>(Account 4040-21)</u>		
Appropriations	\$131,726.00	\$135,800.00
Expenditures:		
Current Expenses	109,047.51	118,896.80
Repairs and Alterations	246.68	349.50
Equipment	8,357.96	4,375.31
Grants, Awards, Scholarships and Loans	8,497.72	8,499.91
	<u>126,149.87</u>	<u>132,121.52</u>
Balance July 31,	5,576.13	3,678.48
Transmittals Paid July 1-31	<u>4,146.83</u>	<u>8,185.26</u>
Balance	<u>\$9,722.96</u>	<u>\$11,863.74</u>
<u>Employee Benefits Fund 0456-010</u>		
<u>(Account 4040-35)</u>		
Appropriations	\$285,098.00	\$304,514.00
Expenditures:		
Civil Service, Public Employees Insurance, and Public Employees Retirement System	12,303.75	6,393.75
Social Security Matching	48,105.68	37,895.57
Public Employees Insurance	128,244.46	132,796.88
Other Health Insurance	3,959.30	4,806.68
Workers Compensation	14,455.57	18,139.53
Unemployment Compensation	3,628.43	12,019.42
Pension and Retirement	73,054.64	62,523.04
	<u>283,751.83</u>	<u>274,574.87</u>
Balance July 31,	1,346.17	29,939.13
Transmittals Paid July 1-31	<u>7,646.14</u>	<u>9,386.60</u>
Balance	<u>\$8,992.31</u>	<u>\$39,325.73</u>

**WEST VIRGINIA DIVISION OF VETERANS' AFFAIRS
STATEMENT OF APPROPRIATIONS AND EXPENDITURES
GENERAL REVENUE**

	<u>Year Ended June 30</u>	
	<u>1994</u>	<u>1993</u>
<u>Unclassified Fund 0456-099</u>		
<u>(Account 4040-66)</u>		
Appropriations	\$13,863.00	\$14,292.00
Expenditures:		
Transfer to Personal Services Fund 0456-0	0.00	13,392.00
	<u>0.00</u>	<u>13,392.00</u>
Balance July 31,	13,863.00	900.00
Transmittals Paid July 1-31	<u>0.00</u>	<u>0.00</u>
Balance	<u>\$13,863.00</u>	<u>\$900.00</u>

West Virginia Division Of Veterans Affairs
West Virginia Veterans Home
Statements of Appropriations and Expenditures
General Revenue

	<u>Year Ended June 30,</u>	
	<u>1994</u>	<u>1993</u>
<u>Personal Services-Fund 0460-001</u>		
<u>Account 4010-00</u>		
Appropriation	\$210,177.00	\$290,904.00
Transfer from Veterans Affairs	<u>20,000.00</u>	<u>0.00</u>
	230,177.00	290,904.00
Expenditures:		
Personal Services	190,315.97	277,012.28
Reimbursement Form Account 4010 - 6	<u>0.00</u>	<u>(5,508.00)</u>
	<u>190,315.97</u>	<u>271,504.28</u>
Balance July 31,	39,861.03	19,399.72
Transmittals Paid July 1- 31	<u>442.50</u>	<u>0.00</u>
Balance	<u>\$40,303.53</u>	<u>\$19,399.72</u>

Repairs and Alterations - Fund 0460-064
Account 4010-02

Reappropriation Fiscal Year 1983	\$0.00	\$7,487.01
Expenditures:		
Repairs and Alterations	<u>0.00</u>	<u>7,487.01</u>
	<u>0.00</u>	<u>7,487.01</u>
Balance July 31,	0.00	0.00
Transmittals Paid July 1- 31	<u>0.00</u>	<u>0.00</u>
Balance	<u>\$0.00</u>	<u>\$0.00</u>

**West Virginia Division Of Veterans Affairs
West Virginia Veterans Home
Statements of Appropriations and Expenditures
General Revenue**

	<u>Year Ended June 30,</u>	
	<u>1994</u>	<u>1993</u>
<u>Equipment - Fund 0460-070</u>		
<u>Account 4010-03</u>		
Reappropriation Fiscal Year 1983	\$0.00	\$3,828.50
Expenditures:		
Equipment	<u>0.00</u>	<u>3,828.50</u>
	<u>0.00</u>	<u>3,828.50</u>
Balance July 31,	0.00	0.00
Transmittals Paid July 1- 31	<u>0.00</u>	<u>0.00</u>
Balance	<u>\$0.00</u>	<u>\$0.00</u>
<u>Employee Benefits - Fund 0460-010</u>		
<u>Account 4010-35</u>		
Appropriation	\$94,011.00	\$128,007.00
Transfer from Military Affairs	7,900.00	0.00
Transfer from Adjutant General	18,000.00	0.00
Transfer from Veterans Affairs	3,430.00	0.00
Transfer from Emergency Services	<u>11,770.00</u>	<u>0.00</u>
	135,111.00	128,007.00
Expenditures:		
Civil Service, PEIB, PERS	0.00	2,945.00
Social Security Matching	14,121.99	15,561.30
Public Employees Insurance	96,700.72	17,948.57
Workers Compensation	0.00	6,312.47
Pension and Retirement	<u>23,180.52</u>	<u>27,047.86</u>
	<u>134,003.23</u>	<u>69,815.20</u>
Balance July 31,	1,107.77	58,191.80
Transmittals Paid July 1- 31	<u>53.85</u>	<u>9,031.21</u>
Balance June	<u>\$1,161.62</u>	<u>\$67,223.01</u>

**West Virginia Division Of Veterans Affairs
 West Virginia Veterans Home
 Statement of Appropriations and Expenditures
 General Revenue**

	<u>Year Ended June 30,</u>	
	<u>1994</u>	<u>1993</u>
<u>Annual Increment - Fund 0460-004</u>		
<u>Account 4010-66</u>		
Appropriation	\$5,343.00	\$5,508.00
Expenditures:		
Reimbursement To Account 4010 - 00	<u>0.00</u>	<u>5,508.00</u>
	<u>0.00</u>	<u>5,508.00</u>
Balance July 31,	5,343.00	0.00
Transmittals Paid July 1- 31	<u>0.00</u>	<u>0.00</u>
Balance June 30,	<u>5,343.00</u>	<u>0.00</u>

**West Virginia Division Of Veterans Affairs
West Virginia Veterans Home
Statements of Cash Receipts, Cash Disbursements
and Changes in Cash Balances
Special Revenue**

	<u>Year Ended June 30,</u>	
	<u>1994</u>	<u>1993</u>
<u>West Virginia Veterans Home Contributions Fund</u>		
<u>Fund 6750 - Account 8260-08</u>		
Cash Receipts	\$0.00	\$0.00
Cash Disbursements	<u>0.00</u>	<u>0.00</u>
Cash Receipts Over (Under) Disbursements	0.00	0.00
Beginning Balance	<u>419.16</u>	<u>419.16</u>
Ending Balance	<u>\$419.16</u>	<u>\$419.16</u>

West Virginia Veteran's Home Improvement Fund
Fund 6751 - Account 8260-11

Cash Receipts:

Transfer from Consolidated Federal Funds Veterans Home Fund (Fund 8728-Account 7840-99)	\$189,781.00	\$145,000.00
Federal Per Diem	51,000.00	0.00
Transfer from Governor's Contingency Fund (Fund 0105-Account 1240-06)	<u>0.00</u>	<u>25,000.00</u>
	240,781.00	170,000.00
Cash Disbursements:		
Personal Services	41,384.28	32,616.00
Current Expenses	7,492.78	42,399.76
Repairs and Alterations	148,151.70	115,932.80
Equipment	0.00	871.38
Transfer to Veterans Home Special Revenue Operating Fund (Fund 6754-Account 8261-99)	41,100.00	0.00
Transfer to Consolidated Federal Funds Veterans Home Fund (Fund 8728-Account 7840-99)	<u>10,200.00</u>	<u>0.00</u>
	<u>248,328.76</u>	<u>191,819.94</u>
Cash Receipts (Under) Cash Disbursements	(7,547.76)	(21,819.94)
Beginning Balance	<u>10,319.83</u>	<u>32,139.77</u>
Ending Balance	<u>\$2,772.07</u>	<u>\$10,319.83</u>

**West Virginia Division Of Veterans Affairs
West Virginia Veterans Home
Statement of Cash Receipts, Cash Disbursements
and Changes in Cash Balances
Special Revenue**

	<u>Year Ended June 30,</u>	
	<u>1994</u>	<u>1993</u>
<u>Resident's Maintenance Collections Fund</u>		
<u>Fund 6752 - Account 8260-13</u>		
Cash Receipts:		
Resident's Maintenance Fees	<u>\$47,405.14</u>	<u>\$265,889.41</u>
	47,405.14	265,889.41
Cash Disbursements:		
Transfer to Veterans Home Special Revenue		
Operating Fund (Fund 6754-Account 8261-99)	128,750.00	550,000.00
Current Expenses	<u>76.00</u>	<u>562.04</u>
	<u>128,826.00</u>	<u>550,562.04</u>
Cash Receipts (Under) Cash		
Disbursements	(81,420.86)	(284,672.63)
Beginning Balance	<u>82,402.58</u>	<u>367,075.21</u>
Ending Balance	<u>\$981.72</u>	<u>\$82,402.58</u>

West Virginia Division Of Veterans' Affairs
West Virginia Veterans Home
Statement of Appropriations and Expenditures
Special Revenue

	<u>Year Ended June 30,</u>	
	<u>1994</u>	<u>1993</u>
<u>Consolidated Federal Funds Veteran's Home Fund</u>		
<u>Fund 8728 - Account 7840-07</u>		
Appropriations	\$917,535.00	\$836,850.00
Expenditures:		
Personal Services	16,817.00	24,503.00
Current Expenses	379,615.96	429,789.13
Repairs and Alterations	31,249.89	48,696.53
Equipment	4,003.80	14,949.90
Transfer to Fund 6754-001 Account 8261-00	<u>4,000.00</u>	<u>0.00</u>
	<u>435,686.65</u>	<u>517,938.56</u>
Balance July 31,	481,848.35	318,911.44
Transmittals paid July 1-31	<u>0.00</u>	<u>0.00</u>
Balance June 30,	<u>\$481,848.35</u>	<u>\$318,911.44</u>

West Virginia Division Of Veterans Affairs
West Virginia Veterans Home
Statement of Cash Receipts, Cash Disbursements
and Changes in Cash Balances
Special Revenue

	<u>Year Ended June 30,</u>	
	<u>1994</u>	<u>1993</u>
<u>Consolidated Federal Funds Veteran's Home Fund</u>		
<u>Fund 8728 - Account 7840-99</u>		
Cash Receipts:		
Federal Per Diem Funds	\$413,655.58	\$465,393.09
Donations	18,000.00	0.00
Transfers from Veterans Home Improvement	<u>10,200.00</u>	<u>0.00</u>
	441,855.58	465,393.09
Cash Disbursements:		
Personal Services	16,817.00	24,503.00
Current Expenses	379,615.96	429,789.13
Repairs and Alterations	31,249.89	48,696.53
Equipment	4,003.80	14,949.90
Transfer to Veterans Home Improvement Fund Account 8260-11	<u>193,781.00</u>	<u>145,000.00</u>
	<u>625,467.65</u>	<u>662,938.56</u>
Cash Receipts (Under) Cash Disbursements	(183,612.07)	(197,545.47)
Beginning Balance	<u>192,234.36</u>	<u>389,779.83</u>
Ending Balance	<u>\$8,622.29</u>	<u>\$192,234.36</u>

West Virginia Division Of Veterans' Affairs
 West Virginia Veterans Home
 Statement of Appropriations and Expenditures
 Special Revenue

	<u>Year Ended June 30,</u>	
	<u>1994</u>	<u>1993</u>
<u>Veteran's Home Special Revenue Operating Fund</u>		
<u>Personal Services Fund 6754-001 Account 8261-00</u>		
Appropriations	\$616,400.00	\$544,400.00
Expenditures:		
Personal Services	469,840.52	389,047.97
Employees Benefits	0.00	36,545.30
Reimbursement from Account 8261-66	0.00	(7,488.00)
	<u>469,840.52</u>	<u>418,105.27</u>
Balance July 31,	146,559.48	126,294.73
Transmittals paid July 1-31	0.00	626.03
Balance	<u>\$146,559.48</u>	<u>\$126,920.76</u>

West Virginia Division Of Veterans' Affairs
West Virginia Veterans Home
Statement of Appropriations and Expenditures
Special Revenue

	Year Ended June 30,	
	1994	1993
<u>Veteran's Home Special Revenue Operating Fund</u>		
<u>Employees Benefits Fund 6754-010 Account 8261-35</u>		
Appropriations	\$245,645.00	\$207,566.00
Expenditures:		
Civil Service, PEIA, and PERS	0.00	3,797.50
Social Security Matching	32,471.62	26,667.54
Public Employees Insurance	13,735.34	110,510.06
Workers Compensation	0.00	25,372.87
Unemployment Compensation	0.00	1,920.00
Pension and Retirement	<u>21,809.99</u>	<u>31,837.63</u>
	<u>68,016.95</u>	<u>200,105.60</u>
Balance July 31,	177,628.05	7,460.40
Transmittals paid July 1-31	<u>0.00</u>	<u>0.00</u>
Balance	<u>\$177,628.05</u>	<u>\$7,460.40</u>

West Virginia Division Of Veterans' Affairs
 West Virginia Veterans Home
 Statement of Appropriations and Expenditures
 Special Revenue

	<u>Year Ended June 30,</u>	
	<u>1994</u>	<u>1993</u>
<u>Veteran's Home Special Revenue Operating Fund</u>		
<u>Annual Increment Fund 6754-004 Account 8261-66</u>		
Appropriations	\$8,208.00	\$8,964.00
Expenditures:		
Reimbursement to Personal Services		
Fund 6754-001 Account 8261-00	<u>0.00</u>	<u>7,488.00</u>
	<u>0.00</u>	<u>7,488.00</u>
Balance July 31,	8,208.00	1,476.00
Transmittals paid July 1-30	<u>0.00</u>	<u>0.00</u>
Balance	<u>\$8,208.00</u>	<u>\$1,476.00</u>

West Virginia Division Of Veterans' Affairs
 West Virginia Veterans Home
 Statement of Cash Receipts, Cash Disbursements
 and Changes in Cash Balances
 Special Revenue

	<u>Year Ended June 30,</u>	
	<u>1994</u>	<u>1993</u>
<u>Veteran's Home Special Revenue Operating Fund</u>		
<u>Cash Control Fund 6754-999 Account 8261-99</u>		
Cash Receipts:		
Transfers From Maintenance Collections		
Fund 6752-099 Account 8260-13	\$128,750.00	\$550,000.00
Federal Per Diem	81,350.17	0.00
Maintenance Collections	240,565.00	0.00
Transfers From Consolidated Federal Funds		
Fund 8728-099 Account 7840-07	4,000.00	0.00
Transfers From Veterans Home Improvement		
Fund 6751-099 Account 8260-11	<u>41,100.00</u>	<u>0.00</u>
	495,765.17	550,000.00
Expenditures:		
Personal Services	469,840.52	389,047.97
Employees Benefits	<u>68,016.95</u>	<u>236,650.90</u>
	537,857.47	625,698.87
Cash Receipts Over (Under) Cash		
Disbursements	(42,092.30)	(75,698.87)
Beginning Balance	<u>44,026.36</u>	<u>119,725.23</u>
Balance	<u>\$1,934.06</u>	<u>\$44,026.36</u>

West Virginia Division Of Veterans' Affairs
West Virginia Veterans Home
Statement of Cash Receipts, Cash Disbursements
and Changes in Cash Balances
Special Revenue

	<u>Year Ended June 30,</u>	
	<u>1994</u>	<u>1993</u>
<u>Transfer from Governor's Civil Contingent Fund</u>		
<u>Fund 6755-099</u>		
Cash Receipts:		
Transfer From Governor's Civil Contingent Fund Fund 0105-114	\$152,070.00	\$0.00
Expenditures:		
Employees Benefits	56,119.42	0.00
Current Expenses	53,210.94	0.00
Repairs and Alterations	30,506.40	0.00
	<u>139,836.76</u>	<u>0.00</u>
Cash Receipts Over (Under) Cash Disbursements	12,233.24	0.00
Beginning Balance	0.00	0.00
Balance	<u>\$12,233.24</u>	<u>\$0.00</u>

**WEST VIRGINIA DIVISION OF VETERANS' AFFAIRS
WEST VIRGINIA VETERANS HOME
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS,
AND CHANGES IN CASH BALANCES**

<u>Welfare Account</u>	<u>Year Ended June 30,</u>	
	<u>1994</u>	<u>1993</u>
Cash Receipts:		
Donations	26,320.48	18,213.95
Other Miscellaneous Income	<u>8,728.43</u>	<u>7,153.73</u>
	35,048.91	25,367.68
Disbursements:		
Current Expenses	24,499.28	16,391.77
Repairs and Alterations	4,900.00	2,075.00
Equipment	<u>0.00</u>	<u>7,084.98</u>
	<u>29,399.28</u>	<u>25,551.75</u>
Cash Receipts Over (Under)		
Cash Disbursements	5,649.63	(184.07)
Beginning Balance	<u>3,775.66</u>	<u>3,959.73</u>
Ending Balance	<u>\$9,425.29</u>	<u>\$3,775.66</u>

**WEST VIRGINIA DIVISION OF VETERANS' AFFAIRS
WEST VIRGINIA VETERANS HOME
TRUSTEE MAINTENANCE LOCAL ACCOUNT
STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS AND
CHANGES IN CASH BALANCES**

	Year Ended June 30,	
	<u>1994</u>	<u>1993</u>
Cash Receipts:		
Resident's Maintenance Fees	\$290,102.08	\$267,439.44
Resident's Personal Funds	<u>64,915.51</u>	<u>66,202.80</u>
Total Cash Receipts	355,017.59	333,642.24
Cash Disbursements:		
Maintenance Fees - Account 8260-1	47,424.98	266,889.41
Maintenance Fees - Account 8261- 9	240,566.00	0.00
Maintenance Fees Refund	0.00	497.92
Resident's Withdrawals	<u>64,650.07</u>	<u>88,429.41</u>
	<u>352,640.05</u>	<u>354,816.74</u>
Cash Receipts Over (Under) Cash Disbursements	2,377.54	(21,174.50)
Beginning Balance	<u>15,916.64</u>	<u>37,091.14</u>
Ending Balance	<u>\$18,294.18</u>	<u>\$15,916.64</u>

**WEST VIRGINIA DIVISION OF VETERANS' AFFAIRS
RECONCILIATION
JUNE 30, 1994**

**West Virginia Veterans Home Contribution Fund
Fund 6750 - Account 8260-08**

Balance per State Treasury and Veterans' Affairs \$419.16

**West Virginia Veterans Home Improvement Fund
Fund 6751 - Account 8260-11**

Balance per State Treasury and Veterans' Affairs \$2,772.07

**Resident's Maintenance Collections Fund
Fund 6752 - Account 8260-13**

Balance per State Treasury and Veterans' Affairs \$981.72

**Consolidated Federal Funds Veterans Home Fund
Fund 8728 - Account 7840-99**

Balance per State Treasury and Veterans' Affairs \$8,622.29

**Veterans Home Special Revenue Operating Fund
Cash Control Fund 6754-999 Account 8261-99**

Balance per State Treasury and Veterans' Affairs \$1,934.06

**Transfer from Governor's Civil Contingent Fund
Fund 6755-099**

Balance per State Treasury and Veterans' Affairs \$12,233.24

**WEST VIRGINIA DIVISION OF VETERANS' AFFAIRS
WEST VIRGINIA VETERANS HOME
BANK RECONCILIATION
JUNE 30, 1994**

WELFARE ACCOUNT

Balance Per Bank **\$10,475.75**

LESS: Outstanding Checks

Check No.

4080	\$25.00
4081	50.00
4086	204.50
4088	313.09
4090	12.91
4093	<u>444.97</u>
	<u>1,050.47</u>

Balance Per Book **\$9,425.29**

TRUSTEE ACCOUNT

Balance Per Bank **\$18,662.29**

LESS: Outstanding Checks

Check No.

8574	\$89.97
8615	75.91
8649	61.10
8652	65.00
8661	22.45
8662	<u>53.68</u>
	<u>368.11</u>

Balance Per Book **\$18,294.18**

**TITLE 86
PROCEDURAL RULE
WEST VIRGINIA DEPARTMENT OF VETERANS' AFFAIRS**

**SERIES 1
STATE HOME FOR VETERANS**

§86-1-1. General.

1.1. **Scope.** -- These regulations establish general rules for the operation of the State Home for Veterans at Barboursville, West Virginia.

1.2. **Authority.** -- W. Va. Code §9A-2-3

1.3. **Filing Date.** -- January 19, 1979

1.4. **Effective Date.** -- February 18, 1979

§86-1-2. General Plan Of Filing.

2.1. **General purposes.** -- The general purpose of these rules is to establish rules and procedures for the operation of the State Home for Veterans located at Barboursville, West Virginia and to ensure that these Rules and Regulations are accessible to interested persons.

§86-1-3. Barboursville Veterans Home Residents.

3.1. The law authorizing the establishment of the West Virginia State Home for Veterans is published in the forward of this section.

3.2. Each application for residency should be completed by a Veterans affairs officer or of the West Virginia Department of Veterans' Affairs Field Office (or its itinerary point) nearest the veteran's residence. The application must be accompanied by the veteran's honorable discharge or general discharge under honorable conditions, or a certified copy thereof, and by a statement from a physician as to his physical and mental condition. The admissions section, with approval of the administrative office of the state veteran's home may not accept for admission a veteran who is determined to be unsuitable because of a physical or mental condition. Unsuitability means that the

veteran is not able to feed, dress, bathe, eat cafeteria style, or make and clean around his bed without assistance of another person, or because of a mental condition is incompatible with domiciliary style of living as determined by the Veterans Administration or Veterans Home Physician. All applications should be mailed in advance, so that the veteran's status may be determined and notification sent him as to acceptance or rejection as approved by the state veterans' home administrative officer. All applicants who have not been rejected initially, will report upon arrival to the Registrar's Office, where their papers will be examined and registered. The veteran will be quartered in the receiving station of the home until the physician has made an examination and the applicant has been accepted or rejected as recommended by the physician based on such examination.

3.3. The veteran must make application at the field office (or its itinerary point) of the West Virginia Department of Veterans' Affairs which is nearest to his or her place of residence. The veteran may contact and consult with the nearest field office (or its itinerary point) of the West Virginia Department of Veterans' Affairs, before preparing the application in order that all aspects of qualification and eligibility are completely covered and understood.

3.4. Each person will be required to contribute to the cost of their care as a resident in the home. This contribution can be as much as fifty percent (50%) of the resident's monthly incoming moneys, as determined by the home administrative committee.

(a) It is then necessary that the veteran make application at the field office (or its itinerary point) of the West Virginia Department of Veterans' Affairs, nearest the veteran's place of residence because of certain validations that office must make on the veteran's application before it can be forwarded to the

Admissions office for appropriate consideration and action. The veteran must provide proof of service when making application. VA Forms 10-10 and 10-10M, which includes a physical examination on the veteran must be submitted with the application. To apply for readmission, the same procedure applies as for an original admission.

3.5. A resident who has been discharged from the home for cause (other than at his own request) from this or any other state or national home, will not be readmitted within six (6) months from the date of such discharge except in the case of a dishonorable discharge from the Veterans Home, in which case, re-admission may not be approved for one (1) year.

§86-1-4. Leaves Of Absence Or Furloughs.

4.1. Leave of absence (or pass) may be granted by the administrative officer of a period not to exceed twenty-four (24) hours.

4.2. Furloughs may be granted for good and sufficient reasons for a period not to exceed thirty (30) days. Upon request of the resident, a furlough may be extended for an additional fifteen (15) days. Residents will be dropped from the rolls if they do not report back after an authorized absence or furlough, unless it has been renewed, or if they do not report back after the expiration of a forty-five (45) day furlough. Exceptions to this policy may be made only by the administrative officer.

4.3. No furlough will be granted to a resident until after such resident has been a resident of the home for at least sixty (60) days, except in the case of emergency and then only on orders of the administrative officer.

4.4. Discharges from the home are subdivided into three (3) classifications: Honorable, without honor and dishonorable.

4.5. A resident of the home may obtain an honorable discharge from the home upon application to the registrar: Provided, That his conduct has been in accordance with existing Rules and Regulations. A resident who has been granted an honorable discharge from the home may not be readmitted until the expiration of at least three (3) months from the date of his discharge, if there is no waiting list, otherwise when

reached on such list.

4.6. Discharge without honor may be imposed for infractions of the Rules and Regulations of the home, but only upon order of the administrative officer. The minimum time limit for readmission will be six (6) months from the effective date of discharge for those residents given a discharge without honor, if there is no waiting list, otherwise when reached on such list.

4.7. Dishonorable discharges may be imposed for major infractions of the Rules and Regulations of the home, but only upon order of the administrative officer. The minimum time limit for readmission will be one (1) year from the effective date of discharge for those residents given a dishonorable discharge, if there is no waiting list, otherwise when reached on such list.

§86-1-5. Discipline.

5.1. The administrative officer, as the chief officer of the home, will hear all cases of infractions of the Rules and Regulations, and will pass sentence according to the nature and degree of the offense, such as restrictions on passes and furloughs or discharges as provided in Section 4.4 above. The resident may appeal to the Director, West Virginia Department of Veterans' Affairs, within ten (10) days of the administrative officer's final decision.

5.2. The administrative officer will be assisted in the enforcement of the Rules and Regulations by the registrar and by one (1) other employee of the home, who will be selected by the administrative officer.

5.3. The authority of the administrative officer will be exercised with firmness and impartiality.

5.4. The following offenses will constitute cause for disciplinary action:

- (a) Absence without leave up to seven (7) days;
- (b) Intoxication;
- (c) Disorderly conduct;
- (d) Gambling in the home;
- (e) Indecent or profane language in the home or

the home grounds;

(f) Refusal to perform duty to which assigned;

(g) Assault and battery (minor degree);

(h) Other violations not enumerated above, as determined by the administrative officer;

(i) Habitual failure to keep clean and presentable.

5.5. The following offenses will constitute grounds for dismissal from the home:

(a) Absence without leave for more than seven (7) days;

(b) Bringing alcoholic liquors into or having possession of same on the home grounds;

(c) The possession of a firearm or other deadly weapon;

(d) Habitual violations of Rules and Regulations;

(e) Writing or speaking false and slanderous charges against the administration or officials of the home;

(f) Publication or communication of any misrepresentation calculated to create discontent and uneasiness and to disturb the peace, order and discipline of the home;

(g) Willful and malicious attempts to create or organize sedition in the home or to incite other residents thereto;

(h) In case of grand larceny, illegal traffic in intoxicating liquors, drugs or narcotics, assault with intent to kill, etc., the accused will be turned over immediately to the civil authorities and upon conviction of any such offense will be discharged from the home. Readmission to the home is possible if the resident is found innocent.

§86-1-6. Group Leaders.

6.1. A group leader, who will be a resident of the home, will be appointed by the administrative officer for a designated area in the home and he will have full

custody and management of the area to which assigned, as authorized by the administrative officer.

6.2. Group leaders, in command of areas, will have immediate charge of residents assigned to their area and shall enforce all Rules and Regulations for the discipline and government of residents. They will promptly report all violations of the Rules and Regulations.

6.3. They shall report to the nurse at once all cases of sickness or injury of residents in quarters that require medical attention.

6.4. They shall make daily inspections of their respective area, with special attention given to orderly appearance, cleanliness, sanitary conditions of beds, rooms, closets and appurtenances and to the repairs needed in their areas. They shall see that the residents keep their clothing and person clean.

6.5. Each group leader shall prepare and submit reports and perform such other duties, as may be required by higher authority.

6.6. Group leaders shall see that all residents in their area take a bath or shower at least two (2) times per week.

6.7. A duty roster, which shall be available for inspection by the registrar, will be maintained by each group leader.

6.8. Written permission of the administrative officer must be shown by a vendor or solicitor (resident or nonresident) for selling any article of merchandise or for requesting donations. Group leaders will be responsible for ensuring that such vendors or solicitors have the written permission.

6.9. Group leaders will ensure that all residents present are in their rooms, with lights out, at a time designated by the administrative officer.

6.10. Group leaders will enforce the rule that all residents out on twelve p.m. (midnight) pass shall report upon their return to the receiving section to spend the night. This policy is adopted to avoid disturbing the men in the home who have retired for the night.

6.11. An inspection of the home shall be made each week by the registrar, accompanied by the group lead-

er responsible for the area and a written report of his inspection shall be furnished to the administrative officer. All residents except those authorized to be absent on pass or furlough, must be present in their assigned room while the inspection is being made.

6.12. On the occasion of federal muster, conducted by an official of the Veterans Administration, all residents of the home shall be present. No passes or furloughs will be granted during this period until the veteran has been checked by the Veterans Administration Inspection Team. In cases of extreme emergency, instructions will be issued by the administrative officer.

6.13. Each resident shall keep the surroundings about and under his bed clean and tidy. On arising, he shall spread his bed clothing and bed furnishings over the foot of the bed. All rooms and beds will be aired during the breakfast period and made up immediately after. Bed linen will be changed at least once each week; however, soiled bed linens will be sent to the laundry immediately.

6.14. Group leaders shall report to the administrative officer immediately the name of any resident having in his possession any firearm or dangerous weapon.

6.15. The drying of laundered wearing apparel within the recreational room or sleeping quarters of the home is prohibited.

§86-1-7. Clothing.

7.1. Any resident admitted to the home with incoming moneys of less than forty dollars (\$40.00) monthly, shall be entitled to clothing required for comfort and neat appearance. The home will furnish the needed clothing through donations received from Fraternal, Veterans or Civic Organizations. Any such clothing becomes the personal property of the resident.

§86-1-8. Medical Care.

8.1. A complete clinical and personnel record will be kept under the direction of the home physician, and a narrative and statistical report (including dental and optometry) will be rendered to the administrative office at the end of each calendar month.

8.2. Whenever necessary for medical reasons,

transfers from the home to a Veterans or other medical facility for medical or psychiatric treatment will be made at the direction of the home physician or as directed by the administrative officer.

8.3. Sick call will be held by the day nurse at nine a.m. daily, except weekends. On those days, residents will notify the day nurse if care is needed. Emergencies will be referred to the home physician at any time.

§86-1-9. Burials.

9.1. Bodies of deceased veterans will be sent to an undertaking establishment immediately upon the veteran's demise, selected by the next of kin or sponsor, if any, otherwise by the commandant.

9.2. The home physician or administrative office will notify the next of kin and upon a reply they shall notify the registrar's office as to the relative's desires.

9.3. The West Virginia State Home for Veterans assumes no expenses in handling of the body or the funeral.

9.4. If it is the desire of the next of kin that the body be shipped to a certain destination, shipment of the body will be handled by the funeral home holding the body.

9.5. The expenses of shipping and burial of the body will be claimed by the funeral home from the Veterans Administration Burial Allowance Fund.

9.6. Personal effects, other than money and articles with an intrinsic value, will be collected by the registrar and property officer. Duplicate lists of the personal effects will be made, to be turned over to the commandant's office, where they will be held until claimed by one who has authority to receive or order its disposal.

9.7. Valuable articles and moneys will be disposed of only by order of a court of jurisdiction.

§86-1-10. General.

10.1. Fire drill will be held at least once each calendar month, under the direction of the chief engineer.

10.2. Residents leaving the home on furlough or

discharge shall leave their forwarding address for mail.

10.3. A schedule of routine calls will be published by the administrative officer covering reveille, mess, sick call, work call, etc.

10.4. The administrative officer will arrange for nondenominational church services to be held each Sunday. Hours of the service will be announced.

10.5. The loan of money by officers, employees or residents of the home will not be permitted, whether or not interest is charged.

10.6. The person designated as the home treasurer is bonded, and no loss should be sustained to any home resident who leaves for safekeeping any moneys or items of intrinsic value with treasurer; also no charge is made for this service.

10.7. The registrar regulates the housing in the West Virginia State Home for Veterans.

10.8. The West Virginia State Home for Veterans, 512 Water Street, Barboursville, West Virginia 25504, is the official post-office address of the home.

§86-1-11. Administrative Officer Shall Take Charge Of Unclaimed Estates Of Small Value.

11.1. If a resident of the veterans home shall die leaving property of the value of three hundred dollars (\$300) or less, the administrative officer immediately shall take charge of such property. If within one (1) year of the date of death of such resident no valid claim of any heir or devisee is made for the property and no application or petition has been filed for issuance of letters of administration, the administrative officer shall convert the property into cash with probate proceedings and shall deposit the cash with the State Treasurer who shall credit it to the Veterans Home Operating Fund. The administrative officer shall make a report of his action to the Director of the Department of Veterans' Affairs.

§86-1-12. Intestate Residents: Leaving Estates Valued In Excess Of Three Hundred Dollars (\$300) - Administrative Officer To Administer.

12.1. If a resident of the veterans home shall die leaving property in excess of three hundred dollars (\$300) in value not disposed of by will, the adminis-

trative officer shall be entitled to letters of administration upon such estate. He shall make application to the proper court for letters of administration, qualify as administrator and distribute and dispose of such estate by the heirs or next of kin of the deceased resident for a period of one (1) year after the granting of letters of administration, the residue of the estate shall revert to this State for deposit in the Veterans Home Operating Fund.

§86-1-13. Administrative Officer As Administrator - Bond Not Required - Fees- Allowance Of Fees By County Court.

13.1. Upon becoming administrator of any estate, as provided by the Code of West Virginia, the administrative officer shall not be required to give bond, and he shall not be entitled to charge or receive any compensation for his services as administrator. The county court of the county where the administration proceedings are held shall not make nor allow any charge or fee in connection with the administration proceedings other than the actual disbursements of the administrator.

§86-1-14. Report Of Administrative Officer To Department Of Veteran's Affairs.

14.1. The administrative officer of the veterans home shall submit to the Director of the Department of Veterans' Affairs, a biennial report of all disbursements by the home and of other matters pertaining to the general operations of the home as required by the Director of the Department of Veterans' Affairs.

§86-1-15. Administrative Officer May Accept Gifts, Donations Or Bequests.

15.1. The commandant, for and in behalf of the veterans home, is hereby authorized to accept or receive any donations, gifts or bequests offered or tendered to, or for the benefit of the veterans home. All such moneys received or accepted shall be used for the specific purposes for which they were given or donated. This authority shall apply and be retroactive to any or all gifts, donations or bequests heretofore tendered, offered or made.

§86-1-16. General Orders.

16.1. All home residents are required to deposit all moneys (except for a maximum of fifty dollars (\$50.00) and articles of intrinsic value in the Treasur-

er's Office.

16.2. The home treasurer will issue a receipt of any money or item entrusted to him for safekeeping. Arrangements will be made to withdraw small sums as needed or when authorized to leave the home on

pass or furlough.

16.3. This precaution is taken to protect residents from suffering any loss of their valuables while in the home.

**TITLE 86
LEGISLATIVE RULES
WEST VIRGINIA DEPARTMENT OF VETERANS' AFFAIRS**

**SERIES 2
STATE HOME FOR VETERANS-FISCAL**

§86-2-1. General.

1.1. **Scope.** – These rules govern the funding matters related to the State Home for Veterans of Barboursville, West Virginia.

1.2. **Authority.** – W. Va. Code §9A-2

1.3. **Filing Date.** – January 19, 1979

1.4. **Effective Date.** – February 18, 1979

§86-2-2. Federal Aid Accepted For Veterans Home. – Rules And Regulations Governing Home Submitted To Whom.

2.1. The State of West Virginia accepts the conditions imposed by an act of Congress, entitled "An act to provide aid to state or territorial homes for the support of disabled soldiers and sailors in the United States, approved August 27, 1888," and the various amendments thereto.

§86-2-3. Treasurer To Receive And Deposit Federal Grant Money.

3.1. The State Treasurer shall receive and receipt for all money which may become payable to this State by reason of the acceptance of the acts of Congress as provided by law. He shall deposit such money to the credit of the Veterans Home Improvement Fund for the use and benefit of the veterans home.

§86-2-4. Veterans Home Operating Fund. – Moneys For The Maintenance Of The Veterans Home To Be Deposited With State Treasurer.

4.1. A special fund, to be known as the Veterans Home Operating Fund, shall be maintained in the State Treasury. Moneys arising from the interest re-

ceived on money derived from the sale of lands appropriated for the support of the home and from the rental of such lands, money received from the United States, except grant money, for the support and maintenance of the home, and all other moneys, income and collections of public funds arising from any source or endeavor of the home shall be placed in the Veterans Home Operating Fund for the use and maintenance of the veterans home. The administrative officer shall establish such accounts and funds control as are required by state statutes to receive and disburse moneys applicable to the veterans home, including, but not limited to:

(a) **Special Revenue Accounts.**

(1) **Veterans Home Improvement Fund Account.** – For moneys recovered from federal government through grant program for renovation and construction.

(2) **Miscellaneous organizations donations and bequeaths** (which includes, but not limited to, the following organizations and sources):

(A) For moneys recovered from federal government for daily care of veterans;

(B) Claimed and unclaimed estates;

(C) The American Legion and Auxiliaries;

(D) Disabled American Veterans and Auxiliaries;

(E) Veterans of Foreign Wars and Auxiliaries;

(F) Catholic War Veterans and Auxiliaries.

ies;

(G) Military Order of the Purple Heart and Auxiliaries;

(H) AMVETS and Auxiliaries;

(I) Veterans of World War I of United States of America, Inc. and Auxiliaries;

(J) Jewish War Veterans and Auxiliaries

(K) Red Cross;

(L) Fraternal, Civic and Religious Organizations;

(M) Personal and private donations;

(N) Wills.

(3) Contributions from residents for maintenance support. -- Such funds as are received in which accounts are revolving funds and may be carried over from year to year until expended or the account is closed. Funds will be placed in interest bearing accounts, where appropriate, with such interest accruing to the specific account involved.

(b) Receipts from cash payments for food service.

(c) Trustee accounts.

(1) Emergency Residents Medical/Dental Fund. -- Residents deposit of one hundred dollars (\$100) maximum.

(2) Veterans Home Petty Cash and Welfare Fund. -- To include five dollars (\$5.00) monthly resident deposit.

§86-2-5. Contribution For Residents Of Home. -- Creation Of Special Fund.

5.1. The Director of the West Virginia Department of Veterans' Affairs and the veterans home administrative officer may establish a residents contribution to be paid to the home. The fee shall be based on the adjusted monthly incoming moneys. The residents contribution shall be set under a formula determined

by the administrative committee and designed to assure dignity and equity in the charge. The administrative committee may, from time to time, reconsider its action establishing a residents contribution, amend or rescind the contribution charge or reinstate a contribution charge previously rescinded. The administrative officer or his designee shall collect the residents contribution monthly.

5.2. As used in Section 3 of these rules, "Adjusted Income" means all moneys received from any source, including social security benefits, less amounts received or expended as follows:

(a) Moneys earned by a resident through labor performed for the veterans home;

(b) Moneys earned during authorized passes or leaves from the veterans home;

(c) Moneys expended by the resident for other hospitalization due to illness or injury;

(d) Moneys expended by the resident for other medical care or treatment or for required medicines;

(e) Such other receipts or expenditures as the administrative committee may permit to be deducted in individual cases.

5.3. All moneys received as a result of charging the residents contribution authorized by Section 3 of these rules, shall be deposited in a special fund in the State Treasury to be known as the Veterans Home Operating Fund. The fund shall be invested by the State Treasurer in the manner provided by law of the State of West Virginia and all income received less amounts deducted shall be deposited in, or reinvested for the benefit of the Veterans Home Operating Fund. Moneys in the Veterans Home Improvement Fund shall, subject to and following legislative appropriations, be expended only for the development of new facilities, for enrichment of living conditions, or for additional care for residents of the home, as such expansion, development, enrichment or additional care as is deemed necessary by the home administrative committee. All moneys expended from the Veterans Home Operating Fund and Veterans Home Improvement Fund shall be in accordance with state statutes

5.4. Applicants or residents with liquid assets or

real estate, other than their place of residence, valued in excess of twenty thousand dollars (\$20,000), may be denied admission to the State Home for Veterans. The administrative committee, with the approval of the Director, West Virginia Department of Veterans' Affairs, may withhold admission on the basis that it is reasonable for the applicant/resident to expend such liquid assets or to dispose of real estate, other than his residence, for maintenance outside the State Home for Veterans. Each resident will be required to update their financial status report each anniversary of their stay in the home.

5.5. Each resident with income of over forty dollars (\$40.00) monthly is required to deposit into a "Residents Emergency Medical/Dental Care Fund," to be placed with interest in a local bank, the sum of one hundred dollars (\$100) to cover emergency medical or dental care necessary for his personal welfare. Such

deposits may be made in one (1) sum or ten dollars (\$10.00) monthly payment. Any balance in the resident's fund shall be refunded upon discharge from the home.

§86-2-6. Disbursement Of Moneys From Veterans Home Operating Fund.

6.1. All moneys withdrawn from the Veterans Home Operating Fund shall be authorized on the basis of an abstract approved by the administrative officer in accordance with policies established by the Director of Veterans' Affairs. Transfers of funds drawn upon the State Treasurer against the Veterans Home Operating Fund for transfer to an account in a state bank for disbursement shall be prepared by the Department of Finance and Administration upon approval of the transfer by the home administrative officer.

STATE OF WEST VIRGINIA

OFFICE OF LEGISLATIVE AUDITOR, TO WIT:

I, Thedford L. Shanklin, CPA, Director of the Legislative Post Audit Division, 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 15th day of November,

1994.

Thedford L. Shanklin

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 West Virginia Division of Veterans' Affairs; Governor; Attorney General; and, State Auditor.