

SUPREME COURT OF APPEALS
STATE OF WEST VIRGINIA

GARY L. JOHNSON
ADMINISTRATIVE DIRECTOR



ADMINISTRATIVE OFFICE
BUILDING 1, ROOM E-100
1900 KANAWHA BOULEVARD, E.
CHARLESTON, WV 25305-0832
(VOICE) 304/558-0145
(FAX) 304/558-1212
www.courtswv.gov

March 1, 2018

**SUBJECT: RESPONSE TO LEGISLATIVE AUDIT REQUESTS ON BEHALF OF THE
SUPREME COURT OF APPEALS OF WEST VIRGINIA**

Dear Mr. Rhodes:

Through this communication I respond on behalf of the Supreme Court of Appeals of West Virginia ("Court") to the following inquiries that the Legislative Audit Committee has submitted to my attention as a part of the Legislative Audit currently in process:

- January 5, 2018, Introductory Letter from Denny Rhodes to Judge Johnson (no response needed);
- January 17, 2018, Letter from Denny Rhodes to Lori Paletta-Davis regarding Opening Conference (see below);
- January 23, 2018, Entrance Conference Summary Document (no response needed);
- January 31, 2018, Email from Justin Robinson Requesting to Meet with Mr. Arthur Angus (see confirmation letters);
- February 12, 2018, Letter from Denny Rhodes to Lori Paletta-Davis regarding Justice Ketchum Check (see below);
- February 14, 2018, Letter from Denny Rhodes to Lori Paletta-Davis regarding Elizabeth Parsons (see below); and,
- February 28, 2018, Letter from Denny Rhodes to Judge Johnson regarding production of annual reports (see below).

Thank you for your patience in this process to date. If you have any questions whatsoever, please let me know.

January 17, 2018, Letter from Denny Rhodes to Lori Paletta-Davis.

1. Court policy or policies concerning the use of state vehicles by staff and Justices.
There is no Court policy concerning the use of vehicles by staff and/or Justices.
2. WEX billing invoices for July 6, 2016 and April 6, 2017 that are not available in wvOASIS.
Please find these two (2) documents attached.
3. State vehicle use logs or records maintained by the Court for Fiscal Years 2013 to the present.
Documents responsive to this request (Fiscal 2013 through February 2018) were previously submitted on February 22, 2018.

4. Any information concerning the Court's tax reporting for Justices' personal use of state vehicles, including any documented wage adjustments pursuant to IRS guidelines for reporting taxable fringe benefits due to elected officials being considered "control employees".
We have not located any records generated for any Court employees, including Justices, for the referenced audit time frame.
5. Any additional information concerning other wage adjustments due to staff or Justices receiving other taxable fringe benefits, such as employer provided lunches, as part of their employment with the Court.
We have not located any records generated for any Court employees, including Justices, for the referenced audit time frame.
6. Court policy or policies for documenting and reporting taxable fringe benefits provided to staff or Justices as part of their employment with the Court.
There is no policy.
7. The name and title of the individual(s) who are currently responsible, or were responsible, for the tracking and reporting of employer provided fringe benefits.
The Payroll/Human Resources/Personnel Division is responsible for generation of the proper tax reporting forms. Tammy Smith is presently the Payroll/Human Resources/Personnel Director.
8. Additionally, it has also been suggested that current Court policy for the use of state vehicles does not require, and may even exempt, Justices from providing reasoning for their use of state vehicles. If this is true, please explain how the Court can accurately report the use of state vehicles by Justices for tax purposes if the purpose of the vehicles' use is not provided to the Administrative Office of the Court.
As described above, there is no policy regulating the use of state cars by employees, including Justices. I am unable to explain the second portion of your question. NOTE: The employee Personnel Manual does include a small section that covers travel-related policy/procedure. This section is attached.

January 31, 2018, Email from Justin Robinson Requesting to Meet with Mr. Arthur Angus.

The requested meeting with Mr. Angus transpired. I am in receipt of the final summary of the meeting, which Mr. Angus had an opportunity to review and modify. The final summary is attached.

February 12, 2018, Letter from Denny Rhodes to Lori Paletta-Davis regarding Justice Ketchum Check in the amount of \$863.28.

I became aware during your session with Mr. Arthur Angus of a check that Justice Ketchum apparently had written for the sum of Eight Hundred Sixty Three Dollars and Twenty Eight Cents (\$863.28). I had no knowledge of this check or the corresponding note to Ms. Racer-Troy prior to that meeting. With reference to your inquiries regarding this check as detailed in your February 12, 2018, correspondence, I have no first-hand knowledge. Justice Ketchum has, however, provided to me a memorandum dated February 26, 2018, addressing the items of inquiry numbered 1 through 5 detailed in the February 12, 2018, correspondence. That memorandum from Justice Ketchum is attached.

1. through 5. See attached Memorandum from Justice Ketchum.
6. I attach the set of fuel card records spanning 2009 through 2016, which Justice Ketchum has described were the records that he used to make the referenced calculation. These fuel card records are attached.

February 14, 2018, Letter from Denny Rhodes to Lori Paletta-Davis regarding Elizabeth Parsons.

The meeting with Ms. Parsons that you requested was conducted on Friday, February 23, 2018. I am today in receipt of your summary report and will review it before the end of the week and talk with Ms. Parsons so that she can provide you with any thoughts that she might have on the content.

February 28, 2018, Letter from Denny Rhodes to Judge Gary Johnson regarding production of Annual reports and related items.

By email correspondence today, on behalf of Judge Johnson, I requested an extension of time to produce the requested annual report records, from this Friday, March 2, 2018, to next Friday, March 9, 2018.

I hope that you find the information provided here responsive to your requests. I am available for clarification and/or to produce supplemental information, as needed.

Additionally, I would like to reaffirm my request for any employee meeting requests to come through my office, and that I attend any such discussions. I look forward to hearing back from you in this regard.

Thank you for your time and consideration in this matter.



Lori J. Paletta-Davis, Esq.
Administrative Counsel
Supreme Court of Appeals of West Virginia
Building 1, Room E-100
1900 Kanawha Boulevard, East
Charleston, WV 25305
(304) 340-2911 Office
(304) 807-5049 Cell