

STATE OF WEST VIRGINIA

AUDIT REPORT
OF

UNAUDITED
WEST VIRGINIA SUPREME COURT
OF APPEALS

FOR THE PERIOD

JULY 1, 1995 - JUNE 30, 1998



OFFICE OF THE LEGISLATIVE AUDITOR

CAPITOL BUILDING

UNAUDITED

WEST VIRGINIA SUPREME COURT OF APPEALS

FOR THE PERIOD

JULY 1, 1995 - JUNE 30, 1998

WEST VIRGINIA LEGISLATURE
Joint Committee on Government and Finance

Theodore L. Shanklin, CPA, Director
Legislative Post Audit Division
Building 1, Room W-329
1900 Kanawha Blvd., E.



Area Code (304)
Phone: 347-4880
Fax: 347-4889

CHARLESTON, WEST VIRGINIA 25305-0610

The Joint Committee on Government and Finance:

In compliance with the provisions of the West Virginia Code, Chapter 4, Article 2, as amended, we have examined the accounts of the West Virginia Supreme Court of Appeals.

Our examination covers the period July 1, 1995 through June 30, 1998. 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, 1997 and June 30, 1998 are included in this report. The financial statements covering the period July 1, 1995 to June 30, 1998 are included in our audit work papers.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Theodore L. Shanklin".

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

TLS/cal, gkc

WEST VIRGINIA SUPREME COURT OF APPEALS

TABLE OF CONTENTS

Exit Conference	1
Introduction	2
Administrative Officers and Staff	4
Summary of Findings, Recommendations and Responses	6
General Remarks	13
Independent Auditors' Opinion	35
Unaudited Statement of Appropriations/Cash Receipts, Expenditures/Disbursements and Changes in Fund Balances . .	36
Unaudited Notes to Financial Statement	38
Unaudited Supplemental Information	40
Certificate of Director, Legislative Post Audit Division . .	56

SUPREME COURT OF APPEALS

EXIT CONFERENCE

We held an exit conference on June 15, 1999, with the Administrative Director of the West Virginia Supreme Court of Appeals and all findings and recommendations were reviewed and discussed. The above named official's responses are included in italics in the Summary of Findings, Recommendations and Responses and after our recommendations in the General Remarks sections of this report.

WEST VIRGINIA SUPREME COURT OF APPEALS

HISTORY OF WEST VIRGINIA SUPREME COURT OF APPEALS

INTRODUCTION

The Judiciary is one of three coequal branches of the West Virginia State Government, the other two being the Executive and Legislative branches. The role of the judicial branch is that of interpreting the laws and assisting citizens in resolving disputes among themselves or with the State in an orderly fashion. In simplest terms it can be said that the Legislature makes the law, the Executive enforces the law, and the Judiciary interprets the law.

A constitutional amendment was ratified by the 1974 general election which abolished all statutory courts of record of limited jurisdiction and vested the judicial power of the State solely in the State Supreme Court of Appeals and in the circuit courts. In effect it made the West Virginia court system a "unified court system," which means that all State courts are part of a single system managed by the Supreme Court of Appeals. The State has three levels of courts - Magistrate and Circuit Courts and the Supreme Court of Appeals.

The highest judicial body in this system is the Supreme Court of Appeals. The Supreme Court has ultimate administrative responsibility and rule-making power over all other courts in the system. The Supreme Court has a membership of five; four Associate

Justices and a Chief Justice. A justice of the Supreme Court is elected to a twelve year term of office.

If for any cause a vacancy shall occur in the Office of a justice of the Supreme Court of Appeals or a judge of a Circuit Court, the governor shall issue a directive of election to fill such vacancy in the manner prescribed by law for electing a justice or judge of the court in which the vacancy exists, and the justice or judge shall be elected for the unexpired term; and in the meantime, the governor shall fill such a vacancy by appointment until a justice or judge shall be elected and qualified. If the unexpired term is less than two years, or such additional period, not exceeding a total of three years, as may be prescribed by law, the governor shall fill such vacancy by appointment for the unexpired term.

The Constitution of West Virginia requires all justices, circuit judges, and magistrates to be residents of the State. Justices of the Supreme Court of Appeals must have been admitted to practice law for at least ten years prior to their election. Circuit judges must have been admitted to practice law for at least five years prior to their election. Magistrates are not required to be attorneys.

WEST VIRGINIA SUPREME COURT OF APPEALS

ADMINISTRATIVE OFFICERS AND STAFF

JUNE 30, 1998

Justices

Term Expires

Robin Jean Davis, Chief Justice.....December 31, 2000
Margaret L. Workman.....December 31, 2000
Larry V. Starcher.....December 31, 2008
Elliott B. Maynard.....December 31, 2008
John F. McCuskey.....December 31, 2004

Administrative Director and Assistants

Ted Philyaw.....Administrative Director of the Courts
Richard Rosswurm.....Chief Deputy and Administrative Counsel
Mary Durkin.....Deputy Director, Circuit Clerks
Robert Damron.....Assistant Director, Computer Support
Mark Smith.....Assistant Director, Technical Services
Fred McDonald.....Assistant Director, Probation Services
Leslie Anderson.....Assistant Administrative Counsel
P. Fletcher Adkins.....Assistant to Director
Penny Crandall.....Assistant Director, Family Law Masters
Dreamma Guinn.....Assistant Director, Financial Management
Peggy Rash.....Assssociate Administrative Counsel

Clerks and Assistants

Rodney Teal.....Clerk
Pat Wendell.....Administrative Assistant

Chief Counsel's Office

Deborah McHenry.....Chief Counsel
Kathleen Gross.....Deputy Counsel
Thomas McQuain.....Deputy Counsel

Information Services Office

Michelle Mensore.....Director

Law Library

Marjorie Price.....Law Librarian

WEST VIRGINIA SUPREME COURT OF APPEALS

SUMMARY OF FINDINGS, RECOMMENDATIONS AND RESPONSES

Lack of Effective System of Internal Controls

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

Court's Response

See responses to Individual Findings

Family Law Master Fund

2. The Court deposits federal matching funds for the Family Law Master Program into the Family Law Master Fund (1752) instead of the Family Law Master Administration Fund (0117) which is administered by the Auditor's Office. This is not in compliance with Chapter 48A, Article 4, Section 22 of the West Virginia Code.

We recommend the Court comply with Chapter 48A, Article 4, Section 22 of the West Virginia Code.

Court's Response

Effective with the next federal fund payment (July 1999), federal funds will be deposited into the Family Law Master Administrative Fund in the Auditor's Office where they can then be transferred to the Court for payment of payroll expenses as appropriate. (See pages 17 - 19.)

Inadequate Equipment Inventory

3. We were able to locate and identify only 10 of 39 (26%) of the equipment items in our sample. We were told some of the items had been retired or transferred to other circuits within the state. However, we found no record of retirements or transfers for any of the items in question.

We recommend the Court review internal control procedures regarding inventory and we further recommend the Court take a physical inventory and make any necessary adjustments to the Inventory Report after the completion of a physical inventory.

Court's Response

We will comply. (See pages 19 - 21.)

Purchase Cards

4. The Supreme Court used the state purchasing card to purchase equipment items totaling \$130,937.21 from January 1998 through September 1998. The Court's guidelines specifically exclude equipment purchases as an authorized use of the purchasing card. In addition we noted purchases that total more than \$1,000.00 were made on the same day from the same vendor indicating the Court has split invoices when making purchase card purchases.

We recommend the Court comply with the West Virginia Supreme Court of Appeals State Purchasing Card Guidelines.

Court's Response

We will comply. (See pages 22 & 23.)

Fees Charged by Clerk's Office

5. We noted the Clerk's Office overcharges \$0.75 per page for copies of opinions and closed cases. The charges are not in compliance with Chapter 59, Article 1, Section 13 of the West Virginia Code.

We recommend the West Virginia Supreme Court of Appeals comply with Chapter 59, Article 1, Section 13 of the West Virginia Code.

Court's Response

Once the Auditor pointed out this discrepancy, the new rates were adopted by the Court. (See pages 23 - 25.)

Board of Law Examiners Late Fees

6. The Board either did not charge late fees as required by Court rule or held receipts for up to 32 days before recording and depositing those receipts.

We recommend the Board comply with Court Rule 3.1 and Chapter 12, Article 2, Section 2 of the West Virginia Code.

Court's Response

Since 1995, all funds received have been recorded immediately in the receipt book and deposited on a daily basis, with the exception of the three examples cited in the report. (See pages 25 & 26.)

Duplicate Payment

We noted a duplicate payment of \$71.98 from the Court Improvement fund for a hotel charge. We also noted none of the invoices had been canceled after payment had been made.

We recommend the Court comply with Chapter 12, Article 3, Section 9 of the West Virginia Code.

Court's Response

The Court recognizes the serious nature of duplicate payments, and will continue to pursue reasonable remedies to ensure that the likelihood of duplicate payments is reduced or eliminated. We do not agree that cancellation of receipts will reduce the possibility of duplicate payments, but we are nevertheless interested in implementing measures to protect against this. (See pages 27 & 28.)

Leave Records

7. We noted the "Request for Leave and Statement of Leave Taken" forms could not be reconciled with the Court Leave Records. In some cases we located leave request forms that were not reflected in the Court's leave records and in other cases we were unable to locate forms for information reflected in the Court's leave records.

We recommend the West Virginia Supreme Court of Appeals comply with Sections 8.1, 8.2, 8.9, and 8.10 of the West Virginia Judicial Personnel System Manual.

Court's Response

We will comply. (See pages 28 - 31.)

Maintaining a Record of the Hours an Employee Works

8. As noted in our previous audit the Court does not maintain a record of hours worked by employees. As a result of these records not being maintained, we were unable to determine compliance with the labor laws for overtime compensation, and to verify days worked for employees on travel status.

We recommend the Court comply with Section 516.2 of The Fair Labor Standard Act.

Court's Response

This matter will be taken before the Court for review of a change of policy. (See pages 31 & 32.)

Board of Law Examiners - Incorrect Line Item

9. The Board of Law Examiners deposits examination fees into the General Revenue Fund 0180-029 as a negative disbursement under line item 051 which is a miscellaneous disbursement line item. This causes disbursements to be understated and revenues are understated.

We recommend the Supreme Court comply with the Department of Administration, Division of Finance, Budget Sections Object Codes.

Court's Response

*Although the Court does not have revenue line items as suggested in the audit report, one could be established for the purpose of managing this fund, if necessary.
(See pages 32 & 33.)*

Monthly Report and Annual Report

10. As noted in our previous audit the Clerk's Office does not file a monthly report or annual report with the State Auditor's Office detailing monies paid to him as set forth in Chapter 59, Article 1, Section 4 of the West Virginia Code.

We recommend the Clerk's Office comply with Chapter 59, Article 1, Section 4 of the West Virginia Code.

Court's Report

We will comply. (See pages 33 & 34.)

WEST VIRGINIA SUPREME COURT OF APPEALS

GENERAL REMARKS

INTRODUCTION

We have completed a post audit of the West Virginia Supreme Court of Appeals. The audit covered the period July 1, 1995 through June 30, 1998.

SCOPE OF AUDIT

The scope of this examination is limited because of the West Virginia Code, Chapter 6, Article 9, Section 7 and Chapter 50, Article 3, Section 8 requires the Chief Inspector (Tax Commissioner) to examine the accounts of the circuits and magistrate courts, respectively. Since a significant portion of the appropriated funds are disbursed in the circuit and magistrate court systems, no adequate audit procedures can be initiated to test the appropriated funds disbursements as a whole.

Financial records of appropriations and expenditures were examined for the period July 1, 1996 through June 30, 1998.

GENERAL REVENUE ACCOUNT

Expenditures required for the general operations of the West Virginia Supreme Court of Appeals are made from the following accounts:

<u>Fund</u>		<u>Description</u>
<u>Number</u>		
0180-001	Personal Services
0180-004	Annual Increment
0180-011	Social Security Matching

0180-012	Public Employees Health Insurance Matching
0180-016	Public Employees Retirement Matching
0180-029	Other Expenses
0180-110	Judges Retirement System
0180-111	Other Court Costs
0180-112	Judicial Training Program
0180-113	Mental Hygiene Fund
0180-190	Family Law Master
0180-570	Court Costs
0180-588	Guardianship Attorney Fees

FEDERAL FUND ACCOUNT

The West Virginia Supreme Court of Appeals maintained the following account which was funded from Federal sources:

<u>Fund Number</u>	<u>Description</u>
8805-096	Court Improvement Program Fund

SPECIAL REVENUE ACCOUNTS

The West Virginia Supreme Court of Appeals maintained four special revenue operating accounts:

<u>Fund Number</u>	<u>Description</u>
1752-099	Unclassified
1752-640	Family Law Master Funds to pay for services of family law masters.
1753-099	Unclassified
1753-640	Juvenile Justice Data Base Fund

LOCAL ACCOUNT

The Clerk's Office of the West Virginia Supreme Court of Appeals utilized the following local account during the audit period:

<u>Account Number</u>	<u>Description</u>
Bank One Number 01-54341	Deposit of moneys received from individuals requesting reproduction of records; to pay printing costs of reproducing records.

COMPLIANCE MATTERS

Chapter 51, Article 1 of the West Virginia Code, as amended, generally governs the West Virginia Supreme Court of Appeals. We tested applicable sections of the above plus other applicable chapters, articles, and sections of the West Virginia Code as they pertain to fiscal matters. Our findings are listed below.

Lack of Effective System of Internal Controls

During the course of our examination, it became apparent to us, based on the observed noncompliance with the West Virginia Code, the Court did not have an effective system of internal controls in place to ensure compliance with applicable State laws.

Chapter 5A, Article 8, Section 9 of the West Virginia Code, as amended, states in part:

"The head of each agency shall:...

(b) Make and maintain records containing adequate and proper documentation of the organization, functions, policies, decisions, procedures and essential transactions of the agency designed to furnish information to protect the legal and financial rights of the state and of persons directly affected by agency's activities...."

This law requires the agency head to have in place an effective system of internal controls in the form of policies and procedures set up to ensure the agency operates in compliance with the laws, rules and regulations which govern it.

During our examination of the Court, we found the following noncompliance with the West Virginia Code: (1) In fiscal years 1998 and 1997 the Court deposited \$736,083.55 and \$701,559.60, respectively, into the Family Law Master Fund, these funds should have been deposited into the Family Law Master Administration Fund, which is administered by the Auditor's Office; (2) The Court maintains inadequate inventory records; (3) The Court used its' purchase card to obtain books and periodicals for a total of \$50,853.85 from January 21, 1998 through June 26, 1998; (4) Fees charged by the Clerk's Office are not in accordance with the West Virginia Code; (5) The Board of Law Examiners does not record and deposit receipts in a timely manner (6) The Court made a duplicate payment for \$71.98; (7) The Court maintains inadequate leave records; (8) Most Court employees are not required to maintain records of time worked; (9) The Board of Law Examiners records fees

collected as negative disbursement instead of revenue; and, (10) The Clerk's Office does not submit detailed reports to the Auditor's Office as required by West Virginia Code.

We believe, if the Court had an effective system of internal controls in place, management would have been aware of noncompliance with the West Virginia Code at an earlier date and would have been able to take corrective action in a more timely fashion. The following pages of this report contain additional information regarding the specific noncompliance with the West Virginia Code which came to our attention.

Family Law Master Administration Fund

We noted that the federal matching amounts for the Family Law Master Program received by the Supreme Court were deposited into the Family Law Master Fund (1752) which was created by Chapter 48A, Article 4, Section 23 of the West Virginia Code, as amended, which states in part:

"...All moneys collected and received under this chapter and paid into the state treasury and credited to the "family law masters fund"...are not subject to being matched with federal funds or subject to reimbursement by the federal government...."

We believe the federal matching amounts should have been deposited into the Family Law Master Administration Fund (0117) which was created by Chapter 48A, Article 4, Section 22 of the West Virginia Code, as amended, and is administered by the Auditor's office. Chapter 48A, Article 4, Section 22 of the West Virginia Code, as amended, states in part:

"...The family law master administration fund is hereby created and shall be a special account in the state treasury. The fund shall operate as a special fund administered by the state auditor which shall be appropriated by line item by the Legislature for payment of administrative expenses of the family law master system. All agencies or entities receiving federal matching funds for the services of family law masters and their staff,... shall enter into an agreement with the administrative office of the supreme court of appeals whereby all federal matching funds paid to and received by said agencies or entities for the activities by family law masters and staff of the program shall be paid into the family law master administration fund...."

In fiscal years 1998 and 1997 a total of \$736,083.55 and \$701,559.60, respectively, was deposited into the Family Law Master Fund (1752). As a result Fund 1752 is overstated and Fund 0117 is understated by these amounts. The Legislature appropriated \$450,000.00 of general revenue funds to Fund 0117 in fiscal years 1998 and 1997. These appropriations would have been offset by the federal collections if the deposits had been made to Fund 0117. By not depositing the monies in the correct funds the Legislature was unable to appropriate these monies. We were unable to determine the reasons why the above occurred.

We recommend the Court comply with Chapter 48A, Article 4, Section 22 of the West Virginia Code, as amended.

Court's Response

The federal matching funds are to be used for payroll purposes, while the fund in the Auditor's Office is used for operating expenses. As agreed with the State Auditor, the Federal

funds have been deposited into the Family Law Master Fund (1752) at the Supreme Court in order to facilitate payment of payroll expenses and to avoid unnecessary fund transfers. After reviewing provisions of the Code with the legislative audit team, it is apparent that these funds are required to be deposited into the Family Law Master Administration Fund (0117). Effective with the next federal fund payment (July 1999), federal funds will be deposited into the Family Law Master Administrative Fund in the Auditor's Office where they can then be transferred to the Court for payment of payroll expenses as appropriate.

Inadequate Equipment Inventory

As part of our audit we examined 30 equipment purchases made for the Capitol Complex that consisted of 39 equipment items each costing a \$1,000 or more and, with a useful life of one year or more. We attempted to physically locate these equipment items but were able to locate only ten (26%) which we could identify as part of the 39 items in our sample.

We were unable to account for five of the 39 items (13%). These five items were all computers or computer components and had a total value of \$9,347.53. According to agency personnel one of these five items, a computer costing \$2,420.15, had been retired. We were also told the other four items may have been retired, transferred to Circuit Courts within the State or moved to other

locations within the building when the administrative offices of the Supreme Court recently underwent a move in the Capitol Complex. However, we were unable to locate any retirement forms, transfer forms or any of the equipment items in question.

We were able to locate items matching the description of 23 of the items with a total cost of \$41,320.58, but there was no inventory tag or serial number to identify those items as the ones purchased during our audit period and appearing in our sample. The final item in our sample was an internal part and could not be visually confirmed.

In addition, we selected ten equipment items which we observed at the agency and attempted to trace them to the inventory listing. One of the items was a computer without an inventory tag and four of the other items were not found on the inventory list. In summary, five of the ten items (50%) could not be traced to the inventory listing.

Chapter 5A, Article 8, Section 9 of the West Virginia Code, as amended, states in part,

"The head of each agency shall:...

(b) Make and maintain records containing adequate and proper documentation of the organization, functions, policies, decisions, procedures and essential transactions of the agency designed to furnish information to protect the legal and financial rights of the state and of persons directly affected by agency's activities...."

Since equipment purchased is not being added to the agency inventory and properly tagged; and, reportedly retired equipment is not being properly recorded and reported, the agency has no way of knowing that all equipment is being used for the benefit of the State.

We recommend the Court review internal control procedures regarding recording of inventory and equipment purchases and transfers. We further recommend the Court take a physical inventory and adjust all inventory records accordingly.

Court's Response

We accept the recommendation of the audit, and have updated our inventory and modified internal controls. Since the audit, new procedures have been implemented to ensure that all new acquisitions are properly tagged and entered into the system, a report is made and an inventory update entered every time the equipment is moved, equipment transfers are entered into the system in a timely manner, proper procedures for retirement of inventory are followed, and a record is maintained of those items surrendered to the Surplus Property Division. In addition, new procedures have been implemented that ensure that all items exceeding \$500 in value are entered into the FIMS property inventory. A new Net Census property inventory software program is now in use which generates a configuration detail report for all data processing equipment. Finally, physical inventory will be conducted at least semi-annually to verify the accuracy of the system.

Purchase Cards

We noted purchase card transactions by the Law Library in the amount of \$50,853.85 for books and periodicals (object code 077) from January 21, 1998 through June 26, 1998. We also noted there were similar purchases totaling \$79,793.36 by the Law Library for books and periodicals in the first three months of fiscal year 1999. Books and periodicals are designated as equipment in the Court's expenditure schedule and the Budget Office classification.

The restrictions section of the Court's State Purchasing Card Guidelines states in part,

"...The following items **ARE NOT** to be purchased using this card:...equipment..."

We also noted several purchases were made on the same day from the same vendor indicating the Court had split invoices in order to make purchases in excess of \$1,000.00. This is not in compliance with the Court's purchase card guidelines.

West Virginia Supreme Court of Appeals' State Purchasing Card Guidelines states in part:

"Policy: Purchases of goods and approved services which total \$1,000 or less per transaction may be made by using the State of West Virginia Purchasing Card which was established to provide a more efficient, cost effective method of purchasing and paying for small purchases...."

We recommend the Court comply with the West Virginia Supreme Court of Appeals' State Purchasing Card Guidelines.

Court's Response

We do not dispute the findings and agree with the audit recommendation regarding compliance with the Supreme Court's Purchasing Card Guidelines. Those guidelines have been modified to require prior approval from the Administrative office of the Court when purchasing furniture and equipment. We believe we are now in substantial compliance with the guidelines. Further review of our purchasing practices and consideration of the Guidelines is underway to determine if additional changes are needed.

Fees Charged By Clerk's Office

We noted fees charged by the Clerk's office that do not comply with Chapter 59, Article 1, Section 13 of the West Virginia Code, as amended. The Code states that \$0.25 per page be charged for all copies, but the Clerk's Office charges a fee of \$1.00 per page for opinions and closed cases. Details are as follows:

<u>Copies of:</u>	<u>Per Clerk's Office</u>	<u>Per WV Code</u>
Opinions	\$1.00 per page	\$0.25 per page
Pending Cases	\$0.25 per page	\$0.25 per page
Closed Cases	\$1.00 per page	\$0.25 per page

Chapter 59, Article 1, Section 13 of the West Virginia Code, as amended, states in part:

"The clerk of the supreme court of appeals shall charge the following fees to be paid by the parties for whom the services are rendered: For all copies of petitions, records, orders, opinions or other papers, per page..... \$0.25..."

Those requesting and receiving copies of opinions and closed cases from the Clerk's Office are being overcharged \$0.75 per page. Even though we noted the overcharges began as early as February 1997, the higher fees were established in a memorandum from the Clerk dated September 6, 1997, and subsequently authorized by Administrative Order of the Chief Justice March 2, 1998.

We also noted the Clerk's receipt books were not consecutively numbered. One book ended with receipt number 10000 and was dated March 24, 1998, and the next receipt book began with receipt number 10501 and was dated March 24, 1998. By having a receipt book missing, the possibility exist that false receipts could be written and the funds diverted to personal use. A Clerk's Office employee said they did not receive the missing book consisting of receipts 10001 through 10500.

Receipt number 8824 dated September 23, 1996 was written for \$25.00; however, the stub of the receipt was written for only \$5.00. The \$5.00 amount was the amount actually deposited. Receipt number 9710 dated October 2, 1997 was for the receipt of \$45.00. The stub indicated the \$45.00 was for copies of 40 pages at \$1.00 per page which totals \$40.00, for a difference of \$5.00. We were unable to determine the reasons for the differences.

We recommend the West Virginia Supreme Court of Appeals comply with Chapter 59, Article 1, Section 13 of the West Virginia Code, as amended, and establish controls to ensure that charges are calculated correctly and amounts collected are equal to amounts deposited.

Court's Response

Once the Auditor pointed out this discrepancy, the new rates were adopted by the Court and an Administrative Order of the Supreme Court issued, which superseded the statute. The other miscellaneous findings are isolated and of a relatively minor nature. Nevertheless, care will be exercised in the administration of this duty to minimize the opportunity for error.

Board of Law Examiners Late Fees

There were three receipts for examination fee payments dated after the November 1st deadline. The receipts were dated as follows:

<u>Receipt Number</u>	<u>Dated</u>	<u>Amount</u>
9240	11/22/95	\$275.00
9267	11/30/95	\$275.00
9278	12/01/95	\$275.00

Based on the recorded date on these receipts, late fees should have been charged. According to the Board of Law Examiners' Fee Schedule and Court Rule 3.1, a late fee of \$100.00 should have been charged for each of the fee payments if the fees were filed between November 1st and December 1st for the February examination.

Court Rule 3.1 states in part:

"....A late filing fee, as set forth in the fee schedule, shall accompany all applications filed between November 1st and December 1st preceding the February examination or April 1st and May 1st preceding the July examination..."

The employee in charge of the Board of Law Examiners told us the moneys were received before the deadline of October 31, but were recorded in the receipts book at a later date. Assuming this

is what happened, the receipts were held at least 23, 31, and 32 days from the deadline date.. This condition is in noncompliance with Chapter 12, Article 2, Section 2 of the West Virginia Code, as amended, dealing with making deposits within 24 hours after receipt. The aforementioned 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 or collected by them for or on behalf of the state for any purpose whatsoever...."

We recommend the West Virginia Supreme Court of Appeals comply with Court Rule 3.1 and Chapter 12, Article 2, Section 2 of the West Virginia Code, as amended.

Court's Response

The fees charged by the Board of Law Examiners were correct since each involved an applicant who had taken and failed a previous bar exam in West Virginia. The Board's approved policy is not to charge a late fee in those circumstances.

Since 1995, all funds received have been recorded immediately in the receipt book and deposited on a daily basis, with the exception of the three examples cited in the report. Due to this finding, however, special emphasis has been placed on the importance of making daily deposits.

Duplicate Payments

We noted that none of the invoices had been canceled after payment had been made. If the invoices are not canceled after payment, there is a possibility of making duplicate payments from the same invoice. During our review of the Court Improvement Fund, we noted there was an invoice for a hotel charge of \$71.98 that was paid by both IGT 810026536 dated June 28, 1995 and IGT 810027701 dated July 18, 1995. The duplicate payment was paid from the general revenue fund 0180.

Chapter 12, Article 3, Section 9 of the West Virginia Code, as amended, states in part,

"Every Board or officer authorized by law to issue requisitions upon the auditor for payment of money out of the state treasury, shall, before such money is paid out of the state treasury, certify to the auditor that the money for which such requisition is made is needed for present use for the purpose for which it was appropriated..."

We recommend the Court comply with Chapter 12, Article 3, Section 9 of the West Virginia Code, as amended, and establish procedures to avoid duplicate payments.

Court's Response

The Court recognizes the serious nature of duplicate payments and will continue to pursue reasonable remedies to ensure that the likelihood of duplicate payments is reduced or eliminated. With implementation of the FIMS system, the Auditor's Office no

longer requires that invoices be cancelled if they are date-stamped upon receipt. We do not agree that cancellation of receipts will reduce the possibility of duplicate payments, but we are nevertheless interested in implementing measures to protect against this. We will suggest to the Auditor that FIMS be modified to reject payment if an invoice number appears a second time with a request for payment.

Leave Records

As noted in our previous audit, the "Request for Leave and Statement of Leave Taken" forms could not be reconciled with the Court's leave records. In some cases, we located leave request forms that were not reflected in the Court's leave records and in other cases, we were unable to locate leave forms for information reflected in the Court's leave records.

We were unable to trace the leave taken to the "Request for Leave and Statement of Leave Taken" form for the employees of the Board of Law Examiners and Judicial Investigations because the forms were not used.

Section 8.9 of the West Virginia Judicial Personnel System Manual states in part:

"It is the responsibility of selecting authorities of supervisors to approve employees' request for leave.

Any absence by any employee who accrues leave under this manual must be charged to and recorded as the appropriate kind of leave,

including absences by confidential employees of selecting authorities."

Section 8.10 of the West Virginia Judicial Personnel System Manual states in part:

"Selecting authorities are responsible for the maintenance of all leave records timely and accurately...Only Such records are official for purposes under this Manual."

Inconsistencies noted between the Court's leave records and "Request for Leave and Statement of Leave Taken" forms affected 11 employees. These differences or inconsistencies ranged from .25 to 10.5 days in a month and involved both sick and annual leave.

Administrative Assistants for Justices are excluded from earning any annual leave. However, annual leave was accumulated by one such employee on her leave record in 1997 at a rate of one day and one-half per month which totaled eighteen days at year end. The employee did not use any of the accumulated annual leave; and after we brought it to the Court's attention, the leave records were corrected.

Section 8.1 of the West Virginia Judicial Personnel System Manual states in part:

"The following personnel do not earn annual leave:...Justices' administrative assistants..."

A permanent employee for the Clerk's Office alternates between part-time and full-time status. While working part-time, leave was accrued proportionately to percentage of time worked. However, there were six months in which the employee worked full-time and the sick leave record only accrued 0.75 days per month.

Section 8.2 of the West Virginia Judicial Personnel System Manual states in part:

"...Sick leave is earned at the rate of 18 days per year or 1.5 days per month... Sick leave is earned by all permanent full-time and permanent part-time employees. Sick leave for permanent part-time employees will accrue proportionately to percentage of time worked..."

The employee's sick leave record is understated by four and one half days. The accrual rate should have been adjusted on the leave record when the employee became a full-time employee.

We also noted five employees with calculation errors that range from 0.26 to 4.01 days in their annual leave records. There were also four employees with calculation errors in their sick leave records that range from 0.50 days to 1.62 days.

We recommend the West Virginia Supreme Court of Appeals comply with Sections 8.1, 8.2, 8.9, and 8.10 of the West Virginia Judicial Personnel System Manual by maintaining adequate and accurate leave records.

Court's Response

Findings in this section report inconsistencies found between employees' leave forms and the Court's leave records for those employees. These inconsistencies involve a total of 11 employees. It is specifically noted that the employees of the Board of Law Examiners and of the Judicial Investigation Commission were not using the Court's current forms to request leave.

These findings are not in dispute. Since these discrepancies were discovered, the appropriate records have been corrected, and a management system to ensure leave time accuracy is being implemented.

Effective January 1, 1999, the employees of both the Board of Law Examiners and the Judicial Investigation Commission, who had been using the Court's old leave record forms, have been using the current "Request for Leave and Statement of Leave Taken" forms. It should be noted that although they were using the old forms, their leave records were accurate and complete.

Maintaining a Record of the Hours an Employee Works

As noted in our previous audit many of the Court's employees were not required to maintain time sheets reflecting the hours worked each workweek. The court does not maintain a record of hours worked by employees.

Section 516.2 of the Fair Labor Standards Act states in part:

"....Every employer shall maintain and preserve payroll or other records containing the following information and data with respect to each employee to whom section 6 or both sections 6...(7) hours worked each workday and total hours worked each workweek"

There is no provision stated in the West Virginia Judicial Personnel System Manual requiring time sheets or record of hours worked to be maintained. As a result of these records not being

maintained, we were unable to determine whether the Court complied with provisions of the labor law covering overtime compensation. Also, there were no records to verify days worked by an employee on travel status.

We recommend the Court comply with Section 516.2 of the Fair Labor Standards Act.

Court's Response

This matter will be taken before the Court for review of a change of policy.

Board of Law Examiners-Incorrect Line Item

We noted the deposits of fees paid to the Board of Law Examiners were deposited into the General Revenue Account Fund 0180-029 as negative disbursements to object code 051 (miscellaneous disbursements). We believe these funds should have been classified as revenues for object code 530 (exam fees) instead of negative disbursements.

The Department of Administration, Division of Finance, Budget Section Object Codes lists and describes the object code classifications as follows:

"530 - Examination Fees: Any fee imposed by an agency to take a test for any individual seeking to perform a special service."

"051 - Miscellaneous: Those supplies or services which cannot be classified under any other object code."

Disbursements and line item 051 are being understated while revenues and line item 530 are being understated by the amount of fees collected by the Board of Law Examiners. In addition, the Board can not readily determine the amount of fees collected.

We recommend the West Virginia Supreme Court of Appeals comply with the Department of Administration, Division of Finance, Budget Sections Object Codes.

Court's Response

Several years ago, examination fees were deposited to the General Fund and ultimately lost to the Court. The legislative auditor suggested at that time that those funds be retained for use by the Court and that they be deposited under Miscellaneous. Those funds have been deposited that way since that time. Although the Court does not have revenue line items as suggested in the audit report, one could be established for the purpose of managing this fund, if necessary.

Finally, the statement that the Board cannot readily determine the amount of fees collected is erroneous. We currently track the amount of fees collected through the use of extended object codes and extended org numbers.

Monthly Report and Annual Report

Chapter 59, Article 1, Section 4 of the West Virginia Code, as amended, requires a monthly report and an annual report to

be submitted to the Auditor's Office by the Clerk's Office detailing payments received. As noted in our prior audit these reports are not filed by the Clerk's Office.

Chapter 59, Article 1, Section 4 of the West Virginia Code, as amended, states in part:

"The secretary of state, auditor and clerk of the supreme court of appeals shall each, within twenty days after the close of each month, make a report for the preceding month, in which each shall set out in detail every payment of money made to him, and show by whom it was paid, and for what purpose. The reports of the secretary of state and clerk of the supreme court of appeals shall be filed in the office of the auditor...And each of said officers shall annually, in the annual report which he is required by law to make, report the aggregate of the fees so collected by him, and the amount paid over by him, as provided in this section, which report shall be sworn to."

The information is not being provided to the Auditor's Office as required by the West Virginia Code. We could not determine why the Clerk's Office does not file a monthly or annual report with the State Auditor's Office.

We recommend the West Virginia Supreme Court of Appeals comply with Chapter 59, Article 1, Section 4 of the West Virginia Code, as amended.

Court's Response

The information needed for this report is now routinely collected by the Clerk's Office in an automated format and will be reported monthly.

INDEPENDENT AUDITORS' OPINION

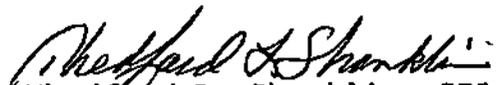
The Joint Committee on Government and Finance:

We were required to audit the statement of Appropriations/Cash Receipts, Expenditures/Disbursements and Changes in Fund Balances of the West Virginia Supreme Court of Appeals for the years ended June 30, 1998 and June 30, 1997. The financial statement is the responsibility of the management of the West Virginia Supreme Court of Appeals.

The West Virginia Code, Chapter 6, Article 9, Section 7 and Chapter 50, Article 3, Section 8 requires the Chief Inspector (State Tax Commissioner) to examine the accounts of the circuits and magistrates respectively. The circuits and magistrates have historically represented approximately two thirds of the total expenditures of appropriated funds. We were unable to apply alternative procedures to satisfy ourselves as to the fairness of these amounts.

Since the West Virginia Code limited our scope as described in the second paragraph, the scope of our work was not sufficient to enable us to express, and we do not express, an opinion on the financial statement of the West Virginia Supreme Court of Appeals.

Respectfully submitted,


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

November 16, 1998

Auditors: Michael A. House, CPA, Supervisor
Ethelbert Scott, Jr., Auditor-in-Charge
Melanie L. Lester, CPA
Noah E. Cochran

WEST VIRGINIA SUPREME COURT OF APPEALS
STATEMENT OF APPROPRIATIONS / CASH RECEIPTS, EXPENDITURES /
DISBURSEMENTS AND CHANGES IN FUND BALANCES
UNAUDITED

	<u>Year Ended June 30, 1997</u>		
	<u>General</u> <u>Revenue</u>	<u>Special</u> <u>Revenue</u>	<u>Federal</u> <u>Revenue</u>
Appropriations and Cash Receipts:			
Appropriations	\$ 49,084,003.37	\$ 0.00	\$ 0.00
Other Collections, Fees, Licenses and Income	0.00	1,142,869.57	0.00
Federal Funds	0.00	0.00	14,711.55
Court Costs	25,732.65	0.00	0.00
Printing Estimates	<u>15,964.92</u>	<u>0.00</u>	<u>0.00</u>
	49,125,700.94	1,142,869.57	14,711.55
Expenditures/Disbursements:			
Personal Services	27,871,603.63	1,002,375.59	0.00
Annual Increment	354,524.40	0.00	0.00
Employee Benefits	7,388,982.51	125,844.62	0.00
Current Expenses	2,719,218.06	0.00	14,711.55
Repairs and Alterations	97,674.78	0.00	0.00
Equipment	1,329,968.50	0.00	0.00
Judicial Retirement	4,909,943.00	0.00	0.00
Attorney Fees	152,126.32	0.00	0.00
Court Reporter Fees	384,434.08	0.00	0.00
Jury Fees	1,309,507.38	0.00	0.00
Witness Fees	231,087.13	0.00	0.00
Sequestered Juries	(18,808.38)	0.00	0.00
Mental Hygiene	933,453.41	0.00	0.00
Drug Testing	63,682.95	0.00	0.00
Publication Fees	25,154.23	0.00	0.00
Printing - Clerk	11,029.37	0.00	0.00
Guardianship Attorney Fees	83,435.77	0.00	0.00
Miscellaneous Court Costs	8,877.24	0.00	0.00
Interpreters Fees	5,866.12	0.00	0.00
Printing Costs	10,011.58	0.00	0.00
Refunds Of Printing Estimates	5,555.60	0.00	0.00
Transfers to State Treasure's Office	1,834.47	0.00	0.00
Transfers to State Gen. Rev. Fund	<u>25,732.65</u>	<u>0.00</u>	<u>0.00</u>
	<u>47,904,894.80</u>	<u>1,128,220.21</u>	<u>14,711.55</u>
Appropriations / Cash Receipts Over Expenditures/Disbursements	1,220,806.14	14,649.36	0.00
Beginning Balance	<u>1,051,370.17</u>	<u>24,841.47</u>	<u>0.00</u>
Ending Balance	<u>\$ 2,272,176.31</u>	<u>\$ 39,409.83</u>	<u>\$ 0.00</u>

See Notes to Financial Statements

<u>Combined Totals</u>	<u>Year Ended June 30, 1998</u>			<u>Combined Totals</u>
	<u>General Revenue</u>	<u>Special Revenue</u>	<u>Federal Revenue</u>	
\$49,084,003.37	\$51,726,308.40	\$ 0.00	\$ 0.00	\$51,726,308.40
1,142,869.57	0.00	1,182,305.44	0.00	1,182,305.44
14,711.55	0.00	0.00	0.00	0.00
25,732.65	9,375.23	0.00	0.00	9,375.23
<u>0.00</u>	<u>5,595.13</u>	<u>0.00</u>	<u>0.00</u>	<u>5,595.13</u>
50,283,282.06	51,741,278.76	1,182,305.44	0.00	52,923,584.20
28,873,979.22	29,330,429.00	592,971.74	0.00	29,923,400.74
354,524.40	367,420.89	0.00	0.00	367,420.89
7,514,827.13	7,509,123.25	512,385.81	0.00	8,021,509.06
2,733,929.61	2,847,498.13	0.00	0.00	2,847,498.13
97,674.78	497,559.99	0.00	0.00	497,559.99
1,329,968.50	1,363,243.15	0.00	0.00	1,363,243.15
4,909,943.00	4,775,677.00	0.00	0.00	4,775,677.00
152,126.32	162,335.15	0.00	0.00	162,335.15
384,434.08	492,313.41	0.00	0.00	492,313.41
1,309,507.38	0.00	0.00	0.00	0.00
231,087.13	1,294,211.08	0.00	0.00	1,294,211.08
(18,808.38)	276,182.17	0.00	0.00	276,182.17
933,453.41	953,928.03	0.00	0.00	953,928.03
63,682.95	104,135.20	0.00	0.00	104,135.20
25,154.23	20,464.44	0.00	0.00	20,464.44
11,029.37	7,531.88	0.00	0.00	7,531.88
83,435.77	52,019.16	0.00	0.00	52,019.16
8,877.24	0.00	0.00	0.00	0.00
5,866.12	0.00	0.00	0.00	0.00
10,011.58	2,803.59	0.00	0.00	2,803.59
5,555.60	2,241.54	0.00	0.00	2,241.54
1,834.47	0.00	0.00	0.00	0.00
<u>25,732.65</u>	<u>9,375.23</u>	<u>0.00</u>	<u>0.00</u>	<u>9,375.23</u>
<u>49,047,826.56</u>	<u>50,068,492.29</u>	<u>1,105,357.55</u>	<u>0.00</u>	<u>51,173,849.84</u>
1,235,455.50	1,672,786.47	76,947.89	0.00	1,749,734.36
<u>1,076,211.64</u>	<u>622,871.50</u>	<u>39,490.83</u>	<u>0.00</u>	<u>662,362.33</u>
<u>\$ 2,311,667.14</u>	<u>\$ 2,295,657.97</u>	<u>\$ 116,438.72</u>	<u>\$0.00</u>	<u>\$ 2,412,096.69</u>

NOTES TO FINANCIAL STATEMENT

UNAUDITED

Note A - Accounting Policies

Accounting Method: The modified cash basis of accounting was followed for the General Revenue Fund during fiscal years 1998 and 1997. The major modification from the cash basis is that a 31-day carry-over period is provided at the end of the fiscal year for payment of obligations incurred in that year. The cash basis of accounting is followed for 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.

No expiration of funds occurred July 31, 1998 or July 31, 1997 because specific language in the Budget Bills for those years makes monies remaining at the end of each of those years available for expenditure through reappropriation in the subsequent fiscal year.

Combined Totals: The combined totals contain the totals of similar accounts of the various funds. Since the appropriations and cash receipts of certain funds are restricted by various laws, rules and regulations, the totaling of the accounts is for memorandum 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 four and one-half percent of their compensation and employees have vested rights under certain circumstances. Contributions by the West Virginia Public Employees' Retirement Board are nine and one-half percent of the employees' compensation.

Contributions to the pension and retirement plan were as follows:

	<u>Year Ended June 30,</u>	
	<u>1998</u>	<u>1997</u>
General Revenue	\$2,276,874.03	\$2,194,460.40
Special Revenue	<u>170,674.18</u>	<u>13,421.37</u>
	<u>\$2,447,548.21</u>	<u>\$2,207,881.77</u>

Note C - Judges' Retirement

All judges in the State are eligible to participate in the West Virginia Retirement System for Judges of Courts of Record. Members contribute six percent of their salary received out of the State Treasury. Contributions by the West Virginia Retirement System for Judges of Courts of Record were \$7,775,677.00 and \$4,909,943.00 for the years ended June 30, 1998 and June 30, 1997, respectively. The State Auditor shall be the primary fiscal officer responsible for the records and administration of the trust fund.

SUPPLEMENTAL INFORMATION

WEST VIRGINIA SUPREME COURT OF APPEALS
 STATEMENTS OF APPROPRIATIONS AND EXPENDITURES

GENERAL REVENUE

UNAUDITED

	<u>Year Ended June 30,</u>	
	<u>1998</u>	<u>1997</u>
<u>Personal Services - Fund 0180-001</u>		
Appropriations	\$28,095,394.60	\$27,329,388.00
Expenditures:		
Personal Services	<u>28,074,383.00</u>	<u>27,099,470.00</u>
Balance June 30	<u>\$ 21,011.60</u>	<u>\$ 229,918.00</u>

Annual Increment - Fund 0180-004

Appropriations	\$400,650.00	\$367,365.00
Expenditures:		
Annual Increment	<u>367,420.89</u>	<u>354,524.40</u>
Balance June 30	<u>\$ 33,229.11</u>	<u>\$ 12,840.60</u>

WEST VIRGINIA SUPREME COURT OF APPEALS
STATEMENT OF APPROPRIATIONS AND EXPENDITURES

GENERAL REVENUE

UNAUDITED

	<u>Year Ended June 30,</u>	
	<u>1998</u>	<u>1997</u>
<u>Social Security Matching -</u>		
<u>Fund 0180-011</u>		
Appropriations	\$2,159,846.00	\$2,088,162.00
Reappropriations:		
Fiscal Year 1997	<u>84,923.71</u>	<u>0.00</u>
	2,244,769.71	2,088,162.00
Expenditures:		
Social Security Matching	<u>2,086,785.67</u>	<u>2,003,238.29</u>
Balance June 30	<u>\$ 157,984.04</u>	<u>\$ 84,923.71</u>
Components of Balance June 30,		
Fiscal Year 1997	\$ 84,923.71	\$ 84,923.71
Fiscal Year 1998	<u>73,060.33</u>	<u>0.00</u>
	<u>\$ 157,984.04</u>	<u>\$ 84,923.71</u>

WEST VIRGINIA SUPREME COURT OF APPEALS
STATEMENT OF APPROPRIATIONS AND EXPENDITURES

GENERAL REVENUE

UNAUDITED

	<u>Year Ended June 30,</u>	
	<u>1998</u>	<u>1997</u>
<u>Public Employees Insurance</u>		
<u>Matching - Fund 0180-012</u>		
Appropriations	\$3,120,150.35	\$2,940,646.00
Reappropriations:		
Fiscal Year 1997	<u>89,436.39</u>	<u>0.00</u>
	3,209,586.74	2,940,646.00
Expenditures:		
Personal Division and Public Employees Insurance	25,770.00	20,603.00
Public Employee Insurance Matching	<u>2,960,539.24</u>	<u>2,830,606.61</u>
	<u>2,986,309.24</u>	<u>2,851,209.61</u>
Balance June 30	<u>\$ 223,277.50</u>	<u>\$ 89,436.39</u>

WEST VIRGINIA SUPREME COURT OF APPEALS

STATEMENT OF APPROPRIATIONS AND EXPENDITURE

GENERAL REVENUE

UNAUDITED

	<u>Year Ended June 30,</u>	
	<u>1998</u>	<u>1997</u>
<u>Public Employees Retirement</u>		
<u>Matching - Fund 0180-016</u>		
Appropriations	\$2,680,163.00	\$2,593,190.00
Reappropriations:		
Fiscal Year 1996	0.00	401,286.42
Fiscal Year 1997	<u>403,528.07</u>	<u>0.00</u>
	3,083,691.07	2,994,476.42
Expenditures:		
Pension and Retirement	<u>2,276,874.03</u>	<u>2,169,661.93</u>
Balance June 30	<u>\$ 806,817.04</u>	<u>\$ 824,814.49</u>
Components of Balance June 30,		
Fiscal Year 1996	\$ 0.00	\$ 401,286.42
Fiscal Year 1997	403,528.07	423,528.07
Fiscal Year 1998	<u>403,288.97</u>	<u>0.00</u>
	<u>\$ 806,817.04</u>	<u>\$ 824,814.49</u>

WEST VIRGINIA SUPREME COURT OF APPEALS
STATEMENTS OF APPROPRIATIONS AND EXPENDITURES

GENERAL REVENUE

UNAUDITED

	<u>Year Ended June 30,</u>	
	<u>1998</u>	<u>1997</u>
<u>Other Expenses - Fund 0180-029</u>		
Appropriations	\$4,395,328.73	\$3,916,673.91
Reappropriations:		
Fiscal Year 1996	<u>0.00</u>	<u>31,379.16</u>
	4,395,328.73	3,948,053.07
Expenditures:		
Personal Services	26,666.00	48,556.00
Employee Benefits	159,154.31	139,702.50
Current Expenses	2,342,320.69	2,297,583.35
Repairs and Alterations	497,559.99	97,674.78
Equipment	<u>1,363,243.15</u>	<u>1,329,968.50</u>
	<u>4,392,752.14</u>	<u>3,914,235.13</u>
Balance June 30	<u>\$ 2,576.59</u>	<u>\$ 33,817.94</u>
Components of Balance June 30,		
Fiscal Year 1996	\$ 0.00	\$ 24,686.40
Fiscal Year 1997	0.00	9,131.54
Fiscal Year 1998	<u>2,576.59</u>	<u>0.00</u>
	<u>\$ 2,576.59</u>	<u>\$ 33,817.94</u>
<u>Judges Retirement System -</u>		
<u>Fund 0180-110</u>		
Appropriations	\$5,209,830.00	\$4,909,943.00
Expenditures:		
Judicial Retirement	<u>4,775,677.00</u>	<u>4,909,943.00</u>
Balance June 30	<u>\$ 434,153.00</u>	<u>\$ 0.00</u>

WEST VIRGINIA SUPREME COURT OF APPEALS
STATEMENT OF APPROPRIATIONS AND EXPENDITURES

GENERAL REVENUE

UNAUDITED

	<u>Year Ended June 30,</u>	
	<u>1998</u>	<u>1997</u>
<u>Other Court Costs - Fund 0180-111</u>		
Appropriations	\$2,533,200.00	\$2,400,000.00
Reappropriations:		
Fiscal Year 1995	0.00	170,701.03
Fiscal Year 1996	<u>0.00</u>	<u>137,450.33</u>
	2,533,200.00	2,708,151.36
Expenditures:		
Attorney Fees	158,527.15	151,376.32
Court Reporter Fees	492,313.41	384,434.08
Jury Fees	1,294,211.08	1,309,507.38
Witness Fees	276,182.17	231,087.13
Sequestered Juries	2,056.56	(18,808.38)
Drug Testing	104,135.20	63,682.95
Publication Fees	20,464.44	25,154.23
Printing - Clerk	7,531.88	11,029.37
Miscellaneous Court Costs	(62,133.08)	8,877.24
Interpreters Fees	<u>10,438.74</u>	<u>5,866.12</u>
	<u>2,303,727.55</u>	<u>2,172,206.44</u>
Balance June 30	<u>\$ 229,472.45</u>	<u>\$ 535,944.92</u>
Components of Balance June 30,		
Fiscal Year 1995	\$ 0.00	\$ 170,386.03
Fiscal Year 1996	0.00	134,718.54
Fiscal Year 1997	0.00	230,840.35
Fiscal Year 1998	<u>229,472.45</u>	<u>0.00</u>
	<u>\$ 229,472.45</u>	<u>\$ 535,944.92</u>

WEST VIRGINIA SUPREME COURT OF APPEALS
STATEMENT OF APPROPRIATIONS AND EXPENDITURES

GENERAL REVENUE

UNAUDITED

	<u>Year Ended June 30,</u>	
	<u>1998</u>	<u>1997</u>
<u>Judicial Training Program -</u>		
<u>Fund 0180-112</u>		
Appropriations	\$617,606.73	\$488,635.46
Reappropriations:		
Fiscal Year 1996	<u>0.00</u>	<u>21,160.03</u>
	617,606.73	509,795.49
Expenditures:		
Current Expenses	<u>505,177.44</u>	<u>421,634.71</u>
Balance June30	<u>\$112,429.29</u>	<u>\$ 88,160.78</u>
Components of Balance June 30,		
Fiscal Year 1996	\$ 0.00	\$ 21,160.03
Fiscal Year 1997	0.00	67,000.75
Fiscal Year 1998	<u>112,429.29</u>	<u>0.00</u>
	<u>\$112,429.29</u>	<u>\$ 88,160.78</u>

WEST VIRGINIA SUPREME COURT OF APPEALS
STATEMENT OF APPROPRIATIONS AND EXPENDITURES

GENERAL REVENUE

UNAUDITED

	<u>Year Ended June 30,</u>	
	<u>1998</u>	<u>1997</u>
 <u>Mental Hygiene - Fund 0180-113</u>		
Appropriations	\$1,029,649.12	\$ 975,000.00
Reappropriations:		
Fiscal Year 1995	0.00	5,065.26
Fiscal Year 1996	<u>0.00</u>	<u>99,505.76</u>
	1,029,649.12	1,079,571.02
 Expenditures:		
Mental Hugiene	<u>951,871.47</u>	<u>933,453.41</u>
 Balance June30	<u>\$ 77,777.65</u>	<u>\$ 146,117.61</u>
 Components of Balance June 30,		
Fiscal Year 1996	\$ 0.00	\$ 91,468.49
Fiscal Year 1997	0.00	54,649.12
Fiscal Year 1998	<u>77,777.65</u>	<u>0.00</u>
	<u>\$ 77,777.65</u>	<u>\$ 146,117.61</u>

WEST VIRGINIA SUPREME COURT OF APPEALS

STATEMENT OF APPROPRIATIONS AND EXPENDITURES

GENERAL REVENUE

UNAUDITED

	<u>Year Ended June 30,</u>	
	<u>1998</u>	<u>1997</u>
<u>Family Law Master - Fund 0180-190</u>		
Appropriations	\$1,334,489.87	\$ 950,000.00
Reappropriations:		
Fiscal Year 1996	<u>0.00</u>	<u>105,109.87</u>
	1,334,489.87	1,055,109.87
Expenditures:		
Personal Services	1,229,380.00	723,577.63
Employee Benefits	<u>0.00</u>	<u>225,170.18</u>
	<u>1,229,380.00</u>	<u>948,747.81</u>
Balance June 30	<u>\$ 105,109.87</u>	<u>\$ 106,362.06</u>
Components of Balance June 30,		
Fiscal Year 1996	\$ 0.00	\$ 105,109.87
Fiscal Year 1997	0.00	1,252.19
Fiscal Year 1998	<u>105,109.87</u>	<u>0.00</u>
	<u>\$ 105,109.87</u>	<u>\$ 106,362.06</u>

WEST VIRGINIA SUPREME COURT OF APPEALS

STATEMENT OF APPROPRIATIONS AND EXPENDITURES

GENERAL REVENUE

UNAUDITED

	<u>Year Ended June 30,</u>	
	<u>1998</u>	<u>1997</u>
<u>Guardianship Attorney Fees -</u>		
<u>Fund 0180 - 588</u>		
Appropriations	\$150,000.00	\$125,000.00
Reappropriations:		
Fiscal Year 1995	0.00	56,667.69
Fiscal Year 1996	0.00	18,188.79
Fiscal Year 1997	<u>41,564.23</u>	<u>0.00</u>
	191,564.23	199,856.48
Expenditures:		
Guardianship Attorney Fees	113,787.24	83,435.77
Reissue - Six Month Checks	<u>365.00</u>	<u>0.00</u>
	<u>114,152.24</u>	<u>83,435.77</u>
Balance June30	<u>\$ 77,411.99</u>	<u>\$116,420.71</u>
Components of Balance June 30,		
Fiscal Year 1995	\$ 0.00	\$ 56,667.69
Fiscal Year 1996	0.00	18,188.79
Fiscal Year 1997	41,564.23	41,564.23
Fiscal Year 1998	<u>35,847.76</u>	<u>0.00</u>
	<u>\$ 77,411.99</u>	<u>\$116,420.71</u>

WEST VIRGINIA SUPREME COURT OF APPEALS
STATEMENT OF APPROPRIATIONS AND EXPENDITURES

GENERAL REVENUE

UNAUDITED

	<u>Year Ended June 30,</u>	
	<u>1998</u>	<u>1997</u>
 <u>Court Costs - Fund 0180 - 570</u>		
 Cash Receipts:		
Court Costs	\$9,375.23	\$25,732.65
 Disbursements:		
Transfers to State General Revenue Fund	<u>9,375.23</u> 0.00	<u>25,732.65</u> 0.00
Beginning Balance	<u>0.00</u>	<u>0.00</u>
Ending Balance	<u>\$ 0.00</u>	<u>\$ 0.00</u>

WEST VIRGINIA SUPREME COURT OF APPEALS
STATEMENTS OF CASH RECEIPTS, DISBURSEMENTS
AND CHANGE IN CASH BALANCE
SPECIAL REVENUE
UNAUDITED

	<u>Year Ended June 30,</u>	
	<u>1998</u>	<u>1997</u>
<u>Family Law Master - Fund 1752-099/640</u>		
Cash Receipts:		
Other Collections, Fees, Licenses and Income	\$1,182,305.44	\$1,163,257.40
Disbursements:		
Personal Services	592,971.74	1,002,375.59
Employee Benefits	<u>512,385.81</u>	<u>125,844.62</u>
	<u>1,105,357.55</u>	<u>1,128,220.21</u>
Cash Receipts Over Disbursements	76,947.89	35,037.19
Beginning Balance	<u>36,642.19</u>	<u>1,605.00</u>
Balance June 30	<u>\$ 113,590.08</u>	<u>\$ 36,642.19</u>
<u>Juvenile Justice Data Base - Fund 1753-099/640</u>		
Cash Receipts:		
Other Collections, Fees, Licenses and Income	\$ 0.00	(\$20,387.83)
Disbursements	<u>0.00</u>	<u>0.00</u>
Cash Receipts (Under) Disbursements	0.00	(20,387.83)
Beginning Balance	<u>2,848.64</u>	<u>23,236.47</u>
Balance June 30	<u>\$2,848.64</u>	<u>\$ 2,848.64</u>

WEST VIRGINIA SUPREME COURT OF APPEALS
STATEMENT OF APPROPRIATIONS AND EXPENDITURES

FEDERAL PROGRAMS

UNAUDITED

	<u>Year Ended June 30,</u>	
	<u>1998</u>	<u>1997</u>
<u>Court Improvement Program - Fund 8805-096/700</u>		
Appropriations	\$125,019.00	\$123,584.00
Expenditures:		
Current Expenses	<u>0.00</u>	<u>14,711.55</u>
Balance June 30	<u>\$125,019.00</u>	<u>\$108,872.45</u>

WEST VIRGINIA SUPREME COURT OF APPEALS
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

CASH CONTROL - FUND 8805-096/700

UNAUDITED

	<u>Year Ended June 30,</u>	
	<u>1998</u>	<u>1997</u>
<u>Court Improvement Program - Fund 8805-096/700</u>		
Beginning Balance:		
State Treasury	\$0.00	\$ 0.00
Cash Receipts:		
Federal Department of Health and Human Services	<u>0.00</u>	<u>14,711.55</u>
TOTAL CASH TO ACCOUNT FOR	<u>\$0.00</u>	<u>\$14,711.55</u>
Expenditures:		
Current Expenses	\$0.00	\$14,711.55
Ending Balance:		
State Treasury	<u>0.00</u>	<u>0.00</u>
TOTAL CASH ACCOUNTED FOR	<u>\$0.00</u>	<u>\$14,711.55</u>

WEST VIRGINIA SUPREME COURT OF APPEALS
STATEMENT OF CASH RECEIPTS, DISBURSEMENTS

LOCAL ACCOUNT

UNAUDITED

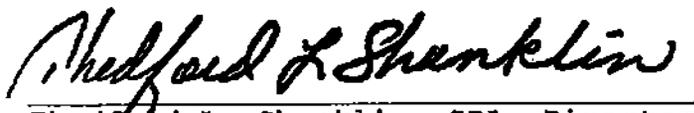
	<u>Year Ended June 30,</u>	
	<u>1998</u>	<u>1997</u>
Cash Receipts:		
Printing Estimates	\$5,595.13	\$15,964.92
Disbursements:		
Printing Costs	2,803.59	10,011.58
Refunds Of Printing Estimates	2,241.54	5,555.60
Transfers to State Treasure's Office	<u>0.00</u>	<u>1,834.47</u>
	<u>5,045.13</u>	<u>17,401.65</u>
Cash Receipts Over (Under) Disbursements	550.00	(1,436.73)
Beginning Balance	<u>3,419.10</u>	<u>4,855.83</u>
Balance June 30	<u>\$3,969.10</u>	<u>\$ 3,419.10</u>

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 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 20th day of June,
1999.


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 each Justice of the Supreme Court of Appeals; Court Clerk of the Supreme Court of Appeals; Attorney General; Governor; and the State Auditor.