

MASTER

STATE OF WEST VIRGINIA
AUDIT REPORT
OF

HUNTINGTON STATE HOSPITAL
FOR THE PERIOD
JULY 1, 1981 - JUNE 30, 1985



OFFICE OF LEGISLATIVE AUDITOR

CAPITOL BUILDING

CHARLESTON 5, WEST VIRGINIA

HUNTINGTON STATE HOSPITAL
FOR THE PERIOD
JULY 1, 1981 - JUNE 30, 1985

West Virginia



**LEGISLATIVE AUDITOR
CHARLESTON**

The Honorable Encil Bailey
Legislative Auditor
State Capitol - West Wing
Charleston, West Virginia

Sir:

In compliance with your instructions and the provisions of the West Virginia Code, Chapter 4, Article 2, as amended, we have examined the accounts of Huntington State Hospital.

Our examination covers the period July 1, 1981 through June 30, 1985. 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, 1985 and June 30, 1984 are included in this report. The financial statements covering the period July 1, 1981 through June 30, 1983 are included in our audit workpapers.

Respectfully submitted,

Theodore L. Shanklin
Theodore L. Shanklin, CPA, Director
Legislative Postaudit Division

TLS/ela

HUNTINGTON STATE HOSPITAL

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HUNTINGTON STATE HOSPITAL

EXIT CONFERENCE

We held an exit conference on May 15, 1987 with the Administrator and Director of Fiscal Services of Huntington State Hospital as well as the Director of the Office of Administration and Oversight and Director of the Financial Services Division - Office of Administration and Oversight of the West Virginia Department of Health. 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 sections of this report.

HUNTINGTON STATE HOSPITAL

INTRODUCTION

Huntington State Hospital is located on a thirty-acre tract of land in Huntington, Cabell County, and was authorized by an act of the Legislature in 1897.

The Hospital is equipped to provide modern treatment for all types of mental illness. It serves patients from 17 county areas of Boone, Cabell, Clay, Fayette, Kanawha, Lincoln, Logan, McDowell, Mason, Mercer, Mingo, Monroe, Putnam, Raleigh, Summers, Wayne, and Wyoming Counties.

The physical plant now includes an administration building, three ward buildings, and three buildings which house rehabilitation, occupational therapy, and recreational program activities, plus a substance abuse program with resident living quarters. One of the ward buildings also houses clinical support services which include x-ray, laboratory, electrocardiograph, pharmacy, and dental clinic. Other facilities include a greenhouse, canteen, two dining rooms, powerhouse, kitchen, maintenance shops and laundry.

HUNTINGTON STATE HOSPITAL
ADMINISTRATIVE OFFICERS AND STAFF

The administrative officers and staff during the audit period were
as follows:

Administrator

Max E. Knickerbocker July 1, 1980 - June 30, 1982
Charles J. Langan July 1, 1982 - Present

Director of Administrative Services

T. Michael Cobb

Clinical Director

Khan Matin, M.D. (Acting) July 1, 1980 - May 13, 1982
R. R. Watson, M.D. May 14, 1982 - Present

Other Business Office Personnel at End of Period

Doris Novik Personnel Director
Linda Adkins Secretary to the Administrator
Betty L. Ellis Purchasing
Richard Hatten Receiving
Denise Runnels Payroll
Mary Henderson Payroll
Lucille Schlagel Collection, Canteen and
Patient Welfare Account
Violet Waggoner Cashier
Betty Huey Cash Disbursements
Brenda Scheibelhood Patient Accounts Receivable
and Billings
Marie Foster Accounts Payable
Joyce Wallace Accounts Payable

HUNTINGTON STATE HOSPITAL
SUMMARY OF FINDINGS, RECOMMENDATIONS AND RESPONSES

AREAS OF NONCOMPLIANCE

Administrator and Employees Not Fully Cognizant of Compliance Requirements

1. We noted the Administrator and employees have not been sufficiently familiar with the Department of Health Instructions and the portions of the West Virginia Code applicable to their work as evidenced by the lack of compliance and insufficient internal control described in our findings.

We recommend the Administrator become more familiar with the Department of Health Instructions and West Virginia Code sections applicable to this Hospital, and that employees be required to comply with all applicable laws, rules, regulations and instructions.

We are now complying with this audit recommendation. (See pages 11-12.)

Noncompliance With West Virginia Code, Chapter 12, Article 2, Section 2 -
Prompt Deposit of Receipts

2. It appears funds received into the Superintendent's Trustee Fund for patient maintenance had not been transferred promptly to the State Treasurer's Receipts Account.

We recommend the Hospital comply with Chapter 12, Article 2, Section 2 of the West Virginia Code, as amended.

We are now complying with this audit recommendation. (See page 12.)

Noncompliance With Department of Health Financial Management Policy and Procedure No. 6046 - Patient Trustee Accounts Management

3. We noted a monthly reconciliation had not been performed to compare the balance of the Superintendent's Trustee Fund with the combined total of balances due patients. As a result, initial review indicated a possible cash shortage of \$18,675.56 while further review indicated a cash overage of \$4,421.00. These results occurred due to transaction errors. Also, we noted numerous negative balances in individual patient trustee accounts.

We recommend the Hospital comply with Department of Health Policy and Procedure No. 6046.

We are now complying with this audit recommendation. (See pages 13-14.)

Noncompliance With West Virginia Code, Chapter 27, Article 8, Section 1 and Department of Health Instruction No. 6060

4. It appears reasonable fees for patient maintenance were not being charged as required by the West Virginia Code and Department of Health Instruction No. 6060 based upon our determination of cost per patient day.

We recommend the Hospital comply with Chapter 27, Article 8, Section 1 of the West Virginia Code, as amended, and Department of Health Instruction No. 6060.

We are now complying with this audit recommendation. (See pages 14-15.)

Compensatory Time Received for Overtime Worked

5. We observed non-exempt employees have been given the option of receiving compensation at a rate of one and one-half times the normal rate of pay or taking compensatory time at one and one-half times the actual overtime worked.

We recommend the Hospital comply with applicable laws, rules and regulations regarding the payment of overtime.

We are presently complying with applicable laws and regulations regarding the payment of overtime. (See pages 15-16.)

Disbursements from the Commissary Account

6. We noted cash advances were made from the Commissary Account for travel, postage, contractual and professional services and personal services which is not consistent with the intended purposes of the account. Also, a cash advance for \$375.00 was not reimbursed to the account from General Revenue Funds.

We recommend the Hospital use the Commissary Account only for its intended purposes.

We are now complying with this audit recommendation. (See pages 16-17.)

INTERNAL CONTROLS AND ACCOUNTING SYSTEM

Patient Accounts Receivable Not Sufficiently Controlled

7. We noted the Hospital was unable to establish and verify the patient accounts receivable balances as of June 30, 1985 which is indicative of insufficient control over patient accounts receivable.

We recommend the Hospital strengthen internal controls over patient accounts receivable.

We have complied with this audit recommendation. (See pages 18-19.)

Insufficient Internal Control Over Payment of Patient Cash Voucher - Trust Funds

8. We noted no controls to verify the accuracy of the individual patient trust accounts and the trustee clerk is allowed excessive control over the posting function.

We recommend the Hospital strengthen the control over the payment of patient cash vouchers.

We have complied with this audit recommendation. (See pages 19-20.)

Insufficient Control Over Disbursement Transmittals

9. There appears to be insufficient control over disbursement transmittals because State warrants are returned to and mailed by the employees who prepared the transmittals. Also, supporting documentation for transmittals is not marked "paid" to prevent further use.

We recommend there be sufficient controls established over disbursement transmittals.

We are now complying with this audit recommendation. (See page 20.)

Insufficient Internal Control Over Mail Receipts for Local Accounts

10. A listing of mail receipts is not performed prior to the mail being forwarded to the Trustee Department.

We recommend all mail be opened by the receptionist and a listing of all receipts for the local accounts be prepared to verify deposits.

We are now complying with this audit recommendation. (See pages 20-21.)

Insufficient Internal Control Over Change Funds

11. We noted the change fund is being utilized to cash personal checks for employees.

We recommend the practice of cashing personal checks from the change fund be discontinued.

We do not agree with the audit recommendation. (See page 21.)

HUNTINGTON STATE HOSPITAL

GENERAL REMARKS

INTRODUCTION

We have completed a financial and compliance audit of Huntington State Hospital. The audit covered the period July 1, 1981 to June 30, 1985.

APPROPRIATED ACCOUNTS

All expenditures required for the general operation of Huntington State Hospital were made from the following accounts:

<u>Number</u>	<u>Description</u>
4180-00 (1985), 4160-00 (1984) . . .	Personal Services
4180-01 (1985), 4160-01 (1984) . . .	Current Expenses
4180-02 (1985), 4160-02 (1984) . . .	Repairs and Alterations
4180-03 (1985), 4160-03 (1984) . . .	Equipment
4180-06 (1985), 4160-06 (1984) . . .	Student Nurse Affiliation Program

SPECIAL REVENUE ACCOUNTS

During the audit period, Huntington State Hospital maintained the following special revenue accounts:

<u>Number</u>	<u>Description</u>
7839-01	Energy Conservation Grant Federal funds; payment of current expenses related to Energy Conservation Grant.
8500-05	Various Capital Improvement Projects for Institutions Receipts from hospital services revenues; for capital improvements, renovations and operations.
8500-11	Huntington State, Capital Outlay and Renovation for Fire Marshal Compliance Receipts from hospital services revenue; for capital improvements and renovations.
8500-24	Huntington Hospital - Hartley Capital Outlay and Renovations for JCAH Accreditation Receipts from hospital services revenue; for capital improvements and renovation.

<u>Number</u>	<u>Description</u>
8500-26	Contingency for Repairs and Alterations, Equipment, Emergency Services and Miscellaneous Receipts from hospital services revenue; for repairs, alterations, equipment and miscellaneous items.
8520-14	Air Conditioners Governor's Civil Contingent Fund; for purchase of air conditioners.
8522-06	Patients Recreation - Donnally Gift Donnally Trust Fund; for various forms of patient recreation.
8522-09	Care of Welfare Recipients Federal funds; for care of welfare recipients.
8522-10	Pastoral Care Program Receipts from donations; for counseling by pastors.
8522-11	Huntington Insurance Claim Account Receipts from insurance company; for insurance claims.
8522-12	Special Arts Federal funds; to use for patient therapy.

LOCAL ACCOUNTS

During the audit period, Huntington State Hospital maintained several local accounts which are described as follows:

Superintendent's Trustee Fund

Receives funds from or for patients for maintenance and personal care and from interest earned; disbursed for support of patients.

Collection Account

Receives funds from Superintendent's Trustee Fund, donations and other sources; for transfer to the State Treasury.

Patient Welfare Account

Receives funds for patients' benefits and from interest earned; disbursed for the benefit of all patients or for indigent patients.

Commissary Account

Receives funds from sales of food and sundries, from Superintendent's Trustee Fund and other sources; disbursed for merchandise for resale, supplies and other operating expenses.

Chapel Fund

Receives funds from savings account; held for eventual construction of a chapel.

AREAS OF NONCOMPLIANCE

The West Virginia Code, Chapter 27, Articles 1A, 2 and 8 and West Virginia Department of Health Instructions generally govern Huntington State Hospital. We tested applicable sections of the Department of Health Instructions and applicable chapters, articles and sections of the West Virginia Code as they pertain to fiscal matters. Our findings are listed below.

Administrator and Employees Not Fully Cognizant of Compliance Requirements

Department of Health Instructions have been issued on a wide variety of subjects for which the Hospital is responsible. Portions of the West Virginia Code govern the operations of this Hospital. The Administrator and employees have not been sufficiently familiar with the Department of Health Instructions and the portions of the West Virginia Code applicable to their work as evidenced by the lack of compliance and insufficient internal control described in our findings. We believe the Administrator is required to be responsible for complying with all laws, rules, regulations and instructions pertaining to the governing of Huntington State Hospital, and to properly exercise fiscal responsibility over the facility.

We recommend the Administrator become more familiar with the Department of Health Instructions and West Virginia Code sections applicable to this Hospital, and that employees be required to comply with all applicable laws, rules, regulations and instructions.

The hospital Administrator and the new Director of Fiscal Services have taken steps to master (understand and apply) the State's financial laws, rules, regulations and Department of Health policies and procedures applicable to the fiscal affairs of Huntington State Hospital. In addition, in-service education and on-the-job training are provided to increase the knowledge, skills and abilities of Fiscal Services staff.

Noncompliance With West Virginia Code, Chapter 12, Article 2, Section 2 - Prompt Deposit of Receipts

Chapter 12, Article 2, Section 2 of the West Virginia Code, as amended 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 treasurer all moneys received or collected by them for or on behalf of the state for any purpose whatsoever"

The Hospital had not complied with the West Virginia Code in that funds received into the Superintendent's Trustee Fund for patient maintenance had not been transferred promptly to the State Treasurer's Receipts Account. These funds, in some cases, remained in the Superintendent's Trustee Fund for as long as three months before being transferred.

We recommend the Hospital comply with Chapter 12, Article 2, Section 2 of the West Virginia Code, as amended.

We are presently in compliance and are using a computerized system for recording all transactions at the end of each day. A reconciliation is made of the cash box and disbursements, daily.

Funds destined for bank deposit are received and recorded daily. Bank deposits are now made at 4:30 p.m. daily and in accordance with State Treasurer's procedures.

Noncompliance With Department of Health Financial Management Policy and Procedure No. 6046 - Patient Trustee Accounts Management

On October 1, 1983, the Department of Health issued Policy No. 6046 and companion Procedure No. 6046, a comprehensive instruction dealing with the proper management and handling of patient funds. The Hospital had not complied with Procedure No. 6046 in that a complete monthly reconciliation had not been prepared to compare the combined total of balances due patients on individual trust accounts with the actual checking account balance.

Our initial review of the total of individual trust account balances compared with the actual checking account balance at June 30, 1985 indicated a cash shortage of \$18,675.56. When this was brought to the attention of the Hospital Administrator and the Department of Health, a consultant was hired to review the transactions in the trust accounts. During this review, a net total of \$23,096.56 in transaction errors were discovered. This amount is to be reimbursed to the account from various sources, changing the initial shortage of \$18,675.56 to an overage of \$4,421.00.

The system used to account for patient funds appears to be inadequate as evidenced by the errors noted above. Had a reconciliation of amounts due individual patients compared with actual checking account balance been performed, these errors would have been detected on a more timely basis. In addition, we noted numerous negative balances in individual patient trust accounts, indicating that patients are allowed to overspend their personal trust funds.

We recommend the Hospital comply with Department of Health Policy and Procedure No. 6046.

Currently, we are using the RAFS Computer System to track and verify all patient account transactions. This system allows us to have all accounts maintained in up-to-the-minute status and provide month-end reconciliation, as required. This allows the department to make up-to-the-minute monthly account reconciliations.

The use of the computer system will no longer allow untrackable errors to occur, such as the transactions shortages, or overages, mentioned in the preliminary draft audit report. Each transaction is now entered into the patient's file and recorded on a master transaction list to provide the month-end reconciliation and to detect transaction errors. We are fully complying with the Health Department Policy #6046.

Noncompliance With West Virginia Code, Chapter 27, Article 8, Section 1 and Department of Health Instruction No. 6060

Chapter 27, Article 8, Section 1 of the West Virginia Code, as amended states in part, "... The cost of maintenance of patients admitted to state hospitals shall be paid out of funds appropriated for the department, but the state hospitals through the director of health, shall have a right of reimbursement for all or any part of such maintenance from each patient"

Department of Health Instruction No. 6060, dated November 21, 1984 states, "1. The charge rate for inpatient service (per diem) shall be calculated as follows: (a) The previous year's total actual expenditures shall be divided by the number of projected patient days. (b) Each charge rate will be approved by the Director for use at the beginning of each calendar year, except for those facilities with other authorized schedules."

In our opinion, reasonable fees for patient maintenance were not being charged as required by the West Virginia Code and Department of Health Instruction No. 6060 based upon our determination of cost per patient day. In the fiscal years ended June 30, 1985 and June 30, 1984, the estimated cost per patient day was \$79.42 and \$62.83, respectively. The maximum billing rate for private pay patients in those years was \$11.40 per day. The Hospital did not update the per diem charge rate until December 1985 when the rate was changed to \$85.63 per day.

We recommend the Hospital comply with Chapter 27, Article 8, Section 1 of the West Virginia Code, as amended and Department of Health Instruction No. 6060.

In reviewing our record files, we find a November 9, 1985 letter to B. C. Eakle, Associate Director of the Office of Administration and Oversight, requesting authorization to increase the average daily per diem charge from \$11.40 per day to \$85.63. This request was approved by Mr. Eakle shortly thereafter, however, notification of this approval, for some unknown reason, was not passed on to the Trustee Section until six months later. Therefore, implementation of the increase was delayed until April 1986, when it was finally brought to the attention of Mrs. Betty Ellis, Acting Director of Fiscal Services.

Compensatory Time Received for Overtime Worked

The State Civil Service Attendance and Leave Regulations' Section 16.07, in reference to overtime work and holiday work states, "An appointing authority or his designated representative may require an employee to work in excess of the prescribed working hours or on holidays when such work is deemed necessary to the public interest. Compensation shall be made in accordance with the Minimum Wage and Maximum Hour Standards Employee Law, Chapter 21, Article 5C, West Virginia Code, as amended, and the West Virginia Department of Labor Administrative Regulations."

Chapter 21, Article 5C, Section 3 of the West Virginia Code, as amended states in part, "No employer shall employ any of his employees for a work week longer than forty hours, unless such employee receives compensation for his employment in excess of the hours above specified at a rate of not less than one and one-half times the regular rate at which he is employed."

At this Hospital, non-exempt employees have been given the option of receiving compensation at a rate of one and one-half times the normal rate of pay or taking compensatory time at one and one-half times the actual overtime worked. It appears that allowing compensatory time off at the rate of one and one-half times the actual overtime worked may not be in compliance with Chapter 21, Article 5C, Section 3 of the West Virginia Code, as amended.

We recommend the Hospital comply with applicable laws, rules and regulations regarding the payment of overtime.

The Fair Labor Standards Act, as amended, states that employees of a state, or a political subdivision of a state, may receive compensatory time off (at a rate of not less than one and one-half times the number of overtime hours worked) in lieu of overtime compensation. Similarly, Health Department Policy 2540 authorizes compensatory time off in lieu of overtime; limits the amount of compensatory time off which a non-exempt employee may accumulate, and describes, in detail, the procedures by which compensatory time is to be recorded, computed and granted. While Huntington State Hospital continues to grant compensatory time off in lieu of overtime compensation, such a practice is utilized only when funds available for overtime are severely limited, and, further, only in cases in which support services employees (i.e., maintenance, housekeeping, etc.) volunteer to work overtime for compensatory time. The Timekeeping and Payroll Sections of the Personnel Department of Huntington State Hospital monitor overtime/compensatory time practices closely to ensure compliance.

Disbursements from the Commissary Account

The Commissary Account receives funds from the sale of food and sundries, interest earned and other sources, and disburses such funds for merchandise for resale, supplies and other operating expenses. During the period under review, cash advances were made from this account for travel, postage, contractual and professional services, and personal services. The total cash advanced was \$22,410.17 for the year ended June 30, 1985 and \$27,479.53 for the year ended June 30, 1984.

Although these advances were normally restored to the account with appropriated funds, an advance was made during fiscal year 1984 in the amount of \$375.00 which has never been restored to the fund. The advance, for registration fees, was made payable to a training organization rather than to an

individual employee. Therefore, since the employee is not liable and the unexpended appropriated fund balance for fiscal year 1984 has reverted to the General Revenue Fund, this amount cannot be restored to the Commissary Account. We believe all cash advances made from the Commissary Account to be improper disbursements since it appears such payments should have been made only from appropriated funds.

We recommend the Hospital use the Commissary Account only for its intended purposes.

The Accounting Section of Fiscal Services of Huntington State Hospital was in compliance with the auditor's recommendations, upon their departure, from the facility.

INTERNAL CONTROLS AND ACCOUNTING SYSTEM

As a part of our examination, we reviewed and tested the system of internal accounting control to the extent we considered necessary to evaluate the system as required by generally accepted auditing standards. Under these standards the purpose of such evaluation is to establish a basis for reliance thereon in determining the nature, timing and extent of other auditing procedures that are necessary for expressing an opinion on the financial statements.

The objective of internal accounting control is to provide reasonable, but not absolute, assurance as to the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a system of internal accounting control should not exceed the benefits derived, and also recognizes that the evaluation of these factors necessarily requires estimates and judgments by management.

There are inherent limitations that should be recognized in considering the potential effectiveness of any system of internal accounting control. In

the performance of most control procedures, errors can result from misunderstanding of instructions, mistakes of judgment, carelessness, or other personal factors. Control procedures whose effectiveness depends upon segregation of duties can be circumvented by collusion. Similarly, control procedures can be circumvented intentionally by management with respect either to the execution and recording of transactions or with respect to the estimates and judgments required in the preparation of financial statements. Further projection of any evaluation of internal accounting control to future periods is subject to the risk that the procedures may become inadequate because of changes in conditions, and that the degree of compliance with the procedures may deteriorate.

Our study and evaluation of the system of internal accounting control for the period July 1, 1981 to June 30, 1985, which was made for the purpose set forth in the first paragraph above, would not necessarily disclose all weaknesses in the system. However, such study and evaluation disclosed conditions that we believe to be weaknesses.

Patient Accounts Receivable Not Sufficiently Controlled

The Hospital has not exercised sufficient control over patient accounts receivable in that the Hospital was unable to establish and verify the patient accounts receivable balances as of June 30, 1985. All transactions affecting patient accounts receivable had not been balanced monthly to a general ledger or other control account and supported by source materials, documents or calculations. The Hospital did not have sufficient records to prove the accuracy of all charges, credits and balances in patient accounts receivable. Because there were weaknesses in control over accounts receivable records, errors could be made and not located by the agency in its preparation of individual accounts receivable records. Individual patient accounts receivable records had not been prepared monthly for all patients as required. Individual accounts receivable records were posted monthly for regular patients and annually for

patients on county billing. Patient billings were made approximately once every three months rather than on a monthly basis.

We recommend the Hospital strengthen internal controls over patient accounts receivable.

The Accounting Section of Fiscal Services is currently evaluating its policies and procedures applicable to patient trustee accounts. The use of a computerized accounting system now provides multiple lines of account tracking and verification. An administrative oversight has been increased in this area to monitor accounting performance and more stringent requirements have been placed on the preparation, handling and disposition of documents, records and funds. In addition, more appropriate mechanical and paper controls have been installed to provide a more accurate and more stringent internal control system which includes the following:

- a) *A monthly reconciliation of source material and control accounts, provided by the computer system, now provides a verifiable, trackable accounting of all receipts and disbursements.*
- b) *Patient billings are made within ten (10) days of the end of the previous month, as required.*

Insufficient Internal Control Over Payment of Patient Cash Vouchers - Trust Funds

The internal control over the payment of patient cash vouchers is insufficient in that there are no controls to determine that amounts requested by patients are the actual amounts posted to the patients' records. When paying patient cash vouchers, the trustee clerk receives all documentation on which posting to individual patient records and posting to the Trustee Fund checking account are made. Therefore, manipulation of trust funds could occur in the payment of patient cash vouchers.

We recommend the Hospital strengthen the control over the payment of patient cash vouchers.

Trustee clerks no longer receive all transaction documentation. A copy of a signed voucher is delivered to a locked box, that is inaccessible to trustee clerks. These copies are examined by another individual to provide an internal, yet independent, verification and control of trustee accounting procedures.

Insufficient Control Over Disbursement Transmittals

The accounts payable function for appropriated expenditures prepares transmittals for payment. State warrants returned with processed transmittals were delivered and mailed to the vendors by the employees who prepared the transmittals rather than being delivered to and mailed by an employee independent of the accounts payable function. Supporting documentation for transmittals was not prevented from further use by having been stamped "paid" or by having other such cancellation marks on such documents.

We recommend there be sufficient controls established over disbursement transmittals.

Procedures have been revised so that employees who process transmittals are not also mailing out the checks. At our agency, employees who are involved in payments are not involved in purchasing and receiving; these are disjoint functions. For example, when a check is received, it is opened by the receptionist. After proper documentation of the check is made, the check is given to the payments clerk to mail, since the payments clerk maintains the hand posting, by vendor, of every financial transaction. By design, state warrants are never delivered to the payments clerk directly by mailroom staff. During the auditors' visit, a policy of stamping "PAID" on all paid documents was instituted, for both transmittals and in-house accounts.

Insufficient Internal Control Over Mail Receipts for Local Accounts

Mail receipts for local accounts are received at the Administrative Services' receptionist desk. A listing of mail receipts, which could be used

to verify deposits, is not prepared. Any mail which is directed to the Trustee Department is forwarded to that department unopened.

We recommend all mail be opened by the receptionist and a listing of all receipts for the local accounts be prepared to verify deposits.

A listing policy for all mail receipts was re-initiated April 1, 1986.

Insufficient Internal Control Over Change Funds

A change fund is maintained in the Trustee Department to provide change to both employees and patients. Currently, this fund is also being used to cash personal checks for employees.

We recommend the practice of cashing personal checks from the change fund be discontinued.

We have and continue the practice of cashing personal checks for relatively small amounts for employees from the cash fund maintained to pay patient vouchers and cash patient paychecks as a courtesy to our employees. The administration would like to continue this service for hospital employees since no problems have been encountered. If directed, however, the practice will be discontinued immediately.

AUDITORS' OPINION

The Honorable Encil Bailey
Legislative Auditor
State Capitol - West Wing
Charleston, West Virginia

Sir:

We have examined the financial statements of Huntington State Hospital for the years then ended June 30, 1985 and June 30, 1984, as listed in the foregoing table of contents. Our examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

As more fully described in Note A, the Hospital's policy is to prepare its financial statements on the modified cash and cash basis. Accordingly, the accompanying financial statements are not intended to present financial position and results of operation in conformity with generally accepted accounting principles.

Records on patient accounts receivable and amounts due to patients on trust accounts were not sufficient to establish verifiable balances during the audit. Accordingly, we were unable to confirm accounts receivable balances or establish validity of amounts due to patients on trust accounts. For these reasons, we did not present patient accounts receivable or amounts due to patients on patient trust accounts as part of the financial statements.

In our opinion, subject to the omissions of the accounts as referred to in the third paragraph, the financial statements referred to above present fairly appropriations and expenditures and cash transactions for the years ended June 30, 1985 and June 30, 1984 on a basis consistent with the preceding year.

Our examination was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental information is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected

to the auditing procedures applied in the examination of the basic financial statements and, in our opinion, subject to the conditions indicated in the third paragraph is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Respectfully submitted,



Theodora L. Shanklin, CPA, Director
Legislative Postaudit Division

September 19, 1986

Auditors: Michael E. Sizemore, CPA, Supervisor
Leonard H. Lewis, Auditor-in-Charge
Robert E. High
Leslie M. Smith

HUNTINGTON STATE HOSPITAL

STATEMENT OF APPROPRIATIONS/CASH RECEIPTS, EXPENDITURES/

DISBURSEMENTS AND CHANGES IN FUND BALANCES

	Year Ended June 30, 1985			
	General Revenue	Special Revenue	Trust Funds	Combined Totals
Appropriations/Cash Receipts:				
Appropriations	\$ 9,544,961.00	\$ -0-	\$ -0-	\$ 9,544,961.00
Trust Funds	-0-	-0-	477,660.01	477,660.01
Interest	-0-	-0-	42,535.02	42,535.02
Hospital Services Revenue	-0-	279,407.84	-0-	279,407.84
Federal Funds	-0-	9,720.00	-0-	9,720.00
Other	-0-	23,330.00	-0-	23,330.00
	<u>9,544,961.00</u>	<u>312,457.84</u>	<u>520,195.03</u>	<u>10,377,613.87</u>
Expenditures/Disbursements:				
Personal Services	6,648,830.45	-0-	5,605.72	6,654,436.17
Current Expenses	1,942,572.75	144,263.23	561,026.18	2,647,862.16
Repairs and Alterations	56,372.19	46,385.78	528.08	103,286.05
Equipment	66,310.37	56,241.55	8,606.00	131,157.92
Hospital Services Revenue	-0-	198,446.65	-0-	198,446.65
General Revenue	-0-	-0-	11,562.55	11,562.55
Special Revenue	-0-	9,720.00	-0-	9,720.00
	<u>8,714,085.76</u>	<u>455,057.21</u>	<u>587,328.53</u>	<u>9,756,471.50</u>
Appropriations/Cash Receipts Over (Under) Expenditures/ Disbursements	830,875.24	(142,599.37)	(67,133.50)	621,142.37
Expenditures After June 30, and Expirations	<u>830,875.24</u>	<u>-0-</u>	<u>-0-</u>	<u>830,875.24</u>
	-0-	(142,599.37)	(67,133.50)	(209,732.87)
Beginning Balance	-0-	313,216.17	502,520.48	815,736.65
Ending Balance	<u>\$ -0-</u>	<u>\$ 170,616.80</u>	<u>\$ 435,386.98</u>	<u>\$ 606,003.78</u>

See Notes to Financial Statement

Year Ended June 30, 1984

<u>General Revenue</u>	<u>Special Revenue</u>	<u>Trust Funds</u>	<u>Combined Totals</u>
\$ 8,335,261.00	\$ -0-	\$ -0-	\$ 8,355,261.00
-0-	-0-	452,456.74	452,456.74
-0-	-0-	45,066.17	45,066.17
-0-	641,550.78	-0-	641,550.78
-0-	15,631.00	-0-	15,631.00
-0-	28,818.59	-0-	28,818.59
<u>8,355,261.00</u>	<u>686,000.37</u>	<u>497,522.91</u>	<u>9,538,784.28</u>
5,781,538.61	-0-	20,133.50	5,801,672.11
1,717,629.70	39,555.37	663,223.25	2,420,408.32
48,312.47	178,999.47	672.21	227,984.15
54,063.29	9,646.03	1,381.51	65,090.83
-0-	362,683.26	-0-	362,683.26
-0-	-0-	3,318.42	3,318.42
-0-	-0-	-0-	-0-
<u>7,601,544.07</u>	<u>590,884.13</u>	<u>688,728.89</u>	<u>8,881,157.09</u>
753,716.93	95,116.24	(191,205.98)	657,627.19
<u>753,716.93</u>	<u>-0-</u>	<u>-0-</u>	<u>753,716.93</u>
-0-	95,116.24	(191,205.98)	(96,089.74)
-0-	218,099.93	693,726.46	911,826.39
<u>\$ -0-</u>	<u>\$ 313,216.17</u>	<u>\$ 502,520.48</u>	<u>\$ 815,736.65</u>

HUNTINGTON STATE HOSPITAL
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 30-day carry-over period (90 days in fiscal year 1984) 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 the expenditures encumbered prior to the end of the fiscal year may be paid up to 30 days (90 days in fiscal year 1984) 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 operation in conformity with generally accepted accounting principles.

Expenditures paid after June 30, during the carry-over period, and expirations were as follows:

	<u>Expenditures</u>		<u>Expirations</u>	
	<u>Paid After June 30,</u> <u>1985</u>	<u>1984</u>	<u>July 31,</u> <u>1985</u>	<u>Sept. 30,</u> <u>1984</u>
Personal Services	\$358,529.02	\$276,951.32	\$209,333.76	\$105,563.54
Current Expenses	244,795.85	331,239.36	629.17	2,066.47
Repairs and Alterations	3,655.70	11,586.69	2.11	132.84
Equipment	11,819.58	25,681.79	2,110.05	494.92
	<u>\$618,800.15</u>	<u>\$645,459.16</u>	<u>\$212,075.09</u>	<u>\$108,257.77</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 the accounts is for memorandum purposes only and does not indicate that the combined totals are available in any manner other than 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 4½% of their annual compensation and contributions by the West Virginia Public Employees' Retirement Board are 9½% of the employees' annual compensation.

Note C - Hospital Services Revenue Account

On and after January 1, 1982, there was established in the State Treasury a separate account designated the Hospital Services Revenue Account. The Director of Health shall deposit promptly into the account any fees received by a facility owned and operated by the State Health Department from whatever source including the Federal and State governments or other third-party payer or personal payment.

The Director of Health is authorized to expend the moneys deposited in the account in accordance with Federal laws and regulations and with the laws of this State as is necessary for the development of a five-year health facilities long-range plan and subsequent revisions.

SUPPLEMENTAL INFORMATION

HUNTINGTON STATE HOSPITAL
 STATEMENTS OF APPROPRIATIONS AND EXPENDITURES
 GENERAL REVENUE

<u>Personal Services - Account 4180-00 (1985), Account 4160-00 (1984)</u>	<u>Year Ended June 30,</u>	
	<u>1985</u>	<u>1984</u>
Appropriations	\$7,143,864.00	\$6,107,949.00
Expenditures	<u>6,934,623.57</u>	<u>6,003,398.54</u>
	209,240.43	104,550.46
Transmittals Paid After June 30	<u>355,288.87</u>	<u>274,934.32</u>
Balance	<u>\$ 564,529.30</u>	<u>\$ 379,484.78</u>
<u>Current Expenses - Account 4180-01 (1985), Account 4160-01 (1984)</u>		
Appropriations	\$2,183,208.00	\$2,048,758.00
Expenditures	<u>2,182,578.83</u>	<u>2,046,691.53</u>
	629.17	2,066.47
Transmittals Paid After June 30	<u>244,795.85</u>	<u>329,061.83</u>
Balance	<u>\$ 245,425.02</u>	<u>\$ 331,128.30</u>
<u>Repairs and Alterations - Account 4180-02 (1985), Account 4160-02 (1984)</u>		
Appropriations	\$ 60,030.00	\$ 60,032.00
Expenditures	<u>60,027.89</u>	<u>59,899.16</u>
	2.11	132.84
Transmittals Paid After June 30	<u>3,655.70</u>	<u>11,586.69</u>
Balance	<u>\$ 3,657.81</u>	<u>\$ 11,719.53</u>

HUNTINGTON STATE HOSPITAL
STATEMENTS OF APPROPRIATIONS AND EXPENDITURES.

GENERAL REVENUE

<u>Equipment - Account 4180-03 (1985), Account 4160-03 (1984)</u>	<u>Year Ended June 30,</u>	
	<u>1985</u>	<u>1984</u>
Appropriations	\$ 80,240.00	\$ 80,240.00
Expenditures	<u>78,129.95</u>	<u>79,745.08</u>
	2,110.05	494.92
Transmittals Paid After June 30	<u>11,819.58</u>	<u>25,681.79</u>
Balance	<u>\$ 13,929.63</u>	<u>\$ 26,176.71</u>
<u>Student Nurse Affiliation Program - Account 4180-06 (1985), Account 4160-06 (1984)</u>		
Appropriations	\$ 77,619.00	\$ 58,282.00
Expenditures:		
Personal Services	72,735.90	55,091.39
Current Expenses	<u>4,789.77</u>	<u>2,177.53</u>
	<u>77,525.67</u>	<u>57,268.92</u>
	93.33	1,013.08
Transmittals Paid After June 30	<u>3,240.15</u>	<u>4,194.53</u>
Balance	<u>\$ 3,333.48</u>	<u>\$ 5,207.61</u>

HUNTINGTON STATE HOSPITAL
 STATEMENTS OF CASH RECEIPTS AND DISBURSEMENTS
 SPECIAL REVENUE

<u>Energy Conservation Grant - Account 7839-01</u>	Year Ended June 30,	
	1985	1984
Cash Receipts:		
Federal Funds	\$ -0-	\$ 15,631.00
Disbursements:		
Current Expenses	4,860.00	4,860.00
Cash Receipts (Under) Over Disbursements	(4,860.00)	10,771.00
Beginning Balance	10,771.00	-0-
Ending Balance	\$ 5,911.00	\$ 10,771.00

Various Capital Improvement Projects
For Institutions - Account 8500-05

Cash Receipts:		
Hospital Services Revenue	\$ 961.19	\$196,567.52
Disbursements:		
Current Expenses	11.04	14,933.27
Repairs and Alterations	-0-	171,988.22
Equipment	950.15	9,646.03
	961.19	196,567.52
	-0-	-0-
Beginning Balance	-0-	-0-
Ending Balance	\$ -0-	\$ -0-

HUNTINGTON STATE HOSPITAL
 STATEMENTS OF CASH RECEIPTS AND DISBURSEMENTS
 SPECIAL REVENUE

<u>Huntington State, Capital Outlay and Renovation for Fire Marshal Compliance - Account 8500-11</u>	<u>Year Ended June 30,</u>	
	<u>1985</u>	<u>1984</u>
Cash Receipts	\$ -0-	\$ -0-
Disbursements:		
Current Expenses	137,779.23	19,440.00
Repairs and Alterations	14,736.59	-0-
Equipment	5,085.00	-0-
	<u>157,600.82</u>	<u>19,440.00</u>
Cash Receipts (Under) Disbursements	(157,600.82)	(19,440.00)
Beginning Balance	<u>169,960.00</u>	<u>189,400.00</u>
Ending Balance	<u>\$ 12,359.18</u>	<u>\$ 169,960.00</u>

<u>Huntington Hospital - Hartley Capital Outlay and Renovations for JCAH Accreditation - Account 8500-24</u>		
Cash Receipts	\$ -0-	\$ -0-
Disbursements	<u>-0-</u>	<u>-0-</u>
	-0-	-0-
Beginning Balance	<u>8,800.00</u>	<u>8,800.00</u>
Ending Balance	<u>\$ 8,800.00</u>	<u>\$ 8,800.00</u>

HUNTINGTON STATE HOSPITAL
 STATEMENTS OF CASH RECEIPTS AND DISBURSEMENTS
 SPECIAL REVENUE

Contingency for Repairs and Alterations,
 Equipment, Emergency Services and
 Miscellaneous - Account 8500-26

Year Ended June 30,
1985 1984

Cash Receipts:		
Hospital Services Revenue	\$ 80,000.00	\$ 82,300.00
Disbursements:		
Repairs and Alterations	27,991.03	-0-
Equipment	26,876.40	-0-
	<u>54,867.43</u>	<u>-0-</u>
Cash Receipts Over Disbursements	25,132.57	82,300.00
Beginning Balance	<u>82,300.00</u>	<u>-0-</u>
Ending Balance	<u>\$107,432.57</u>	<u>\$ 82,300.00</u>

Air Conditioners - Account 8520-14

Cash Receipts	\$ 23,330.00	\$ -0-
Disbursements:		
Equipment	23,330.00	-0-
	-0-	-0-
Beginning Balance	<u>-0-</u>	<u>-0-</u>
Ending Balance	<u>\$ -0-</u>	<u>\$ -0-</u>

HUNTINGTON STATE HOSPITAL
 STATEMENTS OF CASH RECEIPTS AND DISBURSEMENTS
 SPECIAL REVENUE

<u>Patients Recreation - Donnally Gift -</u> <u>Account 8522-06</u>	<u>Year Ended June 30,</u>	
	<u>1985</u>	<u>1984</u>
Cash Receipts	\$ -0-	\$ -0-
Disbursements:		
Current Expenses	18.70	-0-
Repairs and Alterations	38.16	-0-
	<u>56.86</u>	<u>-0-</u>
Cash Receipts (Under) Disbursements	(56.86)	-0-
Beginning Balance	<u>149.55</u>	<u>149.55</u>
Ending Balance	<u>\$ 92.69</u>	<u>\$ 149.55</u>
<u>Care of Welfare Recipients -</u> <u>Account 8522-09</u>		
Cash Receipts	\$ -0-	\$ -0-
Disbursements	<u>-0-</u>	<u>-0-</u>
	-0-	-0-
Beginning Balance	<u>52.92</u>	<u>52.92</u>
Ending Balance	<u>\$ 52.92</u>	<u>\$ 52.92</u>

HUNTINGTON STATE HOSPITAL
 STATEMENTS OF CASH RECEIPTS AND DISBURSEMENTS
 SPECIAL REVENUE

<u>Pastoral Care Program - Account 8522-10</u>	Year Ended June 30,	
	1985	1984
Cash Receipts	\$ -0-	\$ -0-
Disbursements	-0-	-0-
	-0-	-0-
Beginning Balance	1,850.00	1,850.00
Ending Balance	\$ 1,850.00	\$ 1,850.00

<u>Huntington Insurance Claim Account - Account 8522-11</u>		
Cash Receipts:		
Insurance Claims	\$ -0-	\$ 28,818.59
Disbursements:		
Current Expenses	1,297.43	-0-
Repairs and Alterations	3,620.00	7,011.25
	4,917.43	7,011.25
Cash Receipts (Under) Over Disbursements	(4,917.43)	21,807.34
Beginning Balance	38,793.40	16,986.06
Ending Balance	\$ 33,875.97	\$ 38,793.40

<u>Special Arts - Account 8522-12</u>		
Cash Receipts	\$ -0-	\$ -0-
Disbursements:		
Current Expenses	296.83	322.10
Cash Receipts (Under) Disbursements	(296.83)	(322.10)
Beginning Balance	539.30	861.40
Ending Balance	\$ 242.47	\$ 539.30

HUNTINGTON STATE HOSPITAL
STATEMENT OF CASH RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH BALANCE
LOCAL ACCOUNT

<u>Superintendent's Trustee Fund</u>	<u>Year Ended June 30,</u>	
	<u>1985</u>	<u>1984</u>
Cash Receipts:		
Contributions from Residents, Relatives or Third-Party Agencies	\$ 522,018.05	\$ 700,969.96
Interest	18,683.53	29,892.75
Transfer from Patient Welfare Fund	20.00	2,050.52
Transfer from Commissary Account	8,017.40	3,550.45
	<u>548,738.98</u>	<u>736,463.68</u>
Disbursements:		
Patient Withdrawals	382,176.31	554,515.73
Patient Maintenance	198,446.65	362,683.26
State Treasurer - Unclaimed Funds	28,338.35	12,999.34
Transfer to Patient Welfare Fund	7,417.76	75,154.41
Transfer to Commissary Account	5,537.00	-0-
Early Withdrawal Penalty - Certificate of Deposit	3,615.08	-0-
General Revenue	160.72	-0-
	<u>625,691.87</u>	<u>1,005,352.74</u>
Cash Receipts (Under) Disbursements	(76,952.89)	(268,889.06)
Beginning Balance	<u>310,211.61</u>	<u>579,100.67</u>
Ending Balance	<u>\$ 233,258.72</u>	<u>\$ 310,211.61</u>

	<u>Year Ended June 30,</u>		
	<u>1985</u>	<u>1984</u>	<u>1983</u>
Ending Balance:			
Cash in Bank	\$177,773.84	\$ 90,126.27	\$155,573.59
Consolidated Investment Fund	55,484.88	120,085.34	323,527.08
Certificates of Deposit	-0-	100,000.00	100,000.00
	<u>\$233,258.72</u>	<u>\$310,211.61</u>	<u>\$579,100.67</u>

HUNTINGTON STATE HOSPITAL
STATEMENT OF CASH RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH BALANCE
LOCAL ACCOUNT

<u>Commissary Account</u>	<u>Year Ended June 30,</u>	
	<u>1985</u>	<u>1984</u>
Cash Receipts:		
Sales	\$172,333.88	\$173,188.31
Consumer Sales Tax	8,935.83	8,654.46
Cash Advances Returned	25,955.64	19,448.33
Interest	5,468.77	2,833.22
Deposit of Employee Insurance		
Premiums	8,883.69	274.94
Transfer from Trustee Fund - Error	5,537.00	-0-
Miscellaneous	35.48	155.54
	<u>227,150.29</u>	<u>204,554.80</u>
Disbursements:		
Personal Services	5,605.72	20,133.50
Current Expenses	28,558.73	22,718.42
Repairs and Alterations	528.08	672.21
Equipment	8,606.00	1,381.51
Merchandise for Resale	126,285.93	114,022.84
Cash Advances	22,410.17	27,479.53
Transfer to Trustee Fund -		
Error Correction	5,537.00	-0-
	<u>197,531.63</u>	<u>186,408.01</u>
Cash Receipts Over Disbursements	29,618.66	18,146.79
Beginning Balance	<u>48,975.77</u>	<u>30,828.98</u>
Ending Balance	<u>\$ 78,594.43</u>	<u>\$ 48,975.77</u>

	<u>Year Ended June 30,</u>		
	<u>1985</u>	<u>1984</u>	<u>1983</u>
Ending Balance:			
Cash in Bank	\$53,291.99	\$26,936.62	\$19,768.67
Change Fund	150.00	100.00	100.00
Consolidated Investment Fund	<u>25,152.44</u>	<u>21,939.15</u>	<u>10,960.31</u>
	<u>\$78,594.43</u>	<u>\$48,975.77</u>	<u>\$30,828.98</u>

HUNTINGTON STATE HOSPITAL
STATEMENT OF CASH RECEIPTS, DISBURSEMENTS
AND CHANGES IN CASH BALANCE
LOCAL ACCOUNT

<u>Patient Welfare Account</u>	<u>Year Ended June 30,</u>	
	<u>1985</u>	<u>1984</u>
Cash Receipts:		
Sales	\$ 23,674.83	\$ 5,999.27
Donations	1,073.53	2,097.62
Interest	24,117.86	14,971.60
Redeposit of Expenditures	1,417.85	910.19
Transfer from Commissary Account	43.21	760.88
Transfer from Trustee Fund	-0-	71,445.53
	<u>50,327.28</u>	<u>96,185.09</u>
Disbursements:		
Recreational Therapy and Other Expenditures to Benefit All Patients or Specific Patients Who Have No Funds Available	71,778.69	35,533.87
Transfer to Commissary Account	10.48	141.89
Transfer to Trustee Fund	20.00	2,050.52
	<u>71,809.17</u>	<u>37,726.28</u>
Cash Receipts (Under) Over Disbursements	(21,481.89)	58,458.81
Beginning Balance	<u>132,248.20</u>	<u>73,789.39</u>
Ending Balance	<u><u>\$110,766.31</u></u>	<u><u>\$132,248.20</u></u>

	<u>Year Ended June 30,</u>		
	<u>1985</u>	<u>1984</u>	<u>1983</u>
Ending Balance:			
Cash in Bank	\$ 5,754.37	\$ 7,936.36	\$ 617.49
Consolidated Investment Fund	<u>105,011.94</u>	<u>124,311.84</u>	<u>73,171.90</u>
	<u><u>\$110,766.31</u></u>	<u><u>\$132,248.20</u></u>	<u><u>\$ 73,789.39</u></u>

HUNTINGTON STATE HOSPITAL
 STATEMENTS OF CASH RECEIPTS, DISBURSEMENTS
 AND CHANGES IN CASH BALANCE
 LOCAL ACCOUNTS

<u>Chapel Fund</u>	<u>Year Ended June 30,</u>	
	<u>1985</u>	<u>1984</u>
Cash Receipts:		
Interest	\$ 1,682.62	\$ 1,077.48
Disbursements	<u>-0-</u>	<u>-0-</u>
Cash Receipts Over Disbursements	1,682.62	1,077.48
Beginning Balance - Consolidated Investment Fund	<u>11,084.90</u>	<u>10,007.42</u>
Ending Balance - Consolidated Investment Fund	<u>\$ 12,767.52</u>	<u>\$ 11,084.90</u>
 <u>Collection Account</u>		
Cash Receipts:		
Hospital Services Revenue	\$198,446.65	\$362,683.26
Refunds to Appropriations	11,562.55	3,318.42
Special Revenue	<u>9,720.00</u>	<u>-0-</u>
	219,729.20	366,001.68
Disbursements:		
Hospital Services Revenue	198,446.65	362,683.26
Refunds to Appropriations	11,562.55	3,318.42
Special Revenue	<u>9,720.00</u>	<u>-0-</u>
	<u>219,729.20</u>	<u>366,001.68</u>
	-0-	-0-
Beginning Balance	<u>-0-</u>	<u>-0-</u>
Ending Balance	<u>\$ -0-</u>	<u>\$ -0-</u>

HUNTINGTON STATE HOSPITAL

RECONCILIATIONS

JUNE 30, 1985

<u>Energy Conservation Grant - Account 7839-01</u>	
Balance per State Treasury and Hospital	<u>\$ 5,911.00</u>
<u>Huntington State, Capital Outlay and Renovation for Fire Marshal Compliance - Account 8500-11</u>	
Balance per State Treasury and Hospital	<u>\$ 12,359.18</u>
<u>Huntington Hospital - Hartley Capital Outlay and Renovations for JCAH Accreditation - Account 8500-24</u>	
Balance per State Treasury and Hospital	<u>\$ 8,800.00</u>
<u>Contingency for Repairs and Alterations, Equipment, Emergency Services and Miscellaneous - Account 8500-26</u>	
Balance per State Treasury and Hospital	<u>\$107,432.57</u>
<u>Patients Recreation - Donnally Gift - Account 8522-06</u>	
Balance per State Treasury and Hospital	<u>\$ 92.69</u>
<u>Care of Welfare Recipients - Account 8522-09</u>	
Balance per State Treasury and Hospital	<u>\$ 52.92</u>
<u>Pastoral Care Program - Account 8522-10</u>	
Balance per State Treasury and Hospital	<u>\$ 1,850.00</u>

HUNTINGTON STATE HOSPITAL

RECONCILIATIONS

JUNE 30, 1985

Huntington Insurance Claim Account - Account 8522-11

Balance per State Treasury and Hospital \$ 33,875.97

Special Arts - Account 8522-12

Balance per State Treasury and Hospital \$ 242.47

HUNTINGTON STATE HOSPITAL

BANK RECONCILIATION

JUNE 30, 1985

Patient Welfare Account

Balance per Bank \$7,559.55

Less: Outstanding Checks

Check Numbers

3129	2.94
3487	14.52
3590	26.39
3668	11.00
3675	1.68
3676	3.36
3687	10.92
3688	6.99
3690	1.42
3704	4.20
3708	15.97
3710	2.93
3713	5.07
3714	13.63
3716	6.82
3718	6.05
3724	4.80
3725	1.17
3733	5.00
3734	56.43
3735	16.45
3736	25.50
3738	73.22
3741	29.94
3744	147.65
3745	118.50
3750	150.00
3753	21.00
3756	372.46
3757	21.67
3758	597.50
3759	9.00
3760	21.00
	<u>1,805.18</u>

Balance per Book

\$5,754.37

HUNTINGTON STATE HOSPITAL

BANK RECONCILIATION

JUNE 30, 1985

Commissary Account

Balance per Bank \$54,640.97

Plus: Deposits in Transit

Date

June 28, 1985

302.56

54,943.53

Less: Outstanding Checks

Check Numbers

3358	160.50
3359	882.36
3361	7.90
3362	10.00
3363	8.00
3364	4.00
3375	15.36
3376	22.25
3377	100.24
3378	33.60
3379	158.00
3380	31.70
3381	14.10
3382	178.00
3383	25.53

1,651.54

Balance per Book

\$53,291.99

HUNTINGTON STATE HOSPITAL

BANK RECONCILIATION

JUNE 30, 1985

Superintendent's Trustee Fund

Balance per Bank \$180,413.42

Plus: Deposit in Transit

Date

June 28, 1985

594.05

181,007.47

Less: Outstanding Checks

Check Numbers

14857	26.50
14917	107.00
14928	75.00
14948	26.50
14988	250.00
14992	36.00
15007	586.46
15011	434.00
15012	408.00
15013	444.80
15015	75.18
15016	300.49
15017	35.00
15019	200.00
15022	45.05
15023	62.65
15024	21.00
15025	100.00

3,233.63

Balance per Book

\$177,773.84

HUNTINGTON STATE HOSPITAL

PATIENT COST

	<u>Year Ended June 30,</u>	
	<u>1985</u>	<u>1984</u>
Average Population	327	362
Patient Days	119,197	132,034
Total Appropriated Expenditures	\$9,467,342.00	\$8,296,979.00
Cost per Patient Day	\$ 79.42	\$ 62.83
Average Cost per Patient Year	\$ 28,952.11	\$ 22,919.83

STATE OF WEST VIRGINIA

OFFICE OF LEGISLATIVE AUDITOR, TO WIT:

I, Encil Bailey, Legislative Auditor, 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 11 day of August, 1987.

Encil Bailey

Encil Bailey, Legislative Auditor

Copy forwarded to the Commissioner of the Department of Finance and Administration to be filed as a public record. Copies forwarded to Huntington State Hospital; West Virginia Department of Health; Governor; Attorney General; and, State Auditor.