

**STATE OF WEST VIRGINIA**  
**AUDIT REPORT**  
**OF**

WEST VIRGINIA CHILDREN'S HOME  
FOR THE PERIOD  
JANUARY 8, 1976 - JUNE 15, 1978



**OFFICE OF LEGISLATIVE AUDITOR**  
**CAPITOL BUILDING**  
**CHARLESTON, WEST VIRGINIA 25305**

AUDIT REPORT  
OF  
WEST VIRGINIA CHILDREN'S HOME  
FOR THE PERIOD  
JANUARY 8, 1976 - JUNE 15, 1978



LEGISLATIVE AUDITOR

CHARLESTON

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

Sir:

In compliance with your instructions and the provisions of Article 2, Chapter 4, West Virginia Code, as amended, we have examined the accounts of West Virginia Children's Home.

Our examination covered the period January 8, 1976 through June 15, 1978 for all local bank accounts and the period ended December 31, 1977, and the years ended June 30, 1977 and June 30, 1976 for the appropriated and special revenue accounts. The results of this examination are set forth on the following pages of this report.

Respectfully submitted,

*James R. Blake*  
James R. Blake, Supervisor  
Postaudit Division

JRB:jaw

WEST VIRGINIA CHILDREN'S HOME

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## HISTORY OF WEST VIRGINIA CHILDREN'S HOME

The West Virginia Children's Home, located in Randolph County, was established by an act of the Legislature in 1917. The two-story brick structure is situated on a 17-acre tract which also includes playground equipment, an open air swimming pool and a modern elementary school with adjoining gymnasium facilities.

Effective July 1, 1977, the Legislature transferred operation of the home to the State Department of Welfare.

Originally serving an orphanage function for neglected children, the home now basically provides an evaluation and short term residential service for children with special needs and problems.

The aim is to provide each child with the emotional and educational tools to enable a return to his or her community.

WEST VIRGINIA CHILDREN'S HOME

SUMMARY OF FINDINGS AND RECOMMENDATIONS

APPROPRIATED FUNDS

1. Better internal controls and accountability of food products inventory.

We recommend that a perpetual inventory of food products be established and maintained.

2. Withdrawal slips for food products taken from storeroom for kitchen use are not retained.

We recommend that all records be retained for future auditing purposes.

3. Several items of equipment did not have inventory number tags attached.

We recommend that inventory number tags be attached to equipment as soon as the item is received.

SPECIAL REVENUE ACCOUNTS

4. Some records were missing due to the transactions being processed in the Charleston Office, Department of Welfare.

We recommend that the fiscal officer be assured that proper documentation is received to support the activities in all accounts.

COLLECTION ACCOUNT

5. Monthly rental rates for rooms and the superintendent's dwelling have remained the same for the past several years while the cost of living has continued to rise.

We recommend that the Department of Welfare Commissioner establish a more realistic rental rate for rooms and the superintendent's dwelling at the Children's Home.

6. The rate charged for meals is insufficient to cover the costs and some free meals are granted.

We recommend that the price for meals be increased sufficiently to at least cover the costs and the practice of granting free meals be discontinued.

#### TRUSTEE ACCOUNT

7. Children are being transported on out-of-state trips in a state car without prior approval for these trips.

We recommend that the Director obtain approval from the Department of Welfare before taking the state car and the children on out-of-state trips.

8. The cost for these trips is being charged to the Trustee Account.

We recommend that only those expenses relating to the children be paid from the Trustee Account.

WEST VIRGINIA CHILDREN'S HOME

GENERAL REMARKS

APPROPRIATED FUNDS

Our examination of the records relating to inventory of food products revealed a need for better accountability and internal controls. Withdrawal slips for meats and canned items for kitchen use are not retained. If, when a physical inventory is taken and it does not agree with the record in the business office, the business office figure is erased and the inventoried figure is entered. No date of entry is made in the business office record for incoming merchandise or withdrawals. We recommend that a perpetual inventory of food products be established and maintained showing dates and amounts of purchases and withdrawals and the reason for the withdrawal. We also recommend that all records be retained for future auditing purposes.

Our examination of the records relating to equipment purchases revealed several items without inventory number tags. We recommend that inventory number tags be attached to equipment as soon as the item is received.

SPECIAL REVENUE ACCOUNTS

There are three special revenue accounts assigned to this institution as follows:

1. National School Lunch Program, Account No. 8233-05
2. ESEA Grants, Account No. 8233-06
3. ESEA Title IV Grants, Account No. 8233-07

During our examination of these accounts it was noted that some of the records were missing. We were informed that some transactions are processed by the Charleston Office, Department of Welfare and copies of the documents are not forwarded to this institution. Sufficient information was obtained from the State Auditor's Office to satisfy ourselves that the financial statements appearing in this report are fairly stated. We recommend that the fiscal officer be assured that proper documentation is received to support the activities in all accounts.



#### COLLECTION ACCOUNT

During our review of rental income it was noted that this institution is renting rooms at a rate of \$5.00 per month. The rental rate on the superintendent's home is \$50.00 per month and the state is paying all utility bills, the telephone base rate and the T.V. cable service even though the granting of emoluments was discontinued affective July 1, 1972. The present rental rates have remained the same for the past several years while the cost of living has continued to rise. We recommend that the Department of Welfare Commissioner establish a more realistic rental rate for rooms and the superintendent's dwelling.

It was also noted during our review that meals are sold for sixty cents plus consumers' sales tax. It is our opinion that this rate is insufficient to cover the cost of preparing the meals. We observed during our examination that some free meals are being granted. We recommend that the price for meals be increased sufficiently to at least cover the cost and the practice of granting free meals be discontinued.

#### TRUSTEE ACCOUNT

During our review of the disbursements from this account it was noted that two checks in the amount of \$60.00 each had been drawn to pay for camp-outs at automobile racing events. The first trip was to Summit Point Speedway, Summit Point, West Virginia and those making the trip were the Director, a staff member, and one boy and one girl from the home. The second trip was to Nelson Ledges Race Track, Newton Falls, Ohio and those making the trip were the Director, a staff member, three boys from the home and a person not on the institution's payroll. A state van was used as transportation, the institution furnished food items, soft drinks, paper plates, etc., and the Trustee Account checks paid for the gasoline and other expenses involved in the trips. No information was available to show approval for these trips.

Subsequent to the ending date of this audit, June 15, 1978, another trip was made to Nelson Ledges Race Track, Newton Falls, Ohio and those making the trip were the Director, a staff member, three boys and two girls from the home and three persons not on the institution's payroll. The total charge to the Trustee Account

for this trip was \$143.59.

These checks are charged to the Boarding Care Fund within the Trustee Account. The receipts for this fund emanate from the Department of Welfare and are suppose to be used for the children's benefit. We recommend that the Director obtain in writing approval from the Department of Welfare before taking the state car and the children on out-of-state trips. We further recommend that only expenses relating to the children be paid from the Trustee Account.

**EXIT CONFERENCE**

We held an exit conference with the Director at 2:30 p.m. June 29, 1978. We discussed all findings and recommendations with him at that time. He concurred with our findings and recommendations.

AUDITORS' OPINION

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

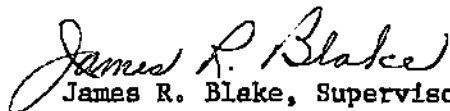
Sir:

We have examined the financial statements for the West Virginia Children's Home for the period January 8, 1976 through June 15, 1978 for all local bank accounts and the period ended December 31, 1977 and the years ended June 30, 1977 and June 30, 1976 for the appropriated and special revenue accounts as listed in the foregoing table of contents. Our examination was made in accordance with the Legislative Auditor's instructions and accordingly included such tests of the accounting records and other auditing procedures as we considered necessary in the circumstances.

As described in Note A, the Home's policy is to prepare its financial statements on a cash basis; consequently, certain revenue and 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 accompanying financial statements are not intended to present financial position and results of operations in conformity with generally accepted accounting principles.

In our opinion, the aforementioned financial statements present fairly the appropriations and expenditures and cash receipts and disbursements for the period January 8, 1976 through June 15, 1978 for the local bank accounts and the period ended December 31, 1977, and the years ended June 30, 1977 and June 30, 1976 for the appropriated and special revenue accounts on a basis consistent with that of the preceding year.

The accompanying supplemental information is not necessary for fair presentation of the financial statements, but is presented as additional analytical data. The supplemental information has been subjected to the tests and other auditing procedures applied in the examination of the financial statements mentioned above and, in our opinion, is fairly stated in all material respects in relation to the financial statements taken as a whole.

  
James R. Blake, Supervisor  
Postaudit Division

June 29, 1978

Auditors: Wayne Myers  
Larry Ware

WEST VIRGINIA CHILDREN'S HOME

STATEMENT OF APPROPRIATIONS AND EXPENDITURES

	Period Ended December 31, <u>1977</u>	<u>Year Ended June 30,</u> 1977                      1976	
<b>Appropriations:</b>			
Personal Services	\$160,500.00	\$153,000.00	\$126,420.00
Current Expenses	85,620.00	76,296.00	63,580.00
Repairs and Alterations	16,000.00	15,300.00	14,000.00
Equipment	<u>22,600.00</u>	<u>13,060.00</u>	<u>14,600.00</u>
	284,720.00	257,656.00	218,600.00
<b>Supplemental Appropriations:</b>			
Current Expenses	-0-	-0-	20,000.00
	<u>284,720.00</u>	<u>257,656.00</u>	<u>238,600.00</u>
<b>Expenditures:</b>			
Personal Services	74,275.16	148,982.48	124,523.62
Current Expenses	10,095.21	67,557.53	76,455.75
Repairs and Alterations	1,451.06	13,303.19	13,911.52
Equipment	-0-	11,725.99	13,130.10
	<u>85,821.43</u>	<u>241,569.19</u>	<u>228,020.99</u>
Unexpended Balance	198,898.57	16,086.81	10,579.01
<b>Transmittals Paid in July:</b>			
Personal Services	-0-	5,705.52	6,152.69
Current Expenses	-0-	11,994.29	20,312.28
Repairs and Alterations	-0-	7,098.59	4,872.00
Equipment	-0-	6,898.84	12,030.19
	<u>-0-</u>	<u>31,697.24</u>	<u>43,367.16</u>
Unexpended Balance December 31 and June 30	<u>\$198,898.57</u>	<u>\$ 47,784.05</u>	<u>\$ 53,946.17</u>
<b>Unexpended Balance December 31 and June 30:</b>			
Personal Services	\$ 86,224.84	\$ 9,723.04	\$ 8,049.07
Current Expenses	75,524.79	20,732.76	27,436.53
Repairs and Alterations	14,548.94	9,095.40	4,960.48
Equipment	<u>22,600.00</u>	<u>8,232.85</u>	<u>13,500.09</u>
	<u>\$198,898.57</u>	<u>\$ 47,784.05</u>	<u>\$ 53,946.17</u>

See notes to financial statements

WEST VIRGINIA CHILDREN'S HOME  
 STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS  
 NATIONAL SCHOOL LUNCH PROGRAM

Account 8233-05	Period Ended December 31, <u>1977</u>	Year Ended June 30, <u>1977</u>
<b>Beginning Balance:</b>		
State Treasury	\$7,248.52	\$ -0-
<b>Cash Receipts:</b>		
State Department of Education	<u>1,780.32</u>	<u>17,581.82</u>
<b>TOTAL CASH TO ACCOUNT FOR</b>	<u><b>\$9,028.84</b></u>	<u><b>\$17,581.82</b></u>
<b>Disbursements:</b>		
Personal Services	\$1,386.80	\$ -0-
Clothing and Household Supplies	1,013.74	-0-
Food Products	-0-	(443.90)
Household Equipment and Furnishings	-0-	10,777.20
Social Security Matching Fund	8.74	-0-
Reimbursement to Personal Services	<u>(689.60)</u>	<u>-0-</u>
	1,719.68	10,333.30
<b>Ending Balance:</b>		
State Treasury	<u>7,309.16</u>	<u>7,248.52</u>
<b>TOTAL CASH ACCOUNTED FOR</b>	<u><b>\$9,028.84</b></u>	<u><b>\$17,581.82</b></u>

See notes to financial statements

WEST VIRGINIA CHILDREN'S HOME

STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

ESEA GRANTS

Account 8233-06	Period Ended December 31, <u>1977</u>
<b>Beginning Balance:</b>	
State Treasury	\$ -0-
<b>Cash Receipts:</b>	
State Department of Education	13,000.00
Transfer from Account 8221-09	<u>11,566.11</u>
	<u>24,566.11</u>
<b>TOTAL CASH TO ACCOUNT FOR</b>	<u>\$24,566.11</u>
<b>Disbursements:</b>	
Personal Services	\$ 8,357.12
Educational and Medical Expenses	886.75
Pension and Retirement Plan	479.00
Social Security Matching Fund	674.80
Public Employees' Insurance	321.68
Personal Services - Nonregular Employees	<u>1,109.68</u>
	11,829.03
<b>Ending Balance:</b>	
State Treasury	<u>12,737.08</u>
<b>TOTAL CASH ACCOUNTED FOR</b>	<u>\$24,566.11</u>

See notes to financial statements

WEST VIRGINIA CHILDREN'S HOME  
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

FARM SALES

	Year Ended June 30, <u>1976</u>
Account 8233-07	
Beginning Balance:	
State Treasury	\$ -0-
Cash Receipts:	
State Department of Education	<u>1,089.51</u>
TOTAL CASH TO ACCOUNT FOR	<u>\$1,089.51</u>
Disbursements:	
Food Products	\$ 236.00
Transfers to Account 3800-01-026	<u>853.51</u>
	1,089.51
Ending Balance:	
State Treasury	<u>-0-</u>
TOTAL CASH ACCOUNTED FOR	<u>\$1,089.51</u>

See notes to financial statements

WEST VIRGINIA CHILDREN'S HOME  
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS  
ESEA TITLE IV GRANTS

Account 8233-07	Period Ended December 31, <u>1977</u>
Beginning Balance: State Treasury	\$ -0-
Cash Receipts: Transfers from Account 8221-12	<u>1,249.69</u>
TOTAL CASH TO ACCOUNT FOR	<u>\$1,249.69</u>
Disbursements	\$ -0-
Ending Balance: State Treasury	<u>1,249.69</u>
TOTAL CASH ACCOUNTED FOR	<u>\$1,249.69</u>

See notes to financial statements



## WEST VIRGINIA CHILDREN'S HOME

## STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

## COLLECTION ACCOUNT - LOCAL

	Period Ended June 15, <u>1978</u>
<b>Beginning Balance:</b>	
Cash on Hand	\$ 12.36
Deficit	<u>12.36</u>
	24.72
<b>Cash Receipts:</b>	
Meal Ticket Sales	1,273.80
Room Rent	190.00
House Rent	1,100.00
School Gym Rent	386.00
Consumers' Sales Tax	38.26
Consolidated Gas Supply Corporation - Royalty	<u>234.00</u>
	<u>3,222.06</u>
<b>TOTAL CASH TO ACCOUNT FOR</b>	<u><u>\$3,246.78</u></u>
<b>Disbursements:</b>	
State Tax Department	\$ 32.96
Commissioner of Public Institutions;	
Local Remittance	1,263.00
Direct Remittance	175.50
Department of Welfare;	
Local Remittance	1,171.00
Direct Remittance	<u>58.50</u>
	2,700.96
<b>Ending Balance:</b>	
Davis Trust Company, Elkins	<u>545.82</u>
<b>TOTAL CASH ACCOUNTED FOR</b>	<u><u>\$3,246.78</u></u>
<b>Obligation of Balance:</b>	
Department of Welfare;	
Rent	\$340.00
Meal Tickets	199.80
State Tax Department;	
Consumers' Sales Tax	<u>6.02</u>
	<u><u>\$545.82</u></u>

See notes to financial statements

WEST VIRGINIA CHILDREN'S HOME  
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS  
SUPERINTENDENT'S TRUSTEE ACCOUNT - LOCAL

	Period Ended June 15, <u>1978</u>
<b>Beginning Balance:</b>	
Citizens National Bank, Elkins	\$ 7,587.38
<b>Cash Receipts:</b>	
Old Outstanding Check Returned to Account	281.55
Donations and Other Income	321.55
U.S. Treasury	3,164.46
Department of Welfare	<u>11,279.74</u>
	<u>15,047.30</u>
<b>TOTAL CASH TO ACCOUNT FOR</b>	<u><u>\$22,634.68</u></u>
<b>Disbursements:</b>	
Childrens' Accounts Closed	\$ 1,394.86
Spending Money and Other Needs	6,235.16
Bus and Airplane Tickets	258.40
Department of Health, Education, and Welfare	8,144.67
Veterans Administration	192.00
Repairs and Damages	182.82
Monthly Allowances for Children	822.39
Department of Welfare	1,053.90
Resident of the Week Awards	110.00
Snowshoe Ski Trip	180.00
Camping and Racing Expenses	<u>120.00</u>
	<u>18,694.20</u>
<b>Ending Balance:</b>	
Citizens National Bank, Elkins	<u>3,940.48</u>
<b>TOTAL CASH ACCOUNTED FOR</b>	<u><u>\$22,634.68</u></u>

See notes to financial statements

WEST VIRGINIA CHILDREN'S HOME

NOTES TO FINANCIAL STATEMENTS

Note A - Significant Accounting Policies

Accounting Method: The Home's accounting method is on a cash basis. Therefore, certain revenue and related assets are recognized when received rather than when earned, and certain expenses are recognized when paid rather than when the obligation is incurred. Expenditures for office furniture and equipment are charged to operations when purchased; accordingly, depreciation is not recognized in the accounts.

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.

**SUPPLEMENTAL INFORMATION**

WEST VIRGINIA CHILDREN'S HOME

STATEMENT OF APPROPRIATIONS AND EXPENDITURES

	Period Ended December 31, <u>1977</u>	<u>Year Ended June 30,</u>	
		<u>1977</u>	<u>1976</u>
Personal Services - Account 4120-00 (12/31/77) Account 3800-00 (1977-1976)			
Appropriations	\$160,500.00	\$150,000.00	\$126,420.00
Intra-Account Transfer	-0-	3,000.00	-0-
	<u>160,500.00</u>	<u>153,000.00</u>	<u>126,420.00</u>
Expenditures	<u>74,275.16</u>	<u>148,982.48</u>	<u>124,523.62</u>
Unexpended Balance	86,224.84	4,017.52	1,896.38
Transmittals Paid in July	<u>-0-</u>	<u>5,705.52</u>	<u>6,152.69</u>
Unexpended Balance December 31 and June 30	<u>\$ 86,224.84</u>	<u>\$ 9,723.04</u>	<u>\$ 8,049.07</u>
Current Expenses - Account 4120-01 (12/31/77) Account 3800-01 (1977-1976)			
Appropriations	\$ 85,620.00	\$ 76,296.00	\$ 63,580.00
Supplemental Appropriation	-0-	-0-	20,000.00
	<u>85,620.00</u>	<u>76,296.00</u>	<u>83,580.00</u>
Expenditures	<u>10,095.21</u>	<u>67,557.53</u>	<u>76,455.75</u>
Unexpended Balance	75,524.79	8,738.47	7,124.25
Transmittals Paid in July	<u>-0-</u>	<u>11,994.29</u>	<u>20,312.28</u>
Unexpended Balance December 31 and June 30	<u>\$ 75,524.79</u>	<u>\$ 20,732.76</u>	<u>\$ 27,436.53</u>

WEST VIRGINIA CHILDREN'S HOME

STATEMENT OF APPROPRIATIONS AND EXPENDITURES

	Period Ended	Year Ended June 30,	
	December 31, 1977	1977	1976
Repairs and Alterations - Account 4120-02 (12/31/77) Account 3800-02 (1977-1976)			
Appropriations	\$16,000.00	\$15,300.00	\$14,000.00
Expenditures	<u>1,451.06</u>	<u>13,303.19</u>	<u>13,911.52</u>
Unexpended Balance	14,548.94	1,996.81	88.48
Transmittals Paid in July	<u>-0-</u>	<u>7,098.59</u>	<u>4,872.00</u>
Unexpended Balance December 31 and June 30	<u>\$14,548.94</u>	<u>\$ 9,095.40</u>	<u>\$ 4,960.48</u>
Equipment - Account 4120-03 (12/31/77) Account 3800-03 (1977-1976)			
Appropriations	\$22,600.00	\$16,060.00	\$14,600.00
Intra-Account Transfer	<u>-0-</u>	<u>(3,000.00)</u>	<u>-0-</u>
	22,600.00	13,060.00	14,600.00
Expenditures	<u>-0-</u>	<u>11,725.99</u>	<u>13,130.10</u>
Unexpended Balance	22,600.00	1,334.01	1,469.90
Transmittals Paid in July	<u>-0-</u>	<u>6,898.84</u>	<u>12,030.19</u>
Unexpended Balance December 31 and June 30	<u>\$22,600.00</u>	<u>\$ 8,232.85</u>	<u>\$13,500.09</u>

WEST VIRGINIA CHILDREN'S HOME

BANK RECONCILIATION

JUNE 15, 1978

Citizens National Bank, Elkins  
 Superintendent's Trustee Account - Local

Balance per bank statement				\$4,321.57
Less: Outstanding checks				
	Date	Check Number	Payee	
	February 16, 1978	365	Department of Welfare - Grantsville	96.71
	April 6, 1978	418	Department of Welfare - Moorefield	112.38
	May 10, 1978	430	Trudy's Lookrite Salon	16.50
	May 18, 1978	434	Department of Welfare - Charleston	100.00
	May 24, 1978	439	Lisa Myers	10.00
	June 8, 1978	449	Mary Ann Doss	10.00
	June 12, 1978	450	Cash	35.50
				<u>381.09</u>
Balance per checkbook				<u>\$3,940.48</u>

WEST VIRGINIA CHILDREN'S HOME

PATIENT COST

	<u>Fiscal Year 1975-1976</u>	<u>Fiscal Year 1976-1977</u>
Average Population	<u>42</u>	<u>27</u>
Total Children Days	<u>15,372</u>	<u>9,855</u>
Total Appropriated Costs	<u>\$228,020.99</u>	<u>\$241,569.19</u>
Cost Per Child - Day	<u>\$ 14.83</u>	<u>\$ 24.51</u>
Cost Per Child - Year	<u>\$ 5,427.78</u>	<u>\$ 8,946.15</u>



WEST VIRGINIA CHILDREN'S HOME

INSURANCE

BUILDINGS AND CONTENTS

A blanket insurance policy covering all risks is carried by the State of West Virginia on all buildings and contents for 100% of their current sound insurable value with deductibles of \$10,000.00 each occurrence or \$1,200,000.00 annual aggregate. The amount of coverage on buildings at the West Virginia Children's Home is available at the West Virginia Insurance Board. Until July 1, 1977 this insurance was underwritten by five companies as follows:

Company:	Aetna Casualty and Surety Company (35%) Hartford, Connecticut	
Policy Number:	29 FSK 800-198-WCA	
Effective Date:	July 1, 1975 - July 1, 1977	
Company:	Continental Casualty Company (25%) Chicago, Illinois	
Policy Number:	FS 112-86-24	(FS 206-44-01
Effective Date:	July 1, 1975 - July 1, 1976	(July 1, 1976 - July 1, 1977
Company:	United States Fire Insurance Company (20%) New York, New York	
Policy Number:	IF 13-10-56	
Effective Date:	July 1, 1975 - July 1, 1977	
Company:	Firemen's Fund Insurance Company (15%) San Francisco, California	
Policy Number:	XFX 933-90-99	(XFX 951-29-99
Effective Date:	July 1, 1975 - July 1, 1976	(July 1, 1976 - July 1, 1977
Company:	Ohio Farmers Insurance Company (5%) LeRoy, Ohio	
Policy Number:	77-58-80	(88-20-85
Effective Date:	July 1, 1975 - July 1, 1976	(July 1, 1976 - July 1, 1977

Effective July 1, 1977 the deductibles on this policy were increased to \$25,000.00 each occurrence or \$1,200,000.00 annual aggregate with the agency or department incurring the loss being responsible for the first \$2,000.00 of the damages caused in any one occurrence.

Company:	Continental Casualty Company Chicago, Illinois	
Policy Number:	FS 326-60-89	
Effective Date:	July 1, 1977 - Continuous Until Cancelled	

**PUBLIC EMPLOYEES' BLANKET BOND**

A honesty blanket bond in the amount of \$1,000,000.00 with \$10,000.00 deductible and a faithful performance blanket position

bond with limit of liability established by statute is carried by the State of West Virginia to cover all employees. The involved agency is responsible for the first \$2,000.00 in damages covered in any one occurrence.

Company: American Casualty Company  
Reading, Pennsylvania  
Policy Number: 5560105  
Effective Date: January 1, 1971 - Continuous Until Cancelled

**PREMISES AND AUTOMOBILE LIABILITY**

A blanket liability policy covering all state premises and automobiles is carried by the State of West Virginia for bodily

injury liability of \$100,000.00 each person or \$300,000.00 each occurrence and property damage liability of \$25,000.00 each occurrence.

Company: Continental Casualty Company  
Chicago, Illinois  
Policy Number: CCP 968-60-93  
Effective Date: July 1, 1973 - July 1, 1976

**COMPREHENSIVE AUTOMOBILE LIABILITY**

A blanket liability policy covering all state automobiles is carried by the State of West Virginia for bodily injury liability

of \$100,000.00 each occurrence and property damage liability of \$25,000.00 each occurrence. Effective July 1, 1977 a new policy was issued whereby the bodily injury and property damage liabilities were combined and the limits of liability are \$100,000.00 each occurrence.

Company: Continental Casualty Company  
Chicago, Illinois  
Policy Number: CCP 248-32-51 (CCP 332-33-24  
Effective Date: July 1, 1976 - July 1, 1977 (July 1, 1977 - Continuous  
Until Cancelled

**COMPREHENSIVE GENERAL LIABILITY**

A blanket liability policy is carried by the State of West Virginia covering owners, landlords and tenants for bodily injury of

\$100,000.00 each occurrence and property damage liability of \$25,000.00 each

occurrence; hospital professionals with limits of liability set at \$100,000.00 each claim or \$300,000.00 aggregate; and, personal injury with limits of liability set at \$25,000.00 each offense or \$100,000.00 aggregate. Effective July 1, 1977 a new policy was issued which also included public officials coverage; bodily injury and property damage liabilities were combined and the limits of liability were set at \$100,000.00 each occurrence or \$300,000.00 aggregate.

Company: Continental Casualty Company  
Chicago, Illinois  
Policy Number: CCP 248-32-50 (CCP 332-33-23  
Effective Date: July 1, 1976 - July 1, 1977 (July 1, 1977 - Continuous  
Until Cancelled

**BOILER AND MACHINERY INSURANCE**

A blanket broad form policy is carried by the State of West Virginia to cover all boilers and machinery with a limit of liability set

at \$500,000.00 per accident subject to a \$5,000.00 deductible on any one loss.

Effective July 1, 1977 the deductible was increased to \$100,000.00 each accident with the involved agency responsible for the first \$2,000.00 of damages caused in any one occurrence.

Company: The Hartford Steam Boiler Inspection and Insurance Company  
Hartford, Connecticut  
Policy Number: PT 88-11461-00 (PT 88-11461-02  
Effective Date: July 1, 1974 - July 1, 1977 (July 1, 1977 - Continuous  
Until Cancelled

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 Article 2, Chapter 4, Code of West Virginia, as amended, and that the same is a true and correct copy of said report.

Given under my hand this 9<sup>th</sup> day of

February, 1979.

  
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 the Superintendent, West Virginia Children's Home; Department of Welfare; Attorney General; Governor; and State Auditor.