

ANDREW S. ROWAN MEMORIAL HOME  
FOR THE PERIOD  
JULY 1, 1983 - JUNE 30, 1985

*West Virginia*



**LEGISLATIVE AUDITOR**

**CHARLESTON**

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 Andrew S. Rowan Memorial Home.

Our examination covers the period July 1, 1983 through June 30, 1985. The results of this examination are set forth on the following pages of this report.

Respectfully submitted,

*Theodore L. Shanklin*

Theodore L. Shanklin, CPA, Director  
Legislative Postaudit Division

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ANDREW S. ROWAN MEMORIAL HOME

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ANDREW S. ROWAN MEMORIAL HOME  
EXIT CONFERENCE

We held an exit conference on October 2, 1989 with the Director of the Financial Services Division, Director of Accounting and Assistant Director of Accounting of the West Virginia Department of Health and Human Resources, Division of Health and a representative of Andrew S. Rowan Memorial Home. 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 in the General Remarks sections of this report.

## ANDREW S. ROWAN MEMORIAL HOME

### INTRODUCTION

Located in the picturesque Sweet Springs Valley of Monroe County, the Andrew S. Rowan Memorial Home was established by an Act of the Legislature in 1945. The facility is named in honor of Col. Andrew Summers Rowan, a Monroe County native, famous for his Spanish-American War exploits when he was the man who carried the "Message to Garcia".

The buildings and grounds are rich with history and tradition. The "Old Sweet" dates back as an old resort to the late 1700's and has hosted many presidents, statesmen and foreign dignitaries. The oldest and largest building still in use, completed in 1833, is of the Thomas Jefferson design and named in his honor. A 96-bed annex was added in 1956 and the most recent addition, a 100-bed wing, was completed in October 1974. The State has taken great pains to maintain the historical integrity of the architecture throughout the expansions.

Serving senior citizens of West Virginia as a personal care nursing home, the Rowan facility provides 24-hour nursing coverage in the least possible restrictive setting. It tries to maintain a true "home" setting for its residents. In addition, a Respite Care Service was established in 1981 to provide a maximum of two weeks of temporary care for State residents over 60 who meet the other admission requirements. This service has proved especially helpful to families needing proper supervision of elderly relatives for short periods of time.

ANDREW S. ROWAN MEMORIAL HOME  
IMPLEMENTATION OF PRIOR AUDIT RECOMMENDATIONS

In the prior audit covering the period July 1, 1978 through June 30, 1982, there were 15 recommendations. During the current audit period, we noted two of the recommendations had not been fully implemented. These recommendations are listed below.

1. Cash receipts be deposited promptly and adequately documented.  
(See pages 7-9.)
2. All accounting procedures be set forth in accounting manuals.  
(See page 10.)

ANDREW S. ROWAN MEMORIAL HOME  
ADMINISTRATIVE OFFICERS AND STAFF

ADMINISTRATOR DURING THE PERIOD

S. Mason Preston . . . . . November 8, 1982 - December 31, 1986

ADMINISTRATIVE OFFICERS AND STAFF AT END OF PERIOD

Nancy W. Dixon . . . . . Assistant for Administrative Services  
Malcolm Harris . . . . . Clinical Director  
Maria Thomas . . . . . Purchasing  
Dotty Carter . . . . . Accounting

ANDREW S. ROWAN MEMORIAL HOME  
SUMMARY OF FINDINGS, RECOMMENDATIONS AND RESPONSES

COMPLIANCE MATTERS

Noncompliance with Department of Health  
Financial Management Procedure #6046  
Patient Trust Funds

1. The Home has not complied with material aspects of Department of Health Financial Management Procedure #6046.

We recommend the Home comply with Department of Health Financial Management Procedure #6046.

*We will comply with this audit recommendation. (See pages 7-9.)*

INTERNAL CONTROLS AND ACCOUNTING SYSTEM

Lack of Written Accounting Procedures

2. Accounting procedures were not set forth in manuals. However, procedures prepared by the prior audit team were updated by the audit team with the assistance of the Home.

We recommend, as in the prior audit recommendation, that all accounting procedures be set forth in accounting manuals.

*We will comply with this audit recommendation. (See page 10.)*

ANDREW S. ROWAN MEMORIAL HOME

GENERAL REMARKS

INTRODUCTION

We have completed a financial and compliance audit of Andrew S. Rowan Memorial Home. The audit covered the period July 1, 1983 through June 30, 1985.

GENERAL REVENUE ACCOUNTS

All expenditures required for the general operation of Andrew S. Rowan Memorial Home were made from the following accounts:

<u>Number</u>	<u>Description</u>
4180-00 (1985) . . . . .	Personal Services
4170-00 (1984) . . . . .	Personal Services
4180-01 (1985) . . . . .	Current Expenses
4170-01 (1984) . . . . .	Current Expenses
4180-02 (1985) . . . . .	Repairs and Alterations
4170-02 (1984) . . . . .	Repairs and Alterations
4180-03 (1985) . . . . .	Equipment
4170-03 (1984) . . . . .	Equipment

SPECIAL REVENUE ACCOUNTS

During the audit period, Andrew S. Rowan Memorial Home maintained the following special revenue accounts:

<u>Number</u>	<u>Description</u>
8494-09 . . . . .	Bequests; for Capital Improvements
8500-05 . . . . .	Receipts from Hospital Services Revenue; for Capital Improvements, Renovations and Operations.
8500-26 . . . . .	Receipts from Hospital Services Revenues; Contingency for Repairs and Alterations, Equipment, Emergency Services and Miscellaneous.
8500-28 . . . . .	Receipts from Hospital Services Revenue; Capital Outlay and Renovation for Certification, Life Safety and Energy Conservation.

LOCAL ACCOUNTS

During the audit period, Andrew S. Rowan Memorial Home maintained several local accounts which are described as follows:

<u>Description</u>	<u>Purpose</u>
Patients' Trustee Account . . . . .	Receives funds from or for patients for maintenance and personal care and from interest earned; disbursed for support of patients.
General Fund . . . . .	Receives money from Trustee Account, meal tickets, rent and donations, refunds to appropriations and other sources; for transfer to the State Treasury.
Recreation Fund . . . . .	Receives funds from sale of food and sundries; disbursed for merchandise for resale and for the benefit of patients.
Guest Welfare Account . . . . .	Receives interest from patients' trust accounts. Disbursements made to benefit all patients.

COMPLIANCE MATTERS

West Virginia Department of Health Instructions, Handbook of Purchasing Procedures, and West Virginia Code, Chapter 26, Articles 6, 9, 10 and 11; Chapter 25, Article 1; Chapter 16, Article 1; and Chapter 12, Article 2 generally govern Andrew S. Rowan Memorial Home. We tested applicable sections of the Department of Health Instructions, Handbook of Purchasing Procedures, and applicable chapters, articles and sections of the West Virginia Code as they pertain to fiscal matters. Our findings follow.

Noncompliance with Department of Health Financial Management Procedure #6046 - Patient Trust Funds

On October 1, 1983, the Department of Health issued Procedure #6046, a comprehensive instruction dealing with proper management of patient funds. The Home apparently had not complied with Procedure #6046 due to the following conditions:

1. Moneys received for deposit into the local bank accounts were not always deposited, ". . . no less frequently than each Friday and the last day of the month . . . ", as required;
2. Checks and currency received through the mail were not opened and pre-listed by an employee with no other cash duties;
3. Employees responsible for maintaining accounting records for local accounts had signatory power on disbursement checks and prepared bank reconciliations for those local accounts;
4. Transfers of funds between local accounts were not always recorded properly or deposited as noted above;
5. Cash receipts and disbursement journals were not maintained for all local bank accounts. These journals were prepared for our use by Home employees; and,
6. Financial statements were not prepared on local accounts for submission to the Administrator.

Failure to comply with Procedure #6046 could result in the mismanagement or possible loss of patient trust funds.

We recommend the Home comply with the Department of Health Financial Management Procedure #6046.

*The facility staff was directed by Central Office from the last audit due to the distance to the bank and staff shortage that semimonthly deposits would be sufficient. The facility will take corrective action by making weekly deposits and a monthly end deposit starting November 1, 1989.*

*This facility rarely receives currency through the mail. The facility has taken corrective action starting October 1, 1989 of listing the checks and currency received in the mail.*

*The facility will take corrective action by separating the duties of signatory power and accounting records of local accounts starting November 1, 1989.*

*The facility creates charges for the patients in the Sweet Shop which are paid at the end of the month by check. This procedure is done monthly instead of dally due to staff shortage.*

*The facility staff provided the cash receipts and disbursement journals as requested before the auditors completed their work. The facility will continue to maintain these receipts and disbursement journals.*

*The facility staff will try to prepare the financial statements on local accounts for submission to the Administrator in a more timely and professional manner.*

#### INTERNAL CONTROLS AND ACCOUNTING SYSTEM

As a part of our examination, we reviewed and tested the system of internal accounting controls 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 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 controls. 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, 1983 through 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 a weakness.

#### Lack of Written Accounting Procedures

Accounting procedures were not set forth in manuals. However, procedures prepared during the prior audit were updated by the audit team with the assistance of the Home.

We recommend, as in the prior audit recommendation, that all accounting procedures be set forth in accounting manuals.

*The facility staff with the assistance of the Audit Team have updated the accounting procedures. This facility staff will attempt to compile the accounting procedures into an accounting manual format.*

## INDEPENDENT AUDITORS' OPINION

The Joint Committee on Government and Finance:

We have audited the financial statement of Andrew S. Rowan Memorial Home for the years ended June 30, 1985 and June 30, 1984 as listed in the foregoing table of contents. The financial statement is the responsibility of the management of the Andrew S. Rowan Memorial Home. Our responsibility is to express an opinion on the financial statement based on our audit.

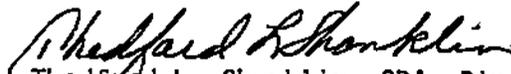
We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described in Note A, the financial statement was prepared on the cash and modified cash basis of accounting, which are comprehensive bases of accounting other than generally accepted accounting principles.

In our opinion, the financial statement referred to above presents fairly, in all material aspects, the appropriations and expenditures, revenue collected and expenses paid and patient trust fund transactions of Andrew S. Rowan Memorial Home for the years ended June 30, 1985 and June 30, 1984 on the bases of accounting described in Note A.

Our examination was made for the purpose of forming an opinion on the basic financial statement taken as a whole. The supplemental information is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such information has been subjected to the auditing procedures applied in the examination of the basic financial statement, and in our opinion, is fairly stated in all material respects in relation to the basic financial statement taken as a whole.

Respectfully submitted,

  
Theford L. Shanklin, CPA, Director  
Legislative Postaudit Division

July 14, 1989

Auditors: Leonard H. Lewis, Auditor-in-Charge  
Ronald F. Osmianski  
Thomas G. Diehl

ANDREW S. ROWAN MEMORIAL HOME  
 STATEMENT OF APPROPRIATIONS/CASH RECEIPTS, EXPENDITURES/  
 DISBURSEMENTS AND CHANGES IN FUND BALANCES

Year Ended June 30, 1985

	<u>General Revenue</u>	<u>Special Revenue</u>	<u>Trust Funds</u>	<u>Combined Total</u>
<b>Appropriations/Cash Receipts:</b>				
Appropriations	\$1,711,911.00	\$ -0-	\$ -0-	\$1,711,911.00
Trust Funds	-0-	-0-	245,063.53	245,063.53
Hospital Services Revenue	-0-	1,323,983.00	-0-	1,323,983.00
Interest	-0-	603.64	1,060.15	1,663.79
	<u>1,711,911.00</u>	<u>1,324,586.64</u>	<u>246,123.68</u>	<u>3,282,621.32</u>
<b>Expenditures/Disbursements:</b>				
Personal Services	1,095,203.89	-0-	-0-	1,095,203.89
Current Expenses	418,639.41	-0-	174,761.65	593,401.06
Repairs and Alterations	8,549.83	-0-	-0-	8,549.83
Equipment	14,875.00	13,663.24	-0-	28,538.24
Hospital Services Revenue	-0-	202,171.25	-0-	202,171.25
Exonerations	-0-	1,123,041.54	-0-	1,123,041.00
General Revenue	-0-	-0-	69,196.22	69,196.22
	<u>1,537,268.13</u>	<u>1,338,876.03</u>	<u>243,957.87</u>	<u>3,120,102.03</u>
Appropriations/Cash Receipts Over(Under) Expenditures/ Disbursements	174,642.87	(14,289.39)	2,165.81	162,519.29
Expenditures After June 30 and Expirations	<u>(174,642.87)</u>	<u>-0-</u>	<u>-0-</u>	<u>(174,642.87)</u>
Beginning Balance	<u>-0-</u>	<u>426,831.15</u>	<u>59,878.61</u>	<u>486,709.76</u>
Ending Balance	<u>\$ -0-</u>	<u>\$ 412,541.76</u>	<u>\$ 62,044.42</u>	<u>\$ 474,586.18</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 Total</u>
\$1,453,927.00	\$ 392,500.00	\$ -0-	\$1,846,427.00
-0-	-0-	225,378.59	225,378.59
-0-	1,257,580.00	-0-	1,257,580.00
-0-	719.54	958.26	1,677.80
<u>1,453,927.00</u>	<u>1,650,799.54</u>	<u>226,336.85</u>	<u>3,331,063.39</u>
952,410.74	-0-	-0-	952,410.74
273,292.56	-0-	175,149.87	448,442.43
7,060.10	6,661.25	-0-	13,721.35
1,394.36	4,319.62	-0-	5,713.98
-0-	144,747.67	-0-	144,747.67
-0-	1,110,409.86	-0-	1,110,409.86
-0-	-0-	55,161.62	55,161.62
<u>1,234,157.76</u>	<u>1,266,198.40</u>	<u>230,311.49</u>	<u>2,730,607.65</u>
219,769.24	384,661.14	(3,974.64)	600,455.74
<u>(219,769.24)</u>	<u>-0-</u>	<u>-0-</u>	<u>(219,769.24)</u>
-0-	42,170.01	63,853.25	106,023.26
<u>\$ -0-</u>	<u>\$ 426,831.15</u>	<u>\$ 59,878.61</u>	<u>\$ 486,709.76</u>

ANDREW S. ROWAN MEMORIAL HOME

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 is provided at the end of the fiscal year ended June 30, 1985 and a 90-day carry-over period is provided at the end of fiscal year ended June 30, 1984 for the payment of obligations incurred in those years. All balances of the General Revenue Fund appropriations for each fiscal year expire on the last day of such fiscal year and revert to the unappropriated surplus of the fund from which the appropriations were made, except that expenditures encumbered prior to the end of the fiscal year may be paid up to 30 days after the fiscal year ended June 30, 1985 and 90 days after the fiscal year ended June 30, 1984; however, appropriations for buildings and land remain in effect until three years after the passage of the act by which such appropriations were made. The cash basis of accounting is followed by all other funds. Therefore, certain revenue and the related assets are recognized when received rather than when earned, and certain expenses are recognized when paid rather than when the obligation is incurred. Accordingly, the financial statement is not intended to present financial position and results of operations in conformity with generally accepted accounting principles.

Expenditures paid after June 30 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>September 30,</u> <u>1985</u>	<u>July 30,</u> <u>1984</u>
Personal Services	\$ 46,785.22	\$ 41,950.41	\$ 51.89	\$11,925.85
Current Expenses	101,266.64	112,920.68	25,088.95	46,836.76
Repairs and Alterations	1,244.02	2,113.29	206.15	826.61
Equipment	<u>-0-</u>	<u>2,751.18</u>	<u>-0-</u>	<u>444.46</u>
TOTAL	<u>\$149,295.88</u>	<u>\$159,735.56</u>	<u>\$25,346.99</u>	<u>\$60,033.68</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 - Change in Special Revenue Account Balance

The prior audit of the Andrew S. Rowan Memorial Home reported the ending balance of the special revenue accounts, as of June 30, 1983, as \$38,010.01. Subsequent to that date, Andrew S. Rowan Memorial Home received a supplemental appropriation of \$4,160.00 in Account 8500-05 (FY 1982 appropriation). The beginning balance of the special revenue accounts for this report was adjusted accordingly and reported as \$42,170.01.

**SUPPLEMENTAL INFORMATION**

ANDREW S. ROWAN MEMORIAL HOME  
 STATEMENTS OF APPROPRIATIONS AND EXPENDITURES  
 GENERAL REVENUE

	<u>Year Ended June 30,</u>	
	<u>1985</u>	<u>1984</u>
<u>Personal Services - Account 4180-00</u>		
<u>(1985) and 4170-00 (1984)</u>		
Appropriations	\$1,142,041.00	\$1,006,287.00
Expenditures	<u>1,141,989.11</u>	<u>994,361.15</u>
	51.89	11,925.85
Transmittals Paid After June 30	<u>46,785.22</u>	<u>41,950.41</u>
Balance	<u>\$ 46,837.11</u>	<u>\$ 53,876.26</u>
<u>Current Expenses - Account 4180-01</u>		
<u>(1985) and 4170-01 (1984)</u>		
Appropriations	\$ 544,995.00	\$ 433,050.00
Expenditures	<u>519,906.05</u>	<u>386,213.24</u>
	25,088.95	46,836.76
Transmittals Paid After June 30	<u>101,266.64</u>	<u>112,920.68</u>
Balance	<u>\$ 126,355.59</u>	<u>\$ 159,757.44</u>
<u>Repairs and Alterations - Account 4180-02</u>		
<u>(1985) and 4170-02 (1984)</u>		
Appropriations	\$ 10,000.00	\$ 10,000.00
Expenditures	<u>9,793.85</u>	<u>9,173.39</u>
	206.15	826.61
Transmittals Paid After June 30	<u>1,244.02</u>	<u>2,113.29</u>
Balance	<u>\$ 1,450.17</u>	<u>\$ 2,939.90</u>

ANDREW S. ROWAN MEMORIAL HOME  
 STATEMENT OF APPROPRIATIONS AND EXPENDITURES  
 GENERAL REVENUE

<u>Equipment - Account 4180-03</u> <u>(1985) and 4170-03 (1984)</u>	<u>Year Ended June 30,</u>	
	<u>1985</u>	<u>1984</u>
Appropriations	\$14,875.00	\$4,590.00
Expenditures	<u>14,875.00</u>	<u>4,145.54</u>
	-0-	444.46
Transmittals Paid After June 30	<u>-0-</u>	<u>2,751.18</u>
Balance	<u>\$ -0-</u>	<u>\$3,195.64</u>

ANDREW S. ROWAN MEMORIAL HOME  
 STATEMENTS OF CASH RECEIPTS, DISBURSEMENTS  
 AND CHANGES IN CASH BALANCE  
 SPECIAL REVENUE

<u>Estate Account - Account 8494-09</u>	<u>Year Ended June 30,</u>	
	<u>1985</u>	<u>1984</u>
Cash Receipts:		
Interest	\$ 603.64	\$ 719.54
Disbursements:		
Equipment	<u>1,600.82</u>	<u>2,649.75</u>
Cash Receipts(Under) Disbursements	(997.18)	(1,930.21)
Beginning Balance	<u>9,362.83</u>	<u>11,293.04</u>
Ending Balance	<u><u>\$8,365.65</u></u>	<u><u>\$ 9,362.83</u></u>

	<u>1985</u>	<u>Year Ended June 30,</u>	
		<u>1984</u>	<u>1983</u>
Ending Balance:			
Cash in Bank	\$7,085.51	\$8,082.69	\$10,012.90
State Treasury	<u>1,280.14</u>	<u>1,280.14</u>	<u>1,280.14</u>
	<u><u>\$8,365.65</u></u>	<u><u>\$9,362.83</u></u>	<u><u>\$11,293.04</u></u>

Hospital Services Revenue - Account 8500-05  
Various Capital Improvement Projects for  
Institutions

Disbursements:		
Repairs and Alterations	\$ -0-	\$ 6,661.25
Equipment	<u>3,950.33</u>	<u>1,669.87</u>
	<u>3,950.33</u>	<u>8,331.12</u>
Cash Receipts (Under) Disbursements	(3,950.33)	(8,331.12)
Beginning Balance	<u>16,481.33</u>	<u>24,812.45</u>
Ending Balance	<u><u>\$12,531.00</u></u>	<u><u>\$16,481.33</u></u>

ANDREW S. ROWAN MEMORIAL HOME  
 STATEMENTS OF CASH RECEIPTS, DISBURSEMENTS  
 AND CHANGES IN CASH BALANCE  
 SPECIAL REVENUE

	<u>Year Ended June 30,</u>	
	<u>1985</u>	<u>1984</u>
<u>Hospital Services Revenue - Account 8500-26</u>		
<u>Contingency for Repairs and Alterations,</u>		
<u>Equipment, Emergency Services and</u>		
<u>Miscellaneous</u>		
Cash Receipts:		
Appropriations	\$ -0-	\$17,500.00
Disbursements:		
Equipment	<u>8,024.79</u>	<u>-0-</u>
Cash Receipts (Under)Over Disbursements	(8,024.79)	17,500.00
Beginning Balance	<u>17,500.00</u>	<u>-0-</u>
Ending Balance	<u>\$ 9,475.21</u>	<u>\$17,500.00</u>
<u>Hospital Services Revenue - Account 8500-28</u>		
<u>Capital Outlay and Renovation for Certification,</u>		
<u>Life Safety and Energy Conservation</u>		
Cash Receipts:		
Appropriation	\$ -0-	\$375,000.00
Disbursements:		
Extraordinary Disbursement	<u>87.30</u>	<u>-0-</u>
Cash Receipts (Under)Over Disbursements	(87.30)	375,000.00
Beginning Balance	<u>375,000.00</u>	<u>-0-</u>
Ending Balance	<u>\$374,912.70</u>	<u>\$375,000.00</u>

ANDREW S. ROWAN MEMORIAL HOME  
 STATEMENT OF CHANGES IN FUND BALANCE  
 LOCAL

<u>Collection Account/General Fund</u>	<u>Year Ended June 30, 1985</u>		
	<u>Cash</u>	<u>Accounts Receivable</u>	<u>Total</u>
<b>Additions:</b>			
Accounts Receivable			
Receipts and Billings	\$202,171.25	\$1,323,983.00	\$1,526,154.25
Meal Ticket Sales	11,712.39	-0-	11,712.39
Refunds to Appropriations	55,225.07	-0-	55,225.07
Employee and Other Rentals	3,745.00	-0-	3,745.00
Sales Tax	608.26	-0-	608.26
	<u>273,461.97</u>	<u>1,323,983.00</u>	<u>1,597,444.97</u>
<b>Deductions:</b>			
Hospital Services Revenue	196,666.17	-0-	196,666.17
General Revenue	3,590.00	-0-	3,590.00
Refund to Appropriations	65,606.22	-0-	65,606.22
Sales Tax	604.07	-0-	604.07
Exonerations	-0-	1,123,041.54	1,123,041.54
Accounts Receivable			
Receipts	-0-	202,171.25	202,171.25
	<u>266,466.46</u>	<u>1,325,212.79</u>	<u>1,591,679.25</u>
<b>Additions Over (Under)</b>			
Deductions	6,995.51	(1,229.79)	5,765.72
<b>Beginning Balance</b>	<u>26,665.19</u>	<u>8,486.99</u>	<u>35,152.18</u>
<b>Ending Balance</b>	<u>\$ 33,660.70</u>	<u>\$ 7,257.20</u>	<u>\$ 40,917.90</u>

Year Ended June 30, 1984

<u>Cash</u>	<u>Accounts Receivable</u>	<u>Total</u>
\$144,747.67	\$1,257,580.00	\$1,402,327.67
14,441.40	-0-	14,441.40
39,680.94	-0-	39,680.94
4,403.00	-0-	4,403.00
748.65	-0-	748.65
204,021.66	1,257,580.00	1,461,601.66
131,501.67	-0-	131,501.67
4,263.00	-0-	4,263.00
50,898.62	-0-	50,898.62
726.08	-0-	726.08
-0-	1,110,409.86	1,110,409.86
-0-	144,747.67	144,747.67
187,389.37	1,255,157.53	1,442,546.90
16,632.29	2,422.47	19,054.76
10,032.90	6,064.52	16,097.42
\$ 26,665.19	\$ 8,486.99	\$ 35,152.18

ANDREW S. ROWAN MEMORIAL HOME  
 STATEMENT OF CASH RECEIPTS, DISBURSEMENTS  
 AND CHANGES IN CASH BALANCE

LOCAL

<u>Patients' Trustee Account</u>	<u>Year Ended June 30,</u>	
	<u>1985</u>	<u>1984</u>
Cash Receipts		
Contributions from Patients, Responsible Payees or Third Party Agencies	\$381,339.34	\$299,456.82
Interest	<u>378.98</u>	<u>325.81</u>
	138,718.32	299,782.63
Disbursements:		
Patient Withdrawals	138,299.03	119,718.23
Patient Maintenance	237,658.40	165,730.34
Final Settlement of Individual Trust Accounts	5,456.87	25,637.47
Transfer to Recreation Fund	<u>3,149.32</u>	<u>2,620.92</u>
	<u>384,563.62</u>	<u>313,706.96</u>
Cash Receipts (Under) Disbursements	(2,845.30)	(13,924.33)
Beginning Balance	<u>33,248.89</u>	<u>47,173.22</u>
Ending Balance	<u>\$ 30,403.59</u>	<u>\$ 33,248.89</u>

	<u>Year Ended June 30,</u>		
	<u>1985</u>	<u>1984</u>	<u>1983</u>
Ending Balance:			
Cash in Bank	\$ 29,435.00	\$ 30,677.23	\$ 28,859.30
Consolidated Investment Fund	<u>968.59</u>	<u>2,571.66</u>	<u>18,313.92</u>
	<u>\$ 30,403.59</u>	<u>\$ 33,248.89</u>	<u>\$ 47,173.22</u>

ANDREW S. ROWAN MEMORIAL HOME  
STATEMENT OF CASH RECEIPTS, DISBURSEMENTS  
AND CHANGES IN CASH BALANCE

LOCAL

<u>Recreation Fund</u>	<u>Year Ended June 30,</u>	
	<u>1985</u>	<u>1984</u>
Cash Receipts:		
Sales and Commissions	\$26,841.01	\$30,361.03
Sales Tax	341.23	366.14
Transfers From Trustee Account	3,149.32	2,620.92
Donations	2,886.89	893.00
Refunds From Employee Advances	22.74	757.95
	<u>33,241.19</u>	<u>34,999.04</u>
Disbursements:		
Merchandise for Resale	24,041.70	22,859.84
Patient Benefits	5,585.95	5,186.98
State Tax Commission	446.05	356.99
Employee Travel Advances	8.00	545.96
Current Expense	135.12	34.82
	<u>30,216.82</u>	<u>28,984.59</u>
Cash Receipts Over Disbursements	3,024.37	6,014.45
Beginning Balance	<u>10,603.73</u>	<u>4,589.28</u>
Ending Balance	<u>\$13,628.10</u>	<u>\$10,603.73</u>

	<u>Year Ended June 30,</u>		
	<u>1985</u>	<u>1984</u>	<u>1983</u>
Ending Balance:			
Cash in Bank	\$12,393.10	\$ 9,368.73	\$ 3,354.28
Change Funds	1,235.00	1,235.00	1,235.00
	<u>\$13,628.10</u>	<u>\$10,603.73</u>	<u>\$ 4,589.28</u>

ANDREW S. ROWAN MEMORIAL HOME  
 STATEMENT OF CASH RECEIPTS, DISBURSEMENTS  
 AND CHANGES IN CASH BALANCE

LOCAL

<u>Guest Welfare Account</u>	<u>Year Ended June 30,</u>	
	<u>1985</u>	<u>1984</u>
Cash Receipts:		
Interest Earned	\$ 681.17	\$ 632.45
Disbursements:		
Current Expenses	<u>184.86</u>	<u>83.50</u>
Cash Receipts Over Disbursements	496.31	548.95
Beginning Balance	<u>12,619.70</u>	<u>12,070.75</u>
Ending Balance	<u><u>\$13,116.01</u></u>	<u><u>\$12,619.70</u></u>

	<u>Year Ended June 30,</u>		
	<u>1985</u>	<u>1984</u>	<u>1983</u>
Ending Balance:			
Cash in Bank	\$ 217.88	\$ 402.74	\$ 486.24
Savings Account	<u>12,898.13</u>	<u>12,216.96</u>	<u>11,584.51</u>
	<u><u>\$13,116.01</u></u>	<u><u>\$12,619.70</u></u>	<u><u>\$12,070.75</u></u>

ANDREW S. ROWAN MEMORIAL HOME

RECONCILIATIONS

JUNE 30, 1985

SPECIAL REVENUE

Estate Account - 8494-09

Balance per Home and State Treasury \$ 1,280.14

Hospital Services Revenue - Account 8500-05  
Various Capital Improvement Projects for  
Institutions

Balance per Home and Department of Health \$ 12,531.00

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

Balance per Home and Department of Health \$ 9,475.21

Hospital Services Revenue - Account 8500-28  
Capital Outlay and Renovation for Certifications,  
Life Safety and Energy Conservation

Balance per Home and Department of Health \$374,912.70

ANDREW S. ROWAN MEMORIAL HOME

BANK RECONCILIATION

JUNE 30, 1985

Patients' Trustee Account

Balance per Bank \$52,971.17

Less: Outstanding Checks

<u>Check Number</u>	<u>Amount</u>	<u>Check Number</u>	<u>Amount</u>	
26825	9.88	26925	144.88	
26837	21.00	26926	48.92	
26853	65.93	26927	187.25	
26896	3,436.53	26928	168.75	
26897	3,346.97	26929	18.00	
26899	747.52	26930	30.00	
26900	20.00	26931	128.05	
26901	54.00	26933	42.00	
26903	50.00	26934	105.90	
26904	20.00	26935	208.64	
26905	128.68	26936	15.99	
26906	20.00	26937	2.88	
26907	10.00	26938	33.06	
26908	105.51	26939	4.95	
26909	35.17	26940	128.54	
26910	8.00	26941	81.30	
26911	26.80	26942	80.00	
26912	154.13	26944	13.90	
26913	52.00	26945	14.00	
26915	20.00	26946	4.70	
26916	25.00	26947	32.47	
26917	2.00	26948	106.91	
26918	10.00	26949	248.85	
26920	22.40	26950	11.81	
26921	72.84	26951	15.77	
26922	36.18	26952	18,751.08	<u>29,174.52</u>
26923	45.38			<u>23,796.65</u>

Deposit in Transit 5,638.35

Balance per Book \$29,435.00

ANDREW S. ROWAN MEMORIAL HOME

BANK RECONCILIATIONS

JUNE 30, 1985

Recreation Fund

Balance per Bank \$11,638.62  
Less: Outstanding Checks

Check Number

6691	5.67
6778	31.00
6779	8.00
6782	30.00
6783	4.50
	<u>79.17</u>

Balance per Book \$11,559.45

Guest Welfare

Balance per Bank \$302.74  
Less: Outstanding Check

Check Number

362	<u>84.86</u>
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Balance per Book \$217.88

ANDREW S. ROWAN MEMORIAL HOME

PATIENT COST

	<u>Year Ended June 30,</u>	
	<u>1985</u>	<u>1984</u>
Average Population	175	172
Patient Days	64,004	62,879
Total Appropriated Expenditures	\$1,686,564.01	\$1,054,516.84
Cost per Patient Day	\$26.35	\$16.77
Average Cost per Patient Year	\$9,617.75	\$6,121.05

STATE OF WEST VIRGINIA

OFFICE OF LEGISLATIVE AUDITOR, TO WIT:

I, Thedford L. Shanklin, CPA, Director of the Legislative Postaudit Division, do hereby certify that the report of audit appended hereto was made under my direction and supervision, under the provisions of the West Virginia Code, Chapter 4, Article 2, as amended, and that the same is true and correct copy of said report.

Given under my hand this 17<sup>th</sup> day of October, 1989.

*Thedford L. Shanklin*

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Thedford L. Shanklin, CPA, Director  
Legislative Postaudit Division

Copy forwarded to the Commissioner of the Department of Finance and Administration to be filed as a public record. Copies forwarded to Andrew S. Rowan Memorial Home; West Virginia Department of Health and Human Resources; West Virginia Department of Health and Human Resources, Division of Health; Governor; Attorney General; and, State Auditor.