

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

WEST VIRGINIA BOARD OF ARCHITECTS

FOR THE PERIOD

JULY 1, 1984 - JUNE 30, 1992



**OFFICE OF LEGISLATIVE AUDITOR**

**CAPITOL BUILDING**

**CHARLESTON, WEST VIRGINIA 25305**

WEST VIRGINIA LEGISLATURE  
*Joint Committee on Government and Finance*

LEGISLATIVE POSTAUDIT DIVISION  
BUILDING 6, ROOM 761A  
CAPITOL COMPLEX



PHONE 348-2154  
AREA CODE 304

CHARLESTON, WEST VIRGINIA 25305

The Joint Committee on Government and Finance:

In compliance with the provision of the West Virginia Code, Chapter 4, Article 2, as amended, we have examined the accounts of the West Virginia Board of Architects.

Our examination covers the period July 1, 1984 through June 30, 1992. 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, 1991 and June 30, 1992 are included in this report. The financial statements covering the period July 1, 1985 through June 30, 1990 are included in the audit workpapers.

Respectfully submitted,

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

TLS/ela

WEST VIRGINIA BOARD OF ARCHITECTS

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WEST VIRGINIA BOARD OF ARCHITECTS

ACKNOWLEDGMENT

We extend our thanks and appreciation to the Board and its staff for their cooperation in supplying the information necessary to prepare this report.

WEST VIRGINIA BOARD OF ARCHITECTS

EXIT CONFERENCE

An exit conference was held on December 8, 1993, in the office of the West Virginia Board of Architects. The findings were reviewed and discussed with H. Keith Dean, Secretary of the Board, C. William Bevins, President of the Board and Jane Eschleman, Administrator of the Board of Architects.

The Board's responses can be found in italics in the Summary of Findings, Recommendations and Responses and after our recommendations in the General Remarks sections of the report.

## WEST VIRGINIA BOARD OF ARCHITECTS

### INTRODUCTION

This Board was created under Chapter 30, Acts of the Legislature, 1935, as amended, and operated according to Articles 1 and 12, Sections 1 through 16, and 1 through 14, respectively. The Board is composed of seven members, five architects and two lay members. The architects must have at least ten years active practice in West Virginia. The lay members must not be of the same political party affiliation. Each member is appointed for a term of five years.

The Board examined all applicants for practice of architecture in the State and registers successful applicants. The secretary shall prepare and maintain a complete record of names and office addresses of all persons registered. Every registered architect in this State who decides to continue the practice of this profession shall annually renew his certificate of registration.

The location of the Board's Office is not fixed by statute. During the audit period the records were kept in an office located in the West Virginia Building, 910 Fourth Avenue, Room 412, Huntington, West Virginia, 25701. This Board operates from its own collections and is under budget control.

WEST VIRGINIA BOARD OF ARCHITECTS

BOARD MEMBERS AND STAFF

Members

C. William Bevins, President, Kanawha County  
Term expires June 30, 1993 . . . . . Charleston

E. Keith Dean, Secretary, Cabell County  
Term expires June 30, 1997 . . . . . Huntington

Clint Bryan, Kanawha County  
Term expires June 30, 1994 . . . . . Charleston

William E. Yoke, Jr., Harrison County  
Term expires June 30, 1995 . . . . . Clarksburg

E. Ted Boggess, Mercer County  
Term expires June 30, 1996 . . . . . Princeton

Gary Markham, Public Member, Kanawha County  
Term expires June 30, 1997 . . . . . Charleston

Staff

Jane Eschleman, Administrative Aide  
Cabell County . . . . . Huntington

WEST VIRGINIA BOARD OF ARCHITECTS  
SUMMARY OF FINDINGS, RECOMMENDATIONS, AND RESPONSES

COMPLIANCE MATTERS

Use of Incorrect Fee Schedule

1. The Board overcharged certain fees during the period November 20, 1990 through May 27, 1992, because their emergency rules had lapsed under the provision of Chapter 29A, Article 3, Section 15 of the West Virginia Code, as amended.

We recommend the Board refund the overpayments to the applicants.

*We do not agree with this finding. (See pages 9-11.)*

Incorrect Fees Collected

2. Incorrect fees were collected for hand seals and certificate of registrations; and for reciprocal registrations from May 23, 1990 through November 19, 1990. The Board did not comply with Chapter 30, Article 12, Section 3 of the West Virginia Code, as amended.

We recommend the Board collect the underpayments from the applicants.

*We do not agree with this finding. (See pages 11-13.)*

Late Renewal Fees

3. During fiscal years 1991 and 1993 the Board undercharged applicants for late renewal fees. The Board overcharged applicants for late renewal fees in fiscal year 1992. The Board did not comply with Chapter 30, Article 12, Section 5 of the West Virginia Code, as amended.

We recommend the Board comply with Chapter 30, Article 12, Section 5 of the West Virginia Code, as amended. We also recommend that the under-



charged fees be collected for fiscal years 1991 and 1993, and that the Board refund overcharges for fiscal year 1992.

*We do not agree with this finding. (See pages 13-16.)*

#### Workers' Compensation Fund

4. The Board did not subscribe to the Workers' Compensation Fund. The Board of Architects did not comply with Chapter 23, Article 2, Section 1 of the West Virginia Code, as amended.

We recommend the Board take the necessary steps to subscribe to the Workers' Compensation Fund.

*The Board is now in compliance. (See page 16.)*

#### Physical Inventory

5. The Board did not file their physical inventory with the Director of the Purchasing Division. They did not comply with Chapter 5A, Article 3, Section 42 of the West Virginia Code, as amended.

We recommend the Board file their physical inventory with the Director of the Purchasing Division.

*The Board is now in compliance. (See pages 16-17.)*

#### Purchases

6. Eleven transmittals were split for certificate purchases from fiscal year 1991 through fiscal year 1993 to avoid obtaining prior approval from the Revolving Fund and Prison Industries. The Board did not comply with Section 2.1 of the Department of Administration's Handbook of Purchasing Procedures.

We recommend the Board comply with the Department of Administration's Agency Purchasing Procedures Manual.

*The Board is now in compliance. (See pages 17-18.)*

#### Withholding Tax

7. The Board calculated employees Federal and State withholding tax incorrectly. They did not compute the withholding taxes as set out in Circular E, Employer's Tax Guide, and the West Virginia Employer's Withholding Instructions Manual.

We recommend the Board accurately compute withholding taxes.

*The Board is now in compliance. (See page 18.)*

#### Withholding Exemption Certificate

8. The Board had no West Virginia Employee's Withholding Exemption Certificate in the employee's personnel file. They did not comply with West Virginia Employer's Withholding Instructions Manual.

We recommend the Board comply with the West Virginia Employer's Withholding Instructions.

*The Board is now in compliance. (See pages 18-19.)*

WEST VIRGINIA BOARD OF ARCHITECTS

GENERAL REMARKS

INTRODUCTION

We have completed a post audit of the West Virginia Board of Architects. The audit covered the period July 1, 1984 through June 30, 1992.

SPECIAL REVENUE ACCOUNT

All expenditures required for the general operation of the Board are made from Account 8101-10, West Virginia Board of Architects.

LOCAL BANK ACCOUNT

During the audit period, the Board had one local bank account with a bank in Huntington, West Virginia. Periodically, the Board transferred the license fee to the State Treasury by check drawn on the local bank account. The account was closed on November 2, 1988.

Revenues

Revenues are derived from the following:

Filing Fee . . . . .	\$100.00
Hand Seal and Certificate of Registration Fee . . . . .	\$ 50.00
Annual Renewal Fee . . . . .	\$ 75.00
Restoration of Expired Certificate of Registration Fee (Restored within One Year) . . .	\$150.00
Restoration of Expired Certificate of Registration Fee (Restored after One Year) . . .	\$250.00
Reciprocal Certificate of Registration . . . . .	\$250.00
Transfer Fees . . . . .	\$ 35.00

The Board also receives revenue for examinations and reexaminations. The examination is divided into nine divisions. The fee for all divisions of the examination is \$390.00. Examinations may be taken as a whole or in divisions.

The fee for each division is listed below:

Division A . . . . .	\$ 40.00
Division B/Written . . . . .	\$ 25.00
Division B/Graphic . . . . .	\$ 60.00
Division C . . . . .	\$ 90.00
Division D/F . . . . .	\$ 35.00
Division E . . . . .	\$ 20.00

Division G . . . . .	\$ 40.00
Division H . . . . .	\$ 40.00
Division I . . . . .	\$ 40.00
Total	<u>\$390.00</u>

The revenues as set out in Chapter 30, Article 12, Section 8 of the West Virginia Code were effective from November 20, 1990 through May 27, 1992. The fees are listed below:

Original Examination	\$350.00
Reexamination	\$250.00
Hand Seal and Certificate of Registration Fee	\$ 40.00
Annual Renewal Fee	\$ 25.00
Restoration of an Expired Certificate of Registration	\$ 50.00
Reciprocal Registration	\$100.00

COMPLIANCE MATTERS

Chapter 30, Articles 1 and 12, of the West Virginia Code generally govern the West Virginia Board of Architects. We tested applicable sections of the above plus general State regulations and other applicable chapters, articles and sections of the West Virginia Code as they pertain to fiscal matters. Our findings are discussed as follows.

Use of Incorrect Fee Schedule

It appears that the Board of Architects operated with an incorrect fee schedule during the period November 20, 1990 through May 27, 1992. The Board filed Emergency Rules and Regulations on May 23, 1990. The Rules were effective upon filing. Chapter 29A, Article 3, Section 15 of the West Virginia Code, as amended, states in part:

"...Any emergency rule shall be effective for not more than fifteen months and shall expire earlier if any of the following occurs:..."

"...(3) The agency has not previously filed and fails to file the proposed rule with the legislative rule-making review committee within one hundred eighty days of the date the proposed rule was filed as an emergency rule; in which case the emergency rule expires on the one hundred eighty-first day..."

Our review shows that the Board filed the proposed Rules with the Legislative Rule-Making Committee on January 25, 1991. This is 248 days after the Emergency Rules became effective, and 67 days beyond the 181 days mandated by law. Therefore, it appears the Emergency Rules and Regulations expired on November 19, 1990. New Legislative Rules and Regulations were approved in Senate Bill 1 on March 14, 1992. The Rules became effective on May 28, 1992.

There were no Rules governing fees for the Board from November 20, 1990 through May 27, 1992. Therefore, we believe the Board should have collected fees in accordance with Chapter 30, Article 12, Section 3 of the West Virginia Code, as amended. Section 3 states in part,

" . . . (b) The board shall cause such schedule of fees to be published annually in the state register. Until such time as the board establishes otherwise, the fees previously set by statute remain in effect. (1990, c. 152.)"

However, the Board continued to collect all fees at the new rates as set out in the Emergency Rules.

We were told by a Board official, that the Board believed the new fees set out in the Emergency Rules would stay in effect until new Legislative Rules were approved and became effective. It appears the applicants were overcharged \$31,200.00 in fiscal year 1991 and \$14,185.00 in fiscal year 1992 for fees collected, excluding fees for examinations, during the period the Board operated with no Legislative Rules.

We were unable to determine the difference in collections of exam fees for the period. The Board's fees were previously set by Chapter 30, Article 12, Section 8 of the West Virginia Code, as amended. Section 8 states in part,

"(a) The fee to be paid to the board by an applicant for an examination to determine his fitness to receive a certificate of registration as a registered architect shall be three hundred fifty dollars. Any applicant failing to pass an original examination shall pay a fee of two hundred dollars for any requested reexamination, . . ."

The examination consist of nine divisions. The new fee schedule provides a fee for each division. From our review we could not determine if the divisions charged were for original examinations or reexaminations.

We recommend the Board refund the overpayments to the applicants.

*Our opinion with respect to this issue is that we were clearly empowered to establish a schedule of fees in accordance with the statute and we caused such schedule of fees to be published annually in the West Virginia Register. There is no further legal requirement to make effective the fee schedule adopted. The emergency and proposed rules which you address in the Report did indeed contain the schedule of fees; however, neither the emergency nor proposed rules govern the right to establish and implement the fee schedule. We emphasize that West Virginia Code §30-12-3 provides that the power to establish a schedule of fees (subject to annual publication in the state register) exists "notwithstanding any other provision of law to the contrary." The emergency and proposed rules filed by the Board govern subject matters unrelated to the schedule of fees, notwithstanding that the emergency and proposed rules contain the fee schedule.*

#### Incorrect Fees Collected

Chapter 30, Article 12, Section 3 of the West Virginia Code, as amended, states in part:

"(a) Notwithstanding any other provision of the law to the contrary, the board is authorized and empowered to establish a schedule of fees to be charged to applicants. . ."

The Board of Architects approved new fee rates at a Special Board meeting on April 6, 1990. Emergency Legislative Rules to govern the new fees became effective May 23, 1990. The Emergency Rules remained in effect until November 19, 1990.

During this period there were 17 hand seals and certificates purchased at the old rate of \$40.00. Section 2.16 of the Emergency Legislative Rules adopted by the Board states in part:

" . . . (c) The fee to be paid to the Board by an applicant for a hand seal and certificate of registration as a registered architect shall be fifty dollars. . . ."

The Board also accepted fees for 17 reciprocal registrations at the old rate of \$150.00. Section 2.16 of the Emergency Rules also states,

" . . . The fee to be paid to the Board by an applicant for a reciprocal certificate of registration. . . shall be two hundred fifty dollars. . . ."

All other fees were collected at the correct rate.

Applicants were undercharged \$170.00 for the 17 hand seals and certificates. They were also undercharged \$1,700.00 for the 17 reciprocal registrations.

We recommend the Board collect the fees that were undercharged for the reciprocal registrations and the hand seals and certificates.

*Our position in response to this part of the Report is predicted upon the clear and unequivocal language of West Virginia Code §30-12-3, which provides as follows:*

"Fees.

(a) *Notwithstanding any other provision of the law to the contrary, the board is authorized and empowered to establish a schedule of fees to be charged to applicants. The board shall charge for: Examination, reexamination, renewal of certificates, restoration of expired certificates, reciprocal registration and for any other matters deemed appropriate by the board.*

(b) *The board shall cause such schedule of fees to be published annually in the state register. Until such time as the board establishes otherwise, the fees previously set by statute remain in effect."*

*Annexed to this letter is a copy of the relevant portion of the April 6, 1990 minutes of the Board which sets a schedule of fees in accordance with the above-quoted statute. We point out to you and emphasize that the power to establish a schedule of fees is not contingent or dependent upon filing emergency or proposed rules. The Board has unfettered power to establish a schedule of fees, the only requirement being that it shall cause the schedule of fees to be*

published annually in the state register. Annexed to this letter are copies of portions of the West Virginia Register for 1990, 1991 and 1992, the periods in issue, certified by the Secretary of State and verifying that the Board caused to be published in the West Virginia Register its schedule of fees adopted at its April 6, 1990 meeting.

Our opinion with respect to this issue is that we were clearly empowered to establish a schedule of fees in accordance with the statute and we caused such schedule of fees to be published annually in the West Virginia Register. There is not further legal requirement to make effective the fee schedule adopted. The emergency and proposed rules which you address in the Report did indeed contain the schedule of fees; however, neither the emergency nor proposed rules govern the right to establish and implement the fee schedule. We emphasize that West Virginia Code §30-12-3 provides that the power to establish a schedule of fees (subject to annual publication in the state register) exists "notwithstanding any other provision of law to the contrary." The emergency and proposed rules filed by the Board govern subject matters unrelated to the schedule of fees, notwithstanding that the emergency and proposed rules contain the fee schedule.

#### Late Renewal Fees

The Board accepted \$75.00 renewal fees for receipts dated after June 30, in fiscal years 1991 through 1993. In fiscal year 1991 the Board accepted 244 late renewals, 462 in fiscal year 1992, and 254 in fiscal year 1993. Chapter 30, Article 12, Section 5 of the West Virginia Code, as amended, state in part:

" . . . the board shall issue a registration which is valid for one year, expiring on the thirtieth day of June of each year. Any holder of a registration who fails to renew his or her application on the prescribed date, . . . is required to apply for reinstatement, . . . "

The fee for reinstatement for the period May 23, 1990 through November 19, 1990 was \$150.00 for certificates that have been expired for less than one year. The fee for the period November 20, 1990 through May 27, 1992 was \$50.00.



On May 28, 1992 new Legislative Rules became effective and the rate for reinstatement was changed to \$150.00.

It appears the Board undercharged applicants \$18,300 in fiscal year 1991, and \$19,050 in fiscal year 1993. The Board overcharged applicants \$11,550 in 1992.

We recommend the Board comply with Chapter 30, Article 12, Section 5 of the West Virginia Code, as amended. We also recommend the Board collect the undercharged renewal fees from the applicants for fiscal years 1991 and 1993, and that the Board refund overcharges for fiscal year 1992.

*Our second disagreement lies with that part of the Report subtitled Late Renewal Fees wherein the Report takes the position that the Board accepted late renewals, that is, after the 30th day of June each year, without an upward adjustment in the fee. The Report relies upon that portion of West Virginia Code §30-12-5 which provides that "... the board shall issue a registration which is valid for one year, expiring on the thirtieth day of June of each year. Any holder of a registration who fails to renew his or her application on the prescribed date,... is required to apply for reinstatement,..."*

*We are of the view that your reliance upon the foregoing language to adopt the position that if the renewal fees are not paid by June 30th each year that the rate thereafter changes, is misplaced. West Virginia Code §30-12-5 reads in whole as follows:*

*"Registration renewal.*

*The board shall mail each year to every registered architect an application for renewal of registration. The application, properly filled out and accompanied by the renewal fee established in accordance with section three [§30-12-3] of this article, shall be returned to the board on or before the date established by the board. After verification of the facts stated in the renewal application, the board shall issue a registration which is valid for one year, expiring on the thirtieth day of June of each year. Any holder of a registration who fails to renew his or her application on or before the prescribed date, before again engaging in the practice of architecture within the state, is*

required to apply for reinstatement, pay the prescribed fee and, in circumstances considered appropriate by the board, may be required to be reexamined."

It is clear from the statute that it is the registration which is valid for one year, expiring on June 30, but the section does not speak to an increase or adjustment to the fee for payment after June 30, only that the registrant must "pay the prescribed fee."

From 1921 until June 30, 1990, the applicable architectural law pertaining to the due date of the registration provided as follows:

"Sec. 6 RENEWAL AND TERM OF CERTIFICATES. Every registered architect in this State who desires to continue the practice of his profession shall annually, during the month of July, renew his certificate of registration, and pay to the board the renewal fee required by subdivision (d) of section eight of this article. A person who fails to renew his certificate of registration during the month of July in each year may not thereafter renew his certificate except upon payment of the fee required by subdivision (c) of section eight. Every certificate shall expire on the thirtieth day of June following its issuance." W.Va. Code §30-12-6.

Following the wording of the statute, the Board has historically required the renewal fees to be paid no later than the last day of July each year, notwithstanding that the certificate expires on June 30 each year. In effect, the applicable statute granted a 30-day grace period for the payment of the renewal fees.

Effective June 6, 1990, W.Va. Code §31-12-6, quoted above, was repealed and new W.Va Code §30-12-5, quoted on the prior page, became effective in its place and stead. The applicable new law makes clear that the renewal fee as established by the Board must "be returned to the board on or before the date established by the board." The date set by statute until July 1, 1990, was the last day of July. Since the repeal of that law, the Board, through practice, custom and usage, has continued using the last day of July as the date for submitting the renewal fee. Accordingly, utilizing the last day of July as the due date has been consistently applied from the time the West Virginia Board of

*Architects came into existence until the present. This practice, in our opinion, is not in violation of any law or regulation. To the contrary, it is consistent with prior West Virginia Code §30-12-6 and current West Virginia Code §30-12-5, quoted above.*

*We believe that the auditors have misconstrued current West Virginia Code §30-12-5 to say that the renewal fees must be paid by June 30. The law does not so provide. The Board, in reliance upon statutory law and past practice, accepts renewal fees without adjustment through the end of July, notwithstanding that a registration may expire on the last day of June.*

#### Workers' Compensation Fund

The Board did not subscribe to the Workers' Compensation Fund. Chapter 23, Article 2, Section 1 of the West Virginia Code, as amended, states in part:

"The State of West Virginia and all governmental agencies or departments created by it. . . are employers within the meaning of this chapter and are hereby required to subscribe to and pay premiums into the workers' compensation fund for the protection of their employees. . ."

The Board's staff was not aware of their requirement to subscribe to the Workers' Compensation Fund.

The Board may be required to pay all delinquent premium payments plus interest, compounded monthly, at the rate that would have been earned on premiums had they been timely paid. The premiums are calculated as a percentage of the Board's payroll at the rate determined by the Workers' Compensation Commissioner.

We recommend the Board comply with Chapter 23, Article 2, Section 1 of the West Virginia Code.

*The Board is now in compliance.*

#### Physical Inventory

In the previous audit we recommended the Board file their physical inventory with the Department of Finance and Administration as required by Chapter

5A, Article 3, Section 42 of the West Virginia Code. In 1990, Section 42 of Chapter 5A, Article 3 was changed to Section 35 which states:

"The head of every spending unit of state government shall, on or before the fifteenth day of July of each year, file with the director an inventory of all real and personal property, and of all equipment, supplies and commodities in its possession as of the close of the last fiscal year, as directed by the director. (1990, c. 2)"

The Board took a physical inventory on March 12, 1993. The previous inventory was taken July 15, 1991. The inventory was not filed with the Director of the Purchasing Division as set out in Chapter 5A, Article 3, Section 35 of the West Virginia Code.

We recommend the Board comply with Chapter 5A, Article 3, Section 35 of the West Virginia Code.

*The Board is now in compliance and will send in the inventory report at the correct time each year.*

Purchases

In our previous audit we recommended the Board comply with the Department of Finance and Administration's Handbook of Purchasing Procedures. Section 2.1 of the Department of Administration's Agency Purchasing Procedures Manual states in part:

". . . 3. Printing. . . Purchases over \$100.00 from outside vendors require prior approval from both Revolving Fund and Prison Industries. . . ."

It appears the Board split 11 transmittals for certificate purchases from fiscal year 1991 through fiscal year 1993. We also noted multiple invoices dated with the same date.

From our review, it appears the Board purchased small quantities of certificates in a short period of time, costing less than \$100.00 in order to avoid obtaining prior approval from the Revolving Fund and Prison Industries. The Board may be paying more for the certificates on the open market than if the certificates were purchased through the Revolving Fund and Prison Industries.

We recommend the Board comply with the Department of Administration's Agency Purchasing Procedures Manual.

*The Board places orders with Central Printing which are always under \$100. However, Central Printing invoiced the Board once a month making it appear that we were splitting invoices. Central Printing now invoices the Board for each separate order when it is placed.*

#### Withholding Tax

The Board withheld authorized deductions from their employee's payroll. However, we noted that Federal and State withholding taxes were incorrectly calculated.

Federal income tax withholdings are determined from the tables in the Circular E, Employer's Tax Guide provided by the Internal Revenue Service. State income tax withholdings are determined from the tax tables in the West Virginia Employer's Withholding Instructions Manual.

In some pay periods the Board deducted more withholding tax than authorized, and in other pay periods the Board deducted less than the amount that had been authorized. We were unable to determine the reason for the calculation errors.

We recommend the Board determine State and Federal tax to be withheld in accordance with the Circular E, Employer's Tax Guide and the West Virginia Employer's Withholding Instructions Manual.

*The time period in 1992 when the wrong amount was withheld was due to the wrong Federal Circular being used. The wrong Circular was dated January 1992 and was later revised. We did not receive the correct circular until December 1992. The Board is now in compliance.*

#### Withholding Exemption Certificate

We noted in the previous audit the Board had no West Virginia Employee's Withholding Exemption Certificate in the employees personnel file. The Employer

Duties Section of the West Virginia Employer's Withholding Instructions states in part:

" . . . (2) Secure Employee's Withholding Exemption Certificate, Form I.T. 104, from each employee at time of employment and anytime thereafter when exemption status changes. . . ."

After bringing this matter to the attention of the administrative aide, Withholding Certificates for the employees were completed and filed on May 19, 1993.

We recommend the Board comply with the West Virginia Employer's Withholding Instructions.

*We were not aware the State Certificate, Form I.T. 104 must be completed when the Federal Form W-4 is completed, which is when the amount withheld changes. The Board is now in compliance.*

## INDEPENDENT AUDITORS' OPINION

The Joint Committee on Government and Finance:

We have audited the statement of revenues, expenditures and changes in cash balance of the West Virginia Board of Architects for the years ended June 30, 1992 and June 30, 1991. The financial statement is the responsibility of the management of the West Virginia Board of Architects. 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 basis of cash receipts and disbursements, which is a comprehensive basis of accounting other than generally accepted accounting principles.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the revenue collected and expenses paid of the West Virginia Board of Architects for the years ended June 30, 1992 and June 30, 1991, on the basis of accounting described in Note A.

Respectfully submitted,

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

June 4, 1993

Auditor: Ethelbert Scott, Jr.

WEST VIRGINIA BOARD OF ARCHITECTS  
 STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN CASH BALANCE

	<u>Year Ended June 30, 1992</u>		
	<u>Budget</u>	<u>Actual</u>	<u>(Over) Under Budget</u>
Revenues	\$102,000.00	\$112,721.67	(\$10,721.67)
Expenditures:			
Personal Services	35,545.00	34,501.61	1,043.39
Employee Benefits	5,941.00	5,941.10	(.10)
Current Expenses	60,828.00	34,353.91	26,474.09
Repairs & Alterations	400.00	295.10	104.90
Equipment	3,200.00	1,822.42	1,377.58
Total Expenditures	<u>105,914.00</u>	<u>76,914.14</u>	<u>28,999.86</u>
Revenues (Under) Over Expenditures	(3,914.00)	35,807.53	(39,721.53)
Beginning Balance	<u>80,000.00</u>	<u>70,388.00</u>	<u>9,612.00</u>
Ending Balance	<u>\$ 76,086.00</u>	<u>\$106,195.53</u>	<u>(\$30,109.53)</u>

See Notes to Financial Statement



Year Ended June 30, 1991

<u>Budget</u>	<u>Actual</u>	<u>(Over) Under Budget</u>
\$102,255.00	\$ 84,565.00	\$17,690.00
32,408.00	30,586.53	1,821.47
5,129.00	5,256.05	(127.05)
57,676.00	28,943.12	28,732.88
-0-	155.00	(155.00)
<u>6,000.00</u>	<u>3,085.48</u>	<u>2,914.52</u>
<u>101,213.00</u>	<u>68,026.18</u>	<u>33,186.82</u>
1,042.00	16,538.82	(15,496.82)
<u>2,734.00</u>	<u>53,849.18</u>	<u>(51,115.18)</u>
<u>\$ 3,776.00</u>	<u>\$70,388.00</u>	<u>(\$66,612.00)</u>

WEST VIRGINIA BOARD OF ARCHITECTS

NOTES TO FINANCIAL STATEMENT

Note A - Accounting Policies

Accounting Method: The Board'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. Accordingly, the accompanying financial statement is not intended to present financial position and results of operations in accordance with generally accepted accounting principles.

Note B - Budget

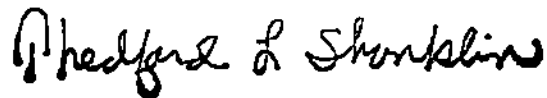
The Board submits its budget to the Department of Administration each fiscal year to be approved by the Governor. The Board may request the Governor to amend its budget during the current fiscal year if there is a surplus of collections.

STATE OF WEST VIRGINIA

OFFICE OF THE LEGISLATIVE AUDITOR, TO WIT:

I, Thedford L. Shanklin, CPA, Director of the Legislative Post Audit 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 a true and correct copy of said report.

Given under my hand this 12<sup>th</sup> day of December,  
1993.



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

Copy forwarded to the Secretary of the Department of Administration to be filed as a public record. Copies forwarded to the West Virginia Board of Architects; Attorney General; Governor; and, State Auditor.