WEST VIRGINIA
SECRETARY OF STATE
KEN HECHLER
ADMINISTRATIVE LAW DIVISION

Form #4

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OFFICE OF WEST VIRGINIA
SECRETARY OF STATE

NOTICE OF RULE MODIFICATION OF A PROPOSED RULE

AGENCY: Information Services & Communicaitons Division TITLE NUMBER: 161

CITE AUTHORITY West Virginia Code Section 5A-7-2

AMENDMENT TO AN EXISTING RULE: YES___ NO X

IF YES, SERIES NUMBER OF RULE BEING AMENDED: ______

TITLE OF RULE BEING AMENDED: ______

IF NO, SERIES NUMBER OF NEW RULE BEING PROPOSED: 1

TITLE OF RULE BEING PROPOSED: Information Services and Communications Division - Plan of Operation

THE ABOVE PROPOSED LEGISLATIVE RULE, FOLLOWING REVIEW BY THE LEGISLATIVE RULE MAKING REVIEW COMMITTEE IS HEREBY MODIFIED AS A RESULT OF REVIEW AND COMMENT BY THE LEGISLATIVE RULE-MAKING REVIEW COMMITTEE. THE ATTACHED MODIFICATIONS ARE FILED WITH THE SECRETARY OF STATE.

______

TITLE 161
LEGISLATIVE RULES
DEPARTMENT OF ADMINISTRATION

INFORMATION SERVICES AND COMMUNICATIONS DIVISION

SERIES 1

PLAN OF OPERATION

§161-1-1. General.

1.1 Scope--This Legislative Rule establishes the plan of operation for the Information Services and Communications Division of the Department of Administration for data processing, telecommunication, and central mailing office services. These rules supplement West Virginia Code §5A-7-1 et seq., and must be read in conjunction with this article.

1.2 Authority--West Virginia Code §5A-7-2.

1.3 Filing Date--

1.4 Effective Date--

§161-1-2. Applicability.

This Legislative Rule applies to each spending unit of the executive branch of state government utilizing the services of the Purchasing Division of the Department of Administration or any other entity utilizing the services of the Information Services and Communications Division.

§161-1-3. Definitions.

As used in this rule, all terms shall have the same meaning as provided in West Virginia Code §5A-7-1, and as follows:

(a) "Cost center" means expenses related to a specific resource.

(b) "Dedicated charges" means expenses for a resource that is solely for the benefit of a single user.

(c) "Director" means the Director of the Information Services and Communications Division of the Department of Administration.

(d) "ISC" means the Information Services and Communications Division of the Department of Administration.

(e) "Purchasing Division" means the Purchasing Division of the Department of Administration.

(f) "Resource" means a service or commodity provided by ISC.

(g) "Revenue center" means a specific type of resource that generates revenue.

(h) "Secretary" means the Secretary of the Department of Administration.

(i) "User" means a spending unit of the executive branch of state government utilizing the services of the Purchasing Division or any other entity utilizing the services of ISC.

§161-1-4. Rate Schedules and Invoicing.

4.1 Rate Schedules.

ISC's rate schedules are developed at the beginning of each fiscal year and reviewed quarterly for the first three quarters. Each revenue center charges for goods or services to enable that revenue center to be self-sufficient. Actual costs are accumulated for each revenue center and compared against the revenues received for the corresponding period. Differences between costs and revenues will be evaluated to determine if an adjustment of the rate is required and/or if debits or credits are required to remedy large variances between billing and operating expenses by an individual revenue center. Comparisons are made for each revenue center for the current fiscal year or quarter using the cumulative history of all revenues and expenses and the changes expected in future revenues, expenses and usage that would effect the rate structure. If rate revisions are required during any fiscal year, these revisions shall be announced to users prior to implementation.

4.2 Rates for Services.

(a) Each user shall be invoiced for services rendered, with charges to be fixed in a schedule or schedules prepared by the Director and approved by the Governor. A schedule of federal reimbursable rates and a Federal Cost Allocation Plan complying with the U. S. Office of Management and Budget Circular Number A-87 shall be submitted annually, to assist users receiving federal funds in determining the portion of the ISC bill that is reimbursable using federal funds. Nevertheless, the ISC billing rate is the rate all ISC users will pay for services.

(b) User billings are based upon standard rates for services provided by ISC. Standard rates are calculated using the known and anticipated fiscal year resource costs divided by the projected resource usage expressed in terms of billable units, and will, as nearly as may be practical reflect the actual costs incurred in the performance of services rendered to user. If actual costs or actual usage vary greatly from the projections upon which the rates are based, a cost center will recover more or less than is necessary for it to be self-sufficient. Adjustments are made to increase or decrease future rates to compensate for this variance.

4.3 Rates for Dedicated Charges.

Costs for dedicated charges shall be invoiced on the basis of the actual cash expenditures made by ISC for the benefit of the user and a service charge. As these charges are frequently unknown until the service has been performed and the invoice is received from the vendor, the charges shall be determined upon receipt of the invoice from the vendor providing the goods or services.

4.4 Invoicing.

Users will be invoiced on a monthly basis for ISC services. Invoices will show each chargeable service performed for the user during the previous month and will be mailed on or about the fifteenth day of each month. An exception to this schedule is when a user's monthly ISC charges are less than $5.00. Invoices in this category will be held and sent only three times a year: approximately November 15, March 15, and July 15.

§161-1-5. Requisition Review.

5.1 General.

ISC shall review and approve prior to submission of the requests to the Purchasing Division all automation hardware, software, consulting and associated maintenance requests of users estimated to cost in excess of $10,000. Requests estimated to cost $10,000 or less shall be submitted to ISC for informational purposes. Review shall include the appropriate documents required by the Purchasing Division and information describing the need for the request and any alternative solutions considered. Exceptions to this review process may be granted by the Secretary.

5.2 Procedures.

ISC review shall focus upon the cost of the request and its suitability within the overall environment of the user and the State in relation to integration and communication with existing systems. ISC shall make recommendations regarding the appropriate purchasing method to be utilized. Approval of ISC shall be attached to requests estimated to cost in excess of $10,000 when submitted to the Purchasing Division.

The total purchase price is intended to include all items associated with the procurement effort and circumvention of the dollar limitation by splitting invoices among different payment dates or procurement documents may result in revocation of this privilege.

WEST VIRGINIA LEGISLATURE
LEGISLATIVE RULE-MAKING REVIEW COMMITTEE
Room M-438, State Capitol
Charleston, West Virginia 25305
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Senator Lloyd Jackson, Co-Chairman
Delegate Patrick H. Murphy, Co-Chairman

Debra A. Graham, Counsel
Michael McThomas, Associate Counsel
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NOTICE OF ACTION TAKEN BY LEGISLATIVE RULE-MAKING REVIEW COMMITTEE

January 10, 1991

FILED
1991 JAN 23 PM 3: 25
OFFICE OF WEST VIRGINIA SECRETARY OF STATE

TO: Ken Hechler, Secretary of State, State Register

TO: The Honorable Chuck Polan, Secretary
Department of Administration
State Capitol
Charleston, WV 25305

FROM: Legislative Rule-Making Review Committee

PROPOSED RULE: Plan of Operation

The Legislative Rule-Making Review Committee recommends that the West Virginia Legislature:

1. Authorize the agency to promulgate the Legislative Rule
   (a) as originally filed _____
   (b) as modified by the agency X

2. Authorize the agency to promulgate part of the Legislative rule; a statement of reasons for such recommendation is attached. _____

3. Authorize the agency to promulgate the Legislative rule with certain amendments; amendments and a statement of reasons for such recommendation is attached. _____

4. Authorize the agency to promulgate the Legislative rule as modified with certain amendments; amendments and a statement of reasons for such recommendation is attached. _____

5. Recommends that the rule be withdrawn; a statement of reasons for such recommendation is attached. _____

Pursuant to Code 29A-3-11(c), this notice has been filed in the State Register and with the agency proposing the rule.

cc: Royce Chambers
Dept. of Administration
Capitol Complex B-104
Charleston, WV 25305