

WEST VIRGINIA
SECRETARY OF STATE
KEN HECHLER
ADMINISTRATIVE LAW DIVISION

Form #1

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NOTICE OF PUBLIC HEARING ON A PROPOSED RULE

AGENCY: Board Of Investments / Treasurer's Office TITLE NUMBER: 113

RULE TYPE: Legislative; CITE AUTHORITY 12-2 -2 et seq WV Code

AMENDMENT TO AN EXISTING RULE: YES NO

IF YES, SERIES NUMBER OF RULE BEING AMENDED: _____

TITLE OF RULE BEING AMENDED: _____

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

TITLE OF RULE BEING PROPOSED: Procedures for Deposit of Moneys with the Board of Investments and Treasurer's Office by State Agencies.

DATE OF PUBLIC HEARING: November 29, 1990 TIME: 9:30 AM

LOCATION OF PUBLIC HEARING: State Capitol Complex Conference Center,
Building 7 Room D, Charleston, WV 25305

COMMENTS LIMITED TO: ORAL , WRITTEN , BOTH

COMMENTS MAY ALSO BE MAILED TO THE FOLLOWING ADDRESS: State Treasurer's Office

State Capitol Building

Charleston, WV 25305

Attn: Jerry Simpson

The Department requests that persons wishing to make comments at the hearing make an effort to submit written comments in order to facilitate the review of these comments.

The issues to be heard shall be limited to the proposed rule.

ATTACH A **BRIEF** SUMMARY OF YOUR PROPOSAL

2.80

The general purpose of these proposed rules is to aid in the implementation of the Legislative finding and purpose set forth in Section Two, Article Two, Chapter Twelve of the Code, wherein the Board and Treasurer are required to establish a system whereby moneys received by State agencies, officials and employees on behalf of the State shall be deposited with the Board within twenty-four hours of receipt, immediately and properly accounted for and immediately available for investment by the State.

APPENDIX B

FISCAL NOTE FOR PROPOSED RULES

Rule Title: Procedures for Deposit of Moneys with the Board of Investments and Treasurer's Office by State Agencies.

Type of Rule: X Legislative Interpretive Procedural

Agency Board of Investments/Treasurer's Office Address State Capitol - Charleston, WV 25305

N/A

1. Effect of Proposed Rule:	ANNUAL		FISCAL YEAR		
	Increase	Decrease	Current	Next	Thereafter
Estimated Total Cost	\$	\$	\$	\$	\$
Personal Services					
Current Expense					
Repairs and Alterations					
Equipment					
Other					

2. Explanation of above estimates:

These proposed rules repeals and replaces the original rules filed in 1981. It is not anticipated that these rules will require the expenditure of any additional funds

3. Objectives of these rules:

The general purpose of these proposed rules is to aid in the implementation of the Legislative finding and purpose set forth in Section Two, Article Two, Chapter Twelve of the Code, wherein the Board and Treasurer are required to establish a system whereby moneys received by State agencies, officials and employees on behalf of the State shall be deposited with the Board within twenty-four hours of receipt, immediately and properly accounted for and immediately available for investment by the State.

4. Explanation of Overall Economic Impact of Proposed Rule.

A. Economic Impact on State Government.

These proposed rules will continue to allow the Board to collect and invest funds on a timely basis in order to more accurately account for funds due the State and also maximize interest income.

B. Economic Impact on Political Subdivisions; Specific Industries; Specific groups of citizens.

N/A

C. Economic Impact on Citizens/Public at Large.

See 4A.

Date: 10/29/90

Signature of Agency Head or Authorized Representative



WEST VIRGINIA ADMINISTRATIVE REGULATIONS
West Virginia State Board of Investments
State Treasurer's Office

Chapter 12-2
Series V

Subject: Procedures for Deposit of Moneys with the Board of
Investments and Treasurer's Office by State
Agencies.

TABLE OF CONTENTS

Section 1. General

- 1.01. Scope
- 1.02. Authority
- 1.03. Purpose
- 1.04. Filing Date
- 1.05. Effective Dates
- 1.06. Repeal of Former Rule

Section 2. Definitions

Section 3. Procedures for Deposit

- 3.01. Receipts Depositories
- 3.02. Methods for Depositing Moneys due the State
- 3.03. Bank Deposit Forms
- 3.04. Board of Investments Deposit Forms
- 3.05. Processing Deposit Forms
- 3.06. Deposit of Funds with the State Treasurer
- 3.07. Redeposit of State Checks
- 3.08. Endorsement of Deposited Checks
- 3.09. Adjustments and Returned Checks
- 3.10. Frequency of Deposits
- 3.11. Clearing Accounts
- 3.12. Applicability of these rules

WEST VIRGINIA ADMINISTRATIVE REGULATIONS
West Virginia State Board of Investments
State Treasurer's Office

Chapter 12-2
Series V

Subject: Procedure for Deposit of Moneys with West Virginia
Board of Investments by State Agencies.

Section 1. General

1.01. Scope - These rules implement the provisions of section two, article two, chapter twelve of the code of West Virginia, 1931, as amended.

1.02. Authority - West Virginia Code §12-2-2.

1.03. Purpose - The general purpose of these rules is to establish a system whereby moneys received by State agencies, officials and employees on behalf of the State of West Virginia shall be 1) deposited with the Board of Investments within twenty-four hours of receipt, 2) immediately and properly accounted for, and 3) immediately available for investment by the State. This purpose is in keeping with the legislative findings and purpose set forth in section one, article one, chapter twelve of the code, wherein the State Board of Investments is authorized to develop and maintain modern systems, consistent with sound financial practices, for the collection, disbursement, management and investment of public moneys. These rules also are specifically directed toward implementing the Legislature's intent in section two,

article one, chapter twelve of the code wherein State officers and employees are prohibited from making or causing deposits of State moneys to be made in any bank not designated as an authorized depository by the State Board of Investments.

1.04. Filing Date -

1.05. Effective Date -

1.06. Repeal of Former Rule - This Legislative Rule repeals and replaces West Virginia 112 CSR1 "Procedures for Deposit of Funds in the Treasurer's Office by State Agencies" effective July 8, 1981.

Section 2. Definitions

For purposes of these rules, unless a different meaning clearly is required by the context:

"Agency" means and includes any department, board, commission, division, branch office or other separate unit of a State agency, and any officer or employee thereof, who or which collects moneys due the State;

"Board" means the West Virginia State Board of Investments;

"Centralized Receipts Processing Center" (CRPC) means a central location operated by the Board for receiving, processing and depositing all funds due the State.

"Check" includes a bank draft, bank wire, money order, cashier's check, check written on the payor's checking account, and any other non-cash payment of funds due the State;

"Code" means the 1931 code of West Virginia, as amended;

"Fund" means demand deposit account balances the Board has use of;

"Lock Box" means a cash management system whereby moneys due a State agency are mailed to a post office box near the "CRPC". The CRPC collects the receipts from the lock box and processes both the receipt document and the check;

"Receipt Account" means an account in which moneys are deposited belonging to or due the State of West Virginia or any official, department, board, commission, or agency, thereof; and

"Treasurer" means the Treasurer of the State of West Virginia.

Section 3. Procedures for Deposits

3.01. Receipts Depositories - State depositories for receipt accounts shall be established by the Board pursuant to the provisions of section two, article one, chapter twelve of the Code and rules promulgated thereunder. A collecting agency shall deposit its collections in a depository designated by the Board to serve as a depository for that agency's receipt accounts.

3.02. Methods for Depositing Funds Due the State -

(a) Checks - An agency shall deposit its check collections by any one or more of the following methods:

(1) The agency's own employees may take the checks directly to the designated receipt depository;

(2) The agency may use the services of a courier or armored car service engaged by the agency to pick up deposits and deliver them to the designated depository;

(3) The agency may use the services of a courier engaged by the Board to pick up deposits from such agency and deliver them to such designated depository; or

(4) The agency may use any other method approved in writing by the Board.

(5) The Board may provide a lock box at the Board's centralized receipts processing center for direct processing of an agencies receipts.

(b) Cash - An agency shall deposit its cash collections by any one or more of the methods authorized for deposit of checks by the Board. In addition, an agency may use the safekeeping services of a night depository at any bank of the agency's choice.

3.03. Bank Deposit Forms - The collecting agency shall make its deposits using a form which shall be prescribed by the Board. The form shall be signed by an officer of the agency.

3.04. Board of Investment's Deposit Forms - Immediately upon making a deposit, the agency shall complete and transmit to the Board a form which shall be prescribed by the Board.

3.05. Processing Deposit Forms - The Board shall prescribe the method by which all deposit forms shall be processed.

3.06. Deposit of Funds with the State Treasurer - The Board shall transfer daily all funds from the Board's receipt accounts to the Treasurer's receipt account. The Board shall daily provide the Treasurer a report of general ledger deposits on such forms as prescribed by the Board.

3.07. Redeposit of State Checks - When an agency redeposits State checks, such deposits shall be made either at the designated depository or directly to the Board's office. If made at the designated depository, the procedure shall be the same as with any other deposit. Redeposits, when made directly to the Board's office, shall be made on forms prescribed by the Board to the Board's office together with the checks being redeposited. No other checks shall be entered on the Board's form or commingled with the redeposit of State checks.

3.08. Endorsement of Deposited Checks - Except for redeposits of State checks, all checks received and deposited by agencies shall be endorsed as in the following example:

STATE OF WEST VIRGINIA
(AGENCY'S NAME)
FOR DEPOSIT ONLY
PAY TO THE ORDER OF
ANY BANK OR BANKER
NO PROTEST

When a State check is redeposited, the check shall be endorsed as in the following example:

JOHN DOE
ABSENCE OF ENDORSEMENT
GUARANTEED. REDEPOSIT TO
ACCOUNT NO. 1600-00-009-01
(REGULAR ENDORSEMENT STAMP
AS SHOWN ABOVE)

3.09. Adjustments and Returned Checks - Whenever debit or credit tickets for adjustments to a previous deposit for returned checks are received by an agency from a depository, the agency shall use the Board prescribed Deposit Form to record the totals of such debits or credits. When the bank deposit form is used for the entry of adjustments or returned checks it shall be signed by an authorized officer or employee of the agency.

3.10. Frequency of Deposits - The collecting agency shall deposit all receipts daily in the designated depository. No agency may make more than two deposits per day unless prior approval to exceed that number is obtained from the Board.

3.11. Clearing Accounts - The requirements of section §3.10 shall apply to every agency, notwithstanding that at the time of making the deposit the agency may not know the exact general ledger account for preparation of the Board's Deposit Form. In the latter event, the agency shall obtain approval from the State Auditor to use a general ledger clearing account, and such agency shall record its deposits in such general ledger clearing account. When the agency thereafter determines the exact general ledger accounts applicable to the funds deposited in the general ledger clearing account, it shall prepare a Board prescribed "Deposit Collection Transfer Form" and transfer the funds from the general ledger clearing account to the appropriate general ledger receipt accounts. All copies of said form shall promptly be sent to the Board.

3.12. Applicability of These Rules - It is presumed that all moneys collected or held by State agencies in the form of cash, undeposited checks, bank accounts, or in any other form, are public moneys subject to the requirements of section two, article two, chapter twelve of the code and of these rules. In the event any agency believes that all or part of these rules may not apply to its operations and collections, or that all or part of the moneys held by it may not be governed by these rules, it shall submit to the Board a written statement of the reasons for such belief. The agency shall also furnish an itemization and accounting of the moneys in question

currently held by it, with the name of the bank, bank account number, and the name and purpose of the account.

INDEX

References are to section numbers.

Effective Date, 1.05
Endorsement of checks, 3.07
Filing Date 1.04
Frequency of deposits, 3.09
Methods for making deposits, 3.02
Procedure for deposits, 3
Purpose of rules, 1.03
Redeposit of State checks, 3.06
 Procedure, 3.06
 Endorsement, 3.07
Returned checks, 3.08
Scope of rules, 1.01
Board's deposit form, 3.04
 Completion of, 3.04