

WEST VIRGINIA
SECRETARY OF STATE
KEN HECHLER
ADMINISTRATIVE LAW DIVISION

Form #3

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FILED IN THE OFFICE OF
THE SECRETARY OF STATE
THIS DATE NOV 30 1990
ADMINISTRATIVE LAW DIVISION

NOTICE OF AGENCY APPROVAL OF A PROPOSED RULE
AND
FILING WITH THE LEGISLATIVE RULE-MAKING REVIEW COMMITTEE

AGENCY: Board of Investments/Treasurer's Office TITLE NUMBER: _____

CITE AUTHORITY 12-2-2 et seq WV Code

AMENDMENT TO AN EXISTING RULE: YES _____ NO

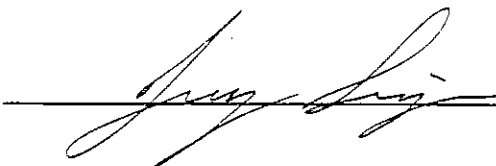
IF YES, SERIES NUMBER OF RULE BEING AMENDED: _____

TITLE OF RULE BEING AMENDED: _____

IF NO, SERIES NUMBER OF NEW RULE BEING PROPOSED: v (5)

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

THE ABOVE PROPOSED LEGISLATIVE RULE HAVING GONE TO A PUBLIC HEARING OR A PUBLIC COMMENT PERIOD IS HEREBY APPROVED BY THE PROMULGATING AGENCY FOR FILING WITH THE SECRETARY OF STATE AND THE LEGISLATIVE RULE MAKING REVIEW COMMITTEE FOR THEIR REVIEW.



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.

PUBLIC HEARING
RULES AND REGULATION FOR
THE BOARD OF INVESTMENTS
AND THE STATE TREASURER'S OFFICE

A public hearing was held on November 29, 1990, at 9:30 a.m. in the State Capitol Complex Conference Center, Building 7, Room D.

Those present were:

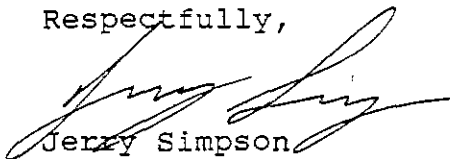
Jerry Simpson, State Treasurer's Office
Mark Asaad, State Treasurer's Office
Brenda Warren, State Treasurer's Office

Mr. Simpson called the meeting to order. Mr. Simpson made mention of the rules individually and received or made mention of any comments at that time.

There were no comments received except for the Selection of State Depositories for Disbursement Accounts through Competitive Bidding. There was a comment received from Bowles, Rice, McDavid, Graff & Love who are attorneys for the West Virginia Bankers Association and they made a recommendation as to a change in the method of compensation, Section 4.02, and this will be taken into appropriate consideration.

There being no comments from those present, the hearing was closed at 9:45 a.m.

Respectfully,



Jerry Simpson
Assistant State Treasurer

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
State Capitol - Charleston, WV 25305

| 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 | | | | | |

N/A

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



DATE: November 30, 1990

TO: LEGISLATIVE RULE-MAKING REVIEW COMMITTEE

FROM: State Board of Investments/State Treasurer's Office

LEGISLATIVE RULE TITLE: Procedures for deposit of moneys with the State Board of Investments and Treasurer's Office by state agencies.

1. Authorizing statute(s) citation 12-2-2 et sec WV Code

2. a. Date filed in State Register with Notice of Hearing:
Oct 30, 1990

b. What other notice, including advertising, did you give of the hearing?

None

c. Date of hearing (s): November 29, 1990

d. Attach list of persons who appeared at hearing, comments received, amendments, reasons for amendments.

Attached X

No comments received X

e. Date you filed in State Register the agency approved proposed Legislative Rule following public hearing:
(be exact)

November 30, 1990

f. Name and phone number of agency person to contact for additional information:

Jerry Simpson 343-4000

3. Is the statute under which you promulgated the submitted rules requires certain findings and determinations to be made as a condition precedent to their promulgation:

a. Give the date upon which you filed in the State Register a notice of the time and place of a hearing for the taking of evidence and a general description of the issues to be decided.

N/A

b. Date of hearing: _____

c. On what date did you file in the State Register the findings and determinations required together with the reasons therefor?

d. Attach findings and determinations and reasons:

Attached _____

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.

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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 process such debit or credit tickets by such means and on such forms as determined by the Board.

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.

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