

**WEST VIRGINIA**  
**SECRETARY OF STATE**  
**KEN HECHLER**  
**ADMINISTRATIVE LAW DIVISION**

**FILED**

**MAY 30 4 49 PM '97**

OFFICE OF WEST VIRGINIA  
SECRETARY OF STATE

**NOTICE OF PUBLIC HEARING ON A PROPOSED RULE**

AGENCY: State Treasurer's Office TITLE NUMBER: 112CSR3

RULE TYPE: Legislative; CITE AUTHORITY W.V. Code - Section 12-2-2

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: Series 3

TITLE OF RULE BEING PROPOSED: Establishment of Imprest Funds

DATE OF PUBLIC HEARING: June 30, 1997 TIME: 10:00 a.m.

LOCATION OF PUBLIC HEARING: State Capitol Complex, Building 7, Room B  
Charleston, West Virginia 25305

COMMENTS LIMITED TO: ORAL \_\_\_ , WRITTEN \_\_\_ , BOTH X

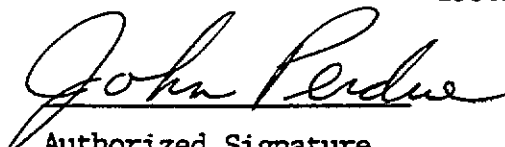
COMMENTS MAY ALSO BE MAILED TO THE FOLLOWING ADDRESS: Anoop Bhasin

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.

West Virginia State Treasurer's  
Office  
Capitol Complex, Room E-122  
Charleston, West Virginia  
25305

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

ATTACH A **BRIEF** SUMMARY OF YOUR PROPOSAL

  
Authorized Signature

**SUMMARY OF PROPOSED RULE**

**TITLE 112**

**LEGISLATIVE RULE**

**STATE TREASURER'S OFFICE**

**SERIES 3**

**ESTABLISHMENT OF IMPREST FUNDS**

"Imprest Fund" means a cash change fund in a fixed amount maintained at an agency. Such fund may also be used for the purpose of cashing checks for students at state colleges and universities in West Virginia.

This rule implements the provisions of section two, article two, chapter twelve of the Code of West Virginia, 1931, as amended, wherein the State Treasurer is required to establish and audit imprest funds. This rule carries out the legislative intent, as stated in the aforementioned Code section, so that the State Treasurer may establish, control, and audit imprest funds.

**STATEMENT OF CIRCUMSTANCES OF PROPOSED RULE**

**TITLE 112**

**LEGISLATIVE RULES**

**STATE TREASURER'S OFFICE**

**SERIES 3**

**ESTABLISHMENT OF IMPREST FUNDS**

This agency approved rule is needed to comply with provisions of W. Va. Code embodied in Senate Bill 563, passed during the 1997 Regular Legislative Session, effective from passage on April 12, 1997. Senate Bill 563 expanded some of the State Treasurer's functions and duties and transferred several functions and duties of the West Virginia State Board of Investments to the State Treasurer's Office. Without this rule, the public interest can be substantially harmed by the loss of public moneys, since there would be no system in place to establish or control imprest funds.

"Imprest Fund" means a cash change fund in a fixed amount maintained at an agency. Such fund may also be used for the purpose of cashing checks for students at state colleges and universities in West Virginia. When such funds are necessary to be established, sound cash management requires the control and audit of such imprest funds.

This rule implements the provisions of section two, article two, chapter twelve of the Code of West Virginia, 1931, as amended, wherein the State Treasurer is required to establish and audit imprest funds. This rule carries out the legislative intent, as stated in the aforementioned Code section, so that the State Treasurer may establish, control, and audit imprest funds.

**TITLE 112  
LEGISLATIVE RULE  
STATE TREASURER'S OFFICE**

**SERIES 3  
ESTABLISHMENT OF IMPREST FUNDS**

**§112-3-1. General.**

1.1. Scope. -- These legislative rules implement the provisions of section two, article two, chapter twelve of the Code of West Virginia, 1931, as amended, wherein the State Treasurer is required to establish and audit imprest funds. The purpose of these rules is to carry out the legislative intent, as stated in the aforementioned Code section, so that the State Treasurer may establish, control, and audit imprest funds.

1.2. Authority. -- W. Va. Code §12-2-2.

1.3. Filing Date. --

1.4. Effective Date. --

1.5. Repeal of former rule -- This legislative rule repeals and replaces WV 112CSR3 "Establishment of Imprest Funds" filed March 10, 1984 and effective March 10, 1984.

**§112-3-2. Definitions.**

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

2.1. "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;

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

2.3. "Imprest Fund" means a cash change fund in a fixed amount maintained at the agency. Such fund may also be used for the purpose of cashing checks for students at state colleges and universities in West Virginia; and

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

**112-3-3. Establishment Of Imprest Funds.**

Any state agency requiring the establishment of an imprest fund shall make application to the State Treasurer on the forms prescribed by him. Such forms shall indicate the name, purpose, desired balance of, and the person responsible for the imprest fund as well as the agency name. Upon being satisfied that the application is complete and that the need for the imprest fund is valid, the State Treasurer shall notify the agency of the approval for establishment of the imprest fund. By sending copies of the approval notice, he shall also notify the State Auditor and Legislative Auditor.

Any college or university with the approval of the Treasurer may provide a check-cashing service at that institution and may charge fees for such service for each check cashed and for each check returned for

insufficient funds. That institution shall designate certain employees who are to provide the service and have charge of such funds.

The fees received for such service shall be maintained separate from the cash fund and an itemized account of such receipts shall be maintained. Any check determined by the Treasurer or his designee to be uncollectible shall be charged against the fund. If the amount of cash fund (after charges for uncollectible checks) exceeds established amount at the conclusion of any audit, the institution shall deposit such excess to the account from which the fund was established.

Any shortages due to human error may be corrected by charging them against the fees received for such service.

#### **§112-3-4. Increasing Or Decreasing The Balance.**

Whenever an agency determines that there is a need to increase or decrease the balance of an imprest fund, the agency shall make application to the State Treasurer on the forms prescribed by him. Such forms shall indicate the agency name, name of the imprest fund, current authorized balance, requested balance to be authorized, the reasons therefore, and the amount of increase or decrease. By sending copies of the approved form, the Treasurer shall notify the State Auditor and Legislative Auditor.

#### **§112-3-5. Change Of Person Responsible For The Imprest Fund.**

Whenever an agency has a change in personnel responsible for an imprest fund, the agency shall notify the Treasurer of the change on a form prescribed by him. Such form shall indicate the agency name, name of the imprest fund, the balance of the imprest fund on the date of the change in personnel, the signatures of the person being relieved of responsibility and the person assuming the responsibility, along with the dates said signatures were affixed. By copy of the approved form, the Treasurer shall notify the Legislative Auditor.

#### **§112-3-6. Audit And Recordkeeping.**

The Treasurer or his designee shall annually audit all imprest funds. Any overage shall be deposited to the account from which the fund was established. Any shortages due to human error may be corrected by replenishing the fund through the procedures from Section 4 of these rules to increase the fund to the correct amount. He shall send a copy of such audits to the Legislative Auditor. The Treasurer or his designee shall prepare a list of all imprest funds showing the location and amount as of fiscal year end, retaining such list as a permanent record of the Treasurer's Office until such time as the Legislative Auditor shall have completed an audit of the imprest funds of all agencies and institutions involved.

**APPENDIX B**

**FISCAL NOTE FOR PROPOSED RULES**

**Rule Title:** Establishment of Imprest Funds (112CSR3)

**Type of Rule:** X **Legislative**         **Interpretive**         **Procedural**

**Agency**                    State Treasurer's Office

**Address**                    State Capitol, Room E-145  
Charleston, West Virginia 25305

**Contact Person:** Anoop Bhasin - Telephone (304) 341-0704

**1. Effect of Proposed Rule**

	ANNUAL FISCAL YEAR				
	INCREASE	DECREASE	CURRENT	NEXT	THEREAFTER
<b><u>ESTIMATED TOTAL COST</u></b>	\$ 14,918	\$ -0-	\$ 10,732	\$ 25,650	\$ 25,650
<b>PERSONAL SERVICES</b>	14,918	-0-	10,732	25,650	25,650
<b>CURRENT EXPENSE</b>	-0-	-0-	-0-	-0-	-0-
<b>REPAIRS &amp; ALTERNATIONS</b>	-0-	-0-	-0-	-0-	-0-
<b>EQUIPMENT</b>	-0-	-0-	-0-	-0-	-0-
<b>OTHER</b>	-0-	-0-	-0-	-0-	-0-

**2. Explanation of above estimates:**

Four (4) field representatives working at 15% of their time to audit Imprest Funds across the State.

**3. Objectives of these rules:**

To correctly identify and audit all monies in Imprest Funds statewide.

**Rule Title:**

Establishment of Imprest Funds (112CSR3)

**4. Explanation of Overall Economic Impact of Proposed Rule.**

**A. Economic Impact on State Government.**

Current staff will perform audits, therefore no additional economic impact.

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

None

**C. Economic Impact on Citizens/Public at Large.**

N/A

**Date:** 5/30/97

**Signature of Agency Head or Authorized Representative**

John Perdue