

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: State Treasurer's Office TITLE NUMBER: 112CSR4

CITE AUTHORITY W.Va. Code - Section 12-2-2

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: Series 4

TITLE OF RULE BEING PROPOSED: 112 - Procedure for deposit of Moneys
with the State Treasurer's Office by State Agencies

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 112
LEGISLATIVE RULE
STATE TREASURER'S OFFICE**

**SERIES 4
PROCEDURE FOR DEPOSIT OF MONEYS WITH THE
STATE TREASURER'S OFFICE BY STATE AGENCIES**

§112-4-1. General.

1.1. Scope. -- This rule implements the provisions of W.Va. Code §12-2-2.

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

1.3. Filing Date. --

1.4. Effective Date. --

1.5. Purpose - The general purpose of this rule is to establish a system by which moneys received by State agencies, officials and employees on behalf of the State of West Virginia shall be 1) deposited with the Office of the State Treasurer 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 W.Va. Code §12-1-1, which authorize the Office of the State Treasurer to develop and maintain modern systems, consistent with sound financial practices, for the collection, disbursement, management and investment of public moneys. This rule also is specifically directed toward implementing the Legislature's intent in W.Va. Code §12-1-2, 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 Office of the State Treasurer.

§112-4-2. Definitions.

For purposes of this rule, unless a different meaning clearly is required by the context:

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

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

2.3. "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;

2.4. "Fund" means demand deposit account balances of which the Treasurer has use;

2.5. "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;

2.6. "Receipt Account" means an account in which moneys are deposited belonging to or due the State of West Virginia or any of its agencies; and

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

§112-4-3. Procedures for Deposits.

3.1. Receipts Depositories - The Treasurer shall establish state depositories for receipt accounts pursuant to the provisions of W.Va. Code §12-1-2 and this rule. An agency collecting funds shall deposit its collections in a depository designated by the Treasurer to serve as a depository for that agency's receipt accounts.

3.2. Methods for Depositing Funds Due the State -

3.2.1. Checks - An agency shall deposit its check collections by any one or more of the following methods:

3.2.1.a. The agency's own employees may take the checks directly to the designated receipt depository;

3.2.1.b. An 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;

3.2.1.c. The agency may use the services of a courier engaged by the Treasurer to pick up deposits from the agency and deliver them to the designated depository; or

3.2.1.d. An agency's may use a lockbox, provided by Treasurer at his or her direction, at the Treasurer's centralized receipts processing center for direct processing.

3.2.1.e. The agency may use any other method approved in writing by the Treasurer;

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

3.2.3. Credit Cards - Agencies may accept credit card payments, using any one or more of the methods prescribed by the Treasurer: physical presentment of a credit card, verbal presentment by a voice payment system, or written authorization.

3.2.4 Direct Deposit - Upon approval from the Treasurer, an agency shall deposit its electronic collections at the depository that the Treasurer has established to receive electronic collections by two methods: FEDWIRE or an ACH (Automated Clearing House) transaction.

3.3 Bank Deposit Forms - The agency collecting funds shall make its deposits using a form prescribed by the Treasurer.

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

3.5. Redeposit of State Checks - When an agency redeposits State checks, the deposits shall be made either at the designated depository or directly to the Treasurer's office.

3.6. Endorsement of Deposited Checks - Except for redeposits of State checks, the Treasurer shall endorse all checks received and deposited by agencies 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 Treasurer shall endorse the check 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)

3.7. 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 the debit or credit tickets by the means and on the forms prescribed by the Treasurer.

3.8. Frequency of Deposits - The collecting agency shall deposit all receipts daily in the designated depository.

3.9. Clearing Accounts - The requirements of Subsection 3.10 of this rule apply to every agency, notwithstanding that at the time of making the deposit the agency may not know the exact general ledger receipt account for preparation of the Treasurer's Deposit Form. If the agency does not know the exact general ledger receipt account, the agency shall obtain approval from the State Auditor to use a general ledger clearing account, and the agency shall record its deposits in the general ledger clearing account. When the agency determines the

exact general ledger accounts applicable to the funds deposited in the general ledger clearing account, it shall prepare a Treasurer prescribed "Revenue Transfer" and transfer the funds from the general ledger clearing account to the appropriate general ledger receipt accounts.

3.10. Applicability of This Rule - 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 W.Va. Code §12-1-2 and of this rule. In the event any agency believes that all or part of this rule may not apply to its operations and collections, or that all or part of the moneys held by it may not be governed by this rule, it shall submit to the Treasurer a written statement of the reasons for that belief. If the Treasurer disagrees with the agency's written statement, the agency must then deposit the funds in accordance with the requirements of W.Va. Code §12-2-2. 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 in which the moneys in question are deposited.



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WEST VIRGINIA LEGISLATURE
Legislative Rule-Making Review Committee

OFFICE OF WEST VIRGINIA
SECRETARY OF STATE

State Capitol - Room MB-49
Charleston, West Virginia 25305
(304) 347-4840

Senator: Mike Ross, Co-Chairman
Delegate: Mark Hunt, Co-Chairman
Counsel: Debra A. Graham

Joseph A. Altizer, Associate Counsel
Rita Pauley, Associate Counsel
Audrey R. Ross, Admin. Assistant

August 22, 1997

NOTICE OF ACTION TAKEN BY LEGISLATIVE RULE-MAKING REVIEW COMMITTEE

TO: Ken Hechler, Secretary of State, State Register

TO: Anoop K. Bhasin
State Treasurer's Office
State Capitol Complex
Building I, Room E-122
Charleston, WV 25303

FROM: Legislative Rule-Making Review Committee

PROPOSED RULE: *Procedure for Deposit of Monies with the State Treasurer's Office*
By State Agencies (112CSR4)

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
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.