

WEST VIRGINIA
SECRETARY OF STATE
KEN HECHLER
ADMINISTRATIVE LAW DIVISION

Form #3

FILED
Jul 3 2 21 PM '97
OFFICE OF WEST VIRGINIA
SECRETARY OF STATE

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

AGENCY: State Treasurer's Office TITLE NUMBER: 112CSR8

CITE AUTHORITY W.V. Code Section 12-3-1

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: 8

TITLE OF RULE BEING PROPOSED: Procedures For Processing Payments
From The State Treasury.

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.



Authorized Signature

DATE: July 3, 1997

TO: LEGISLATIVE RULE-MAKING REVIEW COMMITTEE

FROM: State Treasurer's Office

Procedure For Processing Payments

LEGISLATIVE RULE TITLE: From The State Treasury.(112CSR8)

1. **Authorizing statute(s) citation** W.V. Code Section 12-3-1

2. a. **Date filed in State Register with Notice of Hearing**

May 30, 1997

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

Mailed notification of hearing to: W.V. Governor, Auditor,
President of the Senate, Speaker of the House of Delegates,
Secretary of Administration.

c. **Date of Hearing(s)** June 30, 1997

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)**

July 3, 1997

f. **Name and phone number(s) of agency person(s) to contact for additional information:**

Anoop K. Bhasin (304) 341-0704

State Capitol Complex, Rm E-122, Charleston, WV 25305

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

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.

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 _____

Public Hearing on State Treasurer's Office Rules, Series, 3, 4, 6, 7, 8, 9 and 10
 Capitol Complex Conference Center, Room B

June 30, 1997 at 10:00 p.m.

Registration Document Page 1 of 1

Name	Agency/ Organization	Mailing/Inter Dept. Address	Phone	Note
Jim McMillon	State Treasurer's Office	Room EB56	341-0727	
Anoop K. Bhoisin	"	Rm E-122	558-5000	
Jerry Simpson	"	"	"	
Ratna Baggess	"	"	"	
DANIEL E. CANIER	ONE VALLEY BANK	ONE VALLEY BANK CHAS. 20314	348-7078	
John Shumate	State Treasurer's Office	Room E-145	558-5000	
BRYAN W. ARCHER	"	Room E-122	8-5000	
Glenda Probst	"	"	558-5000	

SUMMARY OF PROPOSED RULE

TITLE 112

LEGISLATIVE RULE

STATE TREASURER'S OFFICE

SERIES 8

PROCEDURES FOR PROCESSING PAYMENTS

FROM THE STATE TREASURY

This rule implements the provisions of W. Va. Code §12-3-1 et seq., wherein the State Treasurer's Office is required to develop procedures for processing payments from the State Treasury.

STATEMENT OF CIRCUMSTANCES OF PROPOSED RULE

TITLE 112

LEGISLATIVE RULE

STATE TREASURER'S OFFICE

SERIES 8

PROCEDURES FOR PROCESSING PAYMENTS

FROM THE STATE TREASURY

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, in that a lack of procedures could slow payment processing.

This rule implements the provisions of W. Va. Code §12-3-1 et seq., wherein the State Treasurer's Office is required to develop procedures for processing payments from the State Treasury.

This rule carries out the legislative intent as stated in the above mentioned code section, so that all warrants issued by the State Auditor on the Treasurer are processed by the Treasurer in accordance with the requirement of W. Va. Code §12-3-1.

APPENDIX B

FISCAL NOTE FOR PROPOSED RULES

Rule Title: Procedures for Processing Payments from the State Treasury (112CSR8)

Type of Rule: **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
ESTIMATED TOTAL COST	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
PERSONAL SERVICES					
CURRENT EXPENSE					
REPAIRS & ALTERNATIONS					
EQUIPMENT					
OTHER					

2. Explanation of above estimates:

Bids are currently the accepted method of procurement and are a part of the normal expense of the office.

3. Objectives of these rules:

Comply with Senate Bill 563 as passed by the Legislature during the 1997 Legislative Session.

Rule Title: Procedures for Processing Payments from the State Treasury (112CSR8)

4. Explanation of Overall Economic Impact of Proposed Rule.

A. Economic Impact on State Government.

Timely payments and no late fees for the State.

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

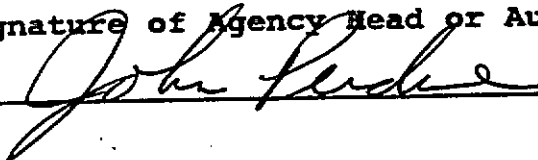
Vendors receive prompt payment of funds.

C. Economic Impact on Citizens/Public at Large.

Citizens will receive efficient payment of tax refunds and other funds they should receive from the State.

Date: 5/30/97

Signature of Agency Head or Authorized Representative



FILED

JUL 3 2 22 PM '97

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

**SERIES 8
PROCEDURES FOR PROCESSING PAYMENTS
FROM THE STATE TREASURY**

**OFFICE OF WEST VIRGINIA
SECRETARY OF STATE**

§112-8-1. General.

1.1. Scope. -- These rules implement the provisions of W. Va. Code §12-3-1 et seq., wherein the State Treasurer's Office is required to develop procedures for processing payments from the State Treasury.

1.2. Authority - W. Va. Code §12-3-1.

1.3. Filing Date. --

1.4. Effective Date. --

1.5. General Purpose - The purpose of these rules is to carry out the legislative intent as stated in the above mentioned code section, so that all warrants issued by the State Auditor on the Treasurer are processed by the Treasurer in accordance with the requirement of W. Va. Code §12-3-1.

§112-8-2. Definitions.

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

2.1. "Auditor" means the State Auditor of West Virginia;

2.2. "Bank" means the disbursement bank selected by the Board to process all checks issued by the State of West Virginia;

2.3. "Check" means a warrant issued by the Auditor and endorsed by the Treasurer directing the Treasurer's disbursement bank to pay money as instructed;

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

2.5. "Treasurer" means the West Virginia State Treasurer; and

2.6. "Warrant" means an authorization by the State Auditor authorizing the State Treasurer to pay an obligation of the State.

§112-8-3. Procedures for Processing State Warrants and Checks.

3.1 Check Processing by the Treasurer - Upon receipt by the Treasurer of a warrant issued by the Auditor, the Treasurer shall ascertain whether it has been drawn in pursuance of an appropriation made by law. If this requirement is met, the Treasurer shall endorse the warrant directing the Treasurer's disbursement bank to pay the money as instructed. The Auditor shall provide the Treasurer a daily listing of all checks issued. This listing shall be in paper form, electronic media, or such other form as determined by the Treasurer.

3.2. Check Processing by the Disbursement Bank - The disbursement bank shall process all checks issued by the Treasurer in accordance with the requirements of the contract for the disbursement account to be provided by the disbursement bank. The disbursement bank shall provide the Treasurer a daily listing of all checks paid for the current month up through the current date. Also, the disbursement bank shall provide the Treasurer the total dollar amount of checks paid by the bank each day. Each day the Treasurer shall transfer to the disbursement account from his receipt account an amount sufficient to pay the disbursement bank for all checks paid.

3.3. Reconciliation of the Disbursement Bank Account - The disbursement bank shall reconcile the disbursement account in accordance with the requirements of the disbursement account contract. After the Treasurer has verified the disbursement bank reconciliation, it will provide the Treasurer a list of all outstanding checks.

**STATEMENT CONCERNING PUBLIC HEARING CONDUCTED JUNE 30, 1997,
AT 10 A.M. AT THE STATE CAPITOL COMPLEX CONFERENCE CENTER,
CONCERNING PROPOSED LEGISLATIVE RULES
DESIGNATED TITLE 112, SERIES 3, 4, 6, 7, 8, 9 AND 10
FOR THE STATE TREASURER'S OFFICE**

Hearing times. The above titled public hearing was opened at 10:09 a.m. after registering all attendees and adjourned at 10:16 a.m.

Attendees. The attendees were: from One Valley Bank in Charleston, Mr. Daniel E. Lanier; and from the State Treasurer's Office, Mr. Jim McMillon, Mr. Anoop K. Bhasin, Mr. Jerry Simpson, Ms. Ratha Boggess, Mr. John Shumate, Mr. Bryan Archer, and Ms. Glenda Probst.

Hearing proceedings. Jim McMillon conducted the hearing. He indicated that notice of this public hearing was filed May 30, 1997 with the Secretary of State and the Legislative Rule Making Review Committee concerning the above titled rules. He asked if anyone had any written comments to submit concerning any of the above titled series of rules. There were no written comments. He asked if there were any verbal or oral comments concerning the above titled series of rules. Mr. Lanier offered only two oral comments (to Series 6 rule, "Selection of State Depositories for Disbursement Accounts Through Competitive Bidding") listed below. There were no other oral comments regarding any of the other series of rules.

Oral comments received and responses to the oral comments concerning Series 6 rule. This is a summary of the oral comments received and responses thereto:

Comment No. 1. Section 3.5 states in part: "...On the date and time set for the bid opening, the bids shall be publicly opened and read aloud..." Will the identity of each bidder be disclosed as part of the reading?

Response to Comment No. 1. Yes, as well as the amount and any other pertinent information.

Comment No. 2. Section 3.2 states in part: "...At least twenty-five (25) days prior to the date on which bids will be opened, the Treasurer shall mail to every eligible depository notice that bids will be invited on one or more designated disbursement accounts..." Is it possible that this notification will be given more than 25 days in advance?

Response to Comment No.2. Yes. This section sets a minimum notification period. As a matter of practice, the notification may be more than 25 days in advance.

Amendments made/recorded and reasons. No amendments to any of the rules are proposed. Comments no. 1 and 2 to Series 6 rule, request an interpretation. It is believed that the responses to comments no. 1 and 2 adequately clarify/interpret the items without need for changes to the language.