

**WEST VIRGINIA  
SECRETARY OF STATE  
JOE MANCHIN, III  
ADMINISTRATIVE LAW DIVISION**

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FILED

2004 APR 23 <sup>1835</sup> P 4: 18

OFFICE OF THE WEST VIRGINIA  
SECRETARY OF STATE

Form #6

**NOTICE OF FINAL FILING AND ADOPTION OF A LEGISLATIVE RULE AUTHORIZED  
BY THE WEST VIRGINIA LEGISLATURE**

AGENCY: WV State Auditor's Office TITLE NUMBER: 155

AMENDMENT TO AN EXISTING RULE: YES  NO

IF YES, SERIES NUMBER OF RULE BEING AMENDED: 4

TITLE OF RULE BEING AMENDED: "Transaction Fee & Rate Structure"

IF NO, SERIES NUMBER OF RULE BEING PROPOSED: \_\_\_\_\_

TITLE OF RULE BEING PROPOSED: \_\_\_\_\_

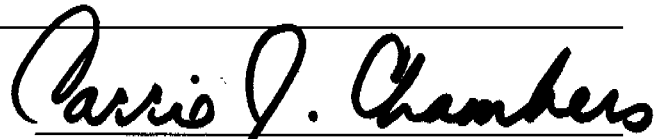
THE ABOVE RULE HAS BEEN AUTHORIZED BY THE WEST VIRGINIA LEGISLATURE.

AUTHORIZATION IS CITED IN (house or senate bill number) SB 399

SECTION 64-9-4(a), PASSED ON April 5, 2004

THIS RULE IS FILED WITH THE SECRETARY OF STATE. THIS RULE BECOMES EFFECTIVE ON THE

FOLLOWING DATE: April 23, 2004



Authorized Signature



# State of West Virginia

Office of the State Auditor  
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Glen B. Gainer III  
State Auditor

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April 22, 2004

Ms. Judy Cooper  
Director  
Administrative Law Division  
Secretary of State's Office  
Capitol Complex  
Charleston, West Virginia 25305

RE: 155CSR4 – "Transaction Fee and Rate Structure"

Dear Ms. Cooper:

This letter will serve as my approval to file the above-referenced rule as "Notice of Final Filing and Adoption of Legislative Rule Authorized by the West Virginia Legislature" with your office and the Legislative Rule-Making Review Committee. Amendments to this rule were authorized in SB 399 and signed by the Governor on April 5, 2004.

If you should have any questions concerning the above, please call Carrie Chambers in my office at 558-2251. Your assistance in this filing is very much appreciated.

Sincerely,

A handwritten signature in black ink, appearing to read "G. B. Gainer III".

Glen B. Gainer III  
State Auditor

Attachment

## **PROMULGATION HISTORY**

### **155CSR4 – “Transaction Fee & Rate Structure”**

<b>June 24, 2003</b>	<b>Filed as Notice of a Comment Period on a Proposed Rule with Secretary of State’s Office and Legislative Rule-Making Review Committee</b>
<b>August 1, 2003</b>	<b>Notice of Agency Approval of a Proposed Rule and Filing with the Secretary of State’s Office and Legislative Rule-Making Review Committee</b>
<b>December 18, 2003</b>	<b>Notice of Rule Modification of a Proposed Rule</b>
<b>April 5, 2004</b>	<b>Governor Signed SB 399 Authorizing Amendments to 155CSR4</b>
<b>April 23, 2004</b>	<b>Final Filed with Secretary of State’s Office with Effective Date of April 23, 2004</b>

FILED

**TITLE 155  
LEGISLATIVE RULE  
WEST VIRGINIA STATE AUDITOR**

2004 APR 23 P 4: 18

**SERIES 4  
TRANSACTION FEE AND RATE STRUCTURE**

OFFICE WEST VIRGINIA  
SECRETARY OF STATE**§155-4-1. General.**

1.1. Scope. -- This rule authorizes the State Auditor and State Treasurer to assess joint transaction fees for all financial documents that are received by the Auditor to be processed on the State central accounting system.

1.2. Authority. -- This rule is issued under authority of the W. Va. Code §12-3-10c.

1.3. Filing Date. -- April 23, 2004.

1.4. Effective Date. -- April 23, 2004.

1.5. W. Va. Code §12-3-10c authorizes the Auditor and Treasurer to assess transaction fees in order to promote and enhance the use of the state purchasing card program established by the provisions of W. Va. Code §12-3-10a and to maintain and develop the fiscal operations and accounting systems of the state.

1.6. The Auditor may assess a penalty fee against spending units of state government who submit claims for payment of goods and services when those claims are authorized to be paid by use of a state purchasing card and the spending unit has failed to utilize the state purchasing card.

1.7. The Auditor may assess a transaction fee for every transaction received electronically or otherwise by the Auditor from spending units of state government.

**§155-4-2. Definitions.**

2.1. "Auditor" means the Auditor of the State

of West Virginia.

2.2. OMB" means the Federal agency Office of Management and Budget.

2.3. "Purchase Card" or "card" means the charge card authorized by the W. Va. Code §12-3-10a.

2.4. "Technology fund" means the fund created in the state treasury as authorized by W. Va. Code §12-3-10c.

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

2.6. "West Virginia Financial Information Management System, "WVFIMS", means the centralized accounting system used by all state agencies for processing financial transactions and maintained by the Auditor and the Department of Administration.

**§155-4-3. Transaction Fee Structure.**

3.1. The transaction fee structure and rate shall be in compliance with the following federal Office of Management and Budget Circulars: Circular No. A-21, "Cost Principles for Educational Institutions" as amended August 29, 1997; Circular No. A-87, "Cost Principles for State, Local, and Indian Tribal Governments" as amended August 29, 1997; and Circular A-110, "Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and other Non-Profit Organizations" as amended August 29, 1997.

3.2. The transaction fee structure shall be reviewed each fiscal year by the Auditor and Treasurer to determine whether any changes are

required to maintain Federal and state compliance. The transaction fee shall not exceed the lesser of the rate as determined in subsection 3.1 of this rule or \$1.00 per transaction. The fee shall continue in effect until December 31, 2007.

3.3. The Auditor and Treasurer shall maintain in their respective offices all necessary documentation, including the detailed cost information and financial schedules, that were used in computing the transaction fee rate.

**§155-4-4. Penalty Fee Structure.**

4.1. The Auditor may assess a penalty fee for transactions received for payment when those transactions are authorized to be paid by the state purchasing card and the spending unit did not utilize the state purchasing card. The Auditor shall make provisions for certain purchases, such as emergency purchases or purchases made where the card could not be utilized or other circumstances as determined by the Auditor, to be made without penalty when the card was not used.

4.2. Beginning June 1, 2004, the Auditor may assess a penalty fee of \$2.00 per transaction.

**§155-4-5. Disposition of Fees.**

5.1. All fees collected shall be deposited in the state treasury and credited to the "Technology Support and Acquisition Fund" as authorized by the W. Va. Code §12-3-10c to be administered and maintained by the Auditor.

5.2. The Auditor and Treasurer shall divide the collections of the fund between their respective offices in the proportionate share that each office's cost is to the total cost in the rate base.

5.3. The Auditor shall make periodic transfers of funds to the Treasurer's Office, as jointly agreed upon, of the funds collected, provided, that at least two transfers occur during each fiscal year.

**§155-4-6. Accounting Requirements.**

6.1. The Auditor shall bill each agency for every transaction, as defined and used in the state's central accounting system, WVFIMS, when received for processing. The Auditor shall calculate and bill each agency on a monthly basis.

6.2. The Auditor and Treasurer shall each maintain in their respective offices financial statements of the technology fund according to generally accepted accounting principles.

6.3. The Auditor and Treasurer shall include the fund financial data for their respective offices in the annual statewide cost allocation plan that is submitted to the Federal agency.

6.4. The fund is subject to Federal audit as required for the annual statewide single audit.