

SECRETARY OF STATE

KEN HECHLER

ADMINISTRATIVE LAW DIVISION

Form #4

SEP 24 10 03 AM '99

OFFICE OF THE SECRETARY OF STATE

NOTICE OF RULE MODIFICATION OF A PROPOSED RULE

AGENCY: Office of the State Auditor TITLE NUMBER: 155

CITE AUTHORITY 12-3-10c

AMENDMENT TO AN EXISTING RULE: YES X NO

IF YES, SERIES NUMBER OF RULE BEING AMENDED: 4

TITLE OF RULE BEING AMENDED: Transaction Fee and Rate Structure

IF NO, SERIES NUMBER OF NEW RULE BEING PROPOSED:

TITLE OF RULE BEING PROPOSED:

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.

Paul S. Mollohan

Paul S. Mollohan Senior Deputy State Auditor

WEST VIRGINIA
SECRETARY OF STATE
KEN HECHLER
ADMINISTRATIVE LAW DIVISION

Form #3

DO NOT MARK IN THIS BOX
SEP 21 11 05 AM '99
OFFICE OF THE SECRETARY OF STATE

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

AGENCY: Office of the State Auditor TITLE NUMBER: 155

CITE AUTHORITY 12-3-10c

AMENDMENT TO AN EXISTING RULE: YES NO

IF YES, SERIES NUMBER OF RULE BEING AMENDED: 4

TITLE OF RULE BEING AMENDED: Transaction Fee and Rate Structure

IF NO, SERIES NUMBER OF NEW RULE BEING PROPOSED: _____

TITLE OF RULE BEING PROPOSED: _____

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.


Paul S. Mollohan
Senior Deputy State Auditor

DATE: September 24, 1999

TO: LEGISLATIVE RULE-MAKING REVIEW COMMITTEE

FROM: Paul S. Mollohan, Senior Deputy State Auditor, Office of the State Auditor

LEGISLATIVE RULE TITLE: Transaction Fee and Rate Structure

1. Authorizing statute(s) citation 12-3-10c

2. a. Date filed in State Register with Notice of Hearing
June 14, 1999 for 30-day Public Comment.

b. What other notice, including advertising, did you give of the hearing?
None.

c. Date of Hearing(s) _____

d. Attach list of persons who appeared at hearing, comments received, amendments, reasons for amendments.
Attached _____ No comments received _____

e. Date you filed in State Register the agency approved proposed Legislative Rule following public hearing: (be exact)
July 27, 1999

f. Name and phone number(s) of agency person(s) to contact for additional information:
Paul S. Mollohan, Senior Deputy State Auditor Phone: 558-2251

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:

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: N/A

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

N/A

d. Attach findings and determinations and reasons:

Attached N/A



State of West Virginia
OFFICE OF THE STATE AUDITOR
CHARLESTON 25305

GLEN B. GAINER, III
STATE AUDITOR

September 24, 1999

PAUL S. MOLLOHAN
CHIEF CLERK

Judy Cooper
Director
Administrative Law Divisions
Secretary of State
Charleston. WV 25305

Dear Ms. Cooper

I am submitting the agency final approval for the existing rule, title 155, series 4, for the State Auditor's Office.

The effect of this modification is to remove the expiration date of the transaction fee in section 3.2 and to make minor technical changes as recommended by the Legislative Rules Committee.

Sincerely,

A handwritten signature in cursive script that reads "Paul S. Mollohan".

Paul S. Mollohan
Senior Deputy State Auditor

TITLE 155
LEGISLATIVE RULE
WEST VIRGINIA STATE AUDITOR

Sep 21 11 06 AM '99

SERIES 4
TRANSACTION FEE AND RATE STRUCTURE

OFFICE OF THE WEST VIRGINIA
STATE AUDITOR

§155-4-1. General.

Office of Management and Budget.

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

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

1.2. Filing Date. -- ~~April 2, 1998.~~

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

1.3. Effective Date. -- ~~April 2, 1998.~~

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

1.4. 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.

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.

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.

§155-4-3. Transaction Fee Structure.

1.6. ~~A penalty fee may be assessed~~ 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.

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.

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

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.

§155-4-2. Definitions.

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 be in effect~~

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

2.2. "OMB" means the Federal agency

~~from January 1, 1998 through December 31, 2000.~~

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. The penalty fee assessed shall be a multiple of the rate per transaction as determined in section 3.1. Beginning January 1, 2000, the Auditor may assess a penalty fee at or thereafter, the penalty fee assessed shall be five times the rate determined in section 3.1 of this rule.

§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~~ 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 ~~shall be~~ is subject to Federal audit as required for the annual statewide single audit.