

WEST VIRGINIA
SECRETARY OF STATE
KEN HECHLER
ADMINISTRATIVE LAW DIVISION

Form #6

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May 16 2 28 PM '97

OFFICE OF WEST VIRGINIA
SECRETARY OF STATE

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

STATE AUDITOR'S OFFICE & PURCHASING DIVISION
AGENCY: DEPARTMENT OF ADMINISTRATION TITLE NUMBER: 148

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: 7

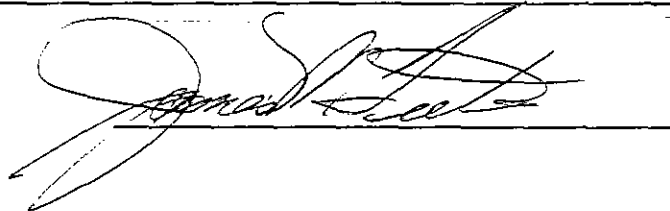
TITLE OF RULE BEING PROPOSED: STATE PURCHASING PROGRAM

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

AUTHORIZATION IS CITED IN (house or senate bill number) House Bill 2317

SECTION §64-2-1, PASSED ON May 5, 1997

THIS RULE IS FILED WITH THE SECRETARY OF STATE. THIS RULE BECOMES EFFECTIVE ON
THE FOLLOWING DATE: July 1, 1997

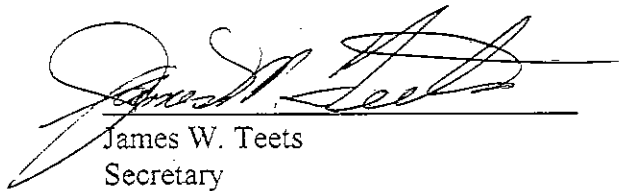


148 CSR 7

TITLE 148
DEPARTMENT OF ADMINISTRATION
PURCHASING DIVISION
AND
STATE AUDITOR

SERIES 7
STATE PURCHASING CARD PROGRAM

APPROVAL OF FILING BY CABINET SECRETARY

A handwritten signature in cursive script, appearing to read "James W. Teets", written over a horizontal line.

James W. Teets
Secretary
Department of Administration

FILED

MAY 16 2 28 PM '97

148 CSR 7

OFFICE OF WEST VIRGINIA
SECRETARY OF STATE

TITLE 148
DEPARTMENT OF ADMINISTRATION
PURCHASING DIVISION
and
STATE AUDITOR

SERIES 7
STATE PURCHASING CARD PROGRAM

§148-7-1. General.

1.1. Scope. - This Legislative Rule is an explanation and clarification of operative procedures for the State Purchasing Card Program. This program provides an alternative process for the purchase of and payment for goods and services in transactions which do not exceed \$500.00.

1.2. Authority. - West Virginia Code §12-3-10a.

1.3. Filing Date. - _____, 1996.

1.4. Effective Date. - _____, 1996.

§148-7-2. Definitions.

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

2.2. "Director" means the Director of the Purchasing Division of the Department of Administration.

2.3. "Goods" means commodities, supplies, material, printing, equipment, and any other articles or items used by or furnished to a spending unit.

2.4. "Point of Sale Vendor" means the point of sale or supplier of goods or services purchased with the Purchasing Card, not the State Purchasing Card Provider.

2.5. "Purchasing card" or "card" means the charge card authorized by the Director to provide payment for goods and services.

2.6. "Purchasing Card Administrator" or "Administrator" means the individual designated by the Director to coordinate the State Purchasing Card Program.

2.7. "Purchasing Card Coordinator" or "Coordinator" means the individual designated by the spending officer to coordinate the State Purchasing Card Program.

2.8. "Purchasing Card Provider" means the entity providing the State with Purchasing Card services.

2.9. "Services" means the furnishing of labor, time or effort by a contractor, not involving the delivery of a specific end product other than reports which are merely incidental to the required performance.

2.10. "Spending officer" means the executive head of a spending unit, or a person designated by him or her.

2.11. "Spending unit" means a department, agency or institution of State government for which an appropriation is requested, or to which an appropriation is made by the Legislature.

2.12. "State Purchasing Card Program" or "program" means the purchase of and payment for goods and services in transactions which do not exceed \$500.00 through use of the Purchasing Card.

§148-7-3. Applicability.

3.1. This legislative rule applies to all spending units of State government except those statutorily exempted. Exempted spending units may elect to follow the provisions of this rule.

§148-7-4. Power and Authority.

4.1. The Director has the power and authority to:

- (a) Allow card purchases of goods where each transaction does not exceed \$500.00;
- (b) Allow card purchases of services where each transaction does not exceed \$500.00, if authorized by both the Auditor and Director;
- (c) Establish the manner in which spending units may purchase supplies directly from the State's central storerooms or other spending units using the program;
- (d) Prohibit use of the card for cash advances;
- (e) Ensure goods and services purchased are received in advance of or simultaneously with use of the Purchasing Card;
- (f) Ensure cards are used for official state purchases only;
- (g) Review spending unit records of card purchases;
- (h) Resolve questions and conflicts regarding contractual and procedural matters related to the implementation and administration of the card; and
- (i) Revoke authority to use a Purchasing Card at any level of use if the Director determines a spending unit is in violation of this rule.

4.2. The Auditor has the power and authority to:

- (a) Establish procedures for documenting, reconciling and paying invoices for card purchases;
- (b) Establish the manner of inspecting all records and reconciling documents involving card purchases;
- (c) Establish the manner in which spending units document purchases and reconcile invoices prior to submission of

the invoices to the Auditor for payment;

(d) Approve the format of Purchasing Card Provider invoices; and

(e) Receive and deposit to the credit of the general revenue fund all rebates and other revenue generated by the program.

4.3. The Purchasing Card Administrator has the authority to direct the Purchasing Card Provider to restrict the Point of Sale Vendor from using the program when the restriction is in the best interest of the State.

4.4. Purchasing Card Coordinators

(a) Each spending unit's procurement administrator or his or her designee shall serve as the spending unit Purchasing Card Coordinator and shall determine to whom cards will be issued based upon the purchasing authority of each individual.

(b) Purchasing Card Coordinators may restrict usage of the card consistent with the needs of the spending unit.

§148-7-5. Point of Sale Vendor Participation.

5.1. Each Point of Sale Vendor desiring to participate in the program is solely responsible for contracting or enrolling with the Purchasing Card Provider under the terms and conditions set forth in the agreement between the Purchasing Division and Purchasing Card Provider.

§148-7-6. Purchasing Methods.

6.1. The provisions of West Virginia Code §5A-3-1 et seq., the Purchasing Division Purchasing Rules, 148 CSR 1, and the Department of Tax and Revenue Preference for Determining Successful Bids Rule, 110 CSR.12C, shall apply to purchases made with the card.

6.2. The cards are to be used in the State's best interest for purchases of goods and services with a per transaction limit of

\$500.00.

6.3. The card may be used as a payment method for releases (orders) against statewide contracts, blanket orders and price agreements.

§148-7-7. Itemizing Claims for Payment.

7.1. A spending unit is not required to submit individual itemized vendor invoices for purchases made with the card that do not exceed \$500.00.

7.2. The Purchasing Card Provider shall provide a consolidated multiple vendor invoice to the spending officer of each spending unit, as required by the Auditor. A spending officer may consolidate payments into one monthly payment to the Purchasing Card Provider. Each spending unit may require changes in the format of invoices to meet its needs, with the approval of the Auditor.

§148-7-8. Violations

8.1. Any person who authorizes or approves a purchase or contract payment in a manner in violation of this rule or the West Virginia Code is guilty of a felony, pursuant to West Virginia Code §12-3-10b.

KEN HECHLER
Secretary of State

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(Plus all the volunteer
help we can get)

OFFICE OF WEST VIRGINIA
SECRETARY OF STATE

JUN 24 1 54 PM '97

FILED

TO: CRYSTAL MOODY

AGENCY: DEPT OF ADMINISTRATION / PURCHASING DIVISION

FROM: JUDY COOPER, DIRECTOR, ADMINISTRATIVE LAW DIVISION

DATE: June 12, 1997

THE ATTACHED RULE FILED BY YOUR AGENCY HAS BEEN ENTERED INTO OUR COMPUTER SYSTEM. PLEASE REVIEW, PROOF AND RETURN IT WITH ANY CORRECTIONS. IF THERE ARE NO CORRECTIONS, PLEASE SIGN THIS MEMO AND RETURN IT TO THIS OFFICE. YOU WILL BE SENT A FINAL VERSION OF THE RULE FOR YOUR RECORDS.

PLEASE RETURN EITHER THE CORRECTED RULE OR THIS FORM WITHIN TEN (10) WORKING DAYS OF THE DATE YOU RECEIVED THIS REQUEST. CALL IF YOU HAVE ANY QUESTIONS.

SERIES: 7 TITLE: 148 DEPT OF ADMINISTRATION / PURCHASING DIVISION

* THE ATTACHED RULE HAS BEEN REVIEWED AND IS CORRECT.

SIGNED: *Anna Stout*

TITLE OF PERSON SIGNING: *General Counsel, Department of Administration*

DATE: 6-24-97

* THE ATTACHED RULE HAS BEEN REVIEWED AND NEEDS CORRECTING. THE CORRECTIONS HAVE BEEN MARKED.

SIGNED: _____

TITLE OF PERSON SIGNING: _____

DATE: _____

NOTE: IF YOU ARE NOT THE PERSON WHO HANDLES THIS RULE, PLEASE FORWARD TO THE CORRECT PERSON.