



WEST VIRGINIA SECRETARY OF STATE

MAC WARNER

ADMINISTRATIVE LAW DIVISION

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Office of West Virginia
Secretary Of State

NOTICE OF RULE MODIFICATION OF A PROPOSED RULE

AGENCY: Auditor

RULE TYPE: Legislative

TITLE-SERIES: 155-01

RULE NAME: Standards For Requisitions For Payment
Issued By State Officers On The Auditor

CITE AUTHORITY: 12-3-10(f)

The above proposed Legislative rules, 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.

BY CHOOSING 'YES', I ATTEST THAT THE PREVIOUS STATEMENT IS TRUE AND CORRECT.

Yes

Stephen R Connolly -- By my signature, I certify that I am the person authorized to file legislative rules, in accordance with West Virginia Code §29A-3-11 and §39A-3-2.

TITLE 155
LEGISLATIVE RULE
WEST VIRGINIA STATE AUDITOR

SERIES 1
STANDARDS FOR REQUISITIONS FOR PAYMENT ISSUED
BY STATE OFFICERS ON THE AUDITOR

§155-1-1. General.

1.1. Scope. -- This rule establishes standards for the form and content of requisitions for payment issued by state officers on the Auditor.

1.2. Authority. -- W. Va. Code §12-3-10; 12-3-10f.

1.3. Filing Date. -- ~~June 5, 2017.~~

1.4. Effective Date. ~~July 1, 2017.~~

1.5. Sunset Provision -- This rule shall terminate and have no further force or effect ~~on July 1, 2022~~ 5 years from the effective date of this rule.

1.6 Amendment of Rule. -- This legislative rule amends WV 155CSR1 “Standards for Requisitions for Payment Issued by State Officers on the Auditor” filed ~~April 8, 2008~~ June 5, 2017, and effective ~~April 8, 2008~~ July 1, 2017.

§155-1-2. Definitions.

2.1. Approve. -- To verify that pertinent information is true and accurate by affixation of an electronic approval by an authorized person.

2.2. Auditor. -- The Auditor of the State of West Virginia.

2.3. Authorized agency administrator. -- A Cabinet Secretary, Chief Executive Officer, or the Agency’s highest ranking administrator of record.

2.4. Authorized person. -- An individual authorized by an agency to approve and/or certify that pertinent information is true and accurate and currently on file with the Auditor.

2.5. Centralized encumbrance. -- An encumbrance recorded using any of the following document types: Centralized Purchase Order (CPO), Centralized Contract (CCT), Centralized Delivery Order (CDO), or, for certain approved agencies, a General Accounting Encumbrance (GAE).

2.6. Centralized master agreement. -- A contract maintained by the Department of Administration, Purchasing Division. Centralized master agreements may be open to all state agencies (“statewide contracts”) or restricted to the agencies who have procured the contract.

2.7. Certify. -- To verify that pertinent information is true and accurate by affixation of a manual signature by an authorized person.

2.8. Change order. -- An amendment to an original purchasing contract changing the terms and conditions, accounting information, or other term of the contract.

2.9. Commodities. -- Defined in W. Va. Code §5A-1-1 and §12-3-10f as supplies, material, equipment, contractual services and any other articles or items used by or furnished to a department, agency or institution of State government. Commodities include but are not limited to: Materials, equipment, services, supplies, printing and automated data processing hardware and software.

2.10. Contract. -- ~~An agreement using a centralized encumbrance, or agency delegated procurement recorded using any of the following document types: Agency Purchase Order (APO), Agency Contract (ACT), or Agency Delivery Order (ADO).~~ As used in this rule, a contract means a written agreement between a state agency or office and a third party, or between two or more state agencies or offices, signed by all parties which creates obligations that are enforceable or otherwise recognizable at law, and which is created and signed prior to the receipt of any goods or services: *Provided*, That emergency contracts appropriately authorized under statutory authority may be signed after the receipt of goods or services. A contract may include, but is not limited to, a purchase order, agreement, master agreement, or lease.

2.11. Headquarters. -- The main account information linking multiple vendor records on the VCUST together under one unified Federal Employer Identification Number (FEIN).

2.12. Invoice. -- An original written, printed or electronic documentation issued by a vendor reflecting the merchandise or service delivered or provided, including remittance information, the dates of delivery, and the cost of the merchandise or service.

2.13. Manual warrant. -- A warrant generated the same day as the requisition, outside of the regular warrant disbursement process.

2.14. Open-end contract. -- A contract that has no determined quantity or encumbrance.

2.15. Payment Request Document. -- A General Accounting Expenditure (GAX), Payment Request – Matching (PRM), or Payment Request – Commodity (PRC) document prepared in the wvOASIS system that contains the requisition information.

2.16. Potential Duplicate. -- A transaction that has been identified in wvOASIS as a transaction that may already exist or been disbursed previously.

2.17. Purchasing Card (PCard). -- A credit card issued in the name of an individual employee of the State of West Virginia for official state use.

2.18. Receiving Report. -- A document generated by a spending unit verifying the receipt of commodities, a handwritten or electronic document initiated by the spending unit, a legible vendor's packing slip that has been certified by an authorized agency receiver and contains the required receiving information, or an electronic receiving document generated in wvOASIS.

2.19. Requisition. -- An electronic request for payment issued by a state officer to the Auditor consisting of the documentation required by law, rule or lawful discretion of the Auditor.

2.20. Scheduled Payment Date. -- The date request within wvOASIS system that directs the date a warrant will be disbursed to the vendor.

2.21. Service Dates. -- A pair of dates that signify the beginning and the ending date of service rendered to an agency from a vendor.

2.22. Special Handling. -- The process which allows a warrant to be returned to the spending unit for distribution.

2.23. Spending Unit. -- The State of West Virginia and any department, agency, board, commission, bureau, council, committee, office, authority, subdivision, or institution of the State government for or to which an appropriation has been made or is to be made by the Legislature.

2.24. Vendor/Customer Table (VCUST). -- The table within wvOASIS containing the master vendor file of vendor names, addresses, and remittance information.

2.25. Vendor Invoice Number. -- A unique string of characters numbering an invoice provided by the vendor or derived by the agency using the applicable policies prescribed by the Auditor.

2.26 Walkthrough warrant. -- The process which allows for a warrant to be generated the next business day or at a time the Auditor prescribes.

2.27. West Virginia Our Advanced Solution for Integrated Systems (wvOASIS). -- The centralized accounting system used by all state agencies for processing financial transactions and maintained by the Enterprise Resource Planning Board.

2.28. wvOASIS financial code components. -- The accounting code scheme used in wvOASIS which provides financial information necessary for the processing of financial transactions. The code components are:

2.28.~~a~~.1. APPR UNIT (APPR UNIT). -- The appropriation code corresponding to the budgetary line items in the Legislative Budget Bill;

2.28.~~b~~.2. BUDGET FUND YEAR (BUDGET FY). -- Represents the fiscal year in which an appropriation was authorized by the Legislature;

2.28.~~e~~.3. DEPARTMENT (DEPT). -- The organizational entity which has management responsibility for a fund;

2.28.~~d~~.4. EVENT TYPE. -- A code indicating which account will be used while also bringing in specific rules for data entry concerning referenced transactions, customer codes, vendor codes, and all defined chart of account elements in the system;

2.28.~~e~~.5. FUND. -- A self-balancing set of accounts containing assets, liabilities, fund balance, revenue and expenditure accounts;

2.28.~~f~~.6. OBJECT (OBJ). -- The object code indicating what commodity or service was acquired by the expenditure;

2.28.~~g~~.7. REVENUE. -- For revenue accounts, the code indicating the type of revenue;

2.28.~~h~~.8. SUB-OBJECT (SOBJ). -- The sub-object code indicating what commodity or service was acquired by the expenditure, in further detail;

~~2.28.i.9.~~ SUB-REVENUE. -- For revenue accounts, the code indicating the type of revenue in further detail, and;

~~2.28.j.10.~~ UNIT (APPR UNIT). -- A code indicating a lower organizational level within the department structure;

§155-1-3. General Invoice Requirements.

3.1. Itemization. -- All invoices submitted to the Auditor for payment shall be legible and contain the following:

~~3.1.a.1.~~ A complete, clear, legible, itemized description indicating the type of materials, supplies or service provided;

~~3.1.b.2.~~ An invoice or order date and the date(s) of service, if the item to be paid is a service;

3.1.3. The invoice must be stamped with the following certification: "I hereby certify that the items or services contained in the foregoing have been received and approved for payment." The certification must be signed by an agency representative with authority to approve such payments. The signature must be legible. If it is not legible, the representative must print his or her name and title below or adjacent to the signature.

~~3.1.e.4.~~ Any additional information, documentation, or explanation requested or required by the Auditor; ~~and;~~

~~3.1.d.5.~~ All receiving reports which correspond to any and all commodities submitted for payment on the invoice; and

3.1.6. Unless necessary to process payment, all invoices, supporting documentation, or receiving reports must be free of personally identifiable information and protected health information or such information must be redacted prior to submission to the Auditor.

3.2. Credits. -- Invoices ~~including that include~~ credits shall not require credit memos if the credit is identified on the invoice and initialed by the agency. If the credit is not accepted/taken by the agency, documentation must be provided as to the reason. A prior credit may be applied to the current invoice with an explanatory credit memo attached. The agency shall manually adjust final total and apply their initials next to the change.

3.3. Previous balances. -- Invoices including a previous balance require sufficient documentation before the previous balance may be paid.

3.4. Vendor information. -- Both the name of the vendor and remit-to address must appear on the invoice. The name and address must match the vendor name and remit-to address selected in the Vendor section of the payment request document. The Auditor shall accept letters of assignment for payments made in care of financial institutions. The Auditor may accept documentation directly from the vendor on the vendor's letterhead permitting payments to be directed to an alternate address or payee for remit-to purposes only, provided the alternate remittance information is linked under the same Headquarters record on the VCUST table. Such documentation, if used, must be included with each payment requisition.

3.5. Agency alterations. -- Any alterations to an invoice require the initials of the person making the changes next to each specific alteration; However, neither the agency nor the vendor may alter the name

and address of the vendor on the invoice. The vendor's name and address must match the vendor's record contained in the wvOASIS system;

3.6. Hospitality. -- All payment requests submitted to the Auditor for payment for hospitality services, including, but not limited to: food, non-alcoholic beverages, audiovisual and facility rental provided for meetings, conferences, or trainings, shall contain the following:

3.6.~~a~~-1. The date(s) of the event;

3.6.~~b~~-2. Purpose of the event;

3.6.~~e~~-3. Location of event;

3.6.~~d~~-4. If the agency falls under the oversight of the Department of Administration, Real Estate Division, a temporary space agreement with appropriate Department of Administration, Real Estate Division approvals, if required, and;

3.6.~~e~~-5. Number and names of specific attendees, or, certification that the event was open to the public and no specific attendance list is available.

3.7. Association Dues and Professional Memberships. -- All payment requests for association dues and professional memberships shall contain the date(s) of the effective membership period and the certification of the Authorized Agency Administrator, or his or her official designee. The Auditor may accept, on letterhead, the Authorized Agency Administrator's delegation of authorization to certify association dues and professional memberships. A certified copy of the agency's correct Dues and Professional Memberships Budget Sheet from wvOASIS Business Intelligence may serve as a certified signature.

3.8. Payments to Third-Party Insurers. -- All payment requests submitted to the Auditor for payment of third-party casualty or liability insurance must have approval of the Board of Risk and Insurance Management.

3.9. Document approval. -- All payment requests shall contain appropriate agency approvals within the security approval log of each document comprising the payment request.

3.10. Potential Duplicate. -- Transactions identified in wvOASIS as potential duplicate transactions shall be certified by the spending unit's Chief Financial Officer or Authorized Agency Administrator with a manual official signature within the documentation in a place directed by the Auditor.

3.11. Manual warrants, walkthrough warrants, special handling. -- All requisitions intended to generate manual warrants, walkthrough warrants, or special handled warrants must have the appropriate Disbursement Options set within the document to produce the desired disbursement effects. Manual warrants or special handling requests must be pre-authorized by the Auditor.

3.12. Electronic Signatures -- Any agency may request permission to use electronic signatures in lieu of a "wet" agency signature on invoices submitted to the Auditor for payment. Prior to submitting a request to use electronic signatures, the agency must have its electronic signature software approved by the West Virginia Office of Technology. A certificate must be issued from the West Virginia Secretary of State to use electronic signatures in accordance with W. Va. Code §39A-3-3. The agency and its employees must meet all other requirements contained in any approved legislative rule filed by the Secretary of State's Office relating to electronic signatures. Approval of an agency's use of electronic signatures remains in the discretion of the Auditor.

§155-1-4. Electronic Requisition Requirements.

4.1. The Auditor may accept electronic requisitions for payment from authorized spending units. Electronic requisitions shall:

4.1.~~a~~-1. Be scanned with a maximum 300 dots per inch (DPI).

4.1.~~b~~-2. Be sent in a Compressed Adobe Portable Document Format (PDF), Joint Photographer Experts Group (JPEG or JPG), or Tagged Image File Format (TIFF).

4.1.~~e~~-3. Be sent in black and white only.

4.1.~~d~~-4. For records requiring long-term retention, not be digitally annotated in order to maintain their legal integrity.

§155-1- 5. Receiving Report Requirements.

5.1. Time of Preparation. -- All receiving reports shall be prepared within 24 hours after the receipt of the commodities.

5.2. Form. -- A receiving report shall be in a format approved by the Auditor.

5.3. Itemization. -- All receiving reports submitted to the Auditor shall contain the following:

5.3.~~a~~-1. -- An item description for each type of commodity received along with the quantity of each type received in sufficient detail that is in agreement with the vendor invoice and/or contract; and

5.3.~~b~~-2. -- The date the commodities were received, meaning the actual date on which the commodities were received by the authorized individual.

5.4. Vendor information. -- All receiving reports shall contain the name and address of the vendor and remit-to address on the receiving report. This information must match the vendor name and remit-to address selected in the Vendor section of the receiving document.

5.5. Signed Acknowledgment. -- All receiving reports shall contain the original signature or electronic user ID of the authorized individual designated to receive commodities and prepare receiving reports or create Receiving Documents. This signature acknowledges both receipt and the fact that the commodities received are acceptable for payment. Signatures must be legible. If not legible, the authorized individual must print his or her name and title below or adjacent to the signature.

5.6 Acceptable forms of receiving reports for commodities procured using the ~~card~~ PCard are contained in the State Purchasing Card Policies and Procedures.

5.7. A wvOASIS Receiver (RC) document is an approved receiving report format for payment request documents.

§155-1-6. Contract Invoice Requirements.

6.1. Itemization. -- All invoices submitted to the Auditor for payment against a contract shall contain the following:

6.1.~~a~~-1. All General Invoice Requirements as described in Section 155-1-3 above; and,

6.1.~~b~~-2. An item description matching to the contract, including, but not limited to, model number, quantity and unit price, indicating the type of materials, supplies or service. The materials, supplies or service shall be of the type covered under the contract and the description and prices of the materials, supplies or service on the invoice shall not conflict with the description and prices contained in the contract;

6.1.~~e~~-3. The change order number, contract page number and specific item number for each item appearing on the invoice, if requested by the Auditor;

6.1.~~d~~-4. A reference to a valid, unexpired centralized encumbrance, if required by West Virginia State Code;

6.1.~~e~~-5. For invoices paying against centralized master agreements, the centralized master agreement number in a location directed by the Auditor;

6.1.~~f~~-6. The date of record shall fall within the contract period and shall not be for prepayment of any commodities unless the contract contains terms and conditions to the contrary ~~and the prepayment is authorized by the Attorney General's Office~~. At the discretion of the Auditor, certain monthly payments such as rental payments may be released two thirds (2/3) of the way through the month to allow time for processing and warrant disbursement;

6.1.~~g~~-7. Invoices with aggregate totals shall reflect the sum of the previous payments on the invoice.

6.1.~~g~~-7.a. The sum of previous payments listed on the invoice must match the encumbrance's closed amount or referenced line amount in wvOASIS.

6.2. All contracts with notice-to-proceed clauses must have a corresponding and accurate notice-to-proceed letter on file with the Auditor, or notice that the date the Purchasing Division has certified the contract is the date the notice-to-proceed is active; and the appropriate certification or approval.

6.3 All documentation appearing on contract documents may, at the discretion of the Auditor, be required to be included within the payment request itself for recordkeeping purposes.

6.4. Any payment request that does not reconcile to its referenced contract or does not contain complete or accurate contract information may be rejected back to the agency.

6.5. For any agency-generated ACT, APO, or AMA document, the fully-executed contract must be attached to the header document within the wvOASIS system before an invoice will be paid against such contract.

6.6. Vendor statements with multiple invoices require a memo from agency signed by the CFO, or other authorized agency representative, stating the following: "[AGENCY] acknowledges that a vendor's statement is being submitted for payment instead of separate invoices. [AGENCY] acknowledges the increased risk of duplicate payments and has instituted compensating controls, reviews, and procedures to mitigate risk that a duplicate payment may occur."

§155-1-7. Building Leases and Rental Invoice Requirements.

7.1. Itemization. -- All invoices submitted to the Auditor for payment against a building or facility lease for rental of office space or other premises shall contain the following:

7.1.~~a~~-1. All General Invoice Requirements as described in Section 155-1-3 above;

7.1.~~b~~-2. The lease number in a location directed by the Auditor;

7.1.~~e~~-3. A Scheduled Payment Date that releases the rental payment only after two thirds (2/3) of the period has passed;

7.1.~~d~~-4. The time period of the invoice in which rent is being paid, and;

7.1.~~e~~-5. Where there is no Real Estate Division approved lease: a temporary space agreement, approved by the Real Estate Division, if the agency falls under Department of Administration, Real Estate Division's oversight.

7.1.~~f~~-6. If the spending unit falls under Department of Administration, Real Estate Division oversight, all expenditures for leasehold improvements must be approved by the Department of Administration, Real Estate Division if not expressly authorized in the lease documentation.

7.2. Building leases. All building leases are audited in accordance with the Department of Administration, Real Estate Division's Guidelines. Time periods are required on all invoices to verify that the time is within the lease period. All building leases must be filed with the Auditor.

7.3. Notarization. All leases shall be signed by the lessor and the lessee and shall be acknowledged before a qualified notary public. If an agency is exempt from the Department of Administration, Real Estate Division pursuant to §5A-10-1 et seq. of this Code., the lease shall contain the terms and conditions of the lease, be signed by both the lessor and the lessee, and be acknowledged before a qualified notary public.

7.4. Changes. Any changes made to any lease must be filed with the Auditor. Changes to the terms and conditions of a lease must be signed by the lessor and the lessee and acknowledged before a qualified notary public.

§155-1-8. Contract and Encumbrance Standards

8.1. Itemization. -- Because payment requests will contain information previously entered into wvOASIS contract documents, and this information cannot be changed on the payment request, all contract documents must include:

8.1.~~a~~-1. Commodities, containing specific descriptions and prices. Commodities must be itemized;

8.1.~~b~~-2. The correct wvOASIS Financial Code Components, and;

8.1.~~e~~-3. The contract's effective beginning and ending dates of service.

§155-1-9. Travel Reimbursement.

9.1. Itemization. -- All invoices submitted to the Auditor for payment or reimbursement of travel expenses for state employees or other authorized travelers must conform to all General Invoice Requirements as described in Section 155-1-3 above.

9.2. Travel Rules. -- All state employee travel reimbursements submitted to the Auditor shall comply with applicable travel rules;

9.3. Cash Advances. -- The Auditor may ~~award~~ allow cash advances upon formal request from the spending unit. The method of cash advance requests will be specified by the Auditor.

~~9.3.a.~~ The spending unit shall reconcile cash advances within thirty days of the last date of travel for which the advance was issued.

~~9.3.b.~~ The Auditor may send notice to the Chief Financial Officer of the spending unit when advances are not reconciled properly.

~~9.3.c.~~ The Auditor may suspend cash advance privileges if an agency fails to reconcile properly or determines the funds have been misused.

§155-1-10. Advance Allowance Account Settlements

10.1. Advance Allowances. -- The Auditor may provide advances to institutions of Higher Education as authorized by WV Code §18B-5-4.

~~10.1.a.1.~~ No advance allowance account shall exceed five percent of the total of the appropriations for the governing board, council, or commission of the Higher Education entity.

~~10.1.b.2.~~ All advance allowance accounts shall be accounted for by the applicable governing board, council, or commission every thirty days.

~~10.1.c.3.~~ Every thirty days, the applicable governing board, council, or commission must furnish an itemized listing of all vendors paid, amounts, and invoices or documentation supporting payment to the State Auditor. Such documentation shall include:

~~10.1.c.3.1.~~ The legal name and address of vendor;

~~10.1.c.3.2.~~ The date the vendor was paid from the advance allowance;

~~10.1.c.3.3.~~ The amount paid to the vendor;

~~10.1.c.3.4.~~ The corresponding purchase order or agreement;

~~10.1.c.3.5.~~ The invoice or other supporting documentation presented from the vendor to the agency;

~~10.1.c.3.6.~~ Any other information considered by the Auditor to satisfy documentation requirements.

~~10.1.d.4.~~ The Auditor may send notice to the Agency Administrator or applicable governing board, council, or commission if the advance allowance accounts are not accounted for properly under the requirements laid forth in this section.

§155-1-11. Payment Request and Contract Standards – Document Codes

11.1. General. -- The Auditor may direct the document code, payment method or contract document type that an agency must use to pay a certain transaction type in order to achieve a desired accounting effect. (Examples include, but are not limited to: Travel advances must be paid on TVA documents to properly record the advance receivable or payments against encumbrances must be paid on PRC/PRM documents to properly reduce encumbrances).

§155-1-12. Document Requirements for Payments by GAXR Document

12.1. General. -- Refund requests may be made by GAXR documents. The following must be included when submitting a GAXR document for refund:

12.1.1. The dollar amount to be refunded;

12.1.2. The reason for the refund;

12.1.3. If the amount request to refund differs from the original amount paid, how the difference was calculated;

12.1.4. Evidence of the original receipt of the funds by the Department issuing the refund;

12.1.5. The name and address of the recipient; and

12.1.6. The signature of an agency representative with authority to make such requests. The signature must be legible, or the representative must print his or her name and title below or adjacent to the signature.

§155-1-13. Miscellaneous Requirements for Wire Transfer Payments

13.1. Nonrecurring Wire Payments – For all nonrecurring wires, the Nonrecurring Wire form must be filled out and attached to the payment request.