



**WEST VIRGINIA SECRETARY OF STATE**

**MAC WARNER**

**ADMINISTRATIVE LAW DIVISION**

**eFILED**

7/29/2024 8:59:20 AM

Office of West Virginia  
Secretary Of State

**NOTICE OF PUBLIC COMMENT PERIOD**

AGENCY: Office of Technology

TITLE-SERIES: 163-04

RULE TYPE: Legislative      Amendment to Existing Rule: No      Repeal of existing rule: No

RULE NAME: PLAN OF OPERATION

CITE STATUTORY AUTHORITY: West Virginia Code §5A-6-4.

COMMENTS LIMITED TO:

Written

DATE OF PUBLIC HEARING:

LOCATION OF PUBLIC HEARING:

DATE WRITTEN COMMENT PERIOD ENDS: 08/29/2024 9:00 AM

COMMENTS MAY BE MAILED OR EMAILED TO:

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PLEASE INDICATE IF THIS FILING INCLUDES:

RELEVANT FEDERAL STATUTES OR REGULATIONS: No

(IF YES, PLEASE UPLOAD IN THE SUPPORTING DOCUMENTS FIELD)

INCORPORATED BY REFERENCE: No

(IF YES, PLEASE UPLOAD IN THE SUPPORTING DOCUMENTS FIELD)

PROVIDE A BRIEF SUMMARY OF THE CONTENT OF THE RULE:

The rule provides procedures for West Virginia Office of Technology to continue the plan of operations for data processing, telecommunication, and central mailing office services.

SUMMARIZE IN A CLEAR AND CONCISE MANNER CONTENTS OF CHANGES IN THE RULE AND A STATEMENT OF CIRCUMSTANCES REQUIRING THE RULE:

The rule formerly appeared under the Information Services and Communications Division (IS&C). Legislation during the 2024 Regular Session merged IS&C into the West Virginia Office of Technology (WVOT). The rule is being updated and moved from IS&Cs Series to WVOTs

SUMMARIZE IN A CLEAR AND CONCISE MANNER THE OVERALL ECONOMIC IMPACT OF THE PROPOSED RULE:

A. ECONOMIC IMPACT ON REVENUES OF STATE GOVERNMENT:

None

B. ECONOMIC IMPACT ON SPECIAL REVENUE ACCOUNTS:

The rule relates to rate setting and billing for WVOT, a special revenue agency.

C. ECONOMIC IMPACT OF THE RULE ON THE STATE OR ITS RESIDENTS:

None, rates are based on costs and revenues.

D. FISCAL NOTE DETAIL:

Effect of Proposal	Fiscal Year		
	2024 Increase/Decrease (use "-")	2025 Increase/Decrease (use "-")	Fiscal Year (Upon Full Implementation)
<b>1. Estimated Total Cost</b>	0	0	0
Personal Services	0	0	0
Current Expenses	0	0	0
Repairs and Alterations	0	0	0
Assets	0	0	0
Other	0	0	0
<b>2. Estimated Total Revenues</b>	0	0	0

E. EXPLANATION OF ABOVE ESTIMATES (INCLUDING LONG-RANGE EFFECT):

No fiscal impact.

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

Yes

**Misty Peal -- 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 163  
LEGISLATIVE RULES  
OFFICE OF TECHNOLOGY

SERIES 4  
PLAN OF OPERATION

**§163-4-1. General.**

1.1. Scope -- This Legislative Rule establishes the plan of operation for the Office of Technology of the Department of Administration for data processing, telecommunication, and central mailing office services. These rules supplement West Virginia Code §5A-6-1 et seq., and must be read in conjunction with this article.

1.2. Authority -- West Virginia Code §5A-6-4.

1.3. Filing Date --

1.4. Effective Date --

1.5. Sunset Date -- This rule shall terminate and have no further force or effect upon August 1, 2030.

**§163-4-2. Applicability.**

2.1. This Legislative Rule applies to each spending unit of the executive branch of state government utilizing the services of the Office of Technology.

**§163-4-3. Definitions.**

3.1. As used in this rule, all terms shall have the same meaning as provided in West Virginia Code §5A-6-2, and as follows:

3.1.1. "Cost center" means expenses related to a specific resource.

3.1.2. "Dedicated charges" means expenses for a resource that is solely for the benefit of a single user.

3.1.3. "Purchasing Division" means the Purchasing Division of the Department of Administration.

3.1.4. "Resource" means a service or commodity provided by WVOT.

3.1.5. "Revenue center" means a specific type of resource that generates revenue.

3.1.6. "Secretary" means the Secretary of the Department of Administration.

3.1.7. "User" means a spending unit of the executive branch of state government utilizing the services of the Purchasing Division or any other entity utilizing the services of WVOT.

**§163-4-4. Rate Schedules and Invoicing.**

4.1. Rate Schedules.

WVOT's rate schedules are developed prior to the beginning of each fiscal year and reviewed quarterly for the first three quarters. Each revenue center charges for goods or services to enable that revenue center to be self-sufficient. Actual costs are accumulated for each revenue center and compared against the revenues received for the corresponding period. Differences between costs and revenues will be evaluated to determine if an adjustment of the rate is required and/or if debits or credits are required to remedy large variances between billing and operating expenses by an individual revenue center. Comparisons are made for each revenue center for the current fiscal year or quarter using the cumulative history of all revenues and expenses and usage that would affect the rate structure. If rate revisions shall be announced to users prior to implementation.

4.2. Rates for Services.

4.2.1. Each user shall be invoiced for services rendered, with charges to be fixed in a schedule or schedules prepared by the Chief Financial Officer and approved by the Chief Information Officer. The WVOT billing rate is the rate all WVOT users will pay for services.

4.2.2. User billings are based upon standard rates for services provided by WVOT. Standard rates are calculated using the known and anticipated fiscal year resource costs divided by the projected resource usage expressed in terms of billable units, and will, as nearly as may be practical reflect the actual costs incurred in the performance of services rendered projections upon which the rates are based, a cost center will recover more or less than is necessary for it to be self-sufficient. Adjustments are made to increase or decrease future rates to compensate for this variance.

4.3. Rates for Administrative Charges.

Users may be assessed an Administrative Service Expense fee up to 10%. The fee will be based on each user's portion of service and usage. The Chief Information Officer will determine the fee percentage.

4.4. Invoicing.

Users will be invoiced on a monthly basis for WVOT services. Invoices will show each chargeable service performed for the user during the previous month in addition to any administrative service fee assessed. Invoices will be provided to each user by the end of each month. An exception to this schedule is when a user's monthly WVOT charges are less than \$5.00. Invoices in this category may be held and sent only once a year.

**§163-4-5. Requisition Review.**

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5.1. WVOT shall review and approve any and all technology procurements prior to purchase. WVOT must approve any procurement requests before an agency submits them to the Purchasing Division. This includes technology procurements, including hardware, software, professional services and associated maintenance. Documentation should include the justification for the purchase, any alternative solutions considered and the desired contract length and renewals, if appropriate. Exceptions to the review process may be granted by the Secretary.

#### 5.2. Procedures.

WVOT review shall focus upon the cost purchase and its suitability within the overall environment of the user and the State in relation to integration and communication with existing systems. Approval of WVOT shall be attached to the procurement file.

The total purchase price is intended to include all items associated with the procurement effort and circumvention of the dollar limitation by splitting invoices among different payment dates or procurement documents may result in revocation of this privilege.