



WEST VIRGINIA SECRETARY OF STATE

KRIS WARNER

ADMINISTRATIVE LAW DIVISION

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4/21/2025 2:04:08 PM

Office of West Virginia
Secretary Of State

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

AGENCY: Administration TITLE-SERIES: 148-24
RULE TYPE: Legislative Amendment to Existing Rule: Yes Repeal of existing rule: No
RULE NAME: FINANCIAL SERVICES REPORTING
CITE STATUTORY AUTHORITY: W.Va. Code §5A-2B-2

The above rule has been authorized by the West Virginia Legislature.

Authorization is cited in (house or senate bill number) HB 2222

Section §64-2-1 Passed On 3/18/2025 12:00:00 AM

This rule is filed with the Secretary of State. This rule becomes effective on the following date:

April 22, 2025

This rule shall terminate and have no further force or effect from the following date:

August 01, 2035

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 148
LEGISLATIVE RULE
DEPARTMENT OF ADMINISTRATION

SERIES 24
FINANCIAL SERVICES REPORTING**

§148-24-1. General.

1.1. Scope. -- This legislative rule establishes requirements relating to services provided by the Shared Services Section and the Financial Accounting and Reporting Section of the Finance Division within the Department of Administration, and providing for corrective action in the event that a spending unit fails to provide the Department of Administration any required information relating to the completion of any required federal report.

1.2. Authority. -- W.Va. Code §5A-2B-2.

1.3. Filing Date. -- April 21, 2025.

1.4. Effective Date. -- April 22, 2025.

1.5. Sunset provision. -- This rule shall terminate and have no further force or effect on August 1, 2035.

§148-24-2. Definitions

For purposes of these rules, unless a different meaning clearly appears from the context:

2.1. “Shared Services Section” or “Section” means the Shared Services Section of the Finance Division within the Department of Administration.

2.2. “FARS” means the Financial Accounting and Reporting Section of the Finance Division within the Department of Administration responsible for producing the state’s Comprehensive Annual Financial Report and Single Audit.

2.3. “Deputy Director” means the Deputy Director of the Finance Division within the Department of Administration.

§148-24-3. Cost Performance Assessment.

3.1. All state spending units shall report annually to the Shared Services Section using the cost performance assessment tool implemented by the Section and provided to all state spending units.

3.2. The report shall provide the costs to the state spending unit of accounting and financial reporting services consisting of accounts payable, accounts receivable, payroll and human resources, state purchasing card, general accounting, financial accounting and any additional accounting services as determined by the Section.

3.3. The Shared Services Section shall develop a baseline cost for the designated accounting services if performed by the Section and shall evaluate reports submitted by state spending units to determine if those services can be provided by the Section at a lower cost and in a more efficient manner.

§148-24-4. Agreements for the Provision of Accounting and Financial Reporting Services

4.1. Any spending unit may submit a request to the Deputy Director to voluntarily enter into an agreement for the provision of accounting and financial reporting services.

4.2. Spending units with a cost performance assessment greater than the Section's baseline cost for the designated accounting services as determined under subsection 3.3 of this rule shall, unless declined by the Deputy Director, enter into an agreement for the provision of those services by the Section.

4.3. Spending units that fail to provide financial information to FARS by an established deadline shall, unless declined by the Deputy Director, enter into an agreement for the provision of financial reporting services.

4.4. The Deputy Director may decline to enter into any agreement for the provision of accounting or financial reporting services for any state spending unit if he or she determines that:

4.4.a. The Shared Services Section or FARS does not have the necessary expertise or resources at the time of the request to provide the services desired or required by the state spending unit; and

4.4.b. That developing the necessary expertise to provide the desired or required services would outweigh any potential cost savings to the state.

§148-24-5. Financial information to be reported to the Financial Accounting and Reporting Section for spending units not subject to an agreement.

5.1. For those state spending units that have not entered an agreement for shared financial services, the following financial information must be submitted to FARS by the dates designated:

5.1.a. Drafts of financial statements of state spending units with audited funds and higher education institutions are due by September 15th of each year;

5.1.b. The final financial statements of state spending units with audited funds and higher education institutions are due by October 15th of each year;

5.1.c. Closing book forms of state spending units with unaudited funds are due by July 31st of each year;

5.1.d. Financial statements for the Higher Education Consolidated Fund are due by October 31st of each year.

5.2. Each cabinet secretary or head of an institution of higher education that does not utilize the Shared Services Section for financial services shall designate a liaison to work with the Section to ensure timely, necessary and accurate financial information is reported to FARS.

§148-24-6. Corrective action plan for spending units that fail to provide necessary information to the Financial Accounting And Reporting Services Section; Training.

6.1. Any state spending unit that fails to report necessary financial information to FARS before the established deadline will be placed in a probationary period and subject to a corrective action plan. The corrective action plan may include, but not be limited to:

6.1.a. Identification of specific tasks to be performed and benchmarks to be reached in the preparation of the required financial reports, and designation of deadlines for each;

6.1.b. Periodic updates or reports from the state spending unit regarding the status of any identified task or benchmark;

6.1.c. Reports from the state spending unit describing the manner in which the causes for the state spending unit's failure to meet designated reporting deadlines are being addressed by the state spending unit; and

6.1.d. Designation of new deadlines for completion of the required financial reports.

6.2. The Finance Division of the Department of Administration may provide annual training to those spending units in which financial reporting services are not provided pursuant to an agreement. The training shall encompass necessary information for compilation of the comprehensive annual financial report, format of information, and required deadlines for reporting.