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2001 MAY -2 P 4: 28

OFFICE WEST VIRGINIA
SECRETARY OF STATE

WEST VIRGINIA LEGISLATURE

Regular Session, 2001

ENROLLED

SENATE BILL NO. 565

(By Senator Chafin **)**

PASSED April 14, 2001

In Effect 90 days from **Passage**

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Senate Bill No. 565

(BY SENATOR CHAFIN)

[Passed April 14, 2001; in effect ninety days from passage.]

AN ACT to amend and reenact sections two and eight, article nine, chapter six of the code of West Virginia, one thousand nine hundred thirty-one, as amended; and to further amend said article by adding thereto a new section, designated section twelve, all relating to the supervision of local government offices; ensuring that chief inspector issues all reports and audits timely and requirements are abided by; providing cost of services provided by the chief inspector to be charged if a municipality undergoes a single audit related to a federal grant; allowing raising the cap on the cost of services provided to certain utility or park systems; interest earned on costs collected for services of the chief inspector to go into the revolving fund; and providing for the development of an intern program for students pursuing a graduate degree in business.

Be it enacted by the Legislature of West Virginia:

That sections two and eight, article nine, chapter six of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted; and that said article be further amended by adding thereto a new section, designated section twelve, all to read as follows:

ARTICLE 9. SUPERVISION OF LOCAL GOVERNMENT OFFICES.

§6-9-2. Uniform system of accounting and reporting for local governmental offices and agencies; form and uniform system for receipts; additional power and authority.

1 The chief inspector shall formulate, prescribe and install
2 a system of accounting and reporting in conformity with
3 the provisions of this article, which shall be uniform for all
4 local governmental offices and agencies and for all public
5 accounts of the same class and which shall exhibit true
6 accounts and detailed statements for all public funds
7 collected, received and expended for any purpose by all
8 local governmental officers, employees or other persons.
9 The accounts shall show the receipt, use and disposition of
10 all public property under the control of local governmental
11 officers, employees or other persons and any income
12 derived therefrom and of all sources of public income, the
13 amounts due and received from each source, all receipts,
14 vouchers and other documents kept or required to be kept
15 and necessary to identify and prove the validity of every
16 transaction, all statements and reports made or required
17 to be made for the internal administration of the office to
18 which they pertain and all reports published or required to
19 be published for the information of the people regarding
20 any and all details of the financial administration of
21 public affairs. The chief inspector shall prescribe receipt
22 forms for all local governmental offices and agencies and
23 shall formulate, prescribe and install a uniform system
24 with respect to the utilization, processing and disposition
25 of receipts given as evidence of moneys or property
26 collected or received by local governmental offices and
27 agencies. The chief inspector shall also formulate, pre-

28 scribe and install a system of accounting for the civil
29 accounts of the offices of the magistrates, which shall
30 exhibit true accounts and detailed statements of the
31 services rendered, the name and address of the persons for
32 whom rendered, the charges made and collected therefor
33 and other information as may be necessary to identify the
34 transaction.

35 The chief inspector is vested and charged with the duties
36 of administering and enforcing the provisions of this
37 article and is authorized to promulgate and to enforce such
38 rules as may be necessary to implement the administration
39 and enforcement. The chief inspector shall use due
40 diligence to ensure that all reports and audits are issued in
41 a timely manner and to comply with all federal audit and
42 bonded indebtedness requirements so as not to jeopardize
43 the entity's funding. The power and authority herein
44 granted shall be in addition to all other power and author-
45 ity vested by law in the state tax commissioner as chief
46 inspector or otherwise.

§6-9-8. Payment of cost of services of chief inspector; revolving fund.

1 The cost of any service or act performed by the chief
2 inspector under the provisions of this article as to any
3 county or district office, officer or institution shall be paid
4 by the county commission of the county; the cost thereof as
5 to any board of education shall be paid by the board; the
6 cost thereof as to any municipal corporation shall be paid
7 by the authorities thereof: *Provided*, That in municipali-
8 ties in which the total revenue from all taxes does not
9 exceed the sum of two thousand dollars annually, the cost
10 including the per diem and all actual costs and expenses of
11 the services shall not exceed the sum of sixty dollars. The
12 cost of this service shall be the actual cost and expense of
13 the service performed, including transportation, hotel,
14 meals, materials, per diem compensation of deputies,
15 assistants, clerical help and the other costs as may be
16 necessary to enable them to perform the services required,

17 but the costs shall not exceed the sum of two thousand
18 dollars for services rendered to a Class III or a Class IV
19 municipality: *Provided, however,* That the chief inspector
20 may charge up to an additional two thousand dollars for
21 costs incurred for each service or act performed for a
22 utility or park system owned by a Class III or Class IV
23 municipality: *Provided further,* That if a municipality is
24 required to undergo a single audit by the federal agency or
25 agencies making a grant, the foregoing cost limitations do
26 not apply: *And provided further,* That the chief inspector
27 shall provide a written quote for all costs in advance for
28 all services required by this article. The chief inspector
29 shall render to the agency liable for the cost a statement
30 thereof as soon after the same was incurred as practicable
31 and it shall be the duty of the agency to allow the same
32 and cause it to be paid promptly in the manner that other
33 claims and accounts are allowed and paid and the total
34 amount shall constitute a debt against the local agency
35 due the state. Whenever there is in the state treasury a
36 sum of money due any county commission, board of
37 education or municipality from any source, upon the
38 application of the chief inspector, the same shall be at once
39 applied on the debt aforesaid against the county commis-
40 sion, board of education or municipality and the fact of the
41 application of the fund shall be reported by the auditor to
42 the county commission, board of education or municipal-
43 ity, which report shall be a receipt for the amount therein
44 named. All money received by the chief inspector from
45 this source shall be paid into the state treasury, shall be
46 deposited to the credit of an account to be known as chief
47 inspector's fund and shall be expended only for the
48 purpose of covering the cost of the services, unless other-
49 wise directed by the Legislature. The cost of any examina-
50 tion, service or act by the chief inspector made necessary,
51 or the part thereof as was made necessary, by the willful
52 fault of any officer or employee, may be recovered by the
53 chief inspector from that person, on motion, on ten days'
54 notice in any court having jurisdiction.

55 For the purpose of permitting payments to be made at
56 definite periods to deputy inspectors and assistants for per
57 diem compensation and expenses, there is hereby created
58 a revolving fund for the chief inspector's office. The fund
59 shall be accumulated and administered as follows:

60 (1) There shall be appropriated from the state fund
61 general revenue the sum of twenty-five thousand dollars
62 to be transferred to this fund to create a revolving fund
63 which, together with other payments into this fund as
64 provided in this article, shall constitute a fund to defray
65 the cost of this service.

66 (2) Payments received for the cost of services of the chief
67 inspector's office and interest earned on the invested
68 balance of the chief inspector's revolving fund shall be
69 deposited into this revolving fund, which shall be known
70 as the chief inspector's fund.

71 (3) Any appropriations made to this fund may not be
72 considered to have expired at the end of any fiscal period.

§6-9-12. Business intern program.

1 Beginning the first day of July, two thousand two, the
2 chief inspector shall develop in conjunction with the
3 graduate business programs at West Virginia university
4 and Marshall university an intern program which utilizes
5 students pursuing a graduate degree in business, econom-
6 ics or accounting to assist in the auditing function of the
7 office of the chief inspector. This program shall provide
8 that those students who satisfactorily complete the
9 program shall receive up to two hours credit toward their
10 degree.

The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Greg D. Moore
.....
Chairman Senate Committee

J. Langford
.....
Chairman House Committee

Originated in the Senate.

In effect ninety days from passage.

Donnell G. Hicks
.....
Clerk of the Senate

Breezy D. Smith
.....
Clerk of the House of Delegates

Carl Ray Tomblin
.....
President of the Senate

[Signature]
.....
Speaker House of Delegates

The within is approved this the 1st
Day of May, 2001.

[Signature]
.....
Governor

PRESENTED TO THE

GOVERNOR

Date 4/30/01

Time 2:55 pm