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SB 203 S

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2007 MAR 27 AM 10:45

OFFICE WEST VIRGINIA
SECRETARY OF STATE

WEST VIRGINIA LEGISLATURE
SEVENTY-EIGHTH LEGISLATURE
REGULAR SESSION, 2007

ENROLLED

Senate Bill No. 203

(BY SENATORS TOMBLIN, MR. PRESIDENT, AND
CARUTH, BY REQUEST OF THE EXECUTIVE)

[Passed March 10, 2007; in effect ninety days from passage.]

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AN ACT to amend the Code of West Virginia, 1931, as amended, by adding thereto a new section, designated §5A-3-58; and to amend and reenact §12-3-10a, §12-3-10d and §12-3-10e of said code, all relating to the state Purchasing Card Program; creating the Purchasing Improvement Fund; authorizing use of purchasing cards for regular routine payments, travel and emergency purchases and cash advances for travel purchases; authorizing expenditures from the Purchasing Card Administration Fund to pay expenses related to the use of the card and the general operation of the Auditor's office; providing expenditure from the fund for the Hatfield-

McCoy Regional Recreation Authority; and adding members to the Purchasing Card Advisory Committee.

Be it enacted by the Legislature of West Virginia:

That the Code of West Virginia, 1931, as amended, be amended by adding thereto a new section, designated §5A-3-58; and that §12-3-10a, §12-3-10d and §12-3-10e of said code be amended and reenacted, all to read as follows:

CHAPTER 5A. DEPARTMENT OF ADMINISTRATION.

ARTICLE 3. PURCHASING DIVISION.

§5A-3-58. Creation of the Purchasing Improvement Fund.

1 There is hereby created in the State Treasury a special
2 revenue account to be known as the Purchasing
3 Improvement Fund. The Purchasing Improvement Fund
4 shall receive funds transferred from the Purchasing
5 Card Administration Fund by the Auditor pursuant to
6 section ten-d, article three, chapter twelve of this code
7 and shall be administered by the secretary.
8 Expenditures from the fund shall be for the purposes set
9 forth in this article and are not authorized from
10 collections but are to be made only in accordance with
11 appropriation by the Legislature and in accordance
12 with the provisions of article three, chapter twelve of
13 this code and upon fulfillment of the provisions of
14 article two, chapter eleven-b of this code: *Provided,*
15 That for the fiscal year ending the thirtieth day of June,
16 two thousand eight, expenditures are authorized from
17 collections rather than pursuant to appropriation by the
18 Legislature.

CHAPTER 12. PUBLIC MONEY AND SECURITIES.

ARTICLE 3. APPROPRIATIONS, EXPENDITURES AND DEDUCTIONS.**§12-3-10a. Purchasing Card Program.**

1 Notwithstanding the provisions of section ten of this
2 article, payment of claims may be made through the use
3 of the state Purchasing Card Program authorized by the
4 provisions of this section. The Auditor, in cooperation
5 with the Secretary of the Department of
6 Administration, may establish a state Purchasing Card
7 Program for the purpose of authorizing all spending
8 units of state government to use a purchasing card as an
9 alternative payment method. The Purchasing Card
10 Program shall be conducted so that procedures and
11 controls for the procurement and payment of goods and
12 services are made more efficient. The program shall
13 permit spending units to use a purchasing card to pay
14 for goods and services. Notwithstanding any other
15 provision of this code to the contrary, a purchasing card
16 may be used to make any payment authorized by the
17 Auditor, including regular routine payments and travel
18 and emergency payments, and such payments shall be
19 set at an amount to be determined by the Auditor.
20 Purchasing cards may not be utilized for the purpose of
21 obtaining cash advances, whether the advances are
22 made in cash or by other negotiable instrument:
23 *Provided*, That purchasing cards may be used for cash
24 advances for travel purchases upon approval of the
25 Auditor. Purchases of goods and services must be
26 received either in advance of or simultaneously with the
27 use of a state purchasing card for payment for those
28 goods or services. The Auditor, by legislative rule, may
29 eliminate the requirement for vendor invoices and
30 provide a procedure for consolidating multiple vendor
31 payments into one monthly payment to a charge card
32 vendor. Selection of a charge card vendor to provide

33 state purchase cards shall be accomplished by
34 competitive bid. The Purchasing Division of the
35 Department of Administration shall contract with the
36 successful bidder for provision of state purchasing
37 cards. Purchasing cards issued under the program shall
38 be used for official state purchases only. The Auditor
39 shall propose rules for promulgation in accordance with
40 the provisions of article three, chapter twenty-nine-a of
41 this code to govern the implementation of the purchase
42 card program.

§12-3-10d. Purchasing Card Fund created; expenditures.

1 (a) All money received by the state pursuant to any
2 agreement with vendors providing purchasing charge
3 cards, and any interest or other return earned on the
4 money, shall be deposited in a special revenue revolving
5 fund, designated the Purchasing Card Administration
6 Fund, in the State Treasury to be administered by the
7 Auditor. The fund shall be used to pay all expenses
8 incurred by the Auditor in the implementation and
9 operation of the Purchasing Card Program and may be
10 used to pay expenses related to the general operation of
11 the Auditor's office. The Auditor also may use the fund
12 to pay expenses incurred by spending units associated
13 with the use of the card, including system and program
14 enhancements, and inspection and monitoring of
15 compliance with all applicable rules and procedures.
16 Expenditures from the fund shall be made in
17 accordance with appropriations by the Legislature
18 pursuant to the provisions of article three, chapter
19 twelve of this code and upon fulfillment of the
20 provisions of article two, chapter five-a of this code.

21 (b) Within three days of receiving rebate moneys

22 resulting from state spending unit purchasing card
23 purchases, the Auditor shall transfer fifteen and one-
24 half percent of such rebate moneys to the Purchasing
25 Improvement Fund created pursuant to section fifty-
26 eight, article three, chapter five-a of this code.

27 (c) Within three days of receiving rebate moneys
28 resulting from state spending unit purchasing card
29 purchases, the Auditor shall transfer fifteen and one-
30 half percent of such rebate moneys to the Hatfield-
31 McCoy Regional Recreation Authority.

**§12-3-10e. Purchasing Card Advisory Committee created;
purpose; membership; expenses.**

1 There is created a Purchasing Card Advisory
2 Committee to enhance the development and
3 implementation of the purchasing card program. The
4 committee shall solicit input from state agencies and
5 make recommendations to improve the performance of
6 the Purchasing Card Program. The committee consists
7 of fourteen members to be appointed as follows:

8 (1) The Auditor shall serve as chairperson of the
9 committee and shall appoint four members from the
10 State College System of West Virginia and the
11 University System of West Virginia, one member from
12 the Department of Health and Human Resources, one
13 member from the Division of Highways and two
14 additional members at large from any state agency;

15 (2) The Secretary of the Department of Administration
16 shall appoint one member from the Information
17 Services and Communications Division, one member
18 from the Financial Accounting and Reporting Section

19 and one member from the Purchasing Division;

20 (3) The Secretary of the Department of Revenue shall
21 appoint one member from the Department of Revenue;
22 and

23 (4) The State Treasurer shall appoint one member
24 from that office. Committee members shall be appointed
25 for a term of one year, commencing on the first day of
26 July, one thousand nine hundred ninety-eight.
27 Committee members shall receive reimbursement for
28 expenses actually incurred in the performance of their
29 duties on the committee.

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

Ch. White
.....
Chairman Senate Committee

[Signature]
.....
Chairman House Committee

Originated in the Senate.

In effect ninety days from passage.

Russell E. White
.....
Clerk of the Senate

Duggan D. Boy
.....
Clerk of the House of Delegates

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

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

The within *is approved* this
the *26th* Day of *March* 2007.

[Signature]
.....
Governor

PRESENTED TO THE
GOVERNOR

MAR 20 2007

Time 3:50 pm