

# WEST VIRGINIA CODE: §12-6C-7

## **§12-6C-7. Management and control of fund; officers; staff; fiduciary or surety bonds for directors; liability of directors.**

- (a) The management and control of the Consolidated Fund is vested solely in the Board in accordance with the provisions of this article.
- (b) The State Treasurer is the chairperson of the Board. The Board shall elect a vice chairperson. Annually, the directors shall elect a secretary to keep a record of the proceedings of the Board and provide any other duties required by the board. The board may elect a person who is not a member of the board as secretary.
- (c) The board may use the staff of the State Treasurer, employ personnel and contract with any person or entity needed to perform the tasks related to operating the Consolidated Fund.
- (d) The Board shall retain an internal auditor to report directly to the Board and shall fix his or her compensation. As a minimum qualification, the internal auditor shall be a certified public accountant with at least three years' experience as an auditor. The internal auditor shall develop an internal audit plan, with board approval, for the testing of procedures, internal controls and the security of transactions.
- (e) The Board may retain one employee with a chartered financial analyst designation or an employee who is a certified treasury manager.
- (f) Each director shall give a separate fiduciary or surety bond from a surety company qualified to do business within this State in a penalty amount of one million dollars for the faithful performance of his or her duties as a director. The Board shall purchase a blanket bond for the faithful performance of its duties in the amount set by the board of at least \$10 million. The amount of the blanket bond is in addition to the \$1 million individual bond required of each director by the provisions of this section. The Board may require a fiduciary or surety bond from a surety company qualified to do business in this state for any person who has charge of, or access to, any securities, funds or other moneys held by the board and the amount of the fiduciary or surety bond are fixed by the board. The premiums payable on all fiduciary or surety bonds are expenses of the board.
- (g) The directors, employees of the Board and employees of the State Treasurer performing work for or on behalf of the Board are not liable personally, either jointly or severally, for any debt or obligation created by the Board: Provided, That the directors and employees of the Board are liable for acts of misfeasance or gross negligence.
- (h) The board is exempt from the provisions of article three, chapter five-a, and sections seven and eleven, article three, chapter twelve of this code. However, the board is subject to

the purchasing policies and procedures of the State Treasurer's Office.

WV Legislature