WEST VIRGINIA CODE CHAPTER 5A ARTICLE 2B

WV Legislature

§5A-2B-1. Shared Services Section created; purpose; deputy director.

(a) There is hereby created within the Finance Division the Shared Services Section for the purpose of establishing centralized accounting and financial reporting services for state spending units.

(b) The Shared Services Section shall be under the supervision of a deputy director, who shall be appointed by the Secretary of the Department of Administration and who shall, at a minimum, have:

(1) A bachelor's degree from an accredited four-year college or university;

(2) Six years of full-time experience in finance or accounting, with two years of experience as an administrator or supervisor; and

(3) Knowledge of generally accepted accounting principles and budgeting.

(c) The Shared Services Section is authorized to employ necessary personnel, including, but not limited to, accountants, auditors, and procurement officers, to discharge the duties of this article.

(d) The Shared Services Section shall provide, at a minimum, accounting, financial reporting, and budgeting services to spending units who enter into agreements pursuant to §5A-2B-3 of this code. The deputy director may charge a reasonable fee to spending units for the accounting and financial reporting services provided to agencies.

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§5A-2B-2. Cost analysis and reporting.

(a) The Department of Administration shall maintain a cost-performance assessment for use by each state spending unit to measure costs of that spending unit providing its own accounting and financial reporting services.

(b) Annually, on or before April 1, all state spending units shall report to the Shared Services Section information related to costs of providing accounting and financial reporting services based upon the metrics identified by the Shared Services Section in the cost-performance assessment. The deputy director shall evaluate the cost information provided by spending units to determine if the same services could be provided by the Shared Services Section at a lower cost and in a more efficient manner.

(c) Annually, on or before December 31, the deputy director shall report to the Governor and the Joint Committee on Government and Finance the cost savings and efficiencies resulting from providing accounting and financial reporting services by the Shared Services Section.

(d) The Department of Administration may promulgate legislative rules, including emergency rules, to develop the assessment, any forms necessary for reporting costs, and any other information necessary pursuant to §29A-3-1 *et seq*. of this code.

(e) This section does not apply to the Legislature.

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§5A-2B-3. Applicability and exemptions.

(a) Those spending units with a cost-performance assessment greater than the baseline cost set by the Shared Services Section, as determined by the provisions set forth in §5A-2B-2 of this code, shall enter into an agreement with the Shared Services Section for the provision of accounting and financial services.

(b) Any spending unit seeking accounting and financial reporting services may voluntarily request an agreement for the provision of accounting and financial reporting services by the Shared Services Section.

(c) Those spending units with one full-time equivalent position or less dedicated to providing accounting and financial reporting services shall enter into an agreement with the deputy director of the Shared Services Section for the provision of accounting and financial reporting services, provided the deputy director determines the implementation of the agreement would be feasible and documents that the agreement will result in cost savings or efficiencies to the state.

(d) Those spending units that fail to provide any required report or information to the Department of Administration necessary for the completion of any required federal report, including the single audit required by the Single Audit Act of 1984, P.L. 98-502, and the Single Audit Act Amendments of 1996, P.L. 104-156, as well as any subsequent amendments, by the deadlines established by the Department of Administration will be given a one-year probationary period with a plan of corrective action defined by the Department of Administration.

(1) The plan of corrective action shall include defined benchmarks for completing all reports or information necessary for the consolidated annual financial report by the deadline in the next fiscal year.

(2) If a spending unit fails to meet established deadlines by the end of the probationary period, the spending unit shall, at the deputy director’s discretion, enter into an agreement for the provision of accounting and financial reporting services by the Shared Services Section.

(e) The deputy director may decline to enter into an agreement under this section only upon a determination that the complexities of providing accounting, financial reporting, and budgeting services to the spending unit exceed the expertise of the Shared Services Section and that developing that expertise would outweigh any potential cost savings to the state.

(f) When a spending unit has entered into an agreement with the Shared Services Section for the provision of accounting and financial reporting services pursuant to subsection (a) of this section, the spending unit may cancel the agreement at the end of the fiscal year when documentation showing the spending unit can provide the services at a lower cost to the

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state is approved by the deputy director.

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§5A-2B-4. Special revenue fund; payments into fund; disbursements.

There is created in the State Treasury a special revenue fund designated the Shared Services Section Fund. The fund consists of appropriations by the Legislature, funds received for services provided pursuant to this article, and any gifts, grants, or donations received. Expenditures from the fund shall be made by the deputy director for the purposes set forth in this article, and are not authorized from collections, but are to be made only in accordance with appropriation from the Legislature and in §12-3-1 et seq. of this code, and upon the fulfillment of the provisions of §11-2B-1 et seq. of this code.

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