WEST VIRGINIA CODE CHAPTER 6 ARTICLE 9

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§6-9-1. Tax commissioner to be chief inspector and supervisor; assistants, clerks and allowances.

The State Tax Commissioner shall be ex officio the chief inspector and supervisor of public offices, and as such officer (hereafter called the chief inspector) he shall have the power and authority and perform the duties hereafter set forth. He shall have such assistants and clerical help and allowances as may be necessary to enable him to carry out the purposes of this article.

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§6-9-1a. Definitions.

As used in this article:

(a) “Audit” means a systematic examination and collection of sufficient, competent evidential matter needed for an Auditor to attest to the fairness of management’s assertions in the financial statements and to evaluate whether management has sufficiently and effectively carried out its responsibilities and complied with applicable laws and regulations. An audit shall be conducted in accordance with generally accepted auditing standards, standards issued by the chief inspector, and, as applicable, the single audit requirement of the Uniform Guidance, Title 2 of the Code of Federal Regulations, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, as amended or revised from time to time, or any successor circular or regulation of the Office of Management and Budget.

(b) “Examination” includes an audit, review, or small government monitoring as defined in this section.

(c) “Federal awards” means federal financial assistance and federal cost-reimbursement contracts that nonfederal entities receive directly from federal awarding agencies or indirectly from pass-through entities.

(d) “Federal financial assistance” means assistance that nonfederal entities receive or administer in the form of grants, loans, loan guarantees, property, cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, or other assistance, but does not include amounts received as reimbursement for services rendered to individuals in accordance with guidance issued by the director of the federal office of management and budget.

(e) “Financial audit” includes financial statement audits and financial related audits, as defined by government auditing standards.

(f) “Government auditing standards” means the government auditing standards issued by the Comptroller General of the United States, which are applicable to financial audits of government organizations, programs, and activities.

(g) “Investigation” means an examination, inspection, or review of a local government’s finances to determine or ascertain whether fraudulent, illegal, or improper conduct has occurred, including, but not limited to, misappropriation, waste, or misuse of moneys or assets.

(h) “Local government” means any unit of local government within the state, including a county, county board of education, municipality, and any other authority, board, commission, district, office, public authority, public corporation, or other instrumentality of a county, county board of education, or municipality or any combination of two or more local

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governments.

(i) “Nonfederal entity” means a state, local government, or nonprofit organization.

(j) “Office of Management and Budget” means the executive Office of the President of the United States, Office of Management and Budget.

(k) “Proper legal authority” means the prosecuting attorney of the county wherein the audited, examined, or investigated entity is located, the Attorney General, law enforcement, or other legal authority the chief inspector deems appropriate.

(l) “Review” means an inquiry or analytical procedures that provide the Auditor with a reasonable basis for expressing limited assurance that there are no material modifications that should be made to the financial statements in order for them to be in conformity with generally accepted accounting principles or, if applicable, with another comprehensive basis of accounting.

(m) “Single audit” means a financial and compliance audit as defined in the federal Single Audit Act of 1996, as amended, in section 7502(d), chapter 75, title 31 of the United States Code, of a nonfederal entity that includes the entity’s financial statements and federal awards. Each single audit conducted for any fiscal year shall cover the operations of the entire nonfederal entity; or at the option of the nonfederal entity, the audit shall include a series of audits that cover departments, agencies, and other organizational units that expend or otherwise administer federal awards during the fiscal year being audited except that each such audit shall encompass the financial statements and schedule of expenditures of federal awards for each department, agency, and organizational unit, which shall be considered to be a nonfederal entity.

(n) “Small government monitoring” means specialized procedures, performed on certain qualifying local governments as a lower cost alternative to an audit or review.

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§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.

The chief inspector shall formulate, prescribe and install a system of accounting and reporting in conformity with the provisions of this article, which shall be uniform for all local governmental offices and agencies and for all public accounts of the same class and which shall exhibit true accounts and detailed statements for all public funds collected, received and expended for any purpose by all local governmental officers, employees or other persons. The accounts shall show the receipt, use and disposition of all public property under the control of local governmental officers, employees or other persons and any income derived therefrom and of all sources of public income, the amounts due and received from each source, all receipts, vouchers and other documents kept or required to be kept and necessary to identify and prove the validity of every transaction, all statements and reports made or required to be made for the internal administration of the office to which they pertain and all reports published or required to be published for the information of the people regarding any and all details of the financial administration of public affairs. The chief inspector shall prescribe receipt forms for all local governmental offices and agencies and shall formulate, prescribe and install a uniform system with respect to the utilization, processing and disposition of receipts given as evidence of moneys or property collected or received by local governmental offices and agencies. The chief inspector shall also formulate, prescribe and install a system of accounting for the civil accounts of the offices of the magistrates, which shall exhibit true accounts and detailed statements of the services rendered, the name and address of the persons for whom rendered, the charges made and collected therefor and other information as may be necessary to identify the transaction.

The chief inspector is vested and charged with the duties of administering and enforcing the provisions of this article and is authorized to promulgate and to enforce such rules as may be necessary to implement the administration and enforcement. The chief inspector shall use due diligence to ensure that all reports and audits are issued in a timely manner and to comply with all federal audit and bonded indebtedness requirements so as not to jeopardize the entity's funding. The power and authority herein granted shall be in addition to all other power and authority vested by law in the State Tax Commissioner as chief inspector or otherwise.

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§6-9-2a. Local Government Purchasing Card Program.

Notwithstanding any provisions of the code to the contrary, the Auditor may authorize and administer a purchasing card program for local governments under the auspices of the chief inspector division. The purchasing card program shall be conducted so that procedures and controls for the procurement and payment of goods and services are made more efficient and so that the accounting and reporting of such payments shall be uniform for all local governments utilizing the program. The program shall permit local governments to use a purchase charge card to purchase goods and services. Notwithstanding any other code provisions to the contrary, local government purchases may be made with the purchase charge card for any payment authorized by the Auditor, including regular routine payments, travel and emergency payments, and shall be set at an amount to be determined by the Auditor: Provided, That purchasing cards may not be utilized for the purpose of obtaining cash advances, whether the advances are made in cash or by other negotiable instrument: Provided, however, That purchasing cards may be used for cash advances for travel purchases upon approval of the Auditor. Selection of a charge card vendor to provide local government purchasing cards shall be based upon expressions of interest submitted by charge card vendors. The Auditor shall contract with the successful institution for provision of local government purchasing cards. The selection shall be based upon the combination of competence and qualification in the provision of services and a determination of the best financial arrangement for the program. The Auditor may propose rules for promulgation to govern the implementation of the local government purchase card program and may promulgate emergency rules for emergency payments to effectuate the provision of such services.

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§6-9-2b. Local Government Purchasing Card Expenditure Fund Created.

There is hereby created a local Government Purchasing Card Expenditure Fund. Money received by the Auditor pursuant to an agreement with vendors providing local government purchasing charge cards and any interest or other return earned on the money shall be deposited in the special revenue revolving local Government Purchasing Card Expenditure Fund in the state Treasury to be administered by the Auditor. The fund shall be used to pay all expenses incurred by the Auditor in the implementation and operation of the local government purchasing card program. The Auditor may also utilize the fund to provide a proportionate share of rebate back to the General Fund of local governments based upon utilization of the program. Expenditures from the fund shall be made in accordance with appropriations by the Legislature pursuant to the provisions of article three, chapter twelve of this code and upon fulfillment of the provisions set forth in article two, chapter five-a of this code.

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§6-9-2c. Fraudulent or unauthorized use of purchasing card prohibited; penalties.

(a) It is unlawful for any person to use a local government purchasing card, issued in accordance with the provisions of section two-a of this article, to make any purchase of goods or services in a manner which is contrary to the provisions of section two-a of this article or the rules promulgated pursuant to that section.

(b) It is unlawful for any person to knowingly or intentionally possess with the intent to use a purchasing card without authorization pursuant to section two-a of this article or the rules promulgated pursuant to that section.

(c) Any person who violates the provisions of this section is guilty of a felony and, upon conviction thereof, shall be confined in a state correctional facility not less than one year nor more than five years, or fined no more than $5,000, or both fined and imprisoned.

(d) A violation of this section may be prosecuted in the county in which the card was issued, unlawfully obtained, fraudulently used, used without authorization, or where any substantial or material element of the offense occurred.

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§6-9-3. Separate accounts for different appropriations or funds, departments, undertakings, etc.; transfer of unexpended balances.

Separate accounts shall be kept for every appropriation or fund made or levied by a local governing body, showing the date and manner of each payment made out of the funds provided by such appropriation or levy, the name, address and vocation of each person, organization, corporation or association to whom paid, and for what purpose paid. Separate accounts shall be kept for each department, public improvement, undertaking, institution and public service industry under the jurisdiction of every local governing agency; and all service rendered by or property transferred from one department, public improvement, undertaking, institution or public service industry to another shall be paid for at its true and full value by the department, public improvement, undertaking, institution or public service industry receiving the same; and no department, public improvement, undertaking, institution or public service industry shall benefit in any financial manner whatever by an appropriation or fund made for the support of another department, public improvement, undertaking, institution or public service industry. All unexpended balances or appropriations shall be transferred to the credit of the fund from which originally appropriated or levied whenever the account with an appropriation is closed.

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§6-9-4. Separate accounts for each public service industry; contents.

Separate accounts shall be kept for every public service industry, which shall show the true and entire cost of the ownership and operation thereof, the amount collected annually by general or special taxation for services rendered to the public and the amount and character of the service rendered therefor, and the amount collected annually from private users (if any) for service rendered to them, and the amount and character of the service rendered therefor.

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§6-9-5. Reports to and by chief inspector.

The chief inspector shall require from every local taxing agency financial reports covering a full period of each fiscal year, in accordance with the forms and methods prescribed by him which shall be uniform for all accounts of the same class. Such reports shall contain an accurate statement in summarized form of all collections made by or receipts received by the officers from all sources, (of) all accounts due the public but not collected, and of all expenditures for every purpose, and by what authority authorized, and also: (a) A statement of all costs of ownership and operation and of all income of each and every public service industry owned and operated by a municipality; (b) a statement of the entire public debt of every taxing body to which power has been delegated by the state to create a public debt, showing the purpose for which each item of the debt was created, the provisions made for the payment of the debt, together with such other information as may be required by the chief inspector. Such reports shall be certified as to their correctness by the chief inspector or by his assistant appointed by for the purpose. Their substance shall be published in a biennial volume of comparative statistics that shall be issued for each class of accounts at the expense of the state as a public document, and shall be submitted by the chief inspector to the Governor for transmittal to the Legislature.

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§6-9-6. Accounts and reports by local public officers remitting funds collected to proper officer.

All local governing officers, departments, boards and commissions shall keep their financial accounts in records and forms approved or prescribed by the chief inspector of public offices and shall furnish promptly to the chief inspector of public offices such information and reports as may be requested. Refusal or neglect to comply with the requirements of this section shall subject the person offending to removal from office. In case an officer or employee of a local governing agency collects or receives funds for the account of a local governing agency of which he is not an officer or employee, he shall remit to the proper officer of the local governing agency for whose account the collection was made or payment was received, the full amount collected or received for the account of such local governing agency.

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§6-9-7. Examinations into affairs of local public offices; penalties.

(a) The chief inspector has the power by himself or herself, or by any person appointed, designated, or approved by the chief inspector to perform the service, to examine into all financial affairs of every local governmental office or political subdivision and all boards, commissions, authorities, agencies or other offices created under authority thereof. An examination shall be made annually, if required, to comply with the Single Audit Act and when otherwise required by law or contract. When that act does not apply, unless otherwise required by law or by contract, the examination shall be made at least once a year, if practicable. Furthermore, the chief inspector shall furnish annually to the Legislature a list of each local government office or political subdivision and all boards, commissions, authorities, agencies, or other offices created under authority thereof and the year of its most recent completed audit.

(b) When required for compliance with regulations for federal funds received or expended by county boards of education the chief inspector or his or her designee, including any certified public accountant approved by the chief inspector shall conduct and issue an audit report within the time specified in controlling federal regulations. Examinations of other local governments shall be conducted and audit, review, or monitoring reports issued in accordance with uniform procedures of the chief inspector.

(c) In cooperation with institutions of higher education located in the State of West Virginia, the chief inspector may establish and maintain a small government monitoring program. The small government monitoring program shall authorize local governments which are not otherwise required to undergo a single audit or a financial audit to apply to the chief inspector, on an annual basis, for participation in the program. The chief inspector shall prescribe and oversee monitoring procedures that shall be performed by higher education students in the field of accounting. Participating institutions of higher education shall enter into a cooperative agreement with the chief inspector to provide the service. The chief inspector shall prescribe policies and procedures for the administration of the small government monitoring program.

(d) A county board of education may elect, by May 1 of the fiscal year to be audited, to have its annual examination performed by a certified public accountant approved by the chief inspector to perform the examinations. When this election is made, a copy of the order of the county board making the election shall be filed with the chief inspector and the State Board of School Finance. The county board of education is allowed to contract with any certified public accountant on the chief inspector’s then current list of approved certified public accountants, unless the State Board of School Finance or the prosecuting attorney of the county in which the board is located timely submits to the chief inspector a written request for the examination to be performed by the chief inspector or a person appointed by the chief inspector, or the chief inspector determines that a special or unusual situation exists. The county board shall follow the audit bid procurement procedures established by the chief inspector in obtaining the audit.

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(e) The chief inspector shall, at least annually, prepare a list of certified public accountants approved by the chief inspector to perform examinations of local governments. Names shall be added to or deleted from that list in accordance with uniform procedures of the chief inspector. When each list or updated list is issued, the chief inspector shall promptly file a copy of the list in the State Register and send a copy to the State Board of Education, the State Board of School Finance, and to local governments who request a copy.

(f) A county board of education, when procuring the services of a certified public accountant on the chief inspector's list, shall follow the procurement standards prescribed by the Uniform Guidance, Title 2 of the Code of Federal Regulations, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, in effect for the fiscal year being examined, or in any replacement circular or regulation of the Office of Management and Budget and in addition shall follow those standards as determined by the office of chief inspector.

(g) The approved independent certified public accountant making examinations under this section shall comply with requirements of this section applicable to examinations performed by the chief inspector, including applicable requirements of the federal government and uniform procedures of the chief inspector applicable to examinations of county boards of education.

(1) Upon completion of the certified public accountant's examination and audit or review report, the certified public accountant shall promptly send two copies of the certified report to the county board of education who shall file one copy with the federal Audit Clearing House. The certified public accountant shall send one copy of the certified report to the State Board of School Finance, and one copy to the chief inspector.

(2) If any examination discloses misfeasance, malfeasance, or nonfeasance in office on the part of any public officer or employee, the certified public accountant shall submit his or her recommendation to the chief inspector regarding the legal action the approved certified public accountant considers appropriate, including, but not limited to, whether criminal prosecution or civil action to effect restitution is appropriate, and three additional copies of the certified audit report. After review of the recommendations and the audit report, the chief inspector shall proceed as provided in §6-9-7(n) of this code. For purposes of this section and §18-9B-13 of this code, a certified audit report of an approved certified public accountant shall be treated in the same manner as a report of the chief inspector.

(h) On every examination, inquiry shall be made as to the financial conditions and resources of the agency having jurisdiction over the appropriations and levies disbursed by the office and whether the requirements of the Constitution and statutory laws of the state and the ordinances and orders of the agency have been properly complied with and also inquire into the methods and accuracy of the accounts and such other matters of audit and accounting as the chief inspector may prescribe.

(i) If a local government office is not subject to a single audit requirement under federal

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regulations or if it is not otherwise required by law or contract to undergo an annual audit and its expenditures from all sources are less than $500,000 during the fiscal year the chief inspector may choose to perform either a review or audit on the local government office and may in his or her discretion determine the frequency of such review or audit.

(j) The chief inspector or any authorized assistant may issue subpoenas and compulsory process, direct the service thereof by any sheriff, compel the attendance of witnesses and the production of books and papers at any designated time and place, selected in their respective county, and administer oaths.

(k) If any person refuses to appear before the chief inspector or his or her authorized assistant when required to do so, refuses to testify on any matter or refuses to produce any books or papers in his or her possession or under his or her control, he or she is guilty of a misdemeanor and, upon conviction thereof, shall be fined not more than $100 and confined for not more than six months.

(l) A person convicted of willful false swearing in an examination is guilty of a misdemeanor and, upon conviction thereof, shall be fined not more than $100 and confined in jail not more than six months.

(m) Except as otherwise provided in this section, a copy of the certified report of each examination shall be filed in the office of the commissioner, chief inspector with the governing body of the local government and with other offices as prescribed in uniform procedures of the chief inspector.

(n) If any audit, examination or investigation discloses misfeasance, malfeasance, or nonfeasance in office on the part of any public officer or employee, a certified copy of the report shall be published electronically by the chief inspector with notice of the publishing sent in writing to the proper legal authority of the entity being audited, examined, or investigated the chief inspector deems appropriate for such legal action as is proper. At the time the certified audit, examination, or investigation report is published, the chief inspector shall notify the proper legal authority of the entity being audited, examined, or investigated he or she deems appropriate in writing of his or her recommendation as to the legal action that the chief inspector considers proper, whether criminal prosecution or civil action to effect restitution, or both.

(o) If the proper legal authority or prosecuting attorney, within 90 days of receipt of the certified audit report and recommendations, refuses, neglects, or fails to take efficient legal action by a civil suit to effect restitution or by prosecuting criminal proceedings, in accordance with the recommendations, the chief inspector may institute the necessary proceedings or participate therein and prosecute the proceedings in any court of the state to a final conclusion.

(p) A local government that is not a county board of education may elect, by May 1 of the fiscal year to be audited, to have its annual examination performed by a certified public

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accountant approved by the chief inspector to perform the examinations. When this election is made, a copy of the order of the governing body making the election shall be filed with the chief inspector. An electing local government is allowed to contract with any certified public accountant on the chief inspector's then current list of approved certified public accountants, unless the prosecuting attorney of the county in which the local government is located timely submits to the chief inspector a written request for the examination to be performed by the chief inspector or a person appointed by the chief inspector, or the chief inspector determines that a special or unusual situation exists: Provided, That the audit of a local government may be performed by the chief inspector at his or her discretion. The local government shall follow the audit bid procurement procedures established by the chief inspector in obtaining the audit: Provided, however, That the chief inspector may elect to conduct the audit of a local unit of government with one or more members of his or her audit staff where, in the opinion of the chief inspector, a special or unusual situation exists.

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

(a) The cost of any service or act performed by the chief inspector under the provisions of this article as to any county or district office, officer or institution shall be paid by the county commission of the county; the cost of any service or act to any board of education shall be paid by the board; the cost of any service or act to any municipal corporation shall be paid by the authorities of the municipal corporation: *Provided*, That in municipalities in which the total revenue from all taxes does not exceed the sum of $2,000 annually, the cost including the per diem and all actual costs and expenses of the services shall not exceed the sum of $200. The cost of this service shall be the actual cost and expense of the service performed, including transportation, hotel, meals, materials, per diem compensation of deputies, assistants, clerical help, and the other costs that are necessary to enable them to perform the services required, but the costs shall not exceed the sum of $3,000 for services rendered to a Class IV municipality: *Provided, however*, That the chief inspector may charge up to an additional $3,000 for costs incurred for each service or act performed for a utility or park system owned by a Class IV municipality and for each policemen's and firemen's pension and relief fund maintained by the municipality: *Provided further*, That if a municipality is required to undergo a single audit by the federal agency or agencies making a grant, the cost limitations of this subsection do not apply: And provided further, That the chief inspector shall provide a written quote for all costs in advance for all services required by this article. The chief inspector shall render to the agency liable for the cost a statement of the cost as soon after the cost was incurred as practicable and the agency shall allow the cost and cause it to be paid promptly in the manner that other claims and accounts are allowed and paid and the total amount constitutes a debt against the local agency due the state. Whenever there is in the State Treasury a sum of money due any county commission, board of education or municipality from any source, upon the application of the chief inspector, the sum shall be at once applied on the debt against the county commission, board of education or municipality and the fact of the application of the fund shall be reported by the Auditor to the county commission, board of education or municipality, which report shall be a receipt for the amount named in the report. All money received by the chief inspector from this source shall be paid into the State Treasury, shall be deposited to the credit of an account to be known as chief inspector's fund and shall be expended only for the purpose of covering the cost of the services, unless otherwise directed by the Legislature. The cost of any examination, service, or act by the chief inspector made necessary, or the part thereof that was made necessary, by the willful fault of any officer or employee, may be recovered by the chief inspector from that person, on motion, on 10-days' notice in any court having jurisdiction.

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

(1) Subject to legislative appropriation, the sum of $25,000 to be transferred to this fund to create a revolving fund which, together with other payments into this fund as provided in

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this article, shall constitute a fund to defray the cost of this service;

(2) Payments received for the cost of services of the chief inspector's office and interest earned on the invested balance of the chief inspector's revolving fund shall be deposited into this revolving fund, which shall be known as the Chief Inspector's Fund;

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

(4) The chief inspector may transfer an amount not to exceed $400,000 from the Chief Inspector's Fund to the special operating fund created in §32-4-401 *et seq*. of this code: *Provided*, That any transfers shall be completed prior to July 1, 2003.

(c) Notwithstanding §61-11A-4 of this code, a court may, in its discretion, when sentencing a defendant convicted of a felony or misdemeanor based upon any audit, examination, or investigation by the State Auditor, which discloses misfeasance, malfeasance, or nonfeasance in the office on the part of any public officer or employee, order reimbursement to the State Auditor for the actual costs of auditing, investigating, or prosecuting a violation.

(1) There is hereby established a special fund in the State Treasury known as the "State Auditor's Public Integrity and Fraud Fund." The fund shall be administered by the State Auditor to enhance fraud detection, prevention, transparency and enforcement efforts for the purposes of carrying out the duties under this article, and §12-4A-3 of this code and shall consist of moneys deposited in the fund pursuant to this subsection, any other funds appropriated by the Legislature, and the interest or other earnings on the moneys in the fund.

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§6-9-8a. Audit cost amnesty program.

(a) Notwithstanding any other code provision to the contrary, the chief inspector shall establish a one time audit cost amnesty program to be conducted during the 2014 fiscal year.

(b) The amnesty program shall apply only to:

(1) Audits conducted by the chief inspector; and

(2) Audit costs that are for fiscal years prior to the two most recent audits completed or in progress as of July 1, 2013.

(c) The chief inspector shall establish procedures and forms for processing applications to the program.

(d) An entity is not eligible to participate in the amnesty program unless fees related to its two most recent audits completed or in progress as of July 1, 2013, have been paid in full prior to its request for amnesty.

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§6-9-9. Deputies of chief inspector.

Any duty or act required by this article to be performed by the chief inspector may be performed with like effect by any deputy or assistant appointed by the chief inspector.

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§6-9-9a. Public inspection of reports of examinations.

All reports of examinations and audits of public offices made in accordance with the provisions of §6-9-7 of this code, and the copies thereof, when filed in the office of the chief inspector of public offices or in the office of the State Tax Commissioner, shall be public documents and shall be available for public inspection: Provided, That if an examination or investigative report discloses misfeasance, nonfeasance, or malfeasance, the chief inspector may direct that a report remain confidential until such time that the proper legal authority, as described in §6-9-7(n) of this code, has completed its investigation or adjudication of the matter and authorizes public disclosure.

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§6-9-9b. Documentation of chief inspector.

(a) The audit working papers created by the chief inspector division during examinations or investigations shall be considered confidential, and shall not be deemed public records for purposes of §29B-1-1 et seq. of this code.

(b) For purposes of this section, “audit working papers” includes, but is not limited to, the books and records of the entity being audited, intra- and inter-agency communications, draft reports, summaries, schedules, notes, memoranda, and all other records relating to an examination or investigation by the chief inspector division.

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§6-9-10. Statutory references to audits or examinations of state offices by Tax Commissioner or inspector or supervisor of public offices.

Whenever any statute refers to an audit or examination of a state department or agency by the Tax Commissioner or inspector and/or supervisor of public offices, if within the prescribed functions and duties of the Legislative Auditor in making post audit of such state department or agency, and in order to avoid duplication, the reference shall be deemed to be made to the Legislative Auditor to whom such functions and duties have been transferred.

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§6-9-11. Transfer of certain powers and duties of Tax Commissioner to State Auditor; rules; interagency agreement; report to Legislature.

(a) Effective July 1, 1999, the State Auditor shall be the chief inspector and supervisor of local government offices. For the purposes of this section and any section of this code relating to the chief inspector, "local government office" means any unit of local government within the state, including a county, county board of education, municipality, and any other authority, board, commission, district, office, public authority, public corporation or other instrumentality of a county, county board of education or municipality or any combination of two or more local governments.

The State Auditor shall assume and perform those duties previously vested in the Tax Commissioner under this section and any section of this code relating to the chief inspector, which sections are identified in subsection (d) of this section, pertaining to:

(1) Making annual or special financial and compliance examinations or audits of local government offices;

(2) Providing annual training to county officials pertaining to their work: Provided, That this annual training may not include matters directly or indirectly pertaining to determining the appraised or assessed value of property or equalization of assessed values of property for ad valorem property tax purposes;

(3) Reviewing and approving annual budgets and changes in budgets during the fiscal year; and

(4) Approving proposed levy rates, whether regular or special.

(b) Effective July 1, 1999, all records, property of whatever kind and character, including, but not limited to, current office space occupied by the chief inspector division of the Tax Division, all personnel in positions assigned to the chief inspector division and the fund established in section eight of this article shall be transferred to the State Auditor.

(c) The State Auditor shall propose rules for legislative approval in accordance with the provisions of article three, chapter twenty-nine-a of this code to implement the provisions of this section and any section of this code relating to the chief inspector.

(d) Notwithstanding any provision of this code to the contrary, after June 30, 1999, whenever the words "Tax Commissioner" or "State Tax Commissioner" appear in the following subsections, sections or articles of this code, these words shall mean the "State Auditor in his or her capacity as the chief inspector and supervisor of local government offices": Article nine, chapter six; section nine, article one, chapter seven; sections sixteen and eighteen, article five of chapter seven; sections two, three, four and seventeen, article seven of chapter seven; section twelve, article twelve of chapter seven; section nine, article thirteen of chapter seven; section seventeen, article seventeen of chapter seven; section

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sixteen, article eight of chapter eight; sections seven, eighteen, nineteen and twenty-three, article thirteen of chapter eight; section seven, article sixteen of chapter eight; section four, article twenty-three of chapter eight; section sixteen, article twenty-nine of chapter eight; section four, article twenty-nine-a of chapter eight; section two, article thirty-two of chapter eight; section eight, article thirty-three of chapter eight; section six, article one of chapter ten; sections six-b, six-c, seven, eight, ten, ten-a, eleven, twelve, twelve-a, thirteen, fourteen, fourteen-a, fifteen, eighteen, twenty, twenty-one, twenty-three, twenty-four, twenty-five-a, twenty-six-a and thirty, article eight of chapter eleven; subsections (i) and (j), section five-a and subsections (i) and (j), section six, article thirteen-a of chapter eleven; sections eight, twelve and thirteen, article one of chapter eleven-a; section eleven, article two of chapter eleven-a; sections fourteen, thirty-two and sixty-four, article three of chapter eleven-a; section twenty, article three of chapter twelve; section five, article four of chapter twelve; section twenty, article one of chapter thirteen; section twenty-five, article two of chapter eighteen; section three-a, article nine of chapter eighteen; sections one, three, six, nine, twelve and thirteen, article nine-b of chapter eighteen; section five, article nine-d of chapter eighteen; section thirteen-b, article twenty-one-a of chapter nineteen; section eight, article two of chapter twenty-four; section nineteen, article twenty-one of chapter twenty-nine; section twenty, article one of chapter fifty-two; and section thirty, article one of chapter fifty-nine, all of this code.

(e) On or before July 1, 1999, the State Auditor and the State Tax Commissioner shall file with the Governor, the President of the Senate and the Speaker of the House of Delegates, an interagency agreement clarifying transition procedures and respective powers of the Auditor and Tax Commissioner. A copy of the interagency agreement shall be filed with the Secretary of State, and shall be a public record.

(f) On or before December 1, 1999, the State Auditor and the State Tax Commissioner shall jointly report to the Legislature as to any conflicts in this code created by the enactment of this section for which legislation is recommended for enactment during the 2000 regular session.

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§6-9-12. Business intern program.

Beginning July 1, 2002, the chief inspector shall develop in conjunction with the graduate business programs at West Virginia University and Marshall university an intern program which utilizes students pursuing a graduate degree in business, economics or accounting to assist in the auditing function of the office of the chief inspector. This program shall provide that those students who satisfactorily complete the program shall receive up to two hours credit toward their degree.

WV Legislature