WEST VIRGINIA LEGISLATURE
REGULAR SESSION, 1988

ENROLLED
Committee Substitute
SENATE BILL NO. 115

(By Senator ___)

PASSED February 22, 1988
In Effect ninety days from Passage
AN ACT to amend chapter five of the code of West Virginia, one thousand nine hundred thirty-one, as amended, by adding thereto a new article, designated article twenty-five, relating to resident trustee accounts for residents of certain state institutions; requiring reports and a management accounting system; declaring money not part of the state fund and making such money a claim against the state.

Be it enacted by the Legislature of West Virginia:

That chapter five of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended by adding thereto a new article, designated article twenty-five, to read as follows:

ARTICLE 25. RESIDENT TRUSTEE ACCOUNTS.

§5-25-1. Resident trustee accounts required, reports.

1 All state institutions including, but not limited to, those institutions under the control of the department of veterans affairs, the department of health, or the department of human services which provide custodial care for any person for any purpose whatsoever shall establish resident trustee
accounts for all persons resident at the institution who
request such accounts or who are unable to manage their
own funds. The administrator in charge of the institution
shall take possession of all money or other valuables on the
person of or sent to each resident for whom a trustee
account has been established: Provided, That this article
shall not apply to state institutions under the control of the
department of corrections or where there is a legal
representative appointed for such person.

The administrator shall credit such money and valuables
to the resident entitled thereto and shall keep an accurate
record of all moneys and valuables received or disbursed.
This account is subject to examination by the head of the
department which controls the institution. The
administrator shall deposit such fiduciary funds received
with the state board of investments, except for those funds
required to be kept locally. The local funds shall be
deposited in one or more responsible banks. The accounts
shall be designated "resident trustee account."
The administrator shall ensure that proper
disbursements are made from the "resident trustee
account" when required for the maintenance of the resident
or when agreed to by the resident.
The administrator shall deliver to the resident, or to the
resident's responsible representative payee when
applicable, at the time the resident leaves the institution all
valuables or moneys then credited to the resident or, in the
case of the death of a resident before leaving the institution,
the administrator shall deliver such property to the
resident's representative.
The administrator of the institution shall submit a
monthly report to the head of the department controlling
the institution. This report shall provide a reconciliation of
each resident trustee account or other fiduciary account
maintained by the institution.
The director of any department who receives these
monthly reports shall submit each month to the legislative
auditor a record of the reconciliations for each institution.


(a) The commissioner of finance and administration
shall within ninety days after this article initially goes into
effect develop a system of management accounting for all
bank accounts held by each state institution where funds are held in a fiduciary capacity for residents of the institution. The management accounting system shall include a method of internal management accounting control for funds held in a fiduciary capacity for residents of public institutions.

(b) The commissioner of finance and administration shall deliver proper instructions for instituting the system of management accounting to the heads of all departments which control state institutions where funds are held in a fiduciary capacity for residents. The department heads shall institute the system of management accounting at each institution under their control.

§5-25-3. Money not part of state fund.

Money held in a fiduciary capacity for residents in state institutions in resident trustee accounts shall not be credited to the state fund nor treated by the state auditor or state treasurer as part of the general revenue fund of the state.

§5-25-4. Resident trustee accounts claim against the state.

Any money held in a resident trustee account in any state institution which is in any manner misappropriated from that account may be recovered by the resident or the resident's legal representative under the provisions of article two, chapter fourteen of this code and such money is hereby specifically made a claim against the state for the purposes of such article.
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Chairman Senate Committee

Chairman House Committee

Originated in the Senate.

In effect ninety days from passage.

Clerk of the Senate

Clerk of the House of Delegates

President of the Senate

Speaker House of Delegates

The within .................... this the 1st day of .................... 1988.

Governor