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.]
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-
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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.

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

CHAPTER 12. PUBLIC MONEY AND SECURITIES.
ARTICLE 3. APPROPRIATIONS, EXPENDITURES AND DEDUCTIONS.

§12-3-10a. Purchasing Card Program.

Notwithstanding the provisions of section ten of this article, payment of claims may be made through the use of the state Purchasing Card Program authorized by the provisions of this section. The Auditor, in cooperation with the Secretary of the Department of Administration, may establish a state Purchasing Card Program for the purpose of authorizing all spending units of state government to use a purchasing card as an alternative payment method. 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. The program shall permit spending units to use a purchasing card to pay for goods and services. Notwithstanding any other provision of this code to the contrary, a purchasing card may be used to make any payment authorized by the Auditor, including regular routine payments and travel and emergency payments, and such payments shall be set at an amount to be determined by the Auditor. 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, That purchasing cards may be used for cash advances for travel purchases upon approval of the Auditor. Purchases of goods and services must be received either in advance of or simultaneously with the use of a state purchasing card for payment for those goods or services. The Auditor, by legislative rule, may eliminate the requirement for vendor invoices and provide a procedure for consolidating multiple vendor payments into one monthly payment to a charge card vendor. Selection of a charge card vendor to provide
state purchase cards shall be accomplished by
competitive bid. The Purchasing Division of the
Department of Administration shall contract with the
successful bidder for provision of state purchasing
cards. Purchasing cards issued under the program shall
be used for official state purchases only. The Auditor
shall propose rules for promulgation in accordance with
the provisions of article three, chapter twenty-nine-a of
this code to govern the implementation of the purchase
card program.

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

(a) All money received by the state pursuant to any
agreement with vendors providing purchasing charge
cards, and any interest or other return earned on the
money, shall be deposited in a special revenue revolving
fund, designated the Purchasing Card Administration
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 Purchasing Card Program and may be
used to pay expenses related to the general operation of
the Auditor's office. The Auditor also may use the fund
to pay expenses incurred by spending units associated
with the use of the card, including system and program
enhancements, and inspection and monitoring of
compliance with all applicable rules and procedures.
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 of article two, chapter five-a of this code.

(b) Within three days of receiving rebate moneys
resulting from state spending unit purchasing card
purchases, the Auditor shall transfer fifteen and one-
half percent of such rebate moneys to the Purchasing
Improvement Fund created pursuant to section fifty-
eight, article three, chapter five-a of this code.

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

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

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

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

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

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

(4) The State Treasurer shall appoint one member from that office. Committee members shall be appointed for a term of one year, commencing on the first day of July, one thousand nine hundred ninety-eight. Committee members shall receive reimbursement for expenses actually incurred in the performance of their duties on the committee.
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 is approved this day of March, 2007.

Governor