

**WEST VIRGINIA STATUTES
RELATED TO SCHOOL FINANCE
(AS OF JULY 2010)**

- §5-16-1 Relating to the Public Employees Insurance Agency (PEIA).
- §5-22-1 The state and every political subdivision is required to solicit competitive bids for every construction project exceeding \$25,000; provides that a vendor who has been debarred under §5A-3-33a may not bid or be awarded a contract under this section.
- §5A-3-10a Prohibits the State or any political subdivision, including county boards of education, from awarding or renewing a contract with any vendor or related party to the vendor that owes a debt greater than \$1,000 to the State or any political subdivision, including workers' compensation payments, and requires that the vendor provide an affidavit stating that the vendor is not a debtor under the definition of this section. Regarding workers' compensation payments, the statute prohibits contract awards and renewals with any vendor that (1) has an outstanding balance or liability in any amount to the "Old Fund" or the "Uninsured Employer Fund," (2) is in policy default, or (3) fails to maintain mandatory workers' compensation coverage or to fully meet its obligations as a workers' compensation self-insured employer.
- §6-8-1 County sheriff required to make a settlement of his/her accounts, within thirty days after the thirtieth day of June of each year, or within thirty days after the close of his/her term of office.
- §6-9-7 Authorizes county boards of education to have annual audits conducted by certified public accountant; requires that the election be made by May 1 of the fiscal year to be audited.
- §6-9-11 Transfers certain powers of tax commissioner as, ex officio, chief inspector and supervisor of public offices to state auditor.
- §6-9A-1 Related to open governmental proceedings.
- §10-2A-2 County boards authorized to establish, construct, acquire, extend, equip and own athletic facilities. Required to establish and maintain equitable charges and rentals for use of the facilities.
- §11-8-5 Classification of property for levy purposes.
- §11-8-6 County assessors required to issue to all levying bodies their certificates of valuation certifying the assessed valuation of all property in the county.
- §11-8-6c Maximum levies on each class of property.
- §11-8-6f Levy rates for the regular levy to be set by legislature uniformly statewide and proportionally for all classes of property so that the total statewide property tax revenues to be realized from the regular levy tax collections for the forthcoming year will not increase by more than two percent of the current year's projected property tax revenues, exclusive of increases due to new construction, improvements to existing real property, or newly acquired personal property, unless a public hearing is held.
- §11-8-9 Each local levying body must hold a meeting or meetings between the seventh and twenty-eight days of March to ascertain the fiscal condition of the board. The session is to stand adjourned until the third Tuesday in April. Extends the time that a levying body must meet to the first day of June where a special levy is placed on the ballot for consideration during a primary levy.
- §11-8-12 Each board of education at the session provided for in §11-8-9, after having ascertained the fiscal condition of the board, determine the amount to be raised by the levy of taxes, prepare a Schedule of Proposed Levy Rates, and submit one copy to the state auditor and one copy to the state board of education.

- §11-8-12a Each board of education must reconvene the March meeting on the third Tuesday in April to officially enter all levies, after having received approval from the state auditor, unless a special levy is placed on the primary ballot.
- §11-8-25 Except as otherwise provided in statute, funds derived from the levying of taxes shall be expended only for the purpose for which raised.
- 11-8-26 A local fiscal body shall not expend money or incur obligations:
- (1) In an unauthorized manner;
 - (2) For an unauthorized purpose,
 - (3) In excess of the amount allocated in the fund in the levy order,
 - (4) In excess of the funds available for current expenses.
- A local fiscal body or its duly authorized officials shall not be penalized for a casual deficit which does not exceed its approved levy estimate by more than three percent (3%). Provided that the casual deficit is satisfied in the levy estimate for the succeeding year and provided further that in calculating the deficit for purposes of this section, it is not to include any amount due the Retiree Health Benefit Trust Fund (RHBTFF) as an accrued unfunded liability beyond the minimum annual employer payment.
- Fiscal bodies cannot obligate future levies. Lease purchase contracts must include a cancellation clause; contract cannot require the giving of a notice regarding cancellation.
- §11-8-28/31a Relates to suit to recover unlawful expenditures, personal and criminal liabilities of officials who participate in unlawful expenditures.
- §11-10-11 State and all political subdivisions to withhold final payment on all contracts until the receipt of a certificate from tax commissioner certifying that all taxes owed by the contractor have been paid. If applicable, county and municipal taxes must also be verified as paid.
- §11A-1-15 Requires the sheriff to remit all taxes collected during each month for any municipality or board of education to that entity on or before the tenth of the following month.
- §12-3-18 Requires that an itemized accounting be submitted by any claimant for services rendered or materials furnished before payment can be made; payment cannot be made until the services are rendered or materials furnished; and all payments must be approved by the governing body. As a result, except for faculty senate funds, county boards of education are not authorized to distribute public funds to schools for expenditure by the schools.
- §12-3-19 General orders for payment prohibited; all orders must be made payable to the persons lawfully entitled to such payment.
- §12-3-20 County board treasurers authorized to disburse or transfer funds by electronic or wire transfer; the transfer shall include appropriate electronic remittance voucher information.
- §13-1-2 Purposes for which bonds may be issued.
- §13-1-3 Bonded indebtedness of county boards of education cannot exceed, in the aggregate, five percent of the value of the taxable property in the county.
- §13-2-1 Authority of levying bodies to issue refunding bond issues.
- §18-1-1(p) Casual deficit defined to mean a deficit of not more than three percent of the approved levy estimate or a deficit that is nonrecurring from year to year.
- §18-1-2 The school year to begin on the first day of July and end on the thirtieth day of June, and all reports, accounts, and settlements to be made on this basis.

- §18-2-26 Authorizes the State Board to establish regional education service agencies (RESAs); requires that at least one half of meetings be held during hours other than those of regular school day; county board members serving on RESA board may be compensated at a rate not to exceed \$100 per meeting, not to exceed 15 meetings per year.
- §18-4-10 Defines the duties of the county superintendent, including the duty to act as the chief executive officer of the county board, to nominate all personnel to be employed by the board, and to exercise all other authority granted by statute or required by the county or State boards.
- §18-5-1 Each county school district to be under the supervision and control of a county board of education composed of five members.
- §18-5-4 Related to meetings of county boards of education; compensation of members not to exceed \$160 per meeting attended or 50 meetings per year; authorizes reimbursement of travel expenses of board members. Also authorizes the payment of compensation to board of education members who serve on the administrative councils of multi-county vocational centers, not to exceed \$160 per meeting or 12 meetings per year.
- Each county board of education is required to hold a public hearing concerning its proposed budget for the subsequent year no sooner than ten days after such budget has been made available to the public for inspection.
- §18-5-5 Corporate charter and general powers of board; all public school property shall be exempt from liens and taxes.
- §18-5-7 County boards required to sell excess real property (land, buildings and improvements) no longer needed for school purposes at public auction.
- §18-5-7b County boards may convey by deed or lease unused school property to a private, nonprofit, tax-exempt organization for a nominal consideration for charitable, economic development or other community use.
- §18-5-9a Energy saving contracts may extend beyond fiscal year, provided that the board has the option to terminate the agreement during each year of the contract; contract not to exceed ten years.
- §18-5-12 Boards shall require all persons contracting for the building or repair of school property to post bond where the contract exceeds \$100.
- §18-5-13 Authority of school boards generally, including the authority to control and manage all schools and school interests and to require that records be kept of all receipts and disbursements of all funds collected or received by any principal, teacher, student or other person in connection with the schools, any programs, activities, or other endeavors of any nature operated or carried on by or in the name of the school, or any organization or body directly connected with the school.
- Grants county boards the authority to allow schools to expend funds for student, parent, teacher, or community recognition programs, specifies that the school may use funds generated only through a fund-raising or donation-solicitation activity, and requires that the school publicize that the activity is intended for this purpose prior to commencing the activity.
- Quasi-public funds defined as any money received by any principal, teacher, student or other person for the benefit of the school system as a result of curricular or non-curricular activities.
- §18-5-19b Grants county boards the authority to provide adult education classes and charge tuition, and requires that any funds accruing from such tuition be credited to adult education in the current expense fund of the county board of education (or MCVC) and reported each year as of June 30th.

- §18-5-45 Defines school term to be comprised of: an employment term for teachers of not less than 200 days and an instructional term for pupils of not less than 180 separate days of instruction.
- §18-5A-5 Requires the establishment of a faculty senate at each school; requires that funds appropriated by the legislature be distributed to each faculty senate during the month of September each year and specifies that from such funds, each classroom teacher, librarian and counselor is to be allocated \$50 for expenditure during the year for academic materials, supplies or equipment which in the judgment of the teacher will assist in provide instruction, including expenditures for programs and materials that will enhance student behavior, increase academic achievement, improve self-esteem, and address the problems of students at-risk. Also specifies that any unexpended funds are to be returned to the faculty senate at the end of each year. Requires that the remaining funds be expended by the faculty senate for academic materials, supplies or equipment, in accordance with a budget prepared by the faculty senate.
- §18-7A-1 Establishment of State Teachers Defined Benefit Retirement System
- §18-7B-1 Establishment of State Teachers Defined Contribution Retirement System
- §18-9-1 Related to school finances.
- §18-9-2c County boards required to transfer to the Current Expense Fund all remaining funds collected for the retirement of bonds after all bonds have been retired.
- §18-9-3 The treasurer of the board may pay money only upon the order of the board. The order must specify the amount to be paid, the purpose, and the fund from which it is to be paid. The order shall be signed by the president and countersigned by the county superintendent as ex officio secretary to the board.
- §18-9-3a Every county board is required to prepare and publish its annual financial statements within ninety (90) days after the beginning of the subsequent fiscal year. The publication must include a detailed schedule of expenditures listing the name of each firm, corporation and person to whom more than two hundred fifty (\$250) dollars in the aggregate was paid during the year and the purpose for which paid. The listing must also include all debts of the board. Except for the superintendent, the listing is not to include the name of any employee who has entered into a contract with the board.
- §18-9-4 County boards are prevented from increasing the number of administrative personnel employed as either professional educators or Pay Grade "H" service personnel above the number employed, or for which positions were posted, on June 30, 1990.
- §18-9-6 Appointment of school treasurer; execution of faithful performance bond; boards of education authorized to open bank accounts in a depository or bank within the county; such depository or bank shall provide bond to cover the maximum amount to be deposited at any one time; the board may in lieu of such bond accept as security for monies deposited securities of the United States, or of a state, county district or municipal corporation, or federal agency; the face value not to be less than one hundred and ten percent of the monies deposited.
- The board treasurer may invest board funds with the Municipal Bond Commission, or in guaranteed certificates of deposit issued by the depository or bank, or other guaranteed investments such as treasury bills, treasury notes or certificates of deposit issued by either the U.S. government or a banking institution in which federal or state guarantees are applicable.
- §18-9-6a The board treasurer may with the written authorization of the board, invest funds with the State Board of Investments.

- §18-9A-1 Defines the Public School Support Program, established to provide for the financial support of the public schools in the State.
- §18-9A-7 Allowance under the Public School Support Program for the replacement of buses to be used only for this purpose.
- §18-9A-17 Duties and responsibilities of the State Board of School Finance to be performed by Board of Education through its chief executive officer.
- §18-9B-1 State board of school finance to advise and assist county boards of education and county superintendents in the planning and management of school finances.
- §18-9B-6 State board of school finance to formulate and prescribe a uniform system of school district budgeting. County boards required to submit proposed budget for the subsequent year to the State Board for approval.
- §18-9B-7 State board of school finance to formulate a uniform system of management accounting, to include at least: (1) the accrual accounting of all revenues and other receipts from whatever source, (2) the accounting of expenditures under the several items of appropriation in accordance with the expenditure schedule, (3) monthly and quarterly reports of expenditures, encumbrances, and free balances under the several items of appropriation, and (4) methods of accounting practice and procedures to be followed.
- §18-9B-10 County boards of education shall: (1) authorize the expenditure of funds and incur obligations only in accordance with the budget and expenditure schedule; (2) make transfers between items of appropriation only with the prior written approval of the board of finance.
- §18-9B-12 State board of school finance authorized to formulate the requirements of adequate practices of fiscal administration to be followed by county school districts.
- §18-9B-14 County boards authorized to establish a permanent improvement fund. The proceeds to be used only for the support of building and permanent improvement projects.
- §18-9B-14a County boards authorized to establish a special building fund.
- §18-9B-17 A county board of education and a county superintendent required to comply with the instructions of the state board of school finance.
- §18A-1-1 Definitions of school personnel.
- §18A-2-2 Employment of teachers, contracts, terminations. Before entering upon their duties, all teachers shall execute a contract with their boards of education.
- §18A-2-5 Employment of service personnel. County boards restricted from employing a greater number of service personnel whose Pay Grade is "H" above the number employed on March 1, 1988; county boards restricted from employing service personnel for the first time who have not obtained a high school diploma or GED, and; requires that all service personnel execute a contract with their boards of education before entered upon their duties.
- §18A-2-5a Authorizes county boards to pay, entirely from local funds, a \$500 bonus to any professional employee who is not a classroom teacher or any service personnel who gives written notice on or before February 1 of his/her intention to retire from the board at the conclusion of the current school year.
- §18A-2-9 Duties and responsibilities of school principals.

- §18A-2-14 Requires school boards to reimburse employees mileage for use of their privately owned vehicles in the course of employment at the rate of the lesser of, and not more than the greater of, the federal standard mileage rate and the rate authorized by the State Department of Administration, Travel Management Office.
- §18A-3-2 Any professional educator who is employed within the public schools of the state shall hold a valid teaching certificate. The state superintendent may authorize the payment by a county board of education to a teacher that is employed in good faith on the anticipation that he or she is eligible for a certificate and is later determined to be not eligible, not to exceed three school months or the date of notification of the teacher's ineligibility.
- §18A-3-8 A professional staff development council to be established in each school district, consisting of between nine and fifteen members; the county board to make available to the council to fulfill its objectives an amount equal to one tenth of one percent of the allowance received by the board under Step 1 of the Public School Support Program.
- §18A-3-9 A service personnel staff development council to be established in each school district, consisting of two employees from each category of employment; the county board to make available to the council to fulfill its objectives an amount equal to one tenth of one percent of the allowance received by the board under Step 2 of the Public School Support Program.
- §18A-4-1 Basic salary defined as the salary paid to a teacher with zero years of experience and in accordance with his/her degree classification; Advanced salary means the basic salary plus an experience increment for years of experience.
- §18A-4-2 State minimum salary schedule for teachers; equity schedules not included in Code.
- §18A-4-3 State minimum salary increment rate for principals.
- §18A-4-5a County salary supplements for teachers. County boards may not reduce county supplements unless forced to do so by defeat of a special levy, loss in assessed valuation, or events over which they have no control.
- §18A-4-5b County salary supplements for service personnel. County boards may not reduce county supplements unless forced to do so by defeat of a special levy, loss in assessed valuation, or events over which they have no control.
- §18A-4-7 The pay of a substitute teacher shall not be less than: 80% of the daily rate of the State basis salary for teachers for the first ten days worked; 80% of the daily rate of the State advanced salary for teachers for the 11th through the 30th days worked in the same position; and the daily rate of the teachers salary within that teacher's county for all days worked in excess of 30 days in the same position.
- §18A-4-8 Employment term and class titles of service personnel.
- §18A-4-8a State minimum monthly pay scale for service personnel; equity schedules not included in Code. Section also defines required pay grade for each class title.
- §18A-4-10 Requires county boards to establish a personal leave bank for employees.
- §18A-4-10a Authorizes county boards to pay to their employees, or to defined groups thereof, for the purpose of reducing absenteeism, a bonus at the end of an employment term for each unused day of personal leave accumulated during the employment term.
- §18A-4-10f Requires a county board to establish a leave donation program in addition to any leave bank established pursuant to WVC 18A-4-10.

- §18A-5-2 School holidays designated as: Independence Day, Labor Day, Veterans Day, Thanksgiving Day, Christmas Day, New Year's Day, Martin Luther King's birthday, Memorial Day, West Virginia Day, and any day on which a primary, general, or special election is held, or any day appointed and set apart by the president or the governor as a holiday of special observance.
- §18A-5-5 Every teacher, principal, supervisor or other person employed by a county board of education shall keep all records and make all reports required by the state superintendent of schools or their county boards.
- §21-5-3 Every person, firm or corporation doing business in this State, except railroad companies, required to pay employees at least once every two weeks, unless otherwise provided by special agreement. Boards of education granted permission by the State Department of Labor to pay twice a month.
- §21-5A-1 Defines the term "construction" as used in Article 5A of the Code as construction, reconstruction, improvement, enlargement, painting, decorating or repair of any public improvement let to contract.
- §21-5A-2 Requires the payment of no less than the prevailing wage to all workers engaged in the construction of public improvements.
- §23-1-1 Related to Workers' Compensation.
- §29B-1-1 Related to Freedom of Information Act.
- §59-3-1 Defines the publication requirements.
- §61-10-15 Prohibits a school district officer, secretary of a board of education, supervisor or superintendent, principal, or teacher of public schools, from becoming pecuniarily interested in the proceeds of any contract or the furnishing of any service or supply over which the individual may have any voice, influence or control.

Exemptions - The statute exempts from the pecuniary interest prohibitions:

(a) Certain officials, including school officials, who are salaried employees or vendors or suppliers under a contract with the school board and spouses who salaried employees of such vendors and suppliers. The exemption only applies, however, if the school official or spouse or dependent child (1) is not a party to the contract, (2) is not an owner, shareholder, director, or officer of a private entity under the contract, (3) receives no commission, bonus, or other direct remuneration or thing of value by virtue of the contract, (4) does not participate in the deliberations or awarding of the contract, and (5) does not approve, vote for, or otherwise authorize the payment for any services performed or supplies furnished under the contract.

(b) Any person who has a pecuniary interest in a bank within a county which is serving or under consideration to serve as a depository of funds for the board of education, but only if the person does not participate in the deliberations or in any ultimate determination of the depository.

(c) Any person who has a pecuniary interest in a public utility which is subject to regulation by the Public Service Commission.

The statute also clarifies that a school employee or official who qualifies for any of the exceptions shall not be considered as having an interest in the sale, proceeds, or profits of any book or other thing used or to be used in the public schools, as prescribed in Article XII of the West Virginia Constitution.

Allows an affected governmental body or agency to make written application to the West Virginia Ethics Commission for an exemption in the following cases:

- Loss of a quorum in a public body or agency
- Excess cost
- Undue hardship
- Substantial interference with the operation of a governmental body or agency

School Finance Statutes
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