

SENATE BILL NO. _____ HOUSE BILL NO. _____

1 A BILL to amend and reenact § 2.2-803 of the Code of Virginia, relating to state agencies; collection of
2 debts.

3 **Be it enacted by the General Assembly of Virginia:**

4 **1. That § 2.2-803 of the Code of Virginia is amended and reenacted as follows:**

5 § 2.2-803. Financial accounting and control.

6 A. Unified financial accounting and control shall be established through the departments and
7 agencies of the Commonwealth, in the manner prescribed in this chapter.

8 The Comptroller shall prescribe what accounts shall be kept by each state agency in addition to
9 the system of general accounting maintained in the Comptroller's office. In prescribing what accounts
10 shall be kept by each state agency, the Comptroller shall take care that there shall be no unnecessary
11 duplication.

12 B. The Comptroller shall direct the development of a modern, effective and uniform system of
13 bookkeeping and accounting, to include (i) an efficient system of checks and balances between the
14 officers at the seat of the government entrusted with the collection and receipt, custody and
15 disbursement of the revenues of the Commonwealth; and (ii) a system of accounting, applicable to all
16 state officers, departments, boards, commissions, agencies, and penal, educational and eleemosynary
17 institutions maintained in whole or in part by the Commonwealth, which shall be suitable to their
18 respective needs, considering their relation to each other and their relation to subordinate officers and
19 officials. All systems so developed shall require the approval and certification of the Auditor of Public
20 Accounts that they are adequate for purposes of audit and financial control.

21 As to the collection of debts owed, the system of bookkeeping and accounting shall permit any
22 state agency to refrain from collecting any amount owed to it if the cost of collection likely would
23 exceed the amount owed. The Comptroller shall develop other policies and procedures to reduce the
24 costs of collecting debts owed to state agencies.

25 As to the operation of merchandising activities, or other centralized support services provided by
26 one state agency to other state agencies for which charges are made, the system of accounting shall be
27 designed to reflect all charges properly allocable so that the net profit or loss therefrom shall be
28 reflected. In the furtherance of this objective the Joint Legislative Audit and Review Commission may
29 direct the Comptroller to establish under such terms and conditions as they may determine internal
30 service fund accounts on his books and record therein the receipts and expenditures of these several
31 functions. The Comptroller shall provide the agencies responsible for the operations of these functions
32 with working capital advances with which to finance the operations pursuant to appropriations made by
33 law. The Joint Legislative Audit and Review Commission may direct the Comptroller to transfer excess
34 fund balances to the general fund or to remove from his books internal service fund accounts that are no
35 longer considered appropriate and record the necessary transfer of funds.

36 Unit prices of services rendered by internal service funds shall be fixed so that all costs properly
37 allocable to providing the service shall be fully recoverable.

38 C. The Comptroller shall maintain a full explanation of all systems of accounting devised and
39 adopted in furtherance of this section, but no copyright system shall be adopted that shall entail
40 additional cost upon the Commonwealth by reason of such copyright. The systems of accounting shall
41 be communicated by the Comptroller to the officials affected thereby, and he shall as soon as possible
42 instruct the officials as to the systems of accounting.

43 D. Should any of the state offices, departments, boards, commissions, agencies, or institutions
44 refuse or neglect to adopt the systems of accounting developed by the Comptroller, then upon suit of the
45 Attorney General a writ of mandamus will lie to the Supreme Court to compel the adoption. It shall be
46 the duty of the Attorney General to promptly institute such suit in any such case.

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