

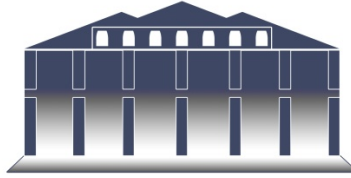
**North Carolina Should Eliminate the Use of  
Personal Services Contracts in Favor of Using  
Existing Mechanisms**



**Final Report to the Joint Legislative  
Program Evaluation Oversight Committee**

**Report Number 2015-03**

**February 9, 2015**



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**NORTH CAROLINA GENERAL ASSEMBLY**  
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*John W. Turcotte*  
Director

February 9, 2015

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Representative Craig Horn, Co-Chair, Joint Legislative Program Evaluation Oversight Committee

North Carolina General Assembly  
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Honorable Co-Chairs:

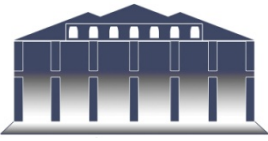
The 2013–15 Program Evaluation Division work plan directed the division to examine the use of personal services contracts by state agencies and University of North Carolina constituent institutions.

I am pleased to report that all agencies and institutions cooperated with us fully and were at all times courteous to our evaluators during the evaluation, particularly the Office of State Budget and Management, the Office of State Human Resources, the Department of Administration's Division of Purchase and Contract, and the Office of Information Technology Services.

Sincerely,

A handwritten signature in black ink, appearing to read "John W. Turcotte".

John W. Turcotte  
Director



# PROGRAM EVALUATION DIVISION

## NORTH CAROLINA GENERAL ASSEMBLY

February 2015

Report No. 2015-03

# North Carolina Should Eliminate the Use of Personal Services Contracts in Favor of Using Existing Mechanisms

## Summary

This evaluation examines the statewide use of personal services contracts to acquire services from a professional individual on a temporary or occasional basis. Most personal services contracts are exempt from state procurement rules governing the purchase of goods and services.

**Agencies and institutions have circumvented state law when procuring personal services and have also compensated contractors at high rates.**

Agencies have circumvented the approval process for consultant services, failed to report personal services contracts with state retirees, and compensated contractors at higher rates than executive-level employees in state government.

**The reporting requirement for personal services contracts fails to capture the magnitude of the number and cost of contracts and provides insufficient oversight of their use.** Although state agencies and institutions report on the use of personal services contracts with annual expenditures greater than \$25,000, the Office of State Budget and Management (OSBM) does not comprehensively analyze this data.

**Executive Branch agencies have violated state law by not obtaining approval for IT personal services contracts, and the Office of Information Technology Services (OITS) lacks a process to ensure compliance.** The vast majority of IT personal services procured by agencies during Fiscal Year 2012–13 did not obtain approval from OITS as required by law.

**The lack of a shared definition and process for personal services contracts has led to erroneous procurement, classification, and reporting.** Agencies have used personal services contracts to procure services from companies and individuals without unique and specialized skills.

**Personal services contracts are unnecessary because existing mechanisms with greater oversight allow agencies and institutions to procure services from individuals on a temporary or occasional basis.** Agencies and institutions could use service contracts, consultant contracts, Temporary Solutions, and IT Short-Term Staffing to acquire services from individuals. The State could have saved almost \$1 million in Fiscal Year 2012–13 if all Executive Branch agencies had used Temporary Solutions in lieu of using personal services contracts.

**To address these findings, the General Assembly should enact legislation to**

- prohibit the use of personal services contracts;
- require all Executive Branch agencies to obtain non-IT supplemental staff through the Office of State Human Resources; and
- require OITS and OSBM to approve the procurement of IT services from individuals, report on a biennial basis, and conduct compliance reviews.

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## Purpose and Scope

The Joint Legislative Program Evaluation Oversight Committee directed this evaluation in its 2013–15 Work Plan. This report examines the use of personal services contracts by state agencies and University of North Carolina constituent institutions. The Program Evaluation Division reviewed state laws, policies, and procedures regarding the use of personal services contracts and evaluated the extent to which agencies abide by state laws for the review, approval, and reporting of personal services contracts including consultant services.

Three research questions guided this evaluation:

- To what extent are agencies procuring personal services?
- To what extent are agencies going through the proper approval processes for personal services contracts for consultant services?
- Are the controls and oversight mechanisms that govern the use of personal services contracts sufficient?

The Program Evaluation Division collected data from several sources, including

- administrative queries of state agencies, boards, and University of North Carolina constituent institutions;
- interviews with the Office of State Budget and Management, the Office of State Human Resources, the Department of Administration's Division of Purchase and Contract, and the Office of Information Technology Services; and
- a review of applicable state laws, session laws, and administrative code.

In conducting this evaluation, the Program Evaluation Division analyzed data on personal services contracts with annual expenditures greater than \$25,000 reported to the Office of State Budget and Management from Fiscal Years 2009–10 to 2012–13. The division also examined a representative sample of 193 of the 462 personal services contracts reported to OSBM in Fiscal Year 2012–13.<sup>1</sup>

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<sup>1</sup> To achieve a 95% confidence level and a confidence interval of 5, the Program Evaluation Division requested copies of 212 personal services contracts from state agencies and institutions in proportion to the number of contracts they reported to OSBM. Nineteen contracts were excluded from the sample because copies of the contract and pertinent information could not be provided.

## Background

Each year, North Carolina state agencies and institutions spend over \$2 billion to purchase contractual services for the performance of their daily functions.<sup>2</sup> The State is charged with acquiring goods and services at the lowest possible cost. In order to ensure principles of open competition and transparency, the procurement of goods and services is subject to numerous laws, rules, and regulations.

**In North Carolina, oversight of state procurement is vested in two entities: the Department of Administration's Division of Purchase & Contract (P&C), which oversees procurement for non-information technology (non-IT) goods and services, and IT Strategic Sourcing within the Office of Information Technology Services (OITS), which oversees procurement of information technology (IT) goods and services.** In general, these agencies

- serve as the central purchasing authority for all state departments, institutions, agencies, universities, and community colleges;
- establish procedures, processes, specifications, and standards for the procurement of goods and services; and
- ensure compliance with statewide procurement laws and rules.

These oversight entities have established the conditions under which Executive Branch agencies and institutions can make purchases with or without external review and approval.<sup>3</sup> Agencies must follow P&C and OITS procurement rules but have generally been delegated the authority to enter into contracts for goods and services up to \$25,000 without having to go through either P&C or OITS to obtain approval.<sup>4,5</sup> Purchases made above this threshold must be procured through P&C or OITS. Agencies must submit a request for approval to waive competition for non-IT purchases over \$10,000 and IT purchases over \$25,000.

**In contrast, professional services performed by an individual on a temporary or occasional basis—also called personal services—are exempt from state oversight by North Carolina Administrative Code.**

The Purchase and Contract Administrative Code lists personal services as one of the 11 items and services that agencies are exempt from purchasing through P&C.<sup>6</sup> Examples of personal services include those services provided by a doctor, scientist, or performer of the fine arts and similar professions. This exemption means that an agency can

- solicit contractors in any manner, including by sole source;
- select the vendor based on internal criteria;

<sup>2</sup> The term “agency” in this report means all agencies and departments in all three branches of government. The term “institution” means the University of North Carolina’s constituent institutions.

<sup>3</sup> Pursuant to N.C. Gen. Stats. §§ 143-336 and 147-33.80, the Legislative and Judicial Branches are not subject to P&C and OITS oversight. Also see N.C. Gen. Stats. §§ 120-32(3)&(4) and 7A-343(6)&(9b).

<sup>4</sup> N.C. Gen. Stat. § 143-52.1(a).

<sup>5</sup> N.C. Gen. Stat. § 147-33.101(a).

<sup>6</sup> 01 N.C. Admin. Code 05B .1601(a). The other 10 items and services are: liquor; perishable articles; published books, manuscripts, subscription to printed material, packaged copyrighted software products, and like material; services provided by individuals by direct employment contracts with the State; public utility services; telephone, telegraph and cable services furnished by public utility service companies; services provided which are subject to published tariff rates as established by the North Carolina Utilities Commission; services which are merely incidental to the purchase of supplies, materials, or equipment; contracts for construction of and structural changes to public buildings; and services provided by an agency of the State, federal or local government, or their employees when performing the services as part of their normal governmental function.

- negotiate the duration and terms of the contract and the contract amount; and
- execute the contract.

However, if a personal services contract is for consultant services, the agency must obtain approval from the Governor and P&C.<sup>7</sup>

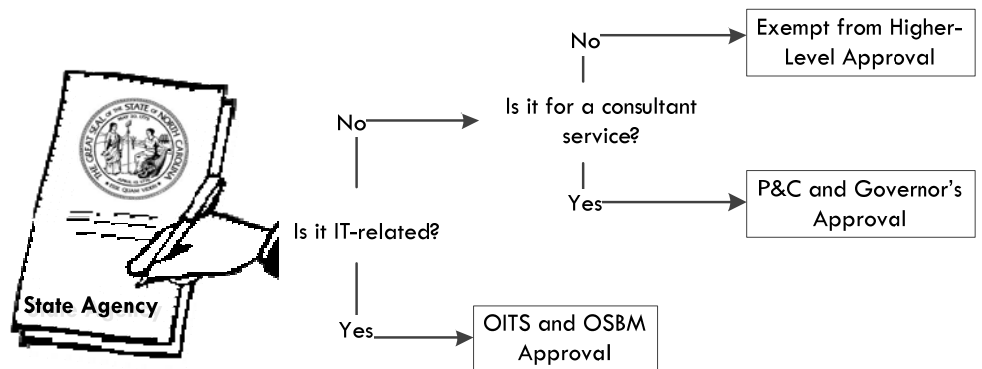
The Information Technology Administrative Code also lists personal services as being exempt from the State Chief Information Officer’s review and approval.<sup>8</sup> However, N.C. Sess. Law 2013-360 suspended this rule by requiring Executive Branch agencies to obtain written approval from OITS and the Office of State Budget and Management (OSBM) before procuring an IT personal services contract for any amount. In addition, this session law directed OITS to develop a process to monitor agencies’ procurement of personal services contracts, including

- a process for obtaining approval of contractor positions;
- standards for determining whether it is more appropriate for an agency to hire an employee or use the services of a vendor; and
- a process to work with the Office of State Personnel to identify or create a state position when the service could more appropriately be provided by a state employee.<sup>9</sup>

Exhibit 1 shows the different approval requirements for non-IT and IT personal services contracts.

### Exhibit 1

Approval Requirements for the Procurement of Personal Services by Executive Branch State Agencies Differ Depending on Type



Note: N.C. Sess. Law 2013-360, Section 7.8 directing the Office of Information Technology Services and the Office of State Budget and Management to review and approve IT personal services contracts is set to expire on June 30, 2015.

Source: Program Evaluation Division based on N.C. Gen. Stat. §143-64.20, N.C. Sess. Law 2013-360, Section 7.8, and 01 N.C. Admin. Code 05B .1601(a)(10).

**Although most personal services contracts are exempt from obtaining higher-level approval, state law requires state entities to report the use of personal services contracts with annual expenditures greater than \$25,000.**<sup>10</sup> Each state agency, department, and institution must make a detailed written report of such contracts to OSBM and the Office of State Human Resources (OSHR) by January 1<sup>st</sup> of each year. The law also requires OSBM and OSHR to compile and analyze the information

<sup>7</sup> N.C. Gen. Stat. § 143-64.20-.24.

<sup>8</sup> 09 N.C. Admin. Code 06B .1301(a)(3).

<sup>9</sup> The Office of State Personnel was renamed the Office of State Human Resources in 2013.

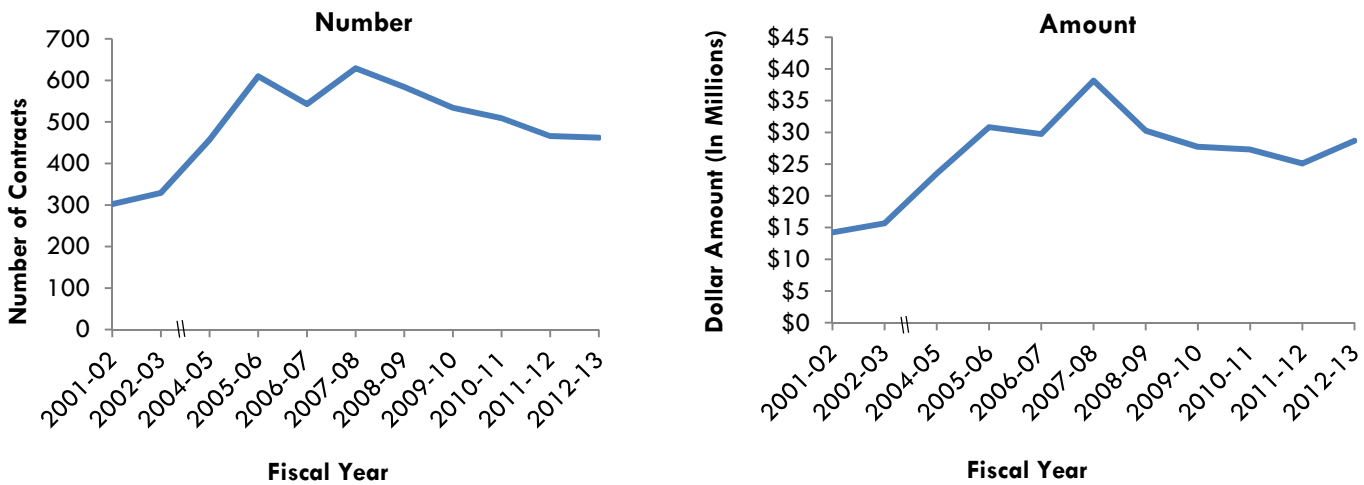
<sup>10</sup> N.C. Gen. Stat. § 143-64.70.

provided by the agencies and submit a detailed report by March 15<sup>th</sup> on the type, number, duration, cost, and effectiveness of personal services contracts to the Joint Legislative Commission on Governmental Operations.

In Fiscal Year 2012–13, state agencies and institutions reported a total of 462 personal services contracts with annual expenditures greater than \$25,000, having a combined value of over \$28.7 million. The contracts are listed in Appendix A. Most often, agencies used personal services contracts to procure health and medical services, education services, and information technology. These three categories comprise over \$18 million, or 64%, of total expenditures for reported personal services contracts.

Exhibit 2 shows the number and total dollar amount of personal services contracts reported to OSBM from Fiscal Year 2001–02 to Fiscal Year 2012–13. As seen in the exhibit, the use of personal services contracts increased steadily until Fiscal Year 2007–08. In conjunction with the economic recession and subsequent state budget reductions, agencies have curtailed their use of personal services contracts. From Fiscal Year 2008–09 to Fiscal Year 2011–12, the number and total expenditures on personal services contracts decreased each year. Although the number of contracts reported to OSBM continued to decline in Fiscal Year 2012–13, the amount spent on personal services increased 14% from the previous year. This trend indicates that agencies have spent more for a fewer number of personal services contracts.

**Exhibit 2: Number and Total Dollar Amount of Personal Services Contracts Over \$25,000 Used by State Agencies and Institutions, Fiscal Years 2001–02 through 2012–13**



Note: The Office of State Budget and Management did not publish a report for Fiscal Year 2003–04.

Source: Program Evaluation Division based on Office of State Budget and Management annual reports on personal services contracts.



**The autonomy granted to agencies and institutions to procure personal services warrants review.** As agencies continue to use personal services contracts at an increasing cost, it is in the State's best interest to review the circumstances under which agencies procure personal services. Personal services contracts allow agencies to acquire professional services on a short-term basis without creating state positions and obtain professional services that may be difficult to recruit for state positions. In some cases, personal services contracts might be the most time- and cost-efficient way to procure services. However, agencies are allowed to use personal services contracts without comprehensive oversight or direction. The session law directing the review and approval of IT personal services contracts is set to expire on June 30, 2015. After that date, the only mechanism for monitoring agency use of personal services contracts will be the statutory reporting requirement. As it now stands, North Carolina relies on state agencies and institutions to exercise prudent use of public funds when procuring contracts for personal services and accurately report information to OSBM. Although the reporting requirement has been in place since Fiscal Year 2001–02, the State has yet to conduct a comprehensive review to determine whether the autonomy granted to state agencies and institutions in procuring personal services is justified.

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## Findings

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### **Finding 1. Agencies and institutions have circumvented state law when procuring personal services and have also compensated contractors at high rates.**

Agencies and institutions have circumvented the approval process for personal services contracts for consultant services, failed to report the procurement of personal services from state retirees, and compensated contractors at higher rates than executive-level employees in state government.

### **Executive Branch agencies have circumvented state law by not obtaining the required approval before procuring consultant services.**

Pursuant to state law, no Executive Branch agency shall contract to obtain non-IT services of a consultant or advisory nature unless the proposed contract has been justified to and approved in writing by the Governor of North Carolina.<sup>11</sup> According to North Carolina Administrative Code, “a personal service may also be a consultant service.”<sup>12</sup> Accordingly, as Exhibit 3 shows, the definitions in Administrative Code for personal services and consultant services overlap. According to the North Carolina Procurement Manual, when a personal service is also a consultant service, an agency must follow consultant contracting procedures.

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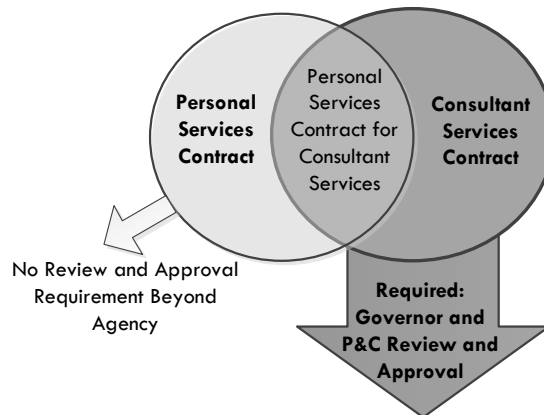
<sup>11</sup> N.C. Gen. Stat. § 143-64.20-.23.

<sup>12</sup> 01 N.C. Admin. Code 05B .1601(a)(10).

## Exhibit 3: Personal Services Contracts for Non-IT Consultant Services Require the Governor’s Approval

### 01 NCAC 5B .1601 (10) Personal Services

Services provided by a professional individual (person) on a temporary or occasional basis, including (by way of illustration, not limitation) those provided by a doctor, dentist, attorney, architect, professional engineer, scientist or performer of the fine arts and similar professions; the exemption applies only if the individual is using his/her professional skills to perform a professional task; **a personal service may also be a consulting service.**



### 01 NCAC 5D .0102 Consultant Services

Work or tasks performed by State employees or independent contractors possessing specialized knowledge, experience, expertise and professional qualifications to investigate assigned problems or projects and to provide counsel, review, analysis or advice in formulating or implementing improvements in programs or services.

Source: Program Evaluation Division based on N.C. Gen. Stat. §143-64.20, 01 N.C. Admin. Code 05B .1601(a)(10), and the North Carolina Procurement Manual.

**The Program Evaluation Division found that none of the personal services contracts for consultant services in Fiscal Year 2012–13 obtained the Governor’s approval as required by law.** PED identified 12 of the personal services contracts in its sample as consultant services subject to P&C and the Governor’s approval.<sup>13</sup> However, none of these contracts for consultant services were submitted to P&C and the Governor for review and approval.

In cases where a personal services contract is also for consulting services, both the laws on consulting contracts and the laws on personal services contracts would apply. The failure of agencies to follow the required procedures for personal services contracts for consultant services indicates an erroneous interpretation of state procurement laws and rules. During the preliminary review that precipitated this evaluation, the Department of Health and Human Services (DHHS) cited the Administrative Code exemption of personal services from external review as justification for not following the consultant approval process.<sup>14</sup> However, if a contract procures services of a consulting nature, the consultant law takes precedence.

P&C has no process in place to ensure that agencies submit requests for consultant services for review and approval as required by law. It relies on agencies to follow the proper policies and procedures.

**Also in violation of state law, state retirees received benefits while exceeding their earning limitation, and agencies and institutions failed to accurately and consistently report services procured from retirees.** Pursuant to state law, state retirees returning to work for the State must take a six-month break following the day of retirement,<sup>15</sup> adhere to

<sup>13</sup> In this instance, the Program Evaluation Division’s sample size was 187 because copies of 6 contracts outlining the scope of services could not be provided by agencies and institutions.

<sup>14</sup> 01 N.C. Admin. Code 05B .1601(a)(10).

<sup>15</sup> N.C. Gen. Stat. § 135-1(20).

earning limitations in order to receive state retirement benefits,<sup>16</sup> and have their earnings reported to the Department of State Treasurer by the agency or institution of reemployment.<sup>17</sup> Within its sample, the Program Evaluation Division determined:

- **Three retirees who performed contracted services received retirement benefits even though they exceeded their earning limitation.** In the case of two retirees, the Department of Public Safety submitted the required monthly report to the Department of State Treasurer, but the amount submitted was lower than the amount actually paid to the contractor. In the other case, the Department of Public Instruction did not report the contractor's earnings to the Department of State Treasurer.
- **Agencies and institutions violated reporting requirements by failing to report six of the 12 retirees reemployed through personal services contracts.** Only one of the 12 reemployed retirees was reported accurately for every month required. The following agencies and institutions violated reporting requirements:
  - Department of Public Instruction,
  - Department of Public Safety,
  - University of North Carolina School of Science and Math, and
  - North Carolina State University.

None of these agencies or institutions were assessed a penalty for failing to report reemployed retirees. Currently, the Department of State Treasurer does not have a practical means to verify an employer is reporting any or all of its reemployed retirees. However, the Department plans to develop a compliance team to audit the accuracy of agencies' reporting. In addition, the Department implemented an enhancement to the State's retirement software system (ORBIT) in late 2013 to monitor the payment of reported reemployed retirees.

**Agencies and institutions have taken advantage of their latitude to procure personal services by compensating contractors at rates exceeding the highest paid executives in state government.** Although state law does not limit the dollar amount agencies or institutions can pay for personal services contracts, acquiring suitable services at the lowest possible cost while ensuring open competition and transparency is a state procurement objective. Agencies and institutions are either overlooking or ignoring this objective, which violates the State's commitment to spend taxpayer money wisely.

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<sup>16</sup> N.C. Gen. Stat. § 135-3(8)(c). Beneficiaries exceed their earning limitation if they earn "an amount during the 12 month period immediately following the effective date of retirement or in any calendar year which exceeds fifty percent (50%) of the reported compensation, excluding terminal payments, during the 12 months of service preceding the effective date of retirement, or twenty thousand dollars (\$20,000), whichever is greater, as hereinafter indexed."

<sup>17</sup> N.C. Gen. Stat. § 135-3(8)(c1).

From Fiscal Year 2009–10 to 2012–13, agencies and institutions compensated 255 personal services contractors at an hourly rate that would be equivalent to an annual salary greater than the average of the highest paid executive salaries in state government in Fiscal Year 2012–13, or \$164,150. Exhibit 5 shows instances in which personal services contractors were compensated at a rate greater than or equal to a full-time equivalent annual salary of \$500,000.<sup>18</sup>

**Exhibit 5: Instances in Which Personal Services Contractors Were Compensated at Rates Equal to or Exceeding a Full-Time Equivalent Annual Salary of \$500,000, FY 2009–10 through 2012–13**

Fiscal Year	Agency Name	Description of Work Performed	Cost per Hour	Contract Hours Worked	Payment to Contractor	Full-Time Equivalent Annual Salary
2010-11	Dept. of Justice	Legal Services	\$800	165	\$131,888	\$1,600,000
2012-13	North Carolina State University	Instruction Services; Workshop Facilitation	441	65	28,660	881,846
2010-11	Dept. of Health and Human Services	Continuous Quality Improvement Monitoring Team Activities	438	106	46,473	876,840
2010-11	Dept. of Secretary of State	Hearing Officer for E*Trade Securities	424	71	30,137	847,733
2010-11	Dept. of Commerce	Economic Development Services	276	1920	530,646	552,756
2012-13	Dept. of Health and Human Services	Chief Financial Officer	261	200	52,000	521,303
2011-12	North Carolina State University	Communication Services	256	144	36,900	512,500
2010-11	Dept. of Justice	Auditor of SBI Crime Lab	250	150	37,500	500,000

Note: To calculate a full-time equivalent (FTE) annual salary, the Program Evaluation Division multiplied the cost per hour by 2,000 hours, which is the equivalent of working 40 hours per week for 50 weeks (assumes 2 weeks off per year without pay).

Source: The Program Evaluation Division based on information from the Office of State Budget and Management and the Office of State Human Resources.

**The State lacks compensation guidelines for personal services contracts, and agencies and institutions are not subject to compensation limits for personal services contractors.** As a result, the State is susceptible to agencies overpaying for services. For example, the Department of Public Safety procured psychiatric services in Fiscal Year 2010–11 at a rate of \$343 per hour. In contrast, North Carolina State University procured psychiatric services at a rate of \$110 per hour during that same year.

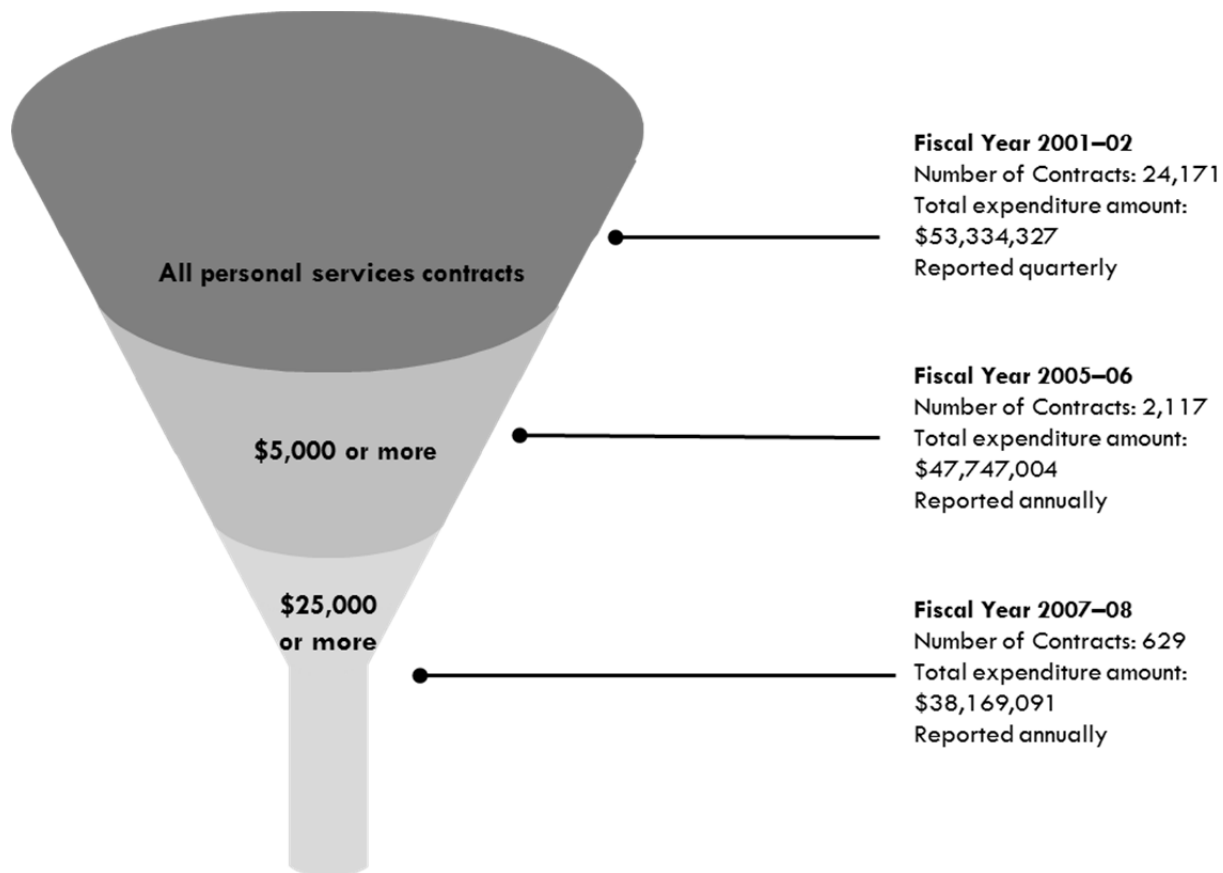
In summary, agencies and institutions have circumvented the approval process for personal services contracts for consultant services, failed to report the procurement of personal services contracts with state retirees, and compensated contractors at higher rates than executive-level employees in state government.

<sup>18</sup> Excludes personal services contracts for medical services due to the specialized nature of those services.

**Finding 2. The State reporting requirement fails to capture the magnitude of the number and cost of personal services contracts and provides insufficient oversight of their use.**

In 2001, the General Assembly required all state agencies, departments, and institutions, including the legislative and judicial branches, to report on use of personal services contracts on a quarterly basis to the Office of State Budget and Management (OSBM) and the Office of State Human Resources (OSHR).<sup>19</sup> The original requirement included all contracts regardless of value. State agencies and institutions reported spending over \$53.3 million for 24,171 personal services contracts in Fiscal Year 2001–02. Since then, the statutory reporting threshold requirement has been changed twice—in 2005 and in 2007. Under current law, state agencies and institutions report annually on personal services contracts with expenditures greater than \$25,000.<sup>20</sup> As shown in Exhibit 6, these changes have limited the number of contracts state entities are required to report and the frequency of reporting this information to OSBM.

**Exhibit 6: Changes in the Reporting Requirement for Personal Services Contracts Have Limited the Number of Contracts Reported**



Source: Program Evaluation Division based on Office of State Budget and Management annual reports on personal services contracts, N.C. Gen. Stat. § 143-64.70, N.C. Sess. Law 2001-424, Section 6.19(a), 2005-276, Section 6.38, 2007-322, Section 7.

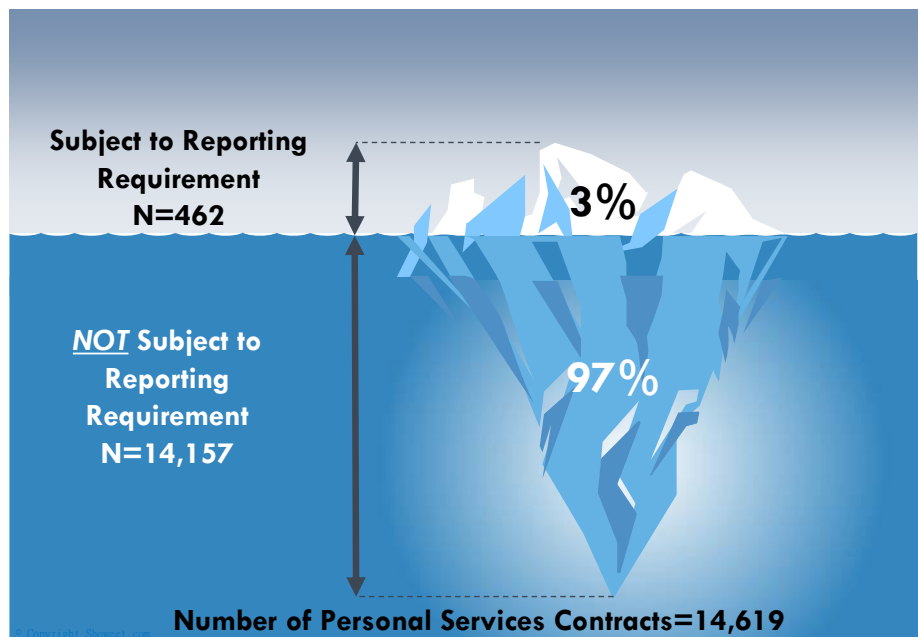
<sup>19</sup> In practice, OSBM has primary responsibility for compiling and analyzing the information from agencies and institutions and submitting the required annual report to the Joint Legislative Commission on Governmental Operations.

<sup>20</sup> N.C. Gen. Stat. § 143-64.70.

**Current state reporting requirements fail to capture the majority of personal services contracts.** To understand the use of personal services contracts statewide, the Program Evaluation Division requested that each state department, agency, and institution report the number and total amount spent on personal services contracts with annual expenditures less than \$25,000. These data were combined with the data each state entity provided to OSBM as part of the annual reporting requirement. Exhibit 7 shows that although state agencies and institutions used 14,619 personal services contracts in Fiscal Year 2012–13, the annual reporting requirement captured only 3% of these contracts. In addition, the annual reporting requirement captured less than half of the \$57.8 million spent on personal services in Fiscal Year 2012–13. As a result, the current reporting requirement does not provide an accurate picture of the use of personal services contracts statewide.

**Exhibit 7**

Annual Required Reporting of Personal Services Contracts Only Captures 3% of the Number of Services Procured by State Agencies and Institutions, Fiscal Year 2012–13



Source: Program Evaluation Division based on data from North Carolina state agencies, boards, and institutions and Office of State Budget and Management annual reports on personal services contracts.

**The analytical scrutiny applied to the statewide use of personal services contracts has diminished over time.** The State’s primary mechanism for monitoring personal services contracts is the annual report compiled by OSBM. State law requires OSBM to submit a detailed report to the Joint Legislative Commission on Government Operations on the type, number, duration, cost, and effectiveness of personal services contracts throughout state government.<sup>21</sup>

OSBM discontinued reporting on the effectiveness of these contracts after March 2010 (Fiscal Year 2008–09). In its 2010 report, OSBM noted several issues with the effectiveness of personal services contracts:

- the potential for agency misuse or abuse;

<sup>21</sup> N.C. Gen. Stat § 143-64.70(b).

- the need for agencies to ensure compliance with applicable federal and state laws and regulations regarding independent contractors; and
- the pattern of agencies contracting with the same individual for four consecutive years, three consecutive years, or two out of four years instead of on a temporary basis.

Furthermore, OSBM's analysis of personal services contracts concluded that increasing the statutory reporting threshold to \$25,000 captured a substantially fewer number of contracts and a substantially lower percentage of the money expended. OSBM questioned the future value of the report if the \$25,000 threshold was kept in place and recommended reducing the reporting threshold to \$10,000 to provide a more precise picture of the use of personal services contracts. Despite making this recommendation to the General Assembly, no action was taken to change the reporting threshold.

Since 2011, OSBM has compiled the data required, but has not analyzed it sufficiently to aid lawmakers in monitoring the use of personal services contracts by state agencies and institutions. Instead, OSBM relies on what these entities report and does not validate the accuracy of the data provided. Even though the annual reports display the number and type of personal services contracts procured by each state entity over time, OSBM does not question agencies regarding any observable changes in the use of these contracts from year to year.

For example, UNC-Chapel Hill reported a substantial increase in the number and amount of personal services contracts over the last two fiscal years. In Fiscal Year 2011–12, the campus procured 10 personal services with a combined \$591,298 in annual expenditures. The following year, UNC-Chapel Hill more than tripled the number of personal services procured (39) at a cost of almost \$6.7 million. Instead of requesting additional information from the campus to aid in understanding the changes in its utilization patterns, OSBM only listed the data in the report's appendix. The report's summary of personal services contracts noted an overall decrease in number and total expenditures in Fiscal Year 2012–13, so any pattern of utilization in contrast to the overall trend should have been raised as an issue of legislative concern.

According to OSBM officials, the lack of more robust analyses is largely due to limited staff resources. The OSBM section tasked with compiling this report—Government Evaluation and Review (GER)—had 6.25 full-time equivalent positions (FTE) in Fiscal Year 2007–08, but had been reduced to 3 FTE by Fiscal Year 2013–14. In addition, OSBM merged this section with the Internal Audit section in March 2010 and abolished the GER manager position in response to budget requirements related to the economic recession.

**Exempting non-IT personal services contracts from state oversight hampers the State's ability to monitor their use.** As discussed in the background section of this report, non-IT personal services contracts are exempt from procurement rules governing the purchase of services. State agencies and institutions can waive competition in order to procure professional services provided by individuals without review from the

Division of Purchase and Contract (P&C).<sup>22</sup> Exemption from state procurement rules makes oversight of these contracts problematic because it

- does not require P&C to develop policies or procedures to guide the use of personal services contracts or monitor agency compliance;
- does not compel state departments, agencies, and institutions to comply with statewide policies and procedures; and
- does not require P&C to provide consistent training to ensure compliance.

As a result, state agencies and institutions use different policies and procedures to procure and oversee these contracts. Only eight out of the 51 agencies and institutions subject to the reporting requirement have conducted an internal audit that includes an examination of personal services contracts.<sup>23</sup> Internal audits conducted by agencies have noted concerns with personal services contracts such as paying an employee for personal services or procuring multiple contracts with the same individual for a similar service.

In summary, state law limits reporting of personal services contracts by state agencies and institutions to contracts with annual expenditures over \$25,000. This reporting threshold does not provide an accurate picture of the use of personal services contracts statewide. The State's primary mechanism for monitoring personal services contracts is the annual report compiled by OSBM. However, the usefulness of this report has diminished over time due to a lack of resources within the agency.

**Finding 3. Executive Branch agencies have violated state law by not obtaining approval for IT personal services contracts, and the Office of Information Technology Services lacks a process to ensure compliance with the law.**

In recent years, personal services contracts for IT services have been subject to stricter oversight by the Office of Information Technology Services (OITS) and the Office of State Budget and Management (OSBM).<sup>24</sup> N.C. Sess. Law 2011-145 mandated Executive Branch agencies obtain approval from OITS to procure or renew IT personal services. N.C. Sess. Law 2013-360 extended this review and approval process, prohibiting agencies from procuring IT personal services without the approval of both OITS and OSBM. As shown in Exhibit 8, this law will expire at the end of Fiscal Year 2014–15, and North Carolina Administrative Code will then exempt agencies from having to obtain prior approval to procure IT personal services as it did before session law was enacted.<sup>25</sup>

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<sup>22</sup> 01 N.C. Admin. Code 05B .1401.

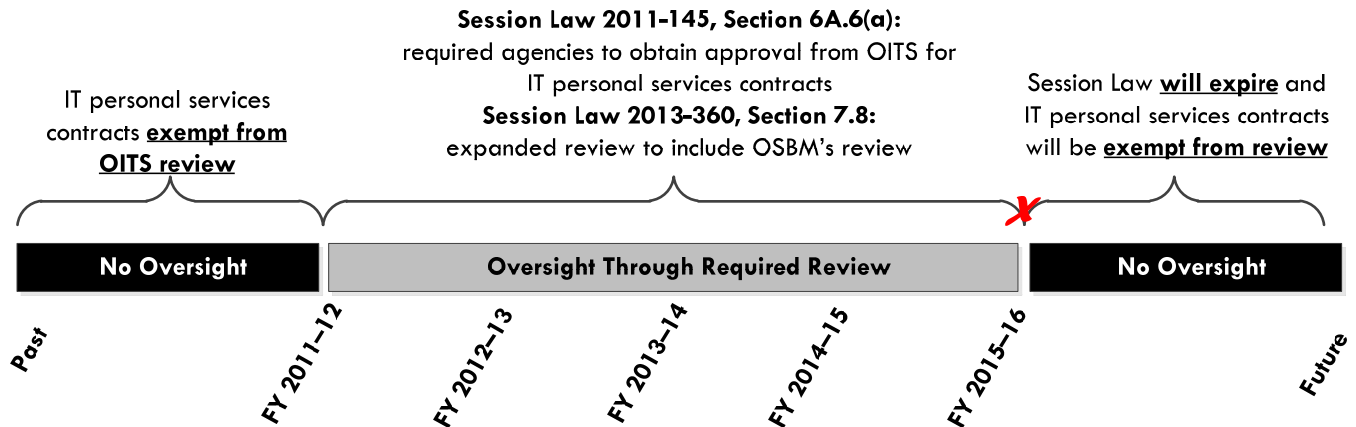
<sup>23</sup> Excludes the boards subject to reporting requirements.

<sup>24</sup> Pursuant to N.C. Gen. Stat. § 147-33.80, the University of North Carolina System is exempt from state law governing the procurement of IT goods and services.

<sup>25</sup> 09 Admin. Code 06B .1301(a)(3).



## Exhibit 8: Oversight of IT Personal Services Contracts is Threatened By Expiring Session Law



Source: Program Evaluation Division based on 09 N.C. Admin. Code 06B .1301(a)(3) and N.C. Sess. Laws 2011-145, Section 6A.6.(a) and 2013-360, Section 7.8.

**With the additional authority granted by state law, OITS and OSBM can review agency needs and determine the best way to procure professional services from individuals.** OITS and OSBM developed a process for agencies to obtain approval for personal services contracts as well as short-term staffing. Agencies submit requests for services to OITS on a standard form; these requests are consolidated and sent weekly to the primary OITS and OSBM approvers. OITS reviews requests for personal services or short-term staffing and advises agencies to:

- enter into a personal services contract,
- obtain competitive bids from providers through the IT Short-Term Staffing Program,
- work with OSHR and OSBM to create a state position, or
- take no action.

The review process is designed to prevent agencies from procuring personal services contracts when the services could be provided through the IT Short-Term Staffing Program or by state employees. The IT Short-Term Staffing Program allows for the procurement of contract employees to meet an agency's short-term service needs in categories such as coding, testing, software integration, and application implementation training. The program seeks to better equip the State to recruit, staff, and manage IT supplemental staff at market-competitive rates. Currently, OITS has agreements with approximately 250 short-term staffing providers with which agencies can contract using pre-negotiated terms. In an effort to streamline the process, OITS plans to choose ten providers from which agencies can contract for services. In Fall 2014, OITS issued a request for proposals (RFP) from short-term staffing providers. N.C. Sess. Law 2013-360, Section 7.8 also instructed OITS to include in its review an assessment of whether an IT service could more appropriately be provided by a state employee and to work with the Office of State Human Resources (OSHR) to identify or create the positions when applicable.

**The vast majority of IT personal services contracts were not approved by OITS and OSBM in Fiscal Year 2012–13 as required by law.** The Program Evaluation Division found that 95% of IT personal services procured by Executive Branch agencies and reported to OSBM in Fiscal Year 2012–13 were not submitted or approved by OITS and OSBM as required by law. As a result, nearly \$1.7 million in IT personal services were procured without being approved by OITS and OSBM. For example, the Department of State Treasurer (DST) contracted with an individual for IT services for three consecutive years for the equivalent of full-time work from Fiscal Year 2010–11 to Fiscal Year 2012–13 without obtaining approval from OITS for the annual renewal of this contract. When agencies violate review and approval requirements, OITS is not able to ensure the State is acquiring IT services from individuals in the most efficient or effective manner.

**OITS lacks a process to ensure agencies obtain prior approval to procure personal services.** OITS cannot properly oversee whether agencies are using state money appropriately if agencies do not send requests for services from individuals to OITS and OSBM for review. For this reason, North Carolina Administrative Code grants the State Chief Information Officer the authority to conduct compliance reviews to determine if agencies are complying with IT purchasing statutes and rules.<sup>26</sup> However, OITS did not conduct any compliance reviews during Fiscal Year 2013–14 and has no plans to conduct any reviews during Fiscal Year 2014–15. Moreover, because OITS does not include personal services and short-term staffing contracts in its compliance reviews, it lacks a process to ensure agencies submit requests to OITS and OSBM. Instead, OITS relies on agencies to follow the proper protocols.

In summary, state law requires Executive Branch agencies to obtain the approval of OITS and OSBM prior to procuring IT personal services and short-term staffing. However, in Fiscal Year 2012–13, the vast majority of IT personal services were procured by agencies without the review and approval of OITS and OSBM. Although OITS has the authority to approve and oversee procurement of IT services, it lacks a process to ensure agencies obtain approval prior to procuring personal services.

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<sup>26</sup> 09 N.C. Admin. Code 06B .1305.

**Finding 4. The lack of a shared definition and process for personal services contracts has led to erroneous procurement, classification, and reporting.**

The North Carolina Administrative Code provides an exemption from state procurement laws and rules for personal services that are

“...provided by a professional individual (person) on a temporary or occasional basis, including (by way of illustration, not limitation) those provided by a doctor, dentist, attorney, architect, professional engineer, scientist or performer of the fine arts and similar professions; the exemption applies only if the individual is using his/her professional skills to perform a professional task.”<sup>27</sup> (emphasis added)

Based on this definition, the Program Evaluation Division determined that a personal services contract should adhere to all of the following criteria:

- **Individual is an independent contractor.** Personal services contracts are classified as contracts with independent contractors for whom the agency does not have to withhold taxes. According to Internal Revenue Service regulations, no employer-employee relationship can exist between the payer and the independent contractor.<sup>28</sup> This definition means the payer can direct the result of the contractor’s work but not what or how the work is done.
- **Contract duration is on a temporary or occasional basis.** Agencies can acquire certain professional services on a temporary basis, which is typically understood as continuous work that lasts less than a year. An occasional basis is understood to mean infrequent periods of time throughout the year (e.g., three hours a month every quarter) or for the duration of specific task (e.g., a one-year project to upgrade a software system).
- **Individual has unique professional skills.** Personal services contracts are used to obtain services from an individual with specialized skills or traits that can only be reasonably performed by that individual.

**The Program Evaluation Division found numerous instances where personal services were not provided by an independent contractor with unique professional skills on a temporary or occasional basis.** The Program Evaluation Division’s review of personal services contracts reported to the Office of State Budget and Management (OSBM) from Fiscal Year 2009–10 to Fiscal Year 2012–13 revealed that agencies and institutions are

- defining miscellaneous services arrangements as personal services contracts;

<sup>27</sup> 01 N.C. Admin. Code 5B .1601(10).

<sup>28</sup> IRS Revenue Ruling 87-41 established 20 factors or elements to guide agencies on whether to classify an individual or business that provides services as an employee or independent contractor, including whether the worker is required to comply with the payee’s instructions about when, where, and how to perform the work and whether training is required. These factors fall into three main categories: behavioral control, financial control, and relationship of the parties.

- procuring services from the same individual for three or four consecutive years; and
- procuring services that do not require a particular individual to perform a specialized skill.

Exhibit 9 illustrates the various ways state agencies and institutions have defined and used personal services contracts. Because agencies have reported agreements that do not meet the criteria of a personal services contract, the State does not have an accurate accounting of the use of personal services contracts with annual expenditures over \$25,000.

### Exhibit 9

Agencies and Institutions Define and Use Personal Services Contracts in Various Ways



Source: Program Evaluation Division based on data from North Carolina state agencies and institutions and the Office of State Budget and Management.

Examples of reported contracts that do not meet the three criteria for personal services contracts are described below.

- **Contracts with companies, firms, or institutions.** The Department of Labor reported a contract with North Carolina State University as a personal services contract. The agency listed the project manager’s name on its report to OSBM, but the contract document stated the service agreement was between the university and the agency. By definition, a personal services contract should be with an individual.
- **Contracts for supplemental staff appointments.** Supplemental staff refers to an employee group used by agencies to fulfill staffing needs through a temporary appointment. The Program Evaluation Division identified several instances of personal services contracts being used for supplemental staff, such as temporary appointments for high school instructors and adjunct faculty within the University of North Carolina system. Because the State has an employer-employee relationship with these individuals, these contracts do not meet the definition of a personal services contract.

- **Multi-year contracts with the same individual to perform full-time work.** When agencies contract with the same individuals for the same service year after year, it raises questions as to whether the service should be competitively bid or whether it would be better to have state employees perform the service. Approximately 21% of the personal services contracts reported to OSBM from Fiscal Year 2009–10 through Fiscal Year 2012–13 were for a year or more of full-time equivalent work rather than for temporary or occasional work.

During this time period, the Department of Public Safety (DPS) issued personal services contracts to 43 individuals for three or more consecutive years for the equivalent of full-time work each year, including 28 staff members of the NC National Guard TarHeel Challenge Academy Program. The Office of State Human Resources (OSHR) determined that these positions had been in existence for almost 20 years and instructed DPS to create permanent positions.<sup>29</sup>

- **Contract with individuals without an apparent specialized skill.** Agencies procured services that did not require a unique professional skill, such as administrative support and waste disposal. In addition, the Department of Health and Human Services (DHHS) reported a stipend paid to a dental resident as a personal services contract. The Program Evaluation Division determined this agreement to be a grant award that provided financial support to an individual completing educational requirements and not a contract to provide professional services to the State.

**The assumption that all professional services acquired by agencies merit sole-source, non-competitively bid contracts puts the State at risk for paying more than necessary for certain services.** Although Administrative Code lists doctors, dentists, and attorneys as examples of providers of personal services, the definition does not imply that all contracts with doctors, dentists, and attorneys should be exempt from state procurement laws. A sole-source contract may be unnecessary because there may be more than one doctor or dentist who could perform the service.

**The Division of Purchase and Contract (P&C), OSBM, and the Office of State Controller (OSC) provide inconsistent direction on the definition of a personal services contract, which has affected agency classification and reporting.** OSBM has not provided agencies with consistent direction regarding what to include in their annual reporting of personal services contracts. Prior to the Fiscal Year 2011–12 report, OSBM stated that service contracts with companies were specifically excluded from the definition of a “personal services contract.” However, in its Fiscal Year 2011–12 report, OSBM conflated contracts for services from companies with personal services contracts, which does not conform to the

<sup>29</sup> The Fiscal Year 2014–15 Continuation, Expansion and Capital Budget provided funding to transition Tarheel Challenge Academy staff from temporary positions to permanent positions.

Administrative Code definition of a personal service as services provided by an individual person.<sup>30</sup>

In addition, P&C, OSBM, and OSC provide agencies with different instruction as to whether personal services contracts are classified as contracts with independent contractors, which hampers agencies' ability to determine what constitutes a personal services contract subject to reporting requirements.

- The Fiscal Year 2012–13 OSBM report states that a personal services contract is classified as a contract with an independent contractor for whom taxes do not have to be withheld. However, elsewhere in the same report, individuals who are subject to state tax withholding are also included in the definition of who may provide contracted personal services.
- P&C presumes a personal services contract is with an independent contractor, but this presumption is not specified in the definition of a personal services contract published in the North Carolina Procurement Manual or Administrative Code.<sup>31</sup>
- In contrast, OSC distinguishes a personal services contractor from an independent contractor. The OSC Payroll Policy Manual states that personal services contractors are individuals with temporary appointments who have an employer-employee relationship with the agency.

The use of different criteria by agencies and institutions to classify personal services contracts interferes with effective oversight and an accurate statewide accounting of the use of personal services contracts.

In summary, agencies and institutions reported numerous instances of contracts that did not meet the criteria for a personal services contract as being for services procured with an independent contractor for a specialized skill on a temporary or occasional basis. As a result, the contracts reported by agencies misrepresent the use of personal services contracts with annual expenditures over \$25,000. Furthermore, OSBM, P&C, and OSC provide inconsistent direction to agencies on the definition of a personal services contract, which has led to inconsistent classification and reporting.

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<sup>30</sup> 01 N.C. Admin. Code 05B .1601(a)(10).

<sup>31</sup> 01 N.C. Admin. Code 05A .0112(b) defines a service contract as services performed by an independent contractor. By extension, a personal services contract is considered a service contract with an individual independent contractor.

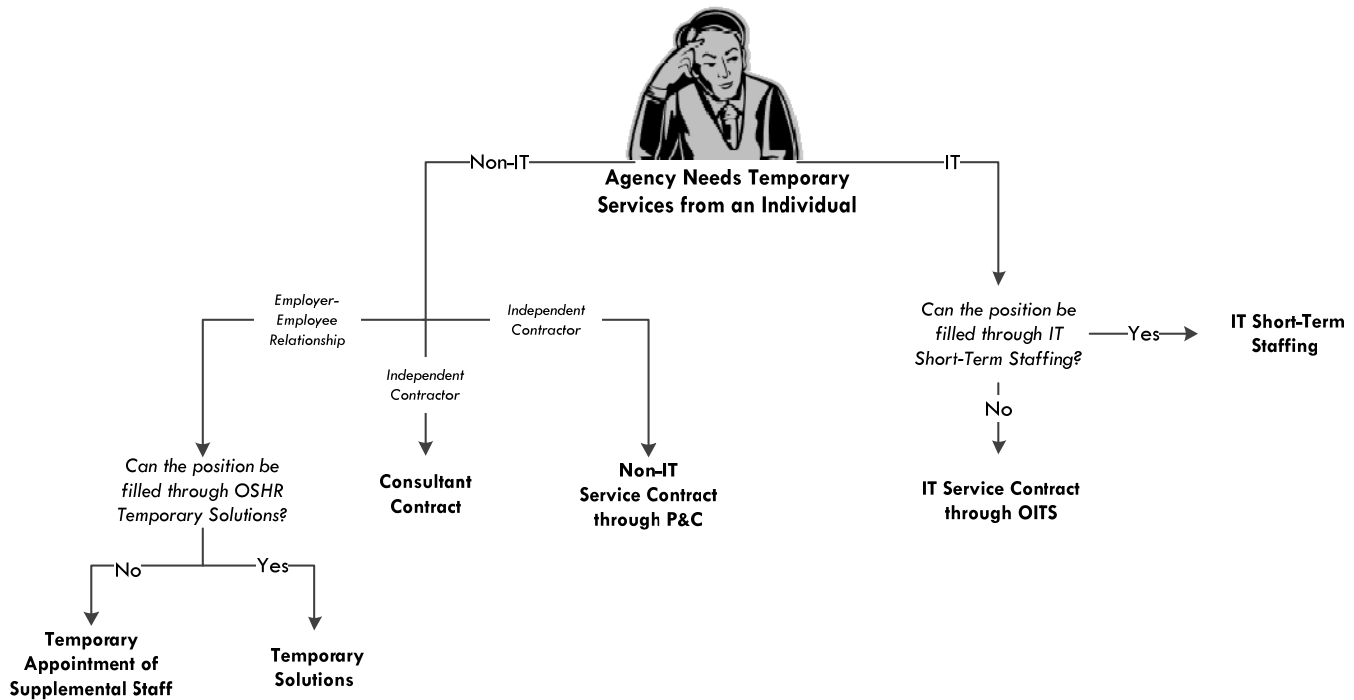
**Finding 5. Personal services contracts are unnecessary when existing mechanisms with greater oversight allow agencies and institutions to procure services from individuals on a temporary or occasional basis.**

Given the misuse and abuse of personal services contracts described in this report, the Program Evaluation Division identified several ways agencies and institutions could procure temporary or occasional services from individuals through mechanisms other than personal services contracts. These procurement mechanisms offer improved transparency in state purchasing practices while allowing agencies to maintain purchasing flexibility. To acquire services from individuals, agencies and institutions can use

- service contracts,
- consultant contracts, or
- supplemental staff through the Office of State Human Resources (OSHR) Temporary Solutions Program or the Office of Information Technology Services (OITS) Short-Term Staffing Program.

Exhibit 10 illustrates the different ways state agencies can obtain services from individuals instead of using personal services contracts.

**Exhibit 10: State Agencies Can Obtain Temporary Services from Individuals Through Mechanisms Other Than Personal Services Contracts**



Note: As specified by 01 N.C. Admin. Code 05D .0102, consultant services can be procured from a state employee as well as an independent contractor.

Sources: Program Evaluation Division based on data provided by the Office of State Human Resources, N.C. Gen. Stat. §143-64.20, 01 N.C. Admin. Code 05D .0102, 01 N.C. Admin. Code 05A .0112(b), and the North Carolina Procurement Manual.

**Non-IT Service Contracts.** Agencies and institutions can use service contracts to acquire non-IT services from individual independent contractors. North Carolina Administrative Code defines a service contract as

“...any agreement in which an *independent contractor* performs services requiring specialized knowledge, experience, expertise or similar capabilities for a state agency for compensation involving an expenditure of public funds. The services may include (by way of illustration, not limitation) services such as maintenance of buildings or equipment, auditing, film production, employee training and food services, provided that the service *is not* primarily for review, analysis or advice in formulating or implementing improvements in programs or services (*in which case rules relating to consultants shall be applicable*).”<sup>32</sup> (*emphasis added*)

Agencies can procure professional services from an individual independent contractor following the rules and regulations governing service contracts. Compared to personal services contracts, service contracts are more clearly defined. Because a service contract is identified as a contract with an independent contractor, the definition makes it clear that an agency should not have an employer-employee relationship with the contractor. The definition of a service contract also differentiates a service contract from a consultant contract.

The State would increase its oversight of spending if agencies purchased services from individuals through service contracts rather than personal services contracts. Unlike personal services contracts, service contracts over \$25,000 are subject to Division of Purchase and Contract (P&C) approval.<sup>33</sup> Moreover, pursuant to state law, P&C must provide a monthly report on all service contracts approved over \$25,000.<sup>34</sup>

At the same time, agencies would maintain purchasing flexibility when procuring services from individuals through service contracts. Agencies would still be able to respond to immediate service needs and procure services with individuals for under \$10,000 without having to obtain approval from P&C or go through the waiver of competition process. For a service contract over this amount with an individual independent contractor who is uniquely qualified to perform the needed function, an agency could request a sole-source justification by following the existing waiver of competition processes through P&C.<sup>35</sup> Moreover, an agency could request a special delegation from P&C to purchase contractual services without an expenditure limit if deemed necessary to efficiently and effectively perform agency operations. Finally, pursuant to existing policy, if immediate services are needed in emergency situations, agencies would only have to obtain verbal approval from P&C to obtain the services.<sup>36</sup>

<sup>32</sup> 01 N.C. Admin. Code 05A .0112(b).

<sup>33</sup> N.C. Gen. Stat. § 143-52.1(a).

<sup>34</sup> N.C. Gen Stat. § 143-52.1(e).

<sup>35</sup> 01 N.C. Admin. Code 05B .1401.

<sup>36</sup> 01 N.C. Admin. Code 05B .1602.



**Non-IT Consultant Contracts.** As discussed in Finding 1, state law requires Executive Branch agencies to justify their need in writing and obtain approval from P&C and the Governor prior to procuring non-IT consultant services.<sup>37</sup> Administrative Code defines consultant services as

“...work or task(s) performed by state employees or independent contractors possessing specialized knowledge, experience, expertise and professional qualifications to investigate assigned problems or projects and to provide counsel, review, analysis or advice in formulating or implementing improvements in programs or services. This includes but is not limited to the organization, planning, directing, control, evaluation and operation of a program, agency or department.”<sup>38</sup>

As explained in Finding 1, agencies have failed to submit personal services contracts for consultant services to P&C and the Governor for approval. Currently, the Administrative Code definitions of consultant services and personal services overlap: the definition of a personal service states that “a personal service may also be a consulting service.”<sup>39</sup> If agencies were not given the option to use personal services contracts, this overlap would be eliminated and agencies would have clearer instruction that all contracts for consultant services must be approved by P&C and the Governor.

**Temporary Solutions.** When non-IT services cannot be procured through service or consultant contracts, agencies and institutions can obtain supplemental staff of an employer-employee nature through Temporary Solutions. Temporary Solutions is administered by the Office of State Human Resources (OSHR) and can be used by state agencies and institutions to fulfill temporary staffing needs due to illness, peak production levels, transition periods, and other instances when workloads demand additional staff. Rates are based on the minimum rate of the State salary schedule, plus a small administrative charge. Temporary Solutions retains professionals from various occupations, including accountants, dentists, engineers, public health professionals, data entry operators, and truck drivers. The mission of Temporary Solution is to achieve state savings by providing temporary staffing services in a time-efficient and cost-effective manner.

When an agency or institution has a need for temporary staffing, they submit a job order to Temporary Solutions, which includes a detailed job description. Agencies and institutions have the option to refer a specific person they want to provide temporary services. Temporary Solutions has processes in place to ensure staff placed with agencies are placed in the appropriate classification and compensated in the associated pay range. Temporary Solutions also screens and interviews staff before admitting them into its applicant pool. In contrast, the State has no processes in place to ensure that agencies are using personal services contracts to acquire the best-qualified individuals at the most competitive rates.

Executive Order 4, issued in February 2013, requires Cabinet agencies and the Governor’s Office to employ supplemental staff through Temporary Solutions. The Executive Order encourages the Council of State

<sup>37</sup> N.C. Gen. Stat. § 143-64.20-.23.

<sup>38</sup> 01 N.C. Admin. Code 5D .0102.

<sup>39</sup> 01 N.C. Admin. Code 5B .1601(10).

departments and the University of North Carolina to utilize Temporary Solutions, but does not require their participation.<sup>40</sup> OSHR runs a monthly report to monitor whether Cabinet agencies are using Temporary Solutions to fulfill their temporary staffing needs and thus far has not identified any instances of an agency violating the order.

As a measure of last resort, non-Cabinet agencies, boards, and departments can directly hire supplemental staff to provide non-IT services. Supplemental staff have temporary appointments, which the State Human Resources Manual defines as “an appointment for a limited term, normally not to exceed three to six months, to a permanent or temporary position” that should in no case exceed 12 consecutive months.

**IT Service Contracts and Short-Term Staffing.** As described in Finding 3, state law requires agency procurement of all IT services from individuals to be reviewed and approved by the Office of Information Technology Services (OITS) and the Office of State Budget and Management (OSBM). If OITS and OSBM determine a requested service cannot be filled through IT Short-Term Staffing or by a state employee, they could direct agencies to use the procurement process for a service contract instead of a personal services contract. In cases where a service contract is with an individual who has specific expertise and credentials that make him or her uniquely qualified to perform the needed function, an agency could request a sole-source justification by following the existing waiver of competition process.<sup>41</sup>

**The State could improve oversight and streamline the procurement process if Executive Branch agencies used existing mechanisms to acquire temporary professional services from individuals as opposed to personal services contracts.** Based on its sample, the Program Evaluation Division re-categorized the personal services contracts used by Executive Branch agencies in Fiscal Year 2012–13 based on the scope of the work, deliverables, and the individual performing the service. As seen in Exhibit 11, Executive Branch agencies could have acquired services from individuals through the following mechanisms:

- IT Short-Term Staffing or service contract through OITS,
- service contract with individual independent contractor through P&C,
- consultant contract through P&C and the Governor,
- Temporary Solutions temporary appointment through OSHR, or
- supplemental staff.<sup>42</sup>

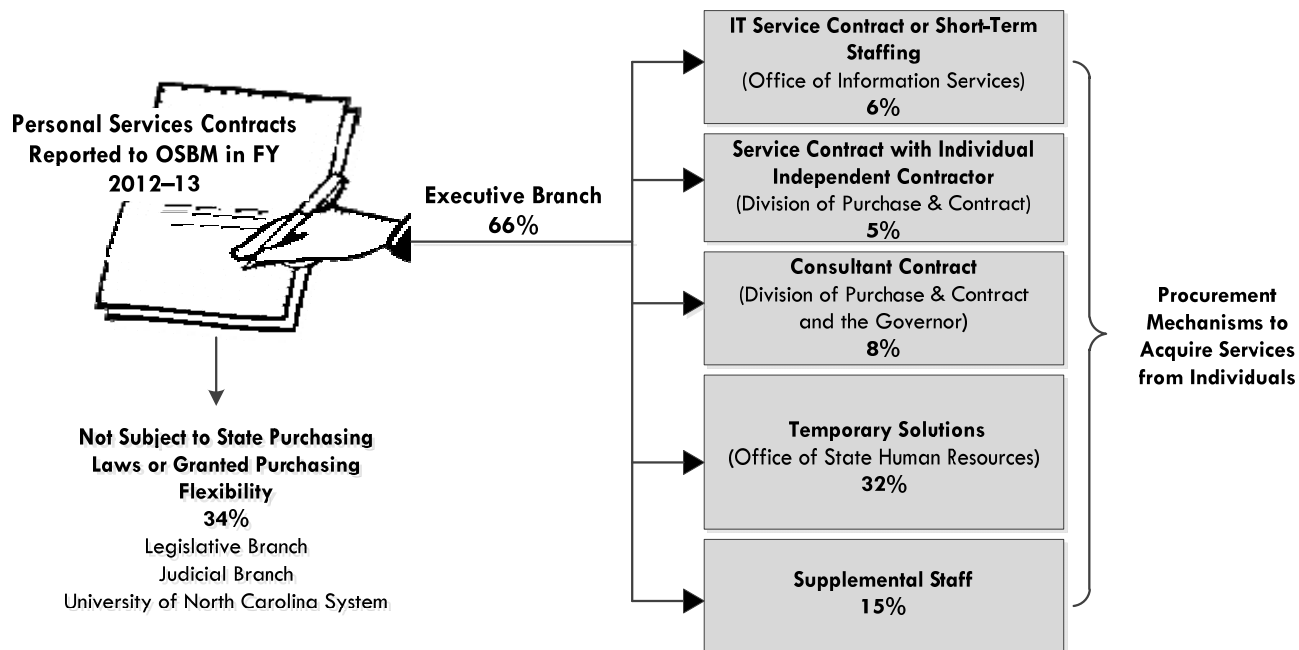
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<sup>40</sup> The Board of Governors allows institutions to determine how they will fill short-term staffing needs. North Carolina State University and the University of North Carolina at Chapel Hill have collaborated in the area of temporary staffing. NCSU has an ongoing service agreement with UNC-Chapel Hill to provide full-service, in-house temporary staffing with on-site staff supporting each campus.

<sup>41</sup> 09 N.C. Admin Code 06B.

<sup>42</sup> The Judicial and Legislative Branches are not subject to P&C or OITS contracting policies and procedures and instead have separate policies and procedures governing the procurement of services from individuals. The University of North Carolina constituent institutions are not subject to State IT Purchasing Laws and have a Memorandum of Understanding with P&C which lays out the procurement partnership between the two entities for the purchase of non-IT goods and services.

### Exhibit 11: Personal Services Procured By Executive Branch Agencies in Fiscal Year 2012–13 Could Have Been Acquired Through Other Mechanisms



Note: The agency or entity listed for each procurement mechanism represents the oversight entity for that procurement method.

Source: Program Evaluation Division based on data from the Office of State Budget and Management and the Office of State and Human Resources.

The agencies responsible for administering these other procurement mechanisms would be affected in the following ways.

- OITS would not see an increase in responsibility if agencies were required to use service contracts when acquiring IT services from individuals.** As seen in Exhibit 11, 6% of the reported contracts were re-categorized as IT services procured by Executive Branch agencies. State law already requires OITS to review and approve the procurement of IT services from individuals. Thus, OITS’s review and approval responsibility would remain the same if agencies used service contracts to procure services from individuals instead of personal services contracts. However, as stated in Finding 3, only one IT personal services contract reported to OSBM was reviewed and approved by OITS in Fiscal Year 2012–13. Accordingly, OITS should expect to annually review approximately 20-30 more requests for IT services from individuals of over \$25,000 if agencies follow the required approval process. Based on reporting trends, OITS should also expect to review approximately 183 contracts for IT services from individuals of less than or equal to \$25,000.
- P&C would see a minimal increase in workload if agencies were required to go through the process for service contracts when acquiring services from individual independent contractors.** As seen in Exhibit 11, only 5% of the contracts were re-categorized as Executive Branch service contracts subject to P&C approval. As a

result, P&C would only have to review and approve approximately 22 more service contracts per year if agencies classified all contracts with individual independent contractors as service contracts and followed the purchasing processes for service contracts described above. Based on reporting trends, the Program Evaluation Division estimates P&C would have to review approximately 42 additional waiver of competition requests each year if all applicable contracts between \$10,000 and \$25,000 were processed as sole-source service contracts with individuals.

- **P&C and the Governor would continue to review requests for consultant services from individuals as required before.** As seen in Exhibit 11, 8% were for Executive Branch consultant contracts subject to P&C and the Governor's approval. As explained in Finding 1, agencies have not submitted these contracts to P&C and the Governor for review and approval as required by law.<sup>43</sup> Accordingly, P&C and the Governor should expect to review approximately 36 additional consultant contracts with individuals each year if agencies follow approval requirements.
- **OSHR would fill more staffing needs through Temporary Solutions and the State would achieve cost savings.** Temporary Solutions is designed to provide temporary staffing services in a time-efficient and cost-effective manner. As shown in Exhibit 11, 32% of the contracts reported in Fiscal Year 2012–13 could have been filled through Temporary Solutions. The Program Evaluation Division estimates that 148 of the services procured by Executive Branch agencies through personal services contracts could have been provided by Temporary Solutions staff instead. Accordingly, the State could have saved approximately \$963,702 in Fiscal Year 2012–13 if all Executive Branch agencies had used Temporary Solutions for staffing needs in lieu of using personal services contracts.<sup>44</sup>
- **Agencies would hire more non-IT supplemental staff.** As seen in Exhibit 11, 15% of the contracts were categorized as supplemental staff because the services were not procured with independent contractors and could not be provided through Temporary Solutions.

As explained previously, supplemental staff refers to an employee group used by agencies when they hire an individual on a temporary appointment. Currently, non-Cabinet agencies, boards, and departments are not required to use Temporary Solutions and can hire supplemental staff directly without OSHR authorization or oversight. Aside from requiring agencies to give supplemental staff a mandatory 31-day break in service after 11 consecutive months of work, OSHR maintains no other policies governing agencies' use or compensation of supplemental staff hired directly by the agency.

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<sup>43</sup> N.C. Gen. Stat. § 143-64.20.

<sup>44</sup> However, as explained previously, only Cabinet agencies are required to go through Temporary Solutions for staffing needs, and Executive Order 4 was not issued until February 2013.

Accordingly, as with personal services contracts, agencies are not limited in how much they can compensate supplemental staff or for how many years they can procure a particular service. In contrast, OSHR has processes in place to ensure supplemental staff employed through Temporary Solutions are properly classified and paid in the appropriate pay range. OSHR also sends agencies a notice if a staffer employed through Temporary Solutions is due for a break in service. Currently, agencies are responsible for monitoring the breaks of supplemental staff hired directly by the agency. OSHR is in the process of conducting a compliance review to ensure that agencies are complying with the break-in-service rule.

**If the General Assembly required all Executive Branch agencies to submit requests for supplemental staff to OSHR, the State would have greater assurance that temporary staffing needs were being filled with the best-qualified individuals at the most competitive rates.** Upon receiving an agency request for supplemental staff, OSHR could determine whether the need could be filled through Temporary Solutions and identify the appropriate classification and pay range for the service. In cases in which OSHR determines that an agency staffing need cannot be filled through Temporary Solutions, it could authorize an agency to hire supplemental staff directly. The State Human Resources Director already grants exceptions to Cabinet agencies on a case-by-case basis from the requirement of obtaining supplemental staff through Temporary Solutions.

In addition, OSHR could perform additional analysis on agency use of supplemental staff and implement guidelines to ensure agencies use supplemental staff for temporary service needs. OSHR currently runs a monthly monitoring report to identify the utilization of supplemental staff hired directly by agencies and Temporary Solutions staff employed by OSHR. However, it does not formally review supplemental staff positions to determine if positions could be more appropriately filled by state employees. Moreover, OSHR does not regulate the number of consecutive years an agency can use supplemental staff to cover a particular service or limit the number of years a particular individual can provide services to an agency provided he or she is given the required break in service.

In summary, agencies and institutions could acquire services from individuals using service contracts, consultant contracts, Temporary Solutions, and IT Short-Term Staffing instead of using personal services contracts. If agencies used these mechanisms instead of personal services contracts, the State could improve oversight and efficiency and save money. Moreover, the use of these mechanisms allows agencies to maintain purchasing flexibility by requesting approval for sole-source contracts, services needed in emergency situations, or special delegations to perform agency operations. If the State required all Executive Branch agencies, boards, and departments to fulfill non-IT supplemental staffing needs through Temporary Solutions, the State could have more assurance it was acquiring short-term services from the best-qualified individuals at the appropriate rates.

## Recommendations

### **Recommendation 1. The General Assembly should enact legislation prohibiting agencies and institutions from using personal services contracts.**

As discussed in Finding 1, agencies and institutions have misused and abused personal services contracts. Agencies have circumvented state law by not obtaining the proper approval of the Governor and the Department of Administration's (DOA) Division of Purchase and Contract (P&C) for personal services contracts for consultant services. In addition, rates of compensation for personal services contracts have exceeded the highest paid executives in state government. This misuse and abuse is due in part to the lack of oversight over these contracts.

To address this issue, the General Assembly should enact legislation such that the policy of the State prohibits the use of personal services contracts. This policy would require DOA and the Office of Information Technology Services (OITS) to remove all references to personal services from the following sections of North Carolina Administrative Code:

- 01 N.C. Admin. Code 05B.1401,
- 01 N.C. Admin. Code 05B.1601,
- 09 N.C. Admin. Code 06B .0901, and
- 09 N.C. Admin. Code 06B .1301.

Within 30 days of passage of the law, DOA and OITS should be directed to

- modify procurement manuals and guidelines to reflect the changes to the law;
- notify agencies and institutions of the changes to the law; and
- provide sufficient guidance to agencies and institutions on existing mechanisms for procuring and acquiring services from an individual on a temporary or occasional basis.

Moreover, the Office of State Controller (OSC) should remove the references to "personal services" and "personal service contractors" from its Payroll Policy Manual and in the *Systems* section of its website.

The law should stipulate that current personal services contracts should be allowed to expire at the term designated by the contract. However, agencies should be prohibited from exercising any options to extend existing personal services contracts. Personal services contracts without term dates should be terminated within 60 days of passage of this law.

If the General Assembly chooses to eliminate the use of personal services contracts, the requirement for agencies and institutions to report annually on the use of personal services contracts found under N.C. Gen. Stat. § 143-64.70 should be repealed. In addition, the Office of State Budget and Management (OSBM) should be directed to notify agencies, departments, boards, and institutions of the elimination of the reporting requirement.

**Recommendation 2. The General Assembly should enact legislation requiring all Executive Branch agencies, including Council of State agencies, to obtain non-IT supplemental staff through Temporary Solutions.**

As explained in Finding 5, Executive Order 4 requires only Cabinet agencies and the Governor's Office to utilize temporary staffing through the Office of State Human Resources (OSHR) Temporary Solutions Program. The mission of Temporary Solutions is to achieve savings to the State by providing temporary staffing services in a time-efficient and cost-effective manner. The Program Evaluation Division estimates the State could have saved approximately \$963,702 in Fiscal Year 2012–13 if all Executive Branch agencies had used Temporary Solutions for staffing needs in lieu of using personal services contracts.

As a result, the General Assembly should enact legislation requiring all Executive Branch agencies to submit all requests for non-IT supplemental staff to OSHR to be filled through Temporary Solutions. If an agency's staffing needs cannot be met through Temporary Solutions, OSHR should direct Cabinet and Council of State agencies to fill temporary staffing needs by hiring supplemental staff.

To ensure proper implementation and adherence to the law, the General Assembly should direct OSHR to

- develop policies and procedures to guide how agencies hire and use supplemental staff when the use of Temporary Solutions is not feasible;
- perform periodic compliance audits to ensure acquisitions of supplemental staff comply with policies and procedures; and
- analyze and report biannually to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division on agency use of supplemental staff and Temporary Solutions, including frequency and duration of use and whether the work being conducted could be best met by filling the position with a full-time state employee.

**Recommendation 3. The General Assembly should enact legislation to require the Office of Information Technology Services to review and approve service contracts with individuals, report on a biennial basis, and conduct compliance reviews.**

N.C. Sess. Law 2013-360, Section 7.8 ensures greater transparency and oversight of contracts with individuals for IT services by directing the Office of Information Technology Services (OITS) and the Office of State Budget and Management (OSBM) to review and approve IT personal services procured by Executive Branch agencies. However, the session law is set to expire on June 30, 2015. Therefore, the General Assembly should codify the session law.

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The codification of N.C. Sess. Law 2013-360, Section 7.8 should include several modifications.

- The language referring to personal services should be modified to read “service contracts with individuals.”
- OITS should be directed to conduct regular compliance audits to ensure agency adherence to the established procedures and report the findings in the biennial report described below.
- To ensure continued oversight of the Joint Legislative Oversight Committee on Information Technology and the Fiscal Research Division, OITS should be directed to prepare a biennial report that includes the number of individual contractors in each state agency, the cost for each contractor, and the comparable cost (including benefits) of a state employee serving in that capacity rather than a contractor.

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## Appendix

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Appendix A: Personal Services Contracts Reported to the Office of State Budget and Management, Fiscal Year 2012–13

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## Agency Response

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A draft of this report was submitted to the Department of Administration’s Division of Purchase and Contract, the Office of Information Technology Services, the Office of State Human Resources, and the Office of State Budget and Management to review. The Department of Administration, the Office of State Human Resources, and the Office of State Budget and Management prepared a consolidated response, which is provided following the report.

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## Program Evaluation Division Contact and Acknowledgments

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For more information on this report, please contact the lead evaluator, Meg Kunde, at [meg.kunde@ncleg.net](mailto:meg.kunde@ncleg.net).

Staff members who made key contributions to this report include Sean Hamel and Pamela Taylor. John W. Turcotte is the director of the Program Evaluation Division.



Appendix A: Personal Services Contracts Reported By State Agencies and Institutions to the Office of State Budget and Management, Fiscal Year 2012–13

	<b>Agency Name</b>	<b>Contractor Name</b>	<b>Amount Paid in FY 2013</b>	<b>Total Contract Award Amount</b>	<b>Yearly Hours of Contract</b>	<b>Contract Start Date</b>	<b>Contract End Date</b>	<b>Description of Work Performed</b>
1	Administrative Office of the Courts	Elizabeth Spillman	\$95,346	n/a	n/a	n/a	n/a	Legal Services: Guardian ad Litem
2	Administrative Office of the Courts	Beth Hall	\$74,521	n/a	n/a	n/a	n/a	Legal Services: Guardian ad Litem
3	Administrative Office of the Courts	Melanie Cranford	\$71,121	n/a	n/a	n/a	n/a	Legal Services: Guardian ad Litem
4	Administrative Office of the Courts	Robin Hurmence	\$67,875	n/a	n/a	n/a	n/a	Legal Services: Guardian ad Litem
5	Administrative Office of the Courts	Jose Torres	\$60,914	n/a	n/a	n/a	n/a	Legal Services: Interpretation
6	Administrative Office of the Courts	Donald Rubin	\$60,350	n/a	n/a	n/a	n/a	Legal Services: Expert Witness RJA
7	Administrative Office of the Courts	Karen Davidson	\$59,574	n/a	n/a	n/a	n/a	Legal Services: Guardian ad Litem
8	Administrative Office of the Courts	Michael Tousey	\$54,354	n/a	n/a	n/a	n/a	Legal Services: Guardian ad Litem
9	Administrative Office of the Courts	Paula Greene	\$53,016	n/a	n/a	n/a	n/a	Legal Services: Guardian ad Litem
10	Administrative Office of the Courts	Laura Bodenheimer	\$48,661	n/a	n/a	n/a	n/a	Legal Services: Guardian ad Litem
11	Administrative Office of the Courts	Missy Blackerby	\$48,416	n/a	n/a	n/a	n/a	Legal Services: Guardian ad Litem
12	Administrative Office of the Courts	Matthew Cox	\$41,446	n/a	n/a	n/a	n/a	Legal Services: Guardian ad Litem
13	Administrative Office of the Courts	Mary McKay	\$39,808	n/a	n/a	n/a	n/a	Legal Services: Guardian ad Litem
14	Administrative Office of the Courts	Diane Surgeon	\$39,591	n/a	n/a	n/a	n/a	Legal Services: Guardian ad Litem
15	Administrative Office of the Courts	Frederick Evans	\$38,091	n/a	n/a	n/a	n/a	Legal Services: Guardian ad Litem
16	Administrative Office of the Courts	Luz Maria Beasley	\$37,445	n/a	n/a	n/a	n/a	Legal Services: Interpretation
17	Administrative Office of the Courts	James Freeman, Jr.	\$37,383	n/a	n/a	n/a	n/a	Legal Services: Guardian ad Litem
18	Administrative Office of the Courts	Maria Chase	\$36,826	n/a	n/a	n/a	n/a	Legal Services: Interpretation

	<b>Agency Name</b>	<b>Contractor Name</b>	<b>Amount Paid in FY 2013</b>	<b>Total Contract Award Amount</b>	<b>Yearly Hours of Contract</b>	<b>Contract Start Date</b>	<b>Contract End Date</b>	<b>Description of Work Performed</b>
<b>19</b>	Administrative Office of the Courts	Ricardo Perez	\$36,261	n/a	n/a	n/a	n/a	Legal Services: Interpretation
<b>20</b>	Administrative Office of the Courts	Susan Ekis	\$36,005	n/a	n/a	n/a	n/a	Legal Services: Interpretation
<b>21</b>	Administrative Office of the Courts	Heather Klein	\$34,793	n/a	n/a	n/a	n/a	Legal Services: Guardian ad Litem
<b>22</b>	Administrative Office of the Courts	Ruby Ramos	\$34,589	n/a	n/a	n/a	n/a	Legal Services: Interpretation
<b>23</b>	Administrative Office of the Courts	Sylvia Gaddis	\$34,553	n/a	n/a	n/a	n/a	Legal Services: Interpretation
<b>24</b>	Administrative Office of the Courts	Carolyn Ogarro-Moore	\$34,466	n/a	n/a	n/a	n/a	Legal Services: Guardian ad Litem
<b>25</b>	Administrative Office of the Courts	Darrell Brown	\$34,449	n/a	n/a	n/a	n/a	Legal Services: Guardian ad Litem
<b>26</b>	Administrative Office of the Courts	Byron Dunning	\$33,691	n/a	n/a	n/a	n/a	Legal Services: Guardian ad Litem
<b>27</b>	Administrative Office of the Courts	Maria Tyndall	\$33,403	n/a	n/a	n/a	n/a	Legal Services: Interpretation
<b>28</b>	Administrative Office of the Courts	Milagros Ramos	\$33,183	n/a	n/a	n/a	n/a	Legal Services: Interpretation
<b>29</b>	Administrative Office of the Courts	Wanda Naylor	\$33,083	n/a	n/a	n/a	n/a	Legal Services: Guardian ad Litem
<b>30</b>	Administrative Office of the Courts	Kelly Patterson	\$33,049	n/a	n/a	n/a	n/a	Legal Services: Guardian ad Litem
<b>31</b>	Administrative Office of the Courts	Maria Arenas	\$33,027	n/a	n/a	n/a	n/a	Legal Services: Interpretation
<b>32</b>	Administrative Office of the Courts	Michael Schmidt	\$33,000	n/a	n/a	n/a	n/a	Legal Services: Guardian ad Litem
<b>33</b>	Administrative Office of the Courts	Ernest Wright	\$32,988	n/a	n/a	n/a	n/a	Legal Services: Guardian ad Litem
<b>34</b>	Administrative Office of the Courts	Shawnea Olanrewaju	\$32,737	n/a	n/a	n/a	n/a	Legal Services: Guardian ad Litem
<b>35</b>	Administrative Office of the Courts	Ann Hines Davis	\$32,418	n/a	n/a	n/a	n/a	Legal Services: Guardian ad Litem
<b>36</b>	Administrative Office of the Courts	George Jenkins, Jr.	\$32,102	n/a	n/a	n/a	n/a	Legal Services: Guardian ad Litem
<b>37</b>	Administrative Office of the Courts	Mose Highsmith	\$31,041	n/a	n/a	n/a	n/a	Legal Services: Guardian ad Litem

	<b>Agency Name</b>	<b>Contractor Name</b>	<b>Amount Paid in FY 2013</b>	<b>Total Contract Award Amount</b>	<b>Yearly Hours of Contract</b>	<b>Contract Start Date</b>	<b>Contract End Date</b>	<b>Description of Work Performed</b>
38	Administrative Office of the Courts	E Blake Evans	\$30,366	n/a	n/a	n/a	n/a	Legal Services: Guardian ad Litem
39	Administrative Office of the Courts	William Mathers	\$30,071	n/a	n/a	n/a	n/a	Legal Services: Guardian ad Litem
40	Administrative Office of the Courts	Rudy Calderon	\$29,974	n/a	n/a	n/a	n/a	Legal Services: Interpretation
41	Administrative Office of the Courts	John Foley, Jr	\$29,662	n/a	n/a	n/a	n/a	Legal Services: Interpretation
42	Administrative Office of the Courts	Jeffrey Martin	\$29,658	n/a	n/a	n/a	n/a	Legal Services: Interpretation
43	Administrative Office of the Courts	Robert Collins	\$29,083	n/a	n/a	n/a	n/a	Legal Services: Guardian ad Litem
44	Administrative Office of the Courts	Sandy Pearce	\$28,177	n/a	n/a	n/a	n/a	Contractual Services
45	Administrative Office of the Courts	Annie Snyder	\$28,031	n/a	n/a	n/a	n/a	Legal Services: Interpretation
46	Administrative Office of the Courts	Bobby Khan	\$27,920	n/a	n/a	n/a	n/a	Legal Services: Guardian ad Litem
47	Administrative Office of the Courts	Darryl Brown	\$27,693	n/a	n/a	n/a	n/a	Legal Services: Guardian ad Litem
48	Administrative Office of the Courts	Jan Notzon	\$27,691	n/a	n/a	n/a	n/a	Legal Services: Interpretation
49	Administrative Office of the Courts	Mirko Merecio	\$27,580	n/a	n/a	n/a	n/a	Legal Services: Interpretation
50	Administrative Office of the Courts	Connie Vetter	\$27,376	n/a	n/a	n/a	n/a	Legal Services: Permanency Mediation
51	Administrative Office of the Courts	Maria-Elena Conley	\$25,687	n/a	n/a	n/a	n/a	Legal Services: Interpretation
52	Administrative Office of the Courts	Melanie Hite Clark	\$25,541	n/a	n/a	n/a	n/a	Legal Services: Guardian ad Litem
53	Appalachian State University	Maya Angelou	\$35,000	\$32,706	n/a	January 2013	January 2013	Contract Speaker
54	Dept. of Administration	Melvin Davis	\$61,383	\$430,000	n/a	May 2012	June 2016	Prepare Annual Medicare/Medicaid Cost Reports
55	Dept. of Agriculture & Consumer Services	Jonathan Curry	\$84,447	\$98,600	993	July 2012	June 2013	FDTS system modifications
56	Dept. of Agriculture & Consumer Services	Jeffrey Camden	\$37,500	\$45,000	n/a	April 2012	March 2013	Grant Administration

	<b>Agency Name</b>	<b>Contractor Name</b>	<b>Amount Paid in FY 2013</b>	<b>Total Contract Award Amount</b>	<b>Yearly Hours of Contract</b>	<b>Contract Start Date</b>	<b>Contract End Date</b>	<b>Description of Work Performed</b>
<b>57</b>	Dept. of Agriculture & Consumer Services	Jonathan Curry	\$27,189	\$27,200	305	August 2012	November 2012	AgroLims Spiceworks Log Resolution
<b>58</b>	Dept. of Commerce	Donna Crudder	\$100,000	\$100,000	n/a	July 2012	June 2013	Instruction
<b>59</b>	Dept. of Commerce	Greg Newton	\$60,400	\$60,400	n/a	December 2012	December 2013	Instruction
<b>60</b>	Dept. of Commerce	Robert Moore	\$54,909	\$65,283	n/a	April 2012	December 2012	Instruction
<b>61</b>	Dept. of Cultural Resources	David Wilson	\$25,000	\$95,994	n/a	September 2012	November 2013	Design of Kinston Park
<b>62</b>	Dept. of Health and Human Services	Michael Simmering	\$179,458	\$704,549	2175.25	April 2010	April 2014	Process Improvement Engineer to render certain professional services to the Office of MMIS Services
<b>63</b>	Dept. of Health and Human Services	Joe Hauck	\$150,000	\$310,000	1575	January 2013	September 2013	Senior Advisor to the DHHS Secretary on strategic planning, re-organization, and policy issues
<b>64</b>	Dept. of Health and Human Services	Ronald Lutz	\$128,625	\$396,712	1029	January 2011	December 2013	Consultation services to the OMMISS Senior Program Manager on multiple subjects including scheduling, testing, and transition to operations
<b>65</b>	Dept. of Health and Human Services	Rom Lewis	\$122,850	\$122,850	1890	July 2012	June 2013	Resource required as critical needs support for Federal/State compliance with HIPAA and its expanded modifications
<b>66</b>	Dept. of Health and Human Services	Steven Wegner	\$111,680	\$584,032	1040	March 2011	March 2013	Case reviews for medical necessity
<b>67</b>	Dept. of Health and Human Services	Carol L Ransone	\$88,830	\$139,949	878.75	February 2013	August 2013	Review, evaluate and assess impact upon stakeholders of processes and procedures in preparation of the Replacement MMIS. Consult and advise CIO of business processes and procedures. Work closely with CIO to prioritize all activities

	<b>Agency Name</b>	<b>Contractor Name</b>	<b>Amount Paid in FY 2013</b>	<b>Total Contract Award Amount</b>	<b>Yearly Hours of Contract</b>	<b>Contract Start Date</b>	<b>Contract End Date</b>	<b>Description of Work Performed</b>
<b>68</b>	Dept. of Health and Human Services	Robert J. Sullivan, Jr., MD	\$71,600	\$230,400	716	July 2002	June 2014	This service provides assistance to the Division's professional staff in determining deficient practice related to avoidable and unavoidable medical conditions
<b>69</b>	Dept. of Health and Human Services	John Hoomani	\$70,657	\$100,000	1000	January 2012	June 2013	Review the administrative rules in SB 496 and SB 781
<b>70</b>	Dept. of Health and Human Services	Sharon Glover	\$63,000	\$103,000	649	November 2011	June 2013	Phase II development and design of a comprehensive organizational training plan for the Division of Child Development and Early Education that will complement the work begun in late 2010 at NC A&T State University with child care providers, partners and families. Comprehensive training plan will guide policy development that will effectively support culturally diverse services for children, child care providers and families statewide
<b>71</b>	Dept. of Health and Human Services	Karen Hamilton	\$60,000	\$60,000	1820	July 2012	June 2013	To coordinate the functions of the NC ADA Network
<b>72</b>	Dept. of Health and Human Services	Beth T. Stalvey	\$60,000	\$60,000	1820	July 2012	June 2013	Manage and coordinate the Public Policy In-House Initiative for NCCDD
<b>73</b>	Dept. of Health and Human Services	Brenda K. Williamson	\$59,581	\$59,581	544	September 2012	June 2013	Provide mentoring and/or evaluation services for NC Pre-K teachers who work in non-public schools to ensure that they attain and maintain a valid Birth-through-Kindergarten Standard Professional II Licensure that supports children's learning, growth and development
<b>74</b>	Dept. of Health and Human Services	Thomas G. Johnson, DDS	\$54,900	\$60,000	549	July 2012	June 2013	Provide dental services to the residents of Black Mountain Neuro-Medical Treatment Center (BMNTC). In addition dental outreach service is provided and billed to Medicaid-eligible individuals residing in the community

	<b>Agency Name</b>	<b>Contractor Name</b>	<b>Amount Paid in FY 2013</b>	<b>Total Contract Award Amount</b>	<b>Yearly Hours of Contract</b>	<b>Contract Start Date</b>	<b>Contract End Date</b>	<b>Description of Work Performed</b>
<b>75</b>	Dept. of Health and Human Services	Les Merritt, CPA	\$52,000	\$312,000	199.5	May 2013	May 2014	Contractor shall work in the capacity of Chief Financial Officer for the Division of Mental Health, Developmental Disabilities, and Substance Abuse Services and shall work with the Director of the Division of Mental Health, Developmental Disabilities, and Substance Abuse Services to establish financial policies
<b>76</b>	Dept. of Health and Human Services	Joni Moffitt	\$50,338	\$54,000	n/a	September 2012	September 2013	Media buyer will provide consultative services to programs and divisions within the department and develop strategic media placement plans to support program and departmental objectives. The Vaccinations Protect WI 2012, immunization
<b>77</b>	Dept. of Health and Human Services	Lisa Camp	\$46,946	\$94,772	789	September 2011	June 2013	Provide mentoring and/or evaluation services for NC Pre-K teachers who work in non-public schools to ensure that they attain and maintain a valid Birth-through-Kindergarten Standard Professional II License that supports children's learning, growth and development
<b>78</b>	Dept. of Health and Human Services	Marian B. Hartman	\$44,391	\$61,115	946.5	July 2012	September 2013	Provide additional staffing support to the grant project director in coordinating and maintaining ongoing dialogue with Community Resource Connections for Aging and Disabilities (ADRC) programs and to ensure consistency in the development of Person-Centered Hospital Discharge Plan Models
<b>79</b>	Dept. of Health and Human Services	Leo Ndiangang Achembong	\$43,709	\$68,093	2080	March 2012	February 2013	Provide a stipend and support for a Public Health Dental Resident while he is completing the educational requirements of the Public Health Dental Residency program

	<b>Agency Name</b>	<b>Contractor Name</b>	<b>Amount Paid in FY 2013</b>	<b>Total Contract Award Amount</b>	<b>Yearly Hours of Contract</b>	<b>Contract Start Date</b>	<b>Contract End Date</b>	<b>Description of Work Performed</b>
<b>80</b>	Dept. of Health and Human Services	Amy Jo Johnson	\$42,293	\$95,761	1143	September 2011	June 2013	Provide mentoring and/or evaluation services for NC Pre-K teachers who work in non-public schools to ensure that they attain and maintain a valid NC Birth-through-Kindergarten Standard Professional II License that supports children's learning, growth and development
<b>81</b>	Dept. of Health and Human Services	MaryLou Sudders	\$39,982	\$250,000	171.2	October 2012	July 2014	To provide services for US DOJ settlement agreement
<b>82</b>	Dept. of Health and Human Services	Heather F. Taylor	\$37,834	\$80,668	1651	September 2011	June 2013	Provide mentoring and/or evaluation services for NC Pre-K teachers who work in non-public schools to ensure that they attain and maintain a valid NC Birth-through-Kindergarten Standard Professional II License that supports children's learning, growth and development
<b>83</b>	Dept. of Health and Human Services	Merilee Chesney	\$35,266	\$71,532	800	November 2011	June 2013	Provide mentoring and/or evaluation services for NC Pre-K teachers who work in non-public schools to ensure that they attain and maintain a valid NC Birth-through-Kindergarten Standard Professional II License that supports children's learning, growth and development
<b>84</b>	Dept. of Health and Human Services	Susan D. Young	\$32,960	\$42,200	315.5	January 2013	February 2013	Assess MMIS initiative risks, identify gaps and recommend changes to successful, timely implementation of the new system
<b>85</b>	Dept. of Health and Human Services	Richard Gloor, D.O.	\$30,900	\$38,400	309	July 2012	June 2013	Provide medical guidance services to Vocational Rehabilitation Unit Office staff related to individual client cases

	<b>Agency Name</b>	<b>Contractor Name</b>	<b>Amount Paid in FY 2013</b>	<b>Total Contract Award Amount</b>	<b>Yearly Hours of Contract</b>	<b>Contract Start Date</b>	<b>Contract End Date</b>	<b>Description of Work Performed</b>
<b>86</b>	Dept. of Health and Human Services	Donna Faulconer	\$28,867	\$42,834	636.25	September 2012	June 2013	Provide mentoring and/or evaluation services for NC Pre-K teachers who work in non-public schools to ensure that they attain and maintain a valid Birth-through-Kindergarten Standard Professional II Licensure that supports children's learning, growth and development
<b>87</b>	Dept. of Health and Human Services	Carl Edwards, MD	\$25,117	\$60,000	251.17	November 2012	June 2013	Provide backup physician for medical needs of residents at J. Iverson Riddle Developmental Center. This service is also to provide coverage for medical needs for physicians during times of illness, vacations, and other personal time off. Backup physician's duties will include diagnosis, treatment, team meetings, medical staff meetings and assistance with employee health. Physician has experience with different areas of hospital care and also has specialty in Cardiology
<b>88</b>	Dept. of Health and Human Services	Stephanie Bridges	\$25,089	\$42,834	578	September 2012	June 2013	Provide mentoring and/or evaluation services for NC Pre-K teachers who work in non-public schools to ensure that they attain and maintain a valid Birth-through-Kindergarten Standard Professional II Licensure that supports children's learning, growth and development
<b>89</b>	Dept. of Health and Human Services	Leslie K. Ball	\$25,025	\$50,050	582	September 2011	June 2013	Provide mentoring and/or evaluation services for NC Pre-K teachers who work in non-public schools to ensure that they attain and maintain a valid NC Birth-through-Kindergarten Standard Professional II License that supports children's learning, growth and development
<b>90</b>	Dept. of Health and Human Services	Robert J. Allen	\$25,000	\$55,000	500	July 2012	June 2014	Maintain the Chargemaster and drug formulary to ensure appropriate billing and reimbursement for Medicare Part D



	<b>Agency Name</b>	<b>Contractor Name</b>	<b>Amount Paid in FY 2013</b>	<b>Total Contract Award Amount</b>	<b>Yearly Hours of Contract</b>	<b>Contract Start Date</b>	<b>Contract End Date</b>	<b>Description of Work Performed</b>
<b>91</b>	Dept. of Insurance	John Emery	\$37,905	\$50,000	1672	July 2012	June 2013	Provide on-call case evaluations of expedited external review requests for the State's independent external review program
<b>92</b>	Dept. of Justice	Stormie Forte	\$103,456	\$110,000	1952	March 2012	June 2013	Ombudsman
<b>93</b>	Dept. of Justice	Dewey Stephens	\$42,513	\$45,000	944.75	August 2012	June 2013	Budget and Accounting Assistance
<b>94</b>	Dept. of Justice	Carmen Battle	\$33,920	\$42,000	848	February 2013	June 2013	Legal Assistance
<b>95</b>	Dept. of Labor	Chris Dewey	\$87,900	\$87,900	n/a	September 2012	June 2013	Migrate 5 forms to APEX, rewrite 16 reports in BI Publisher, Back-End database Migration and PITSS. Con Usage fee
<b>96</b>	Dept. of Labor	Wendy Laing	\$30,000	\$30,000	n/a	September 2012	September 2013	Provide safety training
<b>97</b>	Dept. of Public Instruction	Bill Frazier	\$94,300	\$32,706	1992	July 2012	June 2013	The 21 <sup>st</sup> Century Community Learning Center program requires states to monitor and evaluate local 21 <sup>st</sup> CCLC programs located across the eight educational regions of North Carolina
<b>98</b>	Dept. of Public Instruction	Angela Rosenberg	\$84,674	\$32,706	n/a	July 2012	June 2013	Provide training and technical assistance to improve the transdisciplinary teaming skills of diagnosticians on PreSchool Assessment Teams in the LEAs, the regional demonstration Preschool Assessment
<b>99</b>	Dept. of Public Instruction	Anne D. Nixon	\$58,397	\$32,706	1800	July 2012	June 2013	Assist in the facilitation of training and support of Responsive to Instruction (RtI) implementation to over 320 schools throughout the state
<b>100</b>	Dept. of Public Instruction	Amy Miller	\$56,083	\$32,706	1800	July 2012	June 2013	Assist in current revision of RtI training for a three-tier model; Revise training and handouts as needed; Assist with development of Administrator training and revisions

	<b>Agency Name</b>	<b>Contractor Name</b>	<b>Amount Paid in FY 2013</b>	<b>Total Contract Award Amount</b>	<b>Yearly Hours of Contract</b>	<b>Contract Start Date</b>	<b>Contract End Date</b>	<b>Description of Work Performed</b>
<b>101</b>	Dept. of Public Instruction	Amy Lynn Jablonski	\$53,699	\$32,706	1800	July 2012	June 2013	Assist in current revision of Responsiveness to Instruction (Rtl) training for a three-tier model; Revise training and handouts as needed; Assist with development of Administrator training
<b>102</b>	Dept. of Public Instruction	Anita Harris	\$53,150	\$32,706	n/a	November 2012	June 2013	Utilize appropriate knowledge of federal statutory requirements in review of District Plan descriptions, grant applications and budgets for federal grants in North Carolina
<b>103</b>	Dept. of Public Instruction	Hannia Bejarano	\$46,197	\$32,706	1968	July 2012	June 2013	Regional Data Specialist for the Migrant Education Program, assisting LEAs (Local Education Agencies) with data on Migrant Education Students
<b>104</b>	Dept. of Public Instruction	Nancy Holloway	\$45,171	\$32,706	1968	July 2012	June 2013	Regional Data Specialist for the Migrant Education Program, assisting LEAs (Local Education Agencies) with data on Migrant Education Students
<b>105</b>	Dept. of Public Instruction	William McGrady	\$45,171	\$32,706	550	July 2012	June 2013	Monitor the 40 School Improvement Grants (SIG) schools, located in 24 LEAs across the eight educational regions of North Carolina. Ensuring consistency with the requirements
<b>106</b>	Dept. of Public Instruction	Luis Libreros	\$42,840	\$32,706	1680	July 2012	June 2013	Regional Recruiter for the Migrant Education Program in the Southeast region of the state
<b>107</b>	Dept. of Public Instruction	Rafael Ruiz	\$42,840	\$32,706	1680	July 2012	June 2013	Regional Recruiter for the Migrant Education Program in the Northwest region of the state
<b>108</b>	Dept. of Public Instruction	Peter Eversoll	\$35,827	\$32,706	1680	July 2012	June 2013	Regional Recruiter for the Migrant Education Program in the Northeast region of the state
<b>109</b>	Dept. of Public Instruction	Debra Roper	\$35,802	\$32,706	1624	September 2012	June 2013	Regional Data Specialist for the Migrant Education Program. Contractor will serve the western region of North Carolina, assisting LEAs with data on migrant education students

	Agency Name	Contractor Name	Amount Paid in FY 2013	Total Contract Award Amount	Yearly Hours of Contract	Contract Start Date	Contract End Date	Description of Work Performed
110	Dept. of Public Instruction	Charlotte Hughes	\$28,802	\$32,706	620	October 2012	June 2013	To provide support to and monitor the 40 School Improvement Grants (SIG) schools located across the eight education regions of North Carolina, ensuring consistency with the requirements
111	Dept. of Public Instruction	Babuji Tamarapoo	\$26,266	\$32,706	711	January 2013	June 2013	To provide expert-level guidance in the rapid delivery of deliverables related to the New Teacher Licensure system
112	Dept. of Public Safety	Stephen Wilson	\$198,760	\$205,003	3164.5	July 2012	June 2013	Physician
113	Dept. of Public Safety	Robert Uhren	\$197,627	\$208,478	1934.5	July 2012	June 2013	Physician
114	Dept. of Public Safety	Donald Micklos	\$167,207	\$173,703	1802	July 2012	June 2013	Physician
115	Dept. of Public Safety	H David Cianciulli	\$157,752	\$172,994	1893.5	July 2012	June 2013	Dentist
116	Dept. of Public Safety	Ernest Forrest	\$150,644	\$187,741	1669	August 2011	July 2013	Dentist
117	Dept. of Public Safety	Richard Franklin	\$135,512	\$126,880	2062	September 2011	September 2013	Staff Psychologist
118	Dept. of Public Safety	Obi Umesi	\$134,411	\$117,459	2117.75	July 2012	June 2013	Physician
119	Dept. of Public Safety	Rusty Cuthrell	\$130,081	\$135,200	1979	July 2012	June 2013	Medical Systems Analyst
120	Dept. of Public Safety	Peter Morris	\$97,074	\$97,860	833.25	February 2012	February 2014	Physician - Occupational
121	Dept. of Public Safety	Laurenda Jackson	\$89,812	\$83,050	1798.76	July 2012	June 2013	Physician Extender
122	Dept. of Public Safety	Sher Guleria	\$82,411	\$186,545	827	August 2011	August 2013	Physician
123	Dept. of Public Safety	Ngoc Dong Quach	\$77,246	\$193,024	1821.57	July 2012	June 2013	Pharmacist
124	Dept. of Public Safety	David King	\$75,650	\$180,000	0	September 2012	February 2014	Optometrist
125	Dept. of Public Safety	Hobson Gattis	\$75,106	\$173,722	7264.67	February 2011	February 2014	Pharmacist
126	Dept. of Public Safety	Hanumanth Rao	\$75,010	\$67,600	1154	September 2011	September 2013	Staff Psychologist
127	Dept. of Public Safety	Bonnie Chaffiotte	\$75,009	\$77,210	1616.06	February 2011	February 2014	Pharmacist
128	Dept. of Public Safety	Sampson Harrell	\$74,913	\$143,998	0	July 2012	June 2013	Physician
129	Dept. of Public Safety	David Hinds	\$71,578	\$105,903	1348	July 2012	June 2013	Physician Extender
130	Dept. of Public Safety	Julian Powell	\$69,956	\$169,000	1073.25	July 2012	June 2013	Psychologist
131	Dept. of Public Safety	Lori Dodson	\$68,625	\$154,419	1479	July 2012	June 2013	Pharmacist

	<b>Agency Name</b>	<b>Contractor Name</b>	<b>Amount Paid in FY 2013</b>	<b>Total Contract Award Amount</b>	<b>Yearly Hours of Contract</b>	<b>Contract Start Date</b>	<b>Contract End Date</b>	<b>Description of Work Performed</b>
<b>132</b>	Dept. of Public Safety	Margaret Inman Conrad	\$67,892	\$192,161	1102.33	July 2012	June 2013	Psychologist
<b>133</b>	Dept. of Public Safety	Jill Duszynski	\$67,312	\$75,067	1864	March 2012	February 2014	Program Development Coordinator
<b>134</b>	Dept. of Public Safety	Patricia Vanburen	\$67,059	\$81,095	1027.5	July 2012	June 2013	Psychologist
<b>135</b>	Dept. of Public Safety	Nancy Mentzel	\$66,030	\$86,861	1422.31	July 2012	June 2013	Pharmacist
<b>136</b>	Dept. of Public Safety	Milton Westberg	\$65,324	\$199,680	518.5	July 2012	April 2013	Physician
<b>137</b>	Dept. of Public Safety	Dale Autry	\$64,025	\$64,174	2080	July 2012	June 2013	Program Director
<b>138</b>	Dept. of Public Safety	Jannie Holloman	\$61,478	\$117,104	2075.88	march 2011	May 2013	Registered Nurse
<b>139</b>	Dept. of Public Safety	Cheyenne Franklin	\$61,304	\$64,230	2033.5	July 2012	June 2013	Facility Engineering Specialist
<b>140</b>	Dept. of Public Safety	John Vogler	\$60,158	\$67,600	925.5	March 2012	May 2014	Psychologist
<b>141</b>	Dept. of Public Safety	John Wilkins	\$59,530	\$86,624	2080	October 2012	September 2013	Joint Forces Headquarters Security Specialist (Force Protection/Anti-Terrorism)
<b>142</b>	Dept. of Public Safety	Dexter Haywood	\$58,612	\$124,800	0	September 2012	January 2014	Dentist
<b>143</b>	Dept. of Public Safety	Robley Bowman	\$58,568	\$67,649	1724.75	August 2011	March 2014	Psychologist
<b>144</b>	Dept. of Public Safety	Lan Lee	\$57,135	\$115,814	1143.86	July 2011	June 2013	Pharmacist
<b>145</b>	Dept. of Public Safety	Needham Ward	\$56,843	\$139,942	1225.07	August 2010	August 2013	Pharmacist
<b>146</b>	Dept. of Public Safety	Terry Wallace	\$56,531	\$94,096	843.5	May 2012	May 2014	Dentist
<b>147</b>	Dept. of Public Safety	Kimberly Nichols	\$55,643	\$120,640	1199.1	October 2010	October 2013	Pharmacist
<b>148</b>	Dept. of Public Safety	David Ponder	\$55,524	\$55,000	2080	July 2012	June 2013	Family Assistance Network Coordinator
<b>149</b>	Dept. of Public Safety	William Chirokas	\$54,185	\$70,200	2248.5	August 2011	August 2013	Construction Trades Supervisor
<b>150</b>	Dept. of Public Safety	Ira Bolton	\$53,960	\$54,080	2080	July 2012	June 2013	Deputy Director
<b>151</b>	Dept. of Public Safety	Phillip Stover	\$53,526	\$91,869	484.75	July 2012	June 2013	Physician
<b>152</b>	Dept. of Public Safety	Steven Ellis	\$53,503	\$71,760	1914.5	January 2012	June 2013	Construction Trades Supervisor
<b>153</b>	Dept. of Public Safety	Craig Griffin	\$52,215	\$62,400	1738	May 2012	April 2014	Technology Support Technician
<b>154</b>	Dept. of Public Safety	Gene Jordan	\$51,720	\$70,720	2080	October 2012	September 2013	Distributed Learning Coordinator & Operational Manager
<b>155</b>	Dept. of Public Safety	Sherlynn Emler	\$51,455	\$14,850	1039.5	January 2012	January 2014	Physicians Assistant
<b>156</b>	Dept. of Public Safety	Annemarie Russell	\$51,017	\$14,850	0	June 2012	June 2013	Psychiatrist

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<b>157</b>	Dept. of Public Safety	William Herring	\$50,573	\$91,520	2145	November 2011	May 2013	Construction Trades Supervisor
<b>158</b>	Dept. of Public Safety	Ramadevi Seelam	\$49,819	\$51,459	2042	May 2012	April 2014	PC Technician
<b>159</b>	Dept. of Public Safety	Jody Riggan	\$49,693	\$49,343	2080	July 2012	June 2013	Regional Environmental Coordinator
<b>160</b>	Dept. of Public Safety	Johnnie Riggan	\$49,693	\$49,343	2080	July 2012	June 2013	Regional Environmental Coordinator
<b>161</b>	Dept. of Public Safety	Jason Myers	\$49,092	\$51,459	2011	May 2012	April 2014	PC Technician
<b>162</b>	Dept. of Public Safety	Elizebeth Broadwell	\$48,643	\$115,814	1048.35	July 2012	June 2013	Pharmacist
<b>163</b>	Dept. of Public Safety	William Johnson	\$47,968	\$69,973	2080	October 2012	September 2013	NCNG Military Complex Facility Coordinator
<b>164</b>	Dept. of Public Safety	Belinda Currie	\$47,849	\$47,507	2080	July 2012	June 2013	Environmental Specialist
<b>165</b>	Dept. of Public Safety	Larry Kilby	\$47,078	\$11,045	0	June 2011	June 2013	Physician
<b>166</b>	Dept. of Public Safety	Howard Birch	\$46,822	\$47,507	2080	July 2012	June 2013	Hazardous Waste Coordinator
<b>167</b>	Dept. of Public Safety	William Booth	\$46,050	\$67,174	2080	October 2012	September 2013	NCNG Military Complex Deputy Facility Coordinator
<b>168</b>	Dept. of Public Safety	Milton Farmer	\$45,890	\$62,400	2080	October 2012	September 2013	Distributed Learning Field Sites Coordinator
<b>169</b>	Dept. of Public Safety	Robert Aycock	\$45,555	\$45,665	2080	July 2012	June 2013	Lead Counselor
<b>170</b>	Dept. of Public Safety	Melvin Williamson	\$45,555	\$45,665	2080	July 2012	June 2013	Program Coordinator
<b>171</b>	Dept. of Public Safety	Audra Culbreth	\$44,649	\$44,720	2080	July 2012	June 2013	Nurse
<b>172</b>	Dept. of Public Safety	Denah Newman	\$44,331	\$44,448	2080	July 2012	June 2013	Lead Counselor
<b>173</b>	Dept. of Public Safety	Ernest Ricard	\$44,186	\$44,295	2080	July 2012	June 2013	Management Information Specialist/ Activities Coordinator
<b>174</b>	Dept. of Public Safety	Monte Forte	\$43,799	\$45,665	2080	July 2012	June 2013	Commandant
<b>175</b>	Dept. of Public Safety	Sandra Huffman	\$43,400	\$49,920	0	March 2012	March 2014	Psychologist
<b>176</b>	Dept. of Public Safety	Travis Hudson	\$42,750	\$46,800	1900	July 2012	June 2013	Fab Shop Supervisor
<b>177</b>	Dept. of Public Safety	Lance Yamakawa	\$42,370	\$42,120	1566.15	September 2011	September 2013	Professional Nurse
<b>178</b>	Dept. of Public Safety	Dexter Haywood	\$42,338	\$28,800	0	September 2012	November 2012	Dentist
<b>179</b>	Dept. of Public Safety	Alien Café	\$42,168	\$58,552	1498	November 2011	November 2013	Registered Nurse
<b>180</b>	Dept. of Public Safety	Gary Warren	\$41,724	\$41,738	2080	July 2012	June 2013	Resource Manager
<b>181</b>	Dept. of Public Safety	Sidney Hawkins	\$41,583	\$22,560	1761	July 2012	May 2013	Construction Trades Supervisor
<b>182</b>	Dept. of Public Safety	Angela Bethune	\$40,969	\$41,075	2080	July 2012	June 2013	Instructor

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<b>183</b>	Dept. of Public Safety	Danielle Quiocho	\$40,880	\$41,600	1022	September 2011	September 2013	Staff Psychologist
<b>184</b>	Dept. of Public Safety	David Stines	\$40,666	\$48,000	2080	October 2012	September 2013	Services Director
<b>185</b>	Dept. of Public Safety	Nicole Manning	\$40,526	\$57,641	2205.25	November 2010	November 2013	Correctional Health Assistant
<b>186</b>	Dept. of Public Safety	Sandra Harrison	\$40,383	\$40,000	2080	July 2012	June 2013	Family Assistance Center Specialist
<b>187</b>	Dept. of Public Safety	Frances Johnson	\$40,383	\$40,000	2080	July 2012	June 2013	Family Assistance Center Specialist
<b>188</b>	Dept. of Public Safety	Dawn White	\$40,383	\$40,000	2080	July 2012	June 2013	Family Assistance Center Specialist
<b>189</b>	Dept. of Public Safety	Linda Maxwell	\$40,120	\$68,890	2085.21	July 2011	July 2013	Certified Nursing Assistant II
<b>190</b>	Dept. of Public Safety	David Alexander	\$40,098	\$40,206	2080	July 2012	June 2013	Administrative Logistics Specialist
<b>191</b>	Dept. of Public Safety	Linda Beaty	\$39,792	\$41,829	1974.75	April 2012	April 2014	Social Worker II
<b>192</b>	Dept. of Public Safety	Christine Dean	\$39,503	\$85,571	1782.5	August 2010	November 2013	Licensed Practical Nurse
<b>193</b>	Dept. of Public Safety	Brenda Brewer	\$38,956	\$77,015	2009.67	June 2011	May 2014	Licensed Practical Nurse
<b>194</b>	Dept. of Public Safety	Kim Eaton	\$38,935	\$71,552	0	July 2012	June 2013	Nursing Services
<b>195</b>	Dept. of Public Safety	John Piland	\$38,852	\$69,178	321.25	July 2012	April 2013	Physician
<b>196</b>	Dept. of Public Safety	John Hawkins	\$38,748	n/a	n/a	n/a	n/a	Architect
<b>197</b>	Dept. of Public Safety	Junior Stoker	\$38,668	\$47,840	1648	October 2011	October 2013	Construction Trades Supervisor
<b>198</b>	Dept. of Public Safety	Dora Plummer	\$38,542	\$93,683	1369.2	August 2010	August 2013	Registered Nurse
<b>199</b>	Dept. of Public Safety	Kizzy Hodges	\$38,537	\$36,026	2014.33	March 2012	March 2014	Certified Health Assistant II
<b>200</b>	Dept. of Public Safety	Anthony Searles	\$38,115	\$98,280	0	July 2012	June 2013	Physician
<b>201</b>	Dept. of Public Safety	Tausha Martin	\$38,077	\$37,315	2040.83	August 2011	August 2013	Licensed Practical Nurse
<b>202</b>	Dept. of Public Safety	Angela Smith	\$37,656	\$60,803	2188	July 2012	June 2013	Certified Health Assistant II
<b>203</b>	Dept. of Public Safety	Armond Pete Watkins	\$37,578	\$38,480	1988	September 2011	September 2013	Truck Driver
<b>204</b>	Dept. of Public Safety	Pamela Stutts	\$37,468	\$85,571	1814.5	November 2010	November 2013	Licensed Practical Nurse
<b>205</b>	Dept. of Public Safety	Kimberly Morgan	\$37,459	\$96,512	1009.14	December 2010	December 2013	Pharmacist
<b>206</b>	Dept. of Public Safety	William Cox	\$37,430	\$41,600	1871.5	June 2012	June 2013	Plumbing Supervisor
<b>207</b>	Dept. of Public Safety	David Hornbrook	\$37,366	\$37,500	2080	July 2012	June 2013	Assistant Commandant
<b>208</b>	Dept. of Public Safety	Richard Williford	\$37,233	\$37,500	2080	July 2012	June 2013	Construction Repairman

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<b>209</b>	Dept. of Public Safety	Patricia Gaul	\$36,465	\$42,786	1771.5	March 2012	May 2014	Licensed Practical Nurse
<b>210</b>	Dept. of Public Safety	Jamie Kurtz	\$36,444	\$38,418	1973	January 2012	January 2014	Licensed Practical Nurse
<b>211</b>	Dept. of Public Safety	Brandon Whitfield	\$36,368	\$20,540	1883.5	June 2012	June 2013	Construction Trades Supervisor
<b>212</b>	Dept. of Public Safety	Ernest King	\$36,331	\$36,527	2080	July 2012	June 2013	Recruiting/Placement/Mentor (RPM) Office Manager
<b>213</b>	Dept. of Public Safety	Richard Hinson	\$36,236	\$36,327	2080	July 2012	June 2013	RPM Assistant
<b>214</b>	Dept. of Public Safety	Sally O'Hara	\$36,165	\$61,089	2080	October 2012	September 2013	Deputy Director
<b>215</b>	Dept. of Public Safety	Ellen Locklear	\$35,576	\$53,622	1380	July 2012	February 2013	Dental Hygienist
<b>216</b>	Dept. of Public Safety	Johnny Coley	\$35,328	\$52,696	1249.25	April 2012	April 2014	Registered Nurse
<b>217</b>	Dept. of Public Safety	Dale Kirner	\$35,200	\$35,297	2080	July 2012	June 2013	Assistant Team Leader
<b>218</b>	Dept. of Public Safety	Odessa Gordon	\$35,022	\$38,272	1949.75	May 2012	May 2014	Licensed Practical Nurse
<b>219</b>	Dept. of Public Safety	Alice Clark	\$34,932	\$64,846	2006.5	July 2012	June 2013	Certified Health Assistant II
<b>220</b>	Dept. of Public Safety	Kimberly Stuart	\$34,822	\$36,025	1998.5	May 2012	May 2013	Correctional Health Assistant II
<b>221</b>	Dept. of Public Safety	Ronald Snipes	\$34,752	\$39,229	1804.75	December 2011	December 2013	Truck Driver
<b>222</b>	Dept. of Public Safety	Earl Spell	\$34,689	\$34,930	2080	July 2012	June 2013	Placement Manager
<b>223</b>	Dept. of Public Safety	Sarah Faircloth	\$34,666	\$34,930	2080	July 2012	June 2013	Dining Facility Manager
<b>224</b>	Dept. of Public Safety	Mark Ladson	\$34,621	\$35,308	2080	July 2012	June 2013	Team Leader
<b>225</b>	Dept. of Public Safety	Sheryl Avant	\$34,443	\$32,423	1988.3	March 2012	February 2014	Certified Nursing Assistant II
<b>226</b>	Dept. of Public Safety	Larry Johnson	\$34,410	\$34,507	2080	July 2012	June 2013	Cadre Duty Officer
<b>227</b>	Dept. of Public Safety	Clem King	\$34,410	\$34,507	2080	July 2012	June 2013	Team Leader
<b>228</b>	Dept. of Public Safety	Dwight Robinson	\$34,410	\$34,507	2080	July 2012	June 2013	Team Leader
<b>229</b>	Dept. of Public Safety	Charles Jackson	\$34,375	\$50,000	2080	February 2012	February 2013	Director
<b>230</b>	Dept. of Public Safety	Whitney Franklin	\$34,291	\$33,779	1954.5	February 2012	February 2014	Certified Health Assistant II
<b>231</b>	Dept. of Public Safety	Patricia Hargrave	\$34,235	\$36,595	1129.75	May 2012	June 2014	Registered Nurse
<b>232</b>	Dept. of Public Safety	Willie Hall	\$34,192	\$36,608	1935.5	August 2011	August 2013	Warehouse Assistant
<b>233</b>	Dept. of Public Safety	Connie Cagle	\$33,779	\$35,131	1200	March 2012	May 2014	Registered Nurse

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<b>234</b>	Dept. of Public Safety	Vandora Saunders	\$33,667	\$72,051	2000.75	September 2010	September 2013	Certified Nursing Assistant
<b>235</b>	Dept. of Public Safety	Alex Hatcher	\$33,580	\$47,840	1460	July 2012	March 2013	PC Consultant - Lead
<b>236</b>	Dept. of Public Safety	Davene Banks	\$33,453	\$34,445	1769.55	April 2012	April 2014	Correctional Health Assistant
<b>237</b>	Dept. of Public Safety	Rodney Shaw	\$33,300	\$40,851	1691	January 2012	January 2014	Construction Trades Supervisor
<b>238</b>	Dept. of Public Safety	Michael Archer	\$32,215	\$33,779	1983.25	March 2012	March 2014	Correctional Health Assistant II
<b>239</b>	Dept. of Public Safety	Cora Martin	\$32,084	\$40,232	1734.83	July 2012	July 2013	Correctional Health Assistant II
<b>240</b>	Dept. of Public Safety	Barbara Forbes	\$32,072	\$36,026	1790	November 2011	October 2013	Certified Nursing Assistant
<b>241</b>	Dept. of Public Safety	Angela Davis	\$31,873	\$40,232	1698.5	July 2012	June 2013	Certified Health Assistant II
<b>242</b>	Dept. of Public Safety	Michael Noble	\$31,857	\$34,930	2080	July 2012	June 2013	RPM Assistant
<b>243</b>	Dept. of Public Safety	Patricia Branch	\$31,757	\$42,786	1530.25	March 2012	February 2014	Licensed Practical Nurse
<b>244</b>	Dept. of Public Safety	Warren Steinmuller	\$31,730	n/a	n/a	n/a	n/a	Psychiatrist
<b>245</b>	Dept. of Public Safety	Bolanle Ogunnaike	\$31,612	\$58,552	1123	October 2011	October 2013	Registered Nurse
<b>246</b>	Dept. of Public Safety	Marion Sutton	\$31,608	\$31,684	2080	July 2012	June 2013	Executive Secretary
<b>247</b>	Dept. of Public Safety	Thomas Scott Finely	\$31,568	\$47,840	1402	July 2012	March 2013	Electronic Technician
<b>248</b>	Dept. of Public Safety	Cornelius Cathcart	\$31,500	\$94,400	0	July 2012	July 2014	Physician
<b>249</b>	Dept. of Public Safety	Roberta McDonald	\$31,491	\$63,792	2076.5	January 2011	January 2014	Certified Health Assistant II
<b>250</b>	Dept. of Public Safety	Johnnie Davis	\$31,403	\$40,000	2080	October 2012	September 2013	Distributed Learning Administrative & Technical Support Specialist
<b>251</b>	Dept. of Public Safety	Mary Secrest	\$31,072	\$31,200	2080	July 2012	June 2013	Instructor
<b>252</b>	Dept. of Public Safety	Aida Cardenales	\$31,036	\$34,320	2080	July 2012	June 2013	Law Enforcement Program Specialist
<b>253</b>	Dept. of Public Safety	Michael Armstrong	\$30,965	\$31,052	2080	July 2012	June 2013	Assistant Team Leader
<b>254</b>	Dept. of Public Safety	Wayne Kraft	\$30,965	\$31,052	2080	July 2012	June 2013	Assistant Team Leader
<b>255</b>	Dept. of Public Safety	Ricky Watkins	\$30,965	\$31,052	2080	July 2012	June 2013	Instructor
<b>256</b>	Dept. of Public Safety	John Rotenberry	\$30,697	\$44,096	1448	September 2012	June 2013	PC Technician
<b>257</b>	Dept. of Public Safety	Ralph Leach	\$30,446	\$30,532	2080	July 2012	June 2013	Assistant Team Leader
<b>258</b>	Dept. of Public Safety	Brenda Newton	\$30,446	\$30,532	2080	July 2012	June 2013	Assistant Team Leader
<b>259</b>	Dept. of Public Safety	Larry Morgan	\$30,388	\$30,532	2080	July 2012	June 2013	Assistant Team Leader



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260	Dept. of Public Safety	Troy Foy	\$30,171	\$32,898	2080	July 2012	June 2013	Construction Repairman Assistant
261	Dept. of Public Safety	Brandy Bradshaw	\$30,112	\$30,200	2080	July 2012	June 2013	Instructor
262	Dept. of Public Safety	David Jerkins	\$29,408	\$29,492	2080	July 2012	June 2013	Assistant Team Leader
263	Dept. of Public Safety	Brittany Brown	\$29,110	\$60,803	1742.5	April 2011	April 2014	Certified Health Assistant II
264	Dept. of Public Safety	Linda Oates	\$29,035	\$29,112	2080	July 2012	June 2013	Dining Facility Cook
265	Dept. of Public Safety	Robert Lee	\$28,640	\$33,280	1820	October 2011	October 2013	Mechanic IV
266	Dept. of Public Safety	Lindsay Wells	\$28,574	\$44,990	2080	July 2012	June 2013	Budget Manager
267	Dept. of Public Safety	Sheba Stowe	\$28,570	\$72,800	0	July 2012	June 2013	Mental Health Counselor
268	Dept. of Public Safety	Elizabeth Hawes	\$28,489	\$26,940	661.5	January 2012	December 2013	Psychologist
269	Dept. of Public Safety	Jessica Manning	\$28,350	\$28,358	2080	July 2012	June 2013	Assistant Team Leader
270	Dept. of Public Safety	Jamal Rieves-Blount	\$28,350	\$28,358	2080	July 2012	June 2013	Assistant Team Leader
271	Dept. of Public Safety	Justin Snell	\$28,350	\$28,358	2080	July 2012	June 2013	Assistant Team Leader
272	Dept. of Public Safety	Tony Surles	\$28,350	\$28,358	2080	July 2012	June 2013	Assistant Team Leader
273	Dept. of Public Safety	Caesar Harris	\$28,023	\$28,358	2080	July 2012	June 2013	Assistant Team Leader
274	Dept. of Public Safety	Linda Beitz	\$27,921	\$85,571	1494.5	February 2011	April 2014	Licensed Practical Nurse
275	Dept. of Public Safety	Julie Brassington	\$27,826	\$70,262	988.5	July 2011	July 2013	Registered Nurse
276	Dept. of Public Safety	Richard Cox	\$27,227	\$36,765	2080	October 2012	September 2013	Operations Assistant
277	Dept. of Public Safety	Ashlee Watson	\$27,170	\$46,800	1236	July 2012	March 2013	Social Worker III
278	Dept. of Public Safety	John Carswell	\$27,155	\$39,749	1421	September 2012	June 2013	PC Consultant
279	Dept. of Public Safety	Debbie Lee	\$27,131	\$85,571	1319	August 2010	August 2012	Licensed Practical Nurse
280	Dept. of Public Safety	Cheryl Chavis	\$27,066	\$34,445	1375.44	July 2012	January 2013	Correctional Health Assistant II
281	Dept. of Public Safety	Sylvia Best	\$26,936	\$27,040	2080	July 2012	June 2013	Medical Assistant
282	Dept. of Public Safety	Tashema Stepp	\$26,843	\$36,026	1534.5	April 2012	April 2013	Correctional Health Assistant
283	Dept. of Public Safety	Jacquelyn Whittington	\$26,468	n/a	n/a	n/a	n/a	Teacher
284	Dept. of Public Safety	Vondrette Parker	\$26,337	n/a	n/a	n/a	n/a	Teacher
285	Dept. of Public Safety	Shirley Lee	\$26,192	\$26,266	2080	July 2012	June 2013	Dining Facility Cook
286	Dept. of Public Safety	Lavonda Pate	\$26,192	\$26,266	2080	July 2012	June 2013	Medical Assistant

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<b>287</b>	Dept. of Public Safety	Richard Lassiter	\$26,169	\$28,358	2080	July 2012	June 2013	Assistant Team Leader
<b>288</b>	Dept. of Public Safety	Margaret Burwell	\$26,125	\$57,907	563.06	November 2012	June 2013	Pharmacist
<b>289</b>	Dept. of Public Safety	Derrick Thomas	\$26,033	\$28,358	2080	July 2012	June 2013	Assistant Team Leader
<b>290</b>	Dept. of Public Safety	Alvin Saunders	\$25,875	\$28,880	1257.93	December 2011	December 2013	Licensed Practical Nurse
<b>291</b>	Dept. of Public Safety	June Vaughn	\$25,370	\$48,305	901.25	March 2012	March 2013	Registered Nurse
<b>292</b>	Dept. of Public Safety	Vonita Martin	\$25,254	\$25,266	2080	February 2012	June 2013	Dining Facility Cook
<b>293</b>	Dept. of State Treasurer	Jason Suggs	\$239,895	\$239,895	2665	June 2012	June 2013	Provide Web Analysis and site blue-printing for new web domain redesign project; designing agency graphics and branding items
<b>294</b>	Dept. of State Treasurer	Ronald Ottavio	\$109,475	\$110,000	1094	July 2012	June 2013	Provide support to the State Treasurer by coordinating key activities of the UPP project per the project plan and assisting with other duties as requested
<b>295</b>	Dept. of State Treasurer	Derek Prentice	\$87,525	\$108,000	389	March 2012	June 2013	Provide Professional Medical Directed Services to the State Health, which include, but are not limited to: Clinical expertise on benefit exceptions, medical policy and recommendations based on best practices. Collaborate with North Carolina Medical Directors and other personnel as needed to advance State Health Plan initiatives. Provide clinical expertise and support to the Director of Pharmacy Benefits, the Director regarding pharmaceutical initiatives. Serve as a witness as appropriate
<b>296</b>	Dept. of State Treasurer	Sherry Dekker	\$81,825	\$115,000	1091	July 2012	June 2013	Web analysis and site blue-printing for new web domain redesign project. The contractor will provide detailed business web requirements and implementation plans

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<b>297</b>	Dept. of State Treasurer	Suzanne Ruggles	\$70,975	\$130,000	1419	July 2012	June 2013	Provide public relations and marketing services focused on the NC Escheat Fund notification process including the UPP claimant Notification Strategic plan, brand and Marketing plan associated with the new notification process and tools; management of any direct deliverables from the ACS review; specialized services such as media buy, contract relationships and notification process tasks and period reporting
<b>298</b>	Dept. of State Treasurer	Terik Dalton	\$67,881	\$80,000	882	September 2012	June 2013	Assist with the Management of all non-investment related activities of the plan, including management of the plan, including management of all investment operations and administrative personnel, management of the division budget, communication with all internal stakeholders in the Treasurer's office, liaison for all internal audit activities liaison for the annual external audit, direct support to legal for all corporate governance activities, management of all personnel-related processes and procedures, oversight and management of all investment policies and procedures liaison with the FOD, management of all legislative initiatives and management of all custodial and third party vendor relationships
<b>299</b>	Dept. of State Treasurer	Kendra Davenport Cotton	\$37,544	\$49,920	977	December 2012	June 2013	Design & prepare frameworks and templates for covering public policy issues; Provide scheduled briefs and reports on prospective policy issues; serve as the primary Department Policy staff for the State Board of Education

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<b>300</b>	Dept. of State Treasurer	William McGee	\$35,960	\$80,000	899	January 2013	June 2013	Support to the Government Relations Director in developing and implementing the departmental legislative agenda; Assistance to the Government Relations Director in legislative communication and education efforts with General Assembly members; Assistance to the Government Relations Director in representing the interests of the Agency and the treasurer with members of the General Assembly and with other government parties, and support in monitoring legislation and other information relevant to the Agency
<b>301</b>	Dept. of State Treasurer	Carrie Anne Monaco	\$29,540	\$45,000	1260	January 2012	December 2012	Support to the Chief Administrative Officer and the Chief Investment Officer to include: office administration, budgeting, reporting based on statutes, records management, purchasing, personnel processing and orientation, travel coordination, and other functions needed to carry out the daily operations of the Investment Management Division
<b>302</b>	Dept. of State Treasurer	Joanne McDaniel	\$27,800	\$180,000	347	September 2012	June 2013	Assist with the Agency's strategic planning and operation modeling efforts
<b>303</b>	Dept. of State Treasurer	Joanne McDaniel	\$27,480	\$180,000	347	July 2012	June 2013	Provide program Management Services for the State Health Plan transfer into the Department of State Treasurer
<b>304</b>	Dept. of State Treasurer	Joanne McDaniel	\$25,460	\$180,000	363	September 2012	June 2013	Implement ACS Report of Unclaimed Property—Audit Section and provide Program Management Services for the State Health Plan transfer into the Department of State Treasurer

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305	Dept. of State Treasurer	Emma Vollers Hanson	\$25,256	\$38,000	1443	August 2012	June 2013	Provide Support to the Deputy Director of Policy and Training to include completing retirement systems surveys; benchmarking public pension funds; maintaining policy research database, developing policy analysis of legislation; attending legislative committee meetings; and assisting in the preparation of actuarial note requests
306	Dept. of Transportation	William Rodda	\$455,200	\$416,000	4552	July 2012	August 2013	Property tax collection (mandated by H1779)
307	Dept. of Transportation	Mitchell Becker	\$113,587	\$149,325	n/a	April 2011	June 2013	Consultant
308	Dept. of Transportation	Charles Diehl	\$80,467	\$160,000	n/a	January 2010	January 2013	Transportation Services
309	Dept. of Transportation	Bob Stevens	\$30,000	\$45,000	2080	October 2012	October 2013	GHSP Representative/Liaison
310	Dept. of Transportation	James Fain	\$25,437	\$181,440	n/a	June 2011	June 2013	Other
311	East Carolina University	Gregory Duncan	\$98,055	\$32,706	1993	June 2013	June 2013	Clinical Services
312	East Carolina University	Ed Smith	\$41,663	\$32,706	1440	July 2012	April 2013	MATCH Workbook Design & Layout
313	East Carolina University	Hannah Edens	\$31,313	\$32,706	1600	July 2012	May 2013	Regional Breast Feeding Coordinator
314	East Carolina University	Robert Dalrymple	\$28,955	\$87,360	320	May 2013	June 2013	Workshop for UNC Coastal Program
315	East Carolina University	Edwin Anderson	\$25,000	\$87,360	480	April 2013	June 2013	Liaison - OEIED and Sp Ops Forces
316	Fayetteville State University	Walter Bennett	\$90,000	\$87,360	600	October 2012	April 2013	Play writing, casting, directing play, working with students
317	Fayetteville State University	Robert Stogner	\$78,400	\$87,360	1568	July 2012	June 2013	Internal Audit Services
318	Fayetteville State University	Latoya Graham	\$57,575	\$87,360	1645	July 2012	June 2013	Psychological/Substance Abuse Counseling
319	General Assembly	Michael Hannah	\$140,625	\$162,000	n/a	July 2012	December 2014	Consultant
320	General Assembly	Eugene Chianelli	\$76,500	\$102,000	n/a	September 2012	December 2014	Counsel
321	Housing Finance Agency	James Stiles	\$76,312	n/a	n/a	July 2012	June 2013	Consultant
322	Housing Finance Agency	Wendy Painter	\$74,156	n/a	n/a	July 2012	June 2013	Consultant
323	Indigent Defense Services	Michael Casterline	\$95,220	\$115/case	n/a	July 2012	January 2014	Buncombe Misdemeanors

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<b>324</b>	Indigent Defense Services	Justin Sigmon	\$74,175	\$115/case	n/a	July 2012	January 2014	Buncombe Misdemeanors
<b>325</b>	Indigent Defense Services	Keith Hanson	\$66,815	\$115/case	n/a	July 2012	January 2014	Buncombe Misdemeanors
<b>326</b>	Indigent Defense Services	Fred Flynt	\$62,500	\$62,500	n/a	May 2012	March 2013	Invol Commitment & Guardianship-Forsyth
<b>327</b>	Indigent Defense Services	Jason Gast	\$60,400	\$60,400	1155	July 2012	January 2014	Parent Representation Buncombe & Juv Delinquency Yancey
<b>328</b>	Indigent Defense Services	Diane Walton	\$56,400	\$56,400	853	February 2013	January 2014	Parent Representation Buncombe
<b>329</b>	Indigent Defense Services	Macon Clark	\$50,250	\$50,250	754	July 2012	November 2013	Parent Representation Catawba
<b>330</b>	Indigent Defense Services	Scott Conrad	\$50,250	\$50,250	479	July 2012	November 2013	Parent Representation Catawba
<b>331</b>	Indigent Defense Services	Eduardo DeTorres	\$50,250	\$50,250	534	December 2012	November 2013	Parent Representation Catawba
<b>332</b>	Indigent Defense Services	Jeffrey Weathers	\$50,250	\$50,250	842	July 2012	November 2013	Parent Representation Catawba
<b>333</b>	Indigent Defense Services	Reid Gonella	\$42,300	\$56,400	734	February 2013	January 2014	Parent Representation Buncombe
<b>334</b>	Indigent Defense Services	Jonathan Leonard	\$40,660	\$40,660	410	July 2012	November 2013	Parent Representation Forsyth
<b>335</b>	Indigent Defense Services	Kelly Patterson	\$40,660	\$40,660	549	July 2012	November 2013	Parent Representation Forsyth
<b>336</b>	Indigent Defense Services	Clayton Krohn	\$34,000	\$34,000	171	June 2012	May 2013	Juvenile Delinquency cases Guilford
<b>337</b>	Indigent Defense Services	Thomas Smothers	\$34,000	\$34,000	288	July 2012	May 2014	Juv Delinquency High Point
<b>338</b>	Indigent Defense Services	Joshua Simmons	\$33,883	\$40,600	274	August 2012	July 2013	Parent Representation Forsyth
<b>339</b>	Indigent Defense Services	John Coalter	\$32,200	\$32,200	525	July 2012	June 2013	Misdemeanor & Low Felony Guilford
<b>340</b>	Indigent Defense Services	Michael Burnette	\$31,937	\$134,297	630	December 2012	November 2014	Misd(1), Low(2) & High (.5) Level Felony Dist 9
<b>341</b>	Indigent Defense Services	Euan Bagshawe	\$31,250	\$125,000	540	December 2012	November 2014	Low Level Felony (2) & High Level Vance
<b>342</b>	Indigent Defense Services	John Combs	\$31,250	\$50,250	n/a	October 2012	March 2014	Invol Commitment & Guardianship-Forsyth

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<b>343</b>	Indigent Defense Services	Woodreena Baker-Harrell	\$30,250	\$121,000	540	December 2012	November 2014	Misd, Low & High Felony Durham
<b>344</b>	Indigent Defense Services	Joyce Fischer	\$28,250	\$113,000	540	December 2012	November 2014	Misdemeanor Vance; Low Level F Granville
<b>345</b>	Indigent Defense Services	Stuart Teeter	\$27,354	\$25,250	261	July 2012	May 2014	Juv Delinquency Forsyth
<b>346</b>	Indigent Defense Services	A Scott Hamilton	\$27,250	\$109,000	540	December 2012	November 2014	Misd(2) and Low Level Felony Cases Vance County
<b>347</b>	Indigent Defense Services	Matt Stockdale	\$26,983	\$32,200	193	July 2012	June 2013	Misdemeanor & Low Felony Guilford
<b>348</b>	Indigent Defense Services	Elizabeth Graham	\$26,175	\$114,600	516	December 2012	November 2014	Low Level Felony & Prob Viol Wake
<b>349</b>	NC A&T State University	Irving Lugo	\$57,250	\$75,800	606	July 2012	June 2013	Provides psychiatric services to students
<b>350</b>	NC School of Science & Math	Virginia Wilson	\$65,988	\$87,360	1448	August 2012	May 2013	Instructor
<b>351</b>	NC School of Science & Math	Gloria Barrett	\$58,129	\$87,360	1375	August 2012	May 2013	Instructor
<b>352</b>	NC School of Science & Math	Dana Kim	\$57,601	\$87,360	732	August 2012	May 2013	Nurse
<b>353</b>	NC School of Science & Math	Hong Li	\$51,361	\$87,360	1366	August 2012	May 2013	Instructor
<b>354</b>	NC School of Science & Math	Christopher Lee	\$45,333	\$87,360	1308	August 2012	July 2013	Technical Support
<b>355</b>	NC School of Science & Math	Joyce Rodman	\$44,781	\$87,360	952	August 2012	June 2013	Counselor
<b>356</b>	NC School of Science & Math	Charles Payne	\$41,067	\$87,360	975	August 2012	May 2013	Instructor
<b>357</b>	NC School of Science & Math	Dave Thaden	\$40,230	\$87,360	764	August 2012	May 2013	Instructor
<b>358</b>	NC School of Science & Math	Gail Boyarsky	\$32,528	\$87,360	970	August 2012	May 2013	Instructor
<b>359</b>	NC School of Science & Math	Maria Hellard	\$30,024	\$87,360	920	August 2012	May 2013	Instructor
<b>360</b>	NC School of Science & Math	Amy Garrett	\$28,147	\$87,360	1025	August 2012	June 2013	Instructor

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<b>361</b>	NC School of Science & Math	Keith Beisner	\$27,133	\$87,360	1521	August 2012	May 2013	Librarian
<b>362</b>	NC School of Science & Math	David Green	\$26,796	\$87,360	635	November 2012	May 2013	Instructor
<b>363</b>	NC School of the Arts	Rebecca Nussbaum	\$40,277	\$32,706	1317	August 2012	May 2013	Open Dream General Manager
<b>364</b>	NC School of the Arts	Nancy Johnston	\$38,923	\$87,360	574	August 2012	May 2013	Accompanying Service for Music
<b>365</b>	NC School of the Arts	Sue McNeil	\$30,820	\$87,360	1827	August 2012	May 2013	Administrative Support Institutional Giving
<b>366</b>	NC School of the Arts	Anthony Majors	\$30,041	\$32,706	1669	July 2012	May 2013	Help Desk support
<b>367</b>	NC School of the Arts	Suzanne Miller	\$28,000	\$32,706	700	August 2012	May 2013	Nutritionist
<b>368</b>	NC School of the Arts	Lawrence Lindsey	\$25,200	\$87,360	n/a	July 2012	December 2012	Professional Artist Dance
<b>369</b>	NC State University	Jackson Chiu	\$181,900	\$32,706	1639	June 2012	June 2013	Medical Services - Psychiatry
<b>370</b>	NC State University	Susan Hassol	\$145,150	\$32,706	1077	February 2012	June 2014	Climate change communication services (scientific writing/editing/consulting) associated with the Third National Climate Assessment (NCA3)
<b>371</b>	NC State University	James Boyer	\$113,013	\$32,706	1948	July 2012	June 2013	Software programming
<b>372</b>	NC State University	Sean Locke	\$85,730	\$32,706	1887	July 2012	June 2013	Growth in the Western US for Dairy Records' herd analysis
<b>373</b>	NC State University	Barry Saunders	\$71,000	\$32,706	710	September 2012	August 2013	Instruction of Work Zone Safety
<b>374</b>	NC State University	Larry Creglow	\$57,040	\$32,706	713	December 2010	December 2013	Consulting for the RttT NC Education Cloud Project
<b>375</b>	NC State University	Jody Mickey	\$46,326	\$32,706	948	October 2011	December 2012	Learning Systems Development
<b>376</b>	NC State University	Robert Attaway	\$41,980	\$32,706	419	October 2011	August 2013	Instruction of Work Zone Safety
<b>377</b>	NC State University	Dan Cacuci	\$34,750	\$32,706	200	June 2012	September 2012	Professional Research Consulting Services
<b>378</b>	NC State University	Michelle Joshua	\$31,618	\$32,706	1054	September 2008	October 2013	Psychologist



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<b>379</b>	NC State University	Karl Shaffer	\$28,660	\$32,706	65	December 2012	May 2013	Teaching and instruction services, workshop facilitation, workshop organization and management, course development, etc.
<b>380</b>	NC State University	Jane Krupnick	\$28,300	\$32,706	377	January 2012	June 2013	Online Course Development for OSHA Training
<b>381</b>	NC State University	LuAnn Phillips	\$28,147	\$32,706	456	July 2012	December 2012	Contract work - programming
<b>382</b>	NC State University	Rufus Edmonds	\$27,880	\$32,706	279	October 2011	August 2013	Instruction of Work Zone Safety
<b>383</b>	NC State University	John Parker	\$27,500	\$32,706	550	August 2011	May 2014	Northeast Leadership Academy (NELA) Executive Coaching and Expert Support
<b>384</b>	NC State University	Pam Conrad	\$25,210	\$87,360	321	July 2012	June 2013	Instruction of computer classes
<b>385</b>	Office of Information Technology Services	Erik Ross	\$26,400	\$35,200	240	May 2013	June 2013	Create vision, high-level strategy, and high-level plan documents for the Innovation Center. Research other public-private partnerships and make recommendation on the functional and operational structure of the Innovation Center. Engage and meet with constituents, stakeholders, and potential participants, including vendors and higher learning institutions, and identify first participants for the Innovation Center. Identify initial issues and risks, including potential legal and intellectual property challenges
<b>386</b>	Office of State Auditor	Greg Isley	\$163,249	\$167,552	1927	December 2011	December 2013	To continue ongoing efficiency and effectiveness reviews of OSA audits and operations, plus manage and supervise various ongoing audits
<b>387</b>	Office of State Auditor	Keith McCombs	\$51,148	\$66,700	602	September 2011	December 2013	To carry out various administrative functions for an audit division with ongoing vacancies at the management level
<b>388</b>	Office of State Controller	Carol Burroughs	\$172,845	\$187,200	1920	July 2012	June 2013	Support NCFACTS project
<b>389</b>	Office of State Controller	Tom Ficker	\$90,828	\$80,736	783	July 2012	October 2012	Support BEACON HR/Payroll Production Support Portal team

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390	Office of the Governor	Kiran Addepalli	\$136,597	\$136,597	1553	April 2012	November 2013	ITS
391	Office of the Governor	Michael Young	\$113,900	\$113,900	1340	September 2012	June 2014	ITS
392	Office of the Governor	Stephen Smith	\$46,368	\$46,368	672	February 2013	October 2013	ITS
393	Office of the Governor	Elizabeth Radford	\$31,920	\$31,920	532	June 2012	October 2012	UNC-efficiency review
394	Office of the Governor	Daniel Costello	\$29,225	\$26,850	537	February 2012	November 2012	UNC-efficiency review
395	State Ethics Commission	Pamela Cashwell	\$41,962	\$42,000	n/a	October 2012	June 2013	Provide legal services
396	UNC Chapel Hill	Jack Hammond	\$366,450	\$87,360	2080	April 2012	December 2013	PeopleSoft Programming Services
397	UNC Chapel Hill	Cesar Lopez	\$351,285	\$87,360	2080	January 2012	December 2012	PeopleSoft Programming Services
398	UNC Chapel Hill	Subhendu Acharya	\$351,123	\$87,360	2080	April 2012	February 2014	PeopleSoft Programming Services
399	UNC Chapel Hill	Derrick Carr	\$342,090	\$87,360	2080	April 2012	February 2014	PeopleSoft Programming Services
400	UNC Chapel Hill	Prakash Balakrishnan	\$337,300	\$87,360	2080	January 2012	December 2014	PeopleSoft Programming Services
401	UNC Chapel Hill	Harish Singh	\$334,855	\$87,360	2080	October 2011	December 2013	PeopleSoft Programming Services
402	UNC Chapel Hill	Bernard Eldorrado	\$318,625	\$87,360	2080	October 2010	March 2014	PeopleSoft Programming Services
403	UNC Chapel Hill	Michael Nichols	\$318,500	\$87,360	2080	April 2012	December 2013	PeopleSoft Programming Services
404	UNC Chapel Hill	Prakash Gadde	\$302,223	\$87,360	2080	August 2012	December 2014	PeopleSoft Programming Services
405	UNC Chapel Hill	Jeff Kehoe	\$296,035	\$87,360	2080	July 2011	March 2014	PeopleSoft Programming Services
406	UNC Chapel Hill	Adel Riyod	\$289,791	\$87,360	2080	August 2012	March 2014	PeopleSoft Programming Services

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<b>407</b>	UNC Chapel Hill	John Eberhardt	\$229,797	\$87,360	2080	October 2012	June 2014	PeopleSoft Programming Services
<b>408</b>	UNC Chapel Hill	Jennifer Turpin	\$225,970	\$87,360	2080	July 2012	December 2013	PeopleSoft Programming Services
<b>409</b>	UNC Chapel Hill	Premnath Reddy	\$198,000	\$87,360	2080	August 2012	December 2013	PeopleSoft Programming Services
<b>410</b>	UNC Chapel Hill	Christopher Wood	\$188,485	\$87,360	2080	July 2012	February 2014	PeopleSoft Programming Services
<b>411</b>	UNC Chapel Hill	Benjamin Dai	\$177,228	\$87,360	2080	January 2013	December 2013	PeopleSoft Programming Services
<b>412</b>	UNC Chapel Hill	Tejune Kang	\$176,740	\$87,360	2080	August 2011	December 2014	PeopleSoft Programming Services
<b>413</b>	UNC Chapel Hill	Amit Vaishampayan	\$165,514	\$87,360	2080	April 2012	February 2014	PeopleSoft Programming Services
<b>414</b>	UNC Chapel Hill	Jorge Gonzalez	\$165,487	\$87,360	2080	June 2011	January 2014	PeopleSoft Programming Services
<b>415</b>	UNC Chapel Hill	Stephen Liquori	\$162,720	\$87,360	2080	January 2013	January 2014	PeopleSoft Programming Services
<b>416</b>	UNC Chapel Hill	Linda Son Hing	\$157,268	\$87,360	2080	February 2013	March 2014	PeopleSoft Programming Services
<b>417</b>	UNC Chapel Hill	Joe Chamberlin	\$155,627	\$87,360	2080	June 2011	January 2014	PeopleSoft Programming Services
<b>418</b>	UNC Chapel Hill	Jack Woolard	\$150,650	\$87,360	2080	February 2013	December 2013	PeopleSoft Programming Services
<b>419</b>	UNC Chapel Hill	Sairam Yelamanchili	\$148,320	\$87,360	2080	January 2012	June 2014	PeopleSoft Programming Services
<b>420</b>	UNC Chapel Hill	William Pepe	\$132,240	\$87,360	2080	February 2013	December 2013	PeopleSoft Programming Services
<b>421</b>	UNC Chapel Hill	Ken Bergquist	\$70,800	\$87,360	2080	January 2013	January 2014	Medical EPS Programming Services
<b>422</b>	UNC Chapel Hill	Shyam Sundar Srinivas	\$66,560	\$87,360	2080	December 2012	February 2014	PeopleSoft Programming Services
<b>423</b>	UNC Chapel Hill	Suresh Nagbhushan	\$60,944	\$87,360	2080	April 2012	February 2014	PeopleSoft Programming Services

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<b>424</b>	UNC Chapel Hill	Jermy Dott	\$60,330	\$87,360	2080	November 2012	November 2013	PeopleSoft Programming Services
<b>425</b>	UNC Chapel Hill	Cindy Cadman	\$58,575	\$87,360	2080	February 2013	February 2014	PeopleSoft Programming Services
<b>426</b>	UNC Chapel Hill	Vinay Kumar	\$47,634	\$87,360	2080	April 2012	February 2014	PeopleSoft Programming Services
<b>427</b>	UNC Chapel Hill	Buck Bohac	\$47,340	\$87,360	2080	June 2012	June 2013	Medical EPS Programming Services
<b>428</b>	UNC Chapel Hill	Sunil Makhija	\$38,800	\$87,360	2080	January 2013	January 2014	PeopleSoft Programming Services
<b>429</b>	UNC Chapel Hill	Naga Ramya Challa	\$34,344	\$87,360	2080	December 2012	February 2014	PeopleSoft Programming Services
<b>430</b>	UNC Chapel Hill	Ananta Ayyankala	\$33,696	\$87,360	2080	December 2012	February 2014	PeopleSoft Programming Services
<b>431</b>	UNC Chapel Hill	Kiron Joseph	\$32,240	\$87,360	2080	December 2012	February 2014	PeopleSoft Programming Services
<b>432</b>	UNC Chapel Hill	Bob Poliaachik	\$32,055	\$87,360	2080	August 2012	July 2014	Medical EPS Programming Services
<b>433</b>	UNC Chapel Hill	Aravind Reddy	\$29,952	\$87,360	2080	December 2012	February 2014	PeopleSoft Programming Services
<b>434</b>	UNC Chapel Hill	Aslam Ahmed Junaideen	\$28,080	\$87,360	2080	December 2012	February 2014	PeopleSoft Programming Services
<b>435</b>	UNC Charlotte	William Jeffers	\$40,536	\$87,360	n/a	June 2012	March 2013	Research and document UNCC history from 1992-2005
<b>436</b>	UNC Charlotte	Roy French	\$40,000	\$87,360	n/a	January 2013	June 2013	Manage construction of UNCC Solar Decathlon entry
<b>437</b>	UNC Charlotte	Robert Parker	\$32,882	\$87,360	n/a	September 2010	June 2013	Piano tuning
<b>438</b>	UNC Charlotte	Helen Stanley	\$29,166	\$87,360	259	July 2012	June 2013	Transcription services for deaf students
<b>439</b>	UNC General Administration	Ernie Lemmons	\$60,540	\$87,360	1009	July 2012	June 2013	HR/Payroll webfocus implementation & report writing support
<b>440</b>	UNC General Administration	Richard Sullivan	\$30,000	\$32,706	1200	September 2012	June 2013	Videographic Services
<b>441</b>	UNC General Administration	Samanthryn Cleveland	\$26,748	\$32,706	1000	July 2012	December 2012	Assist in program development and assessment
<b>442</b>	UNC Greensboro	David Joye	\$176,175	\$32,706	1174	July 2012	June 2013	Medical Fees

Agency Name	Contractor Name	Amount Paid in FY 2013	Total Contract Award Amount	Yearly Hours of Contract	Contract Start Date	Contract End Date	Description of Work Performed	
443	UNC Greensboro	Dana Stiles	\$164,775	\$32,706	1098	July 2012	June 2013	Medical Fees
444	UNC Greensboro	Robert Petrusis	\$86,940	\$32,706	n/a	July 2012	June 2013	Other Contracted Services
445	UNC Greensboro	Susan McDonald	\$48,000	\$32,706	n/a	August 2012	June 2013	Other Contracted Services
446	UNC Greensboro	Lori Kallam	\$42,000	\$32,706	n/a	August 2012	June 2013	Other Contracted Services
447	UNC Greensboro	Barbara Holland	\$30,000	\$32,706	n/a	October 2012	May 2013	Other Contracted Services
448	UNC Greensboro	Garima Sharma	\$28,800	\$87,360	n/a	June 2013	June 2013	Other Contracted Services
449	UNC Hospitals	David Stuhr	\$145,787	\$100,000	1379	July 2012	June 2013	Prep System/Taleo
450	UNC Hospitals	Karen Knight	\$126,247	\$116,067	2530	July 2012	June 2013	Transcription
451	UNC Hospitals	Radhika Bombard	\$55,250	\$24,960	1040	July 2012	June 2013	Marketing Services
452	UNC Hospitals	David Colpitts	\$38,808	n/a	n/a	July 2012	June 2013	Waste Disposal
453	UNC Hospitals	Mark Mitchell	\$31,269	\$125,813	n/a	July 2012	June 2013	Maint Fire Inspection
454	UNC Wilmington	David Lawrence Grange	\$222,222	\$32,706	n/a	August 2012	June 2013	Real Estate Services
455	UNC Wilmington	Rosemary Mann	\$105,747	\$32,706	n/a	July 2012	June 2013	Research
456	UNC Wilmington	Kevin H DuRocher	\$63,375	\$32,706	n/a	July 2012	June 2013	Psychiatric Services
457	UNC Wilmington	Samdra D Brooke	\$33,050	\$32,706	n/a	September 2011	June 2013	Research
458	UNC Wilmington	Richard W Berry	\$28,741	\$32,706	n/a	July 2012	December 2012	Research
459	Winston-Salem State University	Sharon Glover	\$88,967	n/a	n/a	February 2013	June 2013	Consultant Fees - Responsible for assisting with project implementation
460	Winston-Salem State University	Walter Holmes	\$83,046	n/a	n/a	August 2012	June 2013	Consultant Fees - Lead executive search efforts for senior executive staff
461	Winston-Salem State University	Ken Canion	\$32,000	n/a	n/a	July 2012	June 2013	Conduct exercise sessions that emphasize the three components of living a healthy lifestyle
462	Winston-Salem State University	Leticia Helleby	\$31,813	n/a	n/a	August 2012	October 2012	Function as a Medical Doctor in Student Health Services; provide medical services to students; supervise Nurse Practitioners; conduct training on medical issues

Note: Entries of n/a indicate the agency or institution did not provide the data to the Office of State Budget and Management.

Source: Program Evaluation Division based on contract data provided to the Office of State Budget and Management in adherence to N.C. Gen. Stat. § 143-64.70.



STATE OF NORTH CAROLINA  
OFFICE OF STATE HUMAN RESOURCES  
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PAT MCCRORY  
GOVERNOR

C. NEAL ALEXANDER, JR.  
STATE HUMAN RESOURCES DIRECTOR

January 9, 2015

Mr. John Turcotte, Director  
Program Evaluation Division  
300 North Salisbury Street, Suite 100  
Raleigh, NC 27603-5925

Dear Mr. Turcotte:

On behalf of the Office of State Budget and Management (OSBM), the Department of Administration, Purchase and Contract Division (DOA-P&C) and the Office of State Human Resources (OSHR), thank you for the opportunity to review the Program Evaluation Division's report titled *North Carolina Should Eliminate the Use of Personal Services Contracts in Favor of Using Existing Mechanisms*. This report provided very comprehensive information on the statewide use of personal service contracts and our offices and department are appreciative of the hard work of you and your staff.

We agree with the report's conclusion that existing oversight mechanisms for monitoring the use of personal services contracts are inadequate. The absence of a shared definition and formal process for the approval of personal services contracts has proven problematic, consequently leading to the procurement situations and classifications featured in the report. We agree most personal service contracts could have been avoided by using OSHR-Temporary Solutions and or consulting/service contract processes, but in limited instances, personal services contracts maybe a viable option to meet the State's ability to respond to immediate, short-term and unique service needs. Therefore, any future use of personal services contracts should be governed by both a shared definition and a review mechanism.

Additionally, we agree with the recommendation expanding Governor McCrory's Executive Order 4 to all Executive Branch agencies, including Council of State agencies, requiring that non-IT supplemental staff be obtained through OSHR-Temporary Solutions. This recommendation, however, has the potential to increase the volume of temporary employees managed through the program. We also agree that all non-employee contracts (i.e., true independent contractor contracts) should be approved through existing mechanisms such as the Purchase and Contract Division of the Department of Administration. Please note that this recommendation also has the potential to increase the volume of services and consulting contracts that need to be approved.

As a result of possible legislative changes in the current process, we recommend that any legislation consider the potential need for resources to support additional receipt-supported positions in OSHR-Temporary Solutions and general fund supported positions in DOA-P&C. In addition, such

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Mr. John Turcotte, Director  
January 9, 2015  
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legislation, if enacted, should contemplate a period of time to phase in any changes made in the current personal services contracting process in order to uphold the terms of existing contracts.

On February 27, 2013, Governor McCrory issued Executive Order No. 4 directing Cabinet agencies and encouraging Council of State departments and the University of North Carolina System to use the Office of State Human Resources Temporary Solutions when recruiting temporary employees. Concurrently, the DOA-P&C implemented a new organization structure and sourcing process and is committed to ensuring that the citizens of North Carolina are served through the most cost effective and efficient procurement process.

We look forward to working with the General Assembly to enact common sense reforms to the current process for handling personal services contracts. Again, we appreciate the opportunity to review and comment on your report.

Sincerely,



C. Neal Alexander, Jr.  
State Human Resources Director, Office of State Human  
Resources



Lee Harriss Roberts  
State Budget Director, Office of State Budget and  
Management



Bill Daughtridge, Jr.  
Secretary, Department of Administration