

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

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SENATE DRS95038-LH-88 (02/14)

Short Title: Accountability for Taxpayer Investment Act. (Public)

Sponsors: Senator Mansfield.

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO REQUIRE CERTAIN STATE AGENCIES AND CERTAIN NON-STATE
3 ENTITIES TO DEVELOP, IMPLEMENT, AND MAINTAIN INFORMATION
4 SYSTEMS THAT PROVIDE UNIFORM, PROGRAM-LEVEL ACCOUNTABILITY
5 INFORMATION REGARDING THE PROGRAMS OPERATED BY THOSE
6 AGENCIES.

7 The General Assembly of North Carolina enacts:

8 SECTION 1. Chapter 143 of the General Statutes is amended by adding a new
9 Article to read:

10 "Article 2E.

11 "Accountability for Taxpayer Investment Act.

12 **"§ 143-47.30. Definitions.**

13 (1) Board. – The Taxpayer Investment Accountability Board established by this
14 Article.

15 (2) Non-State entity. – Any of the following that is not a State agency and that
16 must be discretely presented as a component unit in the State
17 Comprehensive Annual Financial Report by the Governmental Accounting
18 Standards Board: an individual, a firm, a partnership, an association, a
19 corporation, or any other organization or group acting as a unit. The term
20 does not include a local government unit or any other non-State entity that is
21 subject to the audit and other requirements of the Local Government
22 Commission.

23 (3) Principal executive officer. – Executive head of a State agency or non-State
24 entity.

25 (4) State agency. – Any department, institution, board, commission, committee,
26 division, bureau, board, council, or other entity for which the State has
27 oversight responsibility, including The University of North Carolina, the
28 Community College System, and any mental or specialty hospital.

29 **"§ 143-47.31. Purpose; scope.**

30 (a) The purpose of this Article is to require uniform, program-level, accountability
31 information in State government.

32 (b) This Article applies to any State agency in the executive branch of State
33 government. This Article also applies to any non-State entity that receives State funds.

34 **"§ 143-47.32. Taxpayer Investment Accountability Board.**



1 (a) There is established the Taxpayer Investment Accountability Board. The members
2 of the Board shall be the Director of the Office of State Budget and Management, the State
3 Auditor, the State Controller, the Director and Chief Administrative Law Judge of the Office of
4 Administrative Hearings, the Chief Information Officer, the President of The University of
5 North Carolina, the President of the North Carolina Community College System, the Director
6 of the Program Evaluation Division of the General Assembly, and the Director of the Fiscal
7 Research Division of the General Assembly.

8 (b) The State Controller shall be the Chair of the Board.

9 (c) The Office of the State Controller shall provide staff and adequate meeting space to
10 the Board and shall provide any other type of support required by the Board.

11 (d) The Board shall meet at least four times a year and may meet as often as necessary.
12 A majority of the members of the Board constitute a quorum for the transaction of business.
13 The affirmative vote of a majority of the members present at a meeting of the Board is required
14 for action to be taken by the Board.

15 (e) The Board shall design and establish a framework to provide to the citizens of North
16 Carolina uniform, program-level, accountability information in State government. The Board
17 shall establish comprehensive standards, policies, and procedures, including recurring oversight
18 procedures, as part of the framework to provide uniform, program-level, accountability
19 information in State government. The framework shall be designed to insure that the
20 information is accessible through the main State government Web site.

21 (f) The Board members shall receive no salary or other monetary compensation for
22 servicing on the Board.

23 (g) The Board shall publish an annual report by January 1 of each year setting out the
24 standards, policies, and procedures to be used by agencies in establishing, implementing, and
25 maintaining the information systems required by this Article. The Board shall provide a copy of
26 the report to each State agency and each non-State entity subject to this Article and to the
27 Program Evaluation and Fiscal Research Divisions of the General Assembly.

28 **"§ 143-47.33. Required State agency and non-State entity information.**

29 (a) Each State agency shall establish, implement, and maintain within that State agency
30 a system that provides uniform, program-level, accountability information that accurately
31 conveys the mission, responsibilities, and activities of the State agency and any other
32 information deemed necessary or appropriate by the Board. Each non-State entity, as a
33 condition of receiving State funds, shall establish, implement, and maintain within that
34 non-State entity a system that provides uniform, program-level, accountability information that
35 accurately conveys the mission, responsibilities, and activities of the non-State entity and any
36 other information deemed necessary or appropriate by the Board. The system shall comply with
37 the framework design and the standards, policies, and procedures established by the Taxpayer
38 Accountability Board. The information shall be updated on a timely basis. Each information
39 system shall further be readily and easily accessible to the citizens of North Carolina.

40 The principal executive officer of each State agency and the principal executive officer of
41 each non-State entity is responsible for ensuring that the State agency or non-State entity, as
42 appropriate, complies with the requirements of this Article.

43 (b) Each State agency and each non-State entity shall include the following information
44 in its information system:

45 (1) For each program, a clear statement of what condition exists in North
46 Carolina that the program is designed to address.

47 (2) For each program, a logic model that describes the sources of program
48 resources, total resources invested, activities and processes, outputs, and
49 outcomes.

50 (3) Evidence confirmed independently that changes in the conditions addressed
51 are attributable to the programs, services, and activities.

- 1 (4) Performance measures for each program sufficient for a citizen to determine
2 all of the following:
3 a. Outcome. – The verifiable quantitative effects or results attributable
4 to the program compared to a performance standard.
5 b. Output. – The verifiable number of units of services or activities
6 provided by the program.
7 c. Efficiency. – The verifiable total direct and indirect cost per output
8 and per outcome.
9 d. Performance standards. – The metrics based upon best practices,
10 generally recognized standards, or comparisons with relevant peer
11 entities in other states or regions for gaging achievement of
12 efficiency, output, and outcomes.
13 e. Benchmarks. – A broad, societal indicator used for gaging ultimate
14 outcomes of programs such as U.S. Census data. Multiple programs
15 among several agencies may be benchmarked to the same indicator.
16 (5) Organization charts and manager-to-employee ratios in a format specified by
17 the Office of State Personnel. In addition to a comprehensive chart, each
18 State agency and non-State entity shall have separate charts for each
19 organizational division and in turn for each subordinate division or work unit
20 in specific detail so that a citizen may determine the organizational location
21 of every employee position.
22 (6) Revenues by source and expenditures by purchasing category aligned with
23 each program individually.
24 (7) Effective July 1, 2013, a Web-based dashboard that reports all required
25 performance information in a graphical gaging format. The format shall also
26 be uniform and shall be sufficient to inform a citizen how the State is
27 investing money consistent with understandable purposes.
28 (8) A listing of all employees. Each employee record shall contain the following
29 fields: last name; first name; job title; State agency or non-State entity, as
30 appropriate; organizational division; program; telephone number; email
31 address; office mailing address including 9-digit postal zip code; and
32 building name and room number if not in the mailing address. The directory
33 shall have a search feature to enable searching or listing by field. Each State
34 agency and non-State entity subject to this Article shall also list its
35 employees in the directory available through the main State government
36 Web site.

37 **"§ 143-47.34. Verification of compliance by State Auditor.**

38 The State Auditor shall verify compliance with this Article by each State agency and each
39 non-State entity on an annual basis. Upon the determination of the State Auditor that a State
40 agency or non-State entity has failed to substantially comply with the provisions of this Article,
41 the State Auditor shall report the noncompliance to the Board, the Governor, the Joint
42 Legislative Commission on Governmental Operations, and the Fiscal Research Division of the
43 General Assembly. No State agency or non-State entity shall be deemed to be out of
44 compliance if the State agency or non-State entity, as appropriate, can establish that it has made
45 a good faith effort to comply with the provisions of this Article.

46 **"§ 143-47.35. Remedy for noncompliance.**

47 (a) Any person may institute a suit in the superior court requesting the entry of a
48 judgment that a State agency or a non-State entity, as appropriate, has failed to comply with
49 this Article and granting specific performance as a remedy compelling the State agency or
50 non-State entity to comply with this Article. As plaintiff, the person need not allege or prove
51 special damage different from that suffered by the public at large.

1 (b) In an action to compel compliance with this Article, the burden shall be on the State
2 agency or non-State entity, as appropriate, to show that it is in compliance with this Article.

3 (c) No State agency or non-State entity is liable under this section if it can establish that
4 it has made a good faith effort to comply with the provisions of this Article.

5 (d) In any action brought pursuant to this section in which a party successfully compels
6 compliance, the court shall allow the plaintiff to recover plaintiff's reasonable attorneys' fees.
7 Any attorneys' fees assessed against a State agency or non-State entity under this section shall
8 be charged against the operating expenses of the State agency or non-State entity, as
9 appropriate.

10 (e) If the court determines that an action brought pursuant to this section was filed in
11 bad faith or was frivolous, the court shall assess reasonable attorneys' fees against the person
12 instituting the action and award it to the State agency or non-State entity, as appropriate, as part
13 of the costs.

14 **"§ 143-47.36. Availability of technical assistance.**

15 (a) The Office of State Personnel shall adopt rules setting the standards and format for
16 the organization charts and manager-to-employee ratios required by G.S. 143-47.33. The Office
17 of State personnel shall also provide templates and technical assistance to State agencies and
18 non-State entities as needed to assure the uniformity required by this Article.

19 (b) The Office of State Budget and Management and the Office of Information
20 Technology shall also provide technical assistance and software to State agencies and non-State
21 entities as needed to assure the uniformity required by this Article."

22 **SECTION 2.** G.S. 150B-1(c) is amended by adding a new subdivision to read:

23 "(9) The Taxpayer Investment Accountability Board established in
24 G.S. 143-47.32."

25 **SECTION 3.** If a State agency or a non-State entity subject to this act is not in
26 compliance with Article 2E of Chapter 143 of the General Statutes as enacted by Section 1 of
27 this act, then the State agency or non-State entity shall revise its information system to comply
28 with the act. Each State agency, whether implementing a new information system or revising
29 an existing system to bring it into compliance with the provisions of this act, shall use the State
30 agency's existing resources allocated for computers and computer maintenance to comply with
31 the act.

32 **SECTION 4.** This section and G.S. 143-47.32, as enacted by Section 1 of this act,
33 become effective July 1, 2011. The remainder of this act becomes effective July 1, 2012,
34 except as otherwise provided.