

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

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HOUSE BILL 1042*

Short Title: DOA Efficiency/PED. (Public)

Sponsors: Representative Hurley.

For a complete list of sponsors, refer to the North Carolina General Assembly web site.

Referred to: State and Local Government II

May 31, 2018

1 A BILL TO BE ENTITLED
2 AN ACT RECOMMENDING IMPROVED EFFICIENCIES OF THE STATE'S
3 ADMINISTRATIVE SERVICES, AS RECOMMENDED BY THE JOINT LEGISLATIVE
4 PROGRAM EVALUATION OVERSIGHT COMMITTEE.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** The Department of Administration shall do the following:

- 7 (1) By December 1, 2018, report to the Joint Legislative Oversight Committee on
8 General Government on the status of the Department's procurement of a
9 contract management system for State agency administered contracted
10 services. The Department shall report every six months thereafter until the
11 implementation of the contract management system has been completed.
- 12 (2) By December 1, 2018, implement a new requirement for State agencies to
13 obtain a ten percent (10%) reduction from the annual value of each contract
14 as a condition of awarding an amendment that extends the length of the
15 contract.
- 16 (3) By June 30, 2019, reduce by five percent (5%) the June 30, 2018, inventory
17 of State-owned passenger motor vehicles that are under the management of
18 the Department of Administration.
- 19 (4) By December 1, 2018, and each December 1 thereafter, report to the Joint
20 Legislative Oversight Committee on General Government and the Fiscal
21 Research Division on (i) prior fiscal year results for each identified
22 performance measure set out in Program Evaluation Division Report No.
23 2018-04, Opportunities Exist to Improve the Efficiencies of the State's
24 Administrative Services, and (ii) performance targets for the upcoming fiscal
25 year.

26 **SECTION 2.** The Legislative Services Office shall assign an appropriate division of
27 the General Assembly or contract with a vendor to do the following:

- 28 (1) In consultation with the Department of Administration, propose guidelines for
29 determining employee office space usage requirements for each State-owned
30 and leased office facility and make recommendations to ensure that the
31 Department has valid and reliable information to enforce the space usage
32 requirements. In making recommendations under this subdivision, the
33 assigned division or the contracted vendor shall consider the feasibility of
34 requiring each State agency to enter the office space requirements and facility



1 location of each of its employees into the Integrated HR/Payroll System, or
2 the State's payroll system that supersedes the current system.

- 3 (2) Conduct a business case analysis to evaluate alternatives to reduce facility
4 management costs and generate additional revenue through the sale or lease
5 of the Old Revenue Building located at 2 South Salisbury Street, Raleigh,
6 North Carolina.
- 7 (3) Conduct a business case analysis of facility management services performed
8 by the Department of Administration, including consideration of expanded
9 use of contracted facility management services.
- 10 (4) Conduct a business case analysis that uses the results from the document
11 scanning pilot study performed by the Department of Revenue to explore
12 potential savings through increased utilization of electronic mail scanning for
13 incoming mail to State agencies.
- 14 (5) Conduct a business case analysis on available opportunities to increase
15 revenue receipts from State-owned parking facilities, including consideration
16 of increasing utilization of unreserved employee spaces and leasing
17 underutilized employee spaces and visitor spaces to public and private entities.
- 18 (6) Each business case analysis conducted under this subsection shall include, at
19 a minimum, each of the factors identified in Program Evaluation Division
20 Report No. 2018-04, Opportunities Exist to Improve the Efficiencies of the
21 State's Administrative Services. The assigned division or the contracted
22 vendor shall report on any recommendations for proposed legislation to the
23 Joint Legislative Oversight Committee on General Government by December
24 1, 2019.

25 **SECTION 3.** The Office of the State Auditor shall conduct a performance audit to
26 identify alternatives to reduce outgoing mail service costs and report its findings to the Joint
27 Legislative Oversight Committee on General Government by June 30, 2019.

28 **SECTION 4.** G.S. 143-55 reads as rewritten:

29 **"§ 143-55. Requisitioning by agencies; must purchase through sources certified.**

30 (a) Unless otherwise provided by law, where sources of supply have been established by
31 contract and certified by the Secretary of Administration to the said departments, institutions and
32 agencies as herein provided for, it shall be the duty of all departments, institutions and agencies
33 to make requisition ~~or issue orders on forms to be prescribed by the Secretary of Administration,~~
34 through NC E-Procurement for purchases required by them upon the sources of supply so
35 certified, and, except as herein otherwise provided for, it shall be unlawful for them, or any of
36 them, to purchase from other sources than those certified by the Secretary of Administration.
37 ~~One copy of such requisition or order shall be furnished to and when requested by the Secretary~~
38 ~~of Administration.~~ Requisitions from sources of supply established by contract and certified by
39 the Secretary of Administration shall not be made using any other method except NC
40 E-Procurement, including purchase cards or purchase orders, unless specifically authorized by
41 the Secretary of Administration.

42 (b) Expired."

43 **SECTION 5.** This act is effective when it becomes law.