



**STATE OF NORTH CAROLINA
OFFICE OF STATE BUDGET AND MANAGEMENT**

BEVERLY EAVES PERDUE
GOVERNOR

CHARLES E. PERUSSE
STATE BUDGET DIRECTOR

September 25, 2009

MEMORANDUM

TO: Department Heads

FROM: Charles E. Perusse *Charles E. Perusse*

SUBJECT: Summary of General Provisions Directing Studies in Senate Bill 202 (Budget Bill) or from Existing General Statutes

The General Assembly enacted Senate Bill 202 (Session Law 2009-451), which contains general provisions directing the Office of State Budget and Management (OSBM) to conduct certain studies which involve multiple State agencies. In addition, in previous biennia, the legislature enacted laws requiring certain annual studies be conducted. The purpose of this memorandum is to advise you of all these studies, and to begin the process for data gathering.

Each of the special studies is described on the following pages, including due dates. Most of these rely on significant data collection in order to comply with the law. The data collection forms will either be sent directly to the individual you name below, or will be placed on the OSBM website and your designated staff will be notified where to find them.

In order for us to meet the required deadlines, please complete the table attached as a separate form and return it to Anne Bander by October 2, 2009, to tell us who in your organization will be compiling the data for the various studies.

If you have any questions about the studies, please do not hesitate to contact Anne Bander at (919) 807-4700, or by email at anne.bander@osbm.nc.gov. Thank you very much for providing us with this essential information.

Attachment

Part I: Studies in Senate Bill 202

Use of Electronic Forms and Digital Signatures Section 6.16

This section requires OSBM and the State's Chief Information Officer (SCIO) to develop a plan to increase the use of electronic forms and digital signatures throughout State government. In developing the plan, OSBM shall conduct an inventory of all paper or electronic forms currently in use by executive branch agencies. OSBM and the SCIO shall submit the plan to the Joint Legislative Oversight Committee on Information Technology by March 1, 2010.

Position Transfer Reports/ITS/OSC/OSBM Section 6.17 (a)

By November 1, 2009, OSBM, in coordination with ITS, shall submit a report to the General Assembly on the transfer of information technology (IT) positions associated with IT consolidation. This report shall include the total cost and justification for each position moved to ITS, as well as for each position remaining with each State agency. OSBM shall also report on the positions established and eliminated as a result of IT consolidation.

BEACON HR/Payroll Position Transfers Section 6.17(b)

This section requires OSBM, in coordination with the Office of the State Controller, to report on the transfer of positions associated with the implementation of the BEACON HR/Payroll Project. The report shall include the numbers and types of positions transferred to OSC from other state agencies, an explanation as to why each position was moved to OSC, the cost associated with each and how that cost is allocated. The report also is to include numbers of positions remaining with each state agency, positions eliminated, and new positions created within OSC. This report is to be presented by November 1, 2009, to the Joint Legislative Oversight Committee on Information Technology and to the Fiscal Research Division.

Information Technology Contracted Personnel Section 6.18

This section places several restrictions on establishing or renewing contracts for information technology personal services, such as limitations on the duration of a personal services contract, reporting requirements prior to renewing a contract, and review and approval by the Statewide Information Technology Procurement Office on all contracted information technology personnel. In addition, beginning October 1, 2009, agencies are required to report monthly to OSBM, OSP, ITS, the Joint Legislative Oversight Committee on Information Technology and Fiscal Research Division. The report shall include detailed information about each contracted information technology position; the total annual cost for information technology contractors; the total annual salary and benefits cost for filling the contract positions with State employees; and a determination of whether the information technology functions performed by contractors can be performed by State employees.

Consolidation of Law Enforcement Agencies S.B. 202, Sec. 17.4 and Sec. 14.A of H.B. 836

This section directs OSBM to study the feasibility of consolidating law enforcement agencies for the purpose of coordinating the activities and reducing duplication and overlapping of law enforcement responsibilities, training and technical assistance. OSBM may consider law enforcement functions within any state agency. Findings are to be reported by Feb. 1, 2010, to the Joint Legislative Corrections, Crime Control, and Juvenile Justice Oversight Committee.

Upgrade State Portal S.B. 6.14 (a) and (b)

This section directs OSBM, in coordination with the State's Chief Information Officer to develop a detailed plan to upgrade the State Portal, including the need to improve services for citizens and businesses; offering online services; providing crucial emergency information. As part of this, OSBM is to obtain advice from State agencies to ensure that potential users have the opportunity to submit recommendations for inclusion in the final plan.

Part II: Studies Directed by General Statute

**Study of Agency Business Functions
S.L. 2007 – 323 Sec. 6.7(c)**

This section requires OSBM, in coordination with the Office of the State Controller and the Office of State Personnel, to report on the annual staffing analyses of State government business functions, which includes but is not limited to, agency fiscal offices, budget offices, and procurement offices. The report is due January 1, 2010. Because this is a study that OSBM has been directed to continue annually, and agencies have already submitted documentation to this office, your prior year document will be sent to the person designated as your agency's contact person, so that they may refer it to the appropriate sections in your agency to simply complete an update and return it to OSBM.

**Annual Fee Report
G.S. 143-C-9.4**

OSBM collects data on fees charged by each State department, bureau, division, board, commission, institution and agency. For agencies that use the North Carolina Accounting System (NCAS), much of the required information has already been entered under your agency's name, via NCAS. This report is released on-line each year on or about February.

**Lease/Installment Purchase Report
S.L. 2005-276, Sec. 6.17 (directed to be ongoing)**

This session law requires OSBM to inventory all lease purchase and installment purchase agreements, so that debt accruing from these agreements can be included in the Debt Affordability Report from the State Treasurer's Office. Data are due to OSBM no later than December 31, 2009.

**Personal Service Contracts Use Study
G.S. 143-64.70**

All state agencies and institutions are required to report on their use of personal services contracts to OSBM and the Office of State Personnel. Only contracts with an annual expenditure greater than \$25,000 are required to be reported. The report is submitted to the Joint Legislative Commission on Governmental Operations by March 15, 2009.

**Occupational Licensing Boards/Financial Report Filing
G.S. 93B-2(b)**

Each Occupational Licensing Board is required to file with OSBM an annual financial report, including source and amount of all funds received and the purpose and amount of all funds disbursed by the boards. These reports are due to OSBM as soon as the financial reports are complete for the previous fiscal year. In the space provided on the form on page 2, please let us know if an occupational licensing board reports to your agency. Otherwise, this requirement may not apply to your agency.