North Carolina Department of Public Safety
Prevent. Protect. Prepare.

Beverly Eaves Perdue, Governor   Reuben F. Young, Secretary

MEMORANDUM

TO: Senator Andrew Coley Brock
Representative Marilyn Avila
Representative Jonathan C. Jordan
Mark Trogdon, Acting Director, Fiscal Research Division

FROM: Jennie L. Lancaster, Chief Deputy Secretary

RE: Information Technology Contractors, Monthly Report
(Section 6A.6.(c) – Session Law 2011-145)

DATE: January 25, 2012

Pursuant to Section 6A.6.(c) of Session Law 2011-145, please find attached the Department of Public Safety's monthly report for IT contractors. The information contained in this November 17, 2011 report, remains current and only reflects information from the former Department of Correction.

Attachment

JLL/BSB/jbk

cc: Chad Lowry
Bradford Sneeden
Melvin Lee
John Poteat
Doug Holbrook
Kristine Leggett
Gov Ops Website
General Assembly Legislative Library

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Beverly Eaves Perdue
Governor

Alvin W. Keller, Jr.
Secretary

November 7, 2011

MEMORANDUM

FROM: Robert S. Brinson, CIO

TO: Sarah Porper, Office of State Budget and Management
          Don Nattress, Office of State Personnel
          Sandra Rosser, Office of Information Technology Services
          Karlynn O'Shaughnessy, Fiscal Research Division, N.C. General Assembly

SUBJECT: IT Contractor Report

Session Law 2011-145, Section 6A.6.(c) requires monthly reporting of IT contractors. This report is submitted pursuant to that requirement.

The Department of Correction has seven (7) IT contractors. The following information is provided:

(1) a.   "The title of the position, a brief synopsis of the essential functions of the position, and how long the position has existed."

We have prepared an attached spreadsheet that responds to these and many of the other questions asked by this subsection. It shows the position titles and the essential functions. Basically, six of the positions are technicians that install and repair PC's. The seventh contractor helps with our servers.

(1) b.   "The name of the individual filling the position and the vendor company, if any, that regularly employs that individual."

The spreadsheet shows all names. All contracts are personal services contacts, direct with the individual.

(1) c.   "The type of contract, start date, and termination date.'

All contracts are personal services contracts. See the spreadsheet for start dates of the current contracts. All contracts currently end on April 30, 2012.

(1) d. **"The length of time that the individual filling the contracted position has been employed by the State as a contractor in any position."**

Alex Hatcher's original contract started in January 2005. Tom Kriner's started in August 2004. Jason Myers started in April 2007. Jerry Overton's started in September 1998. Ramadevi Selam's started in July 2010. Justin Wiley's started in March 2008. Craig Griffin's started in March 2010. In some cases, service has not been continuous.

(1) e. **"The contracted position salary or hourly rate, the number of hours per year, and the total annualized cost of the contracted position."**

The spreadsheet contains this information.

(1) f. **"The salary and benefits cost for a State employee performing the same function."**

The spreadsheet offers this comparison. In all cases, the cost of a comparable state employee would exceed what we are paying these contractors.

(1) g. **"The purchase order number for the position."**

The spreadsheet contains all purchase order numbers.

(1) h. **"Whether the position can be converted to a State employee position. This determination will be certified by the State Information Technology Purchasing Office."**

All of these positions could certainly be done by state employees. Correction never had a large number of contractors. At our peak, we had about double this number. In the last few years, we have been able to convert about half of these to employees with the help of OSBM. We elected to convert our application development contractors, since they had business knowledge that would be most difficult to duplicate. A number of years ago, we pegged contractor salaries to match a comparable State employee. Because of this, there was not really any savings in the conversion. These seven remaining contractors are on the infrastructure side. While they would make excellent State employees, and we would like to recogize them as such, our ability to find recurring funds, especially in the absence of a business case, makes this difficult.

(1) i. **"When the agency anticipates converting the position to a State employee."**

We have no plans at present to convert these remaining contractors to employees.

(2). **"The total annual cost for information technology contractors and the total annual salary and benefits cost for filling the contract positions with State employees."**

The annualized cost of the seven contractors is $375,209, fully burdened with FICA payments. The approximate annualized cost of comparable State employees, fully burdened, is $490,000.

(3). **"A determination of whether the information technology functions performed by the contractor can be performed by State employees."**

See the notes under (1) h. above.

(4). **"All information required by theis subsection related to information technology contractors regardless of contracting source."**

This information represents a comprehensive accounting of our IT contractors.

Attachment: Spreadsheet: Information on seven contractors in DOC-MIS dated 11 November 2011

Information on seven contractors in DOC - MIS

	Contractor Name	Position (Note 1)	EP #	Current contract start date	Rate/ Hour $	Annualized Rate for 2,080 hours	Burden Rate in %	Fully loaded rate	Current contract expires on
1	Alex Hatcher	PC Technician	EP4764277	11/1/2010	$21.24	$44,179.20	7.65	$47,558.91	4/30/2012
2	Tom Kriner	PC Technician	EP4764256	11/1/2010	$24.74	$51,459.20	7.65	$55,395.83	4/30/2012
3	Jason Myers	PC Technician	EP4792728	3/21/2011	$24.74	$51,459.20	7.65	$55,395.83	4/30/2012
4	Jerry Overton	PC Technician	EP4763938	11/1/2010	$23.00	$47,840.00	7.65	$51,499.76	4/30/2012
5	Ramadevi Seelam	PC Technician	EP4741368	7/26/2010	$24.74	$51,459.20	7.65	$55,395.83	4/30/2012
6	Justin Wiley	PC Technician	EP4764275	11/1/2010	$19.11	$39,748.80	7.65	$42,789.58	4/30/2012

Note 1: Key skills are: highly technically knowledgeable in PC hardware, software & network, able to identify, isolate and correct the problems; download Oper. Systems, applications, patches and more.

					Annual Salary	Burden Rate in %	Fully loaded rate	
Comparable FT Permanent Employee	PC Technician	N/A		N/A	$55,000.00	25	$68,750.00	N/A

	Contractor Name	Position	EP #	Current contract start date	Rate/ Hour $	Annual Salary	Burden Rate in %	Fully loaded rate	Current contract expires on
7	Craig Griffin	Technology Support Technician (Note 2)	EP4711221	3/22/2010	$30.00	$62,400.00	7.65	$67,173.60	4/30/2012

Note 2: Key skills are: Knowledgeable in PERL, MS VBScript & WMI Script writing/ Testing/ Implementation for PCs & Network servers; Windows server installation support and server virtualization support

					Annual Salary	Burden Rate in %	Fully loaded rate	
Comparable FT Permanent Employee	Tech. Support Technician	N/A		N/A	$62,000.00	25	$77,500.00	N/A