

1 5375 AMH OGDE H2481.1

2 **SB 5375 - H AMD 000331 ADOPTED 4-8-93**
3 By Representatives Ogden and Valle

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5 On page 1, line 11, after "contracts" strike everything through
6 "process." and insert "~~((negotiated without an open competitive~~
7 ~~process))~~, to centralize the location of information about personal
8 service contracts for ease of public review, and ensure proper
9 accounting of personal services expenditures."

10 On page 4, after line 8, insert the following:

11 "Sec. 5. RCW 39.29.018 and 1987 c 414 s 5 are each amended to read
12 as follows:

13 (1) Sole source contracts shall be filed with the office of
14 financial management and the legislative budget committee and made
15 available for public inspection at least ten working days prior to the
16 proposed starting date of the contract. Documented justification for
17 sole source contracts shall be provided to the office of financial
18 management and the legislative budget committee when the contract is
19 filed. For sole source contracts of ten thousand dollars or more that
20 are state funded, documented justification shall include evidence that
21 the agency attempted to identify potential consultants by advertising
22 through state-wide or regional newspapers or other appropriate media or
23 by notifying consultants on established bidders' lists approved by the
24 office of financial management.

25 (2) The office of financial management shall approve sole source
26 contracts of ten thousand dollars or more that are state funded, before
27 any such contract becomes binding and before any services may be
28 performed under the contract. These requirements shall also apply to
29 sole source contracts of less than ten thousand dollars if the total
30 amount of such contracts between an agency and the same consultant is
31 ten thousand dollars or more within a fiscal year. The office of
32 financial management shall ensure that the costs, fees, or rates
33 negotiated in filed sole source contracts of ten thousand dollars or
34 more are reasonable.

1 NEW SECTION. **Sec. 6.** A new section is added to chapter 39.29 RCW
2 to read as follows:

3 Personal services may be procured only to resolve a particular
4 agency problem or issue or to expedite a specific project that is
5 temporary in nature. An agency may procure personal services only if
6 it documents that:

7 (1) The service is critical to agency responsibilities or
8 operations, or is mandated or authorized by the legislature;

9 (2) Sufficient staffing or expertise is not available within the
10 agency to perform the service; and

11 (3) Other qualified public resources are not available to perform
12 the service.

13 NEW SECTION. **Sec. 7.** A new section is added to chapter 39.29 RCW
14 to read as follows:

15 (1) State-funded personal service contracts subject to competitive
16 solicitation shall be filed with the office of financial management and
17 the legislative budget committee and made available for public
18 inspection at least ten working days before the proposed starting date
19 of the contract.

20 (2) The office of financial management shall review and approve
21 state-funded personal service contracts subject to competitive
22 solicitation that provide services relating to management consulting,
23 organizational development, marketing, communications, employee
24 training, or employee recruiting.

25 NEW SECTION. **Sec. 8.** A new section is added to chapter 39.29 RCW
26 to read as follows:

27 The office of financial management shall maintain a publicly
28 available list of all personal service contracts entered into by state
29 agencies during each fiscal year. The list shall identify the
30 contracting agency, the contractor, the purpose of the contract,
31 effective dates and periods of performance, the cost of the contract
32 and funding source, any modifications to the contract, and whether the
33 contract was competitively procured or awarded on a sole source basis.
34 The office of financial management shall also ensure that state
35 accounting definitions and procedures are consistent with RCW 39.29.006
36 and permit the reporting of personal services expenditures by agency
37 and by type of service. Designations of type of services shall

1 include, but not be limited to, management and organizational services,
2 legal and expert witness services, financial services, computer and
3 information services, social or technical research, marketing,
4 communications, and employee training or recruiting services. The
5 office of financial management shall report annually to the fiscal
6 committees of the senate and house of representatives on sole source
7 contracts filed under this chapter. The report shall describe: (1)
8 The number and aggregate value of contracts for each category
9 established in this section; (2) the number and aggregate value of
10 contracts of two thousand five hundred dollars or greater but less than
11 ten thousand dollars; (3) the number and aggregate value of contracts
12 of ten thousand dollars or greater; (4) the justification provided by
13 agencies for the use of sole source contracts; and (5) any trends in
14 the use of sole source contracts.

15 NEW SECTION. **Sec. 9.** A new section is added to chapter 39.80 RCW
16 to read as follows:

17 Contracts entered into by any state agency for architectural and
18 engineering services, and modifications thereto, shall be reported to
19 the office of financial management on a quarterly basis, in such form
20 as the office of financial management prescribes."

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