

Legislative Performance Audit

Committee

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Legislative Audit and Research Office
P.O. Box 94945, State Capitol
Lincoln, NE 68509-4945
402-471-2221

Section Staff:
Martha Carter, Legislative Auditor
Don Arp, Jr., Analyst
Abby DeBuse, Analyst
Angela McClelland, Analyst
Cindy Nichols, Analyst
Stephanie Meese, Legal Counsel
Sandy Harman, Committee Clerk

Scope Statement

Personal Services Contracts

Introduction

On September 14, 2007, the Legislative Performance Audit Committee directed the Legislative Performance Audit Section (Section) to conduct an audit of state agency compliance with statutory requirements regarding personal services contracts. This scope statement briefly describes agency requirements regarding personal services contracts and sets forth the specific questions the Section will answer during the audit.

Background

Personal services contracts are agreements between an agency and a vendor primarily for labor. State agencies enter into personal services contracts for a variety of activities such as security, janitorial work, consulting, and other professional services.

Neb. Rev. Stat. §§ 73-301 to 73-307 and §§ 73-501 to 73-509 contain legal provisions governing personal services contracts. Among other things, statute requires DAS to maintain a list of the locations of contracts and provide a process for bidding contracts in excess of \$50,000. In addition, statute requires state agencies contracting for services to enter contracts into the Nebraska Information System (NIS) and most agencies to follow the process established by DAS. Statute also exempts some types of contracts from certain requirements.

Audit Scope

In this audit, the Section will answer:

- (1) Is the Department of Administrative Services compliant with the relevant portions of Neb. Rev. Stat. §§ 73-301 to 73-307 and §§ 73-501 to 73-509?

In order to examine the agency-specific portions of statute, the Section will examine contracts held by the Department of Health and Human Services. Specifically, the Section will address:

- (2) Is the Department of Health and Human Services compliant with the relevant portions of Neb. Rev. Stat. §§ 73-301 to 73-307 and §§ 73-501 to 73-509 with, at a minimum, its contracts regarding transporting wards of the state and what mechanisms exist to ensure compliance with the terms of these contracts?

Scope Statement adopted by the Legislative Performance Audit Committee January 10, 2008.