1. Purpose

The purpose of this regulation is to provide guidelines for using different types of contracts.

2. Scope

This regulation applies to all faculty and staff procuring goods and services.

3. Contractual Services

3.1 Contractual Services must be performed by an independent contractor.

3.1.1 The contractor must have specialized knowledge, experience, expertise or similar capabilities wherein service rendered does not consist primarily of acquisition of equipment or materials. Services may include services such as maintenance of buildings or equipment, auditing, film production, employee training and food services.

3.1.2 Purchasing contractual services from state employees or companies which they have ownership is prohibited, unless such action is first approved by the Secretary of the North Carolina Department of Administration.

3.1.3 Contractual services must be acquired by seeking competition.

3.1.4 Written specifications must be developed for desired services. These specifications must be detailed, comprehensive, and not subjected to misinterpretations.

3.2 Contracts Exempted

3.2.1 Services provided by individuals by direct employment with the State if North Carolina.

3.2.2 Public utility services such as gas, water, electricity, etc.
3.2.3 Telephone, telegraph and cable services furnished by public utility companies

3.2.4 Services that are subject to published tariff rates established by Interstate Commerce Commission.

3.2.5 Services which are merely incidental to purchase materials or equipment.

3.2.6 Contracts for construction of and structural changes to public buildings

3.2.7 Personal services provided by a professional individual on a temporary or occasional basis including but not limited to services provided by a doctor, dentist, attorney, architect, professional engineer, scientist or performer of fine arts and similar professions; this exemption applies only if the individual using his or her professional skills to perform a professional task. If so, please see Personal Services.

3.2.8 Services provided directly by an agency of the State, Federal or local government, or their employees, when performing services as a part of their normal governmental representation.

4. Types of Contracts

4.1 Personal Services

4.1.1 Personal services contracts are used to procure services from an individual when those services are not ordinarily performed by an employee.

4.1.2 If an individual is to perform a service ordinarily performed by an NCCU employee, the individual cannot be considered an independent contractor that uses the personal services contract. The department will be re-directed to NCCU Human Resources.

4.2 Professional Services

4.2.1 Professional services contracts are contracts with a business entity (company, corporation, LLC, etc.). There is a legal distinction between an individual and a business entity so that services under professional services agreements or contracts may ordinarily have been performed by an employee.

4.3 Consultancies

4.3.1 These are contracts with individuals or business entities with a specialized knowledge designed to investigate problems, provide counsel and advice, review, analyze, implement or formulate improvements in programs or services.

4.3.2 Acquiring Consultant Services

4.3.2.1 State agencies shall acquire Consultant services, only after the head of an agency (i.e., the Chancellor of NCCU) determines that:

4.3.2.2 The function for which consultant is retained cannot be reasonably accomplished by employees of the agency seeking such services, or other State employees.

4.3.2.3 The use of a consultant is reasonably necessary for proper operation of the agency.

4.3.2.4 The estimated cost is reasonable as compared with the likely benefits or results.

4.3.2.5 Funds are available for such a contract.

4.3.2.6 The contract is in best interest of State.
4.3.2.7 All State rules and regulations have been complied with.

4.4 Educational Consultants

4.4.1 Educational consultants, a person or entity with the professional statute and unique qualifications required to address a particular academic matter, and rendering a service not generally provided by the University, must be approved, in writing, through the office of the NCCU Provost/Vice Chancellor for Academic Affairs or the NCCU Vice Chancellor of Research and Economic Development.

4.4.2 An approved educational consultancy, including all required documentation, must be submitted to the Purchasing Department for processing in accordance with State and University procedures.

5. Exemptions (Contracts not following these regulations)

5.1 Attorneys employed by the State pursuant to the provisions of G.S. 147-17.

5.2 Physicians or doctors providing direct medical care for clientele of any State agency.

5.3 General Assembly contracts for special study commissions.

5.4 Institute of Government contracts to provide or obtain consulting or advisory services.

5.5 Contracts to provide services without compensation to the provider of the services or to his employing agency.

5.6 Contracts entered into by a State agency pursuant to specific statutory authority which provides, in the opinion of the Governor or his designee, a specific alternative procedure for the selection and aware of such contracts.