

EXECUTIVE ORDER 82-19

Establishing a System for Review of Cabinet Agency Policies, Procedures, and Regulations Regarding Personal Service Contracts

The current financial crisis in Washington State calls for enhanced management and control of agency expenditures. One area in need of control is that of personal service contracts. In order to enhance control in that area, I am establishing a system for review of each cabinet agency's internal policies, procedures, and regulations for personal service contracting. That review is designed to produce contracting consistency throughout all cabinet agencies while affirming the authority of directors in securing outside contractual help. I am committed to accomplishing those objectives, and anticipate the same level of commitment from all cabinet agency directors.

NOW, THEREFORE, I, John Spellman, Governor of the state of Washington, by virtue of the power vested in me, do hereby require that each cabinet agency submit its personal service contracting policies, procedures, and regulations to the Office of Financial Management (OFM) for its Director's review, and hereby establish the following administrative measures:

1. Agency Procedures - Cabinet agency directors are instructed to submit one copy of their agencies' policies, procedures, and regulations regarding personal service contracting to the Director, OFM, no later than November 30, 1982.
2. Office of Financial Management Procedures - The Director, OFM, will assess each agency's policies, procedures, and regulations in order to ensure consistency with:
 - Generally accepted contracting principles;
 - The specifications of Procedures for Using Outside Consultants (a supplement to OFM Policies and Regulations, Part 4, Chapter 3), including:
 - processes for competitive selection when consistent with the nature and scope of the work to be performed, and
 - opportunities for women's and minorities' business enterprises to perform contracted services;
 - The frugality demanded by the state's current financial crisis; and
 - The implementation instructions issued by the Directors OFM.
3. Corrective Action - In those cases where an agency's policies, procedures, and regulations fail to meet the criteria established above, the Director, OFM, will notify that agency, specifying the nature of the deficiency(ies) and the corrective action(s) required. That agency will promptly incorporate those corrections into its policies, procedures, and regulations.
4. Individual Contract Review - Agencies will continue to file personal service contracts in accordance with RCW 39.29.010. Each contract will be reviewed by OFM in order to determine

its compliance with the issuing agency's policies, procedures, and regulations. In those cases where the contract is not in compliance, the issuing agency will be required to take corrective action for subsequent contracts.

5. Pre-approval - Where an agency demonstrates consistent noncompliance with its own procedures, or where an agency does not develop adequate policies, procedures, and regulations, that agency will be required to obtain approval by the Director, OFM, of all personal service contracts prior to executing those contracts.

6. Detailed Instructions - The Director, OFM, will provide the information and instructions that are necessary in order to implement this order.

7. Exceptions - Any requests for exceptions to this Order are to be made in writing by the agency director to the Director, OFM.

8. Definition of Cabinet Agencies

Department of Agriculture
Office of Archeology and Historic Preservation
Department of Commerce and Economic Development
Department of Corrections
Department of Ecology
Department of Emergency Services
Department of Employment Security
Energy Facility Site Evaluation Council
Washington State Energy Office
Office of Financial Management
Department of Fisheries
Department of General Administration
Department of Labor and Industries
Department of Licensing
State Lottery Commission
Military Department
Planning and Community Affairs Agency
Department of Printing
Department of Retirement Systems
Department of Revenue
Department of Social and Health Services
State Patrol
Utilities and Transportation Commission
Department of Veterans Affairs

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the State of Washington to be affixed at Olympia this 30th day of September A.D., Nineteen hundred and eighty-two.

John Spellman
Governor of Washington

BY THE GOVERNOR:

Assistant Secretary of State
