STATE BOARD OF COMMUNITY COLLEGES Service Agreement for Quality Acceptance Inspector March 1, 2023 – February 28, 2026

<u>Request</u>: The State Board of Community Colleges is requested to approve a three-year service agreement in the amount of \$125,381 annually, not to exceed \$376,143 for a three-year term with Wake Technical Community College (WTCC) for a Quality Acceptance Inspector to provide inspection services of assets as required pursuant to G.S. 66-25.

Background: Session Law 2017-211 rewrote G.S. 66-25(c) to add "The Department of Administration, Division of Purchase and Contract, shall not seek to enforce the provisions of subsection (a) of this section by any means, including requiring acceptance inspections or additional testing of electrical materials, devices, appliances, or equipment purchased by State departments, agencies, and institutions."

Per a memo from the State Purchasing Officer dated April 27, 2018, "Effective June 30, 2018, the Division of Purchase and Contract (P&C) will no longer provide inspection services. This responsibility is being returned to the Agency for your capable management and oversight."

Although the requirement for inspections by P&C Division staff was eliminated, the change did not eliminate the requirement for colleges and state agencies to perform a safety inspection. Many colleges do not feel they have the expertise to handle this Quality Acceptance Inspection that was performed by skilled, experienced personnel.

Rationale for Contract: To fulfill the State's requirement per G.S. 66-25 to provide quality acceptance inspections for the 58 community colleges, a <u>Quality Acceptance Inspection</u> (QAI) ensures purchased items delivered are not damaged, are operational, have no material defects, and meet the technical specifications requested. Additionally, the items shall be inspected to verify that the proper <u>Safety Standards Label/Marking</u> is affixed.

Method of Procurement: In accordance with the procurement practice of the State of North Carolina, there is no requirement for approval by outside purchasing authorities. This service agreement is between an institutional agency of the NC Community College System and the System Office.

<u>Contract Amount and Time Period</u>: The contract period will be from March 1, 2023 through February 28, 2026 for an amount not to exceed \$376,143 (\$125,381 for March 2023–February 2024; \$125,381 for March 2024-February 2025; and \$125,381 for March 2025-February 2026).

Fund Source: Funding will be held from the State allocations to the 58 colleges from State General Fund appropriation.

<u>Contact</u>: Brandy Andrews Vice President and Chief Financial Officer