



North Carolina Department of Public Safety

Private Protective Services Board

Pat McCrory, Governor
Frank L. Perry, Secretary

Gregory K. Baker, Commissioner
Terry Wright, Director

October 8, 2014

Karen Cochrane Brown
Committee Counsel
Suite 545 Legislative Office Building
300 North Salisbury Street
Raleigh, North Carolina 27603

Dear Ms. Brown:

In reference to the reporting requirements as specified by G.S. 93B-2, I have prepared two separate reports. Our Section which is part of the Department of Public Safety, staffs two Boards, the Private Protective Services Board as well as the Alarm Systems Licensing Board.

After reviewing the enclosed reports, if you should have any questions, please feel free to give me a call at (919) 788-5320, ext. 220.

Sincerely,

Terry M. Wright
Director

MAILING ADDRESS:
4901 Glenwood Avenue, Suite 200
Raleigh, NC 27612

E-mail: PPSASL@ncdoj.gov



www.ncdps.gov/pps
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OFFICE LOCATION:
4901 Glenwood Avenue, Suite 200
Raleigh, NC 27612
Telephone: (919) 788-5320
Fax: (919) 788-5365



**STATE OF NORTH CAROLINA
OFFICE OF STATE BUDGET AND MANAGEMENT**

PAT MCCRORY
GOVERNOR

ART POPE
STATE BUDGET DIRECTOR

August 27, 2014

MEMORANDUM

TO: Occupational Licensing Board Directors

FROM: Art Pope, State Budget Director *Art Pope*

SUBJECT: Occupational Licensing Boards - Financial Report Requirements

North Carolina General Statute 93B-2 (b) requires that "no later than October 31 of each year, each occupational licensing board shall file with the Secretary of State, the Attorney General, the Office of State Budget and Management (OSBM), and the Joint Legislative Administrative Procedure Oversight Committee (APO), a financial report that includes the source and amount of all funds credited to the occupational licensing board and the purpose and amount of all funds disbursed by the occupational licensing board during the previous fiscal year."

The financial report for fiscal year 2013-14 is due to OSBM by October 31, 2014. You may email your report in PDF or word document format to Donald.crooke@osbm.nc.gov. If necessary to submit a hard copy, please send to the attention of: Donald Crooke, OSBM, 20320 Mail Service Center, Raleigh, NC 27699-0320.

For those licensing boards with their fiscal year ending **other than** June 30, 2014, please inform us of your year end date and submit your financial report no later than 4 months after year end. Should you have any questions and/or comments regarding this matter, you may contact Donald Crooke at (919) 807-4729 or Donald.crooke@osbm.nc.gov or Barbara Baldwin at Barbara.baldwin@osbm.nc.gov.

Thank you for your assistance with this important matter.

cc: Barbara Baldwin, Office of State Budget and Management
Donald Crooke, Office of State Budget and Management

NORTH CAROLINA PRIVATE PROTECTIVE SERVICES BOARD

§ 93B-2. Annual reports required; contents; open to inspection.

(a) Each occupational licensing board shall file with the Secretary of State, the Attorney General, and the Joint Legislative Administrative Procedure Oversight Committee an annual report containing all of the following information:

- (1) The address of the board, and the names of its members and officers.
The Private Protective Services Board is located at 4901 Glenwood Avenue, Suite 200, Raleigh, North Carolina 27612. See attached documents for a listing of the Board members and officers.
- (1a) The total number of licensees supervised by the board.
The Board supervises 1,721 licensees. In addition to the licensees supervised by the board, the board also supervises 3,132 armed personnel; 14,742 unarmed security personnel; 359 unarmed guard trainers and 93 Firearms Trainers.
- (2) The number of persons who applied to the board for examination.
There is no examination required for any of the PPS licensees.
- (3) The number who were refused examination.
None
- (4) The number who took the examination.
None
- (5) The number to whom initial licenses were issued.
190
- (5a) The number who failed the examination.
NA – the Board does not administer an exam.
- (6) The number who applied for license by reciprocity or comity.
The Private Protective Services Board does have reciprocal agreements with various states. However, there is no application process. If an individual has a license from a state that North Carolina has an agreement with, the individual can come to North Carolina and work on specific cases without informing this agency.
- (7) The number who were granted licenses by reciprocity or comity.
None
- (7a) The number of official complaints received involving licensed and unlicensed activities.
40
- (7b) The number of disciplinary actions taken against licensees, or other actions taken against nonlicensees, including injunctive relief.
28
- (8) The number of licenses suspended or revoked.
2
- (9) The number of licenses terminated for any reason other than failure to pay the required renewal fee.

- (10) The substance of any anticipated request by the occupational licensing board to the General Assembly to amend statutes related to the occupational licensing board. **The Private Protective Services Board has not made a final determination as to what if any statutes will be recommended for amendments.**
- (11) The substance of any anticipated change in rules adopted by the occupational licensing board or the substance of any anticipated adoption of new rules by the occupational licensing board. (b) Each occupational licensing board shall file with the Secretary of State, the Attorney General, and the Joint Legislative Administrative Procedure Oversight Committee a financial report that includes the source and amount of all funds credited to the occupational licensing board and the purpose and amount of all funds disbursed by the occupational licensing board during the previous 12-month period. (c) The reports required by this section shall be open to public inspection. (1957, c. 1377, s. 2; 1969, c. 42; 2006-70, s. 1.) (d) The Joint Legislative Administrative Procedure Oversight Committee shall notify any board that fails to file the reports required by the section. Failure of a board to comply with the reporting requirements of this section by October 31 of each year shall result in a suspension of the board's authority to expend any funds until such time as the board files the required reports. Suspension of a board's authority to expend funds under this subsection shall not affect the board's duty to issue and renew licenses or the validity of any application or license for which fees have been tendered in accordance with law. Each board shall adopt rules establishing a procedure for implementing this subsection and shall maintain an escrow account into which any fees tendered during a board's period of suspension under this subsection shall be deposited."

Rules

The State Budget Act (Senate Bill 784) transferred the Private Protective Services Board from the Department of Justice to the Department of Public Safety. There are five (5) administrative rules referencing "Attorney General" and one (1) referencing "Department of Justice." These rules will need to be amended to reflect "Secretary" and "Department of Public Safety." Pursuant to N.C.G.S. 150-21.5, notice and a hearing are not required for this change of name(s) due to an act of the General Assembly however the rule amendments will be subject to review by the Rules Review Commission.

Further, the Board's administrative rules which are now found in Title 12 of the Administrative Code, the section reserved for the Department of Justice agencies, will likely have to be changed as a result of the transfer. It will be determined in the future where within Title 14B, the section reserved for the Department of Public Safety, that these rules will be re-codified and renumbered.

The only anticipated administrative rule amendment contemplated by the Board at this time is a corresponding name change in 12 NCAC 07D .0402 to reflect the 2009 statutory change in the type of license issued from "counterintelligence" to "electronic countermeasures." This change will only be made if multiple other rules require adoption or amendment and it can be done in a package of rule changes. Albeit, the annual agency review of rules mandated by N.C.G.S. 150B-19.1(6) will occur at the Board's October 2014 meeting which could result in one or more repeals.

NORTH CAROLINA PRIVATE PROTECTIVE SERVICES BOARD

Eric Weaver, Sr.
Raleigh, NC
CHAIRMAN

Robert "Monty" Clark
Albemarle, NC
VICE-CHAIRMAN

MEMBERS OF THE BOARD

The Honorable Ronald W. Burris, Albemarle, NC
Bill Booth, Wilmington, NC
Edward Cobbler, Greensboro, NC
Clyde Cook, Garner, NC
William MacRae, Apex, NC
Richard Epley, Morganton, NC
Marcus Benson, Wilmington, NC
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Donald Foster, Raleigh, NC

Terry Wright
DIRECTOR

Anthony Bonapart
DEPUTY DIRECTOR

EXECUTIVE OFFICES

4901 Glenwood Avenue, Suite 200
Raleigh, North Carolina 27612
Phone - (919) 788-5320
Fax - (919) 788-5365

Private Protective Services Board Financial Report July 1, 2013 - June 29, 2014

EXPENDITURES

1. Personal Services - \$790,892.05 which includes salaries, longevity, social security, medical insurance contribution, retirement contribution, unemployment payment, disability payment, worker compensation payment, compensation to Board members, temporary employee wages.
2. Purchased Services - \$551,049.82 which includes legal services, lease of office space, postal service, telephone services, electrical, gas bill, meal reimbursement for staff and Board members, lodging reimbursement for staff and Board members, leasing of motor vehicles.
3. Supplies - \$20,897.66 which includes general office supplies and data processing supplies.
4. Property and Equipment - \$4,421.36 which includes furniture, office equipment and printer equipment.
5. Other expenses and adjustments - \$1,705.72 which includes expert witness fees, membership dues and subscription, service awards, other administrative fees.
6. Fees for services transferred to Department of Justice - \$58,274.03

REVENUES

1. Sale of Publications - \$369.00
2. Licenses - \$1,103,434.00
3. Firearms Permit Fee - \$169,915.00
4. Instructors Certificate - \$3,712.88
5. Settlement Consents - \$71,862.68
6. Tuition & Fees - \$12,150.00
7. Fingerprint Processing Fee - \$306,048.00
8. Interest Revenue - \$3,856.90

NORTH CAROLINA ALARM SYSTEMS LICENSING BOARD

§ 93B-2. Annual reports required; contents; open to inspection.

(a) Each occupational licensing board shall file with the Secretary of State, the Attorney General, and the Joint Legislative Administrative Procedure Oversight Committee an annual report containing all of the following information:

- (1) The address of the board, and the names of its members and officers.
The Alarm Systems Licensing Board is located at 4901 Glenwood Avenue, Suite 200, Raleigh, North Carolina 27612. See attached documents for a listing of the Board members and officers.
- (1a) The total number of licensees supervised by the Board.
The Board supervises 957 alarm licensees. The Board also supervises 7,274 alarm registrants.
- (2) The number of persons who applied to the board for examination.
There is a course exam that is offered by the Electronic Security Association that the Board recognizes that may be used in lieu of experience. However, the Board does not administer an exam.
- (3) The number who were refused examination.
Unknown
- (4) The number who took the examination.
Unknown
- (5) The number to whom initial licenses were issued.
There were 76 licenses issued by the Alarm Systems Licensing Board.
- (5a) The number who failed the examination.
Unknown
- (6) The number who applied for license by reciprocity or comity.
The Alarm Systems Licensing Board does not have reciprocity with any other state.
- (7) The number who were granted licenses by reciprocity or comity.
None
- (7a) The number of official complaints received involving licensed and unlicensed activities.
41
- (7b) The number of disciplinary actions taken against licensees, or other actions taken against non-licensees, including injunctive relief.
32
- (8) The number of licenses suspended or revoked.
2
- (9) The number of licenses terminated for any reason other than failure to pay the required renewal fee.
2
- (10) The substance of any anticipated request by the occupational licensing board to the General Assembly to amend statutes related to the occupational licensing board. **The Alarm Systems Licensing Board has not made a final determination as to what, if any, statutes will be recommended for amendments.**

- (11) The substance of any anticipated change in rules adopted by the occupational licensing board or the substance of any anticipated adoption of new rules by the occupational licensing board. (b) Each occupational licensing board shall file with the Secretary of State, the Attorney General, and the Joint Legislative Administrative Procedure Oversight Committee a financial report that includes the source and amount of all funds credited to the occupational licensing board and the purpose and amount of all funds disbursed by the occupational licensing board during the previous 12-month period. (c) The reports required by this section shall be open to public inspection. (1957, c. 1377, s. 2; 1969, c. 42; 2006-70, s. 1.). (d) The Joint Legislative Administrative Procedure Oversight Committee shall notify any board that fails to file the reports required by the section. Failure of a board to comply with the reporting requirements of this section by October 31 of each year shall result in a suspension of the board's authority to expend any funds until such time as the board files the required reports. Suspension of a board's authority to expend funds under this subsection shall not affect the board's duty to issue and renew licenses or the validity of any application or license for which fees have been tendered in accordance with law. Each board shall adopt rules establishing a procedure for implementing this subsection and shall maintain an escrow account into which any fees tendered during a board's period of suspension under this subsection shall be deposited."

Rules

The State Budget Act (Senate Bill 784) transferred the Alarm Systems Licensing Board from the Department of Justice to the Department of Public Safety. The Board's administrative rules which are now found in Title 12 of the Administrative Code, the section reserved for the Department of Justice agencies, will likely have to be changed as a result of the transfer. It will be determined in the future where within Title 14B, the section reserved for the Department of Public Safety, that these rules will be re-codified and renumbered.

At this time the Board does not anticipate and administrative rule adoptions, amendments or repeals, however the annual agency review of rules mandated by N.C.G.S. 150B-19.1(6) will occur at the Board's November 2014 meeting which could result in one or more repeals.

NORTH CAROLINA ALARM SYSTEMS LICENSING BOARD

Ralph Gregory
Raleigh, NC
CHAIRMAN

June Ray
Waynesville, NC
VICE-CHAIRPERSON

MEMBERS OF THE BOARD

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Larry McClellan, Clemmons, NC
Jack R. Ingle Jr., Clemmons, NC

Terry Wright
DIRECTOR

Anthony Bonapart
DEPUTY DIRECTOR

EXECUTIVE OFFICES

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Raleigh, North Carolina 27612
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Alarm Systems Licensing Board Financial Report July 1, 2013 - June 29, 2014

EXPENDITURES

1. Personal Services - \$320,807.84 which includes salaries, longevity, social security, medical insurance contribution, worker compensation payments, retirement contribution, compensation to Board members, temporary employee wages.
2. Purchased Services - \$218,404.26 which includes legal services, lease of office space, postal service, telephone services, electrical, gas bill, meal reimbursement for staff and Board members, lodging reimbursement for staff and Board members, leasing of motor vehicles.
3. Supplies - \$6,503.18 which includes general office supplies and data processing supplies.
4. Property and Equipment - \$896.79 which includes furniture and office equipment.
5. Other expenses and adjustments - \$293.78 which includes expert witness fees, membership dues and subscription, service awards, other administrative fees.
6. Fees for services transferred to Department of Justice - \$30,832.57.

REVENUES

1. Licenses - \$451,644.00
2. Settlement Consents - \$116,168.70
4. Returned Check Fee - \$175.00
5. Fingerprint Processing Fee - \$127,773.00
6. Interest Revenue - \$2,198.57