



Louisiana State University System

3810 West Lakeshore Drive
Baton Rouge, Louisiana 70808

Office of the President

225 / 578-2111
225 / 578-5524 fax

DATE: June 18, 2001

PM-40

MEMORANDUM TO: Chancellors Cavanaugh, Costonis, Emmert, Marsala, McDonald, Nunez, O'Brien, Richardson, Interim Chancellor Sanders and Executive Directors Bouchard and Brexler

SUBJECT: Contracts for University Procurement of Professional, Personal, Social and Consulting Services

This memorandum supercedes PM-40 dated May 23, 2000.

A. REGULATIONS

The Office of Contractual Review has issued Regulations for the procurement of professional, personal, social and consulting services under provisions of Title 39, Chapter 16 of the Revised Statutes (LRS 39:1481 and following), which regulations become part of this Permanent Memorandum.

B. APPLICABILITY

The enabling legislation and subsequent regulations apply to every expenditure of public funds.

Certain contracts are specifically excluded:

LRS 39:1482(B) – certain insurance agents, insurance consultants and actuaries; LRS 39:1482(C) – architects, engineers, or landscape architects whose services are acquired under provisions of LRS 38:2310-2316, however, architects hired by the University under construction contracts not included in the Capital Outlay Bill are included in the approval process.

This memorandum is intended to cover contracts let for the procurement of professional, personal, social and consulting services and is not intended to supersede or affect provisions of PM-44, dated May 10, 2000 or subsequent correspondence concerning grants or contracts where the University is the provider of services or PM-60 dated February 5, 1991.

C. PROCEDURES

1) LSU Board of Supervisors Regulations:

Section 5-4 of the LSU Board of Supervisors Regulations provides the following:
"All University System contracts shall be executed as follows:

- a) Contracts involving the purchase or sale of land, mineral rights, and other immovables; those involving significant University System policy; and major construction contracts shall be signed by the President only after approval of the Board or a specifically designated committee thereof.
- b) All other contracts may be executed on the authority of an official of the University System or of its various campuses as designated by the President unless directed to be otherwise executed by the Board or a "specifically designated committee thereof."

2) Processing within the LSU System:

- a) *Delegation of Authority to Chancellors* - In connection with contracts covered under Section C (1)(b) above, where such contracts are for the procurement of professional, personal, social and consulting services, chancellors are authorized to execute such contracts for their respective campuses regardless of the dollar amount of the contract once the "*Conditions of Delegation*" as set forth in E (1) below are satisfied. If a chancellor or administrative head chooses to further delegate signature authority, he/she must submit a written request to the LSU System Office requesting the proposed delegation of signature authority. The President or his designee will review all such requests and advise the Office of Contractual Review of those delegations that have been approved by the President or his designee.
- b) *Exceptions* - Contracts for banking services, legal services, cooperative endeavors, major affiliation agreements involving significant policy issues, contracts related to the acquisition, design and implementation of major academic or administrative software systems and applications whose total value is equal to or greater than \$250,000 and those contracts covered in C (1)(a) above should be prepared for the approval of the President.
- c) *Discontinuance of Delegation* - Delegation of authority may be discontinued either completely or in part on a campus by campus basis or for the System as a whole. In such cases, campuses may be required to submit contracts for approval by the Office of the Executive Vice President.

3) Office of Contractual Review (OCR)

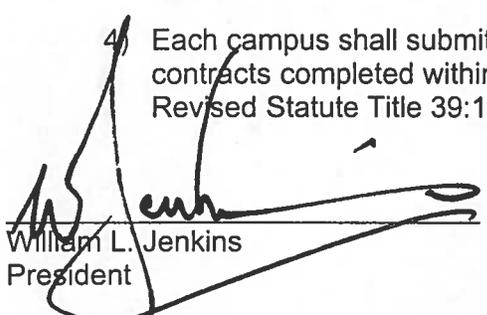
- a) *OCR Approval Required* - All contracts for the procurement of professional, consulting, social and personal services must be approved by the Office of

Contractual Review (see 3b & 3c below for Delegation of Authority for contracts \$20,000 or less by OCR). The Office of Executive Vice President will obtain necessary clearances for contracts involving banking services, legal services, and cooperative endeavors. For all other contracts, campuses should obtain the necessary clearance from the Department of Civil Service, Attorney General, and/or Legislative Auditor, as required, and process the contract directly with the Office of Contractual Review, with the exception of designer contracts for major repair projects (Deferred Maintenance Appropriations) which should be sent to Facility Planning and Control. Facility Planning and Control will obtain the necessary approvals from the Office of Contractual Review.

- b) *Delegation of Authority for Contracts of \$20,000 or Less* - Pursuant to Section III of the Rules and Regulations of the Office of Contractual Review, a Memorandum of Agreement has been reached with the Office of Contractual Review concerning contracts valued at \$20,000 or less. The Memorandum of Agreement provides that the University is authorized to enter into professional, consulting, social and personal services contracts for \$20,000 or less without the necessity of approval by the Office of the Contractual Review.
- c) *Conditions of Delegation required by the Office of Contractual Review* – OCR's delegation of authority is subject to the following conditions:
 - 1) Each separate campus shall submit a quarterly report of contracts valued at \$20,000 or less to the Office of Contractual Review.
 - 2) This report shall include:
 - (a) Contractor's full name
 - (b) Begin date and end date
 - (c) Description of services rendered
 - (d) Amount of contract
 - (e) Total dollar amount of all contracts for that quarter.
- D. *Delegation of Authority for Services Procured with Federal Funds* – Pursuant to Act 87 of the First Extraordinary Session of 2000, (LRS 39:1482(K)) a Memorandum of Agreement has been reached with the Office of Contractual Review concerning the procurement of services with federal funds specifically provided for such purpose. The Director of OCR has reserved the right to approve on an individual campus basis an agreed upon format for the respective campus to submit such contracts.
- E. *Conditions of Delegation required by the LSU System Office* – The System Office's delegation of authority is subject to the following conditions:
 - 1) Each campus head shall submit a specific written request to the Office of the Executive Vice-President requesting the new delegation of authority defined in the revision of this permanent memorandum. All delegation of authority that existed prior to the issuance date of this permanent memorandum are continued

in a manner consistent with the existing delegation of authority and this permanent memorandum. Until such time as the Executive Vice-President approves the campus's request for the delegations of authority as defined in this permanent memorandum no campus may execute contracts without the signature of the President or his designee.

- 2) Each separate campus shall submit a quarterly report of all contracts executed during the quarter to the Office of the Executive Vice-President. This quarterly report shall be submitted in a manner consistent with the format shown on Attachment "A".
- 3) This report shall include:
 - (a) Contractor's full name
 - (b) Begin date and end date
 - (c) Description of services rendered
 - (d) Amount of contract
 - (e) Total dollar amount of all contracts for that quarter.
- 4) Each campus shall submit a quarterly Performance Evaluation report for all contracts completed within the relevant quarter in accordance with Louisiana Revised Statute Title 39:1500.



William L. Jenkins
President

cc: System Offices