



# Office of State Procurement

## *Fundamentals of Professional Contracts*

Agency Training



# Objectives

- Discuss the different types of Professional Service Contracts
- Understand the importance of correct classification





# Laws that govern OSP - Professional Contracts (OSP-PC)

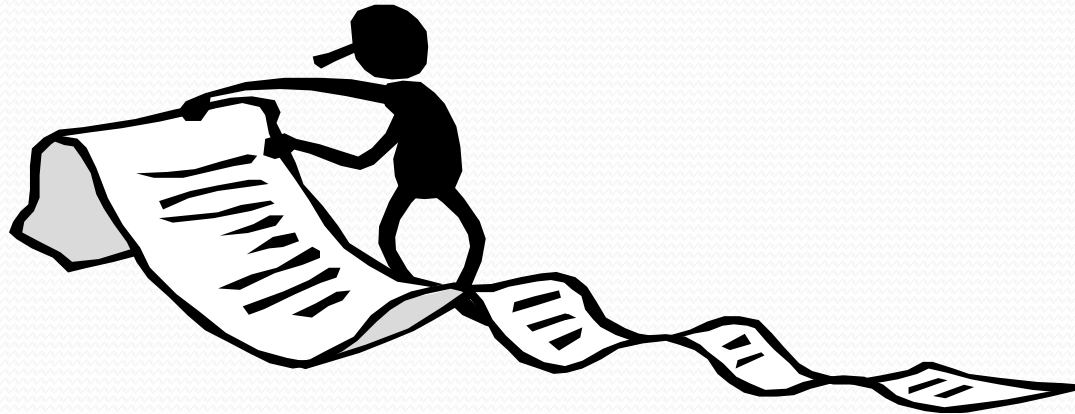
- Louisiana Constitution
- Louisiana Revised Statutes 39:1551-1755
- Louisiana Administrative Code Title 34, Part V
- Executive Orders
  - JBE 16-36 – Cooperative Endeavors
  - JBE 16-38 – Line Item Appropriations
  - JBE 16-37 – Hudson Initiative
  - JBE 16-55 – Emergency Procedures



# Applicability of Law

All expenditures of public funds by the Executive Branch of the State, regardless of their source must follow the laws that govern OSP-PC contracts.

Some exemptions in law (RS 39:1554 & 39:1619)





# Types of Contracts

- Professional
- Personal
- Consulting
- Social Services
- Interagency
- Intergovernmental
- Cooperative Endeavors





# Professional - R.S. 39:1556 (42)

- Lawyers
- Doctors
- Dentists
- Psychologists
- Certified Advanced Practice Nurses
- Veterinarians
- Architects
- Engineers
- Land Surveyors
- Landscape Architects
- Accountants
- Actuaries
- Claims Adjusters
- Pharmacists
- Visiting Professors





# Personal – R.S. 39:1556 (37)

- Graphic Artist
- Sculptor
- Musician
- Photographer
- Writer
- Handwriting Analyst
- Court Reporter
- Foreign Representative
- Expert Witness
- Paramedical
- Therapist
- Private Investigator
- Sign Language Interpreter
- Entertainers
- Expert Speakers



# Consulting – R.S. 39:1556 (10)

- Management
- Finance (Banking services)
- Revenue Enhancement (claims recovery)
- Planning
- Data Processing (IT)
- Advertising
- Public Relations
- Personnel
- Accounting







# Social Services – R.S. 39:1556 (54)

1. Rehabilitation & Health Support
  - Teen Pregnancy Prevention
  - Louisiana Rehab Services
2. Habilitation & Socialization
  - Day care services
  - Transportation services
3. Protection for Adults & Children
  - Victims of family violence
  - Adoption services
4. Improvement of Living Conditions & Health
5. Evaluation, testing, and remedial educational services



# Social Services – R.S. 39:1556 (54)

1. Rehabilitation & Health Support
  - Energy Assistance / Weatherization
  - Distribution of food commodities
2. Habilitation & Socialization
3. Protection for Adults & Children
4. Improvement of Living Conditions & Health
  - Identifying, assessing and evaluating handicapped children
  - Development of individualized educational programs for disabled or handicapped children
5. Evaluation, testing, and remedial educational services



# Interagency Contracts - R.S. 39:1556 (30)

- Are between executive branch state agencies
- Must be submitted to OSP-PC for review
- Are exempt from RFP regardless of value, but must follow all other contract requirements



# Intergovernmental Contracts – R.S. 39:1556 (24)

- Are between a state agency and a political subdivision (local or federal)
- Are exempt from OSP review and approval under RS 39:1554 J.2 **except for procurement of social services**
- These agreements can be with police juries and other parishes, as well as other states



# Cooperative Endeavor Agreements (CEA/CO-OP) – E.O. 16-36 & 16-38

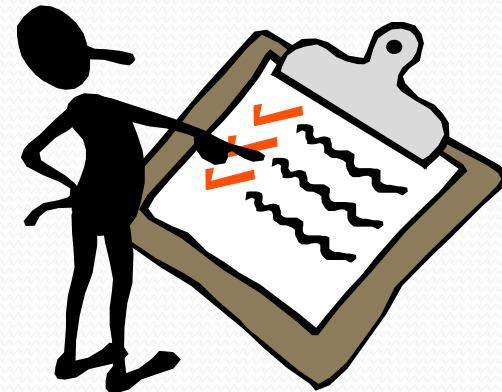
- Must be sent to OSP-PC for approval
- Line Item Appropriation CEA's must follow the format and guidelines on the OSP-PC website



# Minimum Contract Requirements

## R.S. 39:1625

- Beginning / Ending dates – real ones, not “shall begin on date of approval and extend for one year”
- Description of work & goals/objectives
- Maximum amount and schedule of payments to be made – negotiate clear payment terms so contractor knows how he can bill and when he can bill
- Itemized budget if cost reimbursement
- Deliverables
- Schedule of deliverables
- Performance Measures





# Minimum Contract Requirements continued

- Monitoring Plan
- Responsibility for taxes (LDR# & Tax ID)
- Termination clauses – for cause and convenience
- Remedies for default clause
- Legislative Auditor clause
- Assignability clause
- Any required anti-discrimination language
- Travel requirements – PPM 49 (OR) Travel is included in the cost
- Fiscal funding clause if the duration of the contract crosses a fiscal year
- Act 87 – Discretionary or Non-discretionary



# Appropriate Approvals

- Civil Service
- Attorney General – Legal Services
- Office of General Counsel – Legal Services
- Legislative Auditor – for financial auditing services of state agencies
- Office of Telecommunications Management
- Appropriate Governing Board – Board of Regents, LCTCS
- Delegation of Authority – Agency’s signer must have authorization to sign





# Attachments

- Signed BA-22 form
- Certification letter (if contract is greater than \$5,000)
- Late letter – if submitted to OSP-PC more than 60 days after begin date of the contract
- Board Resolution (corporation)
- Disclosure of Ownership (for-profit corporation unless publicly traded)
- Certificate of Authority (for-profit , out-of-state corporation)
- Resumes for consultants
- Multi-year letter – for contracts that extend beyond 12 months



# Performance Evaluation

## What does RS 39:1569.1 (B) Require?

- Within 60 days of completion of services, a performance evaluation is to be completed. This includes contracts/amendments approved under Delegation of Authority
- Using agency has FULL responsibility for diligent administration and monitoring of contract
- If your contract/amendment was approved by OSP-PC, a copy **MUST** be sent to OSP-PC. A performance evaluation must be submitted to OSP



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