BOBBY JINDAL GOVERNOR



Limits changed 8/26/11 – See 10-07

ANGELE DAVIS COMMISSIONER OF ADMINISTRATION

State of Louisiana

Division of Administration Office of State Purchasing

MEMORANDUM OSP 10-02

- TO: All Department Secretaries; Undersecretaries; Information Technology Directors; Purchasing Directors; State Departments, Agencies and Facilities; Colleges and Universities; Boards and Commissions; Political Subdivisions
- FROM: Denise Lea
- DATE: August 31, 2009
- RE: Brand Name Microcomputer & Peripheral Contracts

The Office of State Purchasing and the Office of Information Technology are currently revising the procedures for the Brand Name Microcomputer & Peripheral Contracts.

The individual contract line item limit is being decreased on all Brand Name Microcomputer & Peripheral Contracts from a unit cost of \$50,000 each to a unit cost of \$25,000 each.

A limit of \$250,000 on the total release/purchase order amount issued against these contracts is also being imposed. Procurements shall not be artificially divided to circumvent the \$250,000 threshold.

At this time, we find it necessary to reiterate that "Services" shall be limited to warranty services, hardware maintenance, initial installation, initial imaging of workstations, training directly related to the support of the hardware, excluding customized training and/or software training, and initial software imaging at time of installation upon request of the Purchasing Entity. <u>General consulting and all forms of application development and programming services are excluded.</u>

Installation is limited to the initial set-up and initial diagnostics of equipment and peripherals purchased from the contract. Installation is to be used only at the time of the purchase of the component(s) from the state contract. Installation is not to be used for configuration or reconfiguration of network equipment, installation or rearrangement of in-building or outside wiring/cabling nor any other fashion.

Also, software purchases from the contracts are limited to software to be loaded on the equipment to be purchased and are allowed only at the time of the purchase of the hardware and must be in compliance with Louisiana Revised Statutes 39:199D and LAC Title 34, Chapter 55, Section 5505.

These contracts will be monitored on a regular basis and in the event that these limits are not adhered to by the contract holders and/or their distributors, the contract will be placed in a probational status, pending possible debarment. Any agency that does not comply with these new procedures may be required to secure advanced approval from the Office of State Purchasing to utilize the contract.

As we move forward with the implementation of these new procedures, I encourage agencies to contact this office for further discussions if it is discovered that these new limits will drastically impact the operations of your agency in a negative fashion.