BOBBY JINDAL GOVERNOR



KRISTY H. NICHOLS COMMISSIONER OF ADMINISTRATION

State of Louisiana

Division of Administration

Office of State Procurement

MEMORANDUM OSP 15-05

DATE:

November 13, 2014

TO:

Secretaries, Undersecretaries, Agency Purchasing Staff, All P-Card Holders,

Higher Ed Institutions

FROM:

Paul A. Holmes, Interim Director

RE:

Courier Services

Effective immediately, all Cabinet agencies who have not yet contacted FedEx Corporate Services, Inc. (FedEx) or United Parcel Services (UPS) to sign up with the respective courier services and receive contract rates, must do so. Contact information and contract reference information is available at the following web address:

http://www.doa.louisiana.gov/osp/contracts/courier/svccontrs.htm

In addition, all executive branch agencies are required to use the appropriate courier services vendor for the specified shipping method as identified in the attached memorandum issued by the Commissioner of Administration.

Should you have any questions regarding this request or need additional assistance to sign up with the respective courier services, please contact Felicia Sonnier at felicia.sonnier@la.gov and/or Kim Gueho at kim.gueho@la.gov.

Attachment

BOBBY JINDAL GOVERNOR



KRISTY H. NICHOLS
COMMISSIONER OF ADMINISTRATION

State of Louisiana

Division of Administration

Office of the Commissioner

MEMORANDUM

TO:

Secretaries, Undersecretaries, Agency Purchasing Staff, All P-Card Holders,

Higher Ed Institutions-

FROM:

Kristy H. Nichols

DATE:

November 13, 2014

SUBJECT:

Courier Services

All Cabinet agencies who have not yet contacted FedEx Corporate Services, Incorporated (FedEx) or United Parcel Services (UPS) to sign up with the respective courier services and receive contract rates, **must** do so and all agencies are required to use the appropriate vendor for the specified shipping method. Contact information is available at the following web address: http://www.doa.louisiana.gov/osp/contracts/courier/svccontrs.htm

Courier services is one of the targeted strategic sourcing initiative commodities and use of the existing contracts result in substantial savings to the State. Data analysis also indicated that more cost effective shipping charges could be obtained by using FedEx when shipping Air (Express Domestic and International) and UPS when shipping Ground.

A recent review of courier services invoices for one of our state agencies who was not a courier contract participant, indicated that the agency paid nearly 60% more for their shipping charges than contract rates would have provided. Further review shows that when shipping, state agencies' most common delivery destination is within the State of Louisiana with many of the shippers selecting next day air as the shipping method. Use of this method of shipping for a package that will arrive the next day anyway, may not be necessary and is more costly for the agency. All agencies are to avoid the use of next day air shipments when shipping from your in-state agency location to another in-state destination.

Effective Immediately, all executive branch agencies are required to use the appropriate courier services vendor for the specified shipping method. All other agencies and offices are hereby advised that savings of an additional 12% above existing contract rates is possible for your agency by adopting this same policy.

If you have any questions or concerns about these contracts, please contact Felicia Sonnier at felicia.sonnier@la.gov or Kim Gueho at kim.gueho@la.gov. Questions about the strategic sourcing initiative should be directed to Sandra G. Gillen at sandra.gillen@la.gov.