
CONTRACTS POLICY

I. POLICY

The Department of Natural Resources (DNR) has adopted a department-wide policy relating to contracts. It is the intention of this policy to comply with all State procurement laws and regulations, including, but not limited to:

- Louisiana Revised Statutes 36:356.B, C, statutes for the Department of Natural Resources;
- Louisiana Revised Statutes 39:1551, et. seq. also known as the Louisiana Procurement Code (Title 39, Chapter 17);
- Louisiana Administrative Code Purchasing Rules and Regulations (LAC 34, Part V);
- Louisiana Revised Statutes 42:1101-1170 is known as the Louisiana Code of Ethics (Title 42, Chapter 15).

II. PURPOSE

This policy provides guidance to ensure compliance with Division of Administration's (DOA) Office of State Procurement (OSP) policies and procedures relating to the procurement of DNR contractual services.

III. APPLICABILITY

This procurement policy applies to all Offices of DNR, all DNR employees that are responsible for the project management of DNR contracts, and all DNR employees with contract related job duties.

IV. PROCEDURES

- A. Within each DNR Office, specific personnel are assigned the responsibility for identifying when contractual services are needed, requesting a contract for those services and serving as the project manager for the contract.
- B. The type of contractual service requested is an important factor in determining the procurement method. For contracts that are required to be competitively bid, the Request for Proposal (RFP) process is utilized unless a sole source request is requested and approved by the OSP. The types of services procured through contracts include, but are not limited to:
 1. **Consulting** – Consulting contracts are used when the DNR Office's staff does not have the available time and/or specialized knowledge/experience/expertise required to perform a certain task. These types of contracts require competitive bidding if the cost will be, over any twelve (12) month contractual period, greater than or equal to \$75,000.
 2. **Professional** – Professional service contracts are for work rendered by an individual who has a professed knowledge, who has a prolonged and specific intellectual training as distinguished from mere skill. The professions listed are the ONLY services classified as professional services by the OSP. This applies to attorneys, doctors, dentists, certified advanced practice nurses, veterinarians, architects, engineers, land surveyors, landscape architects, psychologists, accountants, actuaries, claims adjusters, pharmacists, visiting professors and scientists for which technical assistance is provided to departmental staff. These types of contracts do not require competitive bidding.

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3. **Personal** – Personal contracts are for the use of creative or artistic skills (such as graphic artists, sculptors, musicians) or highly technical or unique individual skills (such as therapists, court reporters, handwriting analysts and non-professional expert witnesses). These types of contracts do not require competitive bidding.
 4. **Interagency** – Interagency contracts are agreements between a DNR Office and another State of Louisiana agency or quasi-agency. Bidding is not required for interagency agreements.
 5. **Intergovernmental** – Intergovernmental contracts are agreements between a DNR Office and any other governmental agency (local or federal) or quasi-agency not covered by interagency contracts. Bidding is not required for intergovernmental agreements.
 6. **Cooperative Endeavor Agreements (CEA)** – Cooperative endeavors are between a DNR Office and a sponsoring agency/entity/individual to provide services for a clearly identified public purpose and typically require a match or cost share to be provided by the contractor, which cannot be financed by Federal funding. Cooperative Endeavors do not require competitive bidding.
- C. To initiate a contract, a Request for Contract (RFC) or Request for Proposal (RFP) form (available on DNR Intranet - see section VI below) must be completed with all of the required information, be approved by the appropriate DNR Office personnel, and then submitted to DNR Fiscal Services – Contracts unit, along with the required supporting documentation, which includes but is not limited to:
1. Description of the scope of services that contains the project goals and objectives, detailed descriptions of tasks to be accomplished, project deliverables, and dates that the deliverables are to be submitted;
 2. Completed contract certification letter (see Section VI below);
 3. Memo from the Division Head, on Office letterhead, justifying the contract (see Section VI below);
 4. Completed Civil Service Contract Review – Agency Request Form for all contracts over \$20,000 (see Section VI below);
- Civil Services instructions to fill out the form can be found at https://www.civilservice.louisiana.gov/files/HRHandbook/JobAid/3-Contract_Review_Form_Instructions.pdf
5. When applicable, a detailed budget delineated by task (including various classes of man-hours at appropriate rates) and an itemized listing of all other expenses or fees;
 6. Details of the match/cost share for cooperative endeavor agreements;
 7. Resumes of key contract personnel assigned to the project for consulting contracts;
 8. Cost benefit analysis for professional, personal, consulting and social service contracts that exceed \$50,000 and have a contract term of more than 6 months (see Section VI below);
 9. Approval by the University president, if the consultant is a University faculty member.

- D. Additional information, such as the Key Internal Controls Statement, may be required from the DNR Office, to be submitted to DNR's Fiscal Services Contract unit, before approval of the contract is granted. The scope of services and budget (if applicable) must be submitted electronically in an editable Microsoft Word file via email.
- E. Once approved by Fiscal Services Contract unit, the RFC form is forwarded to the Budget unit within Fiscal Services. The Budget unit will create a BA-22 based on the information supplied and verify that the required funding is available for the contract. The RFC is then forwarded to the Undersecretary of Management and Finance for final approval.
- F. The DNR Office Requisitioner/Purchaser (LaGov Buyer Basic) will input the required contract information into the SRM module of the State of Louisiana LaGov Enterprise Resource Planning system (LaGov system), thereby creating the shopping cart for the contract, with the associated DNR Management Team chosen as the P-Group. The required approvals for the shopping cart are pre-established in the LaGov ERP system.

Please note that any vendor not already registered in the LaGov system must register with the Office of Statewide Accounting Policy (OSRAP) to be able to do business with the State.

- G. If no competition is required, Fiscal Services Contract unit will convert the shopping cart into a purchase order (PO) after the final approvals have been obtained. They will also submit the PO, along with the contract and other required documentation, to the OSP for their approval. Prior to OSP approving the contract, additional approval may be required from other State agencies, depending on the type of contract.

Some examples of the agencies from which approval may be required are listed below:

State Agency or Office:	When approval may be required:
Louisiana Department of State Civil Service	Contracts in excess of \$20,000
Office of Planning and Budget	All contracts
Louisiana Attorney General's Office	All legal contracts
Division of Administration – Office of General Counsel	All legal contracts
Division of Administration – Office of State Procurement – Professional Support Team	Contracts for consulting services in excess of \$140,000.

- H. Any requests for amendments to the contract must be requested, using the RFC form (see Section VI below), and be submitted far enough in advance to allow for processing. Contract amendments will generally follow the same approval procedures as the contract it is amending.

Please note that amendments cannot be made to a contract if the amendment is not fully executed prior to the expiration date of the contract.

- I. If competition is required, the project and scoring criteria information must be completed on the RFP, with the assistance of Fiscal Services Contract unit, and submitted to the OSP for approval.
- J. The RFP is then advertised in the paper of record (The Advocate) and on LaPAC (Louisiana Procurement and Contract) website, and any questions that are received by the RFP deadline are

answered timely. All proposals must be received by Fiscal Services Contract unit on or before the RFP established deadline.

- K. Once all proposals are received, the requesting DNR Office will establish a committee to review and score all valid proposals. Upon reaching a consensus on the scored proposals, the committee will prepare a recommendation for award and submit it, through the proper chain of command, to the DNR Secretary for approval. After receipt of the Secretary's approval, Fiscal Services Contract unit forwards the recommendation for award information to OSP for their approval. Once the award is approved, the standard contracting process will establish the contract.
- L. The DNR Office Project Manager is required to complete a contractor Performance Evaluation form (see Section VI below) upon contract completion. The completed contractor performance evaluation is submitted to Fiscal Services Contract unit and forwarded, as applicable, to OSP and, for contracts of \$250,000 or more, to the Louisiana Legislative Auditor (LLA).

M. Contract Invoices

- 1. Vendor invoices are submitted directly to the assigned contract Project Manager, along with the required Monitoring Report (Section VI below) and any other supporting documentation that supports the invoiced charges and chronicles the work completed to date. It is the Project Manager's responsibility to review and approve both the invoice and monitoring report by signing and dating each document. After approval, the Project Manager scans a copy of both documents for their records and the original approved documents are then forwarded to Fiscal Services Contract unit for a final review and will forward to the Accounts Payable unit, so that the invoice will be processed for payment through the LaGov system.
- 2. Please note the following additional invoice requirements:
 - a. Invoices for Legal contracts must be submitted through the Acuity system (standalone system that must be utilized to process invoices for legal services) in order to be paid.
 - b. Contractors cannot invoice DNR for work performed before or after the effective dates of the contract.
 - c. After receipt of a correct and approved invoice and monitoring report, payment is to be made within 30 days.

N. Insurance Requirements

Unless a waiver is approved, all contractors must comply with the State insurance requirements set forth in their contract. Valid insurance certificates naming DNR as beneficiary and referencing the LaGov contract number must be submitted by the contractor to Fiscal Services Contract unit prior to the contract being approved. Upon expiration of any of the coverage, new insurance certificates must be submitted to DNR.

O. Compliance Clauses

The State of Louisiana and DNR are equal opportunity employers and comply with the Federal and State requirements listed below, as well as other applicable requirements; therefore, its contractors and subcontractors are also required to be in compliance with these requirements

and take affirmative action to comply with the requirements in their operations. Some of the contract compliance requirements may include but are not limited to:

1. Civil Rights, Discrimination, Americans with Disabilities, Davis Bacon, Federal Funding accountability and Transparency, Section 312 of the Federal Stafford Act/ No Duplication of Benefits, and any other requirements as may be required by Federal funding;
 2. Equal Opportunity Employer;
 3. Code of Ethics for all State employees;
 4. State Travel Policy PPM 49.
- P. In addition, contractors may be required to provide documentation of or certification of the following:
1. Verification or certification of no debarment/registration on SAM.gov;
 2. Certification from the Secretary of State that the contractor is in good standing with Secretary of State, a current disclosure of ownership from the Secretary of State, or has registered with the Secretary of State as a Foreign Corporation and has a Certificate of Authority to do business in the State of Louisiana;
 3. Board resolution showing authorization of binding signature from the contractor;
 4. Current certification that the contractor is a Hudson/Veterans Initiative vendor by the LA Department of Economic Development, or uses or subcontracts with certified Hudson/Veterans Initiative vendors whenever possible.

V. RESPONSIBILITY

- A. It is the responsibility of each Assistant Secretary/Appointing Authority to assure compliance with the requirements of this policy.
- B. It is the contract Project Manager's responsibility to ensure proper monitoring of the contractor's contract performance during the term of the contract, to retain copies of all documentation relating to the contract for audit purposes (including monitoring reports, invoices and supporting documentation) and, at the end of the contract performance period, to complete and submit a Performance Evaluation in a timely manner.

VI. FORMS

Applicable contracts forms, listed below, are available on the DNR Intranet through the "for Employees" section, under "DNR Forms".

- Request for Contract/Request for RFP
- Contract Certification Letter
- Contract Justification Letter
- Civil Service Contract Review – Agency Request Form
- Cost Benefit Analysis
- Contractor Performance Evaluation Form

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- Contract Monitoring Report
 - Request for Sole Source Selection Form

VII. EXCLUSIONS

Exclusions to this policy include:

- Emergency contracts, as defined by State Policy by the Division of Administration;
- As defined by State policy executed by the Division of Administration;
- Exceptions as approved under authority of the Secretary or the Undersecretary.

VIII. QUESTIONS

Questions regarding this policy should be directed to the DNR Fiscal Services Accountant Manager 3.

IX. REVISION HISTORY

Date	Action
February 2013	Policy Established
August 2017	Policy Revised
July 2023	Policy Revised

AUTHORIZATION:

Thomas F. Harris, Secretary