

ADMINISTRATION
POLICY AND PROCEDURE MEMORANDUM

Revised October 1, 1996

Contracts for Maintenance, Equipment, and Services - PPM51

Introduction

- A. This Policy and Procedure Memorandum revises Policy and Procedure Memorandum No. 51 that was promulgated February 1983.
- B. By the authority of R.S. 39:156, Part II. Purchasing Organization, Subpart A. Division of Administration, '1561.B, it states: " The Commissioner shall consider and decide matters of policy within the provisions of this Chapter including those referred to him by the State Director of Purchasing."
- C. Therefore pursuant to the above authority in order to discharge my duty and responsibility as directed by the above quoted section of the state statutes it is hereby ordered that all State of Louisiana agencies shall abide by the following policy and procedures except where specific authority has been delegated in writing by the Commissioner of Administration.

Purpose and Scope

The policies and procedures contained herein shall apply to all agencies of the state government as required by the Louisiana Procurement Code, R.S. 39:1551 et seq., the current Executive Order of the Governor for small purchases, and the official rules and regulations of the Purchasing Section, Division of Administration as contained in the state purchasing manual.

Definitions of Contractual Services

Contractual services include all contracts or other documents for maintenance, service, and the lease and rental of equipment of any state agency under the jurisdiction of the Division of Administration.

Procedures

- A. In accordance with R.S. 39:1561.B all agencies of the state government are hereby delegated the authority to purchase contractual services up to their delegation of authority as issued by the Director of State Purchasing to your agency. All purchases for contractual services as defined above must be made in accordance with the current Governor's Executive Order for small purchases and purchasing rules and regulations.
- B. Agencies are authorized to prepay preventive maintenance contracts on equipment only when a brand name statewide contract exists that provides for at least a ten percent savings over paying on a monthly basis or a competitive bid is requested that provides for preventive maintenance on a monthly basis and on a prepaid basis. A savings of ten percent or more is required to award on a prepaid basis.

Any questions concerning this matter should be directed to the [Purchasing Section](#) of the Division of Administration.