



State of Louisiana

Division of Administration
Office of the Commissioner

FOR IMMEDIATE RELEASE

Contact: Meghan Parrish, 225-342-7000

DOA Temporarily Suspends Approval Of DOE Contract

BATON ROUGE - Today, Commissioner Kristy Nichols announced that the Office of Contractual Review (OCR) ordered a temporary suspension of approval of the contracts between Data Recognition Corporation and the Department of Education, pending further review by OCR. OCR previously reviewed the contracts, which are related to consulting support services for the Department of Education in implementation of state educational assessments. Upon close review of these contracts and amendments to the contracts, it was necessary for OCR to temporarily suspend approval for further review of the scope of the services to be provided and the purchase of goods or supplies associated with the consulting services.

The letter below has been sent to the Department of Education notifying it of the withdrawal of approval of the contracts. OCR will now conduct a thorough review. If the Department disputes OCR's findings, it may seek a final determination from the Commissioner.

Commissioner Kristy Nichols said, "The Department of Education has suggested it has unlimited authority to use a state contract, paid for by taxpayers, for a purpose for which it was not intended. Under Louisiana law, the Department of Education and the Board of Elementary and Secondary Education are prohibited from entering into a contract for the purpose of circumventing the laws governing procurement. For these reasons, we have issued a stay of the services under the contract until the Office of Contractual Review has had an opportunity to review it and obtain more information about how the Department is exercising its authority under the contracts."

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The following letter was sent to Superintendent John White, Department of Education

Dear Superintendent White:

Re: CFMS No. 603573 & CFMS No. 704708

The Office of Contractual Review previously reviewed certain consulting contracts between the Louisiana Department of Education and Data Recognition Corporation regarding consulting support services being provided to the Department related to implementation of

State educational assessment programs. Upon close review of these contracts and amendments, I am hereby retracting approval of the contracts temporarily, pending further review of the scope of the services to be provided under the contracts and the intended purchase of goods or supplies associated with the consulting services. Louisiana R.S. 39:1498, regarding approval of contracts, requires that a contracting agency specify the purpose, duration, specific goals and objectives, measures of performance, and a plan for monitoring the services to be provided under the contract. I have reason to believe that some of the required certifications and supporting documentation may be insufficient. In addition to the review of these two contracts, I will also be reviewing any other similar consulting contracts with the Department to ensure compliance with Louisiana laws and regulations.

Please be advised that withdrawal of approval of these contracts immediately suspends the authorization for payment pursuant to those contracts. I will be contacting you to obtain additional information and will advise you as soon as my review is complete. In the event you dispute any determination made by this Office, you may seek a final determination from the Commissioner of Administration regarding this matter in accordance with Louisiana R.S. 39:1501.

Very truly yours,

Pamela Bartfay Rice, Esq.
Interim Director
Office of Contractual Review

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