

Title 4
ADMINISTRATION

Part V. Policy and Procedure Memoranda

Chapter 49. Fee Schedule for Cooperative Purchasing—PPM Number 54

§4901. Authority

A. Pursuant to R.S. 39:1706, the chief procurement officer for the state of Louisiana may provide personnel and services to public procurement units, and may charge fees to receiving units for same. The chief procurement officer of the state of Louisiana may also charge fees to defray the costs of providing the service of statewide contracts for use by the state of Louisiana’s agencies, parishes, cities, towns, governmental bodies and any other subdivision of the state or public agency, public authority, public educational, health or other institution and to the extent provided by law, any other entity which expends public funds for the acquisition or leasing of supplies, services, major repairs and construction, including any nonprofit corporation operating a charity hospital. Pursuant to R.S. 39:1706(E), the chief procurement officer may enter into contractual arrangements and publish a schedule of fees for the services provided under subsections (C) and (D) of R.S. 39:1706.

B. For purposes of this Memorandum, “fees” should be understood to include in its meaning both fees and rebates.

AUTHORITY NOTE: Promulgated in accordance with R.S. 39:4 and R.S. 39:1706(C), (D) and (E).

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Office of State Procurement, LR 42:2063 (October 2015), amended LR 43:1108 (June 2017).

§4903. Policy

A. As part of all cooperative contracts it shall be the policy of the Office of State Procurement to provide information and assistance to facilitate their use statewide and to recoup those costs as authorized under R.S. 39:1706(E) by contracting directly with vendors to recover same in the form of a fee from net aggregate sales under the contract. The following fee remittance schedule should be included in all cooperative contracts where services are provided pursuant to R.S. 39:1706(C) and (D) by the Office of State Procurement in support of cooperative purchases.

B. All net sales made by means of the contract shall be included in the base amount (net aggregate sales) against which the fee percentage is multiplied. This includes the sale of goods and services not included as a line item or otherwise referenced in the contract, but which the vendor sold by means of the contract, or which the vendor has represented to be contractual usage.

AUTHORITY NOTE: Promulgated in accordance with R.S. 39:4 and R.S. 39:1706(C), (D) and (E).

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Office of State Procurement, LR 42:2063 (October 2015), amended LR 43:1108 (June 2017).

§4905. Fee Schedule and Remittance Schedule

A. The fee shall be contractual and may be negotiated, and should be a minimum of 1 percent of a vendor’s net aggregate sales under its statewide contract unless agreed to otherwise, or as set forth below.

B. For the subset of statewide contracts whose annual usage by cooperative purchasing units represents 2/3 (66.6 percent) or more of total annual usage, it shall be the standard practice of the Office of State Procurement for the fee to be 2 percent of net aggregate sales. This differentiation reflects that state agencies separately subsidize the cost of contract administration through interagency transfers.

Schedule of Fees	
Category	Fee Percentage
Regular statewide contracts (up to 66.5% cooperative usage)	1.00%
Primarily non-State usage contracts (66.6%+ cooperative usage)	2.00%

C. The fee should be remitted by the vendor to the Office of State Procurement in accordance with the remittance schedule below, unless specified otherwise in the contract.

Remittance Schedule		
Fiscal Quarters	Months	Vendor's Due Date
Quarter 1	July 1st -September 30th	October 31st
Quarter 2	October 1st -December 31st	January 31st
Quarter 3	January 1st -March 31st	April 30th
Quarter 4	April 1st -June 30th	July 31st
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AUTHORITY NOTE: Promulgated in accordance with R.S. 39:4 and R.S. 39:1706(C), (D) and (E).

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Office of State Procurement, LR 42:2063 (October 2015), amended LR 43:1108 (June 2017).

§4907. Waiver

A. Nothing in this policy shall prevent the Office of State Procurement from modifying the fee where the best interests of the state are served or from devising and contracting for additional or alternate methods of recouping costs associated with cooperative purchasing opportunities.

AUTHORITY NOTE: Promulgated in accordance with R.S. 39:4 and R.S. 39:1706(C), (D) and (E).

HISTORICAL NOTE: Promulgated by the Office of the Governor, Division of Administration, Office of State Procurement, LR 42:2063 (October 2015), amended LR 43:1108 (June 2017).

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