

Northwestern State University



Professional Service Contracts

December 2025

Northwestern State University

Professional Services Contracts

Purpose and Scope

This procedure explains how to request and process contracts for Professional Services provided by individuals or companies outside the university. All steps must follow the State of Louisiana's *Regulations for the Procurement of Professional, Personal, and Consulting Services*.

Reference

This procedure is guided by the following regulations and policies:

- State of Louisiana, *Regulations for the Procurement of Professional, Personal, and Consulting Services*
- Division of Administration, Policy and Procedure Memorandum No. 71
- Teachers' Retirement System of Louisiana Manual, Chapter 15.0
- Louisiana Revised Statutes 11:701–11:791 and 39:1481–39:1526

Note: All required forms and supporting documents can be found on the Purchasing Website under Professional Service Forms.

Contractual Authority

The University operates under express authority only, meaning employees may not enter into contracts on behalf of the University unless they have been formally granted delegated authority.

Without delegated authority, employees are NOT permitted to:

1. Offer employment to any individual
2. Enter into professional, personal, or consulting service contracts
3. Procure goods or services
4. Enter into any other type of agreement, including cooperative agreements, joint ventures, or similar commitments

Employees who have been granted specific delegated authority may conduct contract negotiations and extend offers; however, all contracts remain subject to the required approvals (e.g., University of Louisiana Board of Supervisors, President, Vice President, etc.).

It is the responsibility of each employee to ensure that they have the proper authority before negotiating, making commitments, or entering into any binding contract on behalf of the University.

Delegated Authority

The University receives delegated contracting authority from the State of Louisiana Division of Administration, Office of Contractual Review. Under this delegation, the following University officials are authorized to sign contracts up to \$49,999, provided the contract falls within their respective budgetary authority:

- Mr. Rodney Wilson, Chief Financial Officer of Business Affairs
- Dr. William Drake Owens, Executive Vice President / Chief of Staff
- Dr. Greg Handel, Executive Vice President and Provost
- Ms. Jennifer Kelly, Executive Director of University Affairs
- Ms. Laurie Morrow, Executive Director for Economic Development and Advancement
- Ms. Reatha Cox, Vice President for the Student Experience and Dean of Students

These individuals may execute contracts on behalf of Northwestern State University only within the limits of this delegated authority.

The President must approve the following types of contracts:

- Legal contracts
- Architectural and engineering contracts
- Accountant and auditor contracts
- Any contract exceeding \$49,999
- Contracts initiated by the President that are charged to budget units under the President's budgetary authority

All Professional Services contracts must be submitted to the Purchasing Department and receive full approval before any contractor begins work or provides services.

NORTHWESTERN STATE

Office of the President

Thursday, August 8, 2024

Ms. Pamela Bartfay Rice, Esq.
Assistant Director-Professional Contracts
Division of Administration
P. O. Box 94095
Baton Rouge, Louisiana 70804-9095

APPROVED
Division of Administration
Office of State Procurement

AUG 12 2024
Pamela Bartfay Rice
ASST. DIRECTOR *PC*

RE: Contract Signature Authority

Dear Ms. Rice:

In accordance with LA R.S. 39:1595 1 (B), the name (s) listed below have delegated signature authority for contract from Northwestern State University:

Mr. Rodney Wilson, Chief Financial Officer

Dr. William Drake Owens, Executive Vice President / Chief of Staff

Dr. Greg Handel, Executive Vice President and Provost

Ms. Jennifer A. Kelly, Executive Director of University Affairs

Ms. Laurie Morrow, Executive Director for Economic Development and Advancement

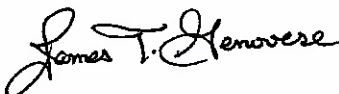
Ms. Reatha Cox, Vice President for The Student Experience and Dean of Students

Your approval of the request is effective August 8, 2024.

If you need further information, please contact Ashlee Grayson, Director of Purchasing, Northwestern State University, at 318-357-4496.

Thank you for your consideration of the above request.

Sincerely,



James T. Genovese
President, Northwestern State University

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Goals and Objectives, Performance Measures, and Monitoring Plan

State law requires that every Professional Services contract be clearly connected to:

- The University's Goals and Objectives (including your unit's specific goals and objectives)
- Defined Performance Measures
- A formal Monitoring Plan

These components ensure accountability, alignment with institutional priorities, and proper oversight of contracted services.

Submission Requirements: You must attach the Goals and Objectives, Performance Measures, and Monitoring Plan document to the Contract for Professional, Personal, or Consulting Services when submitting it to Business Affairs – Purchasing Department.

This document must be included with every Professional Services contract you submit. Contracts cannot be processed without it.

Fair and Reasonable Compensation

Under Louisiana Revised Statute 39:1499, the University must ensure that the compensation paid to Professional Services contractors is fair and reasonable to the State.

When making this determination, the following factors must be evaluated in order of importance:

1. Professional or technical competence of the offeror
2. Technical merit of the proposal or scope of work
3. Compensation amount requested for the services

These factors help ensure that the University selects contractors based on quality and expertise—not solely on cost.

Certification of Compliance: By signing a Professional Services contract, the Project Director, Approving Agent, appropriate Vice President, and/or the President are confirming that they have reviewed these factors and determined that the compensation is fair and reasonable to the State.

Cost Benefit Analysis

For any Professional, Personal, Consulting, or Social Service contract that:

- Exceeds \$50,000, and
- Has a term longer than six months, a cost-benefit analysis must be conducted.

This analysis should demonstrate that obtaining the services from the private sector is more cost-effective than;

- Providing the services internally within the University, or
- Contracting with another state agency

The analysis should include both short-term and long-term considerations.

The Office of Contractual Review (OCR) will issue rules and regulations as needed regarding the required format and content of the cost-benefit analysis.

Required External Approvals

Under R.S. 39:1498.2(B), any Professional, Personal, Consulting, or Social Service contract between a governmental body (as defined in R.S. 39:1484(11)) and a faculty member of a state college or university must receive:

1. Written approval from the President of the college or university that employs the faculty member, and
2. Written notification of the agreement and approval sent to the appropriate management board.

Additionally, the University has been granted delegated authority from the Division of Administration to approve Professional, Personal, consulting, and Social Services contracts up to \$39,999 within a twelve-month period.

The University is required to report quarterly to the Division of Administration, Office of Contractual Review (OCR) for all contracts approved under delegated authority that exceed \$2,000.

Each report must include:

- Contractor's name
- Services rendered
- Contract start and end dates
- Total contract amount

This ensures transparency and compliance with state regulations.

Civil Service Approval Requirements

All Professional, Personal, Consulting, and Social Services contracts of \$20,000 or more require Civil Service approval, except for the following types of contracts, which are specifically exempted by Civil Service Circular #769:

1. Medical and radiological services for the care of student athletes
2. Contracts or interagency agreements with other universities or colleges for research projects
3. Professional design and/or engineering services for building or construction projects (including parking lots) or for major equipment replacement (e.g., chillers)
4. Contracts for individuals serving as radio or television broadcasters for university sports

These exemptions allow certain specialized or institutional contracts to proceed without Civil Service review while maintaining compliance with applicable regulations.

Joint Legislative Committee on the Budget (JLCB) Review and Advance Payments

All Professional, Personal, Consulting, and Social Services contracts with a total value of \$40,000 or more must be submitted to the Joint Legislative Committee on the Budget (JLCB) for review before the contract's effective date.

1. Under Louisiana Revised Statutes 39:1512(B), advance payments of up to 20% of the contract amount are permitted if properly justified, but only for nonprofit corporations.
 - The Division of Administration, Office of Contractual Review (OCR) interprets R.S. 39:1512 to apply exclusively to nonprofit providers.
 - Therefore, the University cannot legally make advance payments to for-profit entities, including entertainers, speakers, or similar service providers.

This ensures compliance with state law while protecting University funds.

Office of Contractual Review (OCR) Contract Requirements

All contracts submitted to the Office of Contractual Review (OCR) must comply with the following requirements:

1. Governing Law
 - Contracts must be written and interpreted in accordance with the laws of the State of Louisiana.
 - Contracts that reference the laws of any other state will not be approved.
2. Indemnification
 - Contracts must hold the State of Louisiana harmless.
 - In the event of a breach or default by either party, the non-breaching party may exercise all rights and remedies available under Louisiana law.

3. Dual Office and Employment Compliance

- All contracts must comply with R.S. 42:63, which prohibits conflicts related to dual office holding or dual employment.

These requirements ensure that contracts are legally enforceable, protect the State's interests, and comply with applicable laws.

Facility Planning Major Repairs and Reroofing Projects

The University of Louisiana System and Facility Planning and Control have issued specific directives regarding Professional Services contracts for major repair projects:

1. Project Approval Required

- Do not submit requests for capital outlay Professional Services contracts to the Office of Contractual Review (OCR) until the project has been submitted to and approved by Facility Planning and Control.

2. Capital Outlay Project Number

- When submitting Professional Services contracts to OCR, the BA-22 form must be attached and specifically reflect the capital outlay project number as the source of financing.
- Contracts must be written for specific projects to satisfy this requirement.
- University of Louisiana System staff must be copied on all correspondence related to these projects.

3. Vendor Information and Payments

- No payments will be made by Facility Planning and Control until the vendor's W-9 information is provided.
- This information is required to prepare IRS Form 1099.

Following these procedures ensures proper approval, accurate financial tracking, and compliance with state reporting requirements.

Contractor's Travel

Professional Travel refers to travel expenses incurred by non-state contractors under a fee-plus-travel agreement.

1. When travel is included in a contract, the contractor will be reimbursed according to:
 1. The terms of the contract, and
 2. Division of Administration Policy and Procedure Memorandum No. 49
2. *Important:* Contractors cannot bill for University employee travel if employees accompany the contractor.

Note: Contact Business Affairs – Purchasing Department before initiating any Professional Services contract where travel will be reimbursed as a separate cost.

Accounting for Travel:

- Do not use the “Professional Travel” expenditure account code for travel incurred through a Professional Services contract.
- The Office of Contractual Review (OCR) requires that contractor travel be included in and reported as part of the overall contract fee.

This ensures compliance with accounting standards and state regulations.

Honorarium

Occasionally, the University engages a guest to provide honorary services. Typically, the University:

- Reimburses the individual for out-of-pocket expenses, and
- Pays a nominal fee for the service.

Under state law, an Honorarium is considered a Professional Service and requires a Professional Services contract, regardless of the amount.

All procedures outlined in this policy must be followed when requesting payment for Honorariums.

Request to Contract

Project Director Responsibilities

1. Create a Requisition for Professional Services Contract

- Follow the instructions in Creating a Requisition – FPAREQN in the Purchase Requisition Processing User’s Guide (Departmental Banner Finance User Guide).
- PO Type: PS – Professional Services Contract

2. Vendor Information

- If the vendor is not in Banner, request an IRS W-9 form from the vendor.
- If the vendor is not listed in FTIIDEN, ensure this is completed before proceeding.
- *Special Cases:*
 - Non-immigrant individuals working in the U.S. on a J-1 Visa must submit IRS W-8BEN if they do not have a U.S. Social Security Number.
 - To contract with a foreign corporation, an IRS W-8BEN is required.

3. Individual Questionnaire Form

- All individuals performing professional services must complete the Individual Questionnaire Form before preparing a contract.

- If the contractor is an active or retired member of a retirement system, contact Human Resources immediately.
 - For active members, do not use the Professional Services Contract; instead, follow the Non-Credit Presenter/Instructor Policy and Procedure.

4. Prepare the Contract

- Prepare the Contract for Professional, Personal, or Consulting Services.
- Write the Banner Requisition Number on the contract.
- Submit the contract to Business Affairs – Purchasing Department along with all required supporting documents.

5. Supporting Documentation Requirements:

- Contracts up to \$2,000: Follow the Checklist for Contracts up to \$2,000
- Contracts above \$2,000 up to \$20,000: Follow the Checklist for Contracts above \$2,000

Important Notes:

- The standard contract template cannot be used for legal services. Contact Purchasing prior to contracting for legal services.
- Ensure the description of services, fee rates, and other required information are fully completed.
- Agreements to pay travel in addition to the contracted fee are generally not authorized; the fee should include all costs of performance.

Contract Retention and Submission:

- Department Recordkeeping: Departments must retain a copy of all contracts submitted for their files.
- Submission Requirements:
 - Contracts \$40,000 or greater with a term longer than 12 months must be submitted as original documents signed in ink to Business Affairs – Purchasing.
 - Contracts up to \$39,999.99 may be submitted electronically by emailing the signed contract and all supporting documents to: contracts@nsula.edu

Professional Services Contract Procedure

1. Requisition in Banner

- A requisition must be entered in Banner to encumber the funds for the services being provided.

2. Contract Review and Checklist

- Complete the Contract Checklist provided on the Purchasing Website
- Review the contract to ensure all required steps have been completed according to policy and state regulations.
- Note: Professional Services contracts must be fully approved by Purchasing before contractors begin work.

3. Late Contract Submission

- For contracts submitted after services have begun but before the contract end, complete a Justification for Late Contract form.
- *Note:* For contracts executed after services are completed or at contract end, contact Purchasing immediately.

4. Cost-Benefit Analysis (CBA)

- A Cost-Benefit Analysis is required for any contract that:
 - Exceeds \$50,000, and
 - Has a term longer than six months
- Reference: R.S. 39:1497 (CBA Document)

5. Goals, Performance Measures, and Monitoring Plan

- Complete the Goals and Objectives, Performance Measures, and Monitoring Plan document for every contract.
- This links the contract to the University's goals (and your unit's goals), identifies performance measures, and ensures a monitoring plan is in place.

6. Civil Service Approval

- Contracts exceeding \$20,000 require Civil Service approval.
- Complete the Civil Service SCS – Agency Request Form and submit it to Business Affairs – Purchasing Department.

7. Vendor Documentation

- Request an IRS W-9 from vendors not listed in FTIIDEN.
- Special cases:
 - Non-immigrant individuals on a J-1 Visa without a U.S. Social Security Number must provide an IRS W-8BEN.
 - Foreign corporations must submit an IRS W-8BEN.

8. Corporate Contracts (Contracts \$20,000 and greater)

- Obtain a formal, dated board resolution confirming the signatory is authorized to sign on behalf of the corporation.
- Submit a Disclosure of Ownership Affidavit filed with the Secretary of State (not required for publicly traded corporations).
- Include a Certificate of Authority to do business in Louisiana for out-of-state corporations.
- Submit resumes for consultants on all consulting contracts.

Contract Routing and Approval Process

Project Director

- Route the contract packet to the Approving Agent and the Vice President/President for approval.

Approving Agent

- Review the contract and sign if the services comply with this policy and applicable state regulations.
- If disapproved, return the contract packet to the Project Director for correction.
- Route approved contracts to the appropriate Vice President or equivalent.

Appropriate Vice President / President

- Review the contract and sign the contract and checklist to confirm that the services comply with policy and state regulations.
 - Note: By signing the Professional Services contract, the Project Director, Approving Agent, and Vice President/President are certifying that they are following all rules and regulations concerning Professional Services contracts (see OCR Certification Letter with or without CBA requirement).
- Route the approved contract packet to Business Affairs – Purchasing Department.

Submission Requirements

For contracts \$50,000 or greater:

Submit the following to Business Affairs – Purchasing Department:

1. Cost-Benefit Analysis (required if term is greater than 6 months)
2. Approved Professional Services Contract
3. Completed Goals and Objectives, Performance Measures, and Monitoring Plan
4. Dated Board Resolution (if contracting with a corporation)
5. Disclosure of Ownership Affidavit (if required)
6. Certificate of Authority (if contractor is an out-of-state corporation)
7. Resumes for consultants (if required by OCR)
8. Checklist for Review of Personal, Professional, Consulting, and Social Services Contracts
9. OCR Certification Letter

For contracts \$49,999 or less (excluding legal, architectural, accounting, auditing, and engineering contracts):

- Only the approved contract needs to be forwarded to Business Affairs – Purchasing Department.
- All other supporting documents should be retained by the Project Director.
 - *Note:* These documents are permanent agency records and must be available for audits by the Legislative Auditor's Office and the Internal Auditor.

Delegated Authority Reminder:

- The University has delegated authority from the Division of Administration, Office of Contractual Review, authorizing Vice Presidents to sign contracts on behalf of Northwestern State University under their budgetary authority for amounts not exceeding \$39,999 within a twelve-month period.

Request for Payment

Project Director Responsibilities

When the contracted services are completed and payment is due:

1. Process an Accounts Payable Voucher
 - Use the voucher in place of online receiving.
2. Submit Documentation to Business Affairs – Accounts Payable Section:
 - Invoices related to the contract
 - Supporting documents, including the Purchase Order number on all documents
 - If applicable:
 - Supplemental Schedule of Effort
 - Work Log
 - Participant Sign-In Sheets

This ensures timely and accurate payment while maintaining proper documentation for auditing purposes.

Supplemental Schedule of Effort and Participant Sign-In Sheet

Purpose:

For agreements (e.g., Grants, Contracts, Cooperative Endeavors, Self-Generated Activities) where payment is contingent upon the number of participants or sessions, the following documentation is required before payment can be approved:

- Supplemental Schedule of Effort
- Project Director/Coordinator/Instructor Work Log
- Trainee/Participant Sign-In Sheet

These documents verify services performed and attendance.

Submission Requirements

1. Attach the Supplemental Schedule of Effort, Work Log, and Participant Sign-In Sheet to a completed Accounts Payable Voucher when submitting for payment to Business Affairs – Purchasing Department.
2. Each partial payment request under a contract requiring this documentation must include these documents to substantiate the amount requested.

Certification:

By signing these schedules, the Contractor, Project Director, Approving Agent, and Vice President/President certify that the services performed, as documented, comply with the contract.

Important Notes:

- Advance payments (payments made before services are performed) are prohibited.
- For contracts with attorneys, engineers, architects, accountants, and auditors, standard evaluation procedures apply.
- The University is authorized by the Division of Administration, OCR to use the Accounts Payable Voucher as documentation of satisfactory performance for contracts under \$50,000, in lieu of a formal performance evaluation.
- HIPAA Attachment is required for any contract where medical records are accessible by external parties.

Additional Requirements

1. Route the completed Accounts Payable Voucher (and, if applicable, the Supplemental Schedule of Effort, Work Log, and Participant Sign-In Sheet) to Business Affairs – Purchasing Department for payment.
2. Per R.S. 39:1500, submit a Contract Performance Evaluation with the final Receiving Report for each Professional, Personal, or Consulting contract.
 - This evaluation must be signed by the Project Director and approved by the appropriate Vice President.
 - Payment will be withheld until the evaluation is completed.