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**Administration Division  
Louisiana Board of Regents**

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Administrative Policy & Procedure

AP – 1.1

Effective Date: 3/26/04

Updated 8/20/07

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**SUBJECT**

Grants and Contracts – Guidelines for Acceptable Amounts for Consulting, Personal, Professional or Social Services Contracts.

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**PURPOSE**

To establish guidelines for the acceptable amounts to be included in all grants and contracts defined herein, submitted by staff requesting external support.

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**DEFINITIONS**

1. External Support is any form of aid provided by an individual, group, or organization, either private or public, not affiliated with the Board of Regents.
2. Individual Authorized to Sign for the Board of Regents is the Commissioner of Higher Education or the Deputy Commissioner of Administration in his/her absence. (No other person is authorized to sign for the Board of Regents unless written permission is granted by the persons mentioned above.)
3. Louisiana Travel Guide (PPM49) is a guide available from the Office of State Travel to all staff on the procedures that should be followed regarding travel.
4. Consulting Services means possessing specialized knowledge, experience, and expertise to investigate assigned problems or projects and to provide counsel, review, design, development, analysis, or advice in formulating or implementing programs or services.
5. Personal Services means work rendered by individuals which require use of creative or artistic skills.
6. Professional Services means work rendered by an independent contractor who has a professional knowledge of some department of learning or science used. For contracts with a total amount of \$50,000 or more, the definition of “professional services” shall be limited to lawyers, doctors, dentists, psychologists, certified advanced practice nurses, veterinarians, architects, engineers, land surveyors,

landscape architects, accountants, actuaries, claims adjusters, and any other profession that may be added by regulations adopted by the OCR per Louisiana Revised Statute 39:1484(18).

7. Social Services means work rendered by any person, etc., in furtherance of the general welfare of the citizens of Louisiana.
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## GENERAL POLICY

All grants or contracts proposed must be initiated by the division of the Board of Regents that would be involved if the contract was approved. The contract amount will be calculated by following all of the rules and regulations included in the [Office of State Travel's PPM49](#). When using federal funds and a conflict arises between this policy and that of the Federal Government, the more restrictive policy shall prevail.

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## AUTHORITY

This document is issued in accordance with the Division of Administration's Office of State Travel and the Office of Contractual Review.

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## PROCEDURE

The amount of a new grant or contract will be prepared based on the following guidelines as witnessed by the [contract calculation sheet](#):

1. **Airfare** - The consultant will be responsible to acquire his/her own airfare. Should this amount be a reasonable rate, it will be included in the total cost of the contract.
2. **Honorarium / Fee** – The consultant will be paid a rate to be based on the reasonable market rate for a professional in his/her field of expertise.
3. **Lodging** - Should be estimated using the standard lodging rates included in [Office of State Travel's PPM49](#) plus an estimated tax amount.
4. **Meals** – Should be estimated using the appropriate tier included in the [Office of State Travel's PPM49](#) which includes tax and tips. When estimating meals, the regulations about travel times must be taken into consideration.
5. **Incidentals** – An amount up to \$35 per day may be included to account for other incidentals such as, but not inclusive of, parking, tips, and telephone calls.

If it is found that any other amounts should be included, or special consideration outside of the Office of State Travel's PPM 49 should be allowed, prior approval should be sought from the Board of Regents' Deputy Commissioner for Finance and Administration and/or the State of Louisiana Commissioner of Administration.

The calculation sheet does not become a part of the contract – it is a tool that is used in negotiating the compensation of a contract. It is to be filed in the Division's file.

Cost-reimbursement contracts require a budget, it can be attached and becomes a part of the contract. Negotiated flat fee contracts do not require a budget. Hourly Rate contracts require a schedule of hourly rate(s), be included in the contract.