



State of Louisiana
Division of Administration
Office of Statewide Reporting and Accounting Policy

May 18, 2015

OSRAP MEMORANDUM 15-25

TO: Fiscal Officers
ISIS Agencies

FROM: John McLean, CPA
Interim Director

SUBJECT: FY 15 Commodity Based Purchases Not Encumbered by 6/30/15

Agencies should make every effort to enter and encumber all commodity-based purchases and contracts by Tuesday, 6/30/15. All commodity-based purchases and contracts for FY 15 that require the encumbrance of AGPS purchase orders and CFMS contracts should be entered into AGPS/CFMS and encumbered on or before 6/30/15. After 6/30/15, it will not be possible to encumber a transaction in AGPS/CFMS for Fiscal Year 15. All increases and decreases (OCHG/KAMD) to existing AGPS/CFMS encumbrances must also be entered and encumbered by 6/30/15. AGPS/CFMS will not allow an increase or new line to an existing Fiscal Year 15 encumbrance after 6/30/15.

Although AFS will allow the establishment of an encumbrance and/or an increase of an AFS PO after June 30, **it is illegal** for agencies to do so. We suggest that agencies with field offices give those offices sufficient time to enter encumbrances into ISIS prior to June 30.

The Office of State Procurement and OSRAP are aware that there are instances when last minute emergency purchases make it impossible to meet the deadline. An adjustment will be made on Wednesday, July 1, 2015 to the dollar limit of the AGPS LDO transaction to allow agencies to pay for commodity-based purchases that were not encumbered by 6/30/15 and are \$10,000.00 or less. The limit will be set back to \$5,000.00 on August 15, 2015.

It should be noted that the adjustment for LDO transactions will raise the dollar limit on the LDO transaction for both FY 15 and FY 16. However, it is the policy of the Division of Administration that agencies should only process LDOs of \$5,000.00 or more for **FY 15 purchases only**. The use of the raised limit is intended for FY 15 purchases only and it will be monitored by OSRAP. Failure to follow the procurement code as outlined in R. S. 39 Chapter 17 will result in the transaction being null and void.

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Any violations will be reported to the Office of State Procurement and the Office of the Legislative Auditor.

If you have any questions, call the OSRAP Help Desk at (225) 342-1097.

JBM/jw

C: Ms. Heidi Israel
Mr. Paul Holmes