

ADVISORY GROUP ON Efficiency and Benchmarking

PROPOSAL #: AGEB # 34A

SUBJECT: Consultants/Contracts

DATE ADOPTED BY ADVISORY GROUP: 10-26-09

COMMISSION ACTION: AMENDED/DEFERRED

DATE: 11-10-09

RECOMMENDATION: All departments and agencies in Louisiana state government be required to obtain the approval of the Joint Committee on the Budget of the Louisiana Legislature in order to retain a management consultant in a contract equal to or greater than \$50,000 per year. The application for approval of the Joint Committee shall explain the following: (1) Why the department or agency needs to hire an outside consultant. (2) How the service provided by the outside consultant conforms to the mission of the department or agency. (3) Why the service of the outside consultant cannot be performed by a regular employee or employees of the department or agency. (4) How the outside consultant was selected. (5) What action the department or agency will take to satisfy the need that the outside consultant is being hired to address if the Joint Budget Committee does not approve the contract.

Summary Description/Nature of Change	Key/Implementation Responsibilities	Need	Action Needed	Benefit/Saving	Done/ Study
All departments and agencies in Louisiana state government be required to obtain the approval of the Joint Committee on the Budget of the Louisiana Legislature in order to retain a management consultant in a contract equal to or greater than \$50,000 per year. The application for approval of the Joint Committee shall explain the following: (1) Why the department or agency needs to hire an outside consultant. (2) How the service provided by the outside consultant conforms to the mission of the department or agency. (3) Why the service of the outside consultant cannot be performed by a regular employee or employees of the department or agency. (4) How the outside consultant was selected. (5) What action the department or agency will take to satisfy the need that the outside consultant is being hired to address if the Joint Budget Committee does not approve the contract.	Legislature	To save money by reducing the number of outside consultant contracts (valued over \$50,000) through the creation of additional oversight responsibilities carried out by the JLCB.	Legislation		