

## ALC Review Subcommittee Report For Emergency Review of Professional Consultant Services (PCS) Contract

August 8, 2012

On August 7<sup>th</sup>, 2012 Senator Mary Anne Salmon and Representative Tommy Lee Baker, Co-Chairs of the Legislative Council and Senator Randy Laverty and Representative Larry Cowling, Co-Chairs of the Review Subcommittee received written notification from Mr. Richard Weiss, Chief Fiscal Officer of the State that review of a professional consultant services contract for University of Arkansas at Pine Bluff required immediate action. The University needed an independent compliance auditor.

Under Rule 17 of the Rules of the Arkansas Legislative Council, the Co-Chairs of the Legislative Council and the Co-Chairs of the Review Subcommittee unanimously determined that emergency review of the professional consultant services contract was essential to enable the agency to perform essential services. A summary of the contract that was given emergency review follows along with the letters from DFA and the agency.

### SUMMARY SCHEDULE OF STATE AGENCY CONTRACTS FOR ARKANSAS LEGISLATIVE COUNCIL REVIEW AS REQUIRED BY ARKANSAS CODE 19-11-1006

#### *Out-of-State Contracts*

**1 . Agency:** U of A - Pine Bluff

**Contractor:** The Compliance Group

**Location:** Lenexa

**State:** KS

**Total Authorized:**

**Org.** 08/10/2012 10/15/2012 **Procurement:** Sole Source by Justification

**Total After Review:**

\$32,000.00 **Funding:** State - 100%

**Total Projected:**

\$32,000.00

**Contract Number:** RA12160970

**Org/Am**

**Amount**

**Paid To**

**Objective**

**New Exp Date**

Original: 32,000.00

To hire an experienced company or individual to audit at the request of the NCAA all varsity records form 2007- 2010 for compliance with NCAA standards. Audit must be completed by September 27, 2012 to avoid severe penalties for the UAPB program and its athletes. The Company selected is The Compliance Group.

Respectfully Submitted,

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Senator Randy Laverty, Co-Chair  
ALC Review Subcommittee

\_\_\_\_\_  
Representative Larry Cowling, Co-Chair  
ALC Review Subcommittee



STATE OF ARKANSAS  
**Department of Finance  
and Administration**

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August 7, 2012

Senator Mary Anne Salmon, Co-Chair  
Representative Tommy Lee Baker, Co-Chair  
Arkansas Legislative Council  
Room 171, State Capitol  
Little Rock, AR 72201

RE: Contract No. RA12160970  
University of Arkansas at Pine Bluff

Dear Senator Salmon and Representative Baker:

This is to inform you that the University of Arkansas at Pine Bluff has a professional-consultant contract that requires your immediate attention. Because of the time-sensitive nature of this contract, the Office of State Procurement of the Department of Finance and Administration respectfully requests a prompt review of this professional-service contract. We believe this contract serves the best interest of the State.

The University of Arkansas at Pine Bluff is in need of an independent compliance auditor. The National Collegiate Athletic Association (NCAA) is requiring UAPB to have this audit completed by September 27, 2012, at an estimated cost of \$32,000. There are approximately 200 records that must be reviewed for each of the academic years in question, 2007-08, 2008-09, and 2009-10. The audit must also include a review of seven (7) areas for all student athletes.

Should you have any questions or require additional information, please contact Lonza Hardy, Jr., Athletic Director, with UAPB at (870) 575-7184. Thank you in advance for your consideration of this request.

Sincerely,

A handwritten signature in black ink, appearing to read "Richard A. Weiss".

Richard A. Weiss  
Director



ATTACHMENT

July 30, 2012

Dr. Calvin Johnson  
Chancellor  
University of Arkansas at Pine Bluff  
1200 North University Drive  
Pine Bluff, Arkansas 71601

**RE: Request for Emergency Approval for Auditing Services  
for the NCAA-Required Independent Compliance Audit**

Dear Chancellor Johnson:

The Arkansas Procurement Law provides that the head of an agency or his/her designee may declare a situation an emergency if it meets the following criteria:

**From the Arkansas Procurement Laws and Regulations, September 2007-19-11-233 defines "Emergency procurements" as "the acquisition of commodities or services, which if not immediately initiated, will endanger human life or health, state property, or the functional capability of a state agency."**

In light of the above-referenced statutes, I am herein requesting that you declare the services of an independent compliance auditor who has proven experience in auditing athletics records to be paid in the estimated amount of \$20,000-\$30,000 without going through the Request for Proposal or Request for Qualifications method of Procurement (the bid time would be approximately 4-to-6 weeks). These are the constraints that are upon us that precludes not only the bid requirement, but also any other time delays:

- **Time is of the essence.** This audit must be completed by September 27, 2012;
- The auditor will have to work through nearly 200 records for each of the academic years in question (2007-08, 2008-09 and 2009-10), a total of nearly 600 records, in order to do a thorough assessment;
- The compliance audit must include a review of seven (7) areas for all of the students who competed, including:
  1. Fulfillment of credit-hour requirements;
  2. Hours earned during the regular academic year;
  3. Designation of degree documentation;

UNIVERSITY OF  
**ARKANSAS PINE BLUFF**  
DEPARTMENT OF ATHLETICS

1200 North University Drive • Mail Slot 4891 • Pine Bluff, Arkansas 71601 • Office: (870) 575-7184 • Fax: (870) 575-7880 • [www.uapblionsroar.com](http://www.uapblionsroar.com)

An equal opportunity/affirmative action university

Dr. Calvin Johnson  
July 30, 2012  
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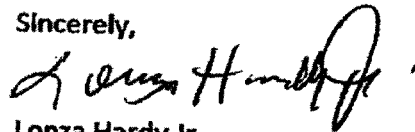
4. Fulfillment of percent-of-degree requirements;
5. Progress-toward-degree requirements;
6. Athletically related financial aid award;
7. Book list review

If we are unable to meet the requirement from the NCAA to have this audit done by the required deadline, the adverse ramifications which will greatly impact the UAPB athletics program's *functional capability include multiple violations by several sports, including rendering numerous student-athletes ineligible for competition, teams receiving post-season championship bans, scholarship reductions and teams being placed on probation by the NCAA.*

While the above law also requires we get three (3) quotes (competitive prices), I am requesting that you wave this requirement and accept this one price from The Compliance Group (TCG), a reputable company which has provided these service for member colleges around the country and in the SWAC. Please note that securing additional quotes for performing this task was not possible due to the extensive amount of records which must be reviewed in a short span of time; thus, this work must commence immediately.

Thank you, Chancellor Johnson, for your approval of this emergency request.

Sincerely,



Lonza Hardy Jr.  
Director of Athletics

/lhj

Attachments:

- Quote from the SWAC-recommended independent compliance auditing firm
- Completed Contractors Grant and Disclosure
- Illegal Immigrant Certification
- EEO Policy of Firm

Approval: Calvin Johnson 18/6/12  
Dr. Calvin Johnson, Interim Chancellor/UAPB

