



Office of State Procurement

Advanced Purchasing

Agency Training



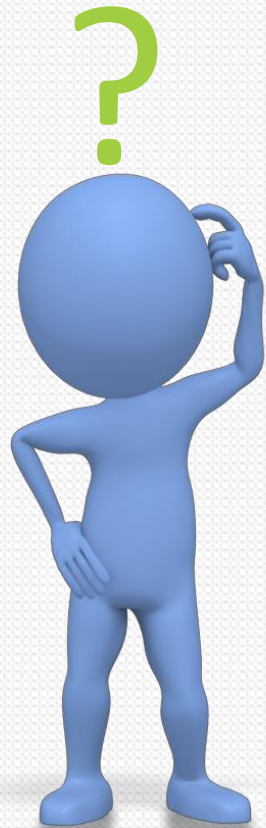
PURPOSE



- Guidelines (laws, rules, policies, executive order)
- Methods of Procurement
- Competitive Process
- Procurements with Special Requirements



What Governs Procurement?



- La. Revised Statutes 39: 1551 – 1755
- Louisiana Administrative Code Title 34
- Small Purchase Executive Order



Steps in the Purchasing Process

1. Identify the Need
2. Determine the Method of Procurement



Delegated Purchasing Authority (DPA)

- What is a delegated purchasing authority?
- How does your agency get a delegated authority or increase an existing delegation?
- What if you have a procurement that is above your delegated authority?



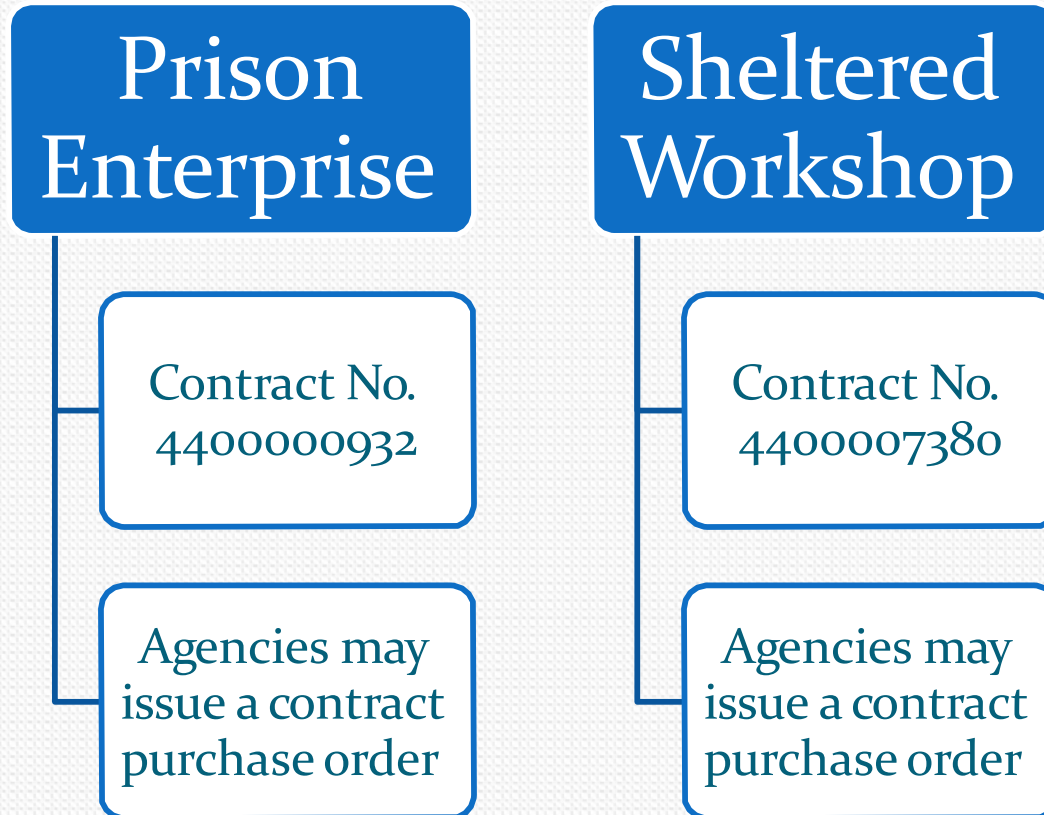
Methods of Procurement

- Statewide Contracts
 - Types - Generic, Brand Name, LaMAS, Multi-State/Cooperative Purchasing
 - Formats – itemized, discount from price list, catalog
 - Contract Search/LA eCat
 - Mandatory/Non-mandatory
 - LAPS



Methods of Procurement

Prison Enterprise and Sheltered Workshop Contracts





Methods of Procurement

- Non-Contract Purchases
 - Small Purchase (\leq \$25,000)
 - Competitive Sealed bid – ITB – Invitation to Bid
 - Request for Proposals - RFP



Definition of a Small Purchase

- Any procurement not exceeding twenty-five thousand dollars (\$25,000)

OR

- Any procurement of those items listed in Section 5 of the Small Purchase Executive Order, regardless of price except as noted in Paragraphs 5(A)14, 16, 17, 23, 25, and 29 which are exempt from the competitive sealed bidding requirement of the Procurement Code



Price

- Section 5.A of the executive order lists those procurements that are considered a small purchase regardless of price
- Exceptions apply in some cases





Quotations Required

- Section 5.B requires 3 quotations for certain commodities
- Exceptions apply in some cases



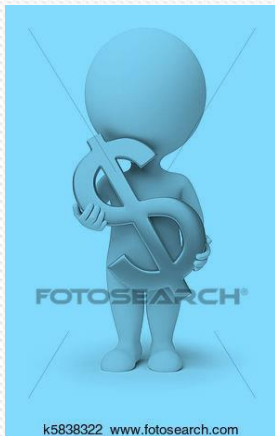
Quotation Thresholds



- \$5,000 – no competition required



- >\$5,000 but not >\$15,000 – 3 quotations by telephone, facsimile, or other means
- Special requirements
- When requirements are waived



- >\$15,000 but not >\$25,000 – 5 quotations by facsimile or written means for 3 days
- Special requirements
- When requirements are waived



Split Purchasing Prohibited

- Purchases shall not be artificially divided within a cost center to avoid the competitive process





Purchases Exceeding Small Purchase Limit (>\$25,000)

- Competitive sealed bid (ITB)
 - Procedures per La. R.S. 39:1594.B; LAC Title 34, Part V 5
 - Must be advertised in newspaper and posted to LaPAC
- Request for Proposal (RFP)
 - Procedures per La. R.S. 39:1595
 - Must be advertised in newspaper and posted to LaPAC



RFP vs. ITB

RFP

Used for the procurement of hi-tech acquisitions or of complex services, or when contracting with a Group Purchasing Organization. It is used when cost is not the only selection criteria to be used, when soliciting solutions to a defined operational or functional need when objective bid specifications cannot be used, and/or to evaluate several solutions to remedy a problem.

Award made to highest scoring proposer considering price and other criteria

Advertisement of at least 30 days

Evaluated by a committee

Some negotiation allowed

Reduced to a contract and orders are issued

ITB

Used when agency has a definitive need.

Award made to the lowest responsive and responsible bidder.

Advertisement of at least 10 days

Evaluated by a buyer

No negotiation allowed

Purchase orders are issued



RFP

Proposals are publicly opened and only the names of offerors are read.

Contract is executed by the head of the using agency, the contractor, and approved by the Director of State Purchasing

Agency must monitor the contract, evaluate contract performance and utility of the final product and provide report to OSP any time upon request during contract term and within 120 days of completion.

ITB

Bids are publicly opened. Names of bidders and prices quoted are read.

Purchase order is signed by the State Purchasing Officer



Other Methods of Procurement

- **Sole Source** (La. R.S. 39:1597; LAC Title 34, Part V, Chapter 9; PHB Section 27)
- **Proprietary Purchase** (La. R.S. 39:1655; LAC Title, Part V, Chapter 1; PHB Section 27)
- **Used Equipment** (La. R.S. 39:1600.C; LAC Title, Part V, Chapter 9)
- **Emergency Purchase** (La. R.S. 39:1598, LAC Title, Part V, Chapter 11; PHB Section 31)



Procurements with Special Requirements

Telecommunications

Information Technology

Vehicles

Elevator Maintenance

Equipment Financing

Printing

Labor and Material Projects – over \$5,000



Telecommunications

- Telecommunications equipment, systems, and related services for purchase, lease, or rental by any State Agency requires prior approval from the Office of Technology Services [formerly the Office of Telecommunications Management (OTM)]
- Handled by the Office of State Procurement unless delegated by the Chief Procurement Officer
- Most often handled as an RFP
- State agencies are required to use telecommunications contracts if available



Information Technology



- Purchase of software, software maintenance and hardware maintenance up to \$100,000 and software support services up to \$50,000 can be processed at the agency and do not require OSP approval.
- IT initiatives \$225,000 or greater requires review by PST (Procurement Support Team)
- Purchases can be processed through finance program for up to sixty (60) months
- Disposal by advertisement to other agencies or trade-in

Vehicles

- All vehicle orders are processed by OSP regardless of delegation or exempt status
- Required documentation sent to LPAA
 - Letter of intended use
 - Detail of intended use
 - Estimated annual mileage
 - Number of expected occupants
 - Type of primary travel
 - DA-121 Condition Report for Trade-in vehicle
 - Alternate Fuel Form-1
- All new vehicles require agency to relinquish existing vehicle or provide sufficient justification
- New vehicles delivered to appropriate property control agency



Elevator Maintenance

- All elevator maintenance for non-exempt agencies is processed by OSP, regardless of delegation
- Shopping Carts for bid and or renewal should be submitted to OSP at least four (4) months prior to expiration date
- Brand name, serial number, and type of elevator must be included for each elevator
- Create separate line if your contract is to include emergency overtime callbacks and repair
- Terms and Conditions should be reviewed by agency and updated accordingly
- Provide a contact person name and phone number for mandatory jobsite visits
- Indicate if 24 Hour Service is required and contact name(s) and phone number(s) for approval of overtime callback



Equipment Financing

- LEAF (Louisiana Equipment Acquisition Fund) is a self administered internal finance program
- All budgeted State Agencies within the general appropriation and ancillary appropriations acts are eligible to participate.

Labor & Materials Projects

- Over \$5,000 sent to OSP for processing regardless of delegation
- Less than \$5,000 and within delegation may be processed at the agency
- Contracts between \$5,000 and \$25,000 performance bonds optional but are typically required
- Contract valued between \$25,000 and \$100,000 requires a performance bond
- Projects over \$50,000 require Contractor's License.
- Some projects require a Contractor's License for amounts less than \$50,000



Legal Requirements

- Other Statutes

- RS 38:2211-2296 Public Contracts
- RS 39:196-200 Information Technology
- RS 39:1527-1546 Insurance
- RS 39:1751-1755 Telecommunications
- RS 39:1761 Lease/Purchase
- RS 42:1101-1170 Code of Ethics
- RS 43:1-34 Printing
- RS 43:111-211 Advertisements
- RS 44:1-41 Public Records

Tie Bids

- What is a Tie Bid?
- What do you do when you receive a Tie Bid?
- When do you report a Tie Bid?





Right to Protest

- Who can protest?
- What can be protested?
- Who is the protest sent to?
- What is the time period for the submittal of a protest?
- What happens next?



Deficiency/Complaints

- The State expects to receive goods and services in accordance with the specifications and terms and conditions of contracts.
- Poor performance or non-compliance should be reported.
- It is **too late** to rule out vendors at rebid if problems have not been previously addressed.
- See form on OSP website.



Emergency Procurement Guide

HELPFUL INFORMATION
ABOUT
LOUISIANA EMERGENCY PROCUREMENT



Developed June 2006
(Revised March 2012)



How to Locate Emergency Contracts

Office of State Purchasing & Travel

Louisiana's Electronic Catalog (LA eCat)

Search tool for items on state contracts for use by state agencies, quasi state agencies and political subdivisions [Help](#)

AGPS **LaGov** **Not Sure?**

Contract:	Vendor	Item	T-number
Contract # <input type="text"/>	Name <input type="text"/>	Desc <input type="text"/>	Desc <input type="text"/>
Contract Desc. <input type="text"/>	SEBD <input type="text" value="Any"/>	Class <input type="text"/>	T-number <input type="text"/> <input type="button" value="Lookup"/>
Line # <input type="text"/>	SE/HI <input type="text" value="Any"/>	Subclass <input type="text"/>	
		Brand <input type="text"/>	
		Model <input type="text"/>	

- Search using singular word forms only. - Words separated by a space searches for items containing all words in any order.
- Enclose a phrase in quotes to search for the exact phrase. - Words separated with OR searches for any of the words.

Search for: **Contracts** **Items**



Office of State Procurement

OSP Main Phone Number:
225-342-8010

Professional Contracts Help Desk:
DOA-PChelpdesk@la.gov

Purchasing Helpdesk:
DOA-OSPhelpdesk@la.gov