Procurement

Handbook

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PROCUREMENT HANDBOOK
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Section 1 - Introduction

The mission of the Office of State Procurement is to develop and implement sound procurement practices in accordance with executive policy and legislative mandates, and to provide quality and timely services to the agency and vendor communities. In keeping with our mission, we are offering basic information to assist you in preparing and processing purchasing documents. This was developed for use as a working tool. The Office of State Procurement assumes no risks that may result from the use of this information and does not warrant the current effectiveness, since the world of procurement is ever changing. Your assistance is sought wherever clarification or corrections may be in order. The information contained in this handbook is in no way all-inclusive. Purchasing Officers must have a working knowledge of the Procurement Rules and Regulations, and all applicable executive orders and statutes governing procurement. ***Nothing contained herein shall be construed to amend or override any statute, rule, regulation, policy or procedure of the State of Louisiana, or the provision of any document used in any competitive procurement. It is offered only as a guide in making Procurement decisions.*** The Director of State Procurement may amend any information at any time to ensure compliance with all governing procurement directives, policies, rules and regulations, and statutes. Your internal policies should complement these guidelines and may be more stringent or require additional approval(s) than the guidelines offered. LaGov acronyms and explanations should be ignored by non-LaGov agencies.

Section 2 - Ethics Statement

All public purchasers are required to adhere to the ethical standards for public servants. Care must be exercised to avoid impropriety. The Code of Governmental Ethics can be found by searching under Legal Info/Louisiana Law Search/La. R.S. 42:1101-1170 from our website at http://www.doa.la.gov/pages/osp/index.aspx or by searching the Louisiana State Legislature website at http://www.legis.la.gov/Legis/LawSearch.aspx.

Section 3 - Procurement Statutes

Some primary statutes governing procurement are listed below:

La. R.S. 38:2211 – 2296	Public Contracts
La. R.S. 39:196 – 200	Data Processing
La. R.S. 39:1527 - 1546	Insurance
La. R.S. 39:1551 - 1755	Louisiana Procurement Code (Purchasing and Professional Services)
La. R.S. 39:1761 et.seq.	Lease/Purchase
La. R.S. 42:1101 - 1170	Code of Ethics
La. R.S. 43:1 - 34	Printing
La. R.S. 43:111 - 211	Advertisements
La. R.S. 44:1 - 41	Public Records
La. R.S. 39:1751-1755	Telecommunications

Section 4 - Office of State Procurement Website

Our Internet home page: http://www.doa.la.gov/pages/osp/index.aspx is a source for useful procurement information. We are constantly updating and adding information. Listed below is some of the information found on our home page:

About Us
- -Contacts
- -Office Location
- -State Procurement Overview
- -Vision, Mission, Philosophy
- -Guidelines for Dealing with the Public

Agency Center
- -Helpful Information about Emergency Procurement
- -Excluded Parties List System (EPLS)
- -Procurement Handbook
- -Request for Proposal (RFP) Manual with Exhibits
- -Quick Reference Pocket Guide
- -OSP Agency Memos
- -LaPAC – Louisiana Procurement and Contract Network
- -LA eCat – Louisiana's Electronic Catalog
- -LaCarte Procurement Card Program
- -UNSPSC Code Search
- -Employee Purchase Program
- -Equipment Financing Program
- -Frequently Asked Questions
- -Glossary of Printing Terms
- -Louisiana Purchasing News
- -State by State Reciprocal Preference
- -NIGP – LA Chapter
- -Vendor Payee Inquiry

Vendor Center
- -LaPAC – Louisiana Procurement & Contract Network
- -Contracting Opportunities
- -How to Do Business with the State of Louisiana
- -Frequently Asked Questions
- -Vendor Registration
- -Vendor Registration Help Scripts
- -UNSPSC Code Search
- -Unit of Measure Codes
- -Louisiana State Regional Map
- -Brand Name or LaMAS Contracts

Vendor Center (continued)
- -OSP Vendor Memos
- -Louisiana Procurement Technical Assistance Center
- -Procedures – BN Microcomputer Contracts
- -Microcomputer Contracts Additions
- -Vendor Payee Inquiry

Featured Contracts
- -Contracts Search
- -Contracts by Title and T Number
- -Louisiana Pricing Schedule (LaPS) Contracts
- -Approved Catalog Contracts
- -LaMAS Contracts
- -Technology Contracts
- -Geaux Green with Recycled Goods and Services
- -Copier Contracts
- -Courier Service
- -Furniture Contracts
- -MMCAP
- -Printing Contracts
- -Vehicle Contracts

Online Forms

Legal Information
- -Small Purchases Executive Order
- -Policies and Procedures Memorandum 49
- -Policies and Procedures Memorandum 50
- -Policies and Procedures Memorandum 51
- -Purchasing Rules and Regulations
- -Louisiana Law – Search

State Travel
- -Travel Homepage
- -Travel Policy
- -New Updates
- -Travel Guide
- -Travel Pocket Guide
- -Contact Travel Staff

Louisiana Small Entrepreneurship (Hudson and Veteran Initiative) Programs

LA eCAT – Contract Search Tool

Section 5 - Procurement Card

LaCarte is Louisiana's procurement card program. It is a credit card issued for official State business use only. Small dollar purchases account for 80% of all acquisitions and the procurement card helps streamline that process. It provides an alternative method of payment. It not only helps reduce the cost of making small dollar purchases, it also allows Agencies to receive goods more timely. There are no fees or costs to enroll in the program. Agencies that are not already using the procurement card, can apply to the Office of State Travel and Purchase Cards through their Department Head to request agency implementation. Detailed information is available on the Office of State Procurement website.

Section 6 - Delegated Authority

Each **non-exempt** State Agency's purchasing department is formally delegated a purchasing authority in writing by the Director of State Procurement within certain dollar limits based on the number of purchasing classifications, training, and performance. This is known as a "Delegated Purchasing Authority" (DPA). Non-exempt agencies may process purchases within their delegated authority unless excluded by other provisions as shown below.

Non-contract purchases over a non-exempt agency's delegated authority are sent to the Office of State Procurement for processing.

Even though a non-exempt agency has been delegated a dollar level of purchasing authority, there are exceptions. Purchases for the following must be submitted to the Office of State Procurement for processing and/or approval:

- Labor and material project purchases over $5,000
- Certain Information Technology Acquisitions
- Vehicles
- Telecommunications
- Travel
- Elevator Maintenance

Exempt agencies must submit non-contract purchases for certain Information Technology Acquisitions, all vehicles, and certain telecommunication purchases for processing and/or approval to the Office of State Procurement. Also, they must request approval of the Director of State Procurement to use the RFP process.

Section 7 – Most Common Procurement Methods

Mandatory Statewide Competitive Contracts	If the purchase meets the minimum requirement of a statewide competitive contract: • Agency issues a Contract Purchase Order to Contractor; or • Agency may submit justification to the Office of State Procurement to exempt purchase from contract if contract will not meet their needs and then bid accordingly.
Non-mandatory (Non Exclusive) Statewide Contracts and Brand Name Contracts	If the purchase meets the minimum requirement of a non-mandatory statewide contract or statewide brand name contract: • Agency must review LaPS rules if applicable • Agency may issue a Contract Purchase Order to Contractor; or • Agency may solicit competitive bids (if within delegated authority); or • Submit requisition/shopping cart for competitive bidding to the Office of State Procurement (if over delegated authority)
Sole Source Purchase	If the purchase is available from only one source and is not sold through distributors: • Must be identified as sole source prior to acquisition. • Agency submits letter stating why no other product is suitable or acceptable for their needs, the unique characteristics, and a statement that it is sold by only one known source. Letter must be approved by the Chief Procurement Officer or designee above the level of Procurement Officer. • Other conditions for sole source are where compatibility is the paramount consideration, where a sole supplier's item is needed for trial use or testing, procurement of items for resale, procurement of public utility services, registered breeding stock on a selective basis and other livestock on a selective basis with special approvals. • Agency obtains letterhead statement from sole source vendor (corporate marketing – not sales representative) declaring that product is sold only by his company and is not sold through a distributor network. The vendor must also provide a price quote, and a notarized or published price list.
Proprietary Purchase	If there is only one product suitable for the agency's needs but it is sold through distributors: • Agency submits letter stating why only one brand name or item is suitable for their needs and the necessitated circumstances or unique characteristics. The Chief Procurement Officer or the head of a purchasing agency must approve letter. • Solicitation must contain language indicating that the purchase has been approved as a proprietary purchase.

Sheltered Workshop Purchase	Agency may obtain quote from Employment Development Services (EDS) or issue a Contract Purchase Order against State Contract No. 44000007380.
Prison Enterprise Purchase	Agency may obtain quote from Prison Industries or issue a Contract Purchase Order against State Contract No. 4400000932.
Emergency Purchase	Any State Agency may make an emergency procurement of up to $5,000 when an emergency condition arises and the need cannot be met through normal procurement methods, provided that whenever practical, approval by the Chief Procurement Officer (CPO) or designee shall be obtained prior to the procurement. Prior to all such emergency procurements of $5,000 or more, the Chief Procurement Officer, head of a State Agency, or either officer's designee shall approve the procurement. Email requests should be submitted if time permits, and must contain adequate justification for the emergency. An emergency condition is a situation which creates a threat to public health, welfare, safety, or public property such as may arise by reason of floods, epidemics, riots, equipment failures, or such other reason as may be proclaimed by the Chief Procurement Officer. The existence of such condition creates an immediate and serious need for supplies, services, or major repairs that cannot be met through normal procurement methods and the lack of which would threaten the functioning of Louisiana government, the preservation or protection of property, or the health or safety of any person. • Obtain CPO approval – mandatory if $5,000 or more • Obtain quotations from three (3) or more bona fide qualified vendors when time permits. • Prepare written determination of emergency.
Small Purchase ≤$5000	No competitive bidding is required.

Small Purchase >$5000 up to and including $15,000	• Agency solicits price quotations from three (3) or more bona fide qualified vendors if within delegated purchasing authority • Via telephone, facsimile, or other means • At least one (1) source shall be a certified small and emerging business, a certified small entrepreneurship, or a veteran or service-connected disabled veteran-owned small entrepreneurship wherever possible (document file when not available) • File to contain written confirmation from successful bidder. • Soliciting three (3) quotations may be waived if purchasing from a small and emerging business, a small entrepreneurship, or a veteran or service-connected disabled veteran-owned small entrepreneurship currently certified by the La. Department of Economic Development, when best value determination has been made that price is reasonable. Determination is to be maintained in file. • Soliciting three (3) quotations may be waived when purchasing from a business registered with the Secretary of State as domiciled in Louisiana if a business analysis determines that in-state prices are equal to or better than two (2) other price comparison, such as state contract, GSA, or similar resources. Comparison documents to be maintained in file.
Small Purchase >$15,000 up to and including $25,000	• Does not include labor and materials contracts >$5,000 • Agency obtains facsimile or written quotations (if within their delegated authority) from five (5) or more bona fide qualified vendors • At least two (2) sources shall be a certified small and emerging business, a certified small entrepreneurship or a veteran or service-connected disabled veteran-owned small entrepreneurship wherever possible (document file when not available). Requirement is waived if posted on LaPAC. • Minimum three (3) working days allowed for receipt of quotations
Purchases Exempt by Governor's Small Purchase Executive Order	• Agency obtains price quote(s) and issues a purchase order if within delegated authority in accordance with executive order. • Agency obtains price quote(s) and obtains approval from the Office of State Procurement if above delegated authority in accordance with executive order. • Latest version of the Executive order can be found on our website at http://www.doa.la.gov/pages/osp/index.aspx

Used Equipment Purchase	• See La. R.S 39:1600 • Agency must present satisfactory cost effective information • Must be purchased within price range set by Director of State Procurement or the Director of Purchasing at colleges and universities in her/his statement of written approval for the purchase • Head of agency, college or university shall certify the following in writing to the Director of State Procurement, College or University: - Price of used equipment - Plan for maintenance and repair of equipment including cost - Savings that will accrue to the State by purchasing used equipment - Statement of fact that procedures set out in the Louisiana Procurement Code will result in the loss of the opportunity to purchase the equipment.

Section 8 – Differences Between ITB and RFP

ITB	RFP
Used when agency has a definitive need. Award is made to the lowest responsive and responsible bidder.	Used when seeking a solution to a definitive problem, for procurement of supplies, services, or major repairs including but not limited to highly technical equipment, complex services or contracting with a group purchasing organization. Award is made to the responsible bidder whose proposal is the most responsive and advantageous to the state with consideration to cost as well as other evaluation criteria.
Agency identifies need and submits requisition/shopping cart to the Office of State Procurement with specifications and suggested sources for processing.	Agency identifies need, submits RFP request letter with justification, draft RFP, evaluation criteria with point value of each to the Office of State Procurement for approval by the Director of State Procurement and the Commissioner of Administration.
The Office of State Procurement reviews and modifies, includes terms and conditions, selects bidders and issues ITB/RFx.	The Office of State Procurement reviews request and RFP draft after approval, modifies, includes terms and conditions, selects proposers with assistance from agency, and issues RFP.
	Evaluation committee is selected by agency and instructed by the Office of State Procurement.
If $25,000 or above, file is posted to LaPAC and is advertised once in the State's official journal & respective parish circulation ten (10) days (statutory requirement but the Office of State Procurement normally allows twenty-one (21) days) prior to bid opening and email link to bids are sent to all known bidders.	File is advertised, posted to LaPAC, and notices are emailed to all known potential proposers at least thirty (30) days prior to proposal opening.
Bidders prepare bid response and submit prior to bid opening.	Proposers prepare response and submit prior to proposal opening.
Bids are publicly opened. Names of bidders and prices quoted are read.	Proposals are publicly opened and only the names of proposers are read.
Bids are tabulated and given to the Purchasing Officer.	Copies of all proposals are distributed to the Evaluation Committee.
Purchasing Officer evaluates the bids against the specifications in the ITB/RFx solicitation and obtains technical advice from agency when required.	Evaluation Committee members conduct independent reviews of each offer based on evaluation criteria defined in the RFP and meet to arrive at consensus scoring.
Purchasing Officer awards the purchase order to the lowest responsive and responsible bidder.	Evaluation Committee develops award recommendation, project leader obtains agency management approval, and forwards to the Office of State Procurement.
	The Office of State Procurement administratively reviews award recommendation and obtains approval from the Assistant Director.
	"Intent to Award" letter(s) and "Notice of Regret" letter(s) are sent to all offerors, as appropriate.
Bids may be examined within seventy-two (72) hours after bid opening, by request.	File may be examined after the Intent to Award letter and Regret letters have been issued. Offerors may be debriefed by contacting the Office of State Procurement. Offerors may submit a public records request and information is provided within seventy-two (72) hours.

Bids cannot may be negotiated. Purchase order is issued.	All RFP awards must be reduced to a contract and a purchase order or agency term contract should be issued. Contract terms and conditions and non-mandatory requirements can be negotiated.
Purchasing Officer signs the purchase order.	Agency and successful offeror sign the contract and forward to Director of State Procurement for signature.
	Agency must monitor contract, evaluate contract performance and utility of the final product and provide report to the Office of State Procurement any time upon request during contract term and within one hundred twenty (120) days of completion.

Section 9 - Requisition/Purchase Order Process Overview

- ☐ Agency determines need, develops specification, selects proper UNSPSC commodity class and transmits to the Office of State Procurement if over their delegated authority.
- ☐ Purchasing Officer seeks any approval necessary i.e. proprietary, budget, emergency, etc.
- ☐ Purchasing Officer reviews requisition/shopping cart, specifications, and selects appropriate terms and conditions and prepares solicitation/RFx.
- ☐ Item is advertised in the State's official journal and respective parish circulation, if applicable.
- ☐ Solicitation is posted to LaPAC, if applicable.
- ☐ URL to solicitation is emailed to prospective bidders.
- ☐ File is maintained in a designated location until bids open.
- ☐ Bids are time stamped when received, and securely maintained in a central location until bid opening date.
- ☐ Bids are publicly opened and read (vendor name and price) and tabulated. (If RFP, proposals are opened, only the name is announced).
- ☐ Purchasing Officer reviews tabulation and evaluates the bids for responsiveness to solicitation.
- ☐ Purchasing Officer awards the file and issues the purchase order, obtaining any necessary approvals.
- ☐ Purchasing Officer reviews Purchase Order and signs or obtains proper signature.
- ☐ Purchase Order is mailed to successful vendor.
- ☐ Entire file with copy of purchase order is maintained in a designated location for a period of at least three (3) years or in accordance with formal records retention schedule per Public Records Act.
- ☐ Goods are delivered to agency. Receipt and payment are processed.
- ☐ Purchasing Officer addresses any complaints that might develop before or after delivery.
- ☐ Purchasing Officer processes change orders if needed.

Section 10 – Pre-Bid Conference

Review Purchasing Rules and Regulations – Louisiana Administrative Code, Title 34, Part V, Section 311.

These are the suggested guidelines used by the Office of State Procurement.

Types:
There are two types of pre-bid conferences – mandatory and non-mandatory. If the pre-bid conference is mandatory, only the companies represented by attendees may be considered for an award. A mandatory pre-bid conference must have compelling reasons and should be avoided wherever possible in an effort to increase competition. Note: The Office of State Procurement requires all mandatory pre-bid conferences to have management approval prior to bidding.

Preparations:
The following steps are to be followed in preparation for the pre-bid conference:

Arrange place and time for participants. Allow enough time for the vendors to review the solicitation, which is usually two (2) weeks. Bid openings are usually scheduled 2 to 2 1/2 weeks after the pre-bid conference to allow time for addendum processing if necessary. Any changes or clarifications, which have material impact, must be published in an addendum to all solicited vendors in the event they did not attend the pre-bid conference (only attendees will receive addendum if pre-bid is mandatory).

Indicate pre-bid information in the solicitation. Example:

> A pre-bid (indicate "mandatory" if applicable) conference will be held at the Office of State Procurement, 1201 N. 3rd Street, Ste. 2-160, Baton Rouge, Louisiana at 10:00 A.M. on *(add date)*, to discuss specifications. All interested parties are urged to attend. Be prepared to present any comment or needed changes to the specifications at the meeting.

Advertise conference if attendance is mandatory or if estimated cost is $25,000 or above. Advertisement is to run ten (10) days before pre-bid conference date.

Prepare Attendance Record (sign-in sheet) for attendees. Recommended format includes the following (Example follows at the end of this section) File No., Brief Item Description, Agency and the Date with a place for attendees to indicate name of company or agency and address, names of attendees, their telephone number, fax number, and E-mail address. This is important information for proper file documentation. It also provides useful information for the addendum process.

Arrange for use of a recording device, if applicable. Also, have someone take written notes as a backup in case of technical difficulties with the equipment.

Have copies of the solicitation available for participants and copies of any written inquiries received to date, if applicable.

Remind agency participants several days prior to pre-bid and request that they include technical/expert/informed parties as attendees.

If the Purchasing Officer is the facilitator, their role will be to guide agency representatives to ascertain that specifications are not unduly restrictive. The Purchasing Officer will also take notes or assign someone to do so (if event is not recorded) of all changes and clarifications to incorporate into the addendum. All changes as well as clarifications that change the scope of the solicitation must be included in the addendum.

The facilitator (usually the Purchasing Officer handling the file) will open the meeting with a statement similar to the following:

> "We are here today for a pre-bid conference on (item), File No. ( ) for (agency). The purpose of this conference is to review the specifications to insure that specifications allow for maximum practical competition and are not unduly restrictive. This is an informal meeting. The solicitation will be reviewed page by page and point by point if necessary. You will have the opportunity to ask questions, seek clarifications, or request specification changes. All technical questions or concerns regarding the specifications are to be directed to the agency representative(s). You will be notified by formal addendum if any changes result from this conference. No decisions or actions shall be executed by any bidder as a result of any oral discussions with any State employee or consultant. Only those transactions which are in writing, signed by an authorized person with the Purchasing Agency, may be considered as valid."

ATTENDANCE RECORD
PRE-BID CONFERENCE
ITEM: _____ AGENCY: _____
FILE NO. _____
DATE: _____

PLEASE PRINT CLEARLY

NAME	COMPANY/ADDRESS	PHONE NO.	FAX NO. AND E-MAIL
	_____ _____		
	_____ _____		
	_____ _____		
	_____ _____		
	_____ _____		
	_____ _____		
	_____ _____		
	_____ _____		
	_____ _____		
	_____ _____		
	_____ _____		

Section 11 - Period of Inquiry

It may be advantageous to have a period of inquiry on a solicitation prior to opening bids to answer bidder questions and clarify specifications. If an inquiry is in order, include language in the solicitation. Example:

> The State shall not and cannot permit an open-ended inquiry period, as this creates an unwarranted delay in the procurement cycle and operations of our agency customers. The State reasonably expects and requires responsible and interested bidders to conduct their in-depth bid review and submit inquiries in a timely manner.

An inquiry period is hereby firmly set for all interested bidders to perform a detailed review of the ITB documents and to submit any written inquiries relative thereto. Without exception, all inquiries must be submitted in writing by an authorized representative of the bidder, clearly cross-referenced to the relevant ITB section. All inquiries must be received by the Inquiry Deadline date set forth in the Calendar of Events section of this ITB. Only those inquiries received by the established deadline shall be considered by the State. Inquiries received after the established deadline shall not be entertained.

Inquiries concerning this ITB may be delivered by mail, express courier, e-mail, hand, or fax to:

Office of State Procurement Attention: _____ P. O. Box 94095 Baton Rouge, LA 70804-9095	OR	1201 North Third Street Claiborne Building, Suite 2-160 Baton Rouge, LA 70802

E-mail: _____
Phone: _____
Fax: _____

Only the person identified above or their designee has the authority to officially respond to bidder's questions on behalf of the State. Any communications from any other individuals are not binding to the State.

An addendum will be issued and posted at the Office of State Procurement LaPAC* website, to address all inquiries received and any changes or clarifications to the ITB. Thereafter, all ITB documents, including but not limited to the specifications, terms, conditions, plans, etc., will stand as written and/or amended by any addendum. No negotiations, decisions, or actions shall be executed by any bidder as a result of any oral discussions with any State employee, or State consultant. It is the bidder's responsibility to check the LaPAC website frequently for any possible addenda that may be issued. The Office of State Procurement is not responsible for a bidder's failure to download any addenda documents required to complete an ITB.

*Note: LaPAC is the state's online electronic bid posting and notification system resident on the Office of State Procurement website [http://www.doa.la.gov/pages/osp/index.aspx]. In that LaPAC provides an

immediate e-mail notification to subscribing bidders that a solicitation and any subsequent addenda have been let and posted, notice and receipt thereof is considered formally given as of their respective dates of posting.

To receive the email notification, vendors must register in the LaGov portal. Registration is intuitive at the following link: https://lagoverpvendor.doa.louisiana.gov/irj/portal/anonymous?guest_user=self_reg and help scripts are available on the Office of State Procurement website under vendor center at: http://www.doa.la.gov/pages/osp/vendorcenter/regnhelp/index.aspx.

Calendar of Events

Release Solicitation	**date posted to LaPAC**
Deadline to receive inquiries	**10-14 days after release**
Deadline to answer Inquiries	**7-10 days after inquiry receipt**
Bid Opening Date and Time	**10-14 days after inquiry answers are released**

Written inquiries shall clearly cross-reference the relevant solicitation. Answers to questions that change or substantially clarify the solicitation will be affirmed in writing in the form of an addendum and provided to all prospective bidders.

The addendum (if one is necessary) should only include those questions and state responses which change the scope of the bid. It should not include questions which direct a bidder to parts of the bid which already exist when no change is being made to the ITB/RFx language (e.g. administrative issues such as "Is a bid bond required?") All questions and responses should be included as an attachment to the addendum.

Section 12 – Requisition/Shopping Cart Review

See Checklist at the end of this section.

Requisitions/Shopping Carts should be reviewed prior to bidding, renewing or submitting to the Office of State Procurement for processing. The Purchasing Agency is responsible for providing accurate and timely information in compliance with all statutory and regulatory procurement directives pertinent to the acquisition.

If the requisition/shopping cart is for a renewal, see Section Number 34 of this handbook on Requisition/Shopping Cart Renewal.

If the requisition/shopping cart is to be bid, review the requisition/shopping cart to make certain that requirements are clearly and completely described. The following questions should be considered:

1) Can an established contract satisfy this need? Most contracts are established for convenience (non-mandatory/non-exclusive). If usage is mandatory, non-exempt agencies must use established competitive contracts if minimum requirements are met. Brand name contracts and competitive contracts for convenience are optional and the agency **may** choose to competitively bid the item(s). Agencies can inquire on notes and attachments in LaGov or LA eCat to determine if contract is

mandatory. If an item on a mandatory-use, competitive contract does not meet an agency's need, they may submit a letter of justification with approvals (as required by the agency) to the Office of State Procurement. The Office of State Procurement will review and the agency will be notified if approval has been granted by the Director of State Procurement or designee.

The Office of State Procurement creates many statewide Brand Name, LaMAS and Multi-State contracts for agencies convenience. These contracts are referred to as LaPS (Louisiana Pricing Schedules) Contracts. Where LaPS contracts exist for the same or similar item(s) and the total procurement exceeds $25,000, all eligible users of these contracts are to comply with the Purchasing Rules and Regulations, LAC 34.V.1709. Rules require that agencies prepare Request for Responses and submit to at least three (3) LaPS contract holders, whenever available, offering functionally equivalent products and/or services that will meet their needs. Review the rules for additional information.

2) Is this purchase repetitive? If the item is purchased frequently, you may want to consult with the Office of State Procurement for a possible agency term contract if the quantities warrant. Frequent or recurring purchases of the items may be considered as circumvention of the bid laws or "split purchasing." Example: Purchasing items available from vendors in the same industry category on a repetitive basis (daily, weekly, monthly, etc.) as a small purchase. "Vendors in the same industry category" are suppliers selling products in the same commodity category, such as medical, office supply, hardware, etc. Standing purchase orders with "as needed" or scheduled shipments should be considered if feasible and the quantities and dollar amount warrant.

3) Is desired delivery properly stated? The standard delivery request is ten (10) days for readily available goods but can vary. If delivery is indicated as a desired delivery time, vendors should not be ruled out if their delivery is not exactly as requested. There may be times when delivery is to be considered in making the award. When this is required, agencies are requested to indicate reason/justification in the Internal Note in LaGov. Mandatory delivery requirements can add cost to the procurement. Every effort should be made to plan procurement in a timely manner to avoid unnecessary cost related to short delivery requirements.

   Specify delivery instructions. When needed, give exact and specific instructions for delivery location, i.e. phone number, contact person, call prior to delivery, inside delivery, unloading, setting in place, justifiable geography restrictions or limitations, etc.

   Indicate whether delivery is to be "called for as needed", "quantities and delivery dates", or "delivered all at once".

4) Has the correct product category been selected to solicit appropriate potential bidders?

   The Office of State Procurement has converted from the NIGP (National Institute of Governmental Purchasing) to the UNSPSC (United Nations Standard Products & Services) commodity codes for vendor enrollment and product category classification in LaGov.

   Vendors that wish to register to do business with the State will need to register in LaGov. The link to the LaGov vendor portal for registration is on the Office of State Procurement website along

with help scripts and the UNSPSC commodity code search.

Review all items on the requisition/shopping cart to confirm the requisitioner selected the correct commodity product categories classification. Requisitions/Shopping Carts that contain supply items, equipment and maintenance may require different product categories. If additional product categories are appropriate, indicate on the requisition/shopping cart. LaGov agencies click on Bidders/search/from Internal Directory/highlight and click grey button to the left/click. Add selected bidders. Suggested vendors are recommended. The commodity code for the first item on the requisition/shopping cart for LaGOV agencies should be the main commodity class for that requisition. Up to three (3) classes may be selected if necessary when the solicitation is manually posted. LaPAC will send LaGov solicitations to vendors enrolled for up to three (3) commodity codes.

IMPORTANT for LaGov users! If Product Categories are added in the Table Extension section, only vendors associated with those Product Categories will be notified once the ITB/RFx is published. The Table Extension section is at the Header level and it overrides the line level. If Product Categories ARE NOT added in the Table Extension section, all vendors associated with the Product Categories of the ITB/RFx LINES will be notified once the ITB/RFx is published. Product categories at the line level could be numerous and that is why it must be addressed in the Table Extension section.

5) Will the correct number of bidders be solicited? Most classes and subclasses have an adequate number of vendors enrolled to meet the guidelines of the Purchasing Rules and Regulations – Louisiana Administrative Code, Title 34, Part V, Section 701 and the Governor's Small Purchases Executive Order. Vendors can enroll in LaGov at no charge and receive email notifications each time selected commodities are posted to LaPAC. The Office of State Procurement's policy is to solicit all bidders enrolled in the product category classification.

   Solicitations posted to LaPAC will automatically send email notifications to registered vendors in LaGov.

6) Are specifications clear and not unduly restrictive? Unduly restrictive specifications limit the source(s) that can comply with all of the specifications as written, thereby eliminating or restricting competition on items that would be capable of satisfying the intended need. If items are sole source or proprietary, see Section No. 27 of this handbook on Sole Source and Proprietary.

   Review Section No. 13 on Specification development in this handbook.

   If adding a brand name and number for reference, add "or equal" and "Specify Brand and No. _____" to invite bidder's response. If specifications appear to be unduly restrictive, work with the requisitioner to open the specifications or ask them to supply the names of additional brands that can meet ALL of the specifications as written. Agencies should list the essential elements of the brand name requested in the specifications and be prepared to justify the elements selected.

   Remove all unnecessary mandatory ("must" or "shall") language from the request when possible.

Mandatory requirements reduce or eliminate competition. Bids cannot be awarded to bidders that cannot comply with mandatory requirements. Consider whether documents and proof of certifications can be obtained after the bids are opened and prior to award. Examples include insurance certificates, licenses, references, MSDS sheets, etc. The solicitation should request information in a non-mandatory way: Example: "All bidders "**should"** include a copy of their insurance certificate with their bid".

Edit all language in the specifications and delete language that is not appropriate for the solicitation. Example: "prepay shipping charge and add to invoice" written in the requisition/shopping cart text. Anything that is not deleted will appear on the solicitation.

7) Was the appropriate unit of measure used for the type of purchase? When bidding maintenance or service, the appropriate unit of measure may be "month". This will allow subsequent renewals or extensions that may be for less than a year.

8) Do you need to issue a bid for an agency contract that does not coincide with the fiscal year or for longer than twelve (12) months?

It is possible to issue bids for agency contracts that are not on a fiscal year basis. It is also possible to contract for longer than twelve (12) months. Any such bid must include the fiscal funding clause and a statement that orders will be issued on a fiscal year basis for accounting purposes. An example would be a request for a maintenance contract submitted two (2) months prior to the end of the fiscal year. Agency may want to consider a fourteen (14) month contract that would cross fiscal years. Document the file with reasons.

9) Is the quantity clear?

If it is for a standing order with scheduled deliveries, do the delivery quantities equal the total quantity? If the unit of measure is "package", "case" or similar, does the description indicate how many per "case" or "package". If packaging is not critical, invite vendor to indicate his "case" or "package" count.

10) Are Samples required?

Normally, samples are requested from the lowest bidder after bid opening. Sample language: "Samples must be received within ten (10) days upon request." Mandatory language requiring samples to be submitted along with bids may eliminate consideration of favorable bids which failed to submit their samples with bid.

11) Is a pre-bid conference beneficial?

On large dollar purchases or technical equipment, it is often beneficial for further dialogue to take place between the agency and potential bidders for clarification purposes or to open the specifications to allow for maximum competition. If the requisition/shopping cart will be sent to the Office of State Procurement, indicate on the Internal Note that a pre-bid conference is desirable. If a pre-bid conference will be held by the agency, there are some suggested guidelines

under Section No. 10 on Prebid Conferences in this handbook.

12) Is a period of inquiry beneficial?

It may be beneficial to have a period of inquiry on a solicitation prior to opening bids to answer bidder questions and clarify specifications. See suggested guidelines under Section No. 11 on Period of Inquiry in this handbook.

13) Select appropriate Terms and Conditions (Ts and Cs) from document builder in the SRM system. These can be attached if bidding in LaGov, if preferred. The preference language clause is standard on all solicitations at the Office of State Procurement, except on services.

14) Repurchase Clause

To obtain best buy, agencies should anticipate usage for a year if history indicates repetitive purchases of a commodity, service or equipment. When requesting unknown quantities, the agency may request a repurchase clause. The time frame is to be identified on the solicitation and you may want to include a contingency clause based on vendor acceptance. (Example: The agency reserves the right to purchase additional quantities at the same price, terms and conditions for a period of _____ months from the date of order based upon vendor acceptance.) Repurchase quantities should never exceed the original amount. You must also take into consideration the total dollar amount so that you will not be in violation of sealed bid requirements. For instance, if fax bids were solicited on the initial purchase for $13,000, you cannot repurchase another $13,000 without being in violation of the sealed bid requirement. Also consider advertisement if quantities might exceed advertisement threshold.

15) Add Special notes and requirements to be included in the solicitation that may be pertinent to the specific commodity purchased.

16) Trade-in – If there is a trade-in, indicate type, age, brand and model of equipment. See Section No. 28 on Trade-ins in this handbook for additional requirements to be satisfied.

17) How will award be made? If you are going to award other than by the lowest bid by item such as on an all-or-none basis or by groups, document the file with the compelling reasons, and add proper language to the solicitation. Agencies must request if the award is to be made other than a low bid per item basis. It is a cost factor. Also include language that will permit deletion of items from the award on group or all-or-none awards. (Example: The Office of State Procurement reserves the right to delete line items from the award.) If an award formula is used, intent must be clear.

Consider all items and essential elements of the specifications when determining award method. Considerations might be life cycle costing, sealed model, etc.

18) Executive Order - Review the Governor's Small Purchases Executive Order for exclusions from competitive bid process. Even if an item is exempt from competitive bid requirements, agencies may competitively bid if so desired.

19) Equipment – If the purchase is for equipment, have warranty, programming and installation been addressed? If installation is required, an insurance certificate should be requested indicating insurance limits. The insurance certificate should be issued in the name of the purchasing agency so that in the event of policy cancellation or changes, the insurance company will notify them.

20) Is a site visit appropriate? Include an agency contact name and telephone number for the vendor. If the site visit is mandatory, include a signature line for the agency on the bid form for verification of the vendor's site visitation or obtain letter from the agency stating vendor visited the jobsite. Note: If site visit is mandatory and the vendor does not visit the site, he cannot be considered for an award. If the site visit is not mandatory, solicitation should include a disclaimer i.e. "vendor is responsible for site familiarity whether visit is made or not."

21) Is training required? If training is itemized as a separate line item, include travel policy language in the solicitation. Advise bidders that associated charges shall not exceed those in travel policy. Example: "Charges for airfare, hotel, meals, etc. must be in accordance with Louisiana State Policy and Procedure Memorandum No. 49 – copy available upon request or on the Office of State Procurement website at http://www.doa.la.gov/pages/osp/index.aspx (click on State Travel, then Travel Homepage, and then Travel Policy)." Agency should determine if travel is to be included in total cost (recommended by the Office of State Procurement) or itemized in compliance with PPM 49. Language not necessary if travel is not itemized.

    Other training considerations might be: Telephone/online support after training? Duration? Training manuals? Any associated cost?

22) Rentals/Leases and Open Ended Requests must state the contract period (beginning and ending).

23) Rentals/Leases (with a few exceptions such as copiers, rental/reagents and other contracts which provide rental rates) require justification letters from the agency explaining reasons for rental or lease versus purchase. Justification letters are to be forwarded to the Office of State Procurement if above the agency's delegated authority.

24) All requests for third party, LEAF and/or vendor financing must be indicated on the requisition/shopping cart and require approval from the Finance Program Manager at the Office of State Procurement before processing. If bidding is required, all financed files are bid by the Office of State Procurement.

25) Standing Orders or Open Ended Orders with increase/decrease clauses that have renewal potential in subsequent years and are bid for less than twelve (12) months, should have language included in the solicitation. Example: "The above quantities represent ____ month's usage. If renewed in subsequent years, quantities may be increased proportionally to the contract period." Consider advertisement threshold on renewal quantities.

26) Requisitions/Shopping Carts that include an increase/decrease clause should also have a thirty (30) day cancellation clause in the event that the agency's actual needs far exceed the estimated amount on the initial requisition/shopping cart/solicitation. This would allow for cancellation and rebid of larger quantities and possibly better pricing. Increases cannot cause total order to

exceed advertisement threshold if not advertised.

27) Is the estimated cost realistic? When making this determination, the requisitioning agency should check with known sources, price list, trade journals, Consumer Price Index, Producer Price Index, or any other applicable pricing index source. Valuable time is lost when estimates are unrealistic. Files must be rebid if the award cost comes in above the advertisement threshold if the file was not advertised. If the Office of State Procurement processes the file, approval must be granted by the agency if the award cost is greater than 10% of the estimated cost.

28) Add the LaCarte/EFT/EVP language to the bid document. Encourage vendors to accept electronic payments to increase efficiencies.

Checklist for Requisition/Shopping Cart Review

____ Is item on a statewide contract?
____ Is item exempt from bidding by Governor's Small Purchase Executive Order?
____ Desired delivery realistic?
____ Delivery instructions clear (how, when, as needed, one time, etc.)?
____ Correct UNSPSC product category selected for each item?
____ Suggested vendors indicated on Bidders Tab in LaGov
____ Proper number of bidders will be solicited?
____ Specifications are clear and unduly restrictive?
____ Brand name and number indicated (if known or applicable)?
____ Mandatory language removed when not necessary?
____ Correct unit of measure used for each item?
____ Quantity is clear (number per case/package/etc. indicated when applicable)?
____ Samples required?
____ Pre-bid beneficial?
____ Period of Inquiry beneficial?
____ Literature requested (if appropriate)?
____ Terms and conditions appropriate to purchase?
____ Special requirements for specific commodity?
____ Trade-in information listed (if applicable)?
____ How will award be made?
____ Warranty and installation addressed (if applicable)?
____ Licenses, certifications, insurance, etc. requested (if applicable)?
____ Site visit information indicated (if applicable)?
____ Training required (if applicable)?
____ Approvals obtained (internal/financing/rentals/etc.)?
____ Sole source, proprietary or emergency procedures have been followed? (if applicable)
____ Realistic estimated cost?
____ Add LaCarte/EFT/EVP language to Solicitation/RFx

Section 13 - Specifications

Review Purchasing Rules and Regulations – Louisiana Administrative Code, Title 34, Part V, Chapter 1.

Since the goal of Purchasing Officers is to obtain quality products and services at the best price and within the parameters of applicable laws, rules and regulations, adequate specifications are required. Adequate specifications streamline the procurement process, while poor specifications cause unnecessary delays and may result in an inappropriate purchase, protest or necessitate a rebid.

Tips for preparing specifications:

If the agency is developing specifications from a brochure, work with end user to select the most important features required for their needs. Leave out brochure language that cannot be objectively evaluated. Delete words like "patented", "unique" and trademark symbols.

Specifications should contain enough detail for the bidders to understand agency requirements.

Describe competitively bid items generically – example: "facial tissue" instead of "Kleenex"

Technical equipment specifications should contain enough detail to differentiate the level of quality or performance required.

If sizes are part of the specifications, determine if a range is acceptable (indicate minimums and maximums), or indicate approximates. If the item must fit into a given space, indicate the available space.

If weight is an important factor, indicate the acceptable range or minimum or maximum acceptable weight.

Delivery, warranty, or training requirements should be clearly defined.

Identify any instructional materials or service manuals that the Contractor must furnish. Also, incorporate into the specifications the type of training they must provide to the end users.

When compatibility with an existing piece of equipment is a factor, describe the equipment, connectors, interfaces, brand and model of the existing equipment.

If the agency desires to purchase a model like one they already have, verify that the model and brand number is still available. Requesting models that have been discontinued often wastes valuable time.

Specifications should clearly state packaging requirements, size, types of finish, color coordination, etc.

If installation is required, provide details on what is expected of the contractor. If a site visit is

required, indicate a contact name and telephone number.

When bidding maintenance, define the extent of service, parts, labor, travel, service hours required, number of preventative maintenance inspections, and any other inclusions or exclusions. Specifications should avoid using restrictive language such as "vendor must be located within a twenty (20) mile radius of Baton Rouge." Request a reasonable response time instead.

It is important to understand and indicate options to be included in the vendor's bid price. When upgrade capabilities are requested, clearly state if it is desired at time of purchase or in the future.

If specifications indicate the desired brand and number, invite competitive brands by indicating "or equal" unless proprietary procedures have been followed.

If performance specifications are included, are performance indicators outlined?

Eliminate mandatory requirements if not important to the function of the purchase.

Understand the use of the following words:
"Shall" denotes the imperative
"May" denotes the permissive
"Should" denotes desirable
"And" means it must have both or multiples
"Or" means either is acceptable

Submittal of literature, proof of training, insurance or other certificate requirements with bid should not be mandatory. Instead, allow successful bidder to submit these documents after the bids have opened, prior to award.

On long technical specifications, you may want to include a yes/no column to invite vendors' compliance response to assist in the evaluation process.

Remember – you cannot evaluate a bid on criteria that is not part of the solicitation. Just because a particular brand and number specified has an inherent feature, you cannot rule out other bidders if the feature was not described in the specification. However, if the inherent feature is unique to the brand and no other brand can meet the needs of the agency, see Section No. 27 on Sole Source and Proprietary in this handbook for compliance requirements.

Section 14 – Solicitations/RFx

Review Purchasing Rules and Regulations – Louisiana Administrative Code, Title 34, Part V, Section 303 – Bidding Time

After requisition/shopping cart and specification review, the Solicitation/RFx is created in LaGov.

Solicitation/RFx Numbers are assigned sequentially by LaGov. Consult the LaGov help scripts for instructions on Solicitation/RFx preparation. Also, see Section No. 21 of this handbook on Cancellation

and rebid, if applicable.

If the projected cost is $25,000 or above, the solicitation must be advertised in the State's official journal, The Advocate, and the parish journal where goods or services will be delivered, using a brief generic description of the item. Solicitations must also be posted to LaPAC if $25,000 or above.

Bid opening dates should be established. It is suggested that enough time be allowed for processing. (Advertised files require at least ten (10) days between advertisement and opening.) Any solicitation handled by the Office of State Procurement, regardless of the dollar amount is released with a twenty-one (21) day minimum bid time unless the Chief Procurement Officer or designee deems that a shorter time is necessary for a particular procurement. Be aware of State and federal holidays when scheduling bid openings and avoid opening bids the day after a U. S. Postal Service holiday.

If the solicitation includes a mandatory pre-bid conference, the conference must be advertised. A copy of the Notice to Bidders can be used for advertisement or language can be added to the advertisement such as: "A pre-bid conference for _____ (item) will be held on _____(date and time) at _____ (location). Attendance is mandatory." Mandatory conferences should be discouraged. Conferences where attendance is strongly recommended should be utilized where possible.

If vendors request bid forms when the solicitation is on the street, obtain the vendor's name, address, telephone, fax and his vendor number. If a vendor does not already have a vendor number established in LaGov, you may contact him to get him to register in LaGov and request a current W-9 which matches his registration in LaGov. Vendor will need to register in LaGov in order to have his bid tabulated. OSRAP must activate vendors in LaGov before an award is made. It will speed the process with registration to request a W-9 when asking the vendor to register in LaGov.

Section 15 - Bid Receipt and Opening

All incoming bids and addenda/modifications shall be date and time stamped upon receipt and kept in a single secure place until the scheduled bid opening. Bids and modifications shall be opened publicly in the presence of one or more witnesses at the time and place designated in the bid.

Section 16 - Protest

Louisiana Revised Statute 39:1671.A. **Right to protest**. Any person who is aggrieved in connection with the solicitation or award of a contract shall protest to the Chief Procurement Officer. Protest with respect to a **solicitation** shall be submitted in writing at least **two (2) days** prior to the opening of bids. Protest with respect to the **award** of a contract shall be submitted in writing within **fourteen (14) days** after the contract award.

If a vendor tells you they are going to protest, instruct them to put it in writing addressed to the Chief Procurement Officer and indicate the file they are protesting with details on exactly what they are protesting. Agencies are encouraged to immediately inform the Director of State Procurement of potential or pending protests.

Purchasing Officers are to review specifications prior to releasing solicitations to determine that specifications are competitive. Protests are not against the purchasing officer as a person but can be used as a learning experience.

Protest of Solicitation

Most solicitation protests occur as a result of unduly restrictive specifications. Unduly restrictive specifications limit the source(s) that can comply with all of the specifications as written, thereby unnecessarily eliminating or restricting competition on items that would be capable of satisfying the intended need. If a timely protest is received, the bids must be impounded and cannot be opened until the protest has been resolved. Specifications cannot be protested after bids are opened.

Protest of an Award

An award protest is brought about because an aggrieved party feels that the award was made to a company that did not meet or is not performing in accordance with all of the specifications. If a timely protest is received, the award must be stayed until the protest has been resolved (unless it is declared as an emergency).

The Office of State Procurement can provide additional assistance if required.

It is important that you not discuss any protest with the vendors. No opinions are to be given to anyone concerning the protest while it is under review.

Section 17 - Bid Security Instruments and Performance Bonds

Review Purchasing Rules and Regulations – Louisiana Administrative Code, Title 34, Part V, Section 323

Agencies should carefully consider the necessity of a bid bond or performance bond before requesting. Use of bid and performance bonds is discouraged unless there is a compelling need or statutory requirement. Placing bond requirements in the specifications can restrict competition and delay the award, as well as raise the cost of the contract to the State. The default clause included in standard terms and conditions of the boiler plate may be sufficient to meet your needs with timelier acquisition of goods or services. When considering whether or not to request bonds, discussions with the Office of State Procurement might be helpful and is encouraged. Alternative means of performance guarantee might be more beneficial.

Bid Bonds

If a bid bond is required, the amount of the bid bond must be stated in the solicitation as a set amount or as a percentage of the total bid amount. Bid bonds must accompany the bid. A bid bond, cashier's check, or certified check is acceptable made payable to the Department of the Treasury of the State of Louisiana.

If a bid bond is used, it shall be written by a surety or insurance company currently on the U. S.

Department of the Treasury Financial Management Service list of approved bonding companies which is published annually in the Federal Register, or by a Louisiana domiciled insurance company with at least an A-rating in the latest printing of the A. M. Best's Key Rating Guide to write individual bonds of up to ten percent (10%) of policyholders' surplus as shown in the A. M. Best's key rating guide. Bid bonds remain in the file and checks are returned to the bidders after receipt of the performance bond from the successful bidder.

Performance Bonds

If a performance bond is required, the amount of the performance bond must be stated in the solicitation as equal to or a percentage of the contract sum. The successful bidder will be notified by letter to secure a performance bond equal to the specified sum, from a surety or insurance company currently on the U.S. Department of the Treasury Financial Management Service list of approved bonding companies which is published annually, in the Federal Register, or by a Louisiana domiciled insurance company with at least an A-rating in the latest printing of the A. M. Best's Key Rating Guide to write individual bonds up to ten percent (10%) of policyholders' surplus as shown in the A. M. Best's key rating guide or by an insurance company that is either domiciled in Louisiana or owned by Louisiana residents and is licensed to write surety bonds.

No surety or insurance company shall write a performance bond which is in excess of the amount indicated as approved by the U. S. Department of the Treasury Financial Management Service list or by a Louisiana domiciled insurance company with an A-rating by A. M. Best up to a limit of ten percent (10%) of policyholders' surplus as shown by A. M. Best; companies authorized by this paragraph who are not on the Treasury list shall not write a performance bond when the penalty exceeds fifteen percent (15%) of its capital and surplus, such capital and surplus being the amount by which the company's assets exceed its liabilities as reflected by the most recent financial statements filed by the company with the Department of Insurance.

In addition, any performance bond furnished shall be written by a surety or insurance company that is currently licensed to do business in the State of Louisiana.

The Bond must be received within specified time from the date of notification. Example bid language: "The performance bond is to be provided within ten (10) working days from request. Failure to provide within the time specified, the Division of Administration reserves the right to award to the next acceptable low bidder, or to reject all bids and re-advertise, whichever is in the best interest of the State of Louisiana."

If a bid security and/or performance bond is required, indicate this in the terms and conditions.

Performance bonds are requested only from the successful bidder(s).

Section 18 - Addenda to Alter Solicitation/Bid Opening Date

Review Purchasing Rules and Regulations – Louisiana Administrative Code, Title 34, Part V, Section 305

After the solicitation has been prepared, it may become necessary to issue an addendum to alter the solicitation and/or bid opening date. The reasons must be valid. Bids are not to be postponed because a vendor did not receive his bid form. Always date addenda. Addenda that alter the solicitation and/or bid opening date are issued in the LaGov system with the description of the Addendum added to Synopsis Text.

When an addendum is automatically posted from LaGov to LaPAC, a brief description of the purpose of the addendum should be indicated e.g., "REVISION TO SPECIFICATIONS", "BID OPENING DATE EXTENDED", etc. This is the description that will be displayed in LaPAC. For a manually posted addendum, the text entered in the description field in LaPAC is the description that will be displayed in LaPAC.

If an addendum is issued in LaGov, it becomes a new version of the solicitation.

Suggested language for addenda is as follows:

"Your reference is directed to File No. _____, Solicitation No. _____ for _____(project) which is scheduled to open at 10:00 a.m. on _____(date) for _____(agency).

The following changes are to be made to the referenced solicitation:

The reasons for issuing the addendum should be very clear. For example:

Add: Size on Item 1 – 2" x 4"
Delete: All references to color on Item 4, Line 6
Change: Number of drawers on Item 3 from 4 to 3 drawers
OR
Specification now reads: Item 3 – Cabinet to have 4 drawers
Specification changed to read: Item 3 – Cabinet to have 3 drawers

THIS ADDENDUM IS HEREBY OFFICIALLY MADE A PART OF THE REFERENCED SOLICITATION.

ACKNOWLEDGEMENT: If you have already submitted your bid and this Addendum **does not** cause you to revise your bid, you should acknowledge receipt of this Addendum by identifying your business name and by signing where indicated. You may return this Acknowledgement by mail to: _____, by hand delivery to: _____, or by fax to: _____. The State reserves the right to request a completed Acknowledgement at any time. Failure to execute an

Acknowledgement shall not relieve the bidder from complying with the terms of its bid.

Addendum Acknowledged / No Changes:

For: _____ By: _____

REVISION: If you have already submitted your bid and this Addendum requires you to revise your bid, you must indicate any change(s) below, identify your business name and sign where shown. Revisions shall be delivered prior to bid opening by mail to:_____ , or by hand delivery or courier to:_____ and indicate the file number and the bid opening date and time on the outside of the envelope for proper identification, or by fax to (225) 342-9756. Electronic transmission other than by fax is not being accepted at this time.

Revisions received after bid opening shall not be considered and you shall be held to your original bid.

Revision:

For: _____ By: _____

When adding items by an addendum, that will be awarded line for line, you may want to add language, "Failure to acknowledge or return this addendum will eliminate your bid from consideration for only those items listed on the addendum".

All potential bidders solicited in the initial email notification, all suggested sources, and all vendors that requested bid forms must receive a copy of any addenda that you might issue unless there was a mandatory pre-bid conference. In that situation, only vendors who attended the conference would receive the addendum. If suggested sources were added on the bidders tab in LaGov as vendors, they will automatically receive any addenda that are issued. Purchasing Officers should always verify in the event the system did not function properly. If solicitation was posted to LaPAC, the addenda should be also.

Although the Purchasing Rules and Regulations state that addenda shall not be issued within a period of three (3) working days prior to the opening of bids, the issuing agency should allow enough time for bidders to receive and respond to the addenda and may need to postpone the bid opening. If necessary, the issuing agency may postpone an advertised file exactly one (1) week from the original bid opening date without the need for readvertising. Advertised bids postponed in excess of one (1) week must be readvertised.

If the issuing agency is only postponing the bid opening date, it is not necessary to have the bidder acknowledge the addenda and the issuing agency may want to include the following language: "Bidders are not required to acknowledge this addendum".

A mandatory return of an addendum should only be used when it is critical to the bid process or required by law that the addendum be returned. Wording should be carefully considered.

Purchasing Officers should take all addenda received at their desk to the bid-opening clerk immediately so that it can be properly received.

A copy of all addenda is to remain in the file and copy is to be given to the person responsible for opening bids.

Section 19 - Award Process

Review Purchasing Rules and Regulations – Louisiana Administrative Code, Title 34, Part V,

- Section 321 – Mistakes in Bids (if applicable)
- Section 323 – Bid Guaranty and Bond (if applicable)
- Section 327 – Bid Evaluation and Award
- Section 329 – Tie Bids (if applicable)
- Section 331 – Awarding of Bids
- Section 333 – Documentation of Award

See checklist at end of this section.

After the bids have been opened and publicly read, they are tabulated. If necessary, **prices must be calculated and reduced to a common denominator** to determine the lowest bidder i.e. per oz. etc. Note this on the tabulation. Caution should be exercised not to give low bidders packaging advantages. (Example: If you asked for an 8 oz. bottle and received a low bid per oz. on a 24 oz. bottle, bidder would have packaging advantage.)

If the vendor has corrected prices on his bid and failed to initial, obtain written verification to confirm the bidder made the correction.

Review all bids for completion, signature, and responsiveness to the solicitation. It is in the State's best interest to utilize all bids that can be interpreted to be within the guidelines.

Do not take a bid apart and rearrange with information received after the bid opening. After your review, the bid is to be put in the order it was received from the bid room with the envelope attached. Any information received from the bidder after the bid opening should be placed <u>behind the bid envelope</u>. This will help identify the order of receipt of bid related information.

Calculate all applicable preferences and cash discounts and note on the tabulation.

> **In-State Preference** – Quoting La. R.S. 39:1604.1 (also referred to as "reciprocal preference")
> "A. In the awarding of contracts by any public entity, except contracts for the construction, maintenance, or repair of highways and streets, and contracts financed in whole or in part by contributions or loans from any agency of the United States government, <u>where both in-state and out-of-state vendors are bidding, in-state vendors shall be given a preference in the same manner that any of the out-of-state vendors would be given on a comparative bid in their own state.</u> If one party to the joint venture is qualified under this Section as a vendor domiciled in Louisiana, this qualification shall extend to all parties to the joint venture. For the purpose

of this Section, a foreign corporation which was qualified to do business in the State of Louisiana in the manner required by law more than six (6) months prior to the advertising of bids on a contract shall be considered to be a vendor domiciled in the State of Louisiana for the purpose of awarding the contract.

B. For purposes of determination of the lowest responsible bidder, when letting contracts where bids are received from in-state vendors and out-of-state vendors, local sales and use taxes shall be excluded from the bid.

C. The provisions and requirements of this Section shall not be waived by any public entity".

Mathematical application of reciprocal preferences

Reciprocal preferences should be calculated by adding the percentage allowed by the out-of-state bidder to his bid. Example: Suppose we receive bids from a State with a 5% preference (Company A), another State with a 3% preference (Company B) and a Louisiana company (Company C).

Company A		Company B		Company C	
Out-of-state with		Out-of-state with		Louisiana Company	
5% Preference		3% Preference			
bid	$2495.00	bid	$2475.00	bid	$2500.00
+5%	124.75	+3%	74.25		
	2619.75		2549.25		$2500.00

The bids would line up in the order of lowest to highest pricing with Louisiana first, Company B second and Company A third. State by State reciprocal preferences may be obtained from the following website: http://www.oregon.gov/das/Procurement/pages/Recippref.aspx.

Produced, manufactured, assembled, grown, or harvested preference – (La. R.S. 39:1604) Most solicitations for goods (not services) include the La. Product preference. Did vendor claim?

Additional preferences apply to products produced, manufactured, assembled, grown, processed or harvested in Louisiana; awarding contracts for certain services; goods manufactured, or services performed by sheltered workshops; products produced, grown, or harvested in Louisiana; goods manufactured, or services performed, by sheltered workshops; and steel rolled in Louisiana. See La. R.S. 39:1604 if applicable.

Mathematical Application of Preferences (other than reciprocal)

The preference percentage should be added to the lowest responsive and responsible bid price to determine if the bidder claiming the preference is within the percentage range specified.

Example:	Bidder A	Bidder B	Bidder C
	$1200.00	$1275.00	$1332.00 with 10% preference

Figured correctly: Add 10% to 1200 = $1320.00

The preference bid does not get the award because $1332 is not within the $1200-1320 range.

If figured **in**correctly: $1332.00 less 10% = $1198.80.

The preference would cause the wrong bidder to get the award because the price would exceed ten percent (10%) of the otherwise lowest responsive and responsible bidder.

Review other applicable preferences.

Cash discounts are calculated by subtracting the discount offered from the bidder's price. The first section, paragraph 2 of the LaGov bid form to be completed by the vendor invites the vendor to indicate if they are offering a cash discount for prompt payment if payment is made within thirty (30) days. Cash discounts for less than thirty (30) days or less than one percent (1%) will be accepted, but will not be considered in determining awards. On indefinite quantity term contracts, cash discounts will be accepted and taken but will not be considered in determining awards regardless of amount.

Once you have determined the lowest bidder, **review** the **bid for responsiveness** to the solicitation Instruction to Bidders, Standard Terms and Conditions, Special Terms and Conditions, and compliance with the bid specifications. We suggest that a telephone log be maintained in the file to document your conversations with bidders and end users as you go through the bid and evaluation process.

Instruction to Bidders

- Is the price quoted **F.O.B. destination**? See detailed explanation at the end of this section if you are not certain of F.O.B. terminology. If only one (1) bid is received and the bidder will not agree to F.O.B. agency, an agency may accept this condition if their internal procedures allow. Note the tabulation.

- Is the **bid** manually **signed** in ink? If the bid cover sheet contains no signature, but bid contains evidence of the bidder's intent to be bound, it may be accepted. For instance, did the bidder sign elsewhere in the bid document, etc.? Each case should be reviewed on an individual basis.

- Did bidder submit a **bid bond** if applicable? If a **performance bond** is required, obtain before awarding.

Standard Terms and Conditions

- Is bid submitted on the **State's forms**?

- Are **freight charges** included in bid price or defined in the bid so that the delivered price can be calculated on each item? If only one bid is received and the bidder has indicated shipping charges are not included, have bidder define shipping charges in writing and add separate line for

freight to the purchase order along with a note "Prepay shipping charge and add to invoice. Copy of freight bill must accompany invoice".

- Is **delivery** longer than desired? Discuss with requisitioner.

- Did **bidder** include his own **terms and conditions** that may conflict with the State of Louisiana? (Example: Contract shall be governed by the laws of any State other than Louisiana. This is not acceptable if there are other acceptable bids. If it is the only bidder, vendor may be given an opportunity to withdraw his terms and conditions.)

- Did bidder include any other clauses that might eliminate his bid from consideration? (Example: Bidder indicates an unacceptable minimum order on an open ended estimated use contract/purchase order)

Special Terms and Conditions

- Review all requirements. (Example: Did bidder visit job site if this was a mandatory requirement?)

Review Product or Service Specifications

- Is the product or service in **substantial compliance** with the specifications?

- Did the vendor include **descriptive literature** with his bid to properly evaluate? If not, request after bid opening date. Do not mandate with bid. If additional information is required to arrive at a conclusion, written confirmation from the manufacturer (not the sales representative) should be obtained.

- If a **sample** is required for evaluation, be reasonable with quantity requested. Usually one is sufficient to evaluate against specifications. We suggest that vendors submit samples properly labeled with the file number or solicitation number, line, brand and number. If the vendor has not provided the sample within a reasonable time, call and send a confirming email/letter stating that if the sample is not received by a specified date, his bid will be considered nonresponsive. Document the tabulation if it becomes necessary to disqualify the bid.

- Request for **additional literature or samples** should be stated similar to this:
  "I am unable to evaluate your bid based on the literature submitted (or without a sample). Please provide additional literature (or sample) to confirm that you have complied with our specifications. Receipt of this information is required by _____(date). Should this information not be received as requested, your bid will be deemed non responsive."

Clarification of brand and model number

- If the solicitation specifies a brand and number or equal, and the bidder did not indicate the brand and number in the space provided on the solicitation form or elsewhere in his bid response or on enclosed literature, the bidder cannot bid an alternate brand and number. However, you may clarify with the bidder that he is providing the specified brand and number. You may want the vendor to clarify in writing.

- If item is a custom built item, clarify with the bidder that he is taking no exceptions to the specifications.

- If any type of clarification is necessary on any file processed by the Office of State Procurement, generally it is recommended that all such clarifications be handled by the Office of State Procurement; however, agency assistance may be required when technical equipment is involved.

- If it is determined that an item does not meet specifications during conversation(s) with the vendor and agency, **document the tabulation** with person's name, date and time along with the comment.

- On technical specifications that invited vendor yes/no responses, it is the Purchasing Officer's responsibility to review the literature and determine specification compliance and validity of bidder's responses.

- If an **alternate brand** is to be awarded, you may need to evaluate samples or see a demonstration.

If there is a **tie bid**, refer to the Purchasing Rules and Regulations – Louisiana Administrative Code, Title 34, Part V, Section 329 (or Section 20 of this handbook.)

Review Purchasing Rules and Regulations – Louisiana Administrative Code, Title 34, Part V, Section 331.F and **determine if fewer awards can be made** on solicitations with multiple items.

If an **agency wants to review** the bids solicited by the Office of State Procurement, the Office of State Procurement must perform a preliminary review before sending copies. The Office of State Procurement will indicate their findings to the agency on a transmittal cover and provide a recommendation. Certain commodities require additional technical review.

If the file is being processed by the Office of State Procurement, the Purchasing Officer will carefully review agency responses to determine that specifications contain all criteria used to disqualify a bid and verify information with disqualified bidder(s) if literature does not indicate. Select only the pertinent information to document the tabulation rather than indicate "see attached letter" since some language from the end user may not be appropriate for disqualifying a bid.

Bids cannot be awarded to low bidders that are not responsive and not in substantial compliance with the bid specifications even if the agency believes the product is acceptable. See Purchasing Rules and Regulations – Louisiana Administrative Code, Title 34, Part V, Section 327. The agency may cancel (or request the Office of State Procurement to cancel) the solicitation and revise the specifications for rebid if their needs have changed.

Do not write on vendor's original bid unless marking for an award in red, green or color other than blue or black ink. Make a copy to make notes, or use colored pencils if needed.

Do not sign a bidder's preprinted document. You may be committing to another State's laws or unacceptable terms and conditions.

Tabulation sheets must clearly and accurately reflect the awarded bids and rejected bids. Rejected bids must be fully documented on the tabulation or attached to the bid worksheet with the reason(s) for rejection. (NAS" for "Not as Specified" is not, by itself, acceptable documentation. **Correction tape** should not be used on the tabulation sheet. See Purchasing Rules and Regulations – Louisiana Administrative Code, Title 34, Part V, Section 333.

Your final review should include:

1) Was file advertised and posted to LaPAC if required (proof is to be included in the file)?
2) Is file well documented for all actions taken?
3) Did the successful bidder include all documents requested in the solicitation including acknowledgement of any addenda you may have issued (or some indication of bidder's intent to comply with changes)?
4) Budget Office approval (on rentals and leases) if over $50,000

Note: If an **insurance certificate** is required, the certificate should be made out to the agency with the agency address with a copy remaining in the file.

File is to be put in order

IMPORTANT – If for any reason, it is suspected that the file has the potential of a protest, the file should be discussed with the supervisor or the Office of State Procurement before releasing a purchase order.

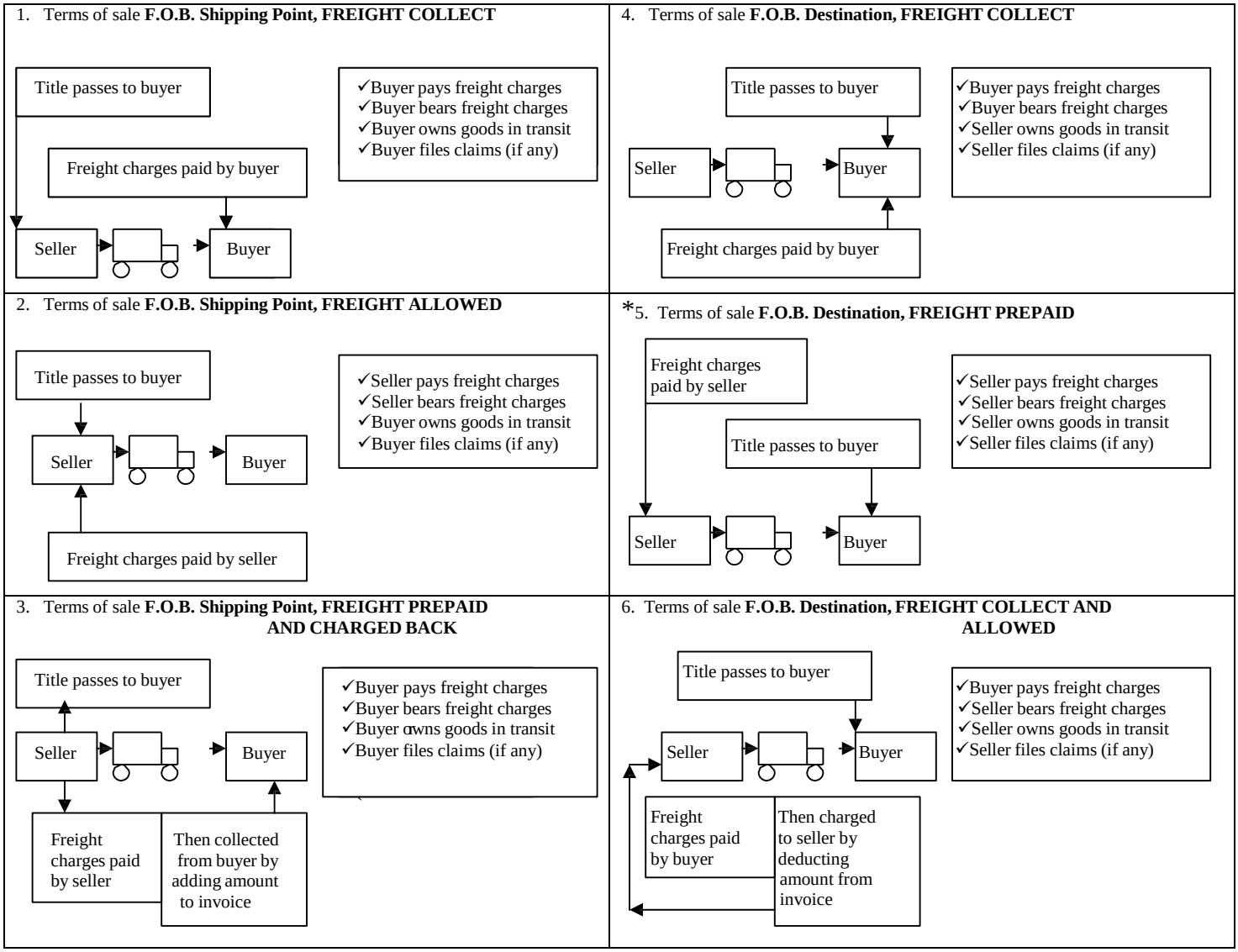
If file cannot be awarded, cancel the solicitation. A notice of cancellation must be sent to all responding bidders if the amount equals or exceeds the "Small Purchases Executive Order". See Section No. 21 on Solicitation Cancellation in this handbook.

Checklist for Bid Review and Award

____ All item prices calculated to a common denominator
____ Obvious mistakes clarified and corrected
____ Bids are signed or contain evidence of intent to be bound
____ All preferences calculated (if applicable)
____ Cash discounts calculated (if applicable)
____ Bidder accepted the State's terms and conditions and did not include his terms and conditions that are contradictory to the State's
____ Bid bond included (if applicable)
____ Performance bond requested and received (if applicable)
____ Bid is on the State's bid form
____ Freight charges are included or appropriately addressed
____ Bid is not conditioned
____ Delivery meets specification or is acceptable
____ Bidder visited job site (if applicable)
____ Product or service is in substantial compliance with specifications
____ Tabulation is properly documented
____ Tie bid is addressed
____ Group or all-or-none award considered to save cost of additional purchase order (in best interest of State and in accordance with the Purchasing Rules and Regulations)
____ File was advertised and posted to LaPAC (if applicable)
____ Obtain insurance certificates, etc. (if applicable)

F.O.B. Terminology

Knowledge of these terms can reduce freight charges and clarify who is responsible for loss and damage occurring in transit. Below is a graphic explanation of terms of sale defining who pays freight charges and when title passes to the buyer for six 6) commonly used freight terms:



***Most commonly used. All solicitations are to invite delivered prices.**

Section 20 - Tie Bids

Review Purchasing Rules and Regulations – Louisiana Administrative Code, Title 34, Part V,

- Section 329 – Tie Bids
- Chapter 23 - Reporting of Suspected Collusive Bidding or Negotiations (if applicable)

Copies of tie bids in excess of $10,000 are sent to the Attorney General's office by letter with attachments. Sample language:

> "In accordance with La. R.S. 39:1581 and LAC 34:V.2305, we are reporting a tile bid on File No. _____. Attached are copies of the tie bids. The tie was broken in favor of the Louisiana bidder (*or indicate other reasoning).*"

Section 21 - Cancellation of Solicitation/RFx

Review Purchasing Rules and Regulations – Louisiana Administrative Code, Title 34, Part V, Chapter 13, Section 1301-1311

When a valid reason exists, it may become necessary to cancel a solicitation – some of the reasons are outlined in Section 1307 of the Purchasing Rules and Regulations. Due diligence should be exercised after bid prices are exposed before canceling a solicitation. If the solicitation is canceled prior to the bid opening, all solicited vendors are sent a copy of the cancellation. The cancellation is issued in LaGov on the RFx. The Notice of Cancellation shall identify the solicitation, explain the reason for the cancellation and where appropriate, explain that an opportunity will be given to compete on any re-solicitation. Reasons for cancellation shall be made a part of the procurement file and available for public inspection.

If a solicitation must be canceled after the bid opening, only the responding bidders must be notified of the cancellation and only if the amount equals or exceeds the Small Purchases Executive Order. The cancellation can be done with a letter. If the cancellation letter is utilized, the file should be noted who received the cancellation notice and the date mailed. If the cancellation notice is issued in LaGov, the cancellation notices generated by LaGov to those vendors that did not bid will be discarded. The cancellation should be signed/approved in accordance with agency policy/delegation.

Consult LaGov process manual for canceling an RFx /solicitation.

After issuing the cancellation and if you do not intend to rebid, the requisition/shopping cart must be cancelled to return the pre-encumbrance to the agency.

A copy of the cancellation notice is to remain in the file. Suggested language is:

> "Your reference is directed to File No. _____ Solicitation No. _____ for _____ (project) which is scheduled to open at 10:00 a.m. on _____(date) for _____(agency).

This solicitation is cancelled in its entirety.

This is official notice that the referenced solicitation has been cancelled due to __(valid reason) _____.

It has been determined to be in the best interest of the State to cancel this solicitation at this time.

If appropriate, add:

A new solicitation will be issued in the near future and all prospective vendors will be given the opportunity to compete at that time.

When cancelling a solicitation in LaGov, refer to the help scripts on cancelling a solicitation in SRM and LaPAC and Rebid of an RFx (if applicable).

REBID - The solicitation is cancelled via addendum if the amount exceeds the Small Purchases Executive Order. The rebid must include all bidders initially solicited. LaGov users should refer to Rebid of an RFx help script.

Rebid after cancellation of entire solicitation – Create a follow-on RFx in LaGov.

Rebid after partial award - Create a follow-on RFx with the lines not awarded in SRM.

Section 22 - Purchase Orders

Prepare the file for purchase order(s) after award (obtain approval if required by internal agency procedures). Purchasing Officers reviewing bids are not to mark original bids with blue or black ink as this could be interpreted to have been placed there by the bidder. Any markings by the Purchasing Officer should be clearly identified as such. It is suggested that a copy be made if marking is necessary. The Office of State Procurement uses red and green pencils/pens to mark bids for purchase order issues. Green indicates information to be included on the purchase order and red eliminates information you do not want to appear on the purchase order.

For information in awarding a purchase order in LaGov, refer to the help scrip "Compare, Evaluate and Award an RFx".

Some purchase orders require an overnight process before the hard copy can be printed.

Purchase orders are reviewed, signed, mailed to vendors, copies distributed in accordance with internal procedures, and filed in a central location.

Next fiscal year purchase orders – If purchase orders are released prior to an upcoming fiscal year, the purchase order is to include a fiscal funding clause ("This order will be paid with new FY funds, if appropriated by the legislature. Delivery cannot be made prior to July 1.") A future year shopping cart needs to be created in SRM for these purchase orders. State Agencies are responsible for advising the

Office of State Procurement if next fiscal year purchase orders are to be held pending budget approval by noting each requisition/shopping cart accordingly. Unless otherwise instructed by an agency, all orders generated by the Office of State Procurement will be released upon issuance.

Section 23 - Change Orders

Review Purchasing Rules and Regulations – Louisiana Administrative Code, Title 34, Part V, Section 331.D

Change orders may be necessary after purchase orders are issued to the successful bidder(s). If the agency requests the change order, they will prepare the change order, encumber the funds, list the Office of State Procurement Purchasing Officer and hit "order". Regardless if a system approval is built or not, it will print at the Office of State Procurement where the appropriate buyer will review the original order to determine if the change is in order. The original will be signed by the Office of State Procurement and mailed to the vendor, a copy will be mailed to the agency and a copy will be placed in the file. The change order is not considered valid unless and until the signed copy of change is received. The Office of State Procurement will not be involved if they were not the purchasing agency unless the change order triggers an approval.

Reasons for changes should be clear and concise. The Purchasing Officer's review should determine if the change is allowable and within the scope of the solicitation.

The reason for the change order needs to be noted on the change order under "Internal Note." Examples of the most common types of change orders processed by this office follow:

Increase – The quantities are estimated on the purchase order and the solicitation and purchase order included an increase/decrease clause. After the agency exhausts the entire estimated quantity on the purchase order, an increase may be needed to meet agency requirements through the end of the contract period. A change order must be issued to notify the contractor and allow for payment. If this is the case, the agency will prepare the change, encumber and the change will either print out at the Office of State Procurement or build an approval. It is the agency's responsibility to submit the request (usually from the Agency Purchasing Officer) indicating the exact quantity requested on the increase. Agencies must send a written justification for substantial quantity increases.

Decrease - The quantities are estimated on the purchase order and the solicitation and purchase order included an increase/decrease clause. The agency may determine that no additional quantities are needed for the remainder of the contract period or they want to decrease over estimated quantities to unencumber funds. It is appropriate to place a courtesy call to the vendor and obtain his permission if the change order will cancel entire balance. (If the purchase order has the potential to be renewed the following fiscal year, the change order should include language to allow this. Example: This change order is issued to unencumber funds only.)

Note: Change orders for Increases or Decreases on orders that do not contain an

increase/decrease clause cannot be processed if the variance is greater than ten percent (10%) (LAC 34.V.331.D). Agencies should return over shipments to the vendor unless specifically addressed in the purchase order or by nature of the commodity or industry.

Cancel entire purchase order – Different circumstances precipitate the need to cancel the entire purchase order. If an agency requests to cancel the entire order on a one time buy, this cannot be done without the written permission of the vendor. Purchase orders are legal and binding agreements for both parties.

Cancel purchase order line – Same as above

Administrative (ADM) – The purchase order inadvertently failed to include all necessary information and clauses, contained incorrect information, or the product number needs to be changed (product substitution must have Director of State Procurement approval or agency authority if purchase order is issued by the agency).

Be sure that the Internal Note description is detailed enough for everyone to understand the change and the reason for the change. (Example: This change order is issued to decrease the quantity on Item 1 from 12 each to 10 each per user request and vendor acceptance.)

If the change order requires approval, detail your comments, indicate % of increase (if applicable) and provide your recommendation to your supervisor. Acquire approval signature (if required), and mail.

If issuing a change order in LaGov, refer to the help scripts.

All documentation and a copy of the change order are to remain in the file.

A change order cannot be issued if final payment has been processed.

Change orders for labor and materials jobs must have written justification from the agency (with concurrence from the architect if applicable) and proposals from the vendor. Change orders for labor and materials are submitted to the Office of State Procurement for approval with the Purchasing Officer's recommendation. Change orders must be approved prior to beginning work.

Section 24 - Assignment of Contract/Proceeds

Review Purchasing Rules and Regulations – Louisiana Administrative Code, Title 34, Part V, Section 337

There are various reasons that may require an assignment of contract – company mergers, buy-outs, and corporate name changes or an assignment of proceeds.

All requests for assignments must be on company letterhead from an authorized person and should be forwarded to the Office of State Procurement for processing.

When purchase orders are assigned, the outstanding balance must be paid to the newly assigned vendor. The Office of State Procurement will complete a Contract Novation. It is processed under the contract

management tab by those authorized to process assignments.

A copy of the assignment is to be placed in each affected file.

Section 25 - Deficiency/Complaints

Agencies may develop problems related to late or no delivery, inferior merchandise, product substitution, etc. and are encouraged to address the problem with the vendor. If an agency is unable to resolve the problem, they may request assistance from the Office of State Procurement. Complete a deficiency/complaint form documenting the events that have taken place and forward to the Office of State Procurement. The form can be accessed and submitted directly to the Office of State Procurement on their website under "Online Forms". The Office of State Procurement assigns a tracking number to all deficiency/complaints with follow up procedures in place. Letters are written to the vendor requesting corrective action and his written response within a given time. A copy of the vendor's response is sent to the agency for comment and the logged complaint is not closed until the agency is satisfied with the resolution.

If an agency handles the complaint within their authority, it is suggested that the contractor be called to discuss the problem and follow up in writing with a copy to the Office of State Procurement. Follow up with contractor until the problem is resolved or contact the Office of State Procurement for assistance.

A copy of the complaint and all related correspondence should be placed in the vendor file and the affected file.

If used correctly, the deficiency/complaint report can effect better vendor performance, improved contracts and increased customer satisfaction. Agencies are encouraged to document and report all poor or deficient performance. End users need to understand the importance of ongoing documentation and reporting and not wait until it is time to award a new contract to decide that the product does not meet their needs. It is impossible for the contract manager to improve specifications or disqualify products that meet specifications without previous documentation.

Section 26 - Late Payment

Review La. R.S. 39:1695, with La. R.S. 13:4202 replacing Civil Code Act 2924(B)(3) – Late payment to business; penalty paid by State Agency

Late payment complaints from vendors should be investigated internally and responses provided to the vendors. A history of poor payment may result in a vendor placing an agency on C.O.D. or refusing to ship. However, if your agency payments are current, vendor cannot refuse to ship.

Often vendors write to the Office of State Procurement for assistance in resolving the problem. If contacted for this reason, the Office of State Procurement will assist the vendor in obtaining payment.

Section 27 - Sole Source and Proprietary

- Review Purchasing Rules and Regulations - Louisiana Administrative Code, Title 34, Part V, Section 109, 901, 905 and 907
- Review La. R.S. 39:1655 – Maximum Practicable Competition (proprietary specifications) and La. R.S. 39:1597 – Sole Source Procurements

Sole Source

A sole source purchase is permissible only if a requirement is available from a single supplier. This means the requirement is sold only by a single supplier which is usually the manufacturer. If the requirement is manufactured by a single supplier but is sold through multiple distributors, then it is not a sole source purchase – it is a proprietary purchase. Agencies must forward their justification and a declaration of sole source letter from the vendor if the purchase will be processed at the Office of State Procurement. The same documentation is required if the agency processes the file.

The agency justification letter is to be approved by the Chief Procurement Officer or designee or the head of a purchasing agency (other approvals may be applicable depending on the agency or commodity). The agency's justification must state exact item(s) they are seeking to purchase as a sole source, why no other product will be suitable or acceptable to meet their needs, and that Company X is the only known source.

Exercise caution in requesting sole source approval for multiple item requisitions that contain peripheral and supply items (monitors, printing paper, etc.) that may not be manufactured by the sole source vendor.

The vendor letter should be on letterhead from the national marketing representative (if applicable) and not a sales representative. The letter should state the unique or compatibility characteristics of the product that he is the only known source for the particular product that he does not sell through distributors, and a firm price quote. In a sole source situation, obtain the published price list or a signed and notarized typed listing of manufacturer's prices to determine that the State is getting a fair price--preferably less than but no higher than list price.

Other conditions for sole source are where compatibility (with existing equipment such as interface requirements, connections, etc.) is the paramount consideration, where a sole supplier's item is needed for trial use or testing, procurement of items for resale, procurement of public utility services, registered breeding stock on a selective basis and other livestock on a selective basis with special approvals. This type of sole source should also be documented and contain appropriate approvals.

An annual report of all agency sole source purchases from the previous fiscal year must be reported to the legislature. Submit your report to the Office of State Procurement for preparation of the statewide report in accordance with the rules and regulations. The report shall list:

- Each contractor's name;
- The amount and type of each contract;
- A listing of the supplies, services, or major repairs procured under each contract; and
- The identification number of each contract file

Proprietary

A proprietary purchase is similar in that a certain unique product is the only one that will meet the needs of the agency, but the manufacturer has chosen to distribute his product through more than one source. The same letter from the agency is required as mentioned in the sole source justification above except that it will be for a proprietary purchase.

Bids must be solicited for proprietary purchases.

Approved proprietary purchases must be declared in the solicitation. Example: "This solicitation has been approved as a proprietary purchase and only bidders meeting these exact specifications/brand will be considered for an award."

Sole Source and Proprietary files should not be renewed without first obtaining new letters from the vendor and agency to confirm that justifications are still valid and vendor declarations and marketing strategy remain the same.

All sole source and proprietary procurements that do not contain the Chief Procurement Officer's signature must state that approval is in accordance with the delegation of authority provided by (PTN-01, written delegation, or applicable authorizing document).

Agencies are to follow the same procedures within their delegated purchasing authority.

Sole Source Checklist

Agency Requirements

Letter signed by the Chief Procurement Officer or the head of a purchasing agency (if agency is exempt from the Office of State Procurement or a non-exempt agency when purchase is within their DPA) on letterhead to include:

____ Justification/explanation of why specific product/service/repair is the only one that will meet their need. What qualities or features make it unique to meet their need? Is the uniqueness substantially related to the intended purpose, use and/or performance?

____ Agency must show that other similar goods or services cannot perform the desired objectives. What other manufacturers did they investigate and why they don't meet their need.

____ Statement that the sole provider is the only known source.

Vendor Requirements

Letter from the sole source vendor on signed letterhead. This should be from the national marketing representative (not a salesman). Letter is to include:

____ Firm price quote

____ Statement that they are the only known supplier of the product/service/repair

____ Statement that they do not sell this product(s) through distributors

____ Provide a published price list or signed & notarized typed listing of manufacturer's prices

Purchasing Officer

____ Does the procurement satisfy all requirements in La. R.S. 39:1597 and L.A.C. 34:V.901-907?

____ Determine if all of the above information from Agency and Vendor has been provided.

____ Determine that price is fair. Agency may negotiate in a sole source procurement. The State should not pay full list price on a sole source procurement. At least ask for a discount.

____ Do independent research before making a recommendation. Does the internet support the single supplier statement and uniqueness of the product? Review any journals or product information available. If not found to differ, approval should be based on agency representation.

____ If appropriate, research statutes specific to the product or service or agency.

If there is a reason to doubt that it is a sole source, the purchase is to be bid.

Section 28 - Trade-in of Used Equipment

If the solicitation will include trade-in of an existing piece of equipment, indicate the brand, model, age, serial number (if available), award language and the location where equipment can be inspected. [Example: Less trade-in of ABC Widget, Model 12, Serial No. 1111. The State reserves the right to purchase the equipment with or without the trade-in based on the best interest of the State. Equipment can be inspected at (indicate address and exact location). For an appointment, contact (person) at (telephone number).]

Louisiana Property Assistance Agency requirements must be met. Normally the agency obtains an approved BF-11 from Louisiana Property Assistance Agency after bids open. The Purchasing Agency must have a copy of the approved BF-11 before releasing the purchase order. (Procedures differ for Information Technology equipment.)

On large equipment, the solicitation should indicate who is responsible for removal of old equipment in the event the trade-in offer is not accepted. Create a separate line item for the trade-in since award will be optional.

Example of trade-in language follows:

Trade-in allowance option:

This ITB/RFx solicits bids for the purchase of new equipment with a trade-in allowance for existing equipment. Quoted trade-in allowances may be a factor considered in the award. The State of Louisiana reserves the right to accept or reject trade-in offers as deemed to be in the best interest of the State and approved by the La. Property Assistance Agency.

Quote allowance offered for the following equipment for trade-in. Equipment is offered "as is, where is".

Type of Equipment: _____
Brand of Equipment: _____
Model Number: _____

Trade-in equipment is located:
Agency: _____
Street Address: _____ Room: _____
City: _____

To schedule an appointment to inspect the equipment:
Contact person: _____
Phone Number: _____

Section 29 - Rentals and Leases

Rentals are normally for short-term monthly needs and leases are for long-term needs. Before submitting requisitions/shopping cart to the Office of State Procurement for bidding long-term rentals/leases, provide a written explanation of why a rental/lease is more advantageous than a purchase. Maintain in the file or forward to the Office of State Procurement if they will be processing the purchase. Generally, rentals are considered when an agency does not want to acquire ownership for justifiable reasons such as equipment with rapidly changing technology (less than three (3) years).

If the only reason an agency is considering rentals or leases is because funds for a purchase are not available, they may want to consider an installment or financed purchase. Contact the Finance Program Manager at the Office of State Procurement to determine if funds are available through finance agreements to avoid the high cost of rentals and leases. Agencies can use their rental moneys for financed purchases.

Rentals and leases should clearly define the period of coverage – beginning and ending dates.

The vendor typically provides maintenance and title does not pass.

If the agency requests a buy-out clause on a lease and intends to exercise the buy-out, the solicitation/RFx should state that only new equipment is acceptable. The purchase price and the buy-out price is to be established at the time the lease is bid and is to invite pricing for an established time period i.e. at the end of each given month or each fiscal year (if the lease has renewal potential).

Section 30 - Financed Purchases

If an agency requires financing for any movable equipment through the finance program offered through the Office of State Procurement, i.e. Louisiana Equipment Acquisition Fund (LEAF), the bid process associated with the actual purchase of the equipment must be handled by the Office of State Procurement.

Agencies should contact the Finance Program Manager at the Office of State Procurement prior to submitting requisitions or contract purchase orders (if contract item) to determine if the equipment meets the established guidelines for financing and if funds are available. If approved, the agency can proceed with submitting requisitions or contract purchase orders and the appropriate finance documents. A purchase order will be issued if the Office of State Procurement solicits the bids. The Finance Program Manager must approve any amount that exceeds estimated cost.

When processed in LaGov, an adhoc approver should be built after the RFx is published. Refer to help scripts.

Copies of any changes or cancellations on LEAF financed files must be sent to the Finance Program Manager at the Office of State Procurement.

Agencies may use their rental money for financed purchases instead of their equipment money.

Ownership on leased equipment remains with the agency and not the financing vendor.

Section 31 - Emergencies

Review Purchasing Rules and Regulations - Louisiana Administrative Code, Title 34, Part V, Chapter 11

Any State Agency may make emergency procurement of up to $5,000 when an emergency condition arises and the need cannot be met through normal procurement methods, provided that whenever practical, approval by the Chief Procurement Officer shall be obtained prior to the procurement. Prior to all such emergency procurement of $5,000 or more, the Chief Procurement Officer, head of a State Agency, or either officer's designee shall approve the procurement. Prior approval should be obtained whenever practicable or by next business day when time does not permit. Email requests should be submitted if time permits, and file must contain adequate justification for the emergency.

If an agency has an emergency situation and the purchase exceeds $5,000 or the agency's authority (if below $5,000), the Office of Procurement must be contacted for approval. Upon approval, the Office of State Procurement will assign an approval number which should be noted on any approvals that build or any confirmation documents submitted for review. If telephone approval is given, complete justification for emergency requests must be submitted in writing prior to approval. Approval file should indicate person that authorized approval, date, and approval number if provided.

Agency requests for emergency bid or short bid (less than twenty-one (21) days) must be accompanied by a written justification if the Office of State Procurement is processing the file.

A secure location should be established to place all emergency faxed bids until bid closing to ensure integrity of the bids and that all bids are given to the Purchasing Officer handling the file.

An annual report of all agency emergency purchases from the previous fiscal year must be reported to the legislature. Submit your report to the Office of State Procurement for preparation of the statewide report in accordance with the rules and regulations. The report shall list:

- Each Contractor's name;
- The amount and type of each contract;
- A listing of the supplies, services, or major repairs procured under each contract; and
- The identification number of each contract file

Checklist for Emergency Purchase

____ Does an emergency situation exist?
____ Conforms to definition in La. R.S. 39:1598?
____ Does the situation create an immediate need for the supplies or services?
____ What is the dollar value of the purchase? ($5,000 or more requires prior approval, when time permits)
____ Purchase is within delegated authority, less than $5000, or approval obtained from the Office of State Procurement
____ Has the Chief Procurement Officer, head of State Agency, or either officer's designee proclaimed the situation to be an emergency?
____ Has the Chief Procurement Officer, head of State Agency, or either officer's designee approved the purchase outside of normal procurement methods?
____ Would normal procurement methods threaten the functioning of government, preservation of property, or health or safety of any person?
____ Written justification explaining nature of emergency provided?
____ Effort made to obtain quotes (if delegated the purchase)?
____ Does time permit bidding of any type (fax, phone)?
____ Has the vendor submitted a quote/bid? Are the terms of the bid acceptable?
____ If not already obtained, has the vendor been notified to follow up with a written quote?
____ Is the quantity requested limited to only that necessary to meet the emergency?
____ What is it that is being requested? (complete description of the item)
____ When does delivery need to be made?
____ Are installation and/or training required?
____ Contact person and phone number at agency?
____ Is there a requisition or purchase order number?

Section 32 - Fax Quotations

When soliciting fax quotations for emergency purchases or for price quotations for values >$5000 but not exceeding $15,000 all quotations should follow the procedures relative to specifications found in LAC 34:V.309. Purchases exceeding $15,000 but not exceeding $25,000 shall follow the procedures relative to specifications found in LAC 34:V.309.

The solicitation should be issued with an opening date no earlier than one (1) working day after issuance for values >$5000 but not exceeding $15,000 or five (5) working days after issuance for values >$15,000 but not exceeding $25,000. The quotation opening time should be 2 p.m. Only those quotations time-stamped, either by hand or marked by the receiving fax machines prior to the opening date and time will be accepted.

All fax quotation solicitations should be posted to LaPAC. If the fax quotation solicitation is not posted to LaPAC, the minimum procedure of Section 4 of the Small Purchases Executive Order shall be followed.

It is suggested that faxed quotation responses be maintained in a secure designated location or by a designated individual to ensure integrity of the quotations and that all responses are centrally located and available for the Purchasing Officer.

Section 33 - Approvals and Review Files

Most review files will be processed through LaGov. Approvals are built in the system on certain types of files that require special approvals, files that exceed an agency's delegated purchasing authority, and change orders issued by the agency if the original purchase order exceeded the delegated authority or it causes the new amount to exceed the delegated amount. The Chief Procurement Officer or designee must approve purchases in excess of delegated authority.

For LaGov files, the Purchasing Officer is to inquire in their Work Overview to determine approvals waiting. This screen should be monitored daily for pending documents that need action. Agencies should call when an emergency approval or attention to an older pending approval is required. Agencies should review the approval note in SRM periodically for any notations made by the reviewer. Always "refresh" to be sure you are looking at the most current information.

Approvals will be based on the agency's representation.

If LaGov fails to build an approval when a purchase is over the agency's delegated authority or if an agency bids a file believing it was within their delegated authority and all bids came in over their authority, they are responsible for obtaining the Office of State Procurement's approval. Agency bids that exceed their delegated authority can only be approved by the Director of State Procurement unless prior approval was granted.

LaGov should build an approval. Copies of all bids, list of solicited vendors, tabulation of bids, and any other appropriate documentation should be forwarded to the Office of State Procurement for review and

should be attachments in LaGov on the Shopping Cart or Purchase Order.

Once approved, the agency is responsible for reviewing the Office of State Procurement's Approval Note record for approval contingencies and ensuring such is satisfied and documented in the agency file.

Section 34 – Requisition/Shopping Cart Renewals

Review Purchasing Rules and Regulations - Louisiana Administrative Code, Title 34, Part V,

- Section 2101 Rules and Regulations – Contract Provisions
- Section 2103 Rules and Regulations – Exercise of Option

All renewals must be more advantageous to the State than a resolicitation and agreed upon by both parties – the State and the Contractor(s).

When the Office of State Procurement bids a file on behalf of an agency, all subsequent renewals are processed by the Office of State Procurement. Agencies may secure the renewal acceptance from the vendor, but must forward a new requisition for purchase order issuance. (Agencies should **not** issue the purchase order under their purchasing agency number and let the order build an approval to the Office of State Procurement.)

The Purchasing Officer must research market conditions and trends and review the file before exercising renewal options. Review of the file by the processing agency should include the following:

> Contract period – initial award and all subsequent renewals cannot extend beyond thirty-six (36) months (or sixty (60) months if processed with prior approval) without a valid emergency reason and only with Director of State Procurement approval. Renewals are for specified periods not to exceed twelve (12) months and are normally based on the fiscal year.
>
> Did the bid contain a renewal clause? It is customary to add a renewal clause to the solicitation when applicable for term contracts under standard terms and conditions.
>
> Have renewal quantities changed substantially to warrant a rebid for better pricing? Review LaGov for actual usage and change order(s) in the file – were multiple change orders issued increasing quantities where a rebid might be advantageous? Check with vendor to determine where price breaks generally occur.
>
> If quantities have substantially decreased, let the vendor know in the renewal request letter. Perhaps a copy of the new requisition indicating quantities could be attached to the letter with a brief comment in the letter.
>
> Will the renewal $ amount create the need for advertisement if the original bid file was less than the advertisement threshold? Consider advertisement requirements on initial quantities and anticipated renewal quantities.
>
> Do terms and conditions or specifications need to be altered?

Has vendor performance been satisfactory? Were there any delivery or quality problems in the previous year?

Do market conditions support a renewal? Review CPI, PPI, or other recognized index appropriate to the commodity. Provide comment in renewal file.

Were any of the bids rejected on technicalities?

Was the file involved in a protest?

Were any problems with the solicitation or award discovered after the award?

Bid rejection on technicalities or previously protested files should be discussed with management if renewal is recommended.

One time buys cannot be renewed.

Renewals should be processed timely so that purchase orders are in place prior to the expiration date on the purchase order to prevent any lapse in service. Consideration should be given to the fact that the vendor may not renew.

Late renewals may be considered if the agency can provide a statement that there has been no break in service (purchases have not been made from another source in the interim or the incumbent vendor continued to provide service). Renewals should indicate sequential contract periods without a break in coverage. Renewals cannot be processed if a year of renewal was skipped.

If your review supports a renewal, send renewal request letter to the current contractor(s). Language must not commit the State and should read as a consideration only. If the Office of State Procurement is the procurement agency, they will send the renewal letter. If the agency chooses to send renewal letters on files handled by the Office of State Procurement, the letter should be worded appropriately beginning with "The Purchasing Section of <*your agency*> is **considering** exercising its option to renew…" (see sample at the end of this section).

If vendor accepts the renewal, you may issue the purchase order if within your delegation. If vendor refuses, the file must be rebid.

Agencies may use the Copy process in LaGov for renewal requisitions. The Copy button copies the agency's original requisition.

Purchase orders cannot be renewed if changes are required i.e. adding/changing items, clauses, terms and conditions, or prices unless original contract allowed for price adjustments based on language contained in the solicitation.

Renewals must reference original LaGov purchase order/file number that is being renewed.

If the renewal is for **next fiscal year**, the agency should do the future year shopping cart or purchase

order which will release when the budget is loaded. Add the clause for new fiscal year purchase orders processed during the "hold encumbrance period". It is important that the purchase order state that delivery must be on or after July 1. State agencies are responsible for advising the Office of State Procurement if next fiscal year purchase orders are to be held pending budget approval by noting each requisition accordingly. Unless otherwise instructed by an agency, all orders generated by the Office of State Procurement will be released upon issuance.

At a minimum, the file should contain the new requisition, your review, recommendation, a copy of the current market survey (P.P.I., C.P.I. or other recognized index), a copy of the vendor's signed acceptance of renewal, and a copy of the renewal purchase order.

The form that follows on the next page should help with your review. We recommend that it be placed in all renewal files. Your own form or acknowledgement in the file of your review is acceptable.

CONTRACT PERIOD TRACKING AND RENEWAL REVIEW

Original Purchase Order No. _____ File No. _____
Contract Period _____ (number of mos.) _____

First renewal Purchase Order No. _____ File No. _____
Contract Period _____ (number of mos.) _____

Second renewal Purchase Order No. _____ File No. _____
Contract Period _____ (number of mos.) _____

Final renewal Purchase Order No. _____ File No. _____
(In the event original contract period was less than 12 months)
Contract Period _____ (number of mos.) _____

CONDITIONS FOR RENEWAL:

____ CPI/PPI/other reflects _____% annual increase in cost for _____ commodity. Attach copy to this form.

____ No bid was rejected on a technicality.

____ File was not involved in a protest.

____ Original bid file was properly advertised. Renewal quantity will not exceed advertisement threshold if original bid file was not advertised.

____ No renewal quantity exceeds initial bid quantity >10% (must have increase/decrease clause for any variance). Vendor is made aware of any quantity changes or any items that are not renewed in renewal request letter.

____ Value of award requires supervisor/assistant director/other approval.

____ Bid file was open ended or contained a renewal clause.

____ Total contract period will not exceed thirty-six (36) months. >requires Director approval.

____ No complaints in file (product and delivery acceptable)

Additional Comments and Recommendations: APPROX. $ Value: $_____

_____

_____ _____
Purchasing Officer/Date Approved by Manager/Date

_____ _____
Approved by Lead Worker/Date Approved by Assistant Director/Date

_____
Approved by Director/Date

Office of State Procurement
State of Louisiana
Division of Administration

JOHN BEL EDWARDS
Governor

JAY DARDENNE
Commissioner of Administration

(Sample renewal request letter)

DATExxxxxxxxxx

xxxxxxxxxxxx

Re: xxxxxxxxxxxxxxxxxxxxxxxxxxxx

Dear xxxxxxxxxx:

The Purchasing Section of _____ (agency) is considering its option to renew the referenced contract/purchase order and wishes to know if you would offer to renew this agreement at the original terms, conditions, and prices for an additional twelve (12) month period from xx/xx/xxxx to xx/xxx/xxxx.

This letter is not an offer by the State to renew but only an inquiry to determine your interest in such a renewal.

Please signify your offer to renew or to reject the opportunity to renew by signing below as appropriate and returning it to our office by xx/xx/xxxx. If your offer is accepted by the State, you may be required to provide/update required information or documents. If you have any questions, please contact xxxxxxxxxx at (225) xxx-xxxx.

Sincerely,
Name
Title

I hereby offer to renew the contract/purchase order referenced above.

_____

I hereby reject the opportunity to renew the referenced contract/purchase order.

_____

1201 N. Third Street • Suite 2-160 • Post Office Box 94095 • Baton Rouge, Louisiana 70804-9095 • (225) 342-8010 • Fax (225) 342-9756
OSP Help Desk Email: DOA-OSP-Helpdesk@LA.Gov • DOA-Professional Contracts Helpdesk Email: DOA-PCHelpdesk@LA.Gov
Vendor Inquiry Email: Vendor_Inq@LA.Gov

Section 35 – Request For Proposal (RFP)

The RFP procurement process is used for the procurement of supplies, services, or major repairs, including but not limited to the procurement of highly technical equipment, complex services or when contracting with group purchasing organizations. This method of procurement is used when cost is not the only evaluation criteria to be used and/or when soliciting solutions to a defined problem when it appears that sealed bidding is not practical or advantageous to the State. The RFP defines requirements, asks suppliers for proposed solutions, and defines criteria for evaluation and outlines terms and conditions. Recommendations for award are made by a multi-function selection team who determine which offer is in the best interest of the State based on evaluation criteria defined in the RFP. This process requires a contract with monitoring and follow-up reporting.

Most approved RFP's under La. R.S. 39:1595 are handled by the Office of State Procurement, although exempt agencies may be granted approval by the Director of State Procurement to handle RFP's. Agencies wishing to utilize the RFP procurement process should contact the Office of State Procurement for the latest procedures and documents.

Differences in the ITB and RFP process are illustrated in Section 8 of this handbook.

Section 36 - Statewide Contracts

Statewide contracts are processed at the Office of State Procurement. The guidelines below are for your information and may be helpful to you in understanding contract creation/additions/revisions/deletions. Procedures for requesting a brand name or LaMAS contract and changing an existing brand name or LaMAS contract follow at the end of this section. Procedures differ for requesting, adding items and continuing brand name contracts on microcomputers and/or peripherals and are also included in this section.

Statewide contracts are developed to group the needs of several agencies, to standardize, to combine usage for lower prices, and to ease the purchase process of commonly used items. There are two basic types of statewide contracts – competitive and brand name. Contracts are usually in effect for an initial twelve (12) month period with two (2) additional twelve (12) month renewal options, if proven to be in the best interest of the State. Term contracts and multi-year contracts up to five (5) years are possible with written justification and approval of the Director of State Procurement.

Some contracts have a minimum order requirement. Check in LaGov or e-Cat to determine the minimum order requirement. Once contracts are awarded, an agency can issue a purchase order without going through the bid process if they meet the minimum order requirement, if applicable. Some contracts have a maximum dollar limit for purchase orders issued from a contract or a maximum dollar limit may be set internally by the agency.

All contracts have a "T" number associated with them that will remain the same as long as the contract is in existence. "T" numbers begin with a "9" and are 5 digits, and can be used as a search mechanism in La eCat search. When bidding contracts, the Office of State Procurement issues a solicitation for all

items included under a particular T-number. Each awarded vendor for that solicitation is issued a "contract" with a specific contract number. The award of a contract solicitation may be made to one vendor, or it may be split among several vendors. Therefore, a "T-number" might have more than one contract associated with it.

All Contracts

Changes - If a contractor requests changes to an existing contract, it must be on company letterhead under the authorized signature indicated in the contract bid document or on file in the vendor record. If an agency wants to add items or revise specifications, it must be in writing. Revisions will require explanations/details. Some additions or revisions require supplemental bids. Additions or revisions should be discussed with an Office of State Procurement Manager.

Renewal – Renewals must be agreed upon by both parties – the State and the Contractor(s). The Office of State Procurement researches the market and reviews usage, correspondence, deficiency complaints and all correspondence in the contract file prior to considering renewal.

Renewals should be processed timely so that contracts are in place prior to the expiration date on the current contract. Consideration should be given to the fact that the vendor may not renew and the file must be rebid.

Item(s) cannot be added to a renewal (except on microcomputer contracts) – they must be bid as a supplement to the contract. **Supplemental** bids are effective for periods that will expire on the same date as the master contract.

Contracts cannot be renewed if changes are required i.e. clauses, terms and conditions, or prices. Contractor(s) cannot pick and choose item(s) they want to renew. They must renew entire contract.

The Office of State Procurement can offer contractor(s) partial (only certain groups or items) renewals that can be processed if contractor(s) agree.

Contracts cannot extend beyond thirty-six (36) months (five (5) years with prior approval on an exceptional basis – must be part of solicitation) without a valid reason and must have the Director of State Procurement approval.

Contract Performance - In an effort to improve statewide contracts to meet the needs of the agencies, the contractor's performance is monitored. Agency feedback is requested regarding customer service, delivery, product quality, billing, overall effectiveness of the contract, and any needed changes. Agency responses are considered in determining options for renewals or revisions and rebidding. Two (2) forms exist on the Office of State Procurement website to collect this information. Agencies are encouraged to use them.

Mandatory Competitive Contracts

Mandatory competitive contracts allow for equal brands to be bid against specifications that are believed to be generic or open for competition. State agencies are required to purchase from mandatory

competitive contracts if their quantity meets the minimum order requirement. The Office of State Procurement has very few mandatory use contracts. These contracts may be identified on the Office of State Procurement's website. The State uses historical data collected from all using agencies for quantities when soliciting prices for statewide contracts. Bidders respond with their best pricing based on these estimated quantities and contracts are awarded. Therefore, the State is committed to purchase all its needs from the contractor and he in turn is compelled to furnish the items(s) or service at the price quoted within the required time.

Currently, if the contracted item does not meet an agency's need, they must submit a justification letter to the Office of State Procurement for approval to bypass the contract. As future contracts are bid at the Office of State Procurement and as feasible, they will become contracts for convenience and usage will not be mandatory. Please contact the Office of State Procurement Officer responsible for each particular contract you may have questions about.

Non-Mandatory Convenience Competitive Contracts

Non-exclusive competitive contracts are established for agencies' convenience and are not mandatory.

Brand Name Contracts

Brand name contracts allow only the specified brand to be bid. Brand name contracts may exist for like items for multiple brands. Agencies are encouraged to shop and compare products on contract where same or similar items appear on more than one contract and make a best value decision when making their selection. See Section on LaPS (Louisiana Pricing Schedules) contracts. Agencies are not required to purchase from brand name contracts and may choose to solicit competitive bids instead.

Brand name contracts are usually developed because item(s) cannot be competitively bid and meet the need of the agencies, item(s) cannot be objectively evaluated using a competitive specification, or expertise is not available to develop a competitive specification.

Prior to establishing a brand name contract, the Office of State Procurement Officer reviews the requests, determines feasibility, provides a written justification why a brand name contract is in the best interest of the State, and obtains approval. Justifications may require agency input.

The Office of State Procurement maintains permanent records of the original vendor and agency letters requesting establishment of brand name contracts in accordance with the Legislative Auditor's recommendations. These records are kept in a central file within the Office of State Procurement.

Agencies should only submit requests for brand name contracts for which they are *committed* to use. Signing a letter simply on the behalf of a sales representative's request without the agency's purchase commitment is counter-productive for the Office of State Procurement. Prior to requesting a new brand name contract, agencies should perform a comparative analysis of offerings on existing brand name contracts versus the requesting vendor's proposed brand based on criteria such as product features, quality, potential savings, and service.

The Office of State Procurement will not administer low demand, small volume brand name contracts.

State Procurement Officers must involve management before denying renewal or deciding to rebid.

LaMAS (Louisiana Multiple Award Schedule) Contracts

LaMAS is a program allowed by the Louisiana Legislature to establish Louisiana contracts based on pricing negotiated by the Federal Government in their General Service Administration (GSA) contracts. The LaMAS contract rules and procedures that permit the establishment of contracts based on GSA pricing are posted on the Office of State Procurement website at: http://www.doa.la.gov/osp/contracts/lamas/docs/lamasrules.pdf.

Agencies that recognize a need to consider this type of contract, should contact the State Procurement Officer for the commodity. The Office of State Procurement will review the commodity and determine if the commodity should be open for consideration of this type of contract. The Office of State Procurement will compare products and prices on GSA schedules with open market prices and existing contract prices (when available). Other considerations will be:

- There is no existing statewide competitive contract for the commodity being considered.
- Competitive specifications cannot be developed to satisfy the state's needs.
- A competitive bid would likely produce better prices or value.

If the commodity is open for consideration, the commodity will be posted on the Office of State Procurement website and procedures should be followed. Inquiring vendors should be directed to the Office of State Procurement.

The following information is provided to help when in discussions with vendors and/or colleagues:

- Public entities may not buy directly from a GSA schedule.
- The Office of State Procurement will develop LaMAS contracts based on GSA prices.
- Not all GSA contracts will be converted to LaMAS contracts.
- All items on a GSA pricing schedule may not be on a LaMAS contract.
- Some LaMAS contracts will be line itemed and others may be a single line item catalog contract. Each contract will include instructions when appropriate.
- LaMAS contracts are established for convenience.
- Use is not mandatory.
- General Procedures that agencies will follow to use LaMAS contracts will be to analyze and compare like items(s) of at least three (3) contracts when multiple contracts exist for the commodity. See Section on LaPS (Louisiana Pricing Schedule) contracts.
- Agencies should consider factors important to their specific needs such as special features, probable life, warranty, maintenance availability, delivery, past performance, compatibility, environmental and energy efficiency.
- Agencies should document their business decision for the selection made.

Procedures for Requesting a Brand Name Contract

These are the general procedures for requesting a Brand Name Contract issued by the Division of Administration, Office of State Procurement. Other procedures might apply to specific commodities. Please contact the Office of State Procurement to ensure that you have the latest procedures for your specific commodity.

Brand Name contracts are usually developed because item(s) cannot be competitively bid and meet the need of the agencies, item(s) cannot be objectively evaluated using a competitive specification, or expertise is not available to develop a competitive specification.

A. Please submit the following when requesting establishment of a Brand Name Contract:

   1. Letterhead request for the establishment of a Brand Name Contract with all pertinent information included from the Manufacturer or the authorized representative.

   2. Detailed specifications of the item(s) requested by the departments to be placed on contract, including packaging, model numbers, product literature and MSDS (when applicable). Items requested should be separated into like commodity categories such as Janitorial Chemicals, Water Treatment Chemicals, Laboratory Reagents, Catheters, Office Equipment, etc.

   3. A minimum of three (3) letters from three (3) separate departments is necessary to designate their intent to purchase the items if placed on contract. Acceptable letters to be from authorized Louisiana departments in either of the following categories:

      a. State Agency
      b. Quasi-Public Agency
      c. Political Subdivision

      It is a requirement that at a minimum one (1) of the letters is to be from a State Agency.

      Letters must include items that the department intends to purchase, correct packaging (where applicable), and the anticipated annual usage per item. ***Letters must be signed by a department representative authorized to obligate funds for the department and must certify their department's full intent to purchase from the contract once established.*** Failure to submit accurate and complete information will cause the request to be delayed.

      In order to expedite the request, it is best to submit all of the above information as one complete package at the same time. The request for a brand name contract is subject to approval after all information is received in proper order. Feasibility questionnaires may be needed to clarify information.

B. When approval is granted, a solicitation will be prepared by the Office of State Procurement including those items in specific packaging as requested in the letters from the departments.

C. Vendors must submit with the bid response the most recent, published, manufacturer's printed

price list or a signed and notarized typed listing of manufacturer's prices covering all items requested for the brand name contract.

D. All vendors seeking to establish a brand name contract must be registered in the LaGov Vendor Portal. Registration is intuitive at the following link: https://lagoverpvendor.doa.louisiana.gov/irj/portal/anonymous?guest_user=self_reg.

Help scripts are available on the Office of State Procurement website under Vendor Center at: http://www.doa.la.gov/pages/osp/vendorcenter/regnhelp/index.aspx.

Newly registered vendors must submit a completed W-9 form. The form is available on the Office of State Procurement website at: https://www.irs.gov/pub/irs-pdf/fw9.pdf.

E. All vendors seeking to establish a brand name contract must be registered and in good standing with the Louisiana Secretary of State Office.

F. Each brand name contract will be reviewed annually by the Office of State Procurement, approximately four (4) months prior to the expiration date of the contract. Brand Name Contracts are expected to meet the usage requirements as indicated below for the previous twelve (12) month period:

COMMODITY	**ANNUAL USAGE**
Agricultural Equipment	$100,000
Industrial Equipment	$250,000
Janitorial Chemicals	$50,000
Lawn Equipment	$50,000
Mailing Equipment	$50,000
Networking Equipment	$50,000
Surveillance Equipment	$50,000
Water Treatment Chemicals	$50,000

This usage amount may be waived in whole or in part due to extenuating circumstances in the State's best interest. Contract purchases from State Agencies, Quasi-Public Agencies and/or Political Subdivisions will be considered. Prime contractors are required to submit detailed contract usage reports quarterly to the Office of State Procurement Contracts Manager for the contract reflecting governmental sales, inclusive of sales by any authorized distributors.

The specific usage report content scope and format requirements is available on the Office of State Procurement website under Purchasing/Online Forms/Vendor Forms: http://www.doa.la.gov/pages/osp/vendorcenter/forms/index.aspx. In addition, the person's name who compiles the report and their contact information shall be provided. The Office of State Procurement reserves the right to request copies of any purchase orders and/or invoices issued against the contract to substantiate vendor usage reports for audit purposes.

The usage report shall be submitted utilizing this format or an equivalent format that has been approved by the Office of State Procurement.

The due dates of each quarterly report are as follows:

QUARTER	REPORTING PERIOD	DUE DATE
First	July 1 through September 30	October 31
Second	October 1 through December 31	January 31
Third	January 1 through March 31	April 30
Fourth	April 1 through June 30	July 31

Initiation and submission of the quarterly reports to the Office of State Procurement is the responsibility of the Contractor without prompting or notification by the Office of State Procurement Contracts Manager. If these reports are not submitted in a timely manner evidencing adequate sales volumes, the Office of State Procurement shall have the right to terminate the contract, without consideration for reestablishment for a period of two (2) years. Also, individual items with no usage may be deleted unless copies of purchase orders from departments can substantiate usage.

Procedures for Requesting Changes to an Existing Brand Name Contract

A. The following procedures should be followed when requesting the addition of item(s) to an existing brand name contract:

1. Letterhead request from the contract holder requesting the addition of the item(s) with all pertinent information included.

2. Detailed specifications of the item(s) requested to be placed on contract are necessary, including model numbers, product name, product codes, packaging information, description and literature, and price to the State of Louisiana.

3. Contract holder must submit with the request for item(s) the most recent, published, manufacturer's printed price list or a signed and notarized typed listing of manufacturer's prices covering all items requested for brand name contracts.

4. A minimum of one (1) letter from a department is necessary to designate their intent to purchase the specific item(s) if placed on contract. Acceptable letters may be from a State Agency; Quasi-Public Agency; or Political Subdivision. Letters must include those items that the department intends to purchase, the correct packaging (where applicable), including the anticipated annual usage per item. ***Letters must be signed by a department representative authorized to obligate funds for the department and must certify their department's full intent to purchase the item(s) once the item has been added to the contract.*** Failure to submit accurate and complete information will cause the request to be delayed. In order to expedite the request, it is best to submit all of the above at the same time. The request for the addition of item(s) is subject to approval after all information is received and in proper order.

5. Item(s) requested to be added to a contract at the time of award will be expected to comply with all of the above.

B. Additions to brand name contracts will be allowed only two (2) times within a twelve (12) month period, other than amendments made at the time of renewal.

C. Distributor vendor changes, price reductions and item deletions may be made at any time during the contract period. The contract holder vendor must submit a written request for these changes.

D. Price increases will be considered only when provided for in the States contract terms and conditions and must be tied to a recognized index.

Procedures for Requesting a LaMAS Contract

These are the general procedures for requesting a LaMAS (Louisiana Multiple Award Schedule) Contract issued by the Division of Administration, Office of State Procurement. Other procedures might apply to specific commodities. Please contact the Office of State Procurement to ensure that you have the latest procedures for your specific commodity.

LaMAS contracts are based on prices no higher than GSA (General Service Administration) and will only be considered when the Office of State Procurement determines that the commodity is open for consideration. The Office of State Procurement will consider the commodity when there are no existing Louisiana statewide competitive contracts for the commodity or there is a valid business case. The Office of State Procurement will post the commodities on their website that are open for LaMAS contract consideration.

A. Please submit the following when requesting establishment of a LaMAS contract:

1. Letterhead request for the establishment of a LaMAS contract with all pertinent information included from the GSA contractor that includes consent to extend prices no higher than GSA to the State for LaMAS contracts.

2. Name and contact information of the Louisiana licensed dealer or distributor who will be participating in the contract. Louisiana licensed dealer or distributor must meet the requirement of a resident business as defined in La. R.S. 39:1556(47).

3. Current GSA Price Schedule.

4. A minimum of three (3) letters from three (3) separate departments is necessary to designate their intent to purchase the items if placed on contract. Acceptable letters to be from authorized Louisiana departments in either of the following categories:

    a. State Agency
    b. Quasi-Public Agency
    c. Political Subdivision

    It is a requirement that at a minimum one (1) of the letters is to be from a State Agency.

    Letters must include items that the department intends to purchase, correct packaging (where

applicable), and the anticipated annual usage per item. ***Letters must be signed by a department representative authorized to obligate funds for the department and must certify their department's full intent to purchase from the contract once established.*** Failure to submit accurate and complete information will cause the request to be delayed.

In order to expedite the request, it is best to submit all of the above information as one complete package at the same time. The request for a LaMAS contract is subject to approval after all information is received in proper order. Feasibility questionnaires may be needed to clarify information.

B. When approval is granted, an agreement with the State of Louisiana terms and conditions will be negotiated between the State and the Contractor.

C. All vendors seeking to establish a LaMAS contract must be registered in the LaGov Vendor Portal. Registration is intuitive at the following link: https://lagoverpvendor.doa.louisiana.gov/irj/portal/anonymous?guest_user=self_reg

Help scripts are available on the Office of State Procurement website under Vendor Center at: http://www.doa.la.gov/pages/osp/vendorcenter/regnhelp/index.aspx

Newly registered vendors must submit a completed W-9 form. The form is available on the Office of State Procurement website at: https://www.irs.gov/pub/irs-pdf/fw9.pdf

D. All vendors seeking to establish a LaMAS contract must be registered and in good standing with the Louisiana Secretary of State Office.

E. Each LaMAS contract will be reviewed annually by the Office of State Procurement, approximately four (4) months prior to the expiration date of the contract. LaMAS Contracts are expected to meet the usage requirements as indicated below for the previous twelve (12) month period:

COMMODITY	**ANNUAL USAGE**
Automotive Shop Equipment & Supplies	$50,000
Carpet	$50,000
Digital Court Reporting Equipment & Software	$50,000
Fire Trucks	$250,000
Fixed Seating	$50,000
Floor Maintenance Machines	$50,000
Hand Tools	$50,000
Light Bars and Sirens	$50,000
Machinery and Hardware, Industrial	$50,000
Specialty Vehicles for Homeland Defense	$250,000

This usage amount may be waived in whole or in part due to extenuating circumstances in the

State's best interest. Contract purchases from State Agencies, Quasi-Public Agencies and/or Political Subdivisions will be considered. Prime contractors are required to submit detailed contract usage reports quarterly to the Office of State Procurement Contracts Manager for the contract reflecting governmental sales, inclusive of sales by any authorized distributors.

The specific usage report content scope and format requirements is available on the Office of State Procurement website under Purchasing/Online Forms/Vendor forms: http://www.doa.la.gov/pages/osp/vendorcenter/forms/index.aspx. In addition, the person's name who compiles the report and their contact information shall be provided. The Office of State Procurement reserve the right to request copies of any purchase orders and/or invoices issued against the contract to substantiate vendor usage reports for audit purposes.

The usage report shall be submitted utilizing this format or an equivalent format that has been approved by the Office of State Procurement.

The due dates of each quarterly report are as follows:

QUARTER	REPORTING PERIOD	DUE DATE
First	July 1 through September 30	October 31
Second	October 1 through December 31	January 31
Third	January 1 through March 31	April 30
Fourth	April 1 through June 30	July 31

Initiation and submission of the quarterly reports to the Office of State Procurement is the responsibility of the Contractor without prompting or notification by the Office of State Procurement Contracts Manager. If these reports are not submitted in a timely manner evidencing adequate sales volumes the Office of State Procurement shall have the right to terminate the contract, without consideration for reestablishment for a period of two (2) years. Also, individual items with no usage may be deleted unless copies of purchase orders from agencies can substantiate usage.

Procedures for Requesting Changes to an Existing LaMAS Contract

The following procedures should be followed when requesting the addition of item(s) to an existing LaMAS contract:

A. The contract holder is to submit the following:

1. Letterhead request from the contract holder requesting the addition of the item(s) with all pertinent information included.

2. Detailed specifications of the item(s) requested to be placed on contract are necessary, including model numbers, product name, product codes, packaging information, description and literature, and the price to the State of Louisiana.

3. The most recent GSA price schedule or proof that item(s) has been added to the GSA contract.

4. A minimum of one (1) letter from a department is necessary to designate their intent to purchase the specific item(s) if placed on contract. Acceptable Letters may be from a State Agency; Political Subdivision; or Quasi-Public Agency. Letters must include those items that the department intends to purchase, the correct packaging (where applicable), including the anticipated annual usage per item. ***Letters must be signed by a department representative authorized to obligate funds for the department and must certify their department's full intent to purchase the item(s) once the item has been added to the contract.*** Failure to submit accurate and complete information will cause the request to be delayed. In order to expedite the request, it is best to submit all of the above at the same time. The request for the addition of item(s) is subject to approval after all information is received and in proper order.

B. Additions to LaMAS contracts will be allowed only two (2) times within a twelve (12) month period, other than amendments made at the time of renewal.

C. Distributor vendor changes, price reductions and item deletions may be made at any time during the contract period. The contract holder must submit a written request for these changes

D. Price increases will be considered only when provided for in the State's contract terms and conditions and must be authorized by GSA.

Procedures for Requesting a Brand Name Microcomputer and/or Peripheral Contract

1. **Financial & Operational Requirements to Apply for or Hold a Brand Name Microcomputer and/or Peripheral State Contract**
   As a requirement for applying for and obtaining a Brand Name Microcomputer and/or Peripheral State Contract for computers, a prospective contractor must meet the following minimum requirements:

   A. Operational
   One (1) year in the commercial PC business with sales of computers and computer peripherals of at least $300,000 during the preceding twelve (12) months. The prospective contractor must be registered and in good standing with the La. Secretary of State Office and must be certified as an A+ authorized service center by the Computing Technology Industry Association or provide service through a third party contractor that is certified as an A+ authorized service center by the Computing Technology Industry Association.

   The prospective contractor shall supply evidence of such volume of sales in the form of a notarized affidavit, or other proof required by the Office of State Procurement.

   B. Intent to Purchase
   Prospective contractors must present letters from three (3) separate authorized departments stating their intent to purchase certain products should they become available on the proposed Brand Name Microcomputer and/or Peripheral State Contract. Acceptable letters to be from authorized Louisiana departments in either of the following categories:

      1. State Agency

2. Quasi-Public Agency
3. Political Subdivision

It is a requirement that at a minimum one (1) of the letters is to be from a State Agency.

Letters must include those specific items that the department intends to purchase, quantities for each item, cost of each item and the correct packaging (where applicable). The total cumulative cost of items which the departments intend to purchase shall be a minimum of $25,000.

Letters must be signed by a department representative authorized to obligate funds for the department and must certify their department's full intent to purchase from the contract once established.

The Office of State Procurement reserves the right to verify that signatures were made by the appropriate authorized department personnel. If it is determined that the applicant has misrepresented the department when submitting the letters, his/her request will be disapproved and no further action will be taken in the establishment of the Brand Name Microcomputer and/or Peripheral State Contract. In addition, the State will proceed to prohibit the applicant's company from doing business with the State of Louisiana.

Operating Systems will be limited to systems pre-loaded on the equipment to be purchased and allowed only at the time of purchase of the equipment.

Software Purchases are limited to software pre-loaded on the equipment to be purchased and is allowed only at the time of the purchase of the hardware and must be in compliance with Louisiana Revised Statutes 39:199.D and LAC Title 34, Chapter 55, Section 5505.

The purchase limits allowed on the contract are as follows: Servers and Storage (SANs, etc.) per unit/configuration costs should not exceed $500,000 each; Desktop per unit/configuration costs should not exceed $100,000 each; Printers, of all types, and Monitors per unit/configuration costs should not exceed $50,000 each; Peripherals per unit cost should not exceed $50,000 each. Total contract purchase order amount shall not exceed $1,000,000. The $1,000,000 is a "per contract purchase order" limit and is not a limit on the annual amount that can be purchased from the contract. Procurements shall not be artificially divided to circumvent the $1,000,000 threshold.

Services are limited to warranty services, hardware maintenance, initial installation, initial imaging of workstations, training directly related to the support of the hardware, excluding customized training and/or software training, and initial software imaging at time of installation upon request of the Procuring Entity. *General consulting and all forms of application development and programming services are excluded.*

Installation is limited to the initial set-up and initial diagnostics of equipment and peripherals purchased from the contract. Installation is to be used only at the time of the purchase of the component(s) from the state contract. Installation is not to be used for configuration or

reconfiguration of network equipment, installation or rearrangement of in-building or outside wiring/cabling nor any other fashion.

C. Other Criteria

1) A letterhead request signed and dated from the manufacturer or his representative requesting the establishment of a contract with all pertinent information included must be submitted to the Office of State Procurement.

2) Brand name must have registered trade name/trademark. Trademark must be registered either at the United States Patent and Trademark Office or at the Louisiana Secretary of State – Corporations Division.

3) Detailed specifications and descriptive literature of the item(s) requested to be placed on contract by authorized departments are necessary, including model numbers, product name, product codes, and packaging information.

   Each item description must contain the brand name, product number and a description. The description should include important, distinguishing features of that particular item.

4) All applicants seeking to establish a Brand Name Microcomputer and/or Peripheral contract must be registered in the LaGov Vendor Portal. Registration is intuitive at the following link:
   https://lagoverpvendor.doa.louisiana.gov/irj/portal/anonymous?guest_user=self_reg

   Help scripts are available on the Office of State Procurement website under Vendor Center at: http://www.doa.la.gov/pages/osp/vendorcenter/regnhelp/index.aspx

   Newly registered vendors must submit a completed W-9 form. The form is available on the Office of State Procurement website at: https://www.irs.gov/pub/irs-pdf/fw9.pdf.

5) The request for a Brand Name Microcomputer and/or Peripheral State Contract is subject to approval after all information is received in proper order. The requestor may submit additional items for inclusion which are compatible to or expand the scope of the base items requested in the letters submitted by the departments. The additional items are subject to review and approval by the Office of State Procurement and should be limited (less than one hundred) in order to expedite initial setup.

6) When approval has been granted, a solicitation will be prepared by the Office of State Procurement.

2. Renewal/Continuance of Contract:

a. Each contract is reviewed annually by the Office of State Procurement approximately four (4) months prior to the expiration date of the contract.

b. In order for a Brand Name Microcomputer and/or Peripheral State Contract to be renewed or rebid the contract holder must meet the following requirements:

i. Contracts are expected to have at least $50,000 usage for the previous twelve (12) months. This usage amount may be waived in whole or in part due to extenuating circumstances in the state's best interest.

ii. Contract purchases from State Agencies, Quasi-Public Agencies and/or Political Subdivisions will be considered. Prime contractors are required to submit detailed contract usage reports quarterly to the Office of State Procurement Contracts Manager for the contract reflecting governmental sales, inclusive of sales by any authorized distributors.

iii. The specific usage report content scope and format requirements is available on the Office of State Procurement website under Purchasing/Online Forms/Vendor forms: http://www.doa.la.gov/pages/osp/vendorcenter/forms/index.aspx. In addition, the person's name who compiles the report and their contact information shall be provided. The Office of State Procurement reserve the right to request copies of any purchase orders and/or invoices issued against the contract to substantiate vendor usage reports for audit purposes.

The usage report shall be submitted utilizing this format or an equivalent format that has been approved by the Office of State Procurement.

The due dates of each quarterly report are as follows:

QUARTER	REPORTING PERIOD	DUE DATE
First	July 1 through September 30	October 31
Second	October 1 through December 31	January 31
Third	January 1 through March 31	April 30
Fourth	April 1 through June 30	July 31

Initiation and submission of the quarterly reports to the Office of State Procurement is the responsibility of the Contractor without prompting or notification by the Office of State Procurement Contracts Manager. If these reports are not submitted in a timely manner evidencing adequate sales volumes the Office of State Procurement shall have the right to terminate the contract, without consideration for reestablishment for a period of two (2) years. Also, individual items with no usage may be deleted unless copies of purchase orders from agencies can substantiate usage.

iv. **If it is found that the information provided is not a factual representation, the State will consider this as a fraudulent act and proceed to debar the contractor from doing business with the State of Louisiana.**

v. At such time as approval is granted to renew or rebid, the Contractor will be given the opportunity to add new items.

3. **Adding items to a Brand Name State Contract for Microcomputers and/or Peripherals - (PCBN3 Form):**

   At the request of an authorized representative of an authorized Louisiana department, items that update, enhance, and/or integrate with the computer systems; peripherals and components on contract may be added to the contract in the following manner:

   The contract holder shall provide a request to place the item or items on the existing Brand Name Microcomputer and/or Peripheral State contract through the submission of a completed PCBN3 form, which is available on the Office of State Procurement website at the following link: http://www.doa.louisiana.gov/osp/onlineforms/docs/PCBN3.pdf. Information that should be provided includes:

   a. Detailed description of each item, including product name, product number, and packaging, as well as descriptive literature or link to product literature;
   b. Published Commercial/Retail Price List;
   c. Certification that the item is in compliance with all requirement for a state contract;
   d. OEM Agreement from the original equipment manufacturer if the requested item(s) is **not** manufactured by the private label distributor;

   Additions to Brand Name Microcomputer and/or Peripheral Contracts will be allowed only one (1) time per quarter, other than amendments made at the time of renewal.

   When a request is made to add one of a line or series of similar items provided by the contract holder, the entire line or series of similar items may be added in the one request.

   The request shall be signed and dated by an authorized representative of the authorized Louisiana Department making the request and an authorized representative of the contract holder. The Office of State Procurement may request documentation to verify that the item or items to be added to a state contract do update, enhance, and/or integrate with the computer systems, peripherals and components on contract and/or are one of a line or series of similar items.

Waivers

Only the Director of State Procurement can approve waivers to procedures. All requests for exceptions must be submitted in writing.

LaPS (Louisiana Pricing Schedules) Contracts

The Office of State Procurement creates many statewide Brand Name, LaMAS and Multi-State contracts for agencies' convenience. Agencies are encouraged to shop and compare products on these contracts, where same or similar items appear on more than one (1) contract, and to make a best value decision when making their selection. Where LaPS exist for the same or similar item(s), i. e. routers, fire trucks, microcomputers, and the total procurement exceeds $25,000.00, all eligible users of these contracts are to comply with the rules L.A.C. 34:V.1709 http://www.doa.la.gov/osp/agencycenter/memos/2008/OSP08-02.pdf. Rules require that agencies prepare Request for Responses and submit to at least three (3) LaPS

contract holders, whenever available, offering functionally equivalent products and/or services that will meet their needs. Review the rules for additional information.

Section 37 - Agency Term Contracts

Agency submits non-encumbered requisition/shopping cart annually to create the continuing need for a contract.

The State Purchasing Officer acts on receipt of requisition/shopping cart from agency. If non-exempt, non-LaGov agency requests an Agency Term Contract, they must submit an approved manual requisition and we will enter the RFx for bidding the supplies or services.

Agency Term Contracts will have a T-number.

Each item must have UNSPSC product categories with system assigned guid numbers. Refer to help script for creating agency term contract.

Agencies are responsible for communicating their continuing need for the contract. A requisition/shopping cart is required to establish a new Agency Term Contract or when the contract must be rebid. A letter from the agency expressing their desire to renew an existing contract is sufficient. The standard renewal review is applicable. The only exception to this would be for multi-year (thirty-six (36) month) contracts that the Office of State Procurement issues a non-encumbered three (3) year purchase order and the agency issues encumbered fiscal year purchase orders throughout the contract term.

Section 38 - Small Entrepreneurship Programs (Hudson and Veterans Initiatives)

The Small Entrepreneurship (SE) Programs (Hudson and Veterans Initiatives) are goal-oriented programs which encourage State Agencies to contract with certified small entrepreneurships (SE's) as well as encourage contractors who receive contracts from the State to use good faith efforts to utilize certified SE's in the performance of the contract. The small entrepreneurship programs are race and gender-neutral programs. The primary intent of these programs is to provide additional opportunities for Louisiana-based small entrepreneurships (SE's) that are certified by the Louisiana Department of Economic Development to participate in contracting and procurement with the State. The comprehensive Rules governing the implementation of the program are located at http://www.doa.la.gov/pages/osp/se/secv.aspx. This Program is under the auspices of the Division of Administration, and all State Departments/Agencies including colleges and universities, community and technical colleges, Facility Planning and Control, Office of State Procurement, and DOTD are required to participate in this Program. The Office of State Procurement is facilitating the implementation of the Program.

Certain procurements will be designated as suitable for small entrepreneurship participation. In order to be responsive to the solicitation, the vendor must either be a certified small entrepreneurship or put forth

a good faith subcontracting plan. The Office of State Procurement has developed terms and conditions which can be used in such designated procurements.

To assist in locating certified small entrepreneurships, there is a quick reference list of SE's, which are extracted from the LaPAC (Louisiana Procurement and Contract) Network database. This list is updated on a weekly basis. This list in no way is intended to replace the certified small entrepreneurships that are searchable by a number of criteria in LaPAC at https://wwwcfprd.doa.louisiana.gov/OSP/LaPAC/vendor/VndPubMain.cfm which is updated on a daily basis. Rather, it is provided as a quick tool based on a number of requests that we have received from our agencies. Prime contractors may also find this list beneficial in quickly identifying potential subcontractors.

Small entrepreneurships that are not currently certified and are interested in participating in procurement and contracting opportunities with the State under the Hudson or Veterans Initiative are encouraged to visit the Louisiana Department of Economic Development website located at https://smallbiz.louisianaeconomicdevelopment.com for qualification requirements and on-line certification. During this certification process, vendors that are not currently enrolled in LaPAC or LaGov will have an opportunity to link to LaGov for enrollment in the commodities of their choice.

Section 39 - Communication

The Office of State Procurement believes effective communication plays a major role in accomplishing the Office of State Procurement's visionary goal to simplify and improve the procurement process. Quick and accurate responses are encouraged to keep the process flowing. The Office of State Procurement also believes it affects how well the Office of State Procurement's mission to develop and implement sound procurement practices in accordance with executive policy and legislative mandate, and to provide quality and timely services to the agency and vendor communities is accomplished.

The Office of State Procurement hope's this handbook is found useful. Comments are welcome and may be submitted via email to felicia.sonnier@la.gov.

Section 40 - Glossary of Purchasing Definitions and Terms

Definitions known to exist in the Louisiana Revised Statutes are referenced with their locations. Other definitions and terms were collected from other sources. Existing statutory definitions supersede the definitions provided.

Acknowledgment - An acceptance of a purchase order, usually received at the purchasing office prior to receipt of goods, to verify cost, description, quantity and ship date.

Addendum - A formal, written change to a bid or solicitation.

Advertisement - Notification of an intended purchase in the official journal and parish journal(s) where item will be delivered.

Agency - Governmental body

All-or-none bid – A bid submitted for a number of different items, services, etc. in which the bidder states it will not accept a partial award, but will accept only an award for all the items, services, etc., included in the Invitation for Bids. Such bids are acceptable only if provided for in the invitation or if the bidder quoted an individual price for each of the items, services, etc., as listed and is the low bidder on each item.

Alternate Bid – A bid submitted in knowing variance from or equal to the specified brand or specification. Such a bid is acceptable only when the variance is deemed to be in substantial compliance with the specifications.

Anticompetitive Practice – A practice among bidders or offerors which reduces or eliminates competition or restrains trade. See Purchasing Rules and Regulations – Louisiana Administrative Code, Tile 34, Part V, Section 2301

Antitrust Laws – Laws that attempt to prevent or eliminate monopolies and prevent non-competitive practices.

Appropriation - Legislative act authorizing the expenditure of a designated amount of public funds for specific purposes.

Arbitrary, Capricious, or Fraudulent Action – Action by whim or caprice (or in case of fraud, in reasoned action); ungoverned action; the only grounds for a court to overrule or remand an administrative decision or ministerial action of a public purchaser.

Assembled – The process of putting together all component parts of an item of equipment by the manufacturer where the assembly plant is located within the territorial borders of the State of Louisiana. "Assembled" shall not mean the reassembly of parts packed for shipping purposes. See La.

R.S.39:1556(2).

Audit - Review of documents.

Award - The Purchasing Department's acceptance of a bid or proposal from a supplier; generally resulting in a purchase order or contract.

Bid - A quote offered by a supplier to a purchasing department, usually in response to a solicitation.

Bid Bond – An insurance agreement in which a third party agrees to be liable to pay a certain amount of money in the event that a specific bidder, if the bid is accepted, fails to accept the contract as bid.

Bid Evaluation - An analysis of the responses to a solicitation (by the Purchasing Department) to determine the supplier whose response meets the criteria to become the awarded recipient.

Bid Opening – The formal process through which bids are opened and the contents revealed for the first time to the bidders and the public.

Bid Room - The location within the Purchasing Department where current bids are secured until bid opening date and time; publicly opened and read; and prices recorded and tabulated.

Bid Sample – A sample required of a bidder for examination, comparison, testing, and evaluation by the prospective purchaser.

Bid Security - An instrument issued to guarantee pricing (i.e. bid bond, cashier's check, or certified check).

Bid Threshold - Amount over which competitive bids are required.

Bidder - A supplier who responds to a solicitation.

Bidder List - A list maintained by the purchasing office with names and addresses of suppliers of various goods and services from who bids, proposals, and quotations can be solicited.

Blanket Order - A purchase order issued to a supplier for one or more items for delivery as needed for a specific time, generally one (1) year or to the end of a fiscal year.

Boiler Plate – Designation for standard terms and conditions, usually preprinted, incorporated in an Invitation for Bids, Request for Proposals, or a contract or purchase order.

Brand Name or Equal Specifications – A specification that cites brand names, model number, or other identifications as representing quality and performance called for, and inviting bids on comparable items or products of any manufacturer. See Purchasing Rules and Regulations – Louisiana Administrative Code, Title 34, Part V, Section 109.B.

Business – Any corporation, partnership, individual, sole proprietorship, joint stock company, joint

venture, or any other legal entity through which business is conducted. See La. R.S. 39:1556(3).

Business Day – Each day, Monday through Friday, holidays excluded.

Buyer - Purchasing Department staff member authorized to commit to a purchase order or contract.

Buyer Code - A special designator assigned to a buyer that is used as part of a file number to indicate the processor.

Cancellation - A formal document issued to stop a process (i.e. solicitation, purchase order or contract)

Cash Discount - A reduction in the invoice price allowed by a supplier if payment is made within a stated time period.

Certificate of Insurance - Certificate required of successful bidders quoting on service, labor and materials, renovation or furnish-and-install contracts.

Change Order – A written order signed by the procurement officer, directing the contractor to make changes which the contract authorizes the procurement officer to order without the consent of the contractor. See La. R.S. 39:1556(5)

Chief Procurement Officer – The person holding the position created in La. R.S. 39:1562 and the directors of purchasing of the departments exempt from the Office of State Procurement by La. R.S. 39:1572. See La. R.S. 39:1556(6)

Collusion – A secret agreement or cooperation between two or more persons to accomplish a fraudulent, deceitful, or unlawful purpose.

Commodity - A category of goods or services.

Common or General Use Item – A specification which has been developed and approved for repeated use in procurement in accordance with the provisions of La. R.S. 39:1651 (A) and (B). See Purchasing Rules and Regulations – Louisiana Administrative Code, Title 34, Part V, Section 109.D.

Competition – The process by which two (2) or more vendors vie to secure the business of a purchaser by offering the most favorable terms as to price, quality, delivery and/or service.

Competitive Bidding – Obtaining of bids from two (2) or more suppliers when requested goods or services exceed bid thresholds.

Concealed Damage - Damage to the contents of a package not visible on the exterior.

Confirming Order - A purchase order that is placed with a supplier by telephone or fax. The original purchase order is confirmed with the supplier via U.S. mail.

Conflict of Interest - A conflict between the private interests/agency and the official responsibilities of a

person in a position of trust.

Consortia - A private group purchasing organization that negotiates with companies on behalf of its members to obtain favorable pricing, terms and conditions, and other benefits.

Contingency Clause – A possible future event or condition arising from presently known or unknown causes, the outcome of which is or may be indeterminate at the present time.

Contract – All types of state agreements, regardless of what they may be called, including orders and documents purporting to represent grants, which are for the purchase or disposal of supplies, services, major repairs, or any other item. It includes awards and notices of award; contracts of a fixed-price, cost, cost-plus-a-fixed-fee, or incentive type; contracts providing for the issuance of job or task orders; leases; letter contracts; and purchase orders. It also includes supplemental agreements with respect to any of the foregoing. See La. R.S. 39:1556(11)

Contract Compliance - Performance of service or delivery of goods in accordance with contract specifications.

Contract Modification – Any written alteration in specifications, delivery point, rate of delivery, period of performance, price, quantity, or other provisions of any contract accomplished by mutual action of the parties to the contract. See La. R.S. 39:1556(12).

Contract Purchase Order – A purchase document or order issued by a using agency consistent with the prices, terms, and conditions established by a contract issued by the Office of State Procurement.

Contractor – Any person having a contract with a governmental body. See La. R.S. 39:1556(13).

Cooperative purchasing – Procurement conducted by or on behalf of more than one (1) public procurement unit or by a public procurement unit with an external procurement activity or by a private procurement unit. See La. R.S. 39:1556(14).

Cost-reimbursement contract – A contract under which a contractor is reimbursed for costs which are allowable and allocable in accordance with cost principles as provided for in regulations, and a fee, if any. See La. R.S. 39:1556(15).

Data – Recorded information, regardless of form or characteristic. See La. R.S. 39:1556(17).

Debarment – The disqualification of a person to receive invitations for bids or requests for proposals, or the award of any contract by any governmental body, for a specified period of time commensurate with the seriousness of the offense or the failure or the inadequacy of performance. See La. R.S. 39:1556(18).

Delegated Authority – An amount delegated to an individual or an agency to allow processing without higher approval.

Delivery Terms – Conditions in a contract relating to freight charges, place of delivery, time of delivery or method of transportation.

Descriptive Literature – Information, such as illustrations, charts, drawings and technical data that shows the characteristics or construction of a particular product or explains its operations, furnished by a bidder as part of the bid to describe the items offered. The term refers only to information required to evaluate a product, and need not include other information such as that related to the qualifications of a bidder or operating or maintaining equipment.

Designee – A duly authorized representative of a person holding a superior position. See La. R.S. 39:1556(19).

Directives – Laws, rules and regulations, policy and procedures.

Discount – A supplier's agreement to reduce the cost below the published price of goods or services.

EDI (Electronic Data Interchange) – The ability to communicate electronically with a supplier.

Emergency – A situation which creates a threat to public health, welfare, safety, or public property such as may arise by reason of floods, epidemics, riots, equipment failures, or such other reason as may be proclaimed by the Chief Procurement Officer. See La. R.S. 39:1598 and Purchasing Rules and Regulations – Louisiana Administrative Code, Title 34, Part V, Chapter 11.

Encumbrance - The setting aside of funds needed to pay for departmental commitments. Purchase requisitions pre-encumber the funds and purchase orders encumber the funds.

Equal, Or Equal – A phrase used to indicate the acceptability or products of similar or superior function, purpose, design, and/or performance.

Established catalog price – The price included in a catalog, price list, schedule, or other form that: (a) Is regularly maintained by a manufacturer or contractor; (b) Is either published or otherwise available for inspection by customers; (c) States prices at which sales are currently or were last made to a significant number of buyers constituting the general buying public for the supplies or services involved. See La. R.S.39:1556(22).

Exempt - Department/commodity exempt by statute per La. R.S. 39:1572.

External procurement activity – Any buying organization not located in this State which, if located in this State, would qualify as a public procurement unit. An agency of the United States government is an external procurement activity. See La. R.S. 39:1556(23).

File No. - A specific number assigned to a file which normally includes sequential number, buyer indicator, and special designator (if applicable).

Fiscal Year – A period of twelve (12) consecutive months selected as a basis for annual financial reporting, planning, or budgeting – Louisiana fiscal year begins July 1 and ends June 30

FOB (Free on Board) - The point at which ownership of goods transfers from the supplier to the agency point of delivery.

FOB Destination - Title to goods transfers to the agency upon receipt.

FOB Origin - Title to goods transfers to the agency upon leaving the supplier's dock. The agency is liable for resolving freight claims or transit damage.

FOB Shipping Point - Same as FOB Origin.

Generic - General description or classification

Governmental Body – Any department, office, division, commission, council, board, bureau, committee, institution, agency, government corporation, or other establishment or official of the executive branch of State government. For purposes of procurement of personal, professional, consulting, and social services contracts, governmental shall not include the judicial branch of State government. See La. R.S. 39:1556(24).

Grant – The furnishing by the state of assistance, whether financial or otherwise, to any person to support a program authorized by law. It does not include an award whose primary purpose is to procure an end product, whether in the form of supplies, services, or major repairs; a contract resulting from such an award is not a grant but a procurement contract. See La. R.S. 39:1556(26).

Identical Bidding – The submission by bidders or offerors of the same total price or the same price on a particular line item. See Purchasing Rules and Regulations – Louisiana Administrative Code, Title 34, Part V, Section 329 and 2309.

Installment-purchase contract – A contract which is utilized to procure supplies or equipment from a contractor where payment for the supplies or equipment is made in a set of installment payments over a fixed period of time in accordance with the provisions of the contract, and in which the contractor agrees to deliver title of the property to the governmental body in accordance with the terms and conditions of the contract. See La. R.S. 39:1556(28).

Invitation for bids – All documents, whether attached or incorporated by reference, utilized for soliciting bids in accordance with the procedures set forth in La. R.S. 39:1594. See La. R.S. 39:1556(29).

Invoice - A supplier billing document that itemizes descriptions and prices for goods and services.

Joint Venture - Agreements between two (2) or more parties for a common activity.

Kickback - Illegal return of part of a sum of money received.

Labor and Materials contract - Contracts >$5,000 that are reduced to a contract that utilize tradesmen and materials for construction, renovation and some furnish and install projects.

Late Payment - See La. R.S. 39:1695.

Late Bid - Any bid received after the announced bid opening date and time.

Lease – A contract conveying from one person (lessor) to another (lessee) use of real estate or personal property for a designated period of time in return for rental payment or other compensation.

Lease-Purchase Agreement – A lease contract containing a purchase option in which the lessee's periodic payments or parts thereof may be applied to serve both as the rental obligation and as installments for acquiring ownership of the property upon lessee exercising the purchase option; a conditional sales contract.

List Price – Published price at which a seller offers an item for sale.

Local public procurement unit – Any parish, city, town, governmental body, and any other subdivision of the state or public agency thereof, public authority, public educational, health, or other institution, and to the extent provided by law, any other entity which expends public funds for the acquisition or leasing of supplies, services, major repairs, and construction, and any nonprofit corporation operating a charitable hospital. See La. R.S. 39:1556(31).

Lump Sum – A single price as requested or offered on a solicitation for a group of items, without or in addition to individual item prices: a lot price.

Major repairs – Those repairs payable with funds appropriated in the general appropriations act, except those funds transferred from the operating budget of one governmental body to supplement and complete a project under contract by the Division of Administration Facility Planning and Control Section. See La. R.S. 39:1556(32).

May – Denotes the permissive. See La. R.S. 39:1556(33).

Multiple Award – An award of an indefinite quantity contract for one or similar supplies or services to more than one (1) bidder or offeror, and the State is obligated to order all of its actual, normal requirements for the specified supplies or services from those Contractors. See Purchasing Rules and Regulations – Louisiana Administrative Code, Title 34, Part V, Section 1803.

No Bid – A response to an Invitation for Bids stating that the respondent does not wish to submit a bid.

Non-responsive bid – A bid that does not conform to the essential requirements of the Invitation for Bids.

Open market bid - A solicitation to which qualified bidders can respond.

Password - A security feature for individuals who access on-line computer systems, telephone answering message system, etc.

Payment Term - The length of time between receipt of an invoice in Accounts Payable and the issuing of a check.

Performance Bond – A contract of guaranty executed by a successful bidder to protect the State from loss due to contractor inability to complete the contract as agreed.

Performance Record – Record to indicate a supplier's ability to keep delivery promises and reliability, together with consistency of quality and performance of the products and services furnished.

Person – Any business, individual, union, committee, club, or other organization or group of individuals. See La. R.S. 39:1556(36).

Phone Quote - A method of obtaining a firm price for goods or services (under the bid limit established by the Governor's Small Purchase Executive Order or under emergency conditions).

Practicable – That which can be done or put into practice; feasible. See La. R.S. 39:1556(38).

Pre-bid Conference - A meeting with representatives from the Purchasing Department, the ordering department and prospective bidders. The pre-bid is conducted to examine site conditions, clarify specifications and ensure an understanding of bid requirements.

Preference - See La. R.S. 39:1604

Prime Vendor – A company awarded a contract for a specific or broad commodity range but who also list distributor(s) authorized to sell at the contracted price.

Private Procurement unit – Any regionally accredited independent college or university in the State that is a member of the Louisiana Association of Independent Colleges and Universities or any early childhood learning center as defined in La. R.S. 46:1403(A)(6). See La. R.S. 39:1556(39).

Procurement – The buying, purchasing, renting, leasing, or otherwise obtaining any supplies, services, or major repairs. It also includes all functions that pertain to the obtaining of any public procurement, including description of requirements, selection and solicitation of sources, preparation and award of contract, and all phases of contract administration. See La. R.S. 39:1556(40).

Procurement Code - Statutes governing procurement processes also referred to as Title 39 (Public Finance), Chapter 17 cited as La. R.S. 39.

Procurement Officer – Any person authorized by a governmental body, in accordance with procedures prescribed by regulations, to enter into and administer contracts and make written determinations and findings with respect thereto. The term also includes an authorized representative acting within the limits of authority. See La. R.S. 39:1556(41).

Professional Service Contract - Specialized contracts processed through the Office of State Procurement, Professional Contracts that are not competitively bid at the Office of State Procurement.

Proprietary Specifications – A specification that cites brand name, model number, or some other designation that identifies a specific product to be offered exclusive of others. See Purchasing Rules and Regulations – Louisiana Administrative Code, Title 34, Part V, Section 109.A.

Protest - Act of an aggrieved person in connection with a solicitation or award.

Public Bid Law - Statutes governing public contracts also referred to as Title 38 (Chapter 10).

Public Record – Information about government activities that is available for public inspection.

Purchase Order - Award document for goods or services between an agency and a supplier.

Purchasing Agency – Any governmental body which is authorized by this Chapter or its implementing regulations, or by way of delegation from the state chief procurement officer, to contract on its own behalf rather than through the central contracting authority of the Office of State Procurement. See La. R.S. 39:1556(44).

Purchasing Rules and Regulations - Contained in Title 34 of the Louisiana Administrative Code (L.A.C.) and provide further explanation and procedures to implement the Revised Statutes governing purchasing.

Qualified Products List – A specification developed by evaluating brands and models of various manufacturers of an item and listing those determined to be acceptable as eligible to be offered on the next invitation for bids; on approved brands list. See Purchasing Rules and Regulations – Louisiana Administrative Code, Title 34, Part V, Section 109.C.

Qualified group purchasing organization – A service organization, whether for profit or not, with a membership of at least fifteen (15) hospitals within the United States, which contracts with suppliers for supplies and materials used in hospitals and makes such contracts available to its members. See La. R.S. 39:1556(45).

Quote - A supplier's price offer for specific goods or services provided verbally or in writing depending on dollar amount.

Rebate - A return of a part of a payment, usually from a manufacturer to a distributor.

Refund - The paying back of money owed to the State.

Reimbursement - Paying back of money spent on behalf of a State Agency.

Renewal Option - Language offering an extension of a purchase order or contract for a definite period of time mutually agreed upon by the contractor and the agency/Office of State Procurement at the same prices, terms and conditions.

Renewal - An extension of a purchase order or contract for a definite period of time mutually agreed upon by the contractor and the agency/State Procurement at the same prices, terms and conditions.

Requisition/Shopping Cart – An internal document by which a using agency requests the purchasing department to initiate a procurement transmitted through LaGov SRM.

Resident Business – One authorized to do and doing business under the laws of this State, which either: (a) Maintains its principal place of business in the State; (b) Employs a minimum of two (2) employees

who are residents of the State. See La. R.S. 39:1556(47).

Responsible Bidder – A person who has the capability in all respects to perform the contract requirements and the integrity and reliability which will assure good faith performance. See La. R.S. 39:1556(48) and Purchasing Rules and Regulations – Louisiana Administrative Code, Title 34, Part V, Section 327.B.2.

Responsive Bidder – A person who has submitted a bid under La. R.S. 39:1594 which conforms in all substantive respects to the invitation for bids, including the specifications set forth in the invitation. See La. R.S. 39:1556(49) and Purchasing Rules and Regulations – Louisiana Administrative Code, Title 34, Part V, Section 327.B.1.

Restraint of Trade – The effect of an act, contract, combination, or conspiracy which eliminates or stifles competition, effects a monopoly, artificially maintains prices, or otherwise hampers or obstructs the course of trade and commerce as it would be carried on if left to the flow of natural and economic forces.

RFP (Request for Proposal) - A request for proposers to provide a response to a desired outcome and/or problem resolution considering price and/or predetermined weighted factors for selection. Also see La. R.S. 39:1556(46).

RFx – A document provided to bidders requesting prices for goods or services.

Sealed Bid – A bid which has been submitted in a sealed envelope to prevent its contents being revealed or known before the deadline for the submission of all bids to enhance competition.

Services – The furnishing of labor, time, or effort by a contractor whose primary purpose is to perform an identifiable task rather than to furnish an end item of supply. (a) Services include but are not limited to the following: (i) Maintenance, overhaul, repair, servicing, rehabilitation, salvage, modernization or modification of supplies, systems, or equipment; (ii) Routine recurring maintenance of immovable property; (iii) Housekeeping services; (iv) Operation of government owned equipment, immovable property, and systems; (v) Information technology services. (b) The term "services" shall not include: (i) Employment agreements or collective bargaining agreements; (ii) Personal, professional, consulting, or social services as defined in La. R.S. Chapter 17; (iii) Services performed by lawyers as provided by La. R.S. 42:261 through La. R.S. 42:264; (iv) Services performed by an architect, engineer, or landscape architect as provided by La. R.S. 38:2310 through La. R.S. 38:2314. See La. R.S. 39:1556(51).

Shall – Denotes the imperative. See La. R.S. 39:1556(52).

Shopping Cart – An internal document by which a using agency requests the purchasing department to initiate a procurement transmitted through LaGov SRM (normally)

Small Purchase - Any procurement not exceeding the amount established by the Executive Order of the Governor.

Sole Source - See La. R.S. 39:1597 or Purchasing Rules and Regulations – Louisiana Administrative Code, Title 34, Part V, Section 901.

Solicitation (RFx) - A document provided to bidders requesting prices for goods or services

Specification – Any description of the physical or functional characteristics, or of the nature of a supply, service, or major repair. It may include a description of any requirement for inspecting, testing, or preparing a supply, service, or major repair for delivery. See La. R.S. 39:1556(55).

Standing Order - A purchase order issued to a supplier for item(s) to be delivered on a scheduled basis over a specified period of time, generally one (1) year or to the end of a fiscal year.

State Chief Procurement Officer – The person holding the position created in La. R.S. 39:1562 as head of the central purchasing agency of Louisiana. See La. R.S. 39:1556(56).

State Public Procurement Unit – The central purchasing agency and any other purchasing agency of this State. See La. R.S. 39:1556(57).

Supplies – All property, including but not limited to equipment, materials, insurance, and leases on immovable property excluding land or a permanent interest in land. See La. R.S. 39:1556(59).

Suspension – The disqualification of a person to receive invitation for bids or requests for proposals, or the award of a contract by the State, for a temporary period pending the completion of an investigation and any legal proceedings that may ensue because a person is suspected upon probable cause of engaging in criminal, fraudulent, or seriously improper conduct or failure or inadequacy of performance which may lead to debarment. See La. R.S. 39:1556(60).

Tabulation of Bids - A spreadsheet prepared by the purchasing department to summarize bid responses.

Tie Bid – Low responsive bids from responsible bidders that are identical in price and which meet all requirements and criteria set forth in the invitation for bids. See Purchasing Rules and Regulations – Louisiana Administrative Code, Title 34, Part V, Section 329 and 2309.

Trade-in - Equipment offered in exchange for a reduction in cost against a new purchase.

Turnkey - An all-inclusive bid on a project to make ready for use upon completion.

UNSPSC – United Nations Standard Products and Services Code

Unit of Measure - The way selected to obtain merchandise (i.e., box, each, roll).

User - Person or department that receives and uses the product or service ordered.

Using Agency – Any governmental body of the State which utilizes any supplies, services, or major repairs purchased under La. R.S. Chapter 17. See La. R.S. 39:1556(61).

Vendor - Person with potential of supplying goods or services to the State.

Vendor File – The accumulated record maintained by the purchasing authority of information relevant to a bidder's or contractor's business relationship with the State, including application for inclusion on the bidders list, record of performance under contracts, and pertinent correspondence.

Vendor Number - A unique number assigned to each supplier address.

Warranty - A supplier's assurance of product durability or service.

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ABBREVIATIONS USED IN HANDBOOK

CPI – Consumer Price Index
CPO – Chief Procurement Officer
DPA – Delegated Purchasing Authority
ITB – Invitation to Bid
LaCarte – Louisiana's Procurement Card
LaGov – name of Louisiana's ERP system
LaMAS – Louisiana Multiple Award Schedules
LaPAC – Louisiana Procurement and Contract Network
LaPS – Louisiana Pricing Schedules
MSDS – Material Safety Data Sheet
OSP – Office of State Procurement
PPI – Producer Price Index
R.S. – Revised Statutes
RFP – Request for Proposal
RFx – Request for some type of solicitation (Bid, Proposal, Information, etc.)
SRM – Supplier Relationship Management