



Office of State Procurement

Purchasing 101

Agency Training



PURPOSE



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





What Governs Procurement?



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



La. Revised Statutes

?

39: 1551 – 1755



- Louisiana Procurement Code
- Creates Central Purchasing Agency (OSP)
- Names State Director of Procurement as its head
- Gives Director the authority to procure all supplies and services needed by the state, unless otherwise provided by law
- RS 39:1572 Exempts certain Agencies from going through OSP
- Non-Exempt Agencies must follow OSP regulations



Louisiana Administrative Code Title 34



- Purchasing & Professional Services Contracts Rules and Regulation

Promulgated by the Office of the Governor, Division of Administration, Office of State Procurement



Small Purchase Executive Order



- Defines “Small Purchase”
- States who is required to adhere to the directives set forth in the order
- Defines items that are exempt from the procedures established in the order
- States minimum procedures that are required
- Lists items that are considered small purchases regardless of price

Delegated Purchasing Authority (DPA)

- What is a delegated purchasing authority?

A formal written delegation and amount from the Director of State Procurement

Usually limited to Small Purchases as defined by the Small Purchase Executive Order (not exceeding \$30,000)

Some commodities must be purchased through OSP regardless of the agency's DPA

DELEGATION OF AUTHORITY QUESTIONNAIRE

*Agency Name: _____

*Address: _____ *Telephone: _____

_____ *Email Address: _____

*Requested Authority: _____ *Current Authority: _____

Purchasing personnel, classifications, years of experience and training:

Name	Civil Service Title	Approx. Yrs. of Professional Purchasing Experience	Check all that apply					
			NSOP training	OSP Basic 101	OSP Specialization Writing	OSP Contract Search	Other training (specify below)	Special Education (specify below)

Indicate any special training or education that should be considered:

Who does purchasing report to?

Does your agency use the Procurement Card?



- Where can you find the forms?
- The Delegation of Authority forms along with the guidelines are located on OSP’s website under agency forms



Steps in the Purchasing Process

1. Identify Need

- An agency identifies its needs
- Determines which goods or services will satisfy those needs
- Gathers all information that will help simplify the procurement process, including specifications, sources, proper commodity class and estimated costs

2. Determine Method of Procurement

- Statewide Contract
- Small Purchase
- Competitive Sealed Bidding
- Sole Source
- Proprietary
- Emergency





STATEWIDE CONTRACTS

- OSP develops statewide contracts in various commodity areas in order to group the needs of the different agencies
- Statewide Contracts standardize, consolidate usage for lower prices and reduces administrative costs
- Allows agencies the convenience of purchasing items directly without having to competitively bid those items
- Most are not mandatory, however many do have minimum order requirements
- Contract purchases are not limited to the agency's DPA, unless there are internal limits within the agency



STATEWIDE CONTRACTS

- Types - Generic, Brand Name, LaMAS, Multi-State/Cooperative Purchasing
- Formats – itemized, discount from price list, catalog
- Mandatory/Non-mandatory
- LAPS – Louisiana Pricing Schedules
 - Applies to Brand Name, LaMAS and Multi-State Contracts
 - Must compare contracts for best value when total procurement is over \$25,000



STATEWIDE CONTRACTS

Prison Enterprise and Sheltered Workshop Contracts

Prison Enterprise

Contract No.
4400000932

Agencies may
issue a contract
purchase order

Sheltered Workshop

Contract No.
4400007380

Agencies may
issue a contract
purchase order



Searching for Statewide Contracts LA eCat

Access from OSP's website / Agency Center/ LA eCat – Louisiana's Electronic Catalog

Office of State Procurement

Louisiana's Electronic Catalog (LA eCat)

Search tool for items on state contracts.

LaGov

Contract	Vendor	Contract Line Item:	Catalog Items:
Contract # <input style="width: 100%;" type="text"/>	Name <input style="width: 100%;" type="text"/>	Line # <input style="width: 100%;" type="text"/>	MDM Catalog Reference # <input style="width: 100%;" type="text"/>
Contract Desc. <input style="width: 100%;" type="text"/>	SEBD <input type="text" value="Any"/> <input type="button" value="v"/> VSE <input type="text" value="Any"/> <input type="button" value="v"/>	Product Category <input style="width: 100%;" type="text"/>	Supplier Part # <input style="width: 100%;" type="text"/>
T-Number Desc <input style="width: 100%;" type="text"/>	SE/HI <input type="text" value="Any"/> <input type="button" value="v"/> DVSE <input type="text" value="Any"/> <input type="button" value="v"/>	Material # <input style="width: 100%;" type="text"/>	Region <input style="width: 100%;" type="text"/>
T-number <input style="width: 50%;" type="text"/> <input style="width: 50%; text-align: center;" type="button" value="Lookup"/>		Product Category/Line Item Description <input style="width: 100%;" type="text"/>	Catalog Item Long Description <input style="width: 100%;" type="text"/>
Coop? <input type="text" value="Any"/> <input type="button" value="v"/>			Emergency <input type="text" value="Any"/> <input type="button" value="v"/>

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

Search for: Contracts Contract Line Items Catalog Items



NON-CONTRACT PURCHASES

When the Agency determines that the goods or services required are not available through a State Contract or they do not choose to utilize an existing contract, the agency may handle the purchase if within their DPA or submit a shopping cart to OSP for competitive bidding.

- Small Purchase (\leq \$30,000)
- Competitive Sealed bid – ITB – Invitation to Bid
- Request for Proposals - RFP



Definition of a Small Purchase

Executive Order JBE 2020-21 establishes “Small Purchase” as any purchase not exceeding \$30,000 or any procurement of those items listed in Section 5 of the order, regardless of price



With the exception of 5(A)14, 16, 22, 24, 28 and 32, each of which has dollar limits

SMALL PURCHASES

Quotation Thresholds



- \$10,000 or less (Section 4.A)
 - no competitive process required
- > \$10,000 but not > \$20,000 (Section 4.B)
 - 3 or more bona fide quotations by fax, phone or other means
 - Whenever possible, at least 1 from a certified small & emerging business, small entrepreneurship, or a veteran or service-connected disabled veteran owned small entrepreneurship
 - Soliciting 3 quotations may be waived
 - Awarded on the basis of the lowest quote



SMALL PURCHASES

Quotation Thresholds

- > \$20,000 but not > \$30,000 (Section 4.C)
 - 5 or more bona fide quotations by fax or written means
 - Minimum of 3 working days allowed for receipt of quotations
 - Whenever possible, at least 2 from a certified small & emerging business, small entrepreneurship, or a veteran or service-connected disabled veteran owned small entrepreneurship (This requirement may be waived)
 - Awarded on the basis of the lowest quote



SMALL PURCHASES

No Competitive Process required

- Section 5.A of the executive order lists those procurements that are considered a small purchase regardless of price
- Exceptions 5.A.14, 16, 22, 24, 28, and 32





SMALL PURCHASES

Competitive Process Required

- Section 5.B requires 3 quotations for certain commodities





Split Purchasing Prohibited

- Purchases shall not be artificially divided within a cost center to avoid the competitive process or the solicitation of competitive sealed bids.





Purchases Exceeding Small Purchase Limit (>\$30,000)

- Competitive sealed bid (ITB)
 - Procedures per La. R.S. 39:1594.B; LAC Title 34, Part V5
 - Requires 10 day advertisement in newspaper and posted to LaPAC
- Request for Proposal (RFP)
 - Procedures per La. R.S. 39:1595
 - Requires 30 day advertisement in newspaper and posted to LaPAC



COMPETITIVE PROCESS

- Determine procedure based on estimated amount
 - Is it within your agency's DPA?
 - Is competitive process required?
 - What are the requirements of the process?

- Prepare Invitation-To-Bid
 - Include all pertinent information (delivery, special conditions, etc.
 - Specifications should be clear, concise, but not restrictive
 - Assign an opening date and time



COMPETITIVE PROCESS

- Addendum (if necessary)
 - Address any discrepancies, omissions or changes
 - Send to all vendors originally solicited
 - If advertised and BOD is extended more than one week, solicitation must be readvertised.

- Receipt of Bids/Quotations
 - Stamp with date and time received
 - Safeguard the confidentiality of the responses
 - Sealed Bids shall remain sealed until opening date/time
 - Quotations/Bids received after opening time shall be rejected



COMPETITIVE PROCESS

- Tabulation of Bids/Quotations
 - File shall contain list of all vendors solicited
 - Record responses and maintain in file

- Evaluation
 - Administrative Review
 - Is bid/quotation complete and responsive
 - Check for signatures
 - Price and Specification Review
 - Reduce prices to a common denominator
 - Apply Preferences (U.S. or La.) and Cash Discounts
 - Criteria not set forth in the ITB may be used
 - Determine lowest responsive, responsible bidder that meets the criteria outlined in the ITB



COMPETITIVE PROCESS

➤ Award

- If the low bid meets specifications and is acceptable, it is indicated on the tabulation or in the file and the bid is awarded
- If the low bid is rejected, reasons must be documented and the process repeated for the next low bidder until an award is made.
- Award is made to the lowest responsive, responsible bidder.
- Bids cannot be negotiated



Other Methods of Procurement

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



Procurements with Special Requirements

Telecommunications

Information Technology

Vehicles

Elevator Maintenance

Equipment Financing

Printing

Labor and Material Projects – over \$10k



Deficiency/Complaints

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



Deficiency/Complaints

1. Agency encounters problems
 - Late delivery, inferior merchandise, product substitution, etc.
2. Agency attempts to resolve with contractor
 - Document verbal communications and follow up with vendor until resolved
3. Complete Deficiency/Complaint Form
 - State facts not personal opinions. Include documentation of events
4. Send to State Procurement
 - Agency will receive a copy of vendor's response and the logged complaint will not close until the agency is satisfied with the resolution



Emergency Procurement Guide

HELPFUL INFORMATION

ABOUT

LOUISIANA EMERGENCY PROCUREMENT



Developed June 2006
(Revised September 2020)



How to Locate Emergency Contracts

Office of State Procurement

Louisiana's Electronic Catalog (LA eCat)
Search tool for items on state contracts. Help

LaGov

Contract

Contract #

Contract Desc.

T-Number Desc

T-number

Coop?

Vendor

Name

SEBD VSE

SE/HI DVSE

Contract Line Item:

Line #

Product Category

Material #

Product Category/Line Item Description

Catalog Items:

MDM Catalog Reference #

Supplier Part #

Region

Catalog Item Long Description

Emergency

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Search for: **Contracts** Contract Line Items Catalog Items

1-25 of 108
1 2 3 4 5

Contract #	Contract Description	Vendor Name	T-number	Effective From - To	P-card
4400003919	EMERGENCY NOTIFICATION SERVICE	ONSOLVE INTERMEDIATE HOLDING CO	92587	04/10/2013 - 04/09/2019	No
4400003922	EMERGENCY NOTIFICATION SERVICE	ON TIME TELECOM, INC.	92587	04/10/2013 - 04/09/2019	No
4400005818	DOTD Emergency Transportation Contract	TMS LOGISTICS LLC	DOT11	12/01/2014 - 11/30/2019	No
4400006306	FM RADIO BASED EMERGENCY ALERT GOHSEP	GLOBAL SECURITY SYSTEMS LLC	92768	02/01/2012 - 01/31/2022	No
4400006368	Mgmt, Staff & Oper Svcs Emergency DCFS	GRANNY'S ALLIANCE HOLDINGS, INC	DCF08	06/01/2014 - 05/31/2019	No
4400006371	Mgmt, Staff & Oper Svcs Emergency DCFS	OK'S CASCADE COMPANY	DCF08	06/01/2014 - 05/31/2019	Yes



CONTACT INFORMATION:

OSP Main Number: 225-342-8010

OSP Website:

<http://www.doa.la.gov/Pages/osp/Index.aspx>

OSP Help Desk - Purchasing: DOA-OSPhelpdesk@la.gov

