



Louisiana Housing Corporation

Memorandum

To: Joshua Hollins, Executive Director
From: Portia Johnson, Brenda Evans, and Plezetta West
Date: March 17, 2023
Re: Procurement Policy Version 2.0

At the March 22, 2023 Board of Directors meeting, the newly revised Procurement Policy will be presented for approval. It has been revised significantly since the first version approved in 2013. The revised policy:

- Requires the Executive Director to designate an employee to hold the position of the Procurement Officer to oversee the efficient and compliant operation of LHC procurement;
- Creates a general requirement for at least three (3) written quotes of small purchases – those exceeding \$5,000 but less than \$50,000;
- Clarifies the process to submit procurement requests and purchase orders;
- Defines the types of acceptable competitive solicitation methods and exceptions to those methods;
- Explains the process for public notification of solicitations for bids, proposals, offers, qualifications, and awards;
- Describes the evaluation and award process for competitive solicitations with a definition and requirements of the evaluation team and allowance for subject matter experts from other state agencies in Louisiana to be included on the Evaluation Team and subject matter experts who may or may not be employed by a state agency to serve in an advisory capacity;

- Includes options and processes for scoring;
- Incorporates notification and protest deadlines for disqualified proposers in competitive solicitations and creates clear deadlines and processes for other types of protests;
- Further clarifies the Dispute Review Panel and its obligations and requirements;
- Requires documentation of efforts to ensure that small and minority-owned businesses, veterans, and service-connected disabled veteran-owned entrepreneurship, and women's business enterprises are used when possible.
- Adds more information per federal regulations regarding ethics and communication;
- Adds and explains sanctions for violations of ethical standards; and
- Removes all language regarding matters after award and contract execution. These matters will be detailed in a separate, new *Contract Management* policy.

RECOMMENDATION: The recommendation by the Director of Policy, the Chief Sustainability Officer and the Legal Department is that the Board of Directors approve the revised Procurement Policy, version 2.0, at the March 22, 2023 Board of Directors meeting.



Louisiana Housing
Corporation

PROCUREMENT POLICY

Version 2.0

March 22, 2023

FOREWORD

This Procurement Policy, together with other established policies of the Louisiana Housing Corporation (LHC) (The Corporation), applies to the acquisition by the LHC of all goods and services paid with self-generated funds, gifts, grants, or other methods from governmental or private sources. This policy shall not apply to any funds appropriated to the LHC by the Louisiana Legislature, as the expenditure of such funds would be subject to the controls and authority of the Division of Administration.

This Procurement Policy complies with the U.S. Department of Housing and Urban Development's (HUD) Annual Contributions Contract (ACC), HUD Handbook 7460.8, "Procurement Handbook for Public Housing Agencies," and the procurement standards of 24 CFR 85.36.

All LHC purchasing shall be in accordance with 24 CFR 85.36, Federal, State, and HUD regulations when applicable, and approved LHC purchasing procedures. Where there are discrepancies in regulations or procedures, the more restrictive policy shall apply. Where there are discrepancies in dollar amounts, this policy shall apply. Dollar amounts indicated are exclusive of any applicable sales tax and freight charges.

Where procurement involves the expenditure of federal assistance or contract funds, the LHC shall comply with such federal law and authorized regulations which are mandatorily applicable.

Approved by:



Joshua G. Hollins, Executive Director

3/20/23

Date

VERSION CONTROL

Version No.	Approved Date	Revised By	Revisions
2.0		P. Johnson, P. West, B. Evans	Definition additions; various clarifications; requirements for small purchases; requirements for procurement files; addition of the requirement for a designated Procurement Officer; addition of language regarding RFP, RFQ, NOI, evaluation team, scoring, and the dispute review panel; removal of language regarding contract management and controversies

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GENERAL PROVISIONS

GOAL

It is the goal of the Louisiana Housing Corporation (LHC) to procure goods and services in a manner that is open, fair, encourages competition, and affords vendors equal opportunities to compete.

PURPOSE

Every purchase, rental or lease of services, supplies, materials, equipment, construction, alteration, repair, maintenance, or demolition of Louisiana Housing Corporation property shall be in accordance with this policy. The purpose of this policy is to assure that purchases are made in a fair and impartial manner and that the LHC will obtain quality workmanship, materials, supplies, and services that best meet LHC needs in the most cost-effective manner possible while maintaining the highest possible integrity, broad-based competition, fair and equal treatment of the business community, and increased economies and efficiencies for the LHC and the citizens of Louisiana.

AUTHORITY

The Louisiana Housing Corporation was created by the Louisiana Housing Corporation Act in 2011 as a public body corporate and politic, and instrumentality of the state (R.S. 40:600.88 et seq.). The Corporation is governed by a Board of Directors who appoints an Executive Director who shall be the chief executive officer of the Corporation. The Executive Director shall administer, manage, and direct the affairs and business of the Corporation subject to the policies, control, and direction of the Board of Directors of the Corporation. Pursuant to the authority vested in the Executive Director, the Executive Director directs that these policies shall be followed by LHC staff.

DELEGATION AND REVOCATION OF PURCHASING AUTHORITY TO DEPARTMENTS

- A. **Supervision.** The Executive Director shall designate an employee to hold the position of the Procurement Officer for the Agency to oversee the efficient operation of LHC procurement.
- B. **Delegation.** Procurement Officer may delegate, in writing, department heads' authority to seek procurement(s) on behalf of their administrative units in keeping with this procurement policy.
- C. **Revocation.** The Executive Director may change, limit, expand, or reverse such delegations at any time.

POLICY

All employees of the LHC shall adhere to established policy for procurement of goods and services. Adherence to the LHC adopted procurement policy will ensure that public purchases and contracts are open, fair, and at the best value to the public. The process or procedure to be followed by LHC employees shall be dependent upon the type and amount of the proposed procurement as outlined in this document.

Best efforts shall be made to meet LHC goals regarding contracting with business enterprises owned by members of HUD-defined minority groups, women, and persons with disabilities (MBE's, WBE's and DBE's). To the greatest extent feasible, the LHC will also award contracts to qualified contractors and vendors that create employment and business opportunities for participants in LHC housing programs and other qualified low- and very low-income persons, and that otherwise comply with Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701u).

The LHC will communicate and collaborate with other public entities when mutual benefit can be obtained.

The LHC Internal Audit Department shall review staff compliance with the LHC Procurement Policy at least once per year. This shall be part of a regular audit schedule. The Internal Audit Department shall provide a report to the Administrative Committee subsequent to any such review.

DEFINITIONS

Aggrieved Party - any person or entity that is aggrieved in connection with a solicitation, award, or contract and who otherwise properly has standing to participate in administrative and/or judicial proceedings.

Award - the acceptance of the highest scoring bid(s) or proposal(s) by LHC with the intent to contract.

Best and Final Offer (BFO) - in a competitive negotiation, the final proposal submitted by a respondent after negotiations have been completed and which contains the respondent's most favorable terms in response to the solicitation.

Bid - a request for competitive quotation or proposal from a qualified vendor for the purpose of issuing a purchase order and contract for the procurement of goods or services.

Board of Directors - the governing body of the Louisiana Housing Corporation.

Business Expense - a charge for goods or services, whether paid, committed, or accrued, that fosters or supports the ongoing missions of the Corporation. These charges may include expenses (expenditures), debt service payments, and capital outlays.

Certified Small and Emerging Business - a business certified as a small and emerging business by the Division of Certified Small and Emerging Business Development, Department of Economic Development, in accordance with the provisions of the Small and Emerging Business

Development Program, R.S. 51:941, et seq., and included on the most recent list of certified small and emerging businesses issued by the Division of Certified Small and Emerging Business Development.

Competitive Negotiation - a step toward execution of a contract involving back and forth communication regarding costs and other criteria between the LHC and respondents who have been found suitable for award of a contract pursuant to evaluation of responses to a solicitation.

Conflict of Interest - a situation in which a member of the LHC Community has the opportunity to influence the Corporation's business, administrative, or other decisions in ways that could lead to personal gain or advantage.

Consulting Services - work, other than professional, personal, or social service, rendered by an independent contractor who possesses specialized knowledge, experience, and expertise to investigate assigned problems or projects and to provide counsel, review, design, development, analysis, or advice in formulating or implementing programs or services or improvements in programs or services.

Contract – agreements between LHC and an individual or entity, including but not limited to purchase orders, for the procurement or disposal of goods and services and the generation of revenue for the LHC by the use of the Corporation's facilities, personnel, or services; "contract" shall not include contracts or appointments for employment or cooperative endeavor agreements.

Contractor - any individual or entity having a contract with the LHC.

Cooperative Buying Organization (CBO) - a public or private not-for-profit organization that offers goods or services to subscribing public or private procurement units from vendors located in the United States who have agreed to uniform terms, conditions, and pricing in accordance with an agreement entered into by the participants pursuant to a competitive award process.

Corporation - Louisiana Housing Corporation, a public body corporate and politic constituting an instrumentality of the State of Louisiana created pursuant to Chapter 3-G of Title 40 of the Louisiana Revised Statutes of 1950, and charged with the mission of providing affordable, accessible, decent, safe, and sanitary housing to the low- to moderate-income citizens of the State of Louisiana.

Dispute Review Panel - a panel of LHC employees consisting of the designated procurement officer and two additional members to be appointed by the Executive Director who are authorized to resolve protests in accordance with this policy.

Disqualification - to become ineligible for award due to non-conformance or violation of solicitation requirements.

Emergency Condition - the occurrence of an unanticipated and sudden situation that is life-threatening, catastrophic in nature, or involves pressing necessity for immediate repairs, reconstruction, or maintenance in order to permit the safe continuation of a necessary use or function, or to protect the property or the life, health, or safety of any person.

Emergency Procurement - a purchase made after a written determination by the Executive Director or Procurement Officer that:

- a) there exists an emergency condition which creates a threat to public health, welfare, safety, or public property, or conservation of public resources;
- b) the emergency condition creates an immediate and serious need for goods or services that cannot be met through normal procurement methods;
- c) The lack of these goods and services would threaten the preservation, conservation, or protection of property or public resources, or the health and safety of any person.

Evaluation Team - a group of at least three (3), but not more than five (5), individuals designated by the Solicitation Coordinator to review and score solicitations and conduct interviews, as required.

Executive Director - the chief administrative head of the Louisiana Housing Corporation appointed by the Board of Directors, whether identified by this or some other title in the LHC's organizational chart.

Fixed Price Items - goods or services purchased where price is fixed by law or regulation.

Foreign National - an individual who is not a citizen of the United States and does not have a permanent resident status, or an entity that does not have a place of business or an office in the United States.

General Services Administration (GSA) Contract Schedules - long-term government-wide contracts awarded by the U.S. General Services Administration to commercial entities to provide government procurement access to a broad spectrum of commercial goods and services at volume discount pricing.

Goods - all property, including but not limited to, equipment, materials, supplies, insurance, license agreements for software, and leases on real property, excluding a permanent interest in land, all consistent with established LHC policies. Goods are not services.

Hudson Initiative – a Louisiana certification program designed to help eligible Louisiana small businesses gain greater access to purchasing and contracting opportunities that are available at the state government level.

Independent Contractor - an individual or entity engaged to perform services and commonly referred to as consultant, freelancer, contractor, etc.

Intergovernmental or Interagency Contracts - contracts or agreements in which each of the parties is a governmental entity or between subdivisions or institutions under their jurisdiction.

LHC Community - any employee, contractor, vendor, member of the board directors, participant or applicant of any program administered by the LHC.

Negotiation - conferring, discussing, or bargaining to reach an agreement to obtain and/or purchase a good or service.

Non-Responsive Respondent - an individual or business entity that has submitted a bid/proposal/offer that does not fully conform in all material respects to the requirements of the solicitation.

Office of State Purchasing Contracts - contracts entered into by the Louisiana Office of State Purchasing and made available to other Louisiana procurement units.

Procurement - the process by which goods or services are acquired. Includes all functions that pertain to the obtaining of goods and services, including but not limited to description of requirements, selection and solicitation of sources, negotiation, preparation, and award of contract.

Procurement Officer (PO) - as used in this procurement policy, is the director of procurement for the LHC, appointed by the Executive Director, and does not refer to the chief procurement officer for the State of Louisiana.

Procurement Card (P-card) - a credit card issued by a financial institution to LHC to make purchases directly from vendors. The individual named on the card is authorized to make certain business purchases on behalf of LHC, and the bill is paid directly by the Corporation.

Professional Services - work rendered by an independent contractor who has a professed knowledge of a particular aspect of learning or science and its practical application. A profession is a vocation founded on advanced specialized study and training which enables its practitioner to provide specific services.

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.

Protest - a written objection by a potential aggrieved party to a solicitation or award of contract, with the intention of receiving a remedial result. Protests must be filed in accordance with this procurement policy within specified timelines set forth in the specific solicitation or award of contract.

Public Funds - legislatively appropriated funds, interagency transfers, self-generated funds, gifts, and funds received by the LHC by grant or other method from governmental or private sources and which may be used to advance the missions of the LHC.

Purchase Order - a legally binding contract for purchase between the LHC and the vendor.

Request for Proposals (RFP) - an official solicitation for proposals to supply services or a combination of services and goods where weighted criteria are the basis for award.

Request for Qualification (RFQ) - a purchasing method for use in procurements that includes a description of the goods or services specified and requests that a potential vendor respond with product and technical information by a designated time and date. Highest scoring vendors will then be required to submit price proposals for final selection.

Resident Business - a business authorized to do and doing business under the laws of the State of Louisiana, which either: (a) maintains its principal place of business in the state; or (b) employs a minimum of two employees who are residents of the state.

Respondent - an individual or entity that submits a response to a solicitation.

Responsible Respondent - a business entity or individual determined to be fully capable of meeting all requirements of the solicitation and subsequent contract and which has the personnel, financial, and technical resources to perform as will be contractually required. A responsible respondent must be able to fully document in advance the ability to provide good faith performance.

Responsive Respondent - an individual or business entity that has submitted a bid/proposal/offer that fully conforms in all material respects to the requirements of the solicitation.

Services - the furnishing of labor, time or effort by a vendor which may involve, to a lesser degree, the delivery or supply of a product, incidental to the required performance.

Small Diverse Business - a federal program under the Small Business Administration that encourages the engagement of entities that are federally recognized as being "small, disadvantaged business enterprises."

Small Entrepreneurship - a business certified as a small entrepreneurship by the Department of Economic Development, in accordance with the provisions of the Louisiana Initiative for Small Entrepreneurships (Hudson Initiative), R.S. 39:2006.

Small Purchase - any single procurement of goods or services quoted to cost less than \$50,000.

Sole Source Procurement - a purchase made when it has been determined, in writing, by the Procurement Officer or the Delegated Department Head and approved by the Executive Director, that there is only one source for a good or service. Sole source procurement may be utilized when only one vendor or supplier has the unique ability to meet the requirements of this procurement.

Solicitation - an RFP, RFQ, NOI, an electronic document posting, or any other communication used to acquire responses for the purpose of obtaining a good or service.

Solicitation Coordinator - LHC employee that initiates the procurement process and oversees the entire process from selection of solicitation method through Award in coordination with the Procurement Officer.

Thing of economic value - money or any other thing having economic value, except as defined in the Louisiana Code of Governmental Ethics.

Vendor - an individual or organization that provides specified and agreed upon goods and/or services to the Corporation. May be used interchangeably with "supplier."

Veteran Initiative - a certification program that is designed to help eligible Louisiana Veteran-owned and Service-Connected Disabled-Veteran-owned small businesses gain greater access to purchasing and contracting opportunities that are available at the state government level.

APPLICATION

This Procurement Policy applies to the procurement of goods or services by the Corporation after the effective date of this policy. It shall apply to every expenditure of federal, state, non-federal, or private funds by the Corporation for public purchasing, irrespective of the source of funds. Nothing in this policy, however, shall prevent the Corporation from complying with the terms and conditions of any grant, contract, gift, or bequest that is otherwise consistent with law.

COOPERATIVE PURCHASING

The Corporation may enter into state and local intergovernmental agreements to purchase or use common goods and services. The decision to use an intergovernmental agreement or conduct a direct procurement shall be based on economy and efficiency. If used, the intergovernmental agreement shall stipulate who is authorized to purchase on behalf of the participating parties and shall specify inspection, acceptance, termination, payment, and other relevant terms and conditions. The Corporation shall use federal or state excess and surplus property instead of purchasing new equipment and property whenever such use is feasible and reduces project costs.

PUBLIC RECORD

Procurement information shall be a matter of public record to the extent provided for in LA. R.S. 44:1 et. seq., and will be made available upon request to the LHC Legal Department. A copy documentation charge may be assessed.

FEDERAL SPECIALTY ACTS AND GRANTS

For contracts utilizing any funds from federal specialty acts and/or grants the LHC will follow all statutory requirements, as well as all regulations and guidance issued by HUD, the Office of Management and Budget (OMB), and other federal and state agencies that may be authorized to issue such regulations and guidance

SMALL PURCHASES

Except as otherwise provided in this procurement policy, all small purchases shall be made in accordance with the following minimum procedures:

PURCHASES OF \$5,000 OR LESS

No competitive process is required for purchases not exceeding five thousand dollars (\$5,000) per single purchase transaction.

PURCHASES EXCEEDING \$5,000 BUT LESS THAN \$25,000

Price quotations shall be solicited from at least three (3) vendors for purchases exceeding five thousand dollars (\$5,000) but not exceeding twenty-five thousand dollars (\$25,000).

Procurement Requests must be accompanied by a complete scope of work, cost estimate, and fee schedule.

- A. Quotations must be written and may be made by letter, email, facsimile, or other means and shall be generally awarded on the basis of the lowest responsive quotation. Whenever possible, at least one (1) of the vendors shall be a certified small and emerging business, a small entrepreneurship, or a veteran or service-connected disabled veteran-owned small entrepreneurship. Files shall document and list all solicited vendors and each vendor's contact person, summarize quotations received, indicate the successful vendor, and state the reason why any lower quotation was rejected. Files should also contain written confirmation of the quotation from all vendors.
- B. A minimum of three (3) working days shall be allowed for receipt of quotations.
- C. All written or facsimile solicitations shall include the closing date, time, and all pertinent competitive specifications, including quantities, units of measure, packaging, delivery requirements, ship-to location, terms and conditions, and other information sufficient for a supplier to make an acceptable quotation. Precautionary measures shall be taken to safeguard the confidentiality of vendor response prior to the closing time for receipt of quotations. No quotation shall be evaluated using criteria not disclosed in the solicitation.
- D. If the price is determined to be reasonable, the requirement to solicit three (3) quotations may be waived when making purchases from a small and emerging business, a small entrepreneurship, or a veteran-or service-connected disabled veteran-owned small entrepreneurship that is certified by the Louisiana Department of Economic Development as of the date of purchase. Reasonable is a best value determination based on price, delivery, service, and/or other related factors. The determination shall be made by the Procurement Officer or their delegated department head. In the instance where the determination is made by the department head, the Procurement Officer must still authorize the procurement by signature. This determination is to be maintained in the file.
- E. Soliciting three (3) quotations may be waived when purchasing from a registered business. A business analysis must determine that in-state prices are equal or better than two other current price comparisons. Comparisons may include, but are not limited to, state contract prices, General Services Administration (GSA) prices, or similar resources. Comparison documents are to be maintained in the file.

PURCHASES EXCEEDING \$25,000 BUT LESS THAN \$50,000

Price quotations shall be solicited from at least three (3) vendors for purchases exceeding twenty-five thousand dollars (\$25,000) but not exceeding fifty thousand dollars (\$50,000).

Procurement Requests must be accompanied by a complete scope of work, cost estimate, and fee schedule.

- A. Quotations must be written and may be made by letter, email, facsimile, or other means and shall be generally awarded on the basis of the lowest responsive quotation. Whenever possible, at least two (2) of the vendors shall be a certified small and emerging business, a small entrepreneurship, or a veteran or service-connected disabled veteran-



owned small entrepreneurship. Files shall document and list all solicited vendors and each vendor's contact person, summarize quotations received, indicate the successful vendor, and state the reason why any lower quotation was rejected. Files should also contain written confirmation of the quotation from all vendors.

- B. A minimum of three (3) working days shall be allowed for receipt of quotations.
- C. All written or facsimile solicitations shall include the closing date, time, and all pertinent competitive specifications, including quantities, units of measure, packaging, delivery requirements, ship-to location, terms and conditions, and other information sufficient for a supplier to make an acceptable quotation. Precautionary measures shall be taken to safeguard the confidentiality of vendor response prior to the closing time for receipt of quotations. No quotation shall be evaluated using criteria not disclosed in the solicitation.
- D. If the price is determined to be reasonable, the requirement to solicit three (3) quotations may be waived when making purchases from a small and emerging business, a small entrepreneurship, or a veteran-or service-connected disabled veteran-owned small entrepreneurship that is certified by the Louisiana Department of Economic Development as of the date of purchase. Reasonable is a best value determination based on price, delivery, service, and/or other related factors. The determination shall be made by the Procurement Officer or their delegated department head. In the instance where the determination is made by the department head, the Procurement Officer must still authorize the procurement by signature. This determination is to be maintained in the file.
- E. Soliciting three (3) quotations may be waived when purchasing from a registered business. A business analysis must determine that in-state prices are equal or better than two other current price comparisons. Comparisons may include, but are not limited to, state contract prices, General Services Administration (GSA) prices, or similar resources. Comparison documents are to be maintained in the file.

PROCUREMENT REQUEST/PURCHASE ORDER PROCESS

All small purchases, with the exception of procurement card purchases under \$5,000, shall be made using the Procurement Request/Purchase Order process. Purchase Order (PO) forms are used when ordering products or services from an outside vendor/supplier and represent a commitment of the Corporation to buy items listed. Purchase orders are a binding contract, which can only be broken by mutual agreement of the Corporation and vendor.

PURPOSE OF USING A PURCHASE ORDER

- a. Allows LHC to use our tax-exempt status with vendors.
- b. Relieves an individual from personally incurring the expenses.
- c. Supports proper internal control required by auditors.
- d. May help facilitate receiving additional discounts for the Corporation.
- e. Easier to track available funds in accounts.

- f. Ensures prompt receipt of items and payment of invoices.
- g. Supports a more efficient payment process and allows for better expenditure tracking.

SUBMITTING A PROCUREMENT REQUEST/PURCHASE ORDER

COMPLETE THE PROCUREMENT REQUEST/PURCHASE ORDER (PO) FORM

MUST INCLUDE:

- a. Budget Department and Funding Source
- b. Name, address, and contact info of suggested vendor
- c. Catalog/Item No.
- d. Quantity, description, and per unit price of the items ordered
- e. Detailed justification
- f. Person Requesting Purchase Order

DOCUMENT ROUTING:

- a. PO forms must be signed and dated in the approval order as indicated on the form.
- b. Supporting documentation such as a quote or scope of work must be attached.
- c. For professional or consulting service-related procurement, the Contract Justification form (see Appendix) must be attached. When applicable, a Cost Benefit Analysis form may also need to be attached.
- d. Upon signature approval by the Executive Director or the Procurement Officer, the form shall be routed to Procurement for processing.
- e. The Procurement Officer will notify the Requestor that the purchase request has been fully executed.

PROCUREMENT CARD PURCHASES

Procurement card usage follows the rules for all other small purchases. For example, any authorized user may utilize a credit card for purchases under \$5,000 without obtaining additional quotes provided the price is considered reasonable. However, for amounts above the \$5,000 purchase level, the authorized user would generally need to have obtained the appropriate number of quotes as indicated in sections 2.2 and 2.3 before purchasing via a credit card.

UNAUTHORIZED PURCHASES

Unauthorized purchases are transactions that are entered into by an individual who is:

- a. not authorized to contract on behalf of the Corporation; or
- b. authorized to contract, but uses an unauthorized procurement method, or exceeds their delegated authority.

The authority to procure goods and services is limited to the Executive Director, Procurement Officer, and any other authorized user of a procurement card to ensure compliance with federal and state law, Corporation policy, and prudent business and financial practices. Obtaining lines of credit, credit cards, or use of other unauthorized purchasing methods that encumber Corporation funds or bind the Corporation into contractual obligations, is strictly prohibited unless authorized to do so and only under proper delegation by the Executive Director.

All Corporation purchases of goods and services – including consulting and professional services – must be authorized and approved in advance.

Unauthorized purchase transactions create significant payment and supplier relationship problems for the Corporation. In many cases, these transactions:

- Place the Corporation at financial and credit risk and result in higher than necessary cost paid for products and services;
- Violate the Corporation's Procurement Policy including utilization of contract suppliers;
- Lack competitive bids for single purchases exceeding \$5,000;
- Lead to significant supplier payment issues including possible credit hold by suppliers;
- Result in supplier contracts with unfavorable terms and conditions signed by unauthorized Corporation personnel;
- May result in duplicate payments to the supplier; and
- Create an inability to track and audit inventory.

Any employee who makes an unauthorized purchase of goods or services shall be in violation of the Corporation's procurement policy and may be held personally responsible for payment of the charges incurred, including:

- Repayment of either the full amount of the unauthorized purchase; or
- Repayment of the amount of any cancellation charges incurred when cancellation can be arranged; or

- Repayment of the difference between the unauthorized charges incurred and those that the Corporation would be reasonably expected to have incurred if the purchase had been authorized and competitively procured.

Continual violation of the Corporation's procurement policy may result in disciplinary action, up to and including termination and legal action.

NO ARTIFICIAL DIVISION

Under no circumstances may a procurement requirement be artificially divided so as to avoid the purchasing limits under this section.

COMPETITIVE SOLICITATIONS

TYPES OF COMPETITIVE METHODS

Determination

The Procurement Officer shall determine the appropriate solicitation methods to be used in procuring goods and services for the LHC. Among those methods are:

1. Request for Proposals (RFP)
 - a. An RFP is an official solicitation for proposals to supply services or a combination of services and goods where weighted criteria is used as the basis for the award. The RFP informs potential respondents that the agency is looking to procure a particular service or good. The document should clearly explain the scope of work or type of goods the agency is looking to procure, including any required deliverables or tasks expected to be completed during the course of the delivery of services or goods. The RFP should provide the agency's required proposal response format and the evaluation and scoring criteria to be used when evaluating the respondent's proposals, including, but not limited to, company or staff qualifications, prior experience, and cost of services or goods. An RFP is best used when the agency is seeking to obtain a professional or consultant service.
2. Request for Qualifications (RFQ)
 - a. An RFQ is a purchasing method for use in procurements that includes a description of the goods or services specified and requests that a potential vendor respond with product and technical information (such as their background and experience) by a designated time and date. This method should be used as a screening tool to establish a pool of vendors that are then considered "qualified." Subsequent requests for price proposals may then be requested by the agency from the highest scoring or

“qualified” vendors. A final selection for the award shall be based on the cost proposals received. An RFQ is best used when the agency is seeking to obtain a fixed good or service (i.e., construction or repair work).

3. Cooperative Buying Organizations (CBO)

- a. A CBO is a public or private not-for-profit organization that offers goods or services to subscribing public or private procurement units from vendors located in the United States who have agreed to uniform terms, conditions, and pricing in accordance with an agreement entered into by the participants pursuant to a competitive award process. A CBO can be used as an option to purchase goods in bulk. It can be used in partnership with other state agencies or non-profit partners.

4. Notice of Intent (NOI)

- a. An NOI is a publicly advertised method to inform proposers that the agency is looking to engage a qualified respondent(s) in a specific partnership in furtherance of the agency’s goals. Interested respondents will be required to submit a proposal in the manner and format specified in the published NOI. Proposals received from an NOI shall be competitively scored according to the guidelines specified in the NOI. The NOI is different from an RFP as the agency will not be providing any form of compensation to the awarded respondent. An example of when this would occur would be when the agency seeks to lease space for vendors in any of its’ owned properties (i.e. service providers who wish to lease space in an LHC-owned community center).

Other Procurement Methods

Other procurement methods may be utilized where there is a written determination by the Procurement Officer or Executive Director that it is in the best interest of the LHC to do so.

COST AND PRICE ANALYSIS

General

Prior to the procurement of any service exceeding \$5,000, a cost benefit analysis shall be performed that documents the estimated cost of the service to be procured and the benefit to be derived by the Corporation from the service. The degree of analysis shall depend on the facts surrounding each procurement.

Submission of Cost or Pricing Information

If the procurement is based on noncompetitive proposals, or when only one offer is received for goods or services above \$25,000, or for other procurements as deemed

necessary by the Corporation (e.g., when contracting for professional, consulting, or architect/engineer services) the respondent shall be required to submit:

1. A cost breakdown showing projected costs and profit;
2. Commercial pricing and sales information, sufficient to enable the Corporation to verify the reasonableness of the proposed price as a catalog or market price of a commercial product sold in substantial quantities to the general public; or
3. Documentation showing that the offered price is set by law or regulation.

Cost Analysis

When applicable, a cost analysis shall be performed if respondent is required to submit a cost breakdown as part of its proposal. When a cost breakdown is submitted a cost analysis shall be performed of the individual cost elements, the Corporation shall have a right to audit the respondent's books and records pertinent to such costs, and profit shall be analyzed separately.

COMPETITIVE THRESHOLDS

Procurement

Single procurements of goods or services estimated to cost less than \$50,000 shall be made in accordance with Section 2.2 of this procurement policy. Procurement of goods and services estimated to cost in excess of \$50,000 shall be made using the competitive methods set forth in Chapter 3, above, unless exempt elsewhere in this procurement policy.

Information Technology

Single procurements of information technology software (including installation, license, modifications, integration, training, hosted software, software subscriptions, support, etc.) and hardware/software maintenance estimated to cost less than \$100,000 during a 12-month period shall be made using procedures set forth in Section 2.3. Procurement of information technology software and hardware/software maintenance estimated to cost in excess of \$100,000 during a 12-month period shall be made using the competitive methods set forth in Section 3.1.

Professional Services

Procurements of professional services for an amount equal to or exceeding \$50,000 must be awarded via a competitive process, unless the procurement meets an exception set forth in this procurement policy. These include services that are rendered by an independent contractor who has a professed knowledge of some department of learning or science used in practical applications to the affairs of others or in the practice of an art founded on it, which independent contractors shall include and not be limited to lawyers, doctors, dentists, psychologists, advance practical nurses, veterinarians, architects,



engineers, land surveyors, landscape architects, accountants, actuaries, and claims adjusters. For contracts with a total amount of compensation of \$50,000 or more, the definition of “professional service” shall be limited to lawyers, architects, engineers, landscape architects, accountants, and claims adjusters. Contractors falling under this designation must be licensed in their field of expertise and must provide proof of good standing from their respective licensing entity.

Consulting Services

Procurements of consulting services for an amount equal to or exceeding \$50,000 must be awarded via a competitive process, unless the procurement meets an exception set forth in this procurement policy. Consulting services include work, other than professional, personal, or social services, rendered by an independent contractor who possesses specialized knowledge, experience, and expertise to investigate assigned problems or projects and to provide counsel, review, design, development, analysis, or advice in formulating or implementing programs or services or improvements in programs or services, including, but not limited to, such areas as management, data processing, advertising and public relations.

Specialty Services by Individuals

Procurement of services rendered by individuals which require the use of graphic artists, sculptors, musicians, entertainers, photographers, and writers or which require the use of highly technical or unique individual skills or talents, such as, but not limited to, paramedics, therapists, handwriting analysts, foreign representatives, expert speakers, trainers within a continuing education program, and expert witnesses for adjudications or other court proceedings shall be made using procedures set forth in Section 2.3 if estimated costs are below \$50,000 or the competitive methods set forth in Section 3.1 if estimated costs exceed \$50,000.

Artificial Division

Under no circumstances may a procurement requirement be artificially divided so as to avoid the application of competitive thresholds under this section.

SPECIFICATIONS

Non-restrictive Specifications

Specifications shall be developed in a manner which is most likely to result in the broadest possible competition while securing quality goods and services which meet the needs and expectations of the Corporation.

Bid or Performance Guaranty

Solicitations shall include requirements for bid and/or performance guaranty.

ADDENDA MODIFYING SOLICITATIONS

Modifications to RFP/RFQ/NOI

An addendum modifying an RFP, RFQ, or NOI shall not be issued during the 72 hours, excluding Saturdays, Sundays, and postal holidays, preceding the response submission deadline unless the time for submitting responses is extended for at least one week.

Publication of Addendum

Any addendum shall be posted on the LHC website.

PUBLIC NOTICE FOR PROCUREMENTS - SUBMISSION DEADLINE

Public Notification

Public notification of solicitations for bids, proposals, offers, and qualifications shall be made through the LHC's website – www.lhc.la.gov. The notice for each solicitation shall contain the name, address, e-mail address, and telephone number of the LHC contact person from whom detailed information may be obtained, shall describe the goods or services sought, and shall designate the form to be used and the date, time and place for the receipt of bids, proposals, and qualifications. Certain procurement solicitations may also be made by newspaper publication.

Time for Reasonable Notification

Notification of a solicitation shall allow a reasonable time for responses given the nature and complexity of the solicitation. Notification of competition solicitations shall be made no less than fourteen (14) days before the solicitation is to close. Notification of solicitations may also be made by posting on electronic bulletin boards, publication in appropriate newspapers and trade journals, email and postal notices to potential vendors, and by other means determined by the Procurement Officer.

RECEIPT AND RECORDING OF RESPONSES

Receipt of Solicitation Response

Responses to solicitations shall be received in the manner specified in the solicitation, including receipt by mail, direct delivery, or electronically.

Designated Time, Place and Format of Response

Responses to solicitations must be received at the time, the place, and in the format prescribed in the solicitation. Any response that is untimely, sent to a place (physical or electronic) other than designated, or not in the prescribed format shall be disqualified from consideration.

Delay of Response

If receipt of a response is delayed by action of the LHC, the LHC may elect to cancel the solicitation or take other action deemed in the best interest of the LHC.

Changes to Responses

If prior to the deadline for submitting proposal a Proposer needs to submit changes or addenda to its Proposal, such changes or addenda shall be submitted in writing to the Corporation, in a sealed envelope, clearly cross-referencing the relevant proposal section, and signed by an authorized representative of the Proposer. Changes and/or addenda to Proposals shall meet all requirements for Proposals.

Errors and Omissions in Responses

The Corporation shall not be liable for any errors or omissions in responses. The Corporation, at its option, has the right to request clarification or additional information from the respondent due to errors identified by the LHC.

CANCELLATION OF SOLICITATIONS

A solicitation may be cancelled, prior to execution of a contract, by the Executive Director at any time when it is deemed in the best interest of the LHC.

WITHDRAWAL OF BIDS OR PROPOSALS

A respondent may withdraw a response that has been submitted at any time up to the date and time the response is due. To accomplish this, a written request to withdraw the response must be signed by the authorized representative of the respondent and submitted to the LHC.

PARTICIPATION BY RESPONDENT CONSTITUTES EXPRESS CONSENT

Participation by a respondent in any procurement process governed by this procurement policy shall constitute express consent to the procedures, limitations, and other terms and conditions contained in this procurement policy and the solicitation.

EXCEPTIONS TO THE COMPETITIVE SOLICITATION PROCESS

Exceptions

The exceptions to the competitive solicitation processes are the following:

1. Equipment or vehicle repairs and repair parts from an authorized dealer or original equipment manufacturer; an authorized Louisiana dealer shall be used if available;

2. Equipment moves by the original equipment manufacturer or authorized dealer to ensure equipment operation to original equipment manufacturer specifications, calibration, warranty, etc.:
3. Vehicle body repairs covered by insurance recovery and in accordance with insurance requirements;
4. Royalties and license fees for use rights to intellectual property, such as, but not limited to, patents, trademarks, service marks, copyrights, music, artistic works, trade secrets, industrial designs, domain names, etc.:
5. Public utilities and services provided by local governments;
6. Educational training, instructors, and related resources (except equipment) used to enhance the performance of LHC employees and good standing of state agencies and/or for continuing education courses taught on an as-needed basis, including memberships in and accreditations by professional societies and organizations;
7. Materials, supplies, exhibitor fees and exhibit booths for conferences, seminars and workshops or similar events (business, educational, promotional activities) which enhance or further the LHC's mission, duties and/or functions, with the approval of the Procurement Officer or equivalent;
8. Parcel services, including but not limited to Federal Express, United Parcel Services, Airborne Express and Express Mail;
9. Advertising and outreach, where permitted by law or after the LHC's Procurement Officer certifies that specific media is required to reach target audiences;
10. Web-based or hosted subscription services;
11. Procurement of services from subcontractors named in federal, state and private grants when the grant award is received in which a portion of the services is subcontracted. Procurements conducted by the LHC shall be made in accordance with all federal requirements necessary for the receipt and use of such federal funds, particularly with regard to competitive bidding requirements;
12. Other sole source procurements;
13. Office of State Purchasing contracts or master agreements;
14. Procurements from GSA contract schedules;
15. Intergovernmental or interagency contracts;
16. Fixed price items.



Sole Source Procurement

CONDITIONS FOR USE

A contract may be awarded without competition when the Procurement Officer determines in writing that the procurement is exempt from competitive sealed bidding, and (a) there is only one source for the required supply, service, or construction item, or (b) when the Corporation's need for the supplies or services is of such an unusual and compelling urgency that the Corporation would be seriously injured unless the Corporation is permitted to limit the number of sources from which it solicits bids or proposals. The Executive Director must approve the written determination via signature.

NEGOTIATION IN SOLE SOURCE PROCUREMENT

The LHC shall conduct negotiations, as appropriate, as to price, delivery, and terms.

DOCUMENTATION OF SOLE SOURCE PROCUREMENT

Written documentation of each contacted individual or entity and any/all efforts made to determine the contractor used was the only source available to provide the good or service must be maintained in the file by the Solicitation Coordinator.

Emergency Procurement

Notwithstanding any other provision of this policy, the Corporation may make emergency procurements when there exists a threat to public health, welfare, or safety under emergency conditions as declared by the Governor, Board of Directors, or Executive Director.

Emergency procurements shall be made using the most competitive process available consistent with the need for responding to the emergency. Reasonable efforts under the circumstances shall be made to obtain quotations from three or more vendors when goods or services are to be purchased on an emergency basis, except for standard equipment parts for which prices are established. When goods or services are urgently required and time does not permit the obtaining of written quotations, the Procurement Officer may obtain quotations by telephoning or otherwise. Emergency procurement shall be limited to only those goods and services necessary to meet the emergency. A written determination of the basis for the emergency and for the selection of the particular contractor shall be included in the contract file. The determination may be made by the Procurement Officer and must be approved in writing by the Executive Director.

EVALUATION AND AWARD OF COMPETITIVE SOLICITATIONS

EVALUATION AND AWARD

Evaluation Team

The Evaluation Team shall be selected by the Solicitation Coordinator. The team shall be at least three (3), but no more than five (5) members. The team shall be comprised of LHC employees who have been employed by LHC for at least six (6) months and may include subject matter experts from state agencies in Louisiana with relevant knowledge and experience. Subject matter experts may also serve in an advisory capacity to the Evaluation Team and not participate in the scoring process. Subject matter experts serving in an advisory capacity may or may not be employed by a state agency.

Responses

Responses to solicitations shall be evaluated in keeping with the criteria, specifications, terms, and conditions set forth in the solicitation and as detailed in the notification of solicitation. If any mandatory requirements are not met in a response, the response is to be disqualified. All rejected proposals shall be documented for the evaluation file. If the proposal is deemed non-responsive, the Solicitation Coordinator must notify the proposer in writing clearly articulating the reason for disqualification at the time the proposal is determined to be non-responsive and before scoring commences.

SCORING

Scoring may be completed by consensus or individual calculation. The method of scoring must be chosen by the Solicitation Coordinator and must be used for all responsive responses.

CONSENSUS SCORING PROCESS:

- Preliminary ranking of all the proposals by the individual Evaluation Team members and discuss reasoning;
- Round table discussion to come to a consensus and assign points to each criterion for each proposal;
- Criteria scores are tallied for each proposal;
- Evaluators discuss if they are satisfied with the spread of scores for each proposal and how they are ranked and make adjustments as necessary;
- Evaluators must agree with final ranking of all proposals before final scores are authorized.

INDIVIDUAL SCORING PROCESS:

- Each Evaluation Team member shall use a scoring sheet to indicate the maximum number of points to be awarded within each criteria as outlined in the solicitation.

Highest Score

An award based upon a response to a solicitation shall be to the responsible respondent whose proposal was scored highest by the Evaluation Team based on the weighted criteria set forth in the RFP after completion of all steps of the evaluation process set forth in the RFP, taking into consideration price and the evaluation factors set forth in the RFP.

Other Processes

Evaluation processes for other competitive methods of procurement will be carried out in accordance with information obtained in Section 3.1 above.

Notice

Public notice of the award of a contract shall be posted to the LHC website and shall be made a part of the procurement file.

Written notice shall be provided to all disqualified proposers via letter to be delivered by electronic mail.

Written notice shall be provided to all successful proposers via letter to be delivered by U.S. Mail.

Written notice shall be provided to all unsuccessful proposers via letter to be delivered by U.S. Mail.

Tie Bids

Tie bids occur when responsive bids from responsible respondents are identical in price and meet all requirements and criteria set forth in the solicitation. LHC may use criteria such as proximity to the Corporation, past performance, the response that yields the greatest dollar value, speed in delivery of service, or oral presentation to break a tie.

RIGHT TO REJECT

The LHC reserves the right to reject any or all responses to a solicitation in whole or in part.

RIGHT TO AWARD

The LHC reserves the right to award one or more responsive responses to a solicitation.

DISPUTES

PROTESTS

- A. All protests to a solicitation shall be written. Written protests may be submitted to the Solicitation Coordinator via electronic mail or U.S. mail, and must be received by the LHC, no later than three days, excluding Saturdays, Sundays, and postal holidays, prior to the response submission deadline.
- B. All protests by a disqualified respondent who has received notice of disqualification shall be written. Written protests may be submitted to the Solicitation Coordinator via electronic mail or U.S. mail, and must be received by the LHC no later than three days, excluding Saturdays, Sundays, and postal holidays, after the electronic transmission of the notice of disqualification.
- C. All protests to the award of a contract shall be written. Written protests may be submitted to the Solicitation Coordinator via electronic mail or U.S. mail, and must be received by the LHC, no later than seven calendar days after the posting of the public notice of award on the LHC website.
- D. All timely protests received by the Solicitation Coordinator shall be submitted for review by the Dispute Review Panel.
- E. The Dispute Review Panel shall render a written decision regarding a protest within 14 calendar days after receipt of the protest and any supporting documentation relevant to the protest. A written decision shall be furnished to the protesting party and other interested parties via electronic mail.
- F. In the event of a timely protest relating to a solicitation, disqualification of a respondent, or the award of a contract, the LHC shall not proceed with the solicitation or the award of a contract unless the Dispute Review Panel makes a written determination that the award of the contract without delay is necessary to protect substantial interests of the LHC.

DISPUTE REVIEW PANEL

The Procurement Officer and two additional members, as appointed by the Executive Director (collectively referred to as the "Dispute Review Panel"), are authorized to resolve protests in accordance with this procurement policy. The Dispute Review Panel members must be LHC employees employed for at least six (6) months with relevant knowledge and experience with the subject of the procurement and must not include any members of the original Evaluation Team.

APPEAL OF DECISION BY DISPUTE REVIEW PANEL

The protesting party may appeal the Dispute Review Panel decision to the Executive Director. The written appeal shall be submitted to the Solicitation Coordinator via electronic mail or U.S. mail, and must be received by the LHC, within seven calendar days of the electronic transmission of the written decision, for review by the Executive Director.

REVIEW BY EXECUTIVE DIRECTOR

Review by the Executive Director of the decision of the Dispute Review Panel shall be based on documents submitted during the Procurement process and documents submitted by the protesting party. The Executive Director shall render a written decision within 14 calendar days after receipt of the appeal. A written decision shall be furnished to the protesting party and other interested parties via electronic mail. The decision of the Executive Director shall constitute the final administrative determination regarding the protest.

JUDICIAL REVIEW

Any person or entity adversely affected by the final administrative determination regarding a protest may seek judicial review of the administrative determination in the Nineteenth Judicial District Court in East Baton Rouge Parish, which review shall be based on the record compiled at the administrative level.

ASSISTANCE TO SMALL AND OTHER BUSINESSES

REQUIRED EFFORTS

Consistent with Presidential Executive Orders 11625, 12138, 12432, and Section 3 of the HUD Act of 1968, the Corporation shall make efforts to ensure that small and minority-owned businesses, veterans and service-connected disabled veteran-owned entrepreneurship, and women's business enterprises are used when possible. Documentation of these efforts shall be kept in the procurement file by the Solicitation Coordinator. Such efforts shall include, but shall not be limited to the following:

- A. Including such firms, when qualified, on solicitation mailing lists;
- B. Encouraging their participation through direct solicitation of bids or proposals whenever they are potential sources;
- C. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by such firms;
- D. Establishing delivery schedules, where the requirement permits, which encouraged participation by such firms;
- E. Using the services and assistance of the Small Business Administration and the Minority Business Development Agency of the Department of Commerce;
- F. Including in contracts a clause requiring contractors, to the greatest extent feasible, to provide opportunities for training and employment for lower income residents of the development area, and to award subcontracts for work in connection with the project to business concerns which are located in, or owned in, substantial part by persons residing in the area of the development, as described in 24 CFR 135; and
- G. Requiring prime contractors, when subcontracting is anticipated, to take the positive steps listed in A through F above.

BUSINESS-TYPE DEFINITIONS

The listing of disadvantaged, minority-owned, and women-owned businesses may be obtained by utilizing the Louisiana Department of Transportation and Development (DOTD) or the Louisiana Department of Economic Development (LED) approved Disadvantaged Business Enterprise (DBE) directory.

Small Business Enterprise (SBE)

Defined as a business that is independently owned, not dominant in its field of operation, and not an affiliate or subsidiary of a business dominant in its field of operation. The size standards in 13 CFR 121 shall be used, unless the Corporation determines that their use is inappropriate.



Disadvantaged Business Enterprise (DBE)

Defined as a for-profit small business concern that is at least 51% owned by one or more individuals who are both socially and economically disadvantaged. In the case of a corporation, 51% of the stock is owned by one or more such individuals; and whose management and daily business operations are controlled by one or more of the socially and economically disadvantaged individuals who own it.

Minority-owned Business Enterprise (MBE)

Defined as a business which is at least 51% owned by one or more minority group members; or, in the case of a publicly owned business, one in which at least 51% of its voting stock is owned by one or more minority group members, and whose management and daily business operations are controlled by one or more such individuals. Minority group members include, but are not limited to, Black Americans, Hispanic Americans, Native Americans, Asian Pacific Americans and Asian Indian Americans, and Hasidic Jewish Americans.

Veteran-Owned Small Entrepreneurship (VSE)

Defined as any corporation, partnership, individual, sole proprietorship, joint stock company, joint venture, or any other legal entity which has not less than 51% ownership by a veteran of the United States Armed Forces and meets the criteria for certification by the secretary of the Department of Economic Development, pursuant to R.S. 39:2176.

Service-Connected Disabled Veteran-owned Small Entrepreneurship (SDVSE)

Defined as any corporation, partnership, individual, sole proprietorship, joint stock company, joint venture, or any other legal entity which has not less than 51% ownership by a veteran of the United States Armed Forces with a state-connected disability and meets the criteria for certification by the secretary of the Department of Economic Development, pursuant to R.S. 39:2176.

Women's Business Enterprise (WBE)

Defined as a business that is at least 51% owned by a woman or women who are U.S. citizens and who also control or operate the business.

Section 3 Business Concern

A business concern located in the area of the development is defined as an individual or firm located within the relevant Section 3 covered development area, as determined pursuant to 24 CFR 135.15; listed on HUD's registry of eligible business concerns; and meeting the definition of small business above. A business concern owned in substantial part by persons residing in the area of the development is defined as a business concern which is 51% or more owned by persons residing within the Section 3 covered project, owned by persons considered by the U.S. Small Business Administration to be socially or economically disadvantaged, listed on HUD's registry of eligible business concerns, and meeting the definition of small business above.

ETHICS AND COMMUNICATION

INTEGRITY IN PROCUREMENTS

Code of Ethics

All parties involved in the procurement process, contract administration, or contract performance are bound to act responsibly, fairly, and in good faith. Any person acting for the Corporation in the procurement process shall be held to the highest degree of integrity, honesty, and trust, and shall be bound by the Louisiana Code of Governmental Ethics, R.S. 49:1101 and the Code of Ethics for procurement, which are in addition to applicable state laws, as follows.

1. Give first consideration to the mission and policies of the LHC and the laws of the State of Louisiana.
2. Strive to obtain maximum value for each dollar spent.
3. Decline all personal gifts, kickbacks, contingency fees, or gratuities.
4. Grant equal consideration to all competitive suppliers.
5. Believe in the dignity and worth of the service rendered by the LHC, and the responsibilities assumed as trusted public servants.
6. Conduct business with potential and current suppliers in good faith, devoid of intentional misrepresentation.
7. Demand honesty in representation whether offered through the medium of a verbal, electronic or written statement, an advertisement, etc.
8. Receive the consent of originators of proprietary ideas and designs before using them for competitive purchasing purposes.
9. Make every reasonable effort to negotiate an equitable and mutually agreeable settlement of any controversy with a supplier; and/or be willing to resolve major controversies, pursuant to the established policies of the LHC.
10. Accord a prompt and courteous reception to all who call on legitimate business missions.
11. Cooperate with trade, industrial and professional associations, and governmental and private agencies for the purposes of promoting and developing sound business methods.
12. Foster fair, ethical, and legal trade practices.



13. Identify and eliminate participation of any individual in operational situations where a conflict of interest may be involved.
14. Resist encroachment on control of personnel in order to preserve integrity as procurement professional. Seek or dispense no personal favors.
15. Handle each procurement problem objectively and without discrimination.

Blackout Period

1. The LHC will provide staff and the Board of Directors with written notice when the LHC both issues and concludes a public procurement solicitation (i.e., a Request for Proposals, a Request for Qualifications, or similar competitive bidding solicitation).
2. From notice of the issuance of the solicitation until notice of the conclusion of the solicitation process, both LHC staff and members of the LHC Board of Directors must:
 - a. Avoid and refrain from all non-essential contact with any vendor, except such contacts as may be necessary during the solicitation process if the staff or Board member also serves as a member of the evaluation committee, and routine contact as may be required in connection with existing contracts or agreements; and
 - b. Avoid and refrain from any communication pertaining to the solicitation and selection with any individual or entity involved, or reasonably expected to be involved, in the procurement solicitation, except if such communication is in the normal course of a Board Member's outside business or professional responsibilities and, in that event, such communication shall be strictly limited to the Board Member's outside business or professional responsibilities and shall not include any discussion related to the procurement solicitation.
3. For purpose of this section, a "vendor" includes all management and staff of persons or entities expected to submit a response to the procurement solicitation, as well as any consultant, lobbyist, agent, or advisor to any such vendor; and "entity" includes all directors, officers, employees, agents, and representatives working for or on behalf of the entity.

Conflicts of Interest

In addition to the limitations of this section, if the Procurement Officer has reason to believe that a conflict of interest may exist, the Procurement Officer shall direct the parties involved to take appropriate steps to eliminate an actual, perceived, or potential conflict of interest and shall monitor compliance with these steps.



Collusion

When collusion is suspected among respondents to a solicitation, a written notice of the relevant facts shall be transmitted to the State Attorney General (AG) and the Office of the Inspector General (OIG) for investigation. All documents involved in any procurement in which collusion is suspected shall be retained for a minimum of six (6) years or until the AG and OIG give written notice that they may be destroyed, whichever period is longer. All retained documents shall be made available to the AG and IG or their designees upon request.

Limitations on Consultants Competing for Contracts

Any person or entity, and any parent or subsidiary business entity of any entity contracting with the LHC for the purposes of developing an RFP or any other type of solicitation related to a specific procurement shall be prohibited from bidding, proposing, or otherwise competing for award of that procurement. Such persons or entities shall also be prohibited from participating as subcontractors related to performance of a contract resulting from that procurement. For purposes of this Section, the following activities shall not be considered developing an RFP or any other type of solicitation:

1. Architectural and engineering programming
2. Master planning
3. Budgeting
4. Feasibility analysis
5. Constructability review
6. Furnishing specification data or other product information
7. Any other services that do not establish selection qualifications or evaluation criteria for the procurement of an architect or engineer

Gratuities, Kickbacks, and Use of Confidential Information

1. **Gratuities** - LHC officers, current employees, former employees within one year of employment, or agents shall neither solicit, accept, nor agree to accept gratuities, favors, or anything of monetary value from contractors, potential contractors, or parties to sub-agreements.
2. **Kickbacks and Anticompetitive Practices** - It is a breach of ethical conduct and prohibited for any payment, gratuity, or offer of employment to be made by, or on behalf of, a contractor or subcontractor under contract to the prime contractor, higher tier subcontractor, or any person associated therewith as an inducement for the award of a subcontractor order. The Procurement Officer shall report to the Executive Director, the HUD Field Office, and the appropriate State and local officials any suspected anticompetitive practices by contractors.



3. **Use of Confidential Information** - Disclosure of confidential information to any person not authorized by the Procurement Officer to receive such information shall be a breach of the ethical standards. Confidential information includes, but is not necessarily limited to: the contents of a bid (prior to bid opening) or proposal (prior to contract award using competitive proposals); names of individuals or firms that submitted bids (prior to bid opening) or proposals (prior to contract award); LHC generated information related to a procurement (including LHC cost estimates, contractor selection and evaluation plans, specifications [before solicitation is issued]); and any other information the disclosure of which would have a direct bearing upon the contract award or the competitive process. It is a breach of ethical conduct for any current or former employee, officer, or agent to knowingly use the LHC Procurement Policy and other confidential information for actual or anticipated personal gain or for actual or anticipated personal gain of any other person.

Sanctions and Discipline

All State laws shall be enforced for violations of the ethical standards. All civil and administrative remedies shall be pursued whenever employees, officials, or agents breach ethical standards. LHC may impose any of the following measures including, but not limited to:

1. Oral or written warnings or reprimands;
2. Suspension with or without pay (when applicable) for specified period of time;
3. Termination of employment;
4. Dismissal from the official or agency position; and/or
5. Reporting the ethical violation to the State Board of Ethics and any other appropriate entities.

The value of anything received by an employee or a non-employee in breach of the ethical standards shall be recoverable by LHC either by confiscating the items or by charging the violator for any and all gratuities received. All procedures in this section shall be in accordance with due process requirements and existing law. Regarding employees, all notice requirements and opportunities for any eligible hearing regarding suspension or termination of employment, will be performed in accordance with the rules of the State Civil Service Commission.

Remedies against contractors may include suspension and/or debarment [See Section 7, Respondent and Contractor Relations], and reporting as required to HUD.



NOTE: 1.) Purchase requests for services must be accompanied by a complete scope of work, recommended vendor, cost estimate, fee schedule.
 2.) Procurement will not forward any purchase orders for Appointing Authority approval without proper signature routing.
 3.) Purchase requests exceeding the \$25,000 small purchase threshold will require a competitive process and issuance of a contract.
 4.) Multiple purchase requests for services from a single vendor may be deemed as artificially divided and may be denied pending evidence of a current contract, approval of sole source selection or a competitive process.

Requested By		Date:	
Funding Source Program Administrator/Director Approval		Date:	
Budget Manager Approval		Date:	
Procurement Officer Approval		Date:	
Agency Approval		Date:	

Appointing Authority or Designee

FOR ACCOUNTING USE ONLY - GENERAL LEDGER CODING				
Description	Account	Budget	Funding	Amount
			To Date Expenses	-
			Remaining Balance	-

ORIGINAL - Procurement Officer; COPIES VIA EMAIL TO: (1) Accounts Payable, (2) Requestor

COST BENEFIT ANALYSIS FORM

DATE:

CONTRACTING PARTY:

PROJECT TITLE:

OBJECTIVE:

CERTIFYING PROGRAM/DIVISION/OFFICE:

I hereby certify the following as evidence that a cost benefit analysis has been conducted for the above referenced proposed contract. This analysis indicates that obtaining such services from the private sector is more cost-effective than providing such services by the Corporation or by a state agency. Can the proposed services be performed by LHC staff? If the answer is yes, why are the services being contracted out?

If classified staff could perform the services, what are the classifications and cost of the staff required to provide the services?

A. Short-term analysis:

B. Long-term analysis:

Can these services be provided by a state agency? List potential agencies that have been contacted and costs proposed to provide services, when applicable.

Was the vendor negotiated or secured through competition? If the answer is no, please provide an explanation:

Also attached is a detailed scope of services which describes the specific objectives or deliverables associated with the proposed contract.

The Corporation's contract manager assigned to this contract will be responsible for the measurement and determination of contract performance.



CONTRACT JUSTIFICATION FORM

DATE:

CONTRACTING PARTY:

CERTIFYING PROGRAM/DIVISION/OFFICE:

TO: EXECUTIVE DIRECTOR, LOUISIANA HOUSING CORPORATION (LHC)

1. What critical services will this contract provide and to whom?

2. How many hours will the contractor have to work?

3. What end product will be provided?

Procurement Officer/Program Administrator

REQUEST FOR SOLE SOURCE SELECTION FORM

DATE:

CONTRACTING PARTY:

ADDRESS:

AMOUNT:

CERTIFYING PROGRAM/DIVISION/OFFICE:

FUNDING SOURCE:

PROJECT TITLE:

OBJECTIVE:

All of the following information must be specifically addressed for the justification of sole source selection.

- (a) What capacity does the proposed contractor have which is essential to the specific effort and makes them clearly more desirable than another firm in the same general field?
- (b) What prior experience of a highly specialized nature do they possess which is vital to the proposed effort?
- (c) Does the proposed contractor have personnel considered predominant experts in that particular field? If the answer is yes, explain.
- (d) Why is this selection most advantageous to the Corporation?
- (e) Why is no competition feasible?
- (f) Can the proposed services be performed by LHC staff? (*Explain*)
- (g) How was total contract amount determined?



(h) Were other potential contractors considered and rejected?

Program Administrator/Procurement Officer

Executive Director