

# APPENDIX I

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## Procurement Policy

State of Louisiana

Certification Checklist

Prepared by



LOUISIANA  
Office of  
COMMUNITY  
DEVELOPMENT

## **Procurement Policy Office of Community Development**

**Summary:** The purpose of this policy is to define the procurement guidelines OCD will follow in the administration of Federal grants.

**Applicable Laws:** For Procurement, the state follows the Louisiana Revised Statutes 39, Chapter 17 titled Louisiana Procurement Code. The policies of the state align with the requirements set forth under 2 CFR 200.317 -200.326 ensuring fair and open competition. A cross walk between the federal regulatory requirement and its counterpart under the Louisiana Procurement Code can be found in the attached **Appendix A**.

All other subrecipients are now required to follow 2 CFR Part 200.318 through Part 200.326, which can be found in the Grant Administrative Manual at <http://www.doa.la.gov/Pages/ocd-dru/DRadminManual.aspx> Section 6 titled "Procurement Methods and Contractual Requirements".

The State shall comply with the procurement requirements of 24 CFR 570.489(g) and evaluate the cost or price of the product or service.

Additionally, if OCD designates as the administering agency chooses to provide funding to another State agency, OCD will require the other state agency to follow the procurement policies of this agency.

**Evaluating Cost or Price:** For procurement of property and services, OCD will evaluate the cost or price (cost) of all products or services it receives before receiving bids or proposals for every procurement to support the reasonableness of contract costs. Cost may be defined as:

- Total cost of a property or service procured,
- Cost of hourly rates identified in the solicitation, or
- Unit cost as identified in the solicitation

An evaluation may consist of comparing previous or current contracts of vendors of similar services to develop a baseline or range of prices. It may also consist of researching vendors who provide similar services online to look for published pricing or may consist of reaching out to other CDBG partners throughout the country to obtain pricing information.

Regardless of the method to evaluate cost, once bids are received, the state will analyze the actual to anticipated cost and documented its rationale for acceptance or rejection of the cost.

**Responsible Party:** The responsible party for procurement and contract management will be the Director of Finance and Reporting (Director) and may be contacted at 225-219-9600. The Director will be responsible for adhering to Louisiana state law regarding procurement as well as all State of Louisiana Division of Administration Office of State Procurement policies and procedures to ensure that the state's contracting and purchasing activities are conducted in accordance with applicable law, regulation and policy. More information may be found at their website at <http://www.doa.la.gov/Pages/osp/Index.aspx>.

# **APPENDIX A**

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## **Comparison of Requirements of 2 CFR 200.317 – 326 to State of Louisiana Procurement Code**

Comparison of Requirements of 2 CFR 200.317-326 to State of Louisiana Procurement Code and Procurement Policies

(Responsible entity for the State of Louisiana Procurement Code  
Commissioner of the Louisiana Division of Administration  
Code: R.S. 39:1551-1771)

2 CFR 200 Reference	Requirement	State Reference	Comments
2 CFR 200.317 Procurement by States	When procuring property and services under a Federal award, a state must follow the same policies and procedures it uses for procurements from its non-Federal funds. The state will comply with §200.322 Procurement of recovered materials and ensure that every purchase order or other contract includes any clauses required by section §200.326 Contract provisions. All other non-Federal entities, including subrecipients of a state, will follow §§200.318 General procurement standards through 200.326 Contract provisions.	La. R.S. 39: 1551-1771	The Office of Community Development-Disaster Recovery Unit (OCD-DRU) must follow state procurement laws and policies regardless of the funding source supporting the procurement.  The OCD-DRU is a part of the Louisiana Division of Administration. Procurement for services under \$2,000 is exempt from competitive process. Procurements between \$2,000 and \$49,999 may be by informal competitive process. Procurement of \$50,000 and greater is by formal Request for Proposal.
200.318 (a)	General grantee procurement requirements	R.S. 39:1551-1771	
(b)	Contract administration system ensuring performance	R.S. 39:1569.1	
(b) (2)	Conflicts of interest/gifts	R.S. 42:1111-1121	The Louisiana Code of Government Ethics
(d)	Avoid purchase of unnecessary or duplicative items		OCD-DRU purchases are subject to rigorous inspection and approval by the state central purchasing agency and also by the State Office of Finance and Support Services before any payments can be made
(c)	Encourage use of intergovernmental agreements	R.S. 39:1702-1709	

2 CFR 200 Reference	Requirement	State Reference	Comments
(f)	Encourage use of federal excess and surplus property		OCD will incorporate this principle in every appropriate competition document or contract.
(g)	Encourage use of value engineering clauses in construction contracts		This is done by the State's Office of Facility Planning and Control
(h)	Award to responsible contractors	R.S. 39:1606	
(i)	Maintain procurement history needs	R.S. 39:1567, 1569	
(j)	Only use time and materials contracts in certain circumstances	R.S. 39:1611-1613	
(k)	Grantee not feds responsible for resolution of disputes and protests	R.S. 39:1671-1678; 1681-1685	
200.319 (a)	Full and open competition	R.S. 39:1595	
(b)	Ban on geographic preferences		The State of Louisiana has geographical preferences but they are not used in CDBG procurements
(c)	Written selection procedures that identify all requirements and do not unduly restrict competition	R.S. 39:1595	
(d)	Prequalification	R.S. 39:1506	
200.320 (b)	Small Purchase	R.S. 39:1596	
(c)	Bids	R.S. 39:1594	
(d)	Competitive Proposals	R.S. 39:1595	
(f)(1)	Single Source	R.S. 39:1597	
(f)(2)	Emergency	R.S. 39:1598	
(f)(3)	Awarding agency authorizes noncompetitive	R.S. 39:1597	
(f)(4)	After solicitation, competition determined inadequate	R.S. 39:1597	
200.321 (a)	MWBE	R.S. 39:1731 and 1732	

2 CFR 200 Reference	Requirement	State Reference	Comments
200.322	Procurement of Recovered Materials		Recycled/Recovered content and products. The OCD-DRU, when issuing procurements where the purchase price of the material exceeds \$10,000, will require that, at a minimum, all responses to an RFP include a product content statement that describes the percentage of the content of any item that is reclaimed material.
200.323 (a)	Price and Cost Analysis	R.S. 39:1595	
200.324 (a)	Award Agency Review	R.S. 39:1621	
200.325	Bonds	R.S. 38:2216	
200.326	Contract terms, remedies for breach	R.S. 39:1568; 1671-78; 1681-85	
Appendix II (A)	Contract terms, termination for cause and convenience	R.S. 39: 1625; 1628	
200.326	Contract terms, compliance with EO 11246	R.S. 39:1595 (B) (12)	All contracts funded with federal funds address this requirement in HUD/CDBG Compliance Provisions
Appendix II (B)	Contract terms, Davis Bacon, and Copeland Anti-kickback		OCD-DRU includes Davis-Bacon Act and Copeland Act provisions in the HUD/CDBG Compliance provisions in all contracts.
200.326	Contract terms, compliance with work hours and safety standards act		OCD-DRU includes Contract Work Hours and Safety Standards Act provisions in the HUD/CDBG Compliance provisions in all contracts.
Appendix II (E)	Rights to Inventions		OCD-DRU contracts will address this in the HUD/CDBG Compliance Provisions sections of any federally funded agreement to which it applies.
200.326	Clean Air Act		OCD-DRU includes Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended in the HUD/CDBG Compliance Section in all federally funded contracts.

2 CFR 200 Reference	Requirement	State Reference	Comments
200.326 Appendix II (H)	Debarment and Suspension		OCD-DRU includes this requirement in the HUD/CDBG Compliance Section of all federally funded contracts and all RFPs for federally funded activities.
200.326 Appendix II (I)	Byrd Anti-Lobbying		OCD-DRU contracts address this Byrd Anti-Lobbying requirement in the HUD/CDBG Compliance Provisions section of all federally funded contracts.
200.326 Appendix II (J) (200.322)	Procurement of Recovered Materials		Recycled/Recovered content and products. The OCD-DRU, when issuing procurements where the purchase price of the material exceeds \$10,000, will require that, at a minimum, all responses to an RFP include a product content statement that describes the percentage of the content of any item that is reclaimed material.