



# LOUISIANA DEPARTMENT OF EDUCATION

## Procurement Guidance and Compliance Requirement

### **Procurement Requirements**

Procurement standards are a component of Subpart D, Post-Award Requirements, and are contained in Sections 200.317 through 200.326 of the Uniform Grants Guidance (UGG). Five procurement methods are outlined in Section 200.320 of the UGG. The chart below outlines the threshold for each method under federal and state guidelines.

### **Compliance Requirements - Equipment/Real Property Management**

Consistent with 2 CFR section 200.311 (real property), section 200.313 (equipment), and section 200.439 (equipment and other capital expenditures), Education Stabilization Funds (ESF) may be used for these purposes. Specifically, recipients and subrecipients may use ESF funds to purchase equipment. Capital expenditures for general and special purpose equipment purchases are subject to prior approval by ED or the pass-through entity. In addition, with prior approval by the ED or the pass-through entity, recipients and subrecipients may also use ESF funds to purchase real property, perform construction or minor remodeling, and for improvements to land, buildings, or equipment that meet the overall purpose of the ESF program, which is “to prevent, prepare for, and respond to” the COVID-19 pandemic.

### **Davis-Bacon Act – Wage Rate Requirements**

Recipients and subrecipients that use ESF funds for minor remodeling, renovation or construction contracts that are over \$2,000 and use laborers and mechanics must meet Davis-Bacon prevailing wage requirements. Nonfederal entities shall include in their construction contracts subject to the Wage Rate Requirements (which still may be referenced as the Davis-Bacon Act) a provision that the contractor or subcontractor comply with those requirements and the DOL regulations (29 CFR Part 5, Labor Standards Provisions Applicable to Contracts Governing Federally Financed and Assisted Construction). This includes a requirement for the contractor or subcontractor to submit to the nonfederal entity weekly, for each week in which any contract work is performed, a copy of the payroll and a statement of compliance (certified payrolls) (29 CFR sections 5.5 and 5.6; the A-102 Common Rule (section 36(i)(5)); OMB Circular A-110 (2 CFR Part 215, Appendix A, Contract Provisions); 2 CFR Part 176, Subpart C; and 2 CFR section 200.326).

### **Policies and Procedures**

LEAs must ensure that procurement policies and procedures are updated and that procedures conform to any applicable State or Local laws and statutes. For example, even though federal procurement does not require formal bids for purchases under \$250,000, if Louisiana law sets a lower threshold, then the Louisiana Local Educational Agency (LEA) must meet that lower threshold – even if the purchase will be with federal grant funds.

### **Procurement Documentation**

At a minimum, procurement documentation must include the following:

- The rationale for the method of procurement,
- Selection of the contract type,
- Contractor selection or rejection, and
- Basis for the contract price

**Note:** This document serves to highlight certain items relative to the new procurement standards. All LEAs must become familiar with the provisions of the Uniform Grants Guidance and LA state requirements and assure the effective implementation of these standards.

## Louisiana Department of Education

### Methods of Procurement – Quick Reference Guide

<b>Procurement Methods</b>	<b>Federal Requirement Uniform Grants Guidance Section 200.320</b>	<b>State Requirement Title 38 La. Bid Law R.S. 38:2212.1</b>	<b>State Requirement Title 39 La. Procurement Code R.S. 39:1551-1755 Executive Order: JBE 20-21</b>	<b>Action required</b>
<b>Micro Purchases</b>	Purchases less than \$10,000  No competitive process required.	Purchases less than \$1,000  No competitive process required.	Purchases less than 10,000  No competitive process required.	<b>Title 38</b> - Follow more restrictive state requirement. <b>Title 39</b> – align with federal requirement.
<b>Small Purchases</b> (informal)	\$10,000 - \$250,000  Price or rate quotation from adequate number of qualified sources.	\$1,000 - \$30,000  3 or more quotes suggested but not required.	Purchases less than \$10,000  No competitive process required.	<b>Title 38</b> - Follow more restrictive state requirement. <b>Title 39</b> – Follow more restrictive state requirement.
		\$30,000 - \$60,000  Solicit 3 or more quotes.	\$10,000 - \$20,000  Solicit 3 or more quotes.	<b>Title 38 and Title 39</b> align with federal requirement.
			\$20,000 - \$30,000  Solicit 5 or more quotes.	<b>Title 39</b> - Follow more restrictive state requirement.
<b>Sealed Bids</b> (formal advertising)	Exceeding \$250,000  Publicly bid and award to lowest responsible bidder.	Materials and Supplies Exceeding \$60,000  Public Works Exceeding \$250,000  Publicly bid and award to lowest responsible bidder.	Exceeding \$30,000  Advertise according to R.S. 39:1594  Refer to LA Procurement Code (R.S. 39:1551-1755)	<b>Title 38</b> – Follow more restrictive state requirement. <b>Title 39</b> –Follow more restrictive state requirement.
<b>Competitive Proposals</b>	Exceeding \$250,000  Request for Proposal from adequate number of sources; must have written method for selecting recipients.	Materials and Supplies Exceeding \$60,000  Public Works Exceeding \$250,000  Publicly bid and award to lowest responsible bidder.	Exceeding \$30,000  Advertise according to R.S. 39:1594  Refer to LA Procurement Code (R.S. 39:1551-1755)	<b>Title 38 and Title 39</b> - Follow more restrictive state requirement.
<b>Noncompetitive Proposals – Sole Source Purchases</b>	Sole source purchases are appropriate only under the circumstances listed below. These circumstances must be adequately documented. <ol style="list-style-type: none"> <li>1. The item procured is only available from a single source,</li> <li>2. The purchase is in response to a public emergency that will not permit a delay resulting from the competitive process,</li> <li>3. The purchase is expressly authorized by awarding or pass-through agency in response to written request from LEA, or</li> <li>4. After soliciting a number of sources competition is deemed inadequate. Process must be adequately documented.</li> </ol>			

**Note:** LEAs may choose by ordinance or resolution to adopt the La. Procurement Code in part or in its entirety. LEAs may also purchase from vendors with state contracts that have been pre-approved by the Office of State Procurement (OSP).