
Competitive Limits and Delegated Authority

Scope: All Campuses served by LSU Office of Purchasing.

Effective: March 1, 2011

Purpose: To identify competitive requirements and delegate authority for departments which choose to accept the responsibility for soliciting price quotations on behalf of the University

Summary:

The Louisiana Procurement Code (RS 39:1596) authorizes the Governor to establish by executive order “small purchase” dollar amounts and minimum bid procedures for the competitive procurement of supplies, equipment and operating services within specified dollar ranges. Governor Jindal issued Executive Order BJ 2010-16, which revises the dollar ranges for the solicitation of price quotations. See FASOP PUR-01 for Non-Competitive Purchases.

Procedures:

This policy serves as delegation to all Deans, Directors, Department Heads, and their formally delegated agents the authority, if desired, to solicit price quotations on behalf of the University for purchases up to but not exceeding \$15,000.

Competitive limits are as follows:

- ≤ \$5,000 Non competitive – No bids are required. Supply items can be purchased via LaCarte, paid as a direct charge, or requisitioned via PRO. Equipment items, while non competitive up to \$5,000, must be requisitioned via PRO. Equipment is defined as tangible, non-consumable, moveable property with a unit cost of \$1,000 or more and a useful life of one year or more, with the exception of animals and livestock (and charged to 7000 object code range.) Equipment cannot be purchased via LaCarte, nor paid as a direct charge. (See FASOP PUR-01 accessible at <http://www.fas.lsu.edu/purchasing/memo.htm>.)
- \$5,001 - \$15,000 Requests for Quotations (RFQ) shall be solicited from at least three (3) bona fide, qualified vendors. Quotes may be solicited by the department via a departmental solicitation or a requisition can be released to Purchasing for processing the solicitation. **A minimum of 24 hours should be allowed for vendor response.** (*Please see below for additional information concerning Requests for Quotations.)
- \$15,001 - \$25,000 Requests for Quotations shall be solicited from at least five (5) bona fide, qualified vendors and **must** be issued by the Office of Purchasing. A minimum of three (3) business days shall be allowed for vendor response.
- > \$25,000 Formal written sealed bids shall be solicited by the Office of Purchasing from at least five (5) bona fide, qualified vendors, and public notice is published in the official journal of the State and posted to the State Purchasing LaPAC website. Typically, twenty one (21) days shall be allowed for vendor response.

This delegated authority is offered for departmental voluntary acceptance and use, and is not mandatory. Acceptance should be based on the commitment to, and responsibility for adherence to established University and State purchasing policies and procedures. Non-compliance with these procedures may result in a purchase being disallowed, thus requiring payment with non-University funds.

*Departments opting to solicit quotations should do so by utilizing the departmental solicitation feature in PRO. In lieu of generating a departmental solicitation, departments may use the standard RFQ form, but must attach all quotes received to a requisition prior to releasing to Purchasing. (For more information on how to create a departmental solicitation, an online training tutorial is accessible in PRO by clicking on HELP, then SYSTEM HELP, then CREATING AND EDITING DOCUMENTS. The RFQ form is available on our website at <http://www.fas.lsu.edu/purchasing/forms.htm>, and addresses vendor instructions and terms and conditions to ensure compliance with University and State procurement requirements.)

Please be assured that the Office of Purchasing remains at your service and will gladly offer assistance or handle the bid process for any department's requisitioned needs greater than \$5,000.