

**SOUTHEAST LOUISIANA FLOOD PROTECTION AUTHORITY – EAST  
PURCHASING POLICY  
ADOPTED ON FEBRUARY 16, 2023**

**A. GOALS AND OBJECTIVES**

It is the policy of the Southeast Louisiana Flood Protection Authority – East (“the FPA”, “the Flood Protection Authority”) to obtain all supplies, equipment and services at the lowest cost to the Agency consistent with quantity, quality, availability, and offered warranties of items at the time of purchase. Having a centralized purchasing function enables the FPA to implement controls to ensure that purchases are (1) reasonable and necessary; (2) budgeted; (3) documented and approved (4) received and safeguarded; and (5) used solely for the public purpose/functions of the agency.

**B. ROLE OF PURCHASING DEPARTMENT**

The Purchasing Department serves as the single point of contact for centralized procurement activities. They are the primary party responsible for the purchase of all general supplies, furniture, vehicles, equipment and services. The department ensures that the agency gets the best value for the products and services we purchase, reduces cost, reduces supply risk, and ensures the FPA adheres to all state and federal guidelines.

**C. CONFLICT OF INTEREST**

La. R.S. 42:1112 prohibits the Flood Authority from entering into purchasing contracts with businesses in which employees or members of their immediate family including spouses, children, spouses of children, brothers/sisters, spouses of brothers/sisters, and/or parents own an interest in. It also prohibits an acquisition from a business in which an employee has an interest in. This prohibition also includes purchases or contracts supported by a Federal Award. For additional requirements related to Federal Awards and Grants, please see the Grants Policy.

Authority employees who are involved in the purchasing function in any manner must refrain from all indications or appearance of impropriety with regards to vendors. Specifically, employees are not to accept gifts, gratuities or offers from vendors as outlined in L.A. R.S. 42:1115.

**D. VENDOR SELECTION**

Vendors are selected for their capability to serve the needs of the Flood Protection Authority in the most economical and efficient manner possible. Past performance and cooperation are important factors. Departments may suggest the vendor from which to purchase goods and services. The Purchasing Department, however, will make the final choice of vendor. All Professional Service vendors will be screened on the Office of Federal Contract Compliance Programs (Federal Debarred List) at <https://www.sam.gov/SAM> to ensure they are in good standing and on the Louisiana Secretary of State Certificate of Good Standing at <https://wow.sos.la.gov/BusinessServices> before the FPA will agree to conduct business with them. The FPA shall encourage application for providing materials, supplies, and services by Small and Minority/Women-Owned Businesses. The FPA will rely on the Louisiana Department of Transportation’s list of DBE vendors in determining whether a vendor meets the DBE requirements. Preference will be given to vendors who are under state contract as defined in Section F below.

All requests for new vendors should be forwarded to the Accounts Payable Department along with a W-9 form to establish a unique vendor number.

All contractors and vendors (service providers, suppliers, building or maintenance contractors, etc.) coming on to FPA's premises to do work are required to carry insurance to protect themselves the Flood Authority. All insurance policies are subject to the approval of the Department of Risk and Safety.

## **E. PURCHASING PROCESS**

To initiate the purchase of a good or service that is not related to Professional Services or Public Works, a completed and approved requisition should be entered into PRONTO, along with a "cut sheet" or specifications as to the product or service being requested, the quantity requested, and the proper account coding including the work order location if applicable. Requisitions must be approved according to the guidelines established in Appendix A. Further approval is needed to pay an invoice associated with a purchase order for a service. The person requesting the service must verify that the work has been completed satisfactorily before the invoice can be paid. The Purchasing Department will indicate if the item can be purchased under State Contract. This will occur at the time the product or service is ordered.

All state contracts can be found at:

[https://wwwcfprd.doa.louisiana.gov/osp/lapac/eCat/dsp\\_eCatSearchLagov.cfm](https://wwwcfprd.doa.louisiana.gov/osp/lapac/eCat/dsp_eCatSearchLagov.cfm).

Upon approval, a purchase order shall be prepared by the Purchasing Department and submitted to the vendor and will provide electronic notification to the requester. It is important for requesters and/or their departments to verify that goods or services were received in proper condition and in accordance with the purchase order. Any damage to goods should be reported to the receiving department immediately for return to the vendor. Purchase orders, receiving reports, and packing slips should be provided to Accounts Payable once all items have been received to match to the invoice when received.

## **F. COMPETITIVE PRICING**

To ensure that the FPA obtains competitive pricing on all goods and services, and follows State and Federal Public Bid Laws, the following methods will be used:

### **1. State Contract**

The State of Louisiana maintains statewide contracts on many commodities and services that are available for use by political subdivisions. Because the items available for purchase through state contract have been subjected to a competitive process conducted by the Office of State Procurement, agencies are authorized to purchase off of state contract at the prices stated. This list saves the FPA time and money that would otherwise be spent on performing the required competitive procedure.

### **2. Piggy Back Contracts**

As an alternate cost-effective means of acquiring materials, supplies, vehicles, and equipment, Louisiana R.S. 38:321.1 allows for political subdivisions to purchase items through an existing public contract of another political subdivision within one year of the opening of bids provided the following conditions are met:

- The contract was bid in compliance with R.S. 38:2211 et seq.

- The total purchase on the contract does not exceed 2 times what was purchased by the political subdivision bidding the contract
- The vendor, product, materials, supplies, vehicles, or equipment are identical to those specified in the existing contract, and the price is the same as the original contract price.
- The other political subdivision provides approval of the use of the bid.

3. Small Purchases

The FPA defines small purchases as those costing up to \$30,000. Reasonable effort should be made to obtain the most favorable price for the purchases. However, no competitive bidding process is required.

4. Medium Purchases

The FPA defines medium purchases as those of \$30,000 but less than \$60,000. These include purchases of materials and equipment, service contracts that are not considered professional services, and rental contracts. For these purchases, at least 3 quotes must be obtained via Phone/Fax/Email in accordance with R.S. 38:2212.1 A.(1)(b). If telephone quotes are received, a written confirmation of the accepted offers shall be obtained and made a part of the purchase file. Note: If firms are not interested in providing a quote, written documentation of the firms and their decline to quote must be provided in writing to Purchasing. If the lowest quote is not accepted, then documentation of the reason(s) for not accepting the lowest bid must be kept in the purchase file.

5. Large Purchases

The FPA defines large purchases as those greater than or equal to \$60,000. These include purchases of materials and equipment, service contracts that are not considered professional services, and rental contracts. For these purchases, a formal bid process is required in accordance with R.S. 38:2212.1 A.(1)(a). **At no time, shall a purchase be split to avoid the bidding requirements.**

6. Information Technology related Purchases

The FPA may lease or purchase data processing systems including equipment and related services through a request for proposal as outlined in R.S. 38:2237 unless the vendor is under state contract. This includes networking equipment and installation, software licenses, or data processing systems.

**G. Non-Competitive Procurement**

1. Sole Source Purchases

In accordance with R.S. 39:1597 a contract may be awarded for a required supply, service, or major repair without competition when the Procurement Manager or his/her designee determines in writing that there is only one source for the required supply, service, or major repair item. Written justification must be provided to the Director of Purchasing at the time the item is requested.

2. Purchases During a Declared Emergency

La. R.S. 38:2211 A.(5)(a) defines "emergency" as an unforeseen mischance bringing with it destruction or injury of life or property or the imminent threat of such destruction or injury or as the result of an order from any judicial body to take any immediate action which requires construction or repairs absent compliance with the formalities of this Part, where the mischance or court order will not admit of the delay incident to advertising as provided in this Part.

In accordance with prior board resolutions, provisions for emergency powers are granted when a hurricane is within 1,000 miles of New Orleans. These powers grant the Board President and the Regional Director the ability to declare a state of emergency, to rescind that declaration, and to expend or utilize FPA assets without prior authorization of the board. An emergency event begins when declared in writing by the Board President or Regional Director and ends when declared in writing by the Board President or Regional Director. During the time of a declared emergency, it is the policy of the FPA to provide meals for those deemed as essential personnel in accordance with the Employee Handbook when called to work during an emergency. At least 30 days prior to the start of the Hurricane Season plans should be complete and arrangements made to procure the provisions needed for a typical hurricane season including supplies, non-perishable food items, and water. Plans should try to minimize the need for last minute purchases to maximize cost efficiency and minimize the risk of not being able to obtain what is needed. Perishable items should not be bought until a storm is threatening in the Gulf. For perishable items purchased that are not consumed, every effort should be made to freeze these items when possible to preserve for future storm events.

La. R.S. 38:2212 P.(2)(a) requires that contracts negotiated under emergency circumstances shall be supported by a written determination and findings by the public entity justifying use of emergency authority.

Additionally, when contract action under emergency authority is taken pursuant to telephone or other oral offers, a written confirmation of the accepted offer shall be obtained and made a part of the contract case file. In addition, whenever emergency contract action is taken, a record shall be established by the public entity, which shall contain, at a minimum, the following information with respect to each offer:

- a description of the work to be performed,
- the name and address of each offer or quoting,
- the performance time and terms of each offer.

If quotations lower than the accepted quotation are received, the reasons for their rejection shall be recorded and made a part of the contract case file.

**H. Public Works**

R.S. 38:2211 (A)(12) defines public works as the erection, construction, alteration, improvement, or repair of any public facility or immovable property owned, used, or leased by a public entity.

All public work exceeding the contract limit as defined in R.S. 38:2212 C.(1) shall be advertised and let by contract to the lowest responsible bidder according to the procedures defined in R.S. 38:2212.

## I. Professional Service Contracts –

### RFP/RFQ Process

Public Bid Law does not require political subdivisions to advertise, receive bids, or engage in competitive negotiations for contracts for professional services. However, to ensure the FPA's selection process and procedures conform to best practice, for all Professional Services greater than \$60,000, the FPA will use an RFP or RFQ process for professional services contracts unless the services being requested are in a specialized field or of a unique nature as determined by the appointing authority. The following conditions will be factored in the process for selection of consultants:

- A. Magnitude – The magnitude of the work involved in a particular project
- B. Complexity – The work required in a project may be of such a specialized nature, the agency may need to look for outside firms that are experts in the appropriate field to accomplish the work.
- C. Time – The work required may be done in a timely manner so as to prevent the agency from not completing its mission.

### Advertising

When a Department Director or Engineer determines that a professional consulting service will be required, he/she shall consult with the Regional Director to place matter on the agenda for Board approval to advertise. The RFQ/RFP will be prepared by the appropriate Director or Project Manager and advertised in the official journal for a minimum of 1 time for 3 consecutive weeks. An FPA staff member will be assigned to each specific project so that communication with all bidders is consistent.

### Selection

A selection Committee may be appointed by the President of the Board or his/her Designee and may consist of at least 1 Commissioner, the Regional Director or his/her designee, and others as deemed appropriate. The Selection Committee will be composed of an odd number of people to ensure that there is no tie among candidates. The Selection Committee may select a "short list" of firms to be considered by the Board for the work. However, there is no requirement that a short list be prepared. If deemed necessary, interviews of firms applying for the work shall be conducted by the Selection Committee. If interviews are required, the assigned FPA project manager shall attend all interviews to take notes to keep with the selection files.

The following criteria will be considered by the Selection Committee when evaluating responses submitted.

- A. Experience, both firm and individual personnel, as related to the project under consideration.
- B. Firms under consideration shall have at least 1 of their principals professionally competent in the field or fields of expertise required for the project with at least 5 years of experience in responsible charge of the field or fields
- C. Firms under consideration for projects requiring a licensed professional shall have at least 1 of their principals licensed or registered by the appropriate Louisiana licensing or professional board
- D. Firm size and current workload as it relates to the project magnitude

- E. Project-Specific Criteria – Firms must demonstrate any special knowledge and capabilities required by the RFP/RFQ.

Upon presentation to the Board of the candidates who applied or the short list selected, the Board will select a firm(s) which in its opinion represents the best responsible choice given the criteria listed above. Upon final action, all other responding firms will be notified of the firm(s) selected by the FPA project manager within 5 business days of the Board's selection.

#### Contracting Procedures

Once the firm(s) have been approved by the full Board, the Regional Director or his/her designee will negotiate the fee required to complete the needed work or his/her appointed designee.

#### **J. Credit Cards**

The intent of the use of credit cards is to provide a faster, more efficient, and flexible manner to procure purchases and to allow for purchases from vendors who do not accept Purchase Orders such as Amazon or Conference Registrations. Credit cards are to be used for business purposes only and should comply with all FPA purchasing policies. If a card is lost or stolen, Regional Finance Director should be notified immediately so that the card can be cancelled.

Credit cards will be provided to employees based on necessity and as approved by the Regional Director and/or Finance Director. Credit limits will be established and monitored by the Regional Finance Director. One-time purchase limits will be equal to the authorization levels as approved in this policy. MCC code restrictions will be placed on all accounts for cash or gift cards and jewelry and clothing. All purchases should be business related only.

Detailed receipts must be submitted through the online credit card system and to Accounts Payable within 3 business days of receipt of the purchase to enable timely payment of amounts due. Statements submitted must also contain the signature of the card holder. In addition, purchases made with a credit card outside of the Purchasing Department must contain a written explanation as to why the purchase was considered an "emergency" purchase that was not required to go through Purchasing. Credit card purchases made by the Purchasing Department must also be coded in the MasterCard website "Smart Data". All monthly credit card statements along with receipts must be reviewed and approved by the Accountant Manager or his/her designee.

#### **K. Authorization Levels and Contracting Procedures**

1. All purchases of materials, supplies, vehicles and equipment that are approved by the Board of Commissioners as part of the annual budget process will meet the approval requirements as set forth in this policy. Substitutions of equipment from the approved budgeted line item may be done without Board approval as long as the budgeted amount is not exceeded.
2. Only those authorized by the Board via Appendix A of this policy, or pursuant to the Regional Director's written delegation per Section K6. of this policy, are authorized to commit the FPA for materials, supplies, vehicle, equipment, or services. Invoices received that are related to Purchase Orders do not require additional approval unless the Purchase Order is related to a

service. The requesting employee must confirm the service has been completed before an invoice can be paid.

3. All contracts must be reviewed and approved by the FPA Executive Counsel and the Regional Director or his/her designee.
4. All change orders less than \$150,000 or cumulative change orders up to \$150,000 can be approved by the Regional Director or his/her designee. All change orders or cumulative change orders greater than \$150,000 must be approved by the FPA Board.
5. If a variance exists between the requisition and the purchase order (for example, a higher amount caused by freight, if the variance is \$500 or more than the approvers approval limit, the next level approval is required.
6. The Regional Director may delegate any signature authority provided by Appendix A and allowed by law to designees, without approval of the Board, by publishing a written delegation.

## APPENDIX A – APPROVAL LIMITS

The below positions will be reviewed on an annual basis for appropriate approval levels:

- A. Purchases up to and including \$1,000
  - Maintenance: Department Managers (Team Leads for Floodgates, Facilities, Levee Crews, and Mechanics)
  - Operations: Team leads for Complex Structure, PCCP London, PCCP Orleans, PCCP 17<sup>th</sup> Street
  
- B. Purchases up to and including \$2,500
  - Maintenance: Levee Operations Superintendents and Facilities Maintenance Mgr B
  - Police: Captains
  - Finance: Accountant Administrator 2
  - Engineering: GIS Supervisor
  
- C. Purchases up to and including \$5,000
  - Operations: Engineer 6
  - Inventory purchases \$5,000 and greater – Regional Finance Director
  
- D. Purchases up to and including \$10,000
  - All Department Directors, Engineer 8
  
- E. Director of Engineering up to and including \$60,000
  
- F. Purchases up to and including \$150,000
  - Regional Director

Approved by Resolution No. 02-16-23-02



On the motion of Mr. Latiolais,  
Seconded by Mr. Duplantier, the following resolution was offered:

**RESOLUTION NO. 02-16-23-02 - ADOPTION OF UPDATED/REVISED  
PURCHASING POLICY**

**WHEREAS**, by Resolution No. 05-20-21-03, the Southeast Louisiana Flood Protection Authority-East (FPA) approved an updated/revised Purchasing Policy dated May 20, 2021, to govern the FPA and levee districts under its jurisdiction; and

**WHEREAS**, the FPA staff reviewed the aforementioned policy and updated and revised said policy to reflect current requirements and needs; and

**WHEREAS**, the updated/revised Purchasing Policy was reviewed by the Finance Committee on February 16, 2023 and recommended for approval by the Board.

**BE IT HEREBY RESOLVED**, that the Southeast Louisiana Flood Protection Authority-East adopts the updated and revised Purchasing Policy dated February 16, 2023.

**BE IT FURTHER RESOLVED**, that any and all resolutions or policies adopted prior to this resolution and in conflict with the approved Purchasing Policy dated February 16, 2023, are null and void.

The foregoing was submitted to a vote; the vote thereon was as follows:

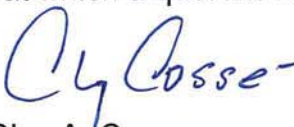
YEAS: Mr. Cosse, Mr. Duplantier, Mr. Latiolais, Mr. Rabb and Mr. Settoon

NAYS: None

ABSENT: Mr. Arrigo, Mr. Fierke and Mr. Miller

This resolution was declared adopted this 16th day of February, 2023.

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I hereby certify that the above and foregoing is a true and correct copy of a resolution duly adopted by the Southeast Louisiana Flood Protection Authority-East at its meeting on February 16, 2023, held in New Orleans, LA, at which a quorum was present.

  
Clay A. Cosse  
Secretary