

**CITY OF NEW ORLEANS  
CHIEF ADMINISTRATIVE OFFICE**

**Policy Memorandum No. 24 (R)**

**October 16, 2023**

TO: All Departments, Boards, Agencies, and Commissions  
FROM: Gilbert A. Montañó, Chief Administrative Officer   
SUBJECT: **PROCUREMENT OF MOVABLE PROPERTY AND NON-  
PROFESSIONAL SERVICES**

**I. PURPOSE**

This policy memorandum provides administrative guidance for the City of New Orleans (City) related to the procurement and the purchase of movable property and non-professional services. It reaffirms and supplements state and local procurement laws. This policy applies to all procurement and purchases by executive branch departments, agencies, offices, boards, and commissions (Users). The policy is revised to provide that the City may use the micro-purchase procedures to procure movable property and nonprofessional services valued at \$10,000 or less in accordance with Ordinance No. 29587 MCS.

**II. GOVERNING AUTHORITY**

- A. Louisiana Revised Statutes 38:2211 through 2296 is the set of laws that governs City contracts for public works and the purchase of materials and supplies.
- B. Section 4-302(5) of the Home Rule Charter of the City of New Orleans (Home Rule Charter) authorizes the Chief Administrative Officer (CAO) to “prescribe accepted standards of administrative practice to be followed by all offices, departments, and boards.”
- C. Section 4-1301(1)(g) of the Home Rule Charter confers to the Department of Finance, headed by the Director of Finance, the function “to contract for services to be rendered by independent contractors, and purchase materials, supplies and equipment.”
- D. Section 6-301 of the Home Rule Charter provides that “the Department of Finance shall be responsible for the procurement of all movable property to be paid for from any appropriation made by the Council.”

**III. DEFINITIONS**

**Movable property.** The term “movable property” means any property (whether animate or inanimate) that normally moves or can be moved from one place to another; and any rights, obligations, and actions that apply to such things. Movables include materials, supplies, equipment, vehicles, software, communications devices and systems, unattached fixtures, and similar items.

**Non-professional services.** The term "non-professional services" means services that are rendered by an independent contractor who does not have a professional skill. Non-professional services include, but are not limited to, janitorial, security, or testing services.

#### **IV. POLICY**

- A. **Procurement by Competitive Bid.** Except as provided below for alternative methods of procurement, and pursuant to Sections 6-301 and 6-308(5) of the Home Rule Charter and applicable state laws, Users shall procure movable property and non-professional services by competitive bid. The purchase shall be made from or the contract shall be awarded to the lowest responsive and responsible bidder.
- B. **Procurement Authority.** Except as provided below for delegated procurement authority, Users shall purchase movable property and non-professional services only through means established and maintained by the Bureau of Purchasing housed under the Department of Finance. Users will not solicit, invite, receive, accept, sign, or approve bids, proposals, contracts, leases, or change orders for movable property or non-professional services acquisitions. The Director of Finance may withdraw or restore delegated procurement authority at will.
- C. **Funding Commitment and Approved Purchase Order or Fully Executed Contract/Agreement.** Pursuant to Sections 70-420 and 70-421 of the City Code, Users shall not order, request, or receive any movable property or non-professional services without funding committed in advance by an approved purchase order issued by the Bureau of Purchasing or a fully executed contract/agreement. Such unfunded transactions are unlawful, and payment is prohibited.
- D. **Disadvantaged Business Enterprise (DBE) Program.** The City's DBE Program (codified in City Code Sections 70-456 through 70-467 and governed by CAO Policy Memorandum 46(R)) applies to a purchase of movable property and/or non-professional services with a total value of \$15,000 and over. Exceptions may apply.
- E. **No Division of Procurement or Purchase.** Under no circumstances may Users artificially divide any procurement or purchase to avoid the application of competitive thresholds under this policy.
- F. **Citywide Contracting for Movable Property and Non-Professional Services of Common Use.** In an effort to obtain the best value at the lowest price, the Bureau of Purchasing will periodically poll Users to determine the need for articles and services of common use.
- G. **Repetitive Purchases.** Users must review repetitive purchases on a quarterly basis to ensure that competitive prices are obtained. If Users anticipate significant repetitive purchases, then Users must utilize a bid process (informal or formal) to solicit an annual purchase order or requirements contract. Repetitive purchases of the same movable property or non-professional service that exceeds \$60,000.00 annually must be procured through the formal, sealed bid process.

#### **H. Procurement Methods, Thresholds, and Authority.**

1. Micro-Purchase. Pursuant to a delegated procurement authority, Users may procure movable property and non-professional services on a one-time basis without competition for a purchase valued at \$10,000.00 or less. Users should make every effort to obtain quotes from at least three vendors to ensure that the City receives a competitive price; however, the Bureau of Purchasing may accept a single vendor quote where the User has documented its efforts to obtain three or more quotes. Further, Users shall use their best efforts to obtain the vendor quotes from disadvantaged business enterprises, as defined in section 70-456 of the City Code. Users will not spend more than \$10,000.00 for similar movable property or non-professional services per year.
2. Small Purchase. The Bureau of Purchasing will conduct an informal sealed bid process for movable property and non-professional services valued between \$10,000.01 and \$59,999.99 per year. Those purchases are exempt from formal advertising or contracting unless otherwise useful in the purpose.
3. Sealed Bid. The Bureau of Purchasing will conduct a formal sealed bid process for movable property and non-professional services valued at \$60,000.00 or greater and award a City contract pursuant to Louisiana Public Bid Law.

**I. Alternative Methods of Procurement.** There are exceptions to bidding requirements for contracts for materials and supplies. To the extent permitted by state and local laws, as well as in compliance with City policies and procedures, Users can use those alternative methods of procurement. The Bureau of Purchasing shall develop and update procedures to govern the use of those alternative methods of procurement. Users shall always consult the Bureau of Purchasing when seeking an exception. Notable exceptions include:

1. Purchase of materials, supplies, vehicles or equipment by the State, any levee district, levee drainage district, municipality, parish, or other political subdivision of the state through an existing public contract of another political subdivision. This method is referred to as "Piggyback;"
2. Purchase off a State contract that has been approved for cooperative purchasing by the Office of State Procurement;
3. Purchase off the Federal General Services Administration (GSA) Lists, provided that the items are not otherwise available cheaper on State Contract and the public entity uses a Louisiana licensed dealer or distributor;
4. The lease, rental, or purchase of telecommunications or data processing systems (including equipment and related services) through a request for proposals; or
5. Unique or non-competitive articles, or when state or municipal law does not require competitive bids.

- J. **Other Non-Competitive Articles.** The Bureau of Purchasing shall maintain a list of types of expenditures that it deems to be exempt from competition.
- K. **Emergency.** The Director of Finance may delegate procurement authority to Users during emergencies in accordance with state and local laws, as well as CAO Policy Memoranda Nos. 42(R) or 119.
- L. **Written Contract.**
  - 1. The City will obtain written contracts for movable property and non-professional services procured through a formal sealed bid process.
  - 2. Where not otherwise required (and a purchase order may suffice), the City will secure written contracts according to complexity, duration, and business need.
  - 3. If a vendor requires a signature on an agreement, contract, or any other form, the document must be submitted to the Bureau of Purchasing and the Law Department for review and/or execution prior to making the purchase.
- M. **Procurement Card.** The Bureau of Purchasing, in collaboration with the Bureau of Accounting, will develop and establish a policy and procedure for the use of "P-Card" as an additional purchasing tool for Users.

V. **PROCEDURE**

- A. **Manual.** The Bureau of Purchasing shall create and maintain a "Procurement Manual" in which it will describe the City's procedures regarding the acquisition of movable property and non-professional services.
- B. **Annual Review.** The Bureau of Purchasing shall review said manual on an annual basis to ensure that it complies with all applicable laws and regulations.

VI. **FEDERALLY FUNDED PURCHASES**

- A. **In General.** When federal funds are used to procure movable property or non-professional services, the City shall comply with all applicable federal laws.
- B. **Manual or Other Document.** The Bureau of Purchasing shall ensure that the Procurement Manual and/or a separate document reflect the City's procurement policy and procedures for all federally funded purchases.

VII. **NON-COMPLIANCE**

- A. **In General.** The Department of Finance will track Users' expenditures and audit Users' records to ensure that they comply with the policy and procedures.
- B. **Forfeiture of Privileges.** Failure to comply with this policy and procedures may result in loss of delegated procurement authority, personal liability, disciplinary action, and possible legal action.

**VIII. WAIVER**

Except under certain limited circumstances (e.g., emergency and/or informal bid process, or other applicable laws, regulations, or policies), the City cannot waive requirements subject to Public Bid Law.

**IX. INQUIRIES**

Questions regarding federal, state, and/or local laws should be directed to the Law Department at 658-9800. All other inquiries should be directed to the Bureau of Purchasing at 658-1550.