
Procurement Realignment Policy

West Ascension Parish Hospital Service District

Policy No.: PUR-001

Title: Procurement Realignment and Public Bid Law Compliance Policy

Effective Date: _____

Approved By: Board of Commissioners

I. Purpose

The purpose of this policy is to ensure that all purchases, public works projects, renovations, construction activities, materials, supplies, equipment acquisitions, and service contracts are conducted in full compliance with Louisiana Public Bid Law and other applicable state and federal regulations.

This policy establishes procurement controls designed to promote transparency, competition, accountability, fiscal responsibility, and legal compliance.

II. Policy Statement

The District shall comply with all requirements of:

- Louisiana Public Bid Law, La. R.S. 38:2211 et seq.
- La. R.S. 38:2212 governing Public Works contracts.
- La. R.S. 38:2212.1 governing Materials and Supplies purchases.
- Any subsequent amendments enacted by the Louisiana Legislature. The District shall not maintain internal procurement thresholds that conflict with, modify, or supersede statutory bid requirements.

All procurement thresholds contained within District policies shall automatically adjust to reflect current statutory requirements and legislative updates without requiring formal policy amendment.

III. Definitions

Public Works

Includes construction, renovation, alteration, repair, improvement, demolition, or other public works projects involving labor and materials as defined by Louisiana law.

Materials and Supplies

Includes equipment, furnishings, medical equipment, consumables, and all other tangible goods purchased with public funds.

Compliance Officer

The individual designated by the Chief Executive Officer to oversee bid compliance, procurement documentation, and adherence to Public Bid Law.

IV. Procurement Threshold Requirements

A. Public Works

When the estimated total cost of a public works project, including labor, materials, equipment, and all related costs, exceeds the contract limit established under La. R.S. 38:2212, the project shall be publicly advertised and competitively bid in accordance with Louisiana law.

B. Materials and Supplies

Purchases shall be handled in accordance with La. R.S. 38:2212.1, including applicable quotation and advertising requirements.

C. Prohibition on Contract Splitting

Departments shall not divide projects, purchases, phases, invoices, or scopes of work for the purpose of avoiding statutory bidding requirements.

Any attempt to circumvent Public Bid Law through contract fragmentation shall constitute a policy violation.

V. Legal Review Requirement

Prior to execution, the following shall require review and written approval by Legal Counsel:

1. Any public works contract.
2. Any contract requires formal public bidding.
3. Any procurement exceeding the lowest statutory threshold established under applicable Louisiana bid laws.
4. Any sole-source or emergency procurement.
5. Any contract amendment or change order with a cumulative impact exceeding ten percent (10%) of the original contract value.

Legal Counsel shall certify that the proposed transaction complies with applicable Public Bid Law requirements before contract execution.

VI. Responsibilities

Department Directors

- Identify procurement needs.
- Complete Procurement Threshold Worksheet.
- Obtain required approvals.
- Ensure accurate cost estimates.

Compliance Officer

- Review threshold determinations.
- Coordinate bid advertisements.
- Maintain procurement files.
- Verify statutory compliance.

Chief Executive Officer

- Approve procurements within delegated authority.

- Present matters requiring Board approval.

Board of Commissioners

- Approve contracts as required by District policy and law.
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VII. Records Retention

All procurement records, bid documents, advertisements, evaluations, contracts, quotations, legal reviews, and approvals shall be maintained in accordance with Louisiana record retention requirements and District policy.

Procurement Threshold and Bidding Workflow Protocol

Protocol No.: PUR-PRO-001

Step 1 – Procurement Request Initiation

The requesting department submits:

- Procurement Requisition Form
- Scope of Work
- Cost Estimate
- Funding Source Identification

No project may proceed without complete documentation.

Step 2 – Procurement Threshold Worksheet

The department must complete a Procurement Threshold Worksheet that includes:

- Project Description
- Estimated Labor Cost
- Estimated Material Cost

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- Equipment Cost
 - Professional Services Cost
 - Contingency Allowance
 - Total Estimated Project Cost

The estimated cost shall include the entire project value and may not exclude costs to avoid bid requirements.

Step 3 – Compliance Review

The Compliance Officer shall determine:

Category A – Public Works

Construction, renovation, repair, demolition, or facility improvements.

Category B – Materials and Supplies

Equipment, furnishings, medical devices, and supplies.

The Compliance Officer documents the applicable statutory procurement method.

Step 4 – Legal Review

Before procurement proceeds:

- ☐ Legal Counsel reviews procurement classification.
- ☐ Legal Counsel confirms bid law applicability.
- ☐ Legal Counsel signs Procurement Compliance Certification.

Step 5 – Public Advertisement (If Required)

For procurements exceeding statutory bid thresholds:

1. Compliance Officer prepares bid package.

2. Legal Counsel reviews bid package.
3. Advertisement is published as required by Louisiana law.
4. Bid opening date is established.
5. Procurement file is created and maintained.

Public works advertisements and materials/supplies advertisements shall comply with the statutory publication requirements of La. R.S. 38:2212 and 38:2212.1.

Step 6 – Bid Receipt and Opening

- Bids shall remain sealed until opening.
 - Bid opening shall be publicly documented.
 - Attendance and bid tabulation shall be recorded.
 - Evaluation shall be performed using published criteria.
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Step 7 – Recommendation for Award

Compliance Officer prepares:

- Bid Tabulation
- Responsiveness Review
- Responsibility Assessment
- Recommendation Memorandum

Award recommendation shall be made to the lowest responsible and responsive bidder in accordance with Public Bid Law.

Step 8 – Approval and Contract Execution

Required approvals:

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- Department Director
 - Compliance Officer
 - Legal Counsel
 - CEO
 - Board of Commissioners (when required)

No contract may be carried out without documented compliance approvals.

Step 9 – Contract Monitoring

The project manager shall:

- Monitor performance.
- Track change orders.
- Verify invoices.
- Maintain project documentation.

Any change order impacting statutory compliance shall be reviewed by Legal Counsel prior to approval.

Internal Control Enhancement

Mandatory Procurement Compliance Certification

Every procurement exceeding \$30,000 shall include:

- Procurement Threshold Worksheet
- Compliance Officer Certification
- Legal Counsel Certification
- CEO Approval

Quarterly Audit

The CFO shall conduct quarterly testing of procurement files and report findings to the Audit Committee and Board of Commissioners.

Annual Training

All department directors, managers, and procurement personnel shall complete annual Public Bid Law compliance training.

This framework directly addresses the audit finding by establishing:

1. Statutory threshold-based procurement authority.
2. Mandatory threshold analysis before project approval.
3. Compliance officer oversight.
4. Legal review prior to execution.
5. Board-level accountability and monitoring.