3.1.1 TELEPHONE QUOTATIONS

The following procedure should be followed for obtaining telephone quotations for needed supplies, equipment or services which quotations are for less than $15,000.00.

A. General

As described in Administrative Directive 3.0 paragraph 12, Louisiana State Bid Laws allow for purchases to be made with competitive bids by telephone when the cost of the item(s) ranges between $5,000 and $15,000. Purchases made by telephone quotations must follow specific procedures to comply with the State Statutes. The following procedures have been adopted so small purchases, ($5,000 thru $15,000), may be processed as expediently as possible. Please limit the use of this procedure since small purchases cause a large administrative strain on the limited resources of the Purchasing Department. Followed properly, this procedure should assist departments and Purchasing in the handling and processing of rush and small orders. It should be kept in mind, however, that an additional institutional goal is to obtain goods and services in a cost-efficient manner. In many instances, procedures for written quotations and bids will serve the best interest of our institution and assure the best value. Departments are asked to use prudent fiscal judgment when
determining their goods, services, needs, and the manner in which they are purchased.

B. Legal Requirements

Through Executive Order from the Governor, there are certain requirements that must be fulfilled in order to qualify procurement through the use of telephone quotations. Listed below are those requirements.

1. Louisiana Law specifically prohibits procurement requirements from being artificially divided so as to constitute a small purchase.
2. At least three bona fide, prospective bidders must be contacted and asked to quote on the needs of a department. Whenever possible, at least two (2) of the bona fide, qualified vendors shall be certified small and emerging businesses.
3. All purchases made as the result of a telephone quotation must be made with the vendor providing the lowest responsive quotation.
4. A responsive quotation is a quotation which conforms in all substantive respects to the specifications and requirements of the quotation.
5. The same specifications and requirements must be used with all vendors solicited.
6. A complete and accurate documentation of all quotation responses must be recorded and made a part of the procurement file.

C. Instructions on Taking Telephone Quotations

The following procedure is to be followed to obtain an official, legally binding competitive telephone quotation for the purchase of supplies, equipment or services when the cost ranges from $5,000 to $15,000.

1. While not mandatory, the use of the Telephone Quotation Form, SN/1120, should be used to record and maintain telephone quotations. This form contains an area for the recording of each element required to make a phone quote.
2. After preparing a requisition form with sufficient specifications and requirements to enable vendors to identify the required goods or services, prepare a Telephone Quotation Form.
3. List your department name, requisition number, and the name of the person making the actual telephone quotation on the form.
4. Select and record the names and phone numbers of the prospective bona fide bidders chosen for the telephone quotation in the designated area on the form.
5. List the requisition item numbers on the form for which phone quotes will be obtained.
6. Call the first selected bidder, identifying yourself, your position, your department and institution.
7. Explain that you are seeking formal telephone quotations for competitive procurement purposes.
8. Describe the items individually for which you are soliciting quotes. Give the exact quantity of the needed item and a complete description of the item. Give any special features or requirements of the item and tell the bidder that the quotation is for F.O.B. University. This indicates that the bidder will be responsible for paying freight or delivery charges under normal circumstances.
9. Record the bidder's response or quotations. This includes the following data:
   a. Individual's name.
   b. Availability of the item, i.e. when the item could be delivered if ordered.
   c. Terms. The payment conditions required by vendor.
   d. Price. The actual price the bidder quotes on the item(s).
   e. F.O.B. Any delivery charges involved with the items.
   f. Record of no bid. If the bidder declines to give you a quotation, indicate "No-Bid."
   g. Record any substitutions of products offered by bidder.
10. Call the remaining bidders and record their responses and bids as in the above item.
11. Attach the Telephone Quotation Form to your requisition and send both to the Purchasing Office.