



CITY OF NEW ORLEANS

ReqtoCheckSTAT

Reporting Period: December 15th – January 31st*

**The current reporting period includes 1 ½ months of activity as opposed to 1 month of activity presented in prior reports. See page 3 for more information.*

Context

In order to deliver critical services for its citizens—such as constructing roads, rehabilitating homes, or picking up trash—the City often engages with private companies with specialized expertise. Because these and other services are so critical, Mayor Landrieu has made it a priority for vendors to be selected fairly, for contracts to be negotiated expeditiously and in the best interests of New Orleanians, and for vendors to be paid in a timely manner.

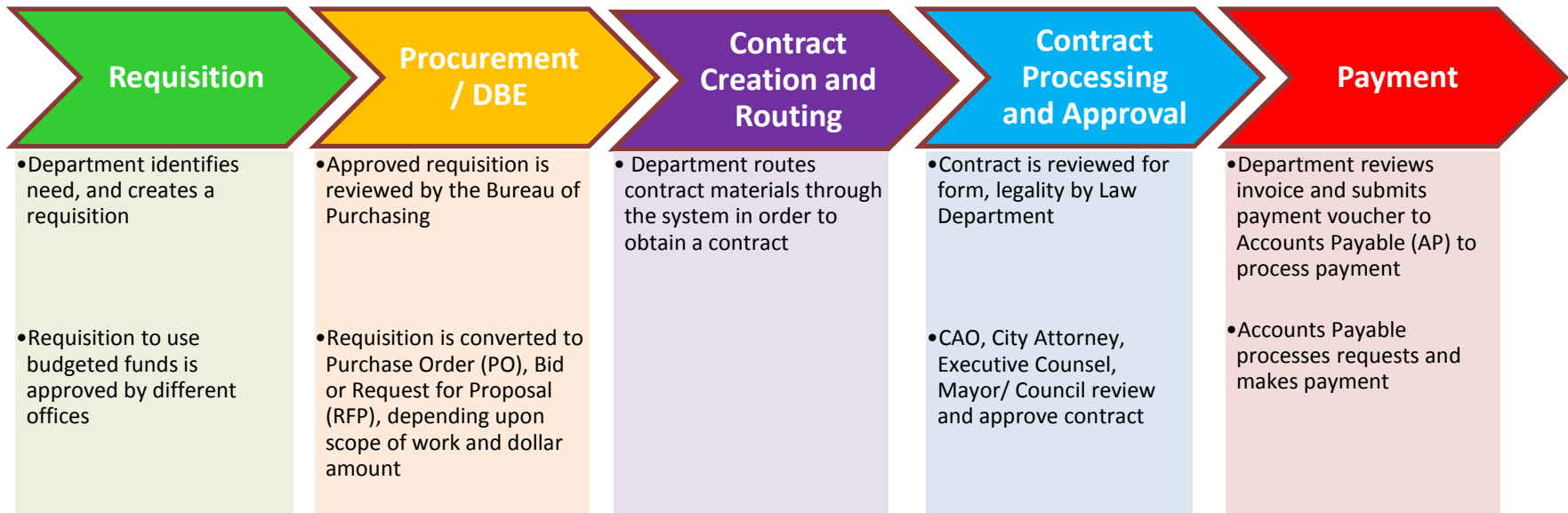
What is ReqtoCheckStat?

In order to improve the performance, accountability, and transparency of the City's contracting system, Mayor Landrieu asked the Office of Performance and Accountability to design a performance management program for the entire process of contracting out services—from the requisition of budgeted funds to the issuance of check for services rendered. The result is ReqtoCheckStat, a performance management system where key City officials review data to assess how the City is meeting its goals and to hold departments accountable for their results. ReqtoCheckStat, which takes place monthly, are working meetings, intended to provoke constructive dialogue on what is working, what is not, and what the City needs to do to improve.

Can I participate?

These meetings are open to the public. Members of the public are invited to submit questions, which will be addressed by City officials.

Procurement Process Overview*



Note: The current reporting period includes 1 ½ months of activity covering the period 12.15.2011 to 1.31.2012. Prior reporting periods only include 1 month of activity. The change was made as to time each reporting period to a calendar basis. Each subsequent report will present one month of activity on a calendar basis.

*See a more detailed process map on slide 31

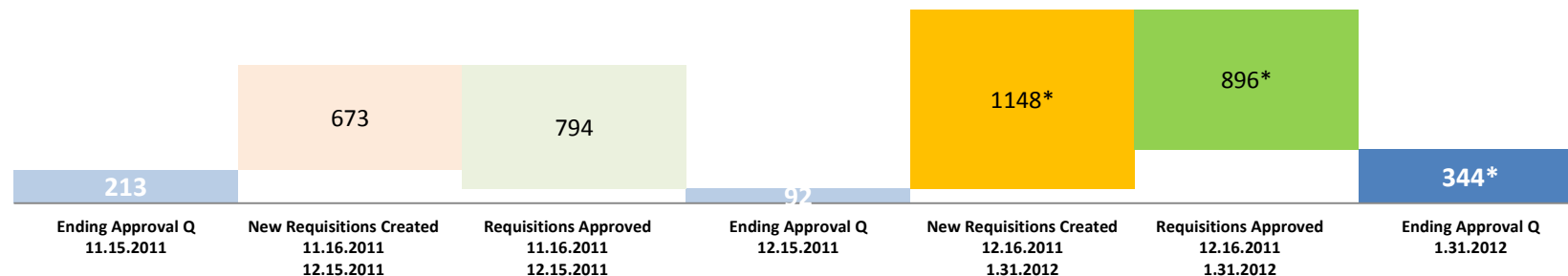


Requisition Approval

- Requisition Approved and Processed per Period
- Requisition Approval Queue by Approval Level
- Approval Time of Requisitions

Approval Queue Increased Substantially Due to Seasonal Volume and Technical Issues Related to the Routing/Approval Process

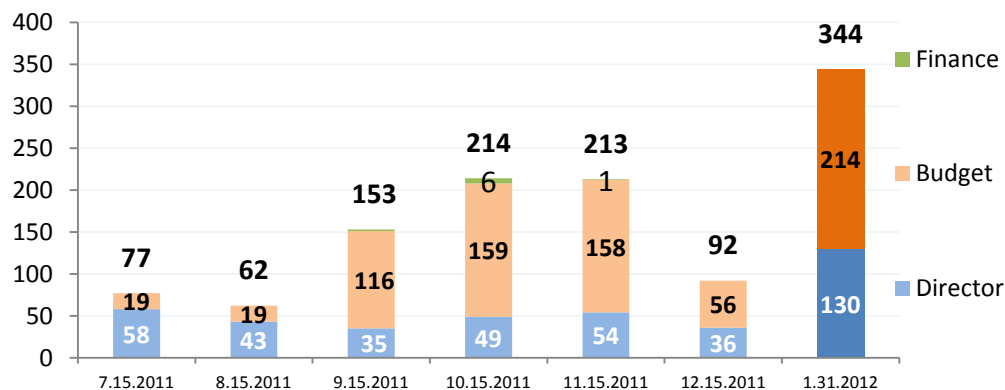
Requisition Approval Queue General Fund for Period Ending 1.31.2012



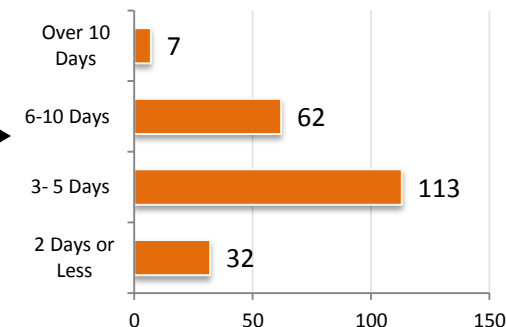
*Activity includes 1 1/2 months of operations

** Includes 57 requisitions that were incorrectly routed to OPA for approval

Requisitions in Q to be Approved by Period



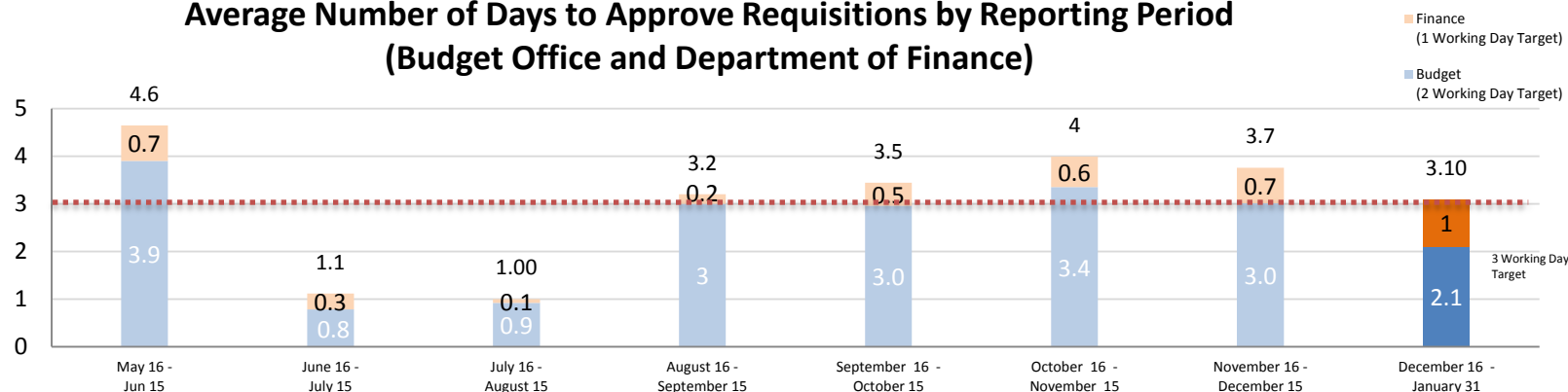
Age of Requisitions Budget Office



Source : Obtained from BuySpeed System and evaluated by the Office of Performance and Accountability 2.13.2012

Despite Improvements in the Number of Days to Approve Requisitions, Overall Approval Time Remains Slightly Above Target

**Average Number of Days to Approve Requisitions by Reporting Period
(Budget Office and Department of Finance)**



Budget					
Days to Approve	2011				2012
	9.15.2011	10.15.2012	11.15.2011	12.15.2011	1.31.2012
2 or less	72%	68%	69%	61%	71%
3 Days	2%	5%	4%	6%	9%
4-5 Days	8%	10%	8%	12%	9%
6-10 Days	12%	12%	7%	17%	10%
11-15 Days	5%	3%	7%	4%	1%
Over 15 Days	1%	2%	5%	0%	0%

Finance					
Days to Approve	2011				2012
	9.15.2011	10.15.2012	11.15.2011	12.15.2011	1.31.2012
1 or less	100%	100%	99%	99%	85%
2 Days	0%	0%	1%	0%	7%
3-5 Days	0%	0%	0%	1%	8%
6-10 Days	0%	0%	0%	0%	0%
11-15 Days	0%	0%	0%	0%	0%
Over 15 Days	0%	0%	0%	0%	0%

Source : Obtained from BuySpeed System and evaluated by the Office of Performance and Accountability 1.31.2012

Requisition

**Procurement
/ DBE**

Contract
Creation and
Routing

Contract
Processing
and Approval

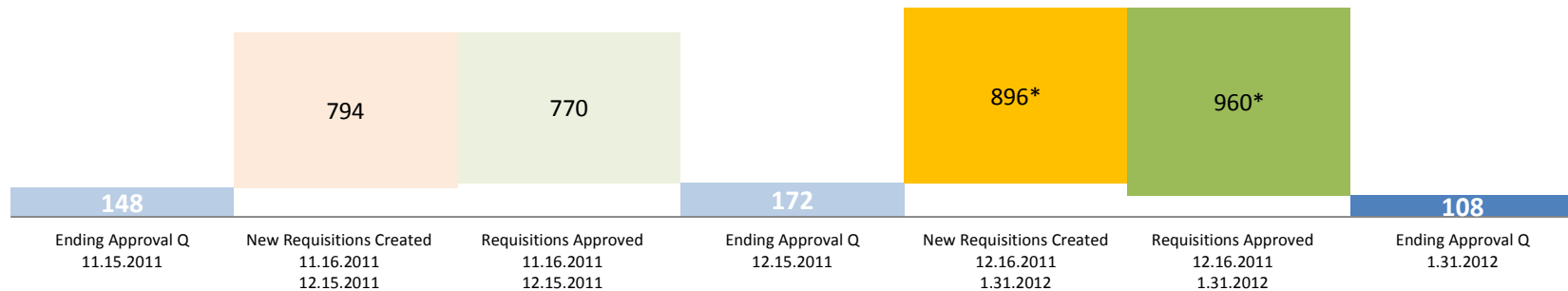
Payment

Requisition to Procurement

- Processing of Requisition by Bureau of Purchasing
- Status of Requisitions Awaiting Buyer Response
- Time to Convert Requisition to PO
- Status of Requests for Proposals
- Status of Bids
- DBE Compliance (Preliminary Data)

The number of requisitions in queue waiting to be processed by the Bureau of Purchasing decreased by 64 despite significant increase in volume

Queue of Requisitions Awaiting Bureau of Purchasing Action for the General Fund (Agencies) for Period Ending 1.31.2012

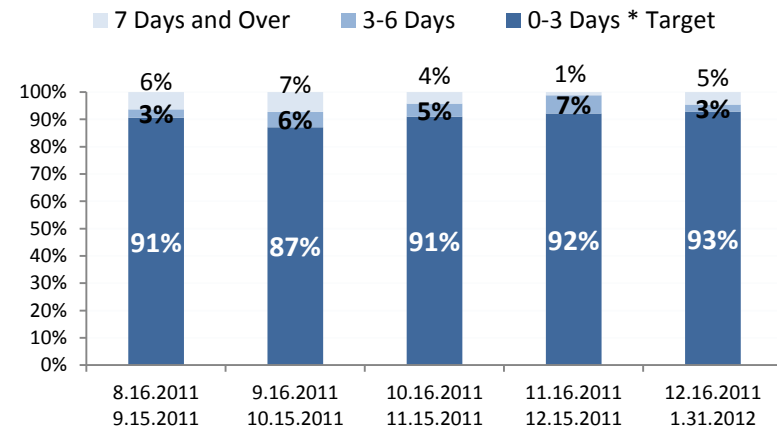


* Activity includes 1 1/2 months of operations

Status of Reqs Awaiting Buyer Processing	
1.31.2012	
Status	Count
Contract Being Processed	58
Waiting for Support	[A] 24
Completed by 2.8.2012	26
Grand Total	84

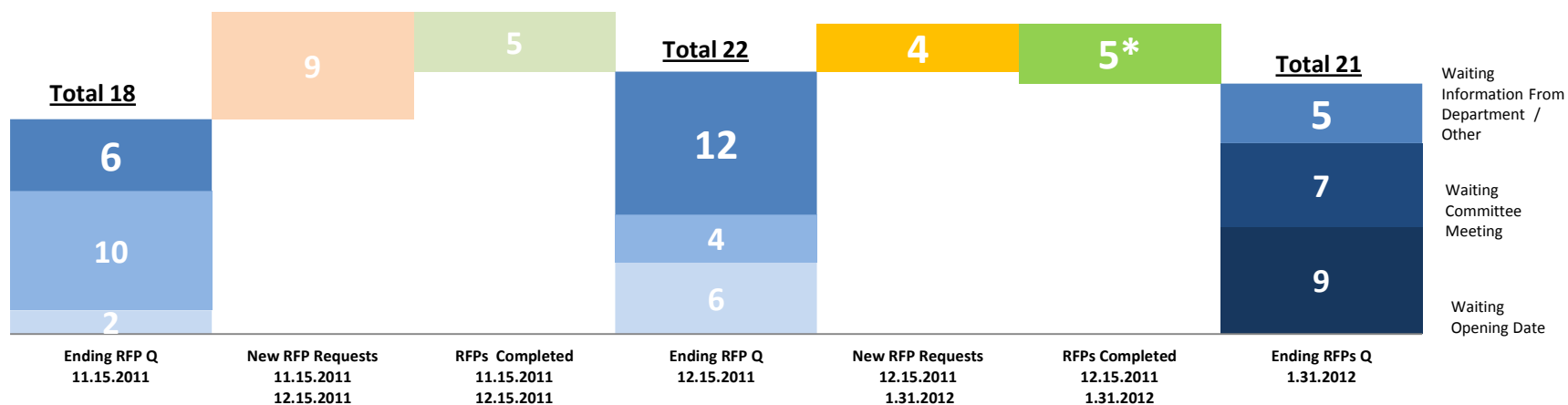
Waiting for Support	
Status	Count
Police	5
Finance	4
Sanitation	4
ITI	2
Mayor	2
Neighborhood 1	2
City Council	2
NORD	1
Law	1
Homeland Security	1
Grand Total	[A] 24

The Bureau of Purchasing Converts Requisitions to POs in Four Days or Less >90% of the Time (Average 650 POs per month)

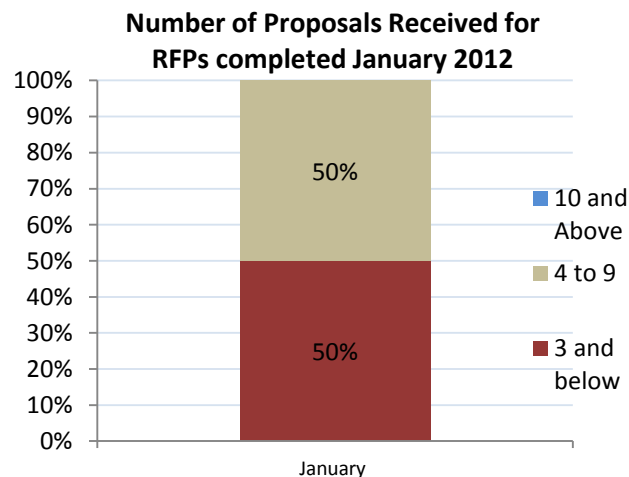


Source : Obtained from BuySpeed System and Bureau of Purchasing 2.3.2012 and the Bureau of Purchasing 2.8.2012

7 RFPs Waiting for Committee Meeting as of 1.31.2012



* Includes cancelled RFPs for which proposals were not received

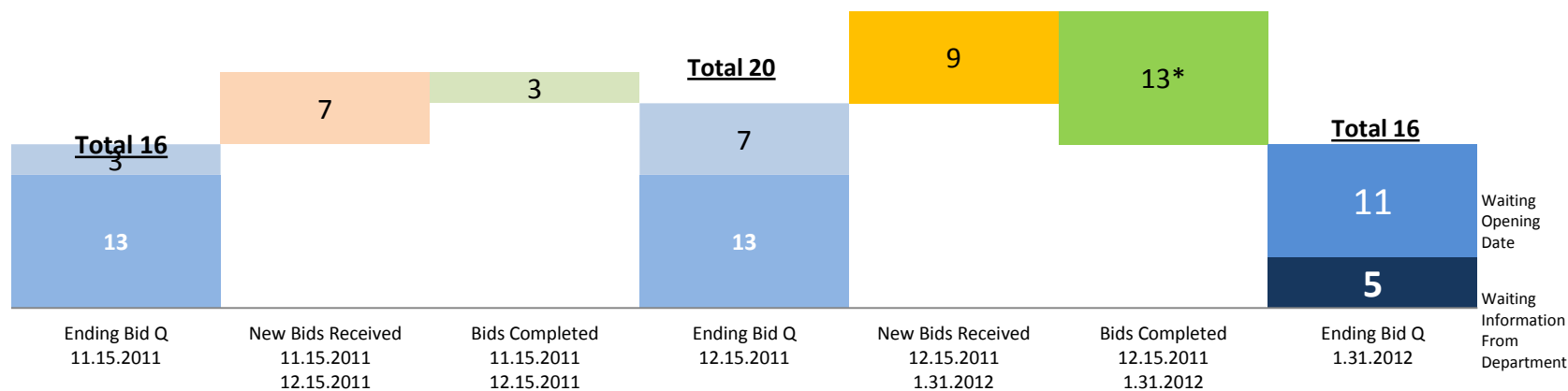


1.31.2012		
Awaiting Committee Meeting		
Department	Brief Description	Issue
Mayor's Office	Redevelop 6 Flags Site	Rescheduled 3 times/Additional Presentations
Mayor's Office	EDF Administrative Svcs	Committee Meeting Held 2/1/12
ITI	Payroll System	Meeting 11/8/11 awaiting decision
Finance	Online Auction Svcs N.O. East	10/13/11 and 11/11/2011 Awaiting Decision
Finance	Healthcare Maximization	10/27/2011 Awaiting Decision
Law	Legal Services	Awaiting Committee Meeting
New Orleans Business Alliance	5-Yr. Economic Plan/Award Not thru City	Awaiting Committee Meeting

1.31.2012		
Waiting on Support / Response from Departments		
Department	Brief Description	Issue
HANO	Reuse Plan for the Naval Support Activity "East Bank"	CAO/CPO Authorization/OIG
EMD	Vehicle Tracking System	Awaiting Decision
Aviation Board	Financial Consultant	Aviation Board Meeting
Aviation Board	Secret Shopper	Aviation Board Meeting
Aviation Board	Wildlife Mitigation	Aviation Board Meeting

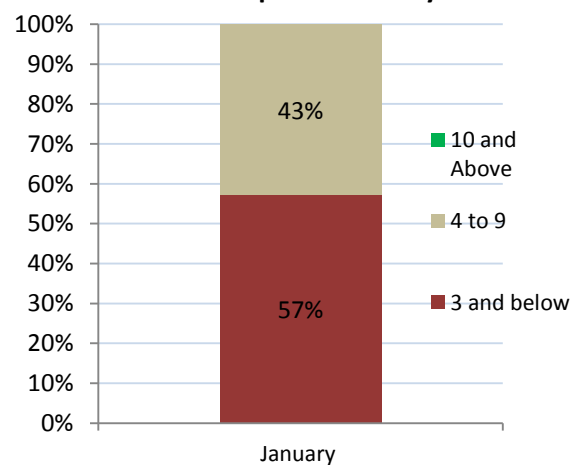
Source : Bureau of Purchasing 1.31.2012

The number of Bids in process decreased from 20 to 16 as of 1.31.2012



* Includes cancelled Bids for which proposals were not received

Number of Proposals Received for Bids completed January 2012

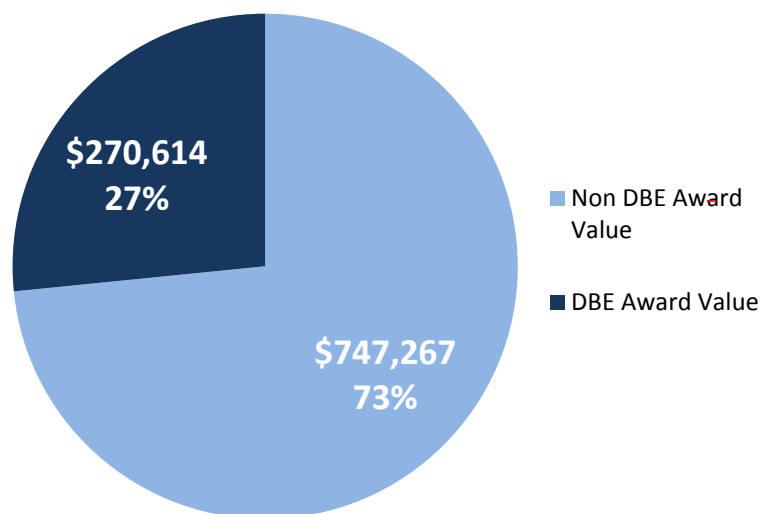


1.31.2012		
Waiting on Support / Response from Departments		
Department	Brief Description	Issue
Office of Emergency Preparedness	Warehouse Security	Awaiting Specs
Parks and Parkways	Public Greenspace Phase II	Department Recommendation
Fire	Flame Spectrophotometer	Department Recommendation
Public Works	Traffic Control Signs	DBE/Department Recommendation
Public Works	Lower 9th Ward Make it Right	Need Items added in RXQ

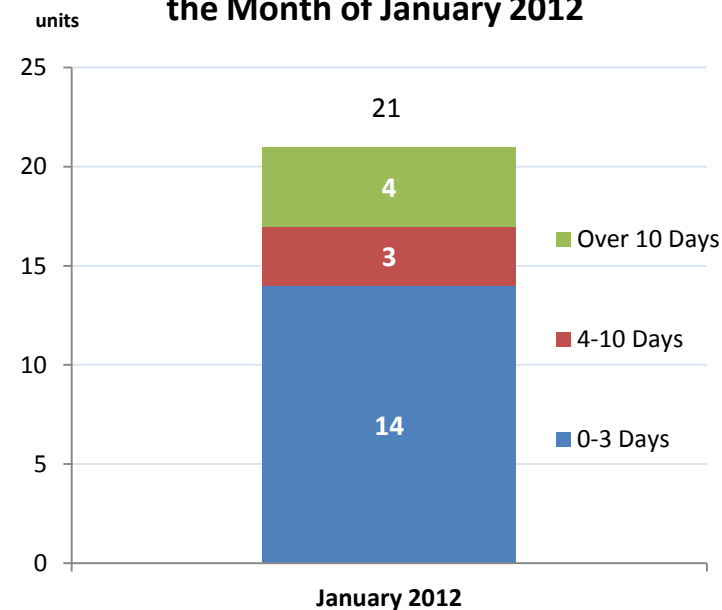
The Percentage of DBE Award Value for the Month of January Reached 27%.

(Preliminary Data)

DBE Commitment for Bids and RFS Opened in 2012 and Reviewed by The Office of Supplier Diversity by January 2012



Time to Process DBE Validation by the Office of Supplier Diversity for the Month of January 2012





Requisition

Procurement /
DBE

Contract Creation
and Routing

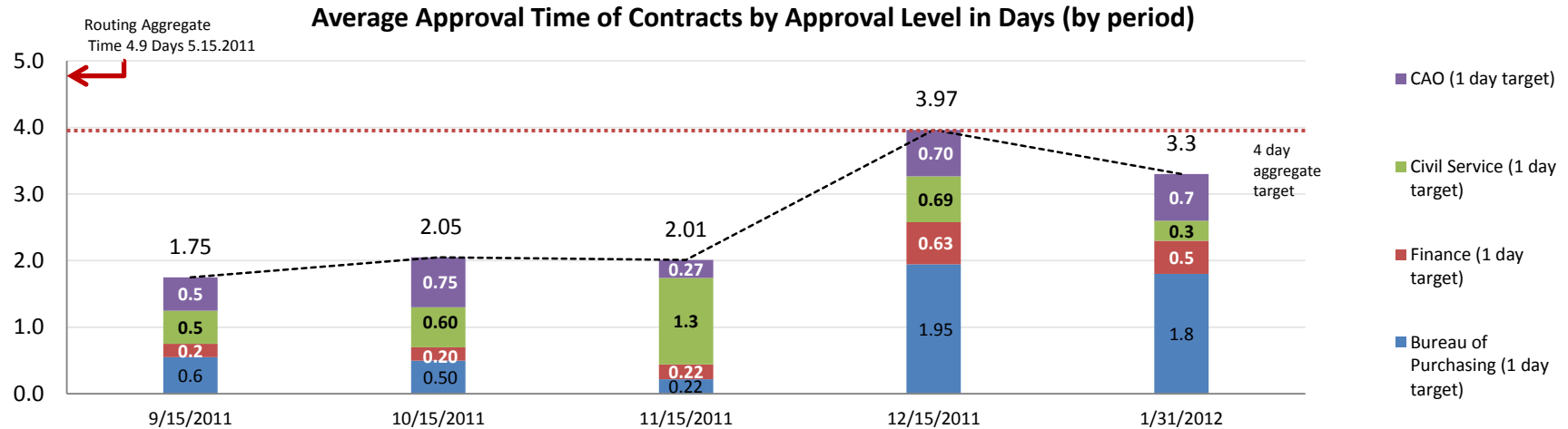
Contract
Processing and
Approval

Payment

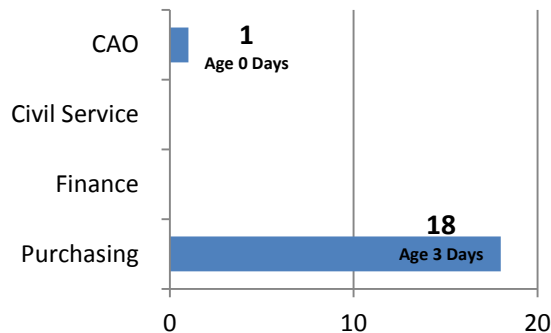
Contract Package Routing

- Average Contract Routing Time

Average Time to Approve Contracts Being Routed Remains on Target (Under 4 Days)



19 Contract Request are in Q as of 1.31.2012



CAO Distribution Approval			
Days to Approve	11.15.2011	12.15.2012	1.31.2012
0-1 Days	94%	88%	93%
2- 3 Days	6%	2%	4%
4-7 Days	0%	10%	3%
Over 8 Days	0%	0%	0%

Civil Service Distribution Approval			
Days to Approve	11.15.2011	12.15.2011	1.31.2012
0-1 Days	73%	83%	97%
2- 3 Days	26%	17%	3%
4-7 Days	1%	0%	0%
Over 8 Days	0%	0%	0%

Finance Distribution Approval			
Days to Approve	11.15.2011	12.15.2012	1.31.2012
0-1 Days	98%	98%	93%
2- 3 Days	2%	2%	7%
4-7 Days	0%	0%	0%
Over 8 Days	0%	0%	0%

Bureau of Purchasing Distribution Approval			
Days to Approve	11.15.2011	12.15.2011	1.31.2012
0-1 Days	96%	69%	70%
2- 3 Days	4%	9%	14%
4-7 Days	0%	17%	12%
Over 8 Days	0%	5%	4%

Source : ECMS 1.31.2012



Requisition

Procurement /
DBE

Contract Creation
and Routing

Contract
Processing and
Approval

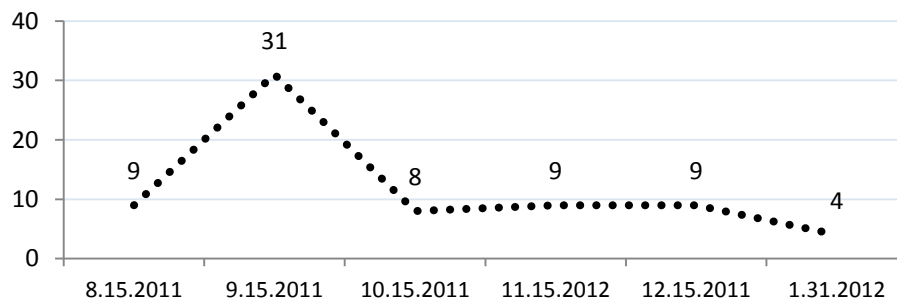
Payment

Contract Approval Process

- Contract Rejections
- Contract Processing and Approval

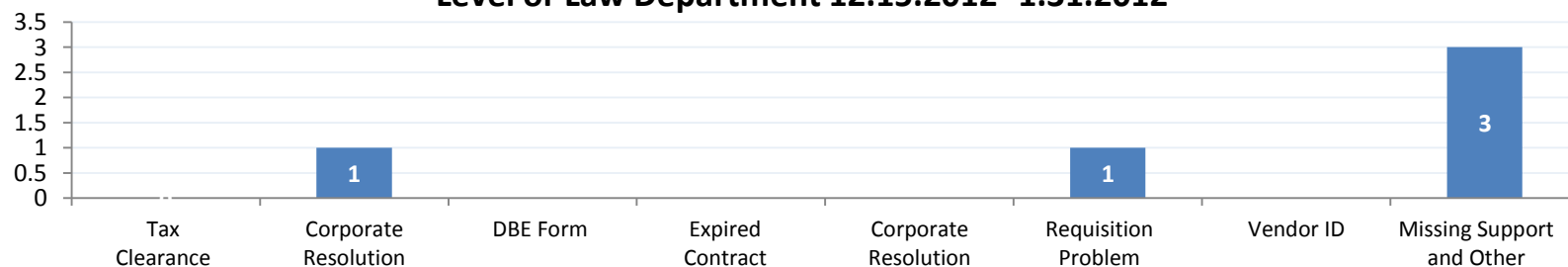
Only a Small Number of Contracts Were Rejected/ Returned During the Period

Contracts Returned / Rejected by Approval Level or Law Department by Period (in units)



1.31.2012	
Department	Total
NORDC	1
Property Management	1
Police	1
Fire	1
Grand Total	4

Reasons for Contracts Returned or Rejected by Either Approval Level or Law Department 12.15.2012 -1.31.2012



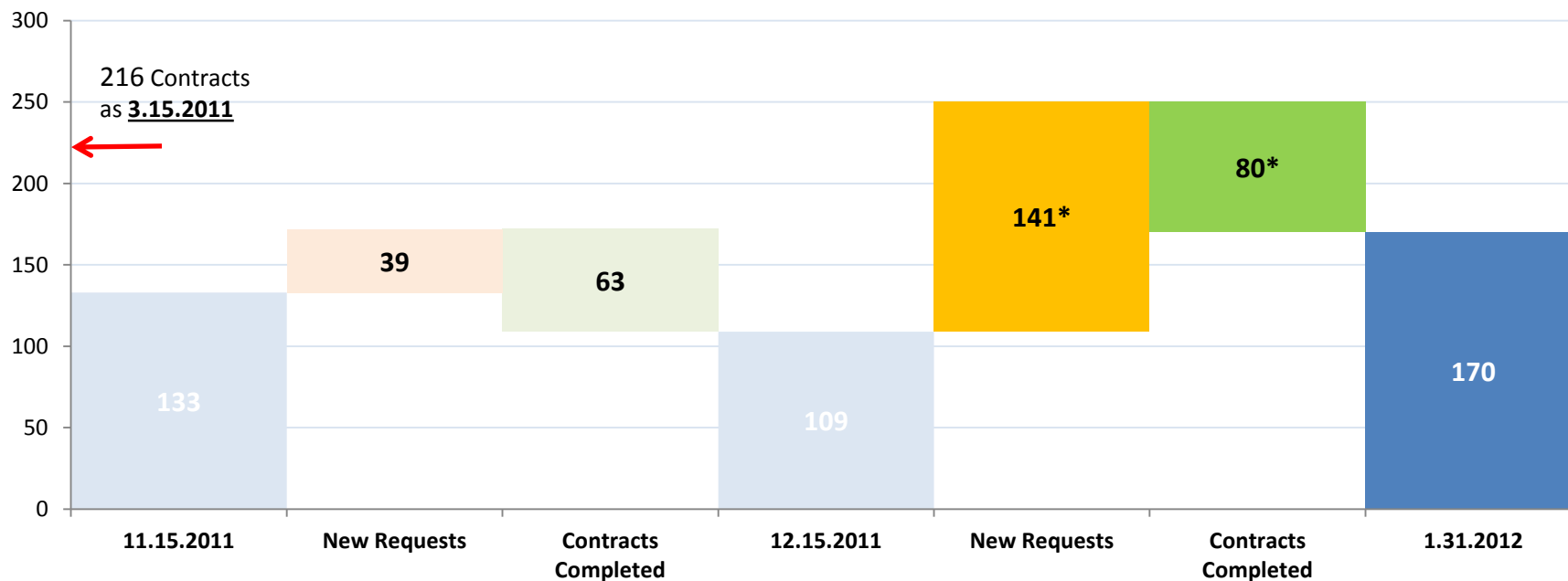
Note: 4 items were rejected during the period. However, some rejections were the result of multiple reasons.

Source : ECMS System 2.1.2012

Contracts: All Contracts in Process as of 1.31.2012

(Legal Review, CAO, Vendor Signature, City Attorney, Executive Council, Mayor/City Council)

All Contracts Processed, Received and in Q at the End of the Reporting Period as of 1.31.2012 (in units)



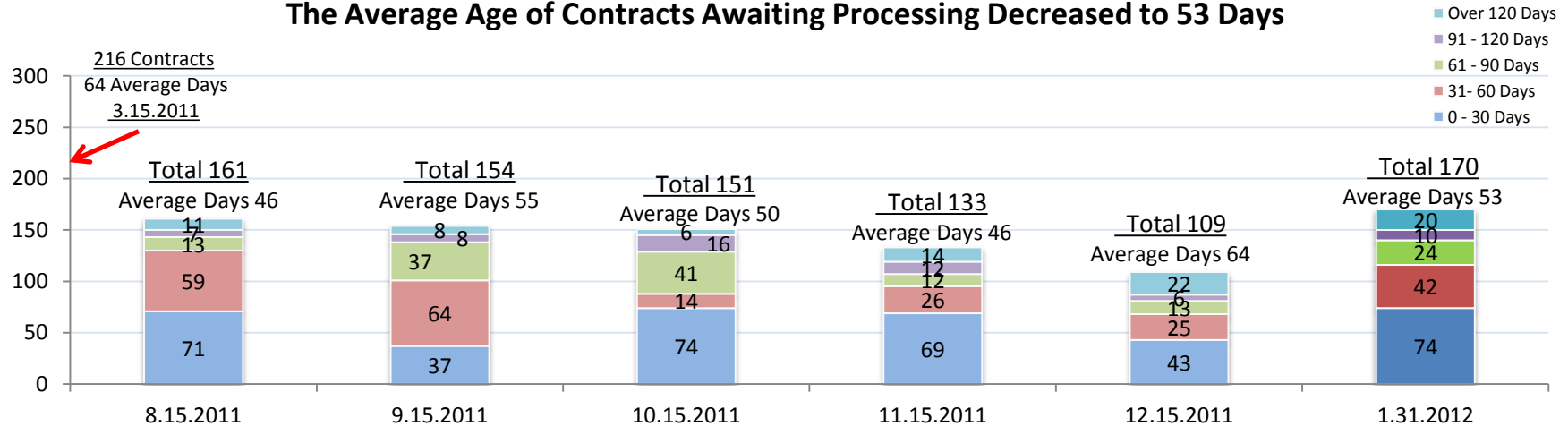
* Activity includes 1 1/2 months of operations

Source : Law Department and ECMS System 1.31.2012 and 2.10.2012

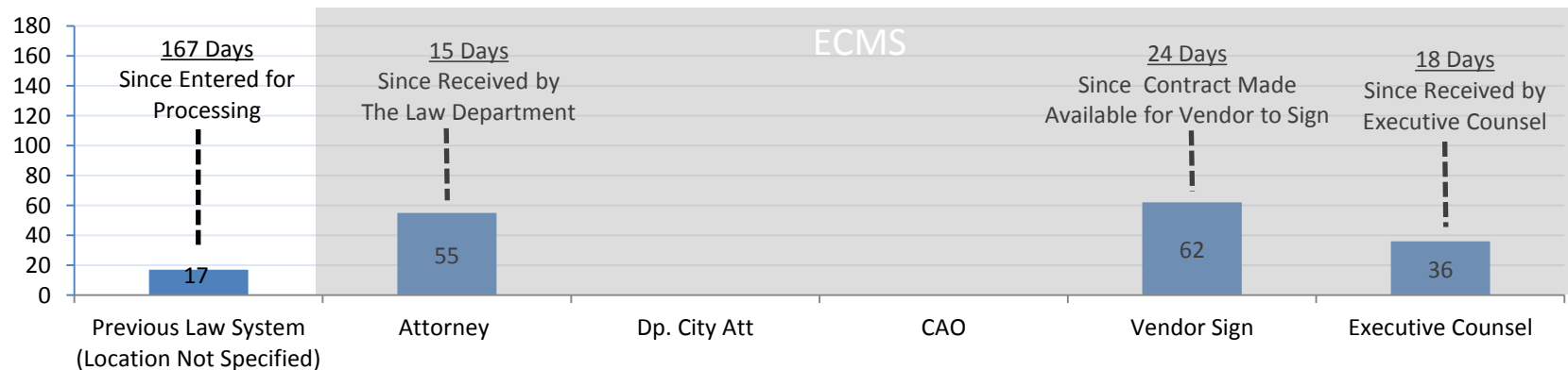
Contracts : All Contracts in Process as of 1.31.2012

(Legal Review, CAO, City Attorney, Executive Counsel, Mayor/Council Approval)

The Average Age of Contracts Awaiting Processing Decreased to 53 Days



Location and Average Age of Contracts in Process as of 1.31.2012

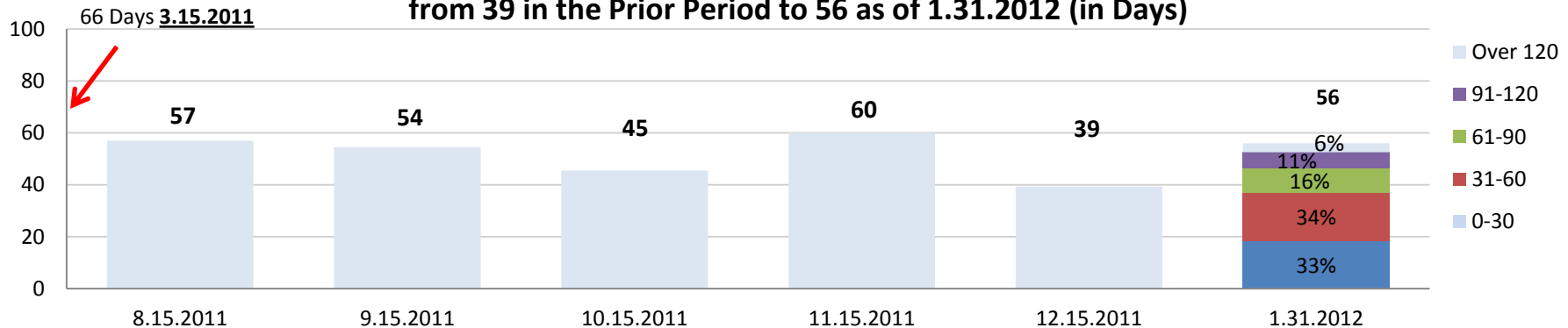


Source : Law Department 2.13.2012 and ECMS System 1.31.2012

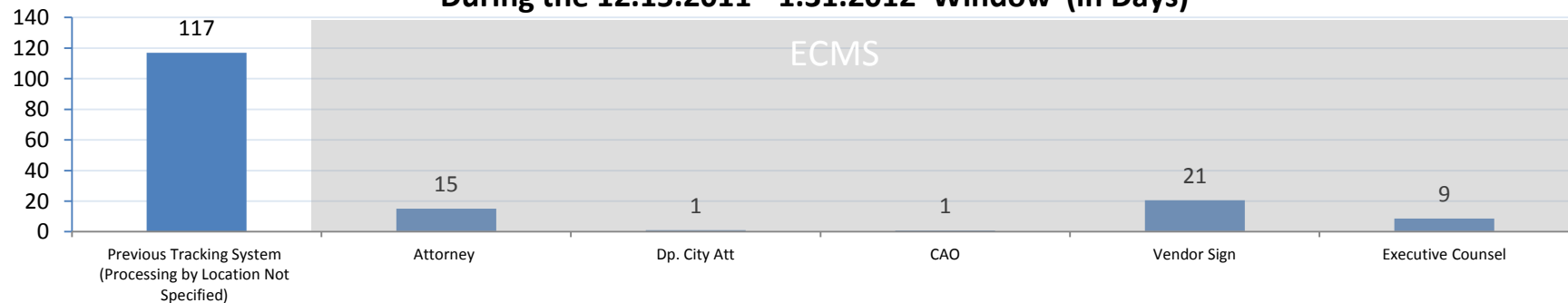
Contracts : All Contracts Executed Between 12.15.2011 and 1.31.2012

(Legal Review, CAO, City Attorney, Executive Counsel, Mayor/Council Approval)

The Average Time to Close Contracts During the Period Increased from 39 in the Prior Period to 56 as of 1.31.2012 (in Days)



Average Time to Process all Contracts Completed During the 12.15.2011 - 1.31.2012 Window (in Days)

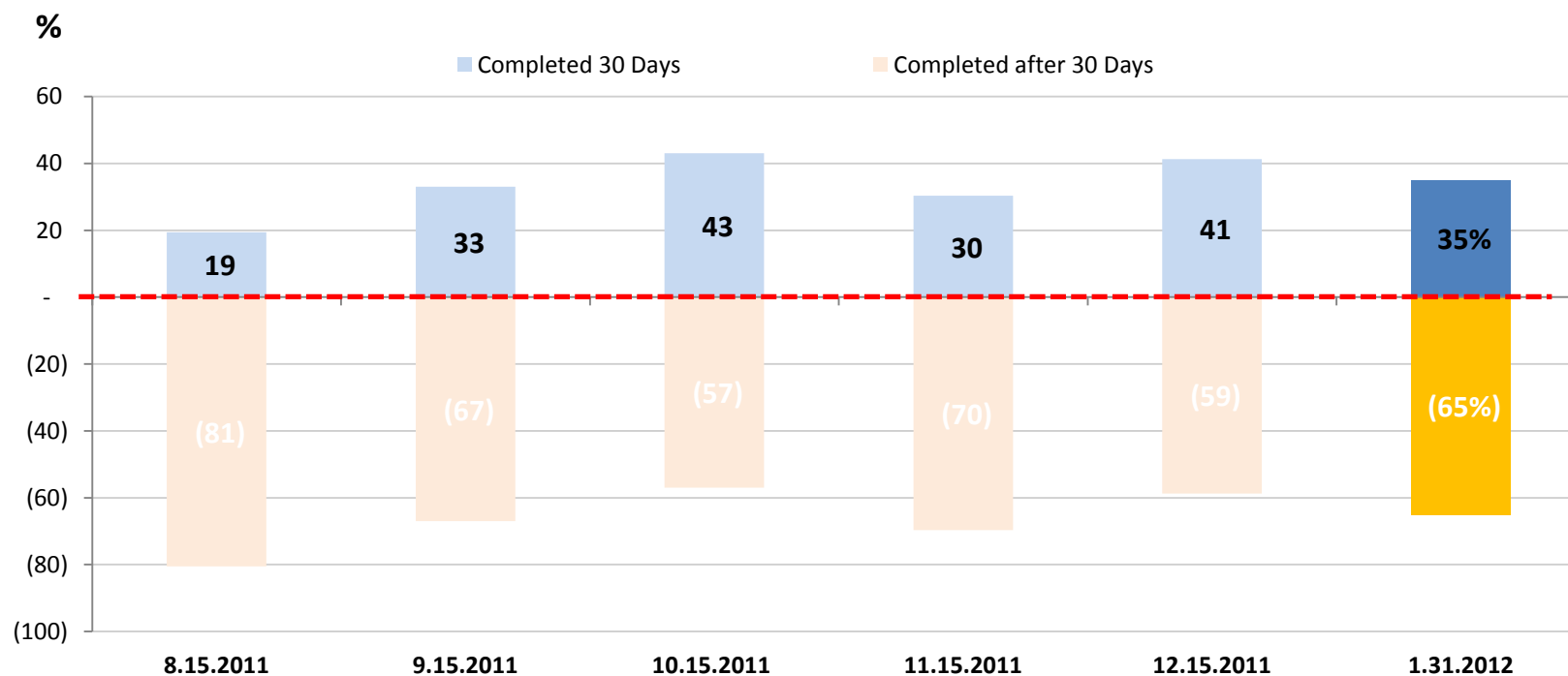


Source : Law Department 2.13.2012 and ECMS System 1.31.2012

Contracts : All Contracts Executed Between 12.15.2011 and 1.31.2012

(Legal Review, CAO, City Attorney, Executive Counsel, Mayor/Council Approval)

35% of All Contracts Closed During the Period Were Completed in 30 Days or Less, Compared to 41% in the Prior Period



Source : Law Department 2.13.2012 and ECMS System 1.31.2012

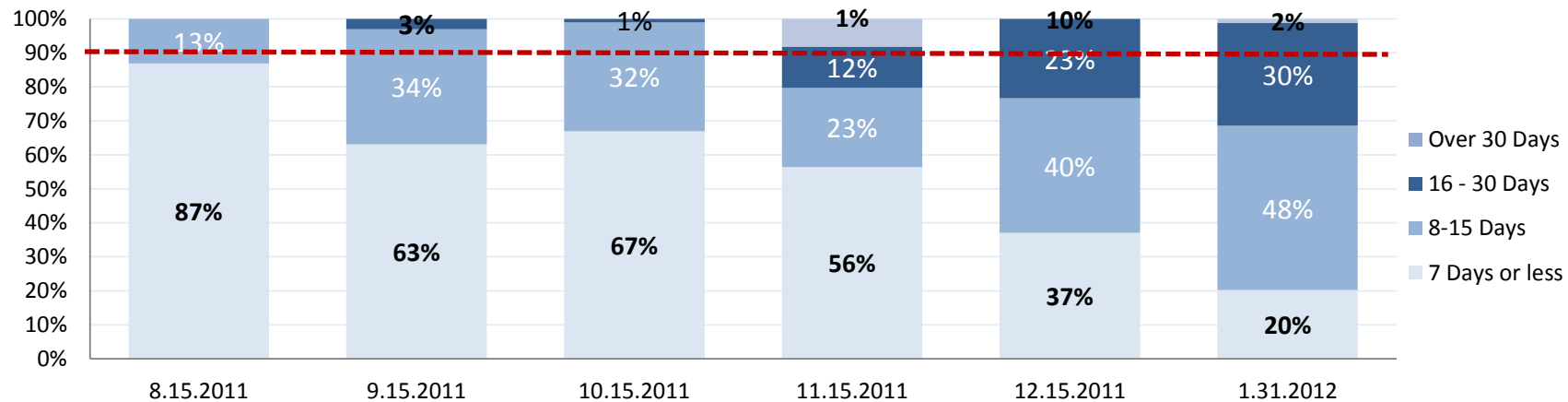
The check: Accounts payable

- General Fund Payments
 - Processing by Accounts Payable
 - Payment from Invoice Date
- Capital and Grants Expenditure Payments
 - Processing by Accounts Payable
 - Payment from Invoice Date
 - Detail Review (invoices in the pipeline)
 - CDBG Invoice Payments
 - DPW Payments
 - DPW Revolver Payments
 - Capital Projects Payments
 - Capital Projects Revolver Payments

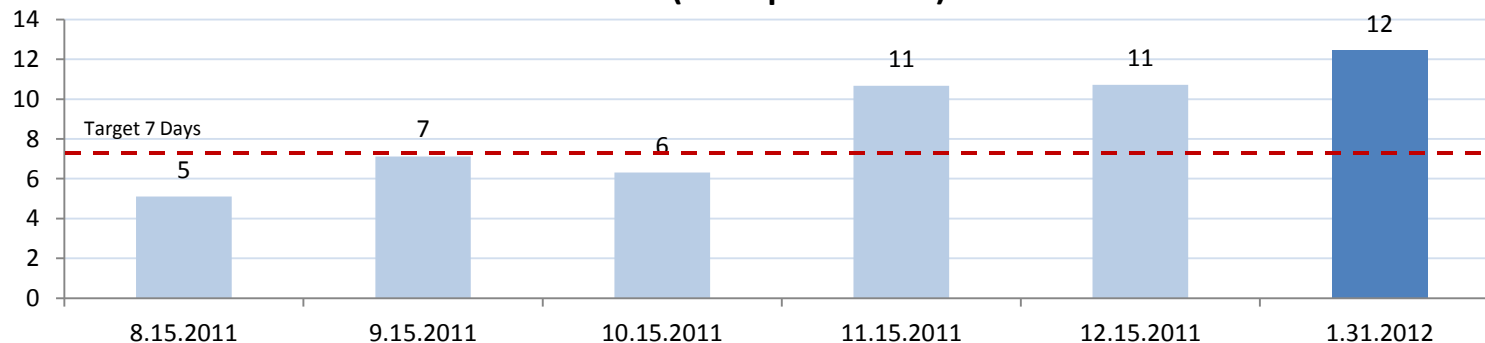
The Percentage of General Fund (and Agency) Payments Processed in 7 Days or Less Decreased to 20%.

Working Days to Process General Funds and Agencies Check Payments by A/P Office for Periods Ending 8.15.2011 to 1.31.2012 (in %)

Sample 270 selections 95% confidence level +-5



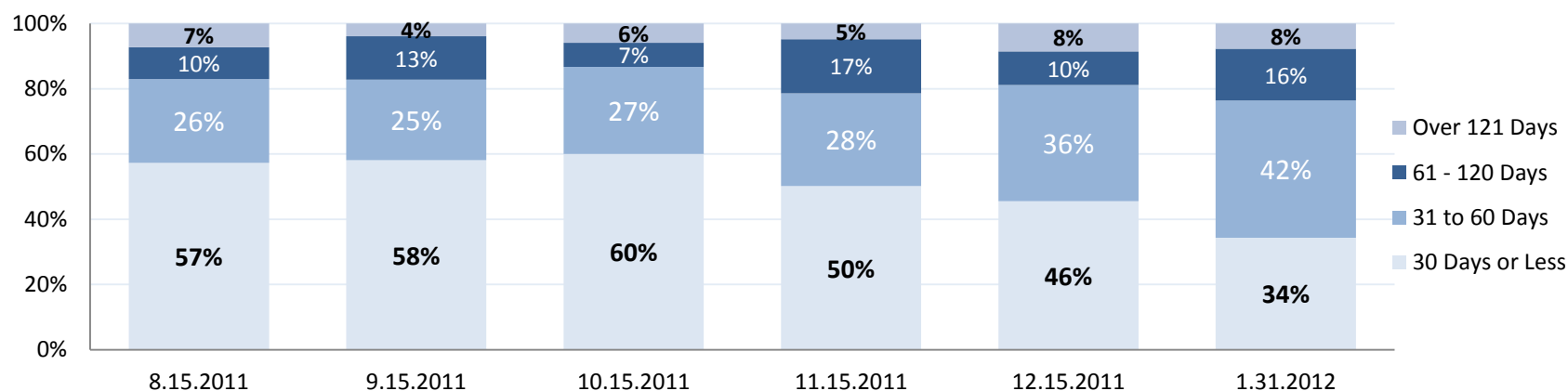
Average Number of Days to Process Invoices by A/P Department (GF Expenditures)



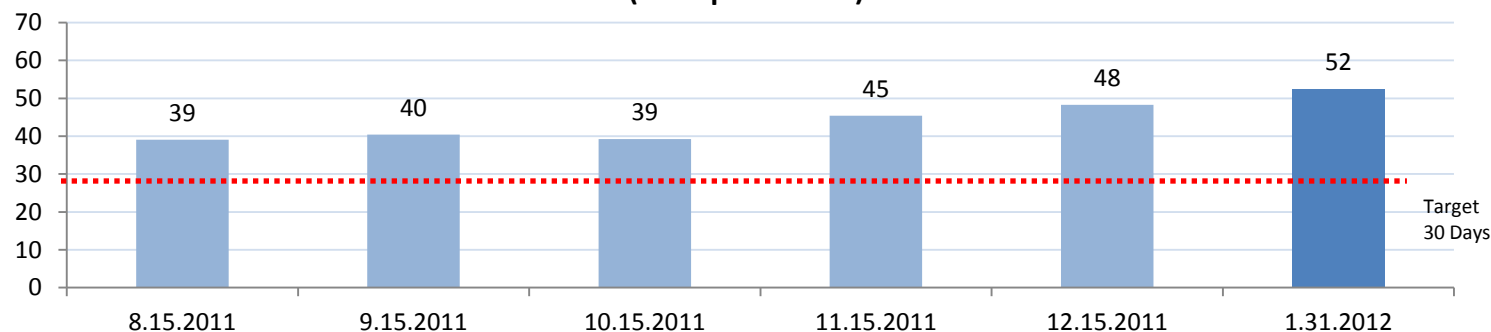
The Percentage of General Fund (and agency) Payments in 30 Days or less Decreased to 34% in the Current Period

Percentage of Payments in Days From Invoice Date to
Payment for General Fund (or Agency) Expenditures for Periods Ending
8.15.2011 - 1.31.2012(in %)

Sample 270 selections 95% confidence level +-5



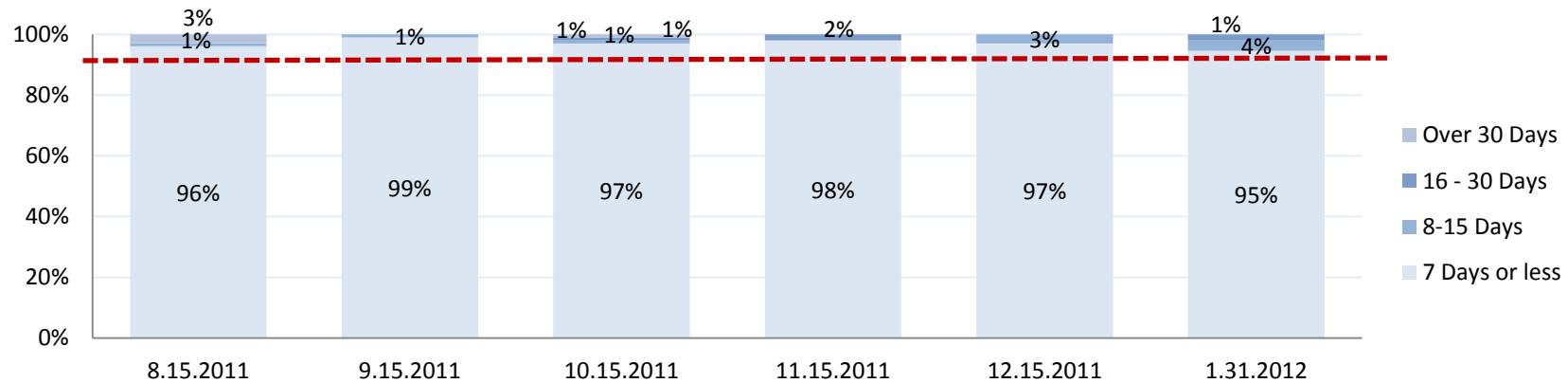
Average Number of Days to Pay Invoices From Invoice Date
(GF Expenditures)



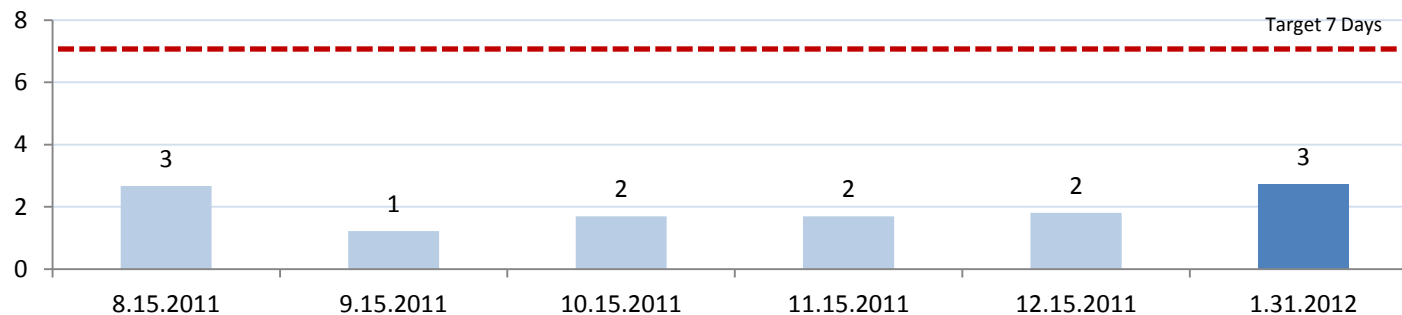
The Percentage of Capital and Grant Payments Processed in 7 Days or Less Remains Over the 90% Target

Working Days to Process Capital Expenditures and Grants Check Payments by A/P Office for Periods Ending 8.15.2011 - 1.31.2012(in %)

Sample 100 selections 90% confidence level +-10



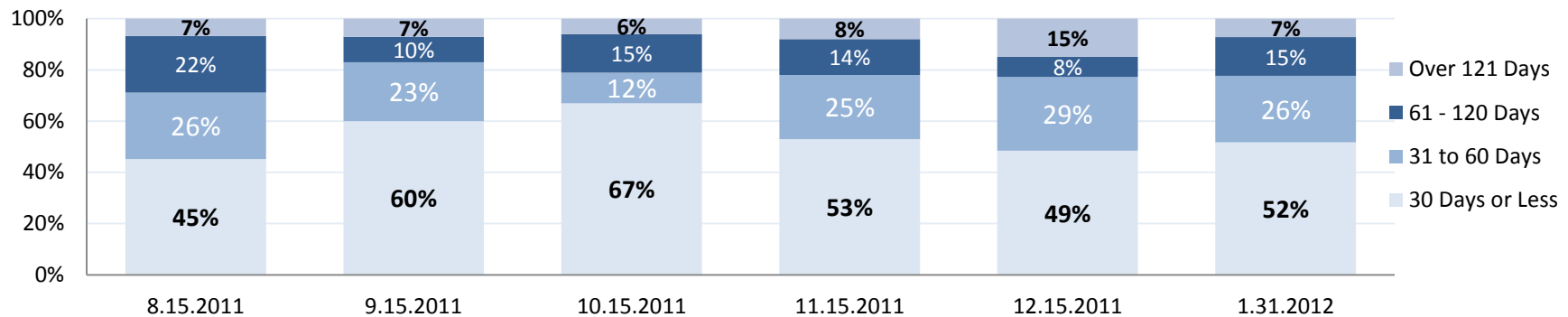
Average Number of Days to Process Invoices by A/P Department (Capital and Grant Expenditures)



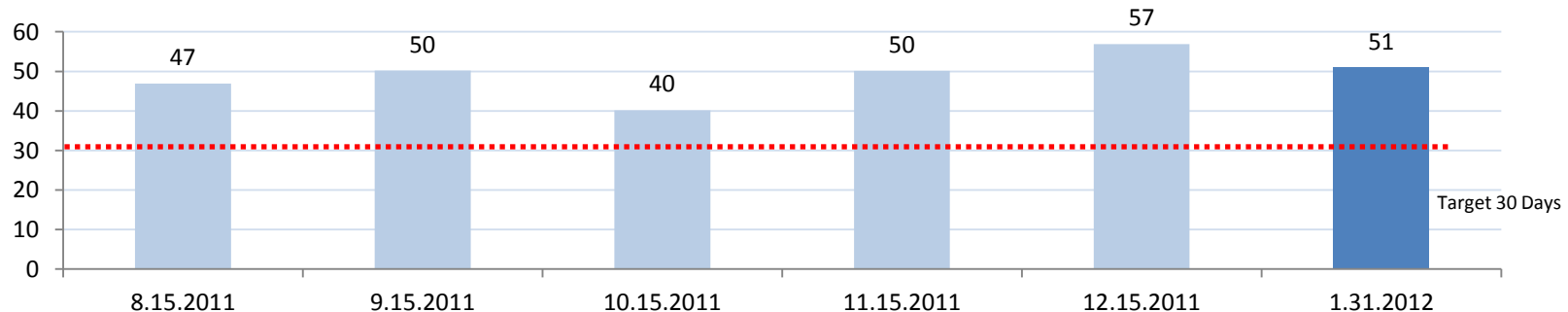
The Percentage of capital and grant payments made in 30 days or less from invoice date increased to 52 % from 49% in the prior period

Percentage of Payments in Days From Invoice Date to Payment for Capital and Grant Expenditures for Periods Ending 8.15.2011 - 1.31.2012 (in %)

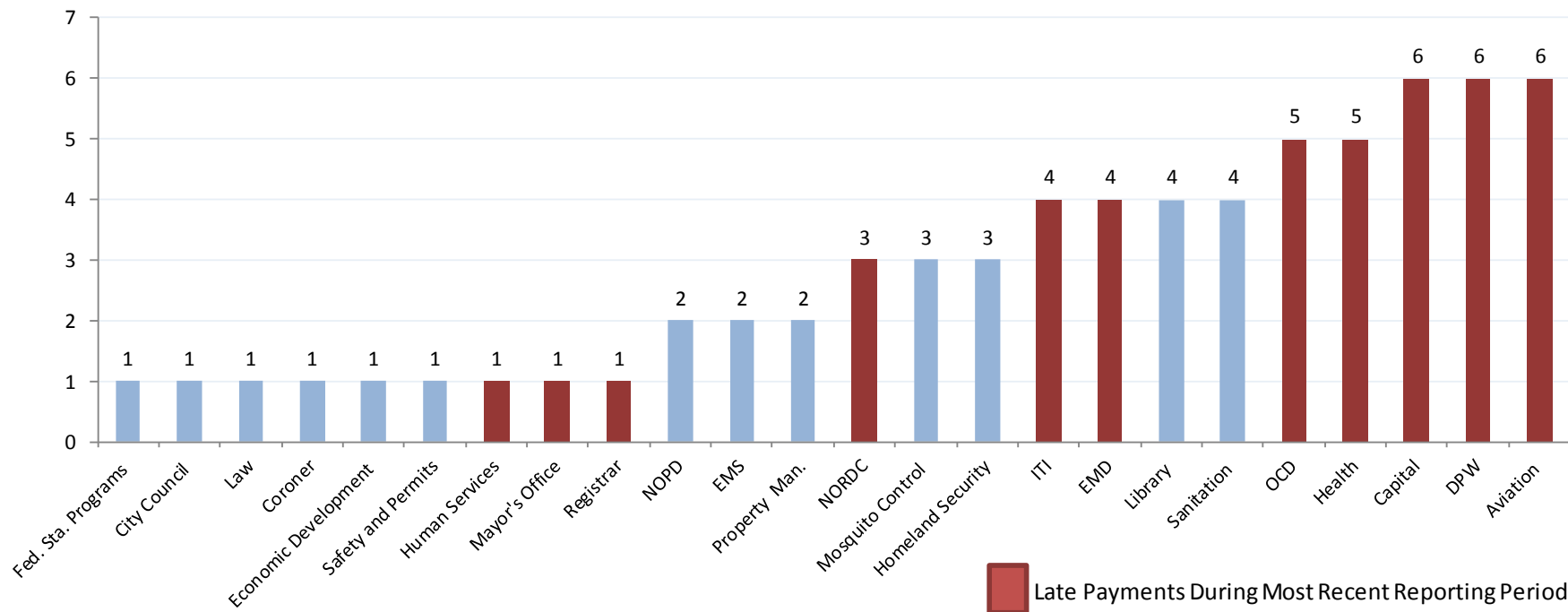
Sample 100 selections 90% confidence level +/-10



Average Number of Days to Pay Invoices From Invoice Date (Capital and Grant Expenditures)



of Reporting Periods Departments/Agencies Have Had Multiple Late Payments (>60 Days from Invoice Date) in the Sample Since 6.15.2011*



*Through a sample selection of 370 invoices each reporting period, the Office of Performance and Accountability asks departments with 3 (General Fund and Agencies) or 2 (Capital and Grant Expenditures) payments exceeding a 60 day payment window (invoice date to payment date) to attend the periodic RegtoCheck meeting to discuss why payments were not made in a timely fashion. This list represents all those departments/agencies that have been invited, and the number of times they have been invited, to explain late payments.

A Number of Old CDBG Invoices Remain Unpaid Because of Contracts Currently Being Processed

		Age Received Department (in Days)					Grand Total
		<=30	31-60	61-90	91-120	>120	
Process Stage	PM to Send to Owning Department				1	5	6
	Owning Department to Approve					1	1
	Owning Department to Send to Accounting	2	1				3
	Accounting to Approve	39	8	20			67
	State DRU to Send to State Finance	1		1			2
	State Finance to Pay City	3	1	11	16		31
	City to Cut Check		19	9	5	3	36
Grand Total		45	29	41	22	9	146

Reason for Delay	Dispute with the vendor					2
	Other*					3
	With the State		8	21		
	Contract being processed				1	4
	Waiting on State funds to clear City account			9	4	
	Paid		21	11	17	

Over
60
days

Over
30
days

*Funding and budget allocation issues delaying payment for invoices in the ">120" category

A significant number of DPW (City) Invoices Received Over 60 days Ago Remain Unpaid. Most of These Exceptions Are the Result of Contracts Currently Being Processed

		Age Received Department (in Days)					Grand Total
		<=30	31-60	61-90	91-120	>120	
Process Stage	Project Manager to Approve Invoice	4		2		18	24
	DPW Fiscal to Receive Invoice		1				1
	DPW to Create Receiver	11	5	1		4	21
	DPW to Receive Check	5	6	4	1	2	18
Grand Total		20	12	7	1	24	64**

Reason for Delay	Dispute with the vendor					
	Goods received at a later date / Services were not rendered					
	Invoice was misplaced / Not processed timely			1		
	Contract being processed		1	1		22
	Other *		1			
	Paid		10	5	1	2

*Pending SWB Reimbursement

** Operations Invoices not included herein

Information obtained from Quickbase (DPW Department) 2.1.2012 and 2.10.2012

A Significant Number of DPW (Revolver) Invoices Received Over 60 Days Ago Remain Unpaid. Some of the Problems Relate to Cost Overruns Surpassing FEMAS Obligated Amount

		Age Received Department (in Days)					Grand Total
		<=30	31-60	61-90	91-120	>120	
Process Stage	Consultant to Send to DPW	1				36	37
	Project Manager to Receive Invoice					1	1
	Project Manager to Approve Invoice	2					2
	DPW Fiscal to Receive Invoice		4		3	23	30
	DPW to Create Receiver	2				3	5
Grand Total		5	4		3	63	75

Reason for Delay	Dispute with the vendor					29
	Goods received at a later date / Services were not rendered					
	Invoice was misplaced / Not processed timely					
	Contract being processed		2		2	13
	Other *		2		1	21
	Paid					

*7 invoices - Amendment being processed & vendor to reimburse DPW on a different FEMA project before these invoices will be paid

*17 Drainage Point Repair invoices - currently being processed

Capital Projects Maintains Good Track Record of Paying Invoices on Time.

		Age Received Department (in Days)					Grand Total	
		<=30	31-60	61-90	91-120	>120		
Process Stage	CPA to Create Receiver	1	1				2	Over 60 days
	CPA to Deliver to Finance	9					9	
	Finance to Receive from CPA	5					5	
	Finance to Cut Check	9	6			1	16	
	Finance to Release Check			1		3	4	
Grand Total		24	7	1	0	4	36	Over 30 days
Reason for Delay	Dispute with the vendor		1					
	Goods received at a later date / Services were not rendered							
	Invoice was misplaced / Not processed timely							
	Contract being processed		1					
	Other *							
	Paid		5	1		4		

Information obtained from Quickbase (Capital Projects Department) 2.1.2012 and 2.13.2012

Capital Projects Invoices Paid Through the Revolver Have Been Paid on Time With the Exception of a Few Outliers Due to Disputes with the Vendor

		Age Received Department (in Days)					Grand Total	
		<=30	31-60	61-90	91-120	>120		
Process Stage	Fiscal to Receive Invoice		3				3	Over 60 days
	CPA to Deliver to Finance	1		1		1	3	
	Finance to Receive from CPA					1	1	
	Finance to Send to State	6	3				9	Over 30 days
	State to Send to Hancock	9	2	1	4	1	17	
	Grand Total	16	8	2	4	3	33	
Reason for Delay	Dispute with the vendor							
	Goods received at a later date / Services were not rendered							
	Invoice was misplaced / Not processed timely			1				
	Contract being processed							
	Other		4	1	1	1		
	Paid		4		3	2		

Information obtained from Quickbase (Capital Projects Department) 2.1.2012 and 2.13.2012

Procurement Process Map/City of New Orleans

* Note map is not all inclusive. It provides guidance of the general process

Requisition

User Entity
 1) Creates requisition (departmental need)
 2) Prepares requisition on AFIN System (Capital Expense and Grants) or BuySpeed (General Fund)
 3) Completes Requisition and sends documents for approval

Approval of requisition
 1) Director
 2) Budget
 3) Finance

Procurement

Office of Procurement
 1) Receives requisition
 2) Accepts requisition
 A) Conversion of requisition to PO
 B) Process requisition for a Bid (3 weeks)
 C) Process requisition for an RFP (2 weeks)
 3) Sends PO to Vendor and User Entity
 4) Provides bid/rfp package to User Entity

Professional Services
 Under 15K: No RFP process (Contract)
 Over 15K : RFP Process (Contract)

Materials Supplies Non. Professional
 Under 1K: No Bid
 Between 1K-20K: Informal Bid
 Over 20K: Formal Bid
Construction and Public Works
 Under 150K: Informal Bid
 Over 150K: Formal Bid

1) Bid / RFP Package to Department to gather required forms

1) PO to User Entity and Vendor

Contract Creation and Routing

User Entity
 1) Receives Bid/RFP Package from procurement
 2) Gathers required forms (DBE, Tax Clearing, Felon Affidavit etc.)
 3) Routes Contract Package with forms through contract approval process (New) or Submits Contract Package to Law before routing (Old)

Routing and Approval of Contract Package
 1) Deputy CAO/ Deputy Mayor
 2) Civil Service
 3) Office of Procurement
 4) Director Finance
 5) CAO

Contract Processing and Approval

Law Department + Mayor's Office
 1) Receives Contract Package and reviews for completeness.
 2) If Contract Package missing approvals, contract is routed by the law department (Old)
 3) If Contract Package complete (New), assign attorney to perform review.
 4) Complete review and route contract to City Attorney for review and signature
 5) Route contract to Mayor's Office and signature by Mayor
 6) Route copies of contract (4) to Procurement, Vendor and User Entity. Law Department keeps one.

Signed Contract

Payment

User Entity
 1) Routes (1) copy of the Contract to the Vendor
 2) When invoice from Vendor is received, route payment voucher request to Accounts Payable for payment

Account Payable
 1) Receives Payment Voucher and performs 3 way match
 2) Process payment (review and printing)
 3) Forwards payment to Vendor

1) Payment to Vendor

Supplemental Procurement

Office of Procurement
 1) Receives Contract and reviews
 2) Creates PO and sends to vendor

1) PO to User Entity and Vendor

Evaluation Form

Are you a city employee or a member of the public?

On a scale 1-5, how useful was this meeting to you (1= least useful and 5= most useful)?

What's working?

What's not working?