



CITY OF NEW ORLEANS

ReqtoCheckSTAT

*Reporting Period: Quarter 2, 2014*



## **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.



# City Strategic Framework

## Mission

The City of New Orleans delivers excellent service to its citizens with courage, competence and compassion.

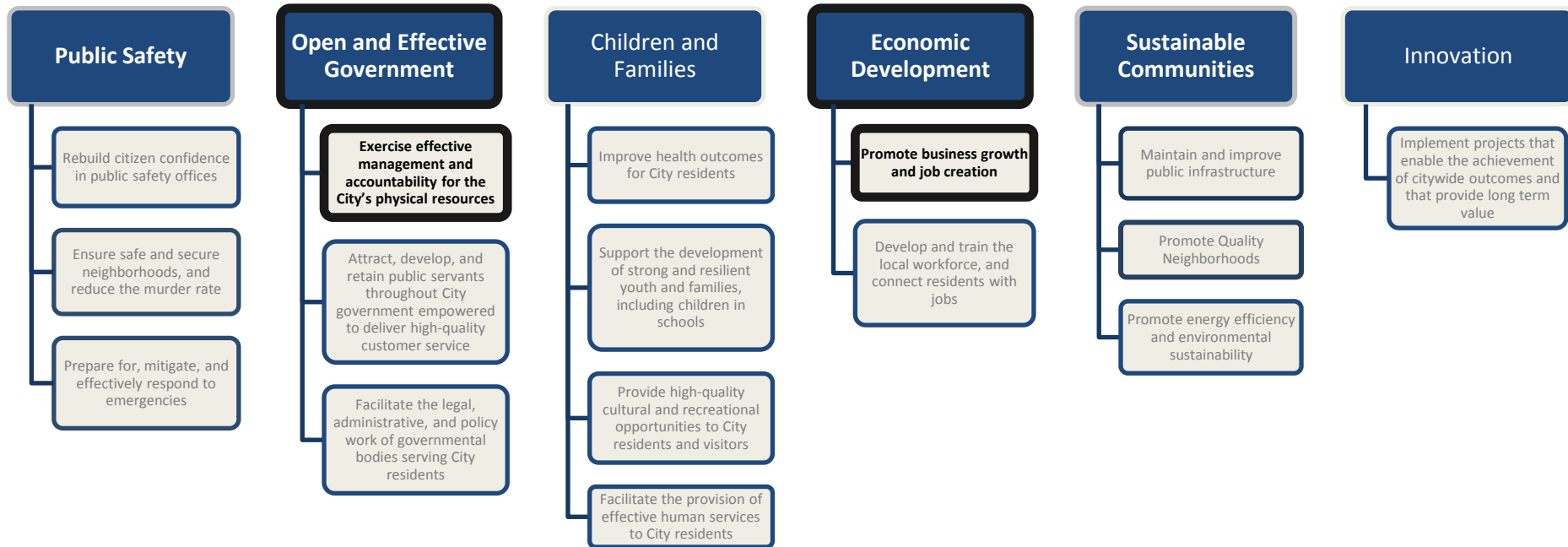
## Values

Integrity, Excellence, Transparency, Teamwork, Responsiveness, Innovation, Diversity and Inclusion

## Vision

New Orleans is a model city. We are a unified city. We are a creative city.

## Result Area Goals and Objectives



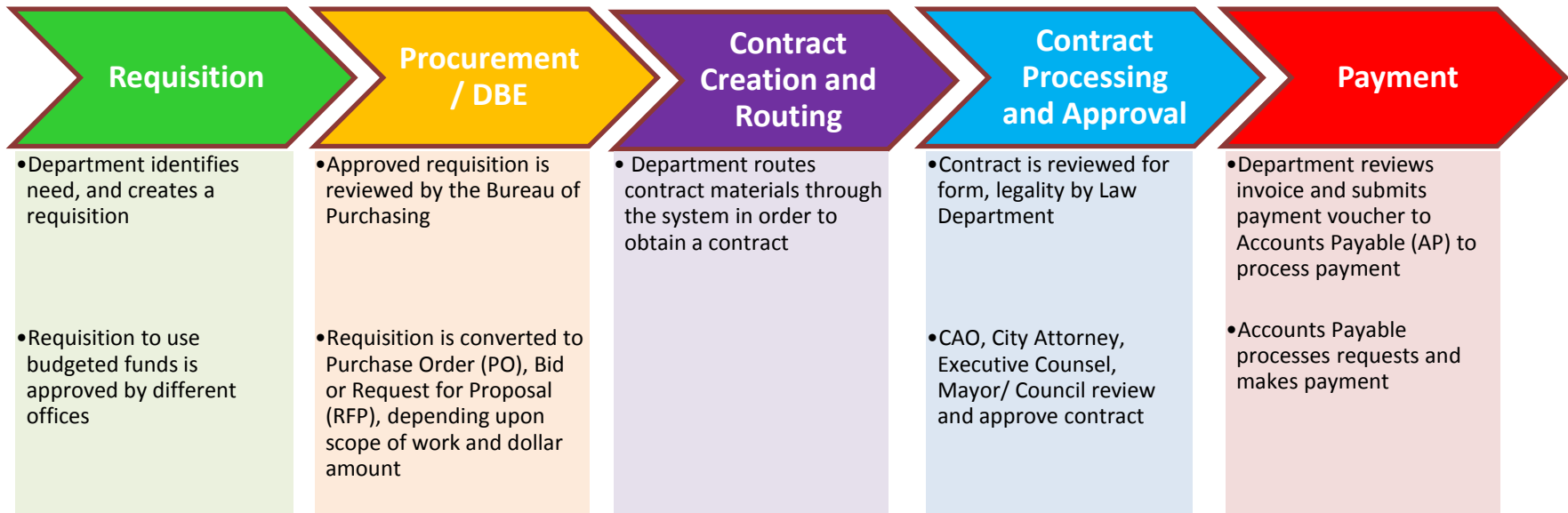
# Open and Effective Government

**Goal: Ensure sound fiscal management and transparency, promote effective, customer-driven services and foster active citizen engagement in City government.**

Objectives and Strategies	Outcome Measures
<b>Exercise effective management and accountability for the City's physical resources</b> <ol style="list-style-type: none"> <li>Effectively steward the City's financial resources</li> <li>Manage the City's information and analyze the City's performance data</li> <li>Manage vendor relationships and provide oversight of City contracts</li> <li>Responsibly support the City's capital assets</li> </ol>	<ul style="list-style-type: none"> <li>Bond ratings</li> </ul>
<b>Attract, develop, and retain public servants throughout City government empowered to deliver high-quality customer service</b> <ol style="list-style-type: none"> <li>Cultivate a high-quality City workforce</li> <li>Provide fair and reasonable benefits to City employees and retirees</li> </ol>	<ul style="list-style-type: none"> <li>Rate of employee turnover</li> <li>Percent of employees engaged and satisfied</li> </ul>
<b>Facilitate the legal, administrative, and policy work of governmental bodies serving City residents</b> <ol style="list-style-type: none"> <li>Govern the City with integrity and accountability</li> <li>Defend the City's legal interests</li> <li>Promote civic engagement</li> <li>Facilitate, link, and leverage resources with external organizations</li> </ol>	<ul style="list-style-type: none"> <li>Percent of citizens satisfied with overall government services</li> </ul>



# Procurement Process Overview\*



\*See a more detailed process map on slide 39



**Responsible Organization:**  
Office of Information  
Technology & Information (ITI)

**Data Source:**  
ITI

**Related Strategy:**  
Manage the City's information  
and analyze the City's data.

**Definitions:**  
*Severity 1 Outage:* The  
complete loss of a core  
organizational or business  
tool/infrastructure that does  
not allow work to reasonably  
continue.

**Great Plains experienced one outage for half a day in May.**

## Procurement and Contracting Related IT Systems : Systems Availability (Days of Severity 1 Outages )

	January		February		March		April		May		June	
System	Server	App.	Server	App.	Server	App.	Server	App.	Server	App.	Server	App.
<b>BuySpeed ** &amp;***</b> GF and Agency	0	1	0	0	0	0	0	0	0	0	0	0
<b>ECMS *</b> Contract Routing	0	0	0	0	0	0	0	0	0	0	0	0
<b>AFIN</b> Capital and Grants	0	0	0	0	0	0	0	0	0	0	0	0
<b>Great Plains</b> GF and Agency	0	0	0	1	0	1	0	0	0	0.5	0	0





# Requisition Approval

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



**Responsible Organizations:**

Budget Office;  
Finance Department

**Data Source:**

BuySpeed Purchasing Portal

**Related Strategy:**

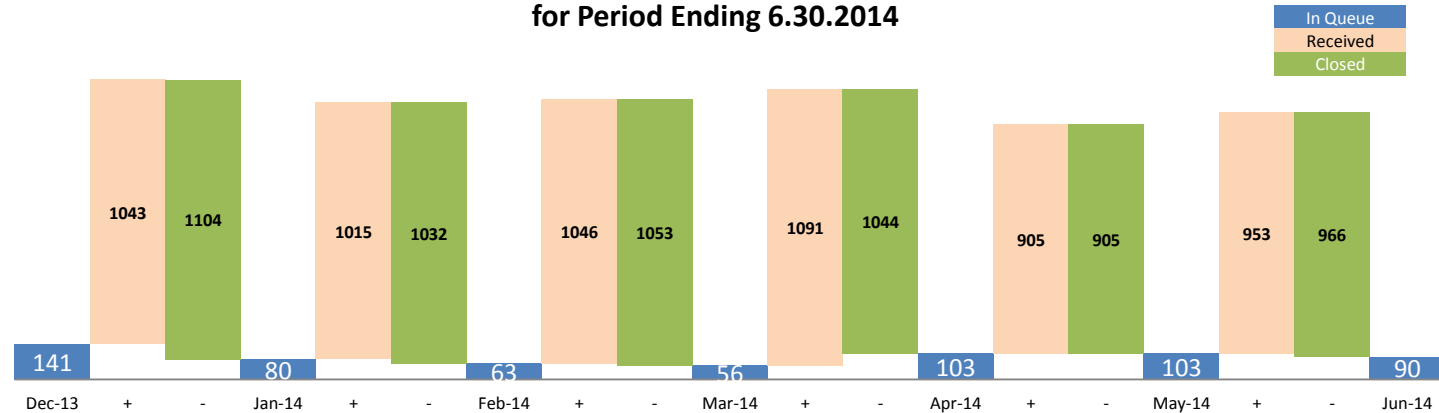
Manage vendor relationships and provide oversight of City contracts.

**Definition:**

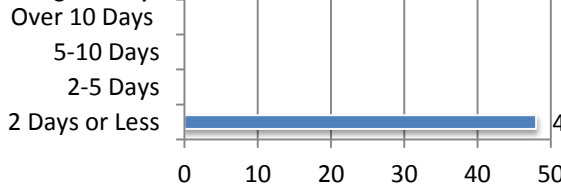
*Requisition:* A request to procure goods, supplies, equipment, and services, as well as the authority to commit funds to cover the purchase.

## 966 requisitions were approved by Budget and Finance in June, leaving the General Fund requisition queue at 90.

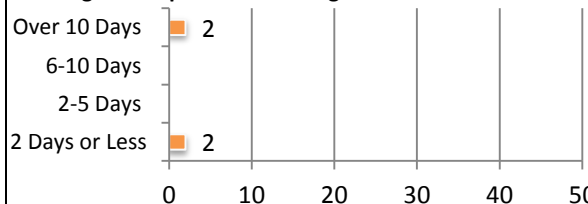
**General Fund Requisition Approval Queue  
for Period Ending 6.30.2014**



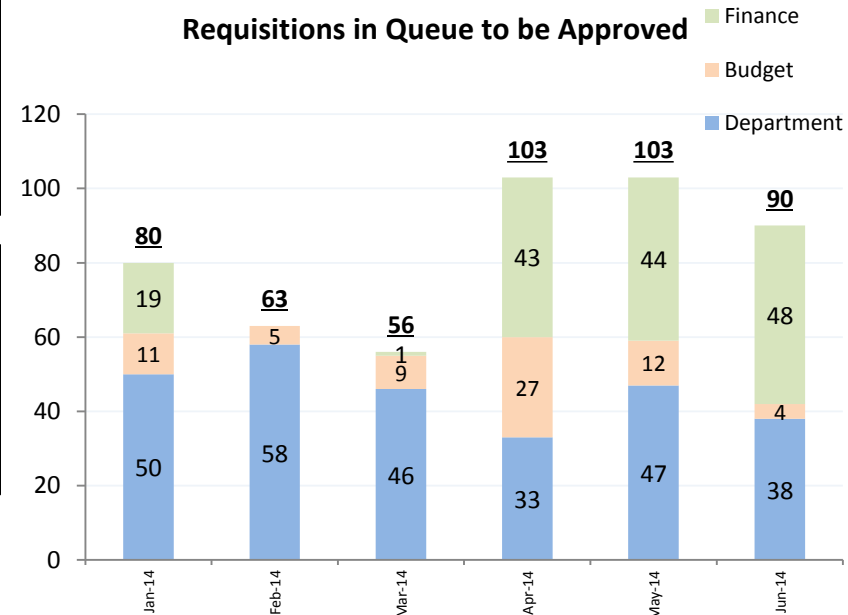
**Age of Requisitions in Finance Office - 44 in Queue**



**Age of Requisitions in Budget Office - 12 in Queue**



**Requisitions in Queue to be Approved**





**Responsible Organizations:**

Budget Office;  
Finance Department

**Data Source:**

BuySpeed

**Related Strategy:**


Manage vendor relationships  
and provide oversight of City  
contracts

**Notes:**

2011 information only  
available from May to  
December.

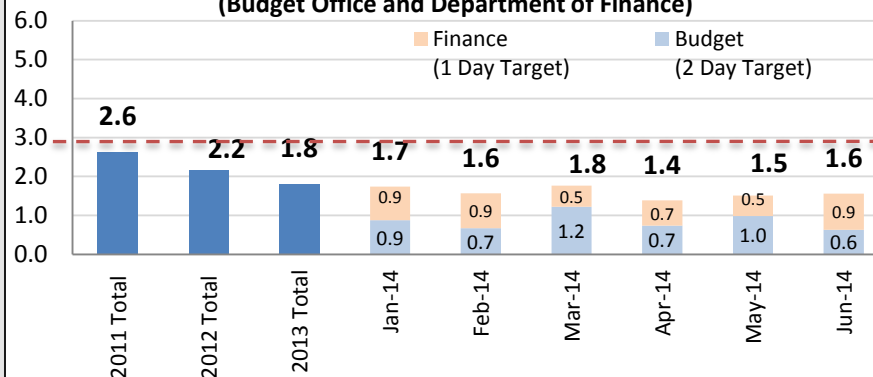
**Legend:**

- On Target
- ▲ Within 10% of Target
- ◆ Off Target

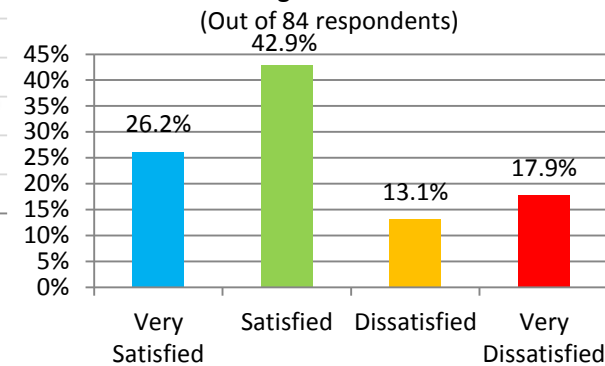
 Key measure that best  
indicates whether City  
activities are achieving the  
desired results

**The number of days to approve requisitions remained on target. Over 69% of sampled internal customers were satisfied with Budget's overall service quality.**

**Average Days to Approve Requisitions  
(Budget Office and Department of Finance)**



**Percent of Respondents Satisfied with overall quality of  
Budget's services**



**Average Days to Approve Requisitions By Budget Office**

2011		2012		2013		2014		
Actual	Target Met?	Actual	Target Met?	Actual	Status	YTD Actual	Annual Target	Status
2.4	<span style="color: red;">◆</span>	1.34	<span style="color: green;">●</span>	1.01	<span style="color: green;">●</span>	0.85	2	<span style="color: green;">●</span>

**Requisition Approval Distribution**

Budget Approval									
Days to Approve	2011(*)	2012	2013	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14
2 or less	71%	81%	84%	84%	87%	76%	88%	83%	93%
2-3 Days	5%	6%	6%	1%	8%	10%	4%	6%	3%
3-5 Days	8%	7%	6%	1%	4%	12%	7%	9%	3%
5-10 Days	10%	5%	3%	0%	1%	2%	1%	2%	1%
10-15 Days	4%	1%							
Over 15 Days	2%								

Finance Approval									
Days to Approve	2011(*)	2012	2013	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14
2 or less	98%	90%	86%	84%	82%	91%	89%	97%	81%
2-3 Days	1%	5%	6%	12%	10%	5%	7%	2%	14%
3-5 Days	1%	3%	6%	4%	8%	5%	4%	1%	5%
5-10 Days		2%	1%	0%	1%				
10-15 Days			1%	0%					
Over 15 Days									





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 Information



**Responsible Organizations:**

Bureau of Purchasing

**Data Source:**

BuySpeed Purchasing Portal

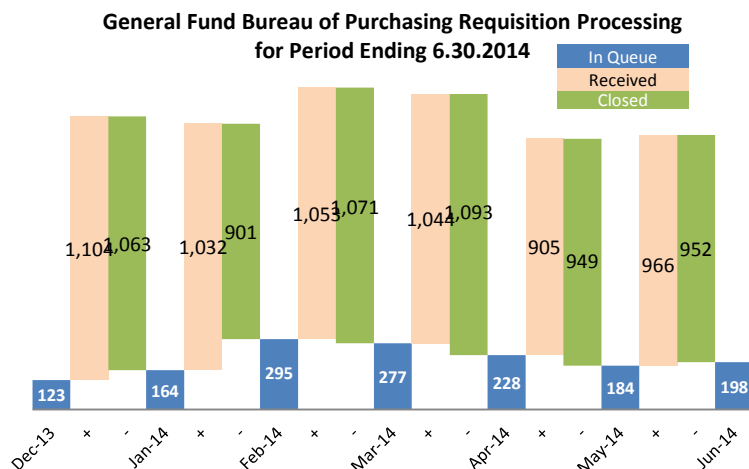
**Related Strategy:**

Manage vendor relationships and provide oversight of City contracts

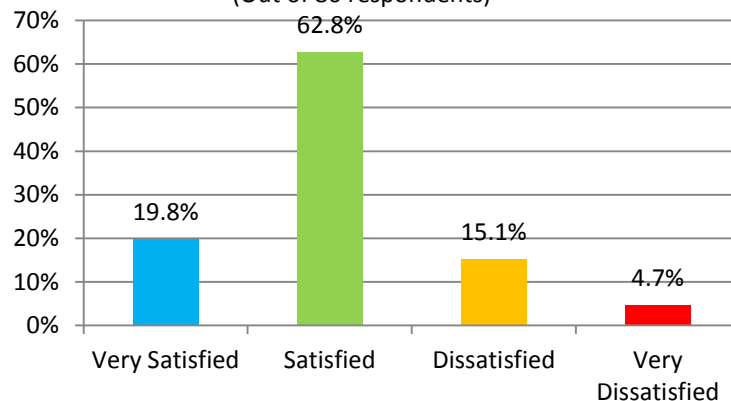
**Definition:**

**Purchase Order (PO):** A written authority issued by the City to a vendor indicating the agreed price and quantities for goods and services. It also encumbers departmental funds in the financial system specifically for the purchase of that good or service.

**The Bureau of Purchasing processed 952 General Fund requisitions in June, leaving their queue at 198. 91% of requisitions were converted to purchase orders within four business days in June. Nearly 83% of sampled internal customers were satisfied with the Bureau of Purchasing's overall service quality.**



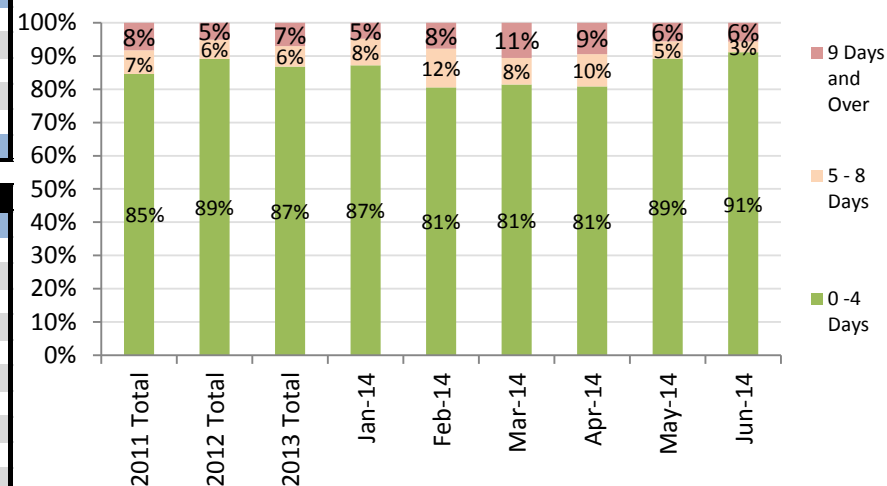
**Percent of Internal Services survey respondents satisfied with overall quality of Bureau of Purchasing services.**  
(Out of 86 respondents)



Buyer Processing Requisitions	
Status of Reqs Awaiting Buyer Processing	
Status	Count
Completed	25
Need Contract	82
Procurement Processing	50
Waiting for Support	41
Cancelled	0
<b>Grand Total</b>	<b>198</b>

Waiting for Support	
Status	Count
Civil Service	20
NOPD	8
OCD	4
NORDC	3
Mayor	1
Parks and Parkways	1
Mosquito Control	1
Law	1
Youth Study Center	1
NOFD	1
<b>Grand Total</b>	<b>41</b>

**Distribution of Time to Convert Requisitions to Purchase Orders**



**Responsible Organizations:**

Budget Office;  
Finance Department

**Data Source:**

BuySpeed Purchasing Portal;  
Bureau of Purchasing

**Related Strategy:**

Manage vendor relationships  
and provide oversight of City  
contracts

**Definition:**


**RFP (Request for Proposal):**  
The document used to solicit  
proposals for professional  
services, in which price - as  
well as factors such as past  
experience and technical  
expertise are used to  
determine the awarded  
contract.

**Note:**

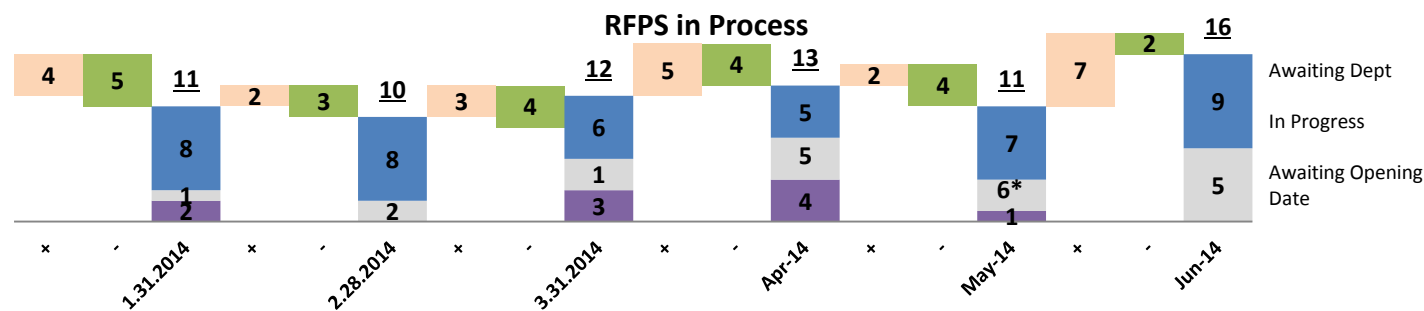
Closed RFP's in top chart may  
include cancellations.

**Legend:**

- On Target
- ▲ Within 10% of Target
- ◆ Off Target

 Key measure that best  
indicates whether City  
activities are achieving the  
desired results

## 16 RFPs were in process as of the end of June. 65% of RFPs received 3 or more proposals by the end of the second quarter.

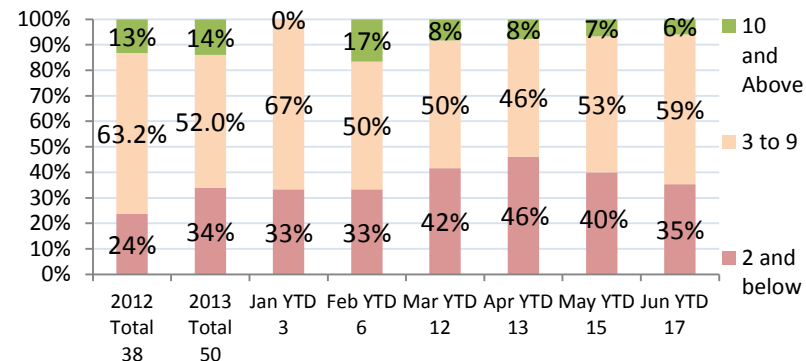


### Percent of RFPs and Bids with 3 or more proposals

2012		2013		2014		
Actual	Target Met?	Actual	Annual Target	YTD Actual	Annual Target	Status
77%	N/A	62%	<span style="color: red;">◆</span>	65%	70%	<span style="color: red;">◆</span>

Waiting on Department	
Department	Brief Description
CAPITAL PROJECTS	Architectural/Engineering/Consulting Services
Civil Service	Special Counsel
CAO HOSPITALIZATION	Medical and Pharmacy Stop Loss Insurance
Taxicab Bureau	Taxicab Bureau Administrative Hearing Officers
Awaiting Committee Meeting	
Department	Brief Description
Aviation Board	Construction Manager At-Risk Services (CMAR)
Public Library	NOPL Website Redesign using CMS
Consent Decree	NOPD Early Warning System (EWS)
Aviation Board	Airport Lease Solicitation: 1801 26TH St., Kenner LA
Aviation Board	Airport Lease Solicitation: Hangar 20

### Number of Proposals Received for RFPs Completed



**Responsible Organizations:**

Budget Office;  
Finance Department

**Data Source:**

BuySpeed Purchasing Portal;  
Bureau of Purchasing

**Related Strategy:**


Manage vendor relationships  
and provide oversight of City  
contracts

**Note:**

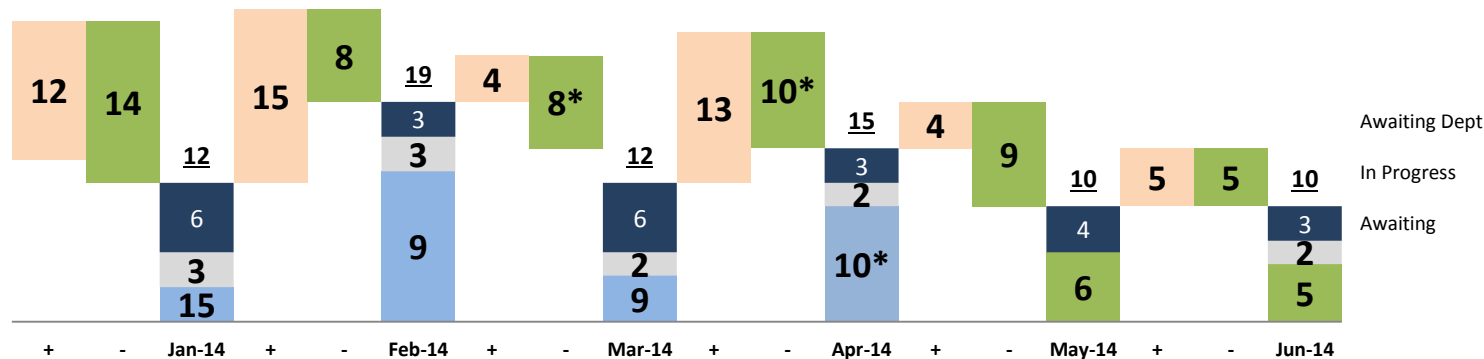
Closed bids in top chart may  
include cancellations.

**Legend:**

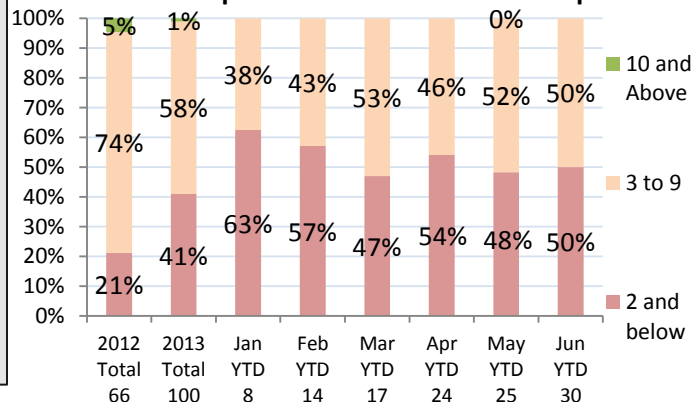
- On Target
- ▲ Within 10% of Target
- ◆ Off Target

 Key measure that best  
indicates whether City  
activities are achieving the  
desired results

## 10 Bids in process at the end of June. 50% of Bids received 3 or more bids by the end of the second quarter.

**Bids in Process****Percent of RFPs and Bids with 3 or more proposals**

2012		2013		2014		
Actual	Target Met?	Actual	Target Met?	YTD Actual	Annual Target	Status
77%	N/A	62%	<span style="color: red;">◆</span>	50%	70%	<span style="color: red;">◆</span>

**Number of Proposals Received for Bids Completed****Awaiting Department**

Department	Brief Description
CAO CAPITAL PROJECTS	Criminal District Court - Construction
Homeland Security	Armed Guards for City Hall
SANITATION	PUBLIC LITTER CANS--METAL



# Economic Development

**Goal: Spur the growth of a diverse, inclusive economy that creates good-paying jobs and provides equal access to economic prosperity.**

## Objectives and Strategies

### Promote business growth and job creation

1. Foster a business-friendly regulatory environment, including streamlining the permitting process
2. Promote an environment of equal opportunity for a diverse supplier pool
3. Aggressively seek to attract new business and retain existing businesses
4. Provide support for world-class special events

## Outcome Measures

- Population growth
- Job growth
- Proportion of total jobs that are high wage jobs
- Percent of jobs in the cultural industry
- Number of tourists
- Amount of sales taxes generated

### Develop and train the local workforce, and connect residents with jobs

1. Provide access to work opportunities to youth and other vulnerable populations
2. Promote workforce development and skills training to meet employers' needs
3. Link employers to the local workforce

- Unemployment rate
- Gross Metro Product (GMP) per job
- Percent of population holding a bachelor's degree or higher
- Percent of households in national income quintiles
- Amount of median household income by race and ethnicity



**Responsible Organization:**  
Office of Supplier Diversity (OSD)

**Data Sources:**  
BuySpeed Purchasing Portal;  
Bureau of Purchasing;  
Office of Supplier Diversity

**Related Strategy:**  
Promote an environment of equal opportunity for a diverse supplier pool

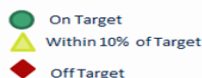
**Definition:**  
Disadvantaged Business Enterprise (DBE): A business entity that is owned and controlled by social and economically disadvantaged persons, such that the entity's ability to compete in the business world has been restricted due to industry practices and/or limited capital and/or restricted credit opportunities beyond its control.

**Note:**  
Data excludes bids for which DBE contracting requirements have been waived.

Key measure reflects the contract values of both bids and RFPs combined

Data for amended bids and RFPs will be included in future ReqtoCheck reports.

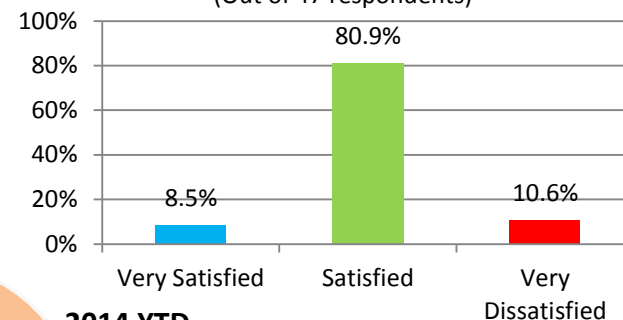
**Legend:**



**Key:** Key measure that best indicates whether City activities are achieving the desired result

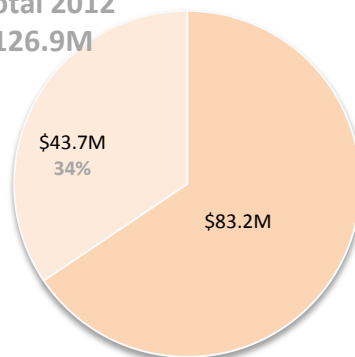
**34% of the contract value of new bids were awarded to DBE's through the first half of 2014. 89% of sampled internal customers were satisfied with Supplier Diversity's overall service quality.**

Percent of respondents satisfied with overall quality of OSD services  
(Out of 47 respondents)

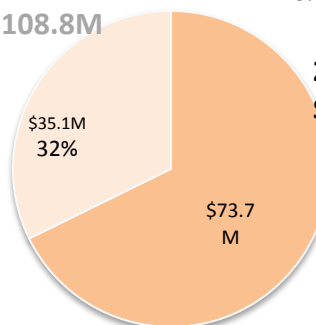


**New Bids:**

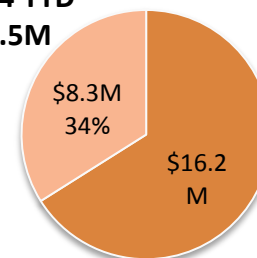
**Total 2012**  
**\$126.9M**



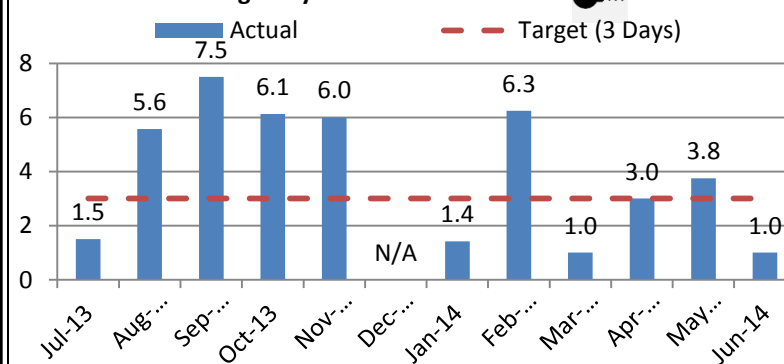
**Total 2013**  
**\$108.8M**



**2014 YTD**  
**\$24.5M**



**Average Days to Validate Bid DBE Requests**



**Percent of City Contract Value Awarded to DBE's (Bids and RFP's)**

2014		
YTD Actual	Annual Target	Status
35%	35%	On Target



**Responsible Organization:**  
Office of Supplier Diversity;  
Bureau of Purchasing

**Data Sources:**  
BuySpeed Purchasing Portal;  
Bureau of Purchasing;  
Office of Supplier Diversity

**Related Strategy:**  
Promote an environment of equal  
opportunity for a diverse supplier  
pool

**Notes:**  
Data excludes proposals for which  
DBE contracting requirements have  
been waived;

Key measure reflects the contract  
values of both bids and RFPs  
combined.

Data for amended bids and RFPs  
will be included in future  
ReqtoCheck reports.

#### Legend:

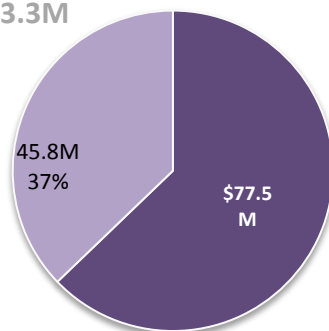
- On Target
- ▲ Within 10% of Target
- ◆ Off Target

Key measure that best  
indicates whether City activities are  
achieving the desired results

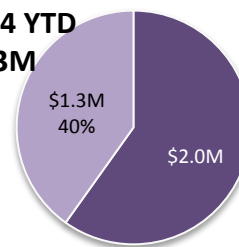
40% of the contract value of new bids were awarded to DBE's through the first half of 2014.

### New RFPs:

Total 2013  
\$123.3M



2014 YTD  
\$3.3M

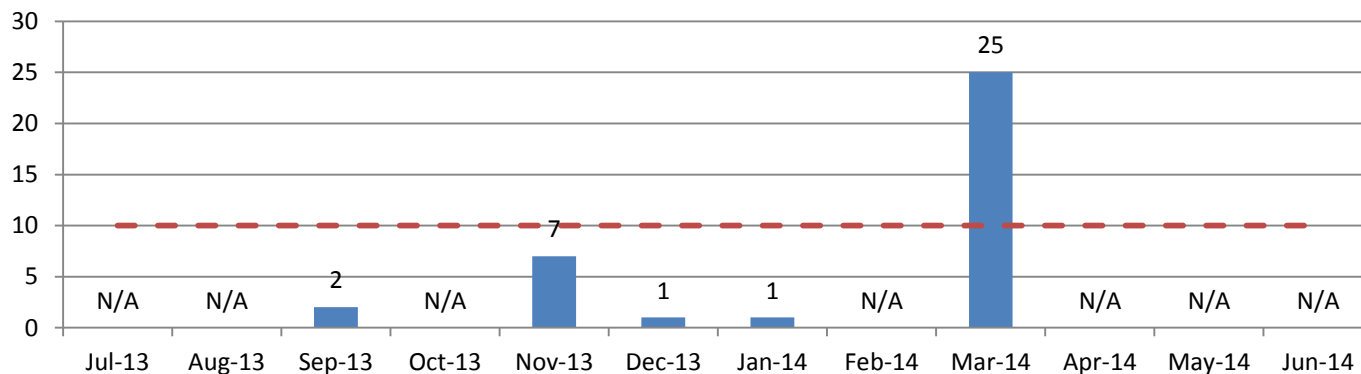


Percent of City Contract Value Awarded to DBE's  
(Bids and RFP's)

2014		
YTD Actual	Annual Target	Status
35%	35%	On Target

### Average Days to Validate RFP DBE Requests

Actual Target (10 Days)





# Open and Effective Government

**Goal: Ensure sound fiscal management and transparency, promote effective, customer-driven services and foster active citizen engagement in City government.**

Objectives and Strategies	Outcome Measures
<b>Exercise effective management and accountability for the City's physical resources</b> <ol style="list-style-type: none"> <li>Effectively steward the City's financial resources</li> <li>Manage the City's information and analyze the City's performance data</li> <li>Manage vendor relationships and provide oversight of City contracts</li> <li>Responsibly support the City's capital assets</li> </ol>	<ul style="list-style-type: none"> <li>Bond ratings</li> </ul>
<b>Attract, develop, and retain public servants throughout City government empowered to deliver high-quality customer service</b> <ol style="list-style-type: none"> <li>Cultivate a high-quality City workforce</li> <li>Provide fair and reasonable benefits to City employees and retirees</li> </ol>	<ul style="list-style-type: none"> <li>Rate of employee turnover</li> <li>Percent of employees engaged and satisfied</li> </ul>
<b>Facilitate the legal, administrative, and policy work of governmental bodies serving City residents</b> <ol style="list-style-type: none"> <li>Govern the City with integrity and accountability</li> <li>Defend the City's legal interests</li> <li>Promote civic engagement</li> <li>Facilitate, link, and leverage resources with external organizations</li> </ol>	<ul style="list-style-type: none"> <li>Percent of citizens satisfied with overall government services</li> </ul>





Requisition

Procurement /  
DBE

Contract Creation  
and Routing

Contract  
Processing and  
Approval

Payment

# Contract Package Routing

- Average Contract Routing Time



**Responsible Organizations:**

Chief Administrative Office (CAO);  
Civil Service;  
Finance Department;  
Bureau of Purchasing

**Data Source:**

Electronic Contract Management  
System (ECMS)

**Related Strategy:**

Manage vendor relationships and  
provide oversight of City contracts

**Definition:**

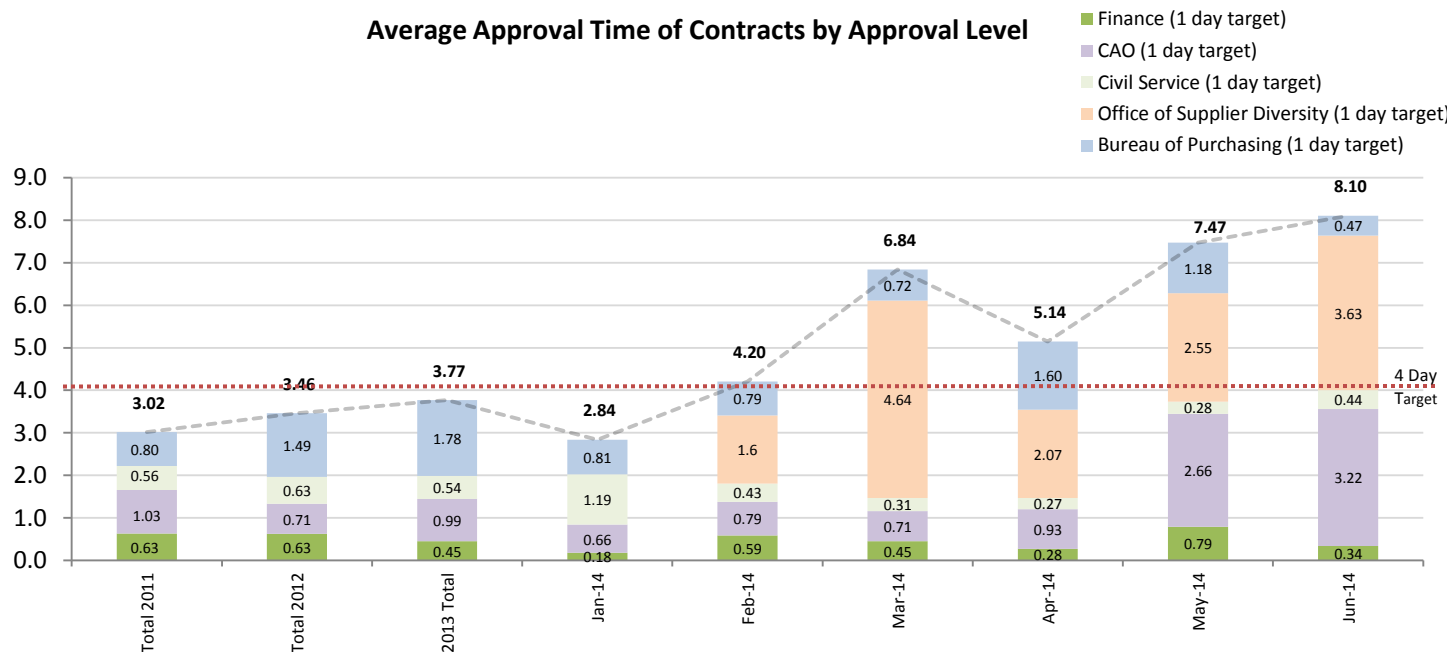
*Contract:* Agreement between  
two parties with legal and moral  
binding, usually exchanging goods  
or services for money or other  
considerations.

**Note:**

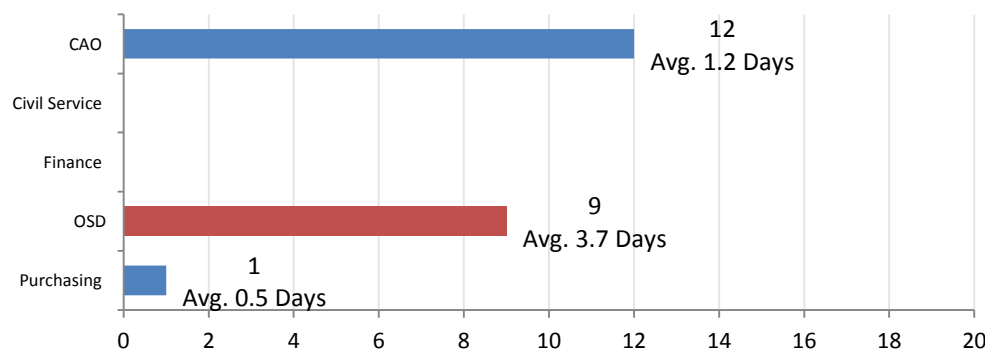
2011 information only available  
from May to December.

## The City continued to be well above its 4-day target of days to approve contract requisitions.

Average Approval Time of Contracts by Approval Level



22 Contract Requests in Queue as of 6.30.2014



# Contract Approval Process

- Contract Processing and Approval

## Action Items \*

Responsible Parties	Area	Action Item	Status	Detailed Status
Julien Meyer	Contracts	Risk management form update. a. What is the process ?	<u>In Process</u>	Risk Manager hired in June. Law is exploring the possibility of adding the Risk Manager to the pre-law ECMS approval path for ensuring proof of insurance for contracts.
Mary Kay Kleinpeter	Contracts	Identify group of contracts that can use a PO or an expedite contract routing process (for a predetermined group of contracts).	<u>In Process</u>	A group of contracts has been identified. The ReqtoCheck task force is assessing the technical needs and the capabilities of the current system to potentially add an alternative routing process for a predetermined set of contracts.
Julien Meyer	Contracts	Legal opinion on 8R and conversation with the City Council.	<u>In Process</u>	Executive Counsel feedback needed.
Julien Meyer, Mary Kay Kleinpeter, and Edward Kerkow	Contracts	Develop a method to ensure that Buyspeed and ECMS vendor contact information is kept up to date.	<u>Open</u>	
Vic Spencer and Julien Meyer	Contracts	Explore an effective way to measure and set a target for the age of contracts in queue.	<u>Open</u>	OPA conducted analysis of 2013 contracts, and determined that the type of contracts in queue is more important than the number of contracts in queue in driving the average days to execute.



**Responsible Organizations:**

Law Department;  
 Chief Administrative Office;  
 Department/agency requesting contract;  
 Executive Counsel;  
 Mayor's Office;  
 City Council

**Data Source:**

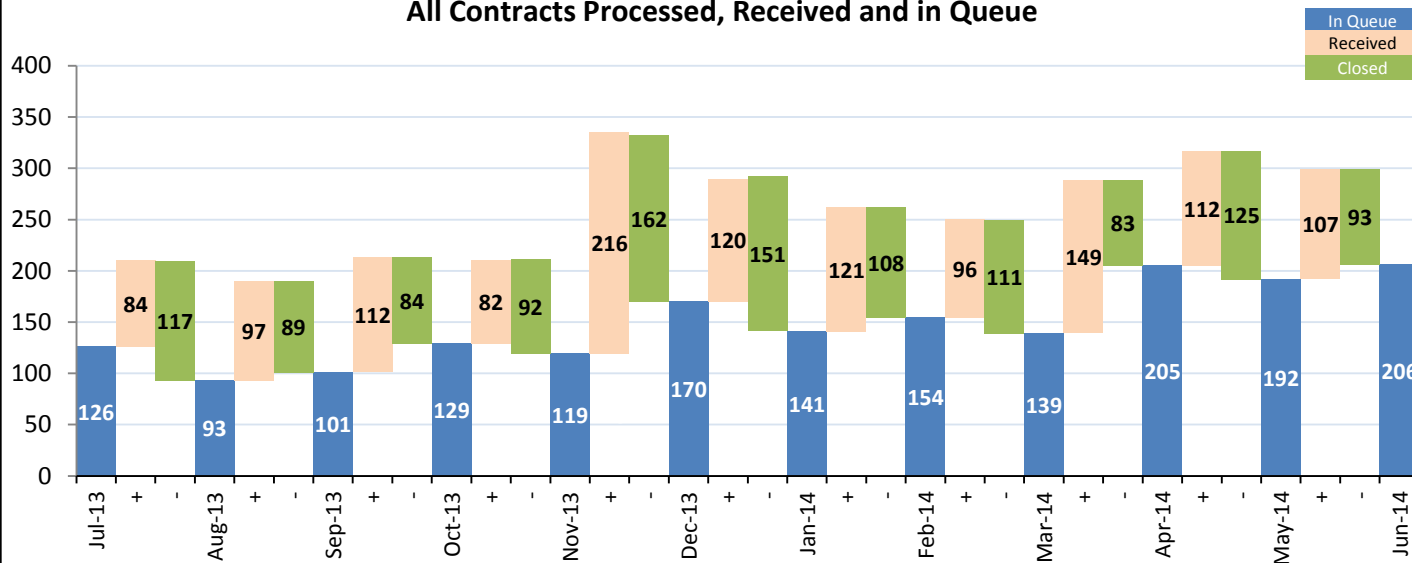
Electronic Contract Management System (ECMS)

**Related Strategy:**

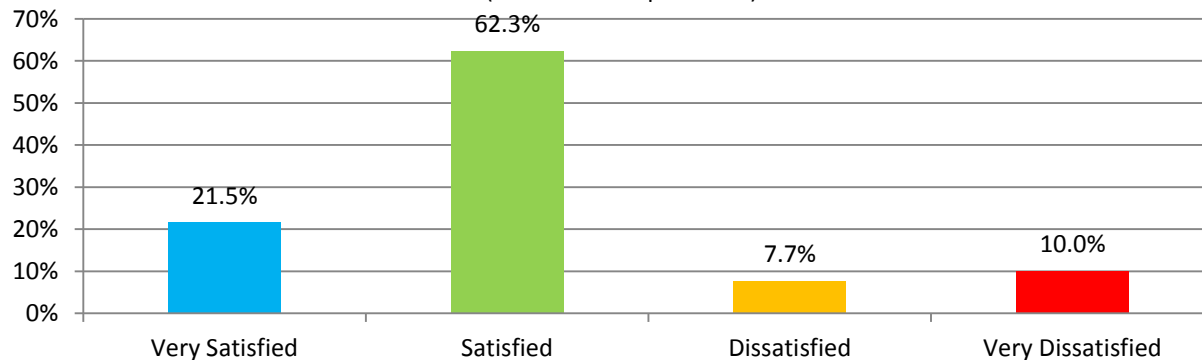
Manage vendor relationships and provide oversight of City contracts

**The number of contracts in queue at the end of June was the highest since September 2012. 83% of sampled internal customers were satisfied with the overall quality of the Law Department's services.**

**All Contracts Processed, Received and in Queue**



**Percent of respondents satisfied with overall quality of the Law Department's services**  
 (Out of 131 respondents)



**Responsible Organizations:**

Law Department;  
Chief Administrative Office;  
Department/agency  
requesting contract;  
Executive Counsel;  
Mayor's Office;  
City Council

**Data Source:**

Electronic Contract  
Management System (ECMS)

**Related Strategy:**

Manage vendor relationships  
and provide oversight of City  
contracts

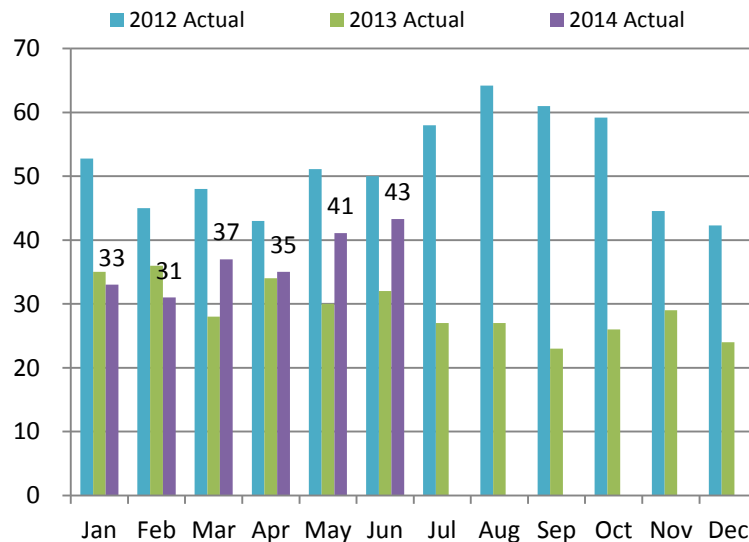
**Note:**

Bottom chart ages represent  
amount of time spent at  
current stage.

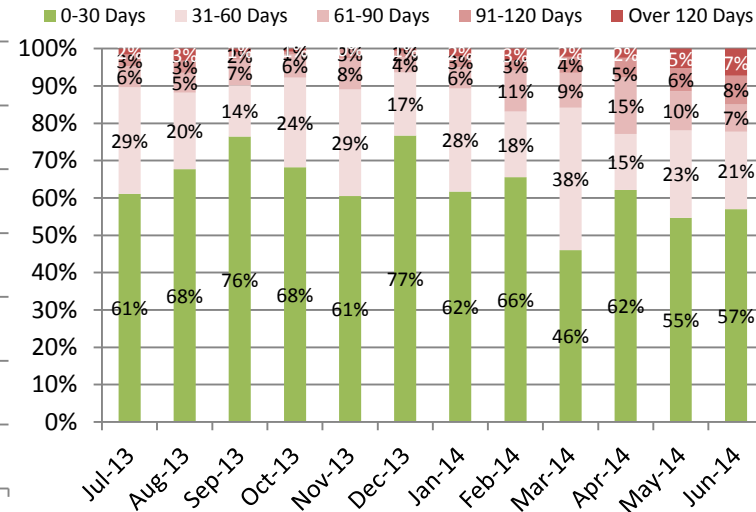
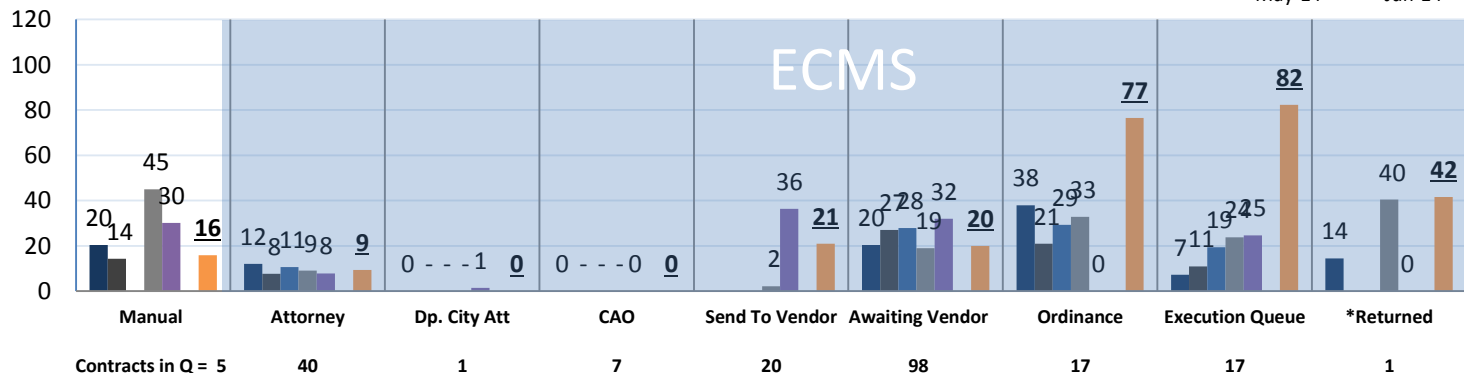
Execution queue includes  
contracts awaiting execution  
by Executive Counsel, City  
Council, Finance, or Property  
Management.

## The average days of contracts in queue was the highest since December 2012.

Average Age of Contracts In Queue



Distribution of Contracts in Queue

Location and Average Age of Contracts in Queue  
(Days from being received from the previous stage)

**Responsible Organizations:**

Law Department;  
Chief Administrative Office;  
Department/agency requesting contract;  
Executive Counsel;  
Mayor's Office;  
City Council

**Data Source:**

Electronic Contract Management System (ECMS)

**Related Strategy:**

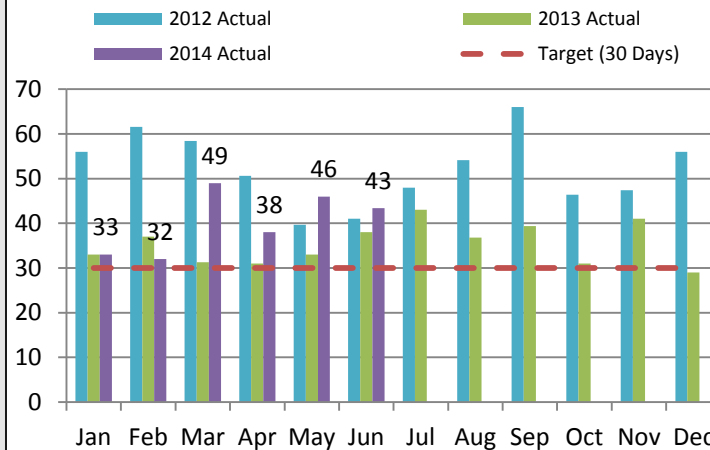
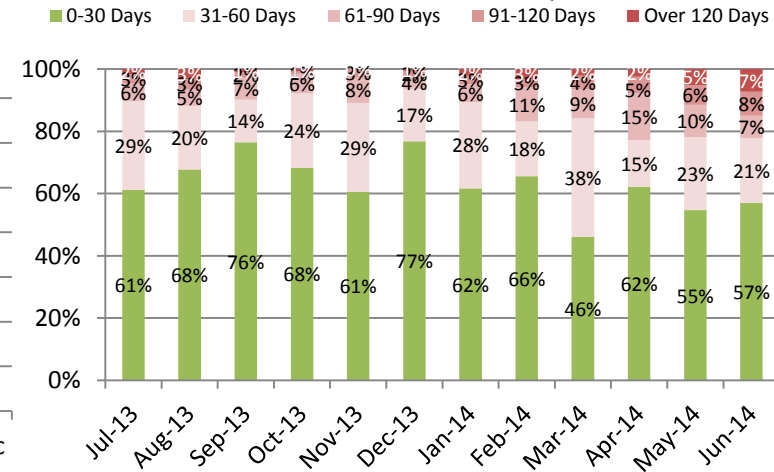
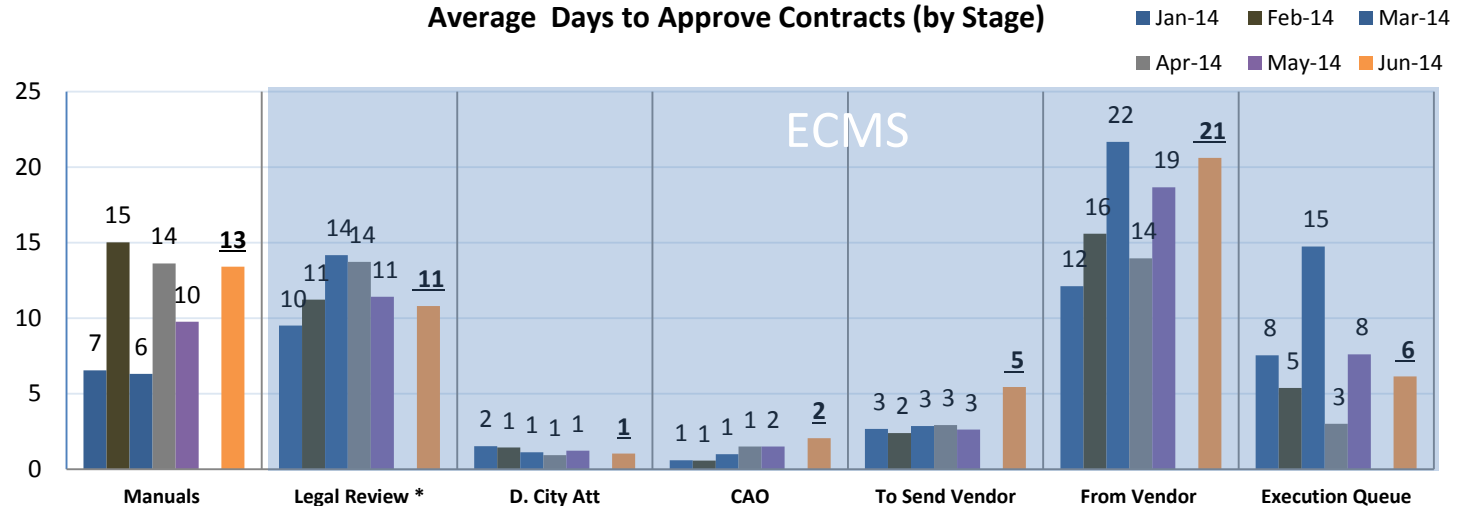
Manage vendor relationships and provide oversight of City contracts

**Note:**

Attorney time includes all the processing time for contracts that were returned at any stage.

Execution queue includes contracts awaiting execution by Executive Counsel, City Council, Finance, or Property Management.

## The average days to execute contracts was above the target of 30 days in the second quarter of 2014.

**Average Days to Contract Execution****Distribution of Contracts in Queue****Average Days to Approve Contracts (by Stage)**

**Responsible Organizations:**

Law Department;  
Department/agency requesting contract

**Data Source:**

Electronic Contract Management System (ECMS)

**Related Strategy:**

Manage vendor relationships and provide oversight of City contracts

**Note:**

Per policy memorandum 122R, each department/agency is responsible for reaching out to the vendor to obtain their signature after the law department sends the initial notification.

**The number of contracts awaiting vendor signature was at 98 at the end of June. The average time awaiting vendor was 20 days, which was moderate compared to previous months.**

**Contracts Awaiting Vendor Signature**  
**(19 contracts waiting over 30 days as of 6.31.2014)**

Department	Average Days Awaiting Vendor	# of Contracts
PUBLIC LIBRARY	91	1
City Council	58	2
PUBLIC WORKS	33	5
AVIATION	28	24
NEW ORLEANS BUILDING CORPORATION	26	3
POLICE DEPARTMENT	16	4
LAW	16	5
NEIGHBORHOOD STABLIZATION	15	13
MOSQUITO CONTROL BOARD	14	1
PROPERTY MANAGEMENT	14	6
PARKS & PARKWAYS	14	1
NORD RECREATION DEPARTMENT	13	2
CIVIL SERVICE	13	2
SANITATION DEPARTMENT	13	1
OFFICE OF TECHNOLOGY & INNOVATION	13	2
CAO	12	2
HEALTH DEPARTMENT	12	5
OFFICE OF CRIMINAL JUSTICE COORDINATION	12	1
HOMELAND SECURITY	12	6
CAPITAL PROJECT	11	3
ECONOMIC DEVELOPMENT	10	3
MAYOR	9	3
BLIGHT & REVITALIZATION	9	3
<b>Grand Total</b>	<b>20</b>	<b>98</b>





# The Check: Accounts Payable

- PO Date and Invoice Date Analysis
- 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

## Action Items \*

Responsible Parties	Area	Action Item	Status	Detailed Status
Norman Foster, Vic Spencer, and Oliver Wise	Payment	Convene meetings with departments to discuss challenges with making payments on time, as well as to generate best practices for driving departmental improvements.	<u>Open</u>	Finance and OPA held 8 meetings. Several chronic issues were discussed, each with potential solutions proposed.



# Summary of Findings from Payment Processing Meetings

- ***Issue: Invoices often delivered from vendor directly to Accounts Payable, resulting delays in the correct department receiving their invoice.***
  - Proposed Solution: Add an additional line on the Buyspeed delivery address that identifies the department an invoice should be delivered to.
- ***Issues: Departments sometimes hold invoices because they don't have the funds to pay for them. / Some purchases - such as those related to vehicle repair – are reactionary, as the final price is not always known, resulting in payments made well after work began.***
  - Proposed Solution: Departments should use blanket purchase orders to encumber funds for vendors with a large amount of purchases throughout the year (i.e. sanitation, vehicle repair vendors).
- ***Issue: Departments often receive invoices well after the invoice date, making timely payments seem late.***
  - Proposed Solutions:
    - Prompt vendors to re-issue invoices with a more current date when they are not sent to a department until well after the original invoice date.
    - Departments should consider using date stamps to show the date an invoice was actually received by the department.
    - Insert clauses into certain contracts requiring vendors to send invoices within a certain time frame.
- ***Issue: Staff changes at a vendor renders some vendors' contact information outdated when a departing staff member was the direct contact in BuySpeed.***
  - **Proposed Solution:** Prompt vendors to provide a general email address and/or phone number that won't need to be modified in the event of a staff change.
- ***Miscellaneous Solutions:***
  - Law Department will centralize the delivery of invoices to ensure they know how many invoices are outstanding at all times.
  - Code Enforcement will hire an accountant to process their invoices; Finance will consider opening a fund to specifically pay Code Enforcement's Clerk of Civil District Court fees.
  - Consider processing NOFD fire inspection charges outside of BuySpeed.
  - ReqtoCheck reporting
    - Consider excluding travel authorizations from ReqtoCheck payment data.
    - Consider incorporating stamp dates into future ReqtoCheck analyses.



**Responsible Organizations:**

Every department making general fund payments during a given month

**Data Source:**

Accounts Payable

**Related Strategy:**

Manage vendor relationships and provide oversight of City contracts


**Note:**

2011 information only available from May to December.

April – June 2014 was analyzed from a sample of 556 Great Plains payments.

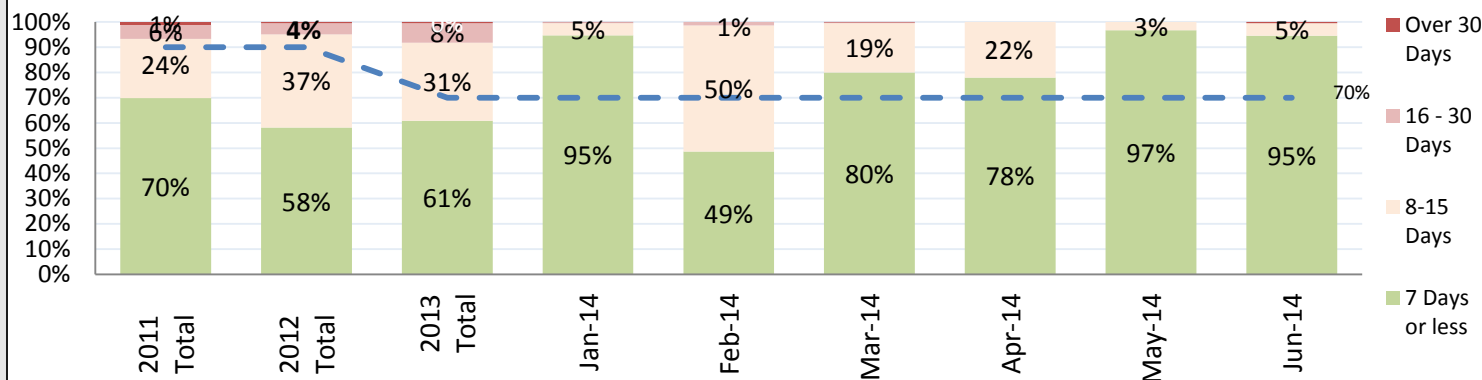
**Legend:**

- On Target
- ▲ Within 10% of Target
- ◆ Off Target

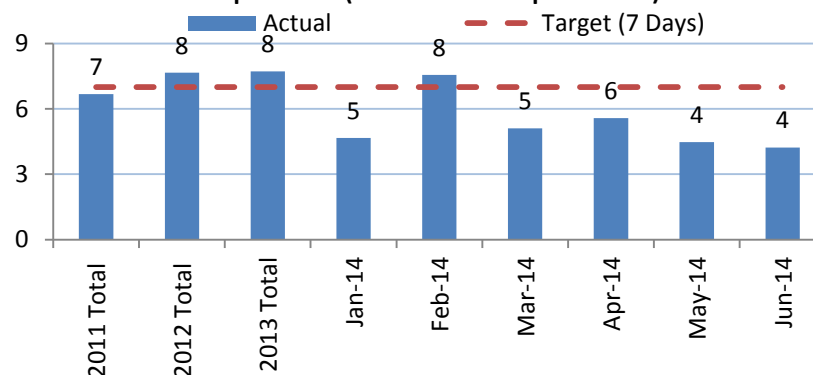
 Key measure that best indicates whether City activities are achieving the desired results

**At 77%, Accounts Payable met its target of days to process general fund and agency payments through the first half of 2014. 77% of sampled internal customers were satisfied with Accounts Payable's overall service quality.**

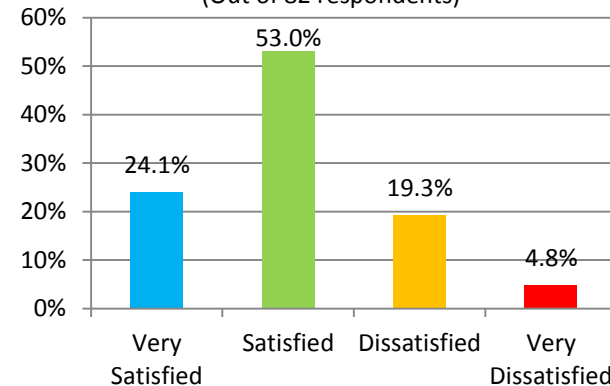
**Number of Days to Process General Fund and Agency Payment Requests by Accounts Payable**



**Average Number of Days to Process Invoices by A/P Department (General Fund Expenditures)**



**Percent of respondents satisfied with overall quality of Accounts Payable services (Out of 82 respondents)**



**Percent of General Fund payments processed within 7 business days of being received by Accounts Payable**

2012		2013		2014		
Actual	Target Met?	Actual	Target Met?	YTD Actual	Annual Target	Status
58%	◆	61%	◆	77%	70%	●

**Responsible Organizations:**

Every department making general fund payments during a given month

**Data Source:**

Accounts Payable

**Related Strategy:**

Manage vendor relationships and provide oversight of City contracts

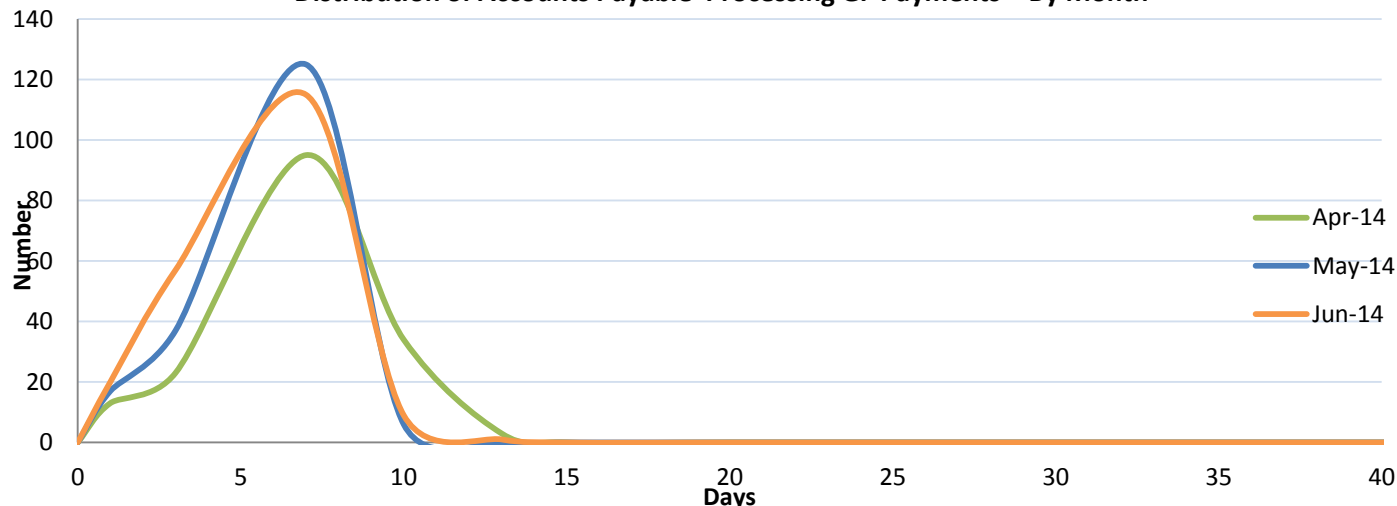
**Note:**

2011 information only available from May to December.

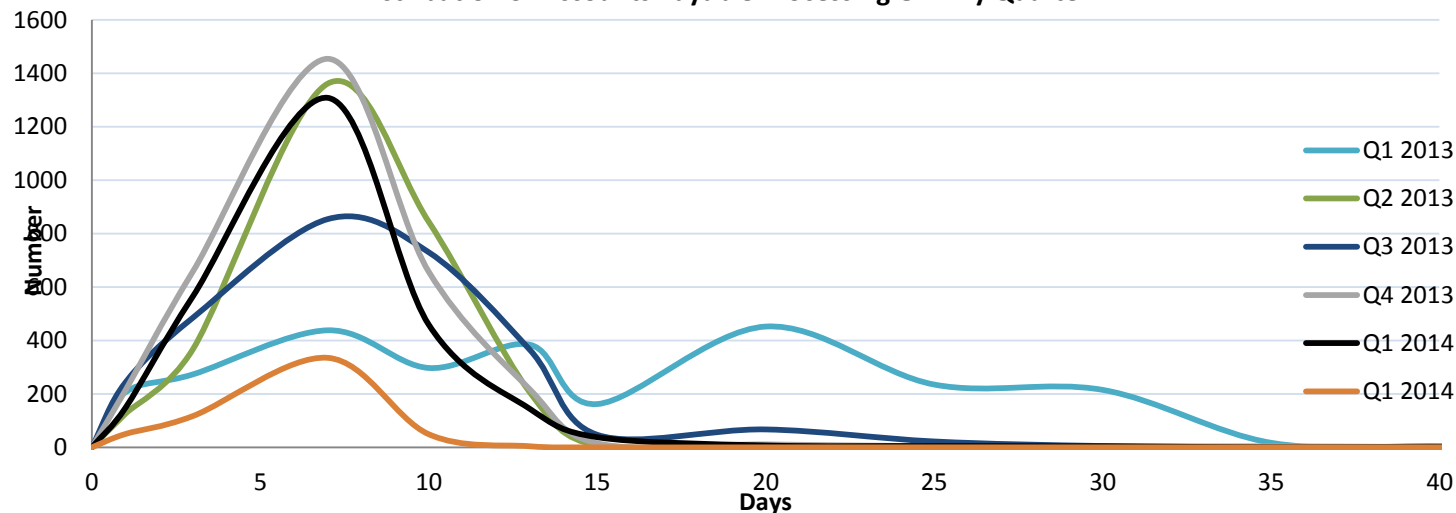
April – June 2014 was analyzed from a sample of 556 Great Plains payments.

**The processing time for general fund payments by Accounts Payable was very predictable in Q2 2014. Q2 was moderately predictable compared to previous quarters.**

**Distribution of Accounts Payable Processing GF Payments – By Month**



**Distribution of Accounts Payable Processing GF – By Quarter**



**Responsible Organizations:**

Every department making general fund payments during a given month

**Data Source:**

Accounts Payable

**Related Strategy:**

Manage vendor relationships and provide oversight of City contracts

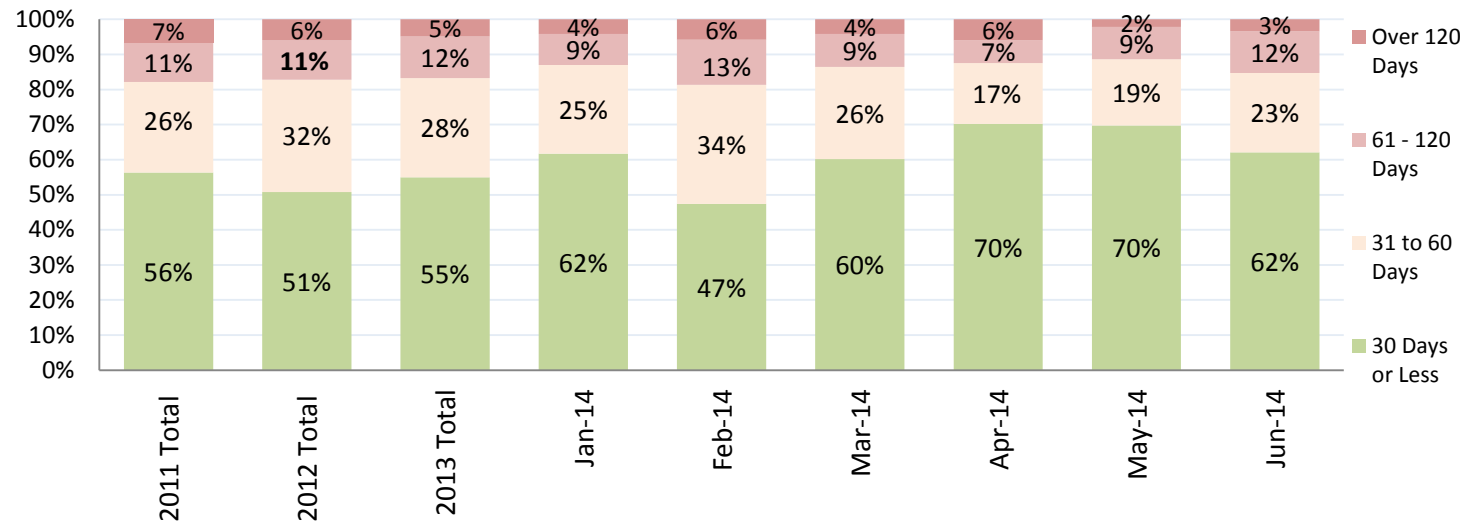
**Note:**

2011 information only available from May to December.

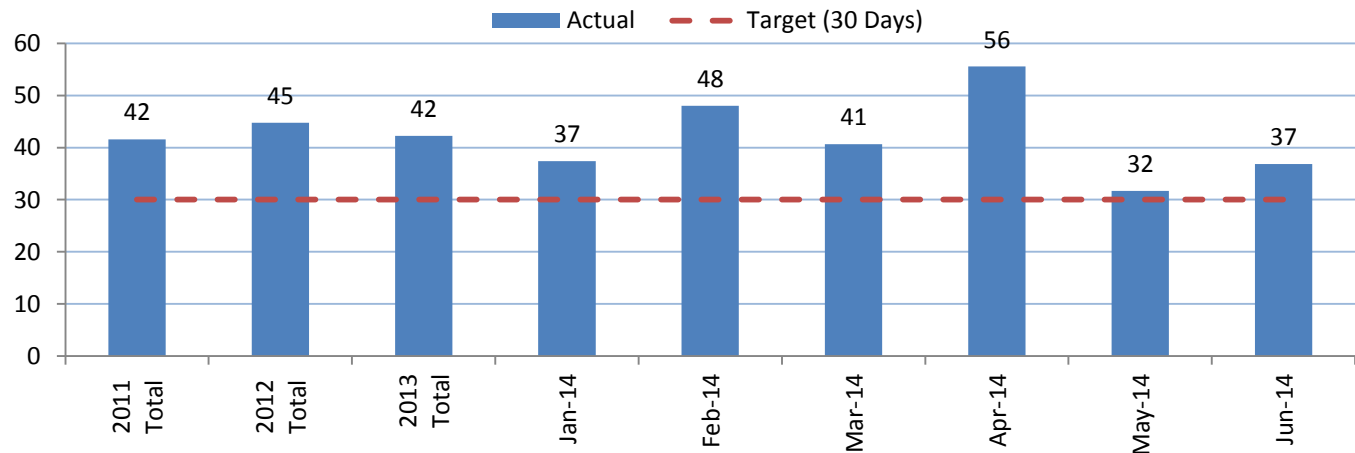
April – June 2014 was analyzed from a sample of 556 Great Plains payments.

## The Percentage of General Fund (and Agency) Payments in 30 Days or Less was 58% through the first half of 2014.

Number of Days to Pay General Fund and Agency Invoices from Invoice Date



Average Number of Days to Pay Invoices from Invoice Date  
(General Fund Expenditures)



**Responsible Organizations:**

Every department making general fund payments during a given month

**Data Source:**

Accounts Payable

**Related Strategy:**

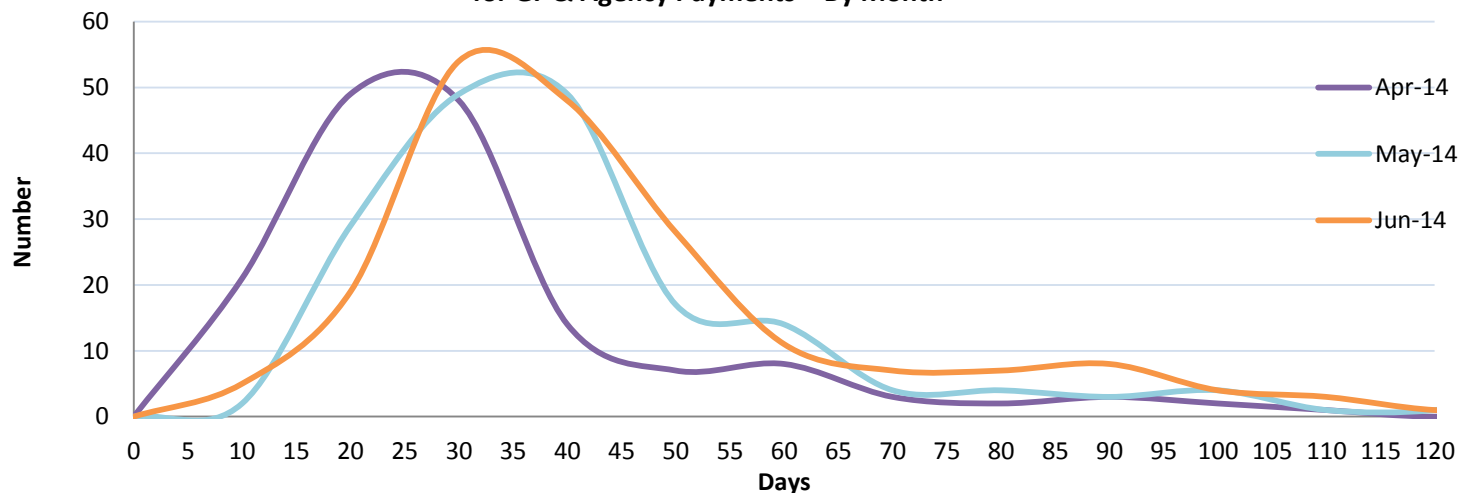
Manage vendor relationships and provide oversight of City contracts

**Note:**

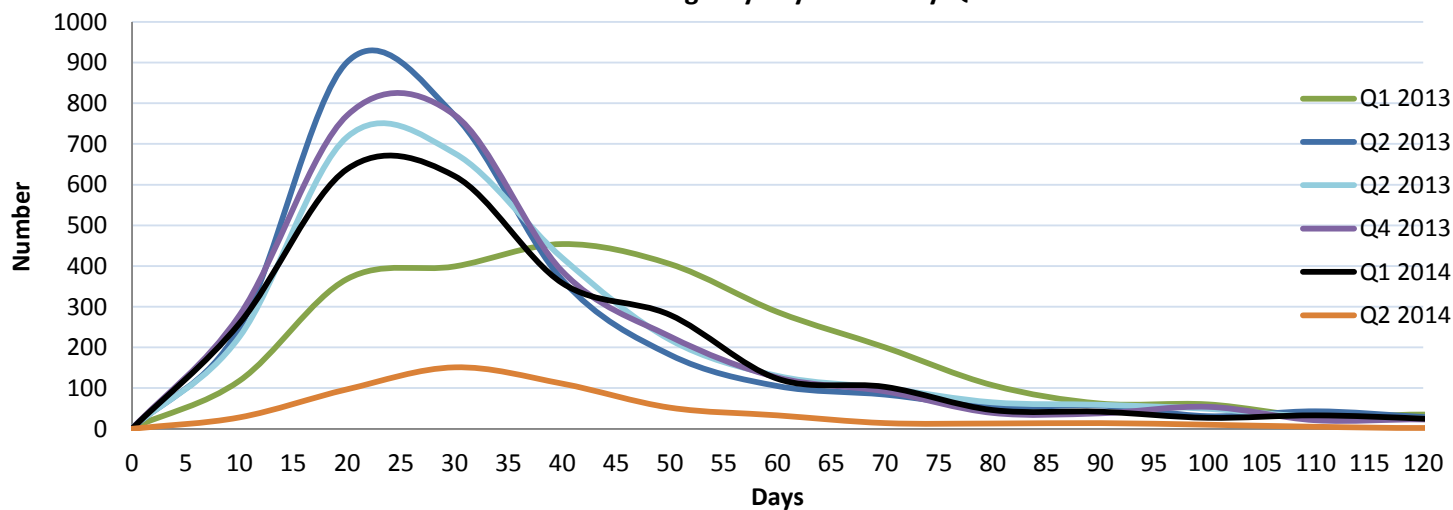
April – June 2014 was analyzed from a sample of 556 Great Plains payments.

## Quarter 2 payment processing was less predictable than previous quarters.

Invoice Date to Check Date Distribution  
for GF & Agency Payments – By Month



Invoice Date to Check Date Distribution  
for GF & Agency Payments – By Quarter



**Responsible Organizations:**

Every department making capital or grant payments during a given month

**Data Source:**

Accounts Payable

**Related Strategy:**

Manage vendor relationships and provide oversight of City contracts

**Note:**

2011 information only available since May 2011.

April – June 2014 was analyzed from a sample of 556 Great Plains payments.

**Legend:**

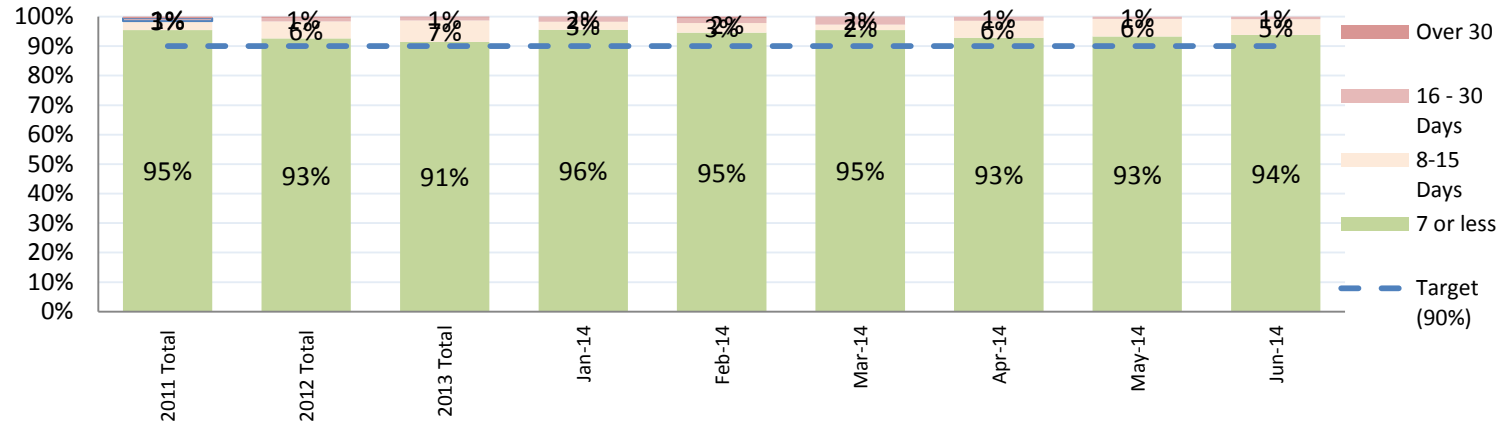
- On Target
- ▲ Within 10% of Target
- ◆ Off Target



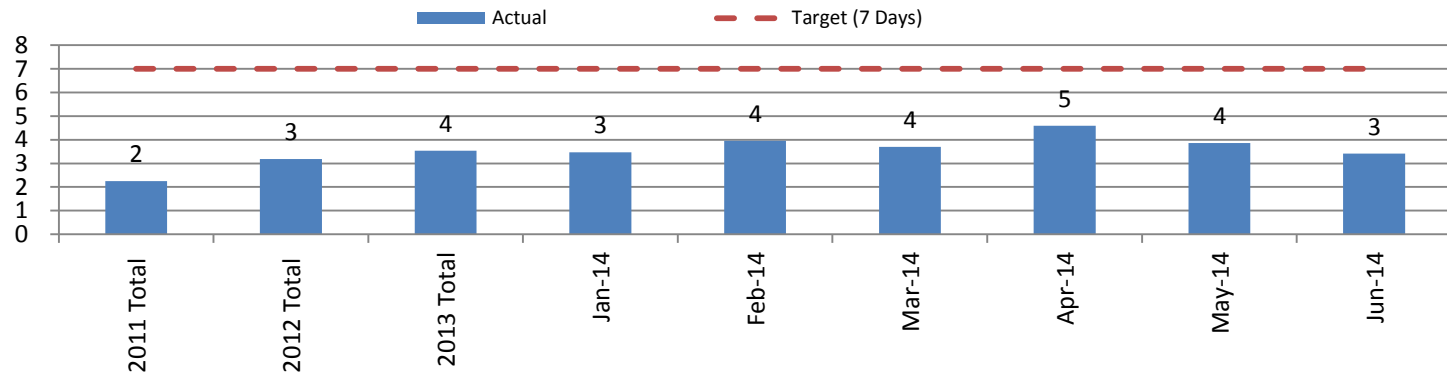
Key measure that best indicates whether City activities are achieving the desired results

## At 95%, Accounts Payable, met its target of payments processed within 7 business days through the first half of 2014.

Number of Days to Process Capital Payment Requests by Accounts Payable



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



Percent of Capital/Grants Fund payments processed within 7 business days of being received by Accounts Payable

2012		2013		2014		
Actual	Target Met?	Actual	Target Met?	YTD Actual	Annual Target	Status
93%	●	95%	●	95%	90%	●

**Responsible Organizations:**

Every department making capital or grant payments during a given month

**Data Source:**

Accounts Payable

**Related Strategy:**

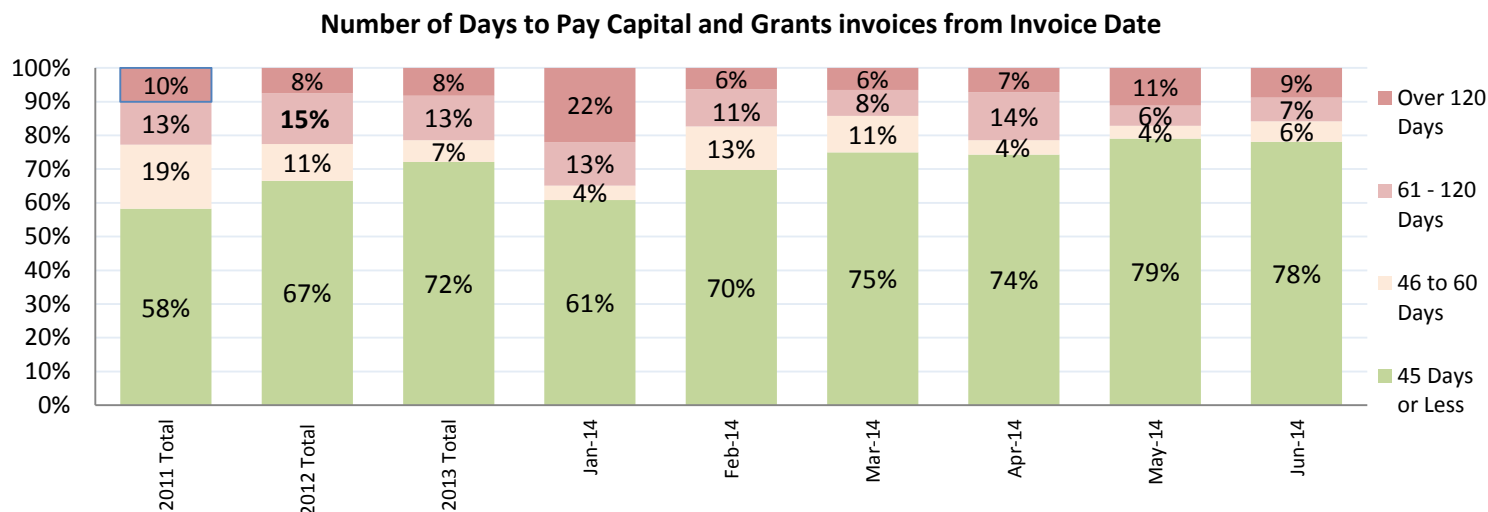
Manage vendor relationships and provide oversight of City contracts

**Note:**

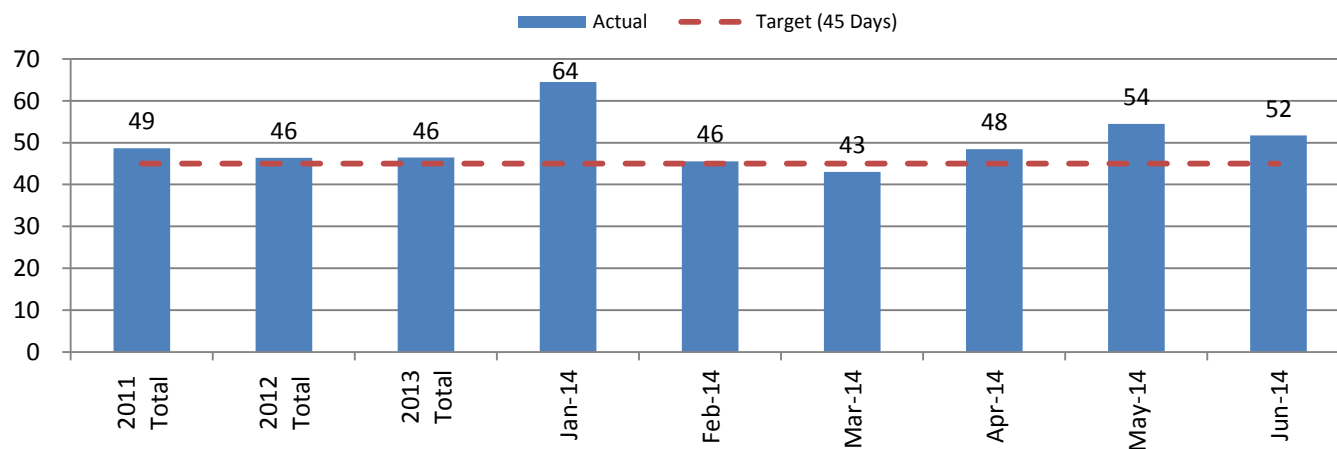
2011 information only available since May 2011.

April – June 2014 was analyzed from a sample of 556 Great Plains payments.

## The Percentage of Capital and Grant Payments Made in 45 Days or Less from Invoice Date was 70% through the first half of 2014.



### Average Number of Days to Pay Invoices From Invoice Date (Capital and Grants)





**Responsible Organizations:**

Every department making capital or grant payments during a given month

**Data Source:**

Accounts Payable

**Related Strategy:**

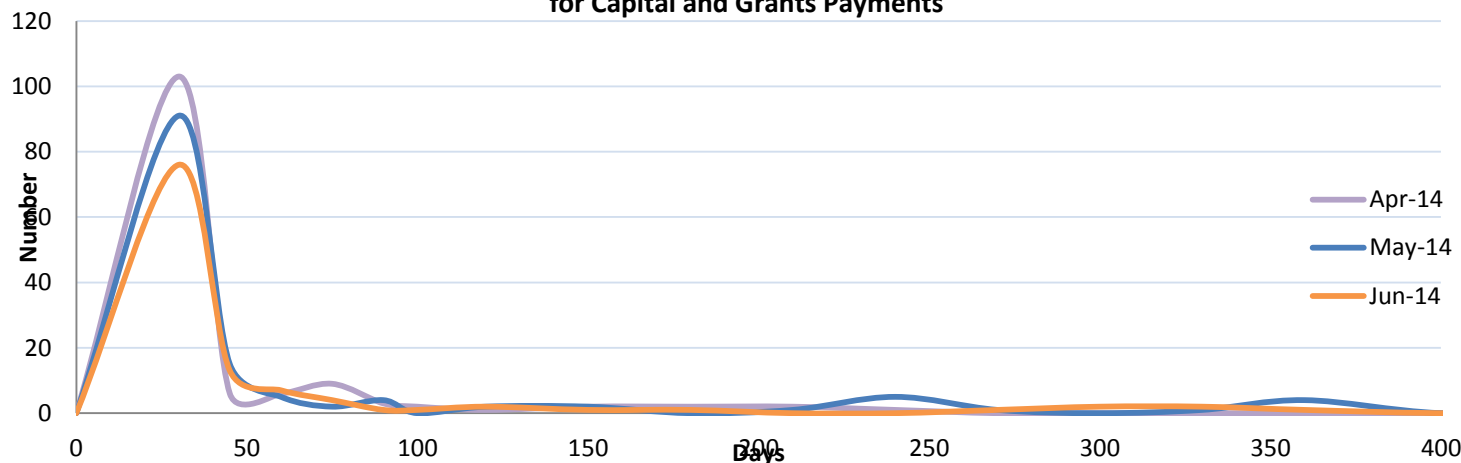
Manage vendor relationships and provide oversight of City contracts

**Note:**

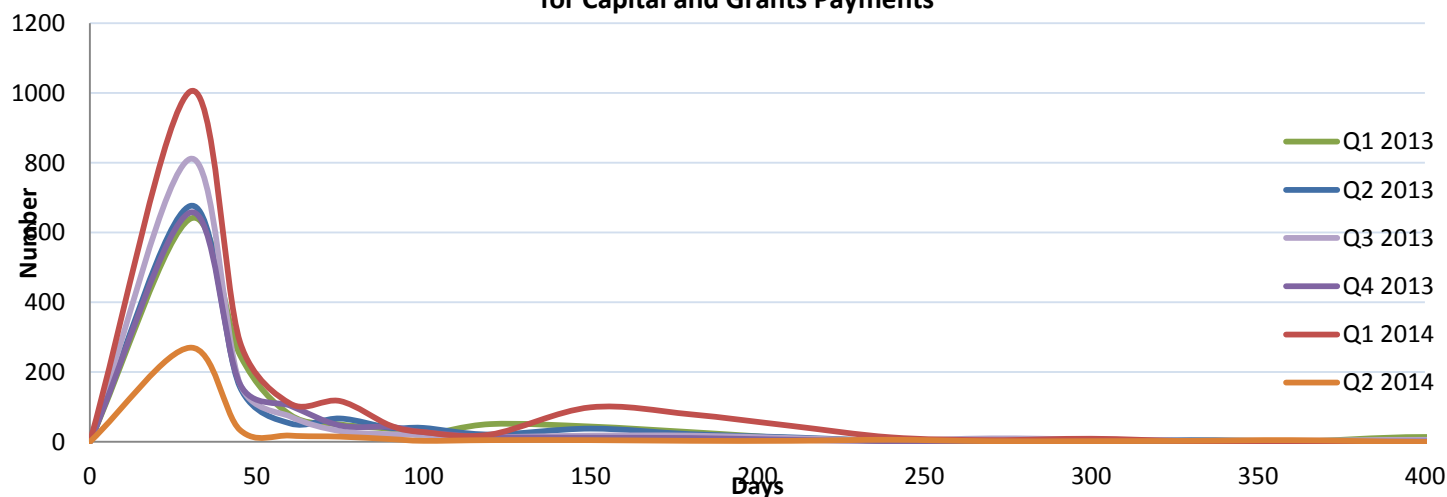
April – June 2014 was analyzed from a sample of 556 Great Plains payments.

## The distribution of days to make capital and grant payments were very predictable in Q2 2014.

Invoice Date to Check Date Distribution  
for Capital and Grants Payments



Invoice Date to Check Date Distribution  
for Capital and Grants Payments



**Responsible Organizations:**

Every department making general fund payments during a given month

**Data Source:**

Accounts Payable

**Related Strategy:**

Manage vendor relationships and provide oversight of City contracts

**Note:**

Asterisks denote that a department made a small number of payments during this period.

“Other Departments” denote those with less than 4 general fund payments per month.

Each “payment” represents one check, which may constitute more than one invoice (in cases of multiple invoices being sent to a particular vendor by a particular department).

April – June 2014 was analyzed from a sample of 556 Great Plains payments.

OCD data adjusted from previous reports to reflect disaggregation of Code Enforcement invoices; Capital Projects and Public Works data adjusted from previous reports to reflect disaggregation of Property Management invoices.

## The percent of late general fund payments through the first half of 2014 was slightly lower than in 2013 and 2012.

### Sample of General Fund (and Agencies) Payments Vouched for Quarter 2

Department	2014 Quarter 2 (Sample)				Quarter 1 %>60 Days	2013 Jan-Dec %>60 Days	2012 Aug-Dec %>60 Days
	<=60 Days	>60 Days	Total	%>60 Days			
CAO	4	4	8	50%	29%	29%	24%
CITY PLANNING	1	1	2	50%	11%	14%	*
ITI	17	11	28	39%	33%	26%	25%
Code Enforcement	4	2	6	33%	27%	23%	*
LAW	17	6	23	26%	24%	15%	29%
SAFETY AND PERMITS	3	1	4	25%	5%	13%	40%
SANITATION	6	2	8	25%	10%	19%	33%
CIVIL SERVICE	6	2	8	25%	14%	25%	*
REGISTRAR OF VOTERS	3	1	4	25%	0%	18%	24%
POLICE	27	8	35	23%	21%	18%	25%
LIBRARY	39	11	50	22%	14%	19%	16%
HEALTH	9	2	11	18%	10%	16%	38%
NORDC	18	3	21	14%	22%	14%	14%
EMD	22	3	25	12%	13%	26%	35%
EMS	16	2	18	11%	11%	14%	4%
AVIATION	61	7	68	10%	18%	18%	18%
FIRE	9	1	10	10%	31%	17%	14%
MAYOR'S OFFICE	19	2	21	10%	14%	20%	21%
PUBLIC WORKS	19	2	21	10%	10%	10%	13%
Youth Study Center	10	1	11	9%	13%	12%	12%
PARKS & PARKWAY	23	1	24	4%	12%	11%	19%
COUNCIL	24	1	25	4%	14%	15%	18%
MOSQUITO CONTROL	21	0	21	0%	10%	10%	16%
OFFICE OF INSPECTOR GENERAL	16	0	16	0%	4%	7%	3%
PROPERTY MANAGEMENT	12	0	12	0%	15%	14%	12%
CORONER	10	0	10	0%	0%	5%	*
HOMELAND SECURITY	3	0	3	0%	6%	15%	*
Police Secondary Employment	9	0	9	0%	0%	*	0%
CAPITAL PROJECTS	5	0	5	0%	26%	12%	23%
REVENUE	4	0	4	0%	8%	10%	19%
Consent Decree	3	0	3	0%	43%	*	*
OCD	8	0	8	0%	21%	17%	0%
Cultural Economy	0	0	0	*	17%	26%	0%
Other Departments	35	3	38	8%	12%	16%	0%
<b>Total</b>	<b>483</b>	<b>77</b>	<b>560</b>	<b>14%</b>	<b>16%</b>	<b>17%</b>	<b>18%</b>



**Responsible Organizations:**

Every department making capital or grant payments during a given month

**Data Source:**

Accounts Payable

**Related Strategy:**

Manage vendor relationships and provide oversight of City contracts

**Note:**

Asterisks denote that a department made a small number of payments during this period.

“Other Departments” denote those with less than 3 capital payments per month.

Each “payment” represents one check, which may constitute more than one invoice, in the case of multiple invoices being sent to a particular vendor by a particular department.

April – June 2014 was analyzed from a sample of 556 Great Plains payments.

OCD data adjusted from previous reports to reflect disaggregation of Code Enforcement invoices; Capital Projects and Public Works data adjusted from previous reports to reflect disaggregation of Property Management invoices.

**The percent of late capital and grant payments in March was lower than the rest of the year, though higher than in 2013 and 2012.**

### Sample of Capital and Grants Payments Vouched for Quarter 2

Department	2014 Quarter 2				Quarter 1 %>60 Days	2013 Jan-Dec %>60 Days	2012 Aug- Dec %>60 Days
	<=60 Days	>60 Days	Total	%>60 Days			
Code Enforcement	1	13	14	93%	*	79%	17%
HOMELAND SECURITY	15	6	21	29%	12%	24%	12%
PUBLIC WORKS	44	16	60	27%	33%	27%	49%
MAYOR	30	9	39	23%	18%	11%	4%
OCD	89	24	113	21%	12%	18%	19%
CAPITAL PROJECTS	14	3	17	18%	52%	15%	22%
HEALTH	71	14	85	16%	12%	9%	20%
NORDC	11	0	11	0%	25%	61%	*
Inspector General	7	0	7	0%	18%	14%	*
PROPERTY MANAGEMENT	12	0	12	0%	29%	94%	0%
CAO	0	0	0	*	15%	15%	*
SHELTER PLUS CARE	0	0	0	*	100%	*	*
Other Departments	8	0	8	0%	35%	15%	23%
<b>Total</b>	<b>302</b>	<b>85</b>	<b>387</b>	<b>22%</b>	<b>28%</b>	<b>18%</b>	<b>17%</b>



**Responsible Organizations:**

Office of Community  
Development

**Data Source:**

Office of Community  
Development

**Related Strategy:**

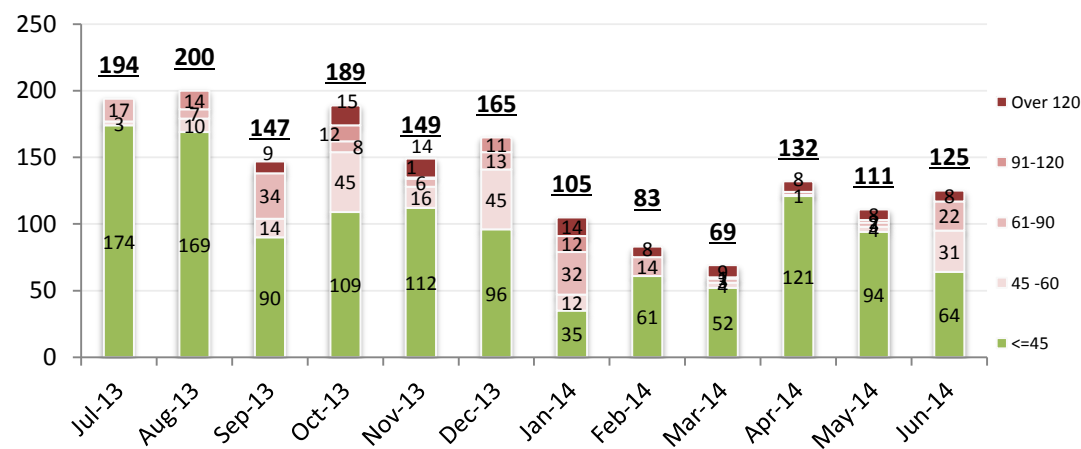
Manage vendor relationships  
and provide oversight of City  
contracts

## The majority of invoices in process with the Office of Community Development had been in process less than 45 days.

### OCD Invoices in the Pipeline

Status	Age				Total
	<=45	46-60	61-90	Over 120	
Normal Processing	64	31			95
Dispute with Vendor				8	8
Funding			22		22
Grand Total	64	31	22	8	125

### OCD Aging of Invoices in the Pipeline



**Responsible Organizations:**  
Capital Projects

**Data Source:**  
Capital Projects

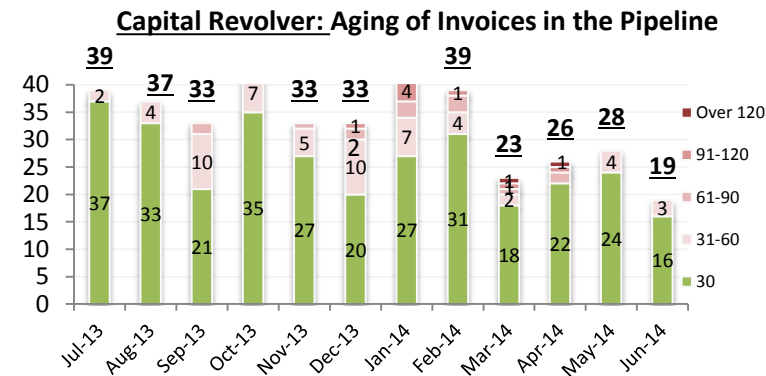
**Related Strategy:**  
Manage vendor relationships  
and provide oversight of City  
contracts

**The majority of Capital Projects invoices were in process for less than 60 days.**

## Capital Projects Invoices in the Pipeline

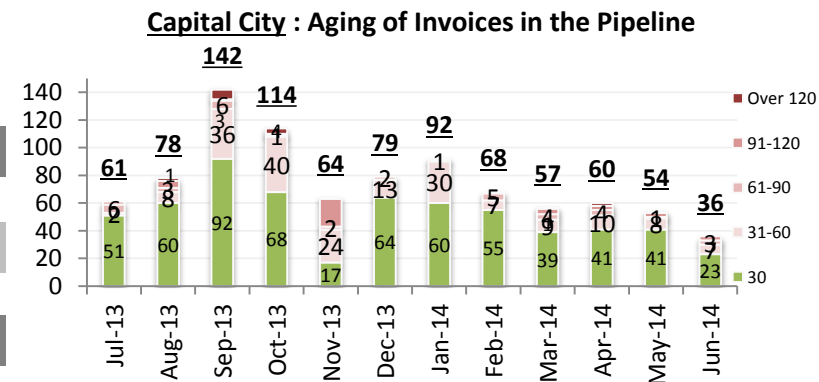
### Revolver

Status	Age		Total
	<=30	31-60	
Normal Processing	16	3	19
Grand Total	16	3	19



### City

Status	Age				Total
	<=30	31-60	61-90	Over 120	
Normal Processing	23	7	0	0	30
Contract/amendment	0	0	1	0	1
Not processed timely	0	0	2	3	5
Grand Total	23	7	3	3	36



**Responsible Organizations:**  
Department of Public Works

**Data Source:**  
Department of Public Works

**Related Strategy:**  
Manage vendor relationships  
and provide oversight of City  
contracts

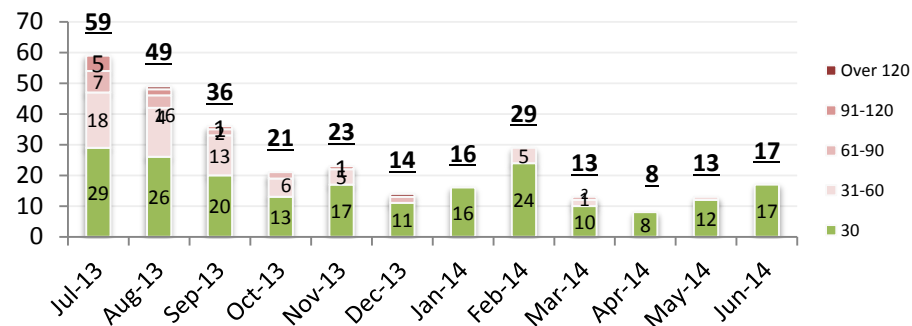
## All of Public Works' invoices were in process for less than 60 days.

### DPW Invoices in the Pipeline

#### Revolver

Status	Age	Total
	<=30	
Normal Processing	17	17
Grand Total	17	17

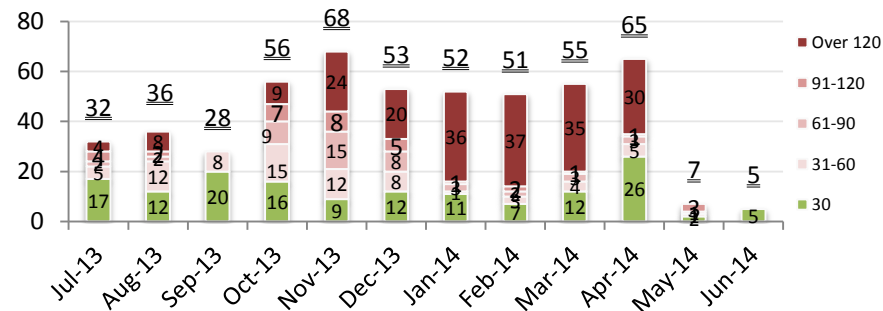
**DPW Revolver: Aging of Invoices in the Pipeline**



#### City

Status	Age	Total
	<=30	
Normal Processing	5	5
Grand Total	5	5

**DPW City: Aging of Invoices in the Pipeline**



# 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?

