



CITY OF NEW ORLEANS

ReqtoCheck**STAT**

***Reporting Period: Q4 2015***

Office of Performance & Accountability [www.nola.gov/opa](http://www.nola.gov/opa)



**ReqtoCheckSTAT** February 4, 2016

**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 quarterly, 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.



# Action Items

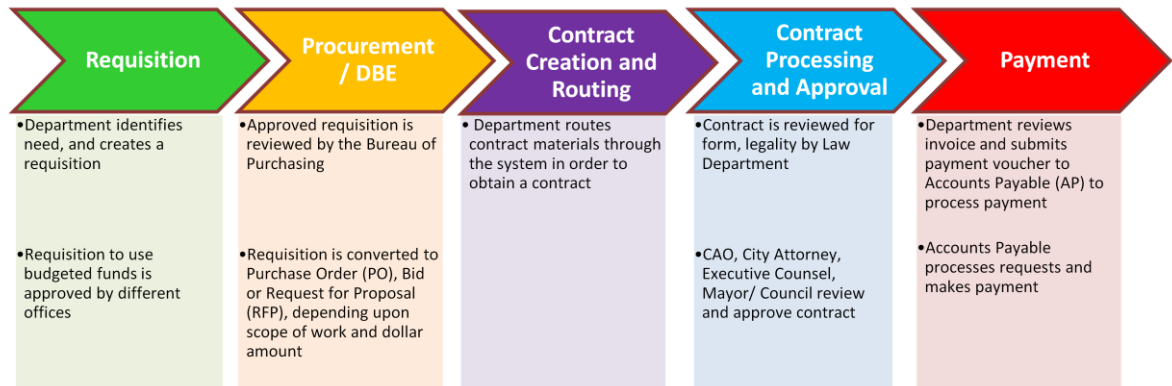
Responsible Parties	Action Item	Status
J. Kilgore ; M. Kleinpeter	Automate purchase order approvals for general fund requisitions with small dollar amounts.	A contract is currently underway for the vendor to implement this capability.
J. Meyer; M. Kleinpeter; V. Spencer; A. Norton	Determine method a method for expedited approval process for "time only" amendments.	Law, Purchasing, and OPA have had discussions about potential routing alternatives. Delegating requirements contracts to the CAO is a potential option. They will meet with Service & Innovation to determine if a separate approval path can be implemented.
M. Kleinpeter; J. Meyer;	Revise CAO PM 24 on movables and non-professional services	Purchasing and Law have met to revise CAO PM 24. One more item (partial adoption of title 39) needs to be discussed before revisions are finalized.
M. Kleinpeter; S. Wellman; V. Smith; M. Jernigan	Revise CAO PM 113 on procurement of public works	Purchasing, Capital Projects, Public Works, and Law held several discussions over changes to CAO PM 113. A draft of revisions has been sent out, and is awaiting comments.
J. Meyer	List of contracts waiting for vendor signature	Law Dept attorneys have been notifying departments after a contract has been waiting on a vendor for more than two weeks with a warning that they're contract will be cancelled after 30 days. They will begin escalating these emails to department heads to ensure vendor follow-up.
J. Meyer; V. Spencer; A. Davenport; A. Norton.	Determine plan for consistently notifying departments of contracts likely nearing expiration, including a close-out/vendor monitoring form for CPO.	Law and OPA to talk to Service & Innovation to determine if a field can be added to accurately capture contracts' expiration date at the time of uploading an executed contract. Alternatively, if that expiration date can be included as a note at time of uploading, it could potentially pulled in a SQL query.
M. Kleinpeter; J. Meyer; N. Celestine	Begin including language on the living wage for all contracts, as well as on RFPs and Invitations to Bid	Language approved for Bids and RFPs, but still pending for contracts. To be implemented soon.
V. Spencer; M. Kleinpeter; N. Celestine	Explore relationship between the types of bids, the dollar thresholds that necessitate a bid, and number of responses to determine if thresholds should be amended.	OPA will begin gathering data to conduct analysis, in consultation with Purchasing.
J. Meyer; V. Spencer	Develop plan for speeding up the processing of contracts that require a City Council ordinance.	Law and OPA will meet with Property Management to figure out a better routing process for contracts that require an ordinance.
V. Spencer; J. Meyer	Track timeliness of processing by type of contract, particularly, CEAs vs. other types of contracts.	OPA to use Law's supplemental data, which tracks the different types of contracts being processed.



## Action Item Updates Discussed:

- Time Only Amendment routing – Law, Purchasing, OPA to meet with Service & Innovation to determine if a separate approval path can be implemented specifically for time only amendments.
- Contract Expiration – Law and OPA to talk to Service & Innovation to determine if a field can be added to accurately capture contracts' expiration date at the time of uploading an executed contract. Alternatively, if that expiration date can be included as a note at time of uploading, it could potentially pulled in a SQL query.
- New action item for OPA and Purchasing - Explore relationship between the types of bids, the dollar thresholds that necessitate a bid, and number of responses to determine if thresholds should be amended.
- New action item for Law, OPA, and Finance – Develop plan for speeding up the processing of contracts that require an ordinance.

# Procurement Process Overview\*



\*See a more detailed process map on slide 31



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**Responsible Organizations:**  
Budget Office;  
Finance Department

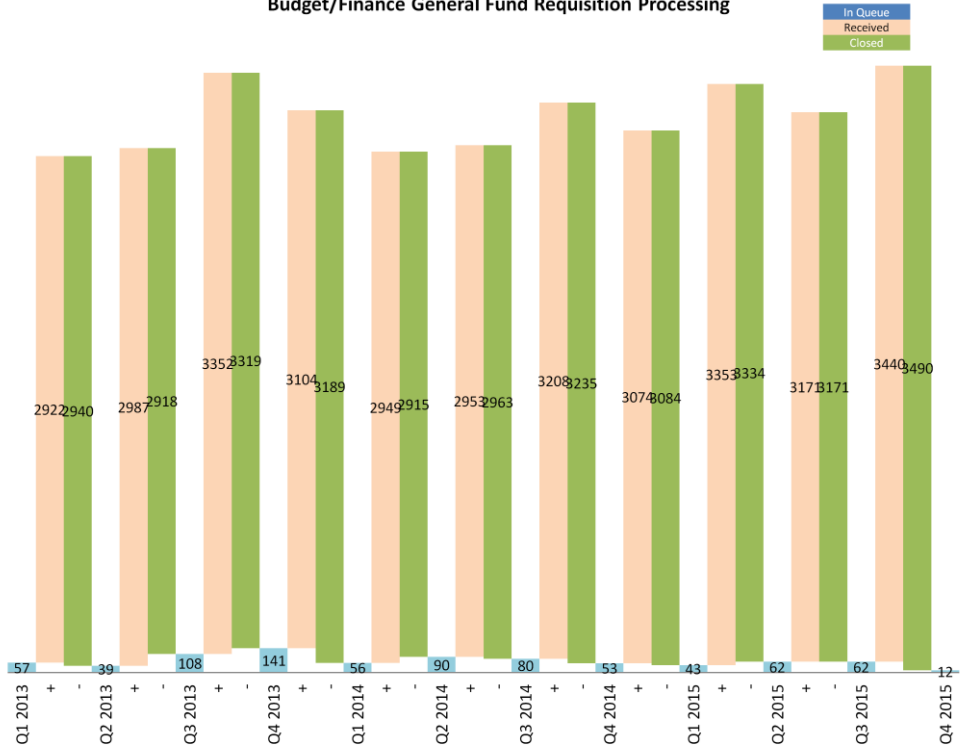
**Data Source:**  
BuySpeed

**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.

## General Fund requisition queue at record low of 12 in queue at end of 2015.

Budget/Finance General Fund Requisition Processing

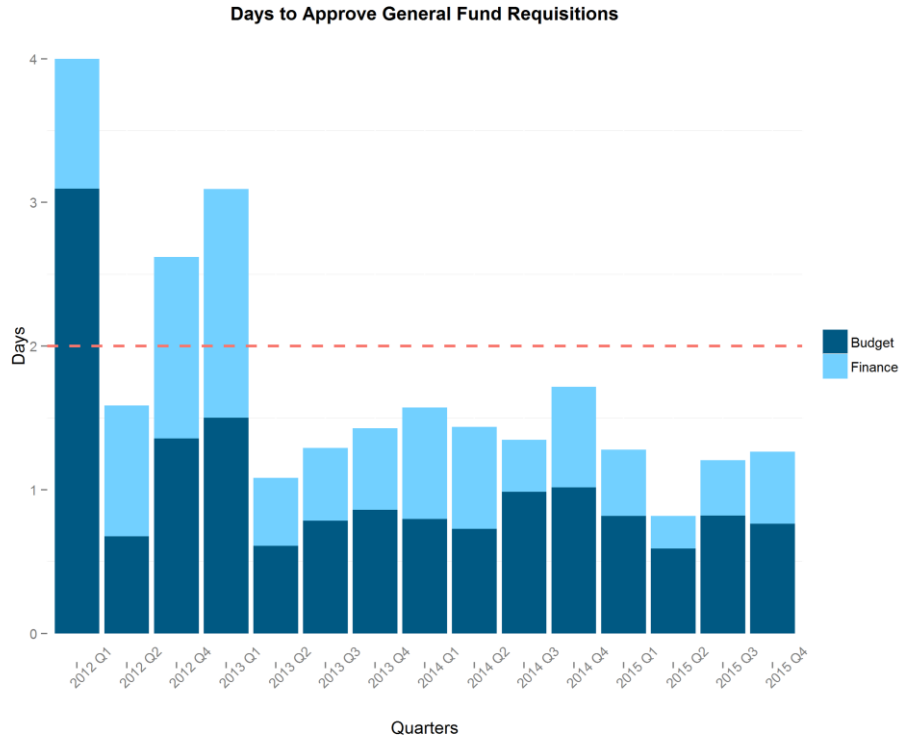


**Responsible Organizations:**  
Budget Office;  
Finance Department

**Data Source:**  
BuySpeed

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

## Budget and Finance continued to process requisitions well within the 2 day target.



Requisition



Procurement  
/ DBE

Contract  
Creation and  
Routing

Contract  
Processing  
and Approval

Payment

# Requisition Approval

KPI	2014		2015		
	Actual	Target Met?	Actual	Target	Status
Average Days to Approve Requisitions by Budget Office	0.95		0.78	< 1	



**Responsible Organizations:**  
Bureau of Purchasing

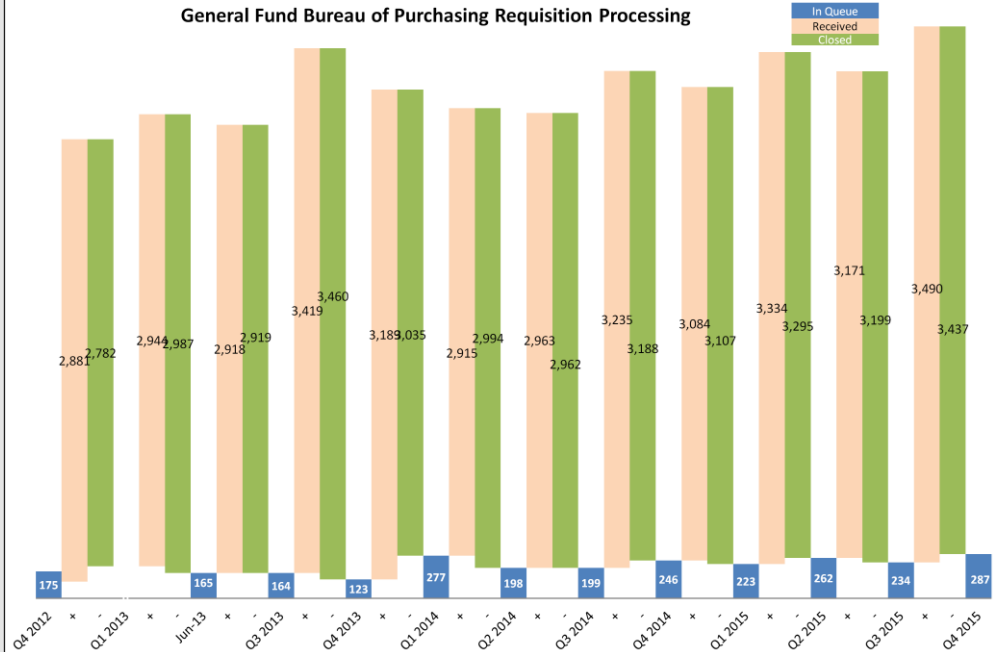
**Data Source:**  
BuySpeed

**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.  
*Requisition:* A document  
generated by a  
department/agency to notify  
the Purchasing Bureau of the  
goods or services it wants to  
order.

**The Bureau of Purchasing's end-of-quarter general fund queue was at 287 after processing the highest number of purchase orders of any previous quarter.**

General Fund Bureau of Purchasing Requisition Processing





**Responsible Organizations:**  
Bureau of Purchasing

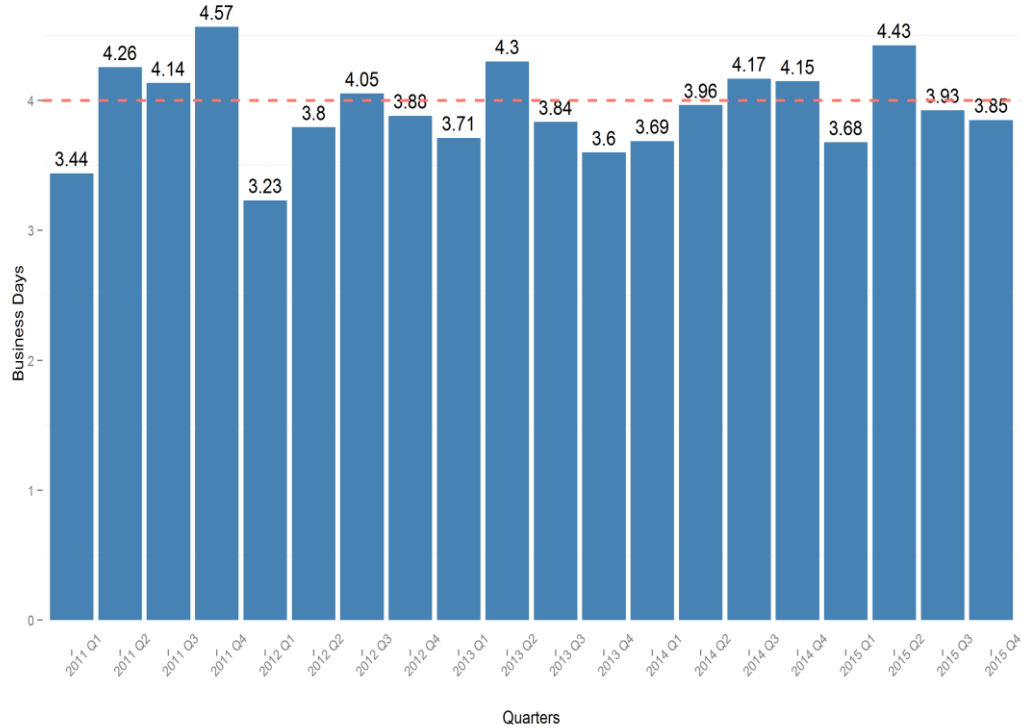
**Data Source:**  
BuySpeed

**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.  
*Requisition:* A document generated by a department/agency to notify the Purchasing Bureau of the goods or services it wants to order.

## The Purchasing Bureau met its quarterly target in Q4.

Average Business Days to Process Purchase Orders



**Responsible Organizations:**  
Bureau of Purchasing

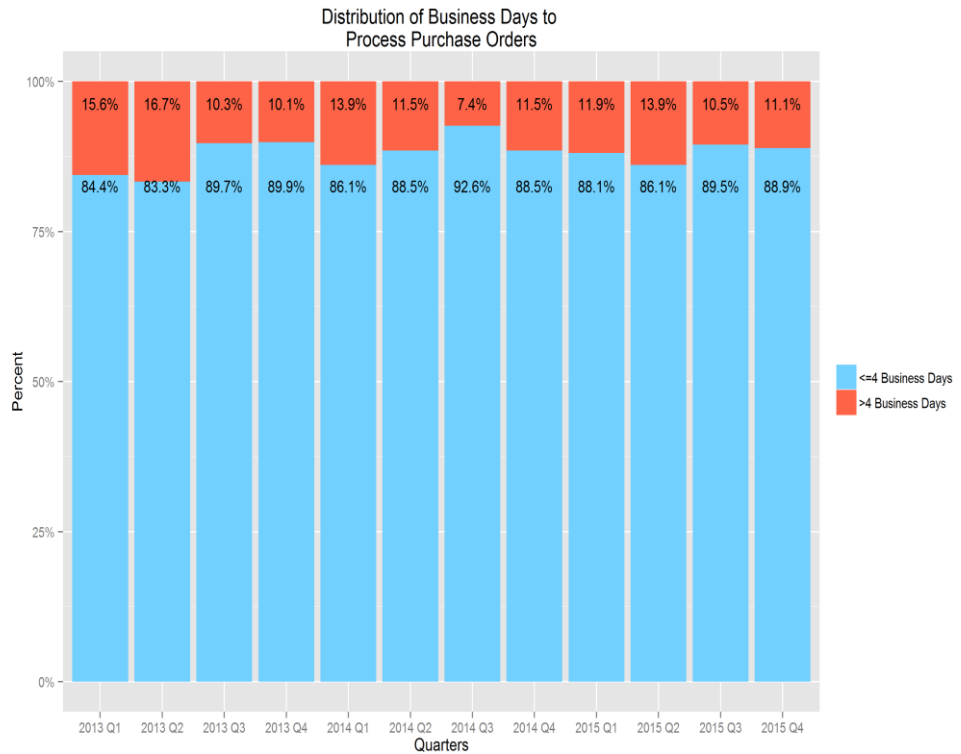
**Data Source:**  
BuySpeed

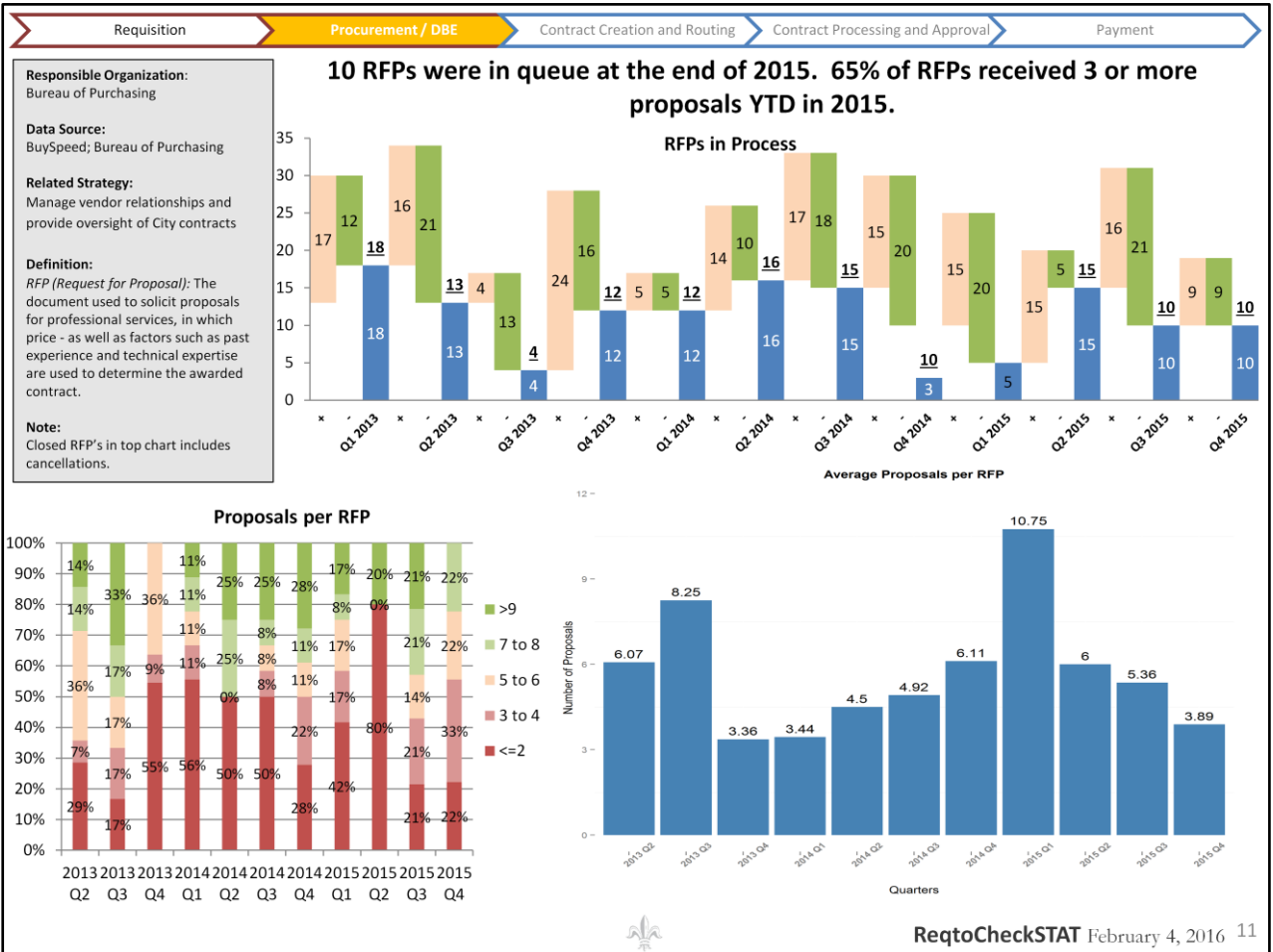
**Related Strategy:**  
Manage vendor relationships and provide oversight of City contracts

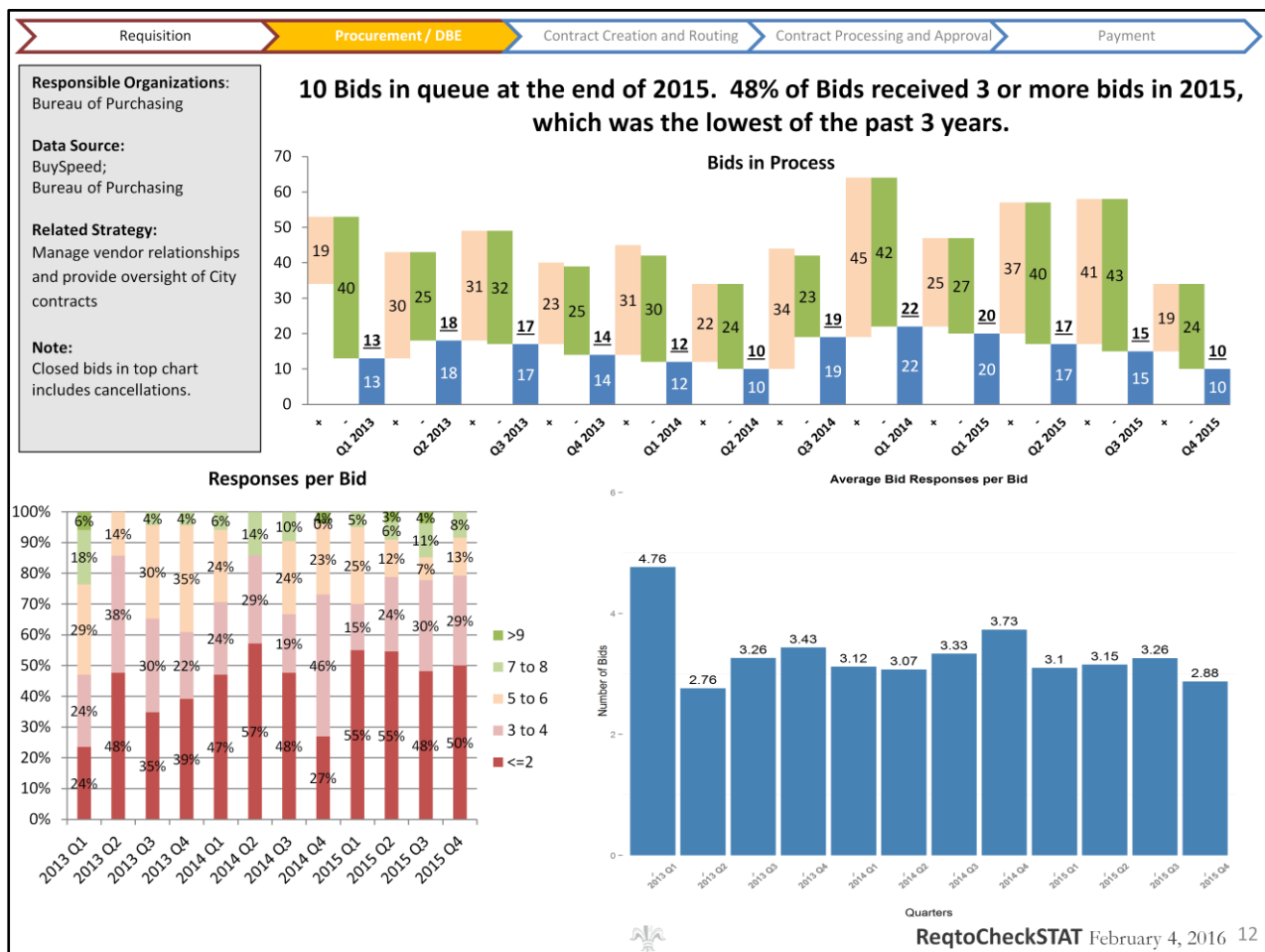
**Definition:**  
*Purchase Order (PO):* A written authority issued by the City to a vendor indicating the agreed price and quantities for goods and services.  
*Requisition:* A document generated by a department/agency to notify the Purchasing Bureau of the goods or services it wants to order.

**Note:**  
Percentages in lower chart subject to rounding error.

## 89% of requisitions were converted to purchase orders within 4 business days.







In order to help facilitate more competitive bidding, OPA and Purchasing will explore relationship between bid type, dollar amount threshold required for a particular, and the number of responses received to determine if the dollar amount thresholds should be amended for certain types of bids.

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

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

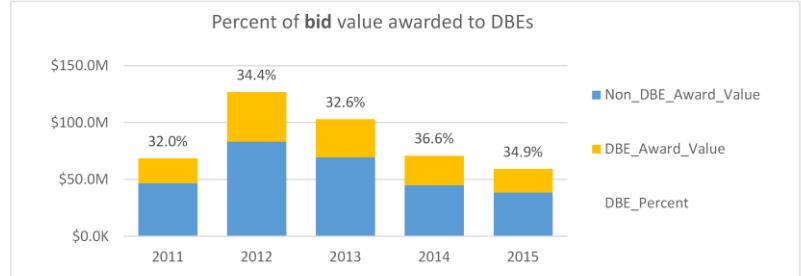
**Related Strategy:**  
Promote an environment of equal opportunity for a diverse supplier pool

**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; also currently excludes Aviation Board.

## In 2015, vendors committed 34.9% of bid contract value to DBE firms.

### Bids:



Bids					
Year	Estimated_Contract_Value	DBE_Award_Value	Non-DBE_Award_Value	DBE_Percent	
2011	\$ 68,621,515.00	\$ 21,958,884.80	\$ 46,662,630.20	32.0%	
2012	\$ 126,894,504.73	\$ 43,697,860.66	\$ 83,196,644.07	34.4%	
2013	\$ 102,756,809.00	\$ 33,501,039.20	\$ 69,255,769.80	32.6%	
2014	\$ 70,920,452.00	\$ 25,952,636.56	\$ 44,967,815.44	36.6%	
2015	\$ 59,728,567.70	\$ 20,856,772.25	\$ 38,422,795.70	34.9%	

### Status of 2015 Bids

Status	# of Bids
Validated	55
Cancelled/Re-bid	2
Not Tracked by OSD	8
Waived due to high specialization	22
Waived due to no DBE's available in market	8
<b>Grand Total</b>	<b>95</b>



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

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

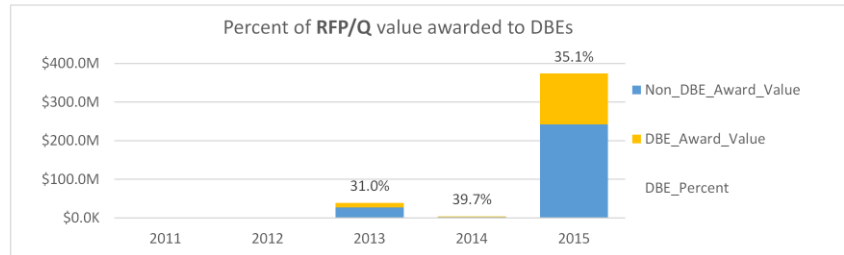
**Related Strategy:**  
Promote an environment of equal opportunity for a diverse supplier pool

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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.

**Notes:**  
Data excludes proposals for which DBE contracting requirements have been waived; also excludes Aviation Board, as well as any RFP under \$15K.

**Based on preliminary numbers, in 2015, vendors committed 35% of the value of contracts requiring an RFP to DBE firms.**

### RFPs:



RFP/Q					
Year	Estimated_Contract_Value	DBE_Award_Value	Non_DBE_Award_Value	DBE_Percent	
2013	\$ 39,284,499.52	\$ 12,188,373.75	\$ 27,096,125.77	31.0%	
2014	\$ 4,287,611.47	\$ 1,700,146.33	\$ 2,587,465.14	39.7%	
2015	\$ 373,521,023.67	\$ 131,281,256.00	\$ 242,342,767.67	35.1%	

### Status of 2015 RFPs

Status	# of RFPs
Validated	27
Not Tracked by OSD	3
Waived due to high specialization	2
Waived due to no DBE's available in market	2
TBD	4
<b>Grand Total</b>	<b>38</b>



Requisition





Procurement  
/ DBE

Contract  
Creation and  
Routing

Contract  
Processing  
and Approval

Payment

## Procurement/DBE

KPI	2014		2015		
	Actual	Target Met?	Actual	Target	Status
Average Business Days to Process Requisitions – Purchasing Bureau*	4.01		4	4	
Percent of City Contract Value Awarded to Disadvantaged Business Enterprises	37%		35%	35%	

\*Historical data for business days to process purchase orders adjusted in October 2015.



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**Responsible Organizations:**  
Chief Administrative Office (CAO);  
Civil Service;  
Finance Department;  
Office of Supplier Diversity;  
Bureau of Purchasing

**Data Source:**  
Electronic Contract Management  
System (ECMS)

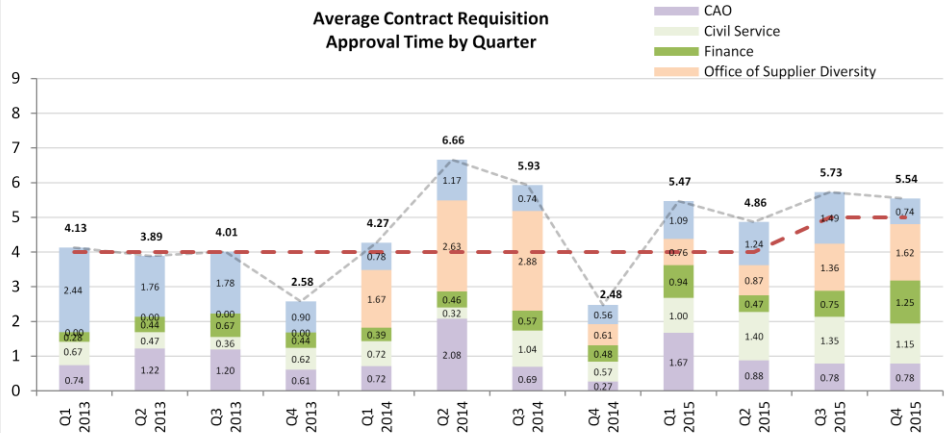
**Related Strategy:**  
Manage vendor relationships and  
provide oversight of City contracts

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

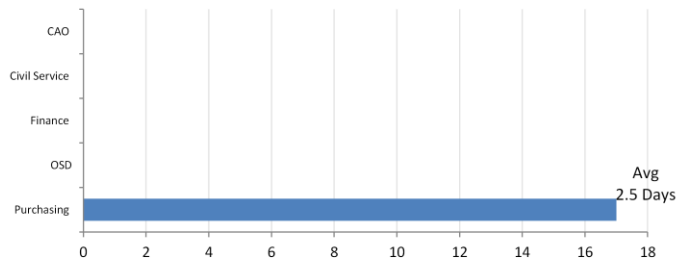
**Note:** Target adjusted in October  
2015 from 4 to 5, to account for  
the additional time that adding a  
fifth approval into the process in  
2014 had on overall processing  
times.

## Q4 2015's contract requisition days to approve slightly above target. 17 contracts in queue at end of year.

Average Contract Requisition  
Approval Time by Quarter



Contract Requisitions in Queue at the end of the Quarter





**Responsible Organizations:**  
 Law Department;  
 Chief Administrative Office\*;  
 Department/agency requesting contract;  
 Executive Counsel;  
 Mayor's Office;  
 City Council\*;  
 Property Management\*;

**Data Source:**  
 Electronic Contract Management System (ECMS)

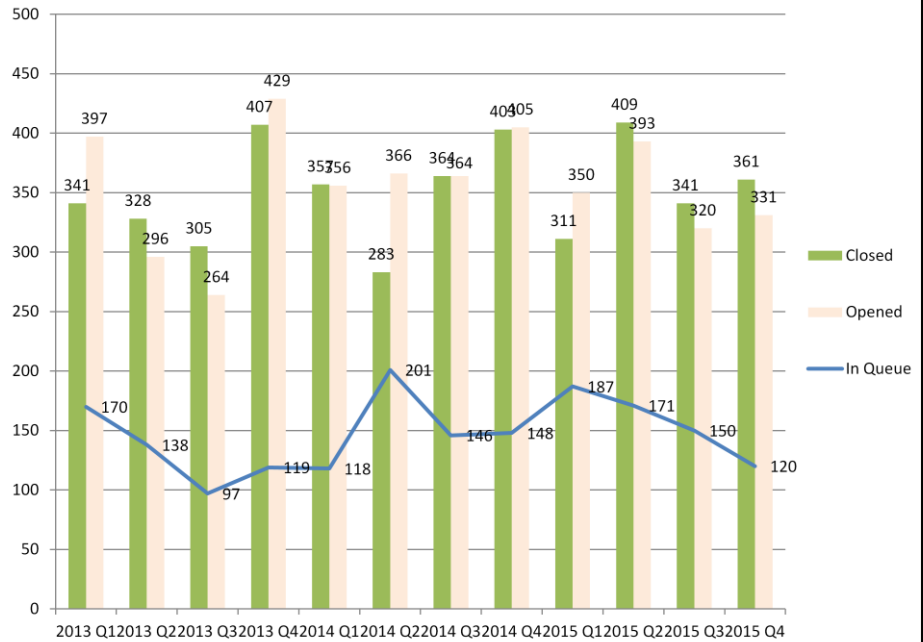
**Related Strategy:**  
 Manage vendor relationships and provide oversight of City contracts

**Note:**  
 A small number of contracts are executed by City Council, and some are delegated by the Mayor to be signed by the CAO or by the Director of Property Management.

Closed contracts denote any contract that has been signed or cancelled during the quarter.

The contracts in queue at the end of 2015 was at 120.

Contract Processing by Quarter



**Responsible Organizations:**

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

**Data Source:**

Electronic Contract Management System (ECMS); Law Department

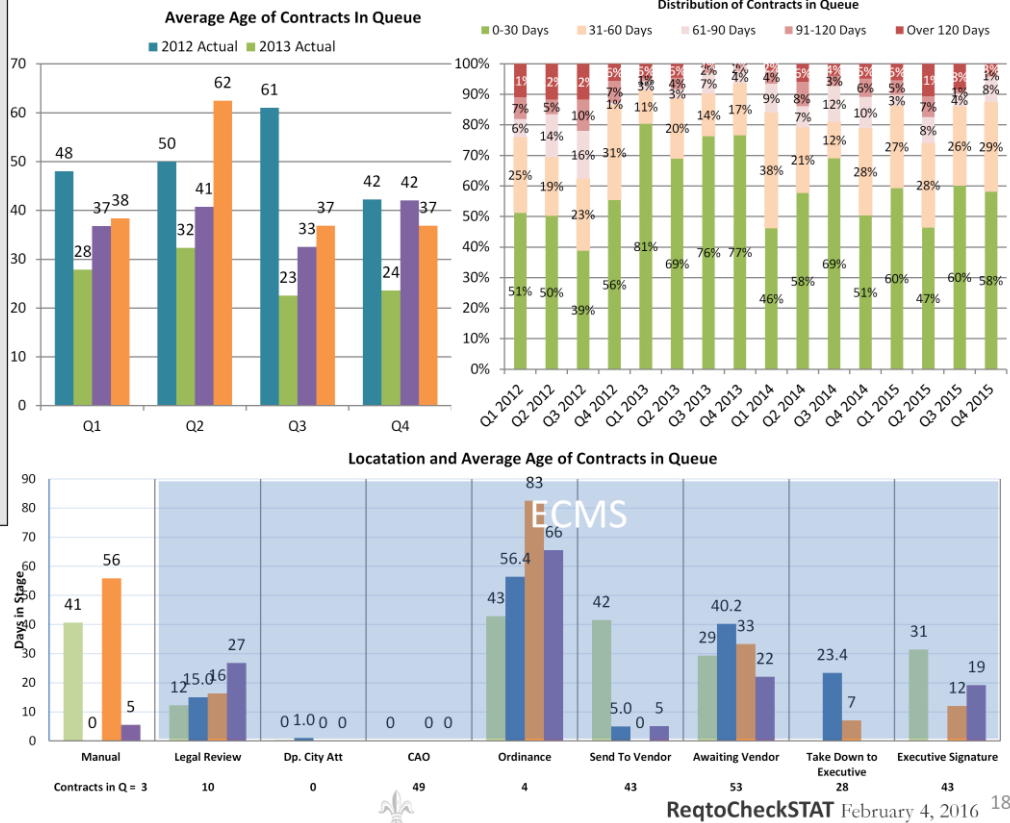
**Related Strategy:**

Manage vendor relationships and provide oversight of City contracts

**Note:**

These contracts have arrived back from vendor, but may need to be delivered to the proper executive signature, or be awaiting executive signature. A contract may be executed by either the Mayor, City Council, the Chief Administrative Officer, or Property Management.

## The average age of contracts in queue steady from previous quarter.



**Responsible Organizations:**  
Law Department;  
Department/agency requesting contract

**Data Source:**  
Electronic Contract Management System (ECMS)

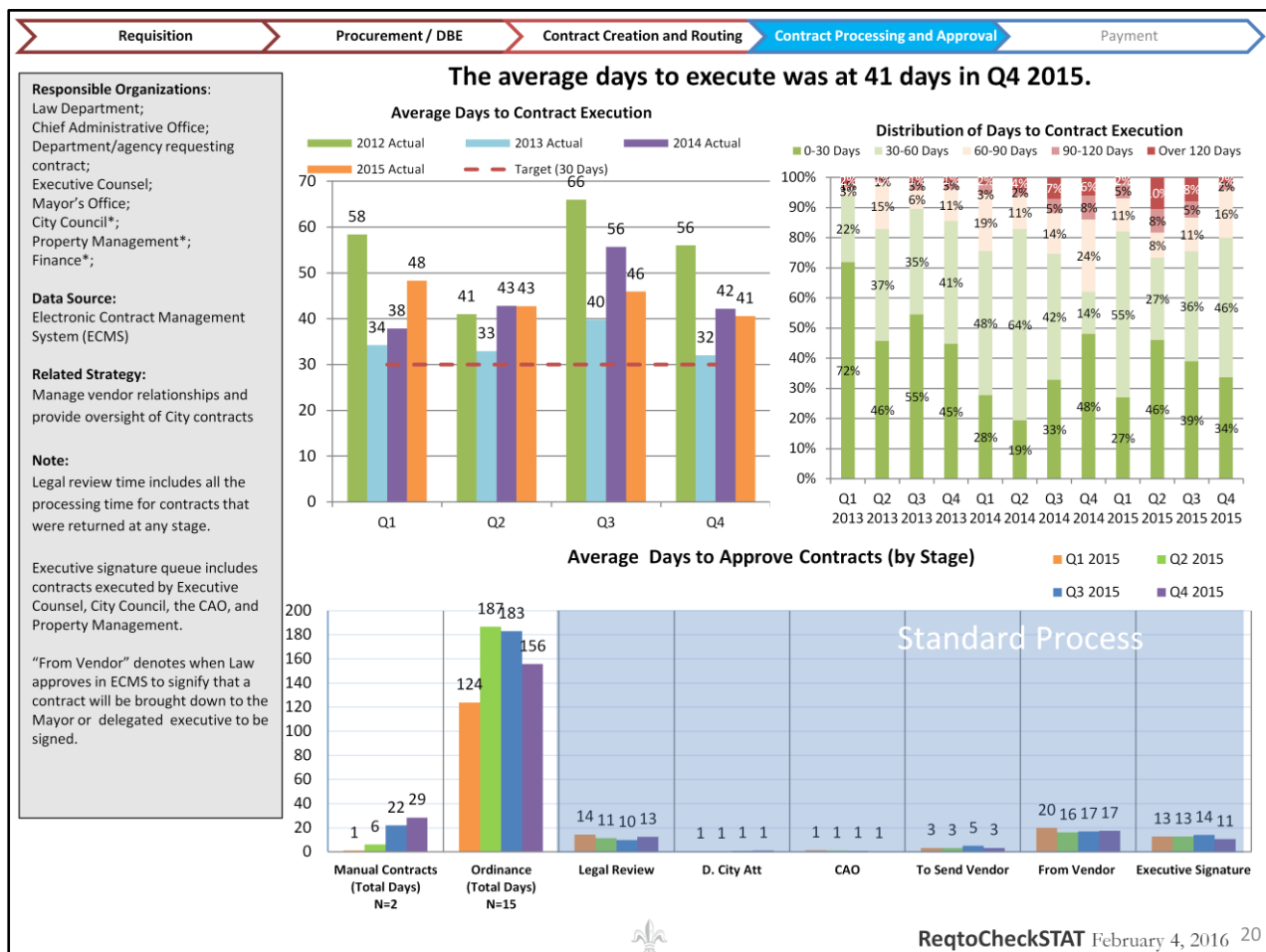
**Related Strategy:**  
Manage vendor relationships and provide oversight of City contracts

**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.

**There were 22 contracts awaiting vendor signature, with an average age of 48 days at the end of the year.**

Dept/Agency	Average Days Awaiting Vendor	# of Contracts
PROPERTY MANAGEMENT	119	2
OFFICE OF CRIMINAL JUSTICE COORDINATOR	44	1
HOMELAND SECURITY	28	6
PARKS & PARKWAYS	23	3
POLICE DEPARTMENT	21	3
PUBLIC WORKS	20	5
SANITATION DEPARTMENT	18	3
MUNICIPAL YACHT HARBOR MANAGEMENT CORPORATION(MYHMC)	18	1
HUMAN RESOURCES	16	1
CAPITAL PROJECT	16	5
MAYOR	15	1
NORD RECREATION DEPARTMENT	15	6
NEIGHBORHOOD STABILIZATION	12	4
OFFICE OF INSPECTOR GENERAL	9	3
HEALTH DEPARTMENT	6	3
AVIATION	1	1
<b>Grand Total</b>	<b>22</b>	<b>48</b>





OPA and Law to discuss whether to raise target days to execute. OPA will begin separating CEAs as a contract category in future analyses. They will also explore a few avenues to promote more timely processing, particularly with time only amendments and contracts requiring a City Council Ordinance. Further, they will pursue a new method for being able to notify departments/agencies when contracts are approaching expiration date.

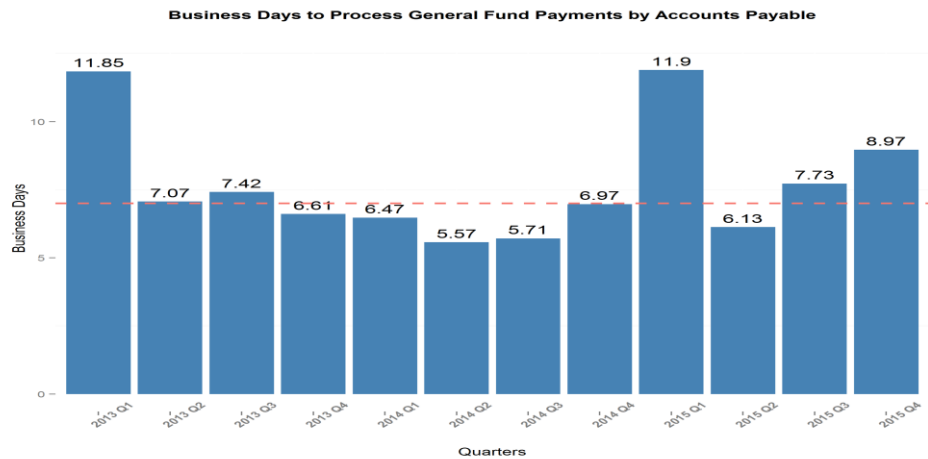
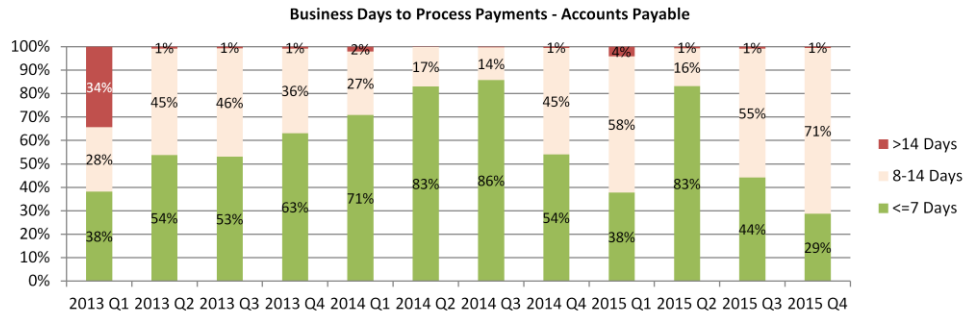
**Responsible Organizations:**  
Every department making  
general fund payments during  
a given month

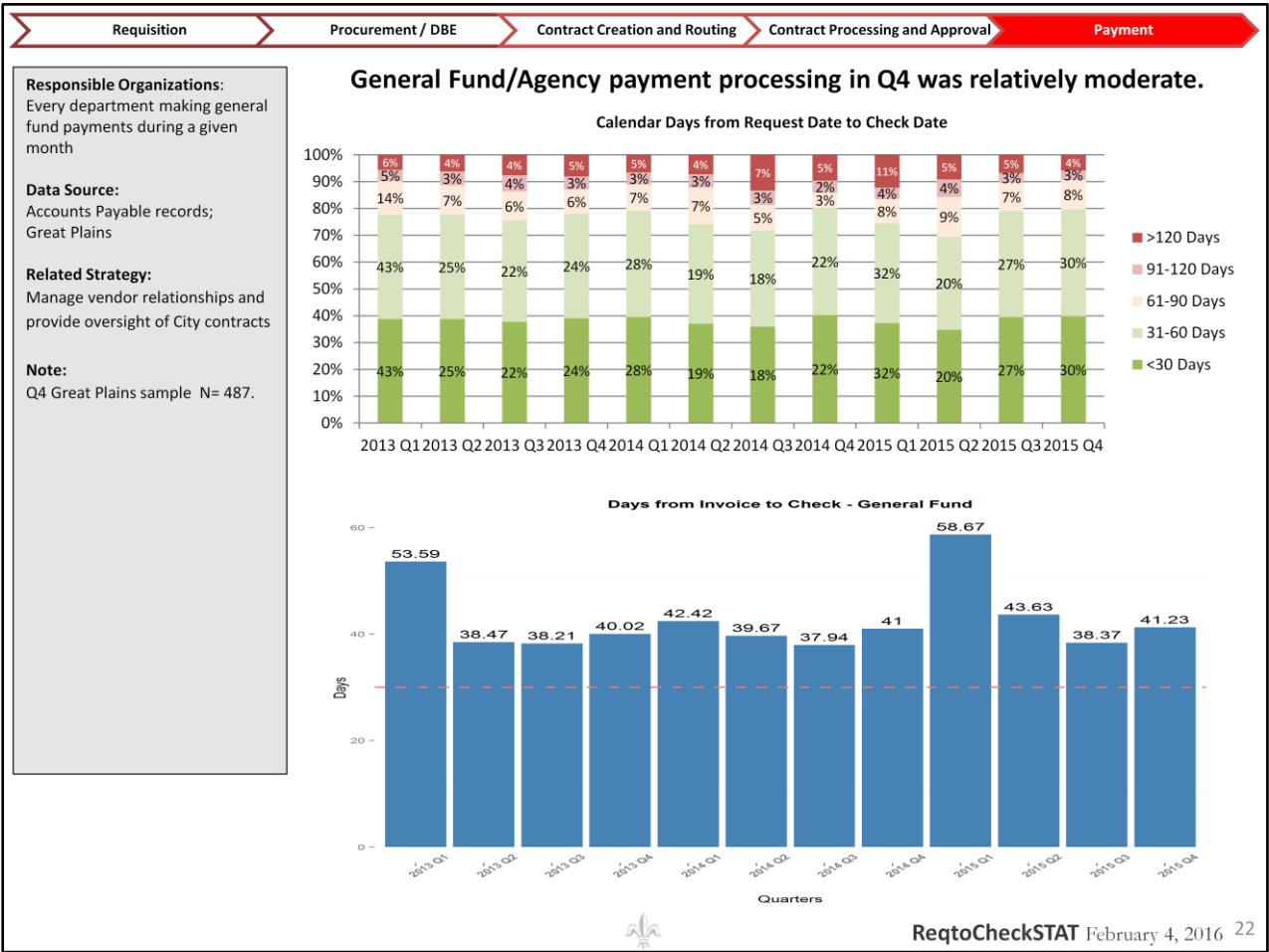
**Data Source:**  
Accounts Payable records;  
Great Plains

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

**Note:**  
Q4 Great Plains sample N=  
487.

## Accounts Payable less timely on General Fund/Agency payment processing than in previous quarters.





OPA and Finance to discuss whether to raise target days from request/invoice to payment.

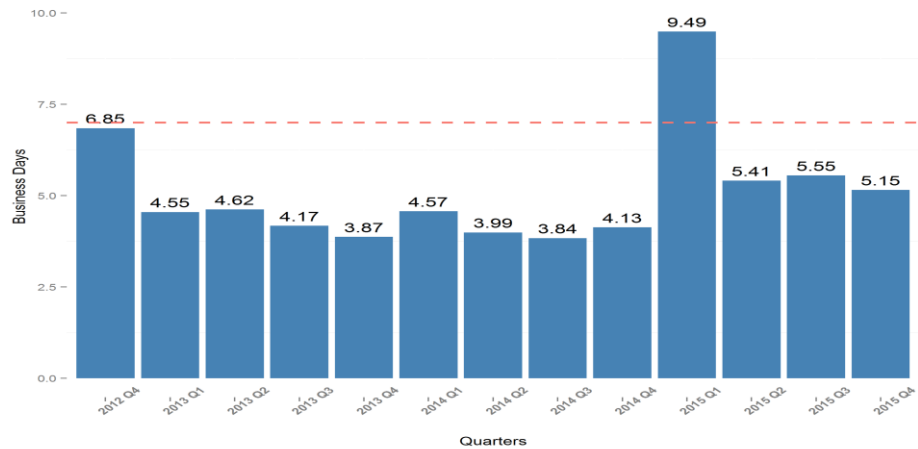
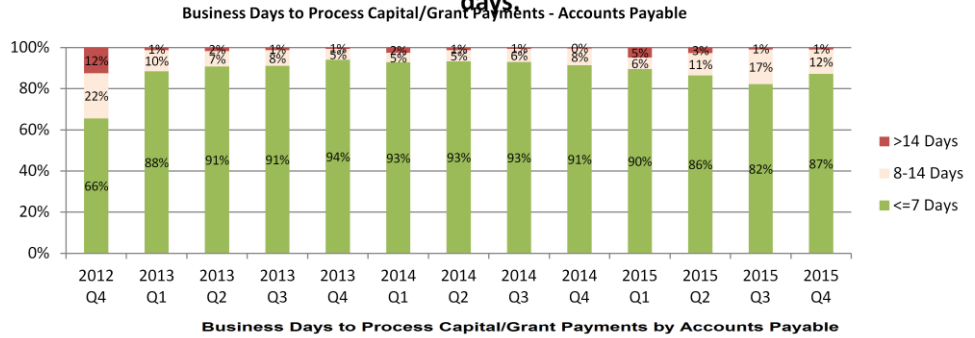
**Responsible Organizations:**  
Every department making capital or grant payments during a given month

**Data Source:**  
Accounts Payable records; AFIN

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

**Note:**  
Q4 2015 sample N=345.

## Accounts Payable capital/grant processing remained within the goal of 7 business days.



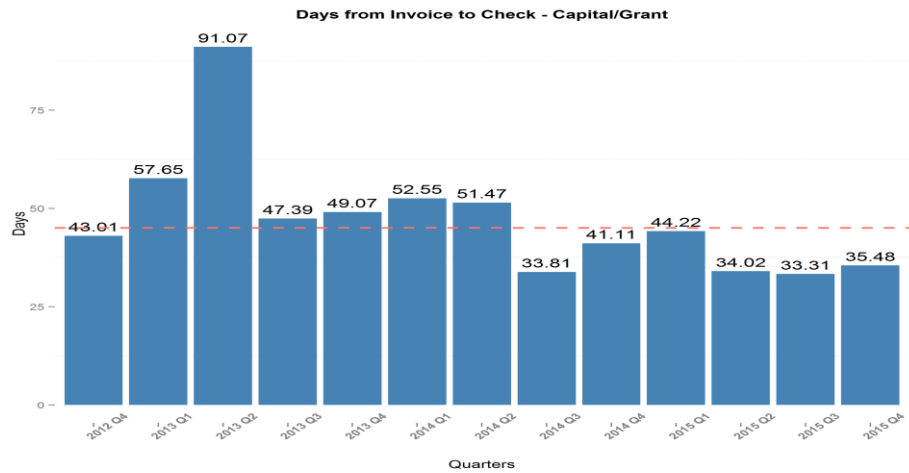
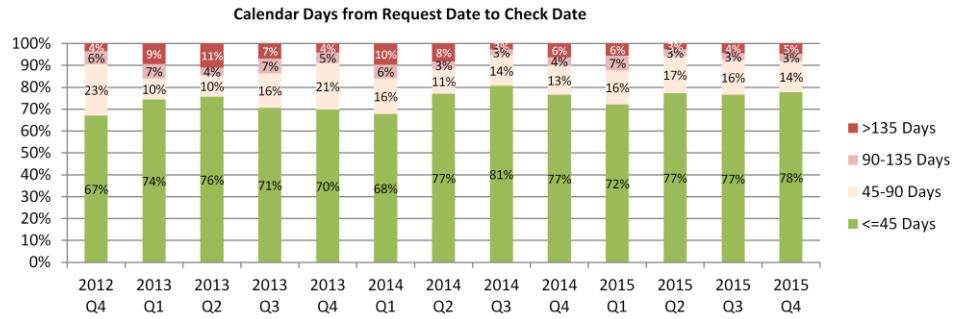
**Responsible Organizations:**  
Every department making capital or grant payments during a given month

**Data Source:**  
Accounts Payable records;  
AFIN

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

**Note:**  
Q4 2015 sample N=345.

## Overall timeliness on Capital/Grant payment processing exceeding target.





**Responsible Organizations:**  
Any department/agency making  
general fund payments

**Data Source:**  
Accounts Payable records;  
Great Plains

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

**Note:**  
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).

### Sample of General Fund (and Agencies) Payments Vouched for 4th Quarter 2015 - By Department/Agency

Dept/Agency	Average Days to Payment	# of Checks
Risk Mgmt.	95.3	6
Law	79.0	14
NOPD	66.3	24
NORDC	65.7	21
EMD	62.3	18
Consent Decree	59.5	2
Mayor's Office - Core	58.7	22
Code Enforcement	58.3	7
Public Works	53.7	20
Property Mgmt.	52.6	22
City Planning Commission	52.0	2
Fire	49.8	8
Sheriff	49.0	1
Library	48.3	42
MTCB	44.4	9
Safety & Permits	42.9	9
OIG	42.0	10
CAO	41.7	15
Homeland Security	41.0	3
Finance	40.5	2
EMS	39.8	17
Parks and Parkways	39.3	29
Council	38.4	14
Registrar of Voters	37.7	3
Revenue	35.9	8
Aviation	34.3	54
CAPITAL PROJECTS	32.7	3
Retirement	32.3	3
Mayor's Office - Other	31.2	5
Accounting	30.0	3
Civil Service	29.1	7
Health	28.4	8
ITI	28.3	7
Purchasing	27.0	2
ODD	26.8	11
Youth Study Center	25.6	16
Sanitation	25.1	10
Misc.	25.0	1
VCC	25.0	1
HDLC	24.5	2
CLERK OF CRIM DIST COURT	23.0	1
Municipal Investment	11.0	4
Coroner	4.0	2
TAX INCREMENT FINANCING (TIF)	3.0	1
Police Secondary Employment	2.2	18
<b>Grand Total</b>	<b>43.8</b>	<b>487</b>



**Responsible Organizations:**

Any department/agency making capital or grant payments

**Data Source:**

Accounts Payable records;  
AFIN

**Related Strategy:**

Manage vendor relationships and provide oversight of City contracts

**Note:**

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.

### Sample of Capital and Grants Payments Vouched for 4th Quarter 2015 - By Department/Agency

Dept/Agency	Average Days	# of Checks
Coroner	387.0	1
Property Management	77.0	5
Homeland Security	65.6	20
EMS	54.5	4
Capital Projects	53.2	24
Finance	53.0	1
Mayor	52.6	18
Code Enforcement	51.4	14
NORDC	46.0	2
OCD	42.7	135
OIG	36.0	3
Fire	35.7	3
Public Works	28.4	25
Health	24.3	87
OCJC	17.5	2
Law	4.0	1
<b>Grand Total</b>	<b>41.3</b>	<b>345.0</b>



**Responsible Organizations:**  
Office of Community  
Development

**Data Source:**  
Office of Community  
Development

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

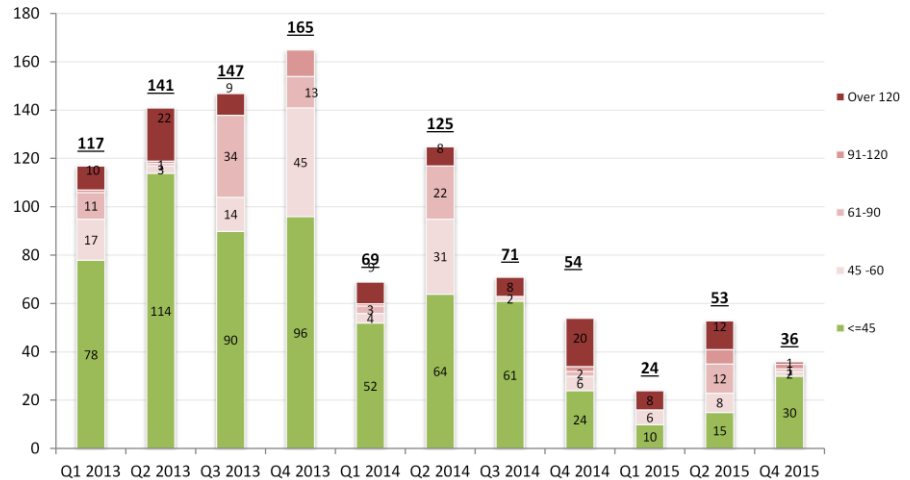
**Definition:**  
"In the Pipeline" – An invoice is  
considered in the pipeline when  
it reaches the office of a City  
agency or dept.

**Note:**  
Pipeline not measured in Q3  
2015.

## Nearly all Office of Community Development invoices had been in process for less than 45 days at end of 2015.

### OCD Invoices in the Pipeline

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

**Definition:**  
"In the Pipeline" – An invoice is considered in the pipeline when it reaches the office of a City agency or dept.

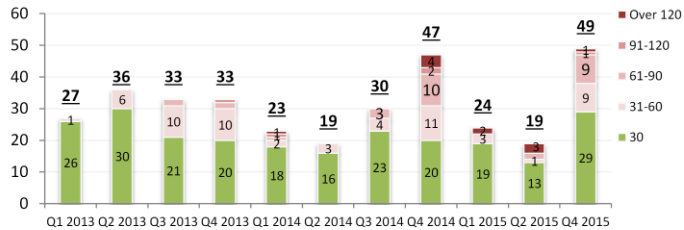
**Note:**  
Pipeline not measured in Q3 2015.

The majority of Capital Projects invoices were in process for less than 30 days.

### Capital Projects Invoices in the Pipeline

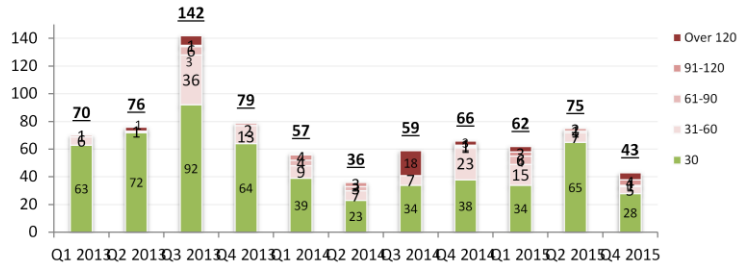
#### Revolver

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



#### City

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



Capital Projects Administration (CPA) noted that both CPA and DPW obtaining the funds required to process revolver payments in a timely manner, and are currently working with the CAO and the State to address those issues. They anticipate these challenges to be reflected in the data captured for Q1 2016.

**Responsible Organizations:**  
Department of Public Works

**Data Source:**  
Department of Public Works

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

**Definition:**  
"In the Pipeline" – An invoice is considered in the pipeline when it reaches the office of a City agency or dept.

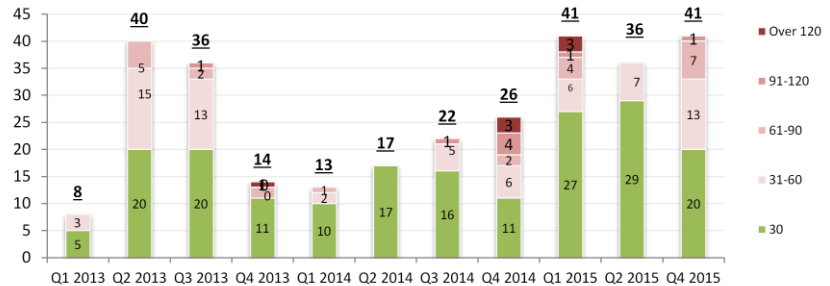
**Note:**  
Pipeline not measured in Q3 2015.

## The majority of Department of Public Works' invoices were in process for less than 30 days.

### DPW Invoices in the Pipeline

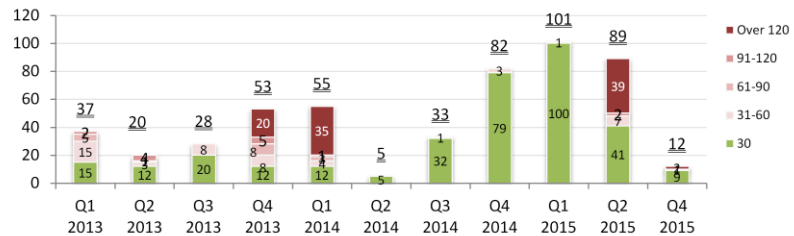
#### Revolver

DPW Revolver: Aging of Invoices in the Pipeline



#### City

DPW City: Aging of Invoices in the Pipeline







Requisition

Procurement

Contract Creation  
and RoutingContract  
Processing and  
Approval

Payment

# The Check: Accounts Payable

KPI	2014		2015		Status
	Actual	Target Met?	Actual	Target	
Percent of General Fund payments processed within 7 business days of being received by Accounts Payable	75%		54%	70%	
Percent of Capital/Grant Fund payments processed within 7 business days of being received by Accounts Payable	94%		86%	90%	



# Procurement Process Map/City of New Orleans

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

