



CITY OF NEW ORLEANS

ReqtoCheckSTAT

*Reporting Period: October 31st, 2013*

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

**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?**

This 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.

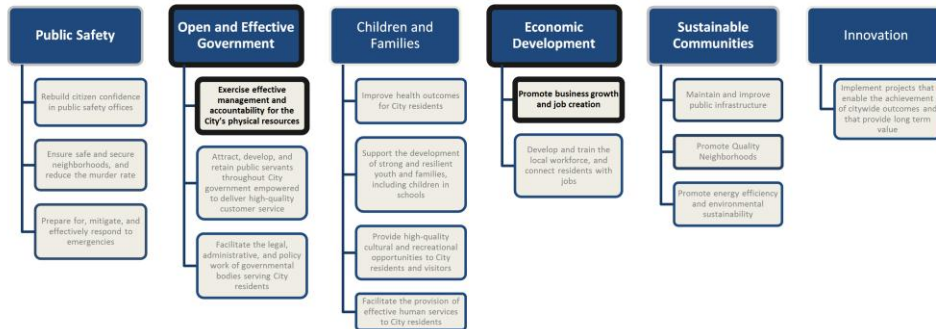
## Values

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

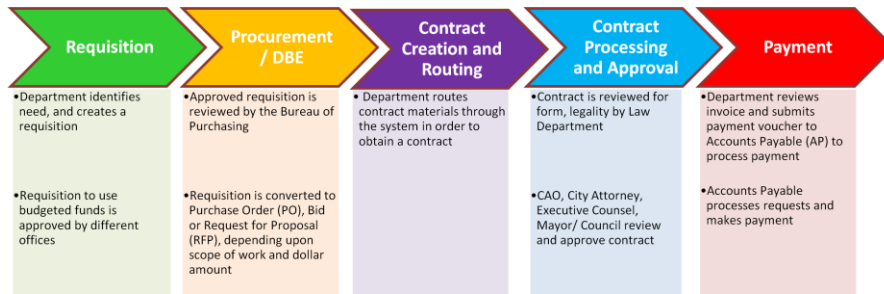


# Open and Effective Government

**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 (S&amp;P, Fitch, Moody's)</li> <li>Comprehensive Financial Statement Audit Opinion</li> <li>Property tax collection rate (two year)</li> <li>Satisfaction with ITI services</li> <li>Average number of respondents to bids and RFPs</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>Turnover rate</li> <li>Employee engagement and satisfaction (specific questions TBD from an internal survey)</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>Citizen satisfaction with overall government services (UNO Quality of Life Survey)</li> <li>Philanthropic resources secured</li> </ul>

# Procurement Process Overview\*



\*See a more detailed process map on slide 35

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**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.

There were no severity 1 outages in October.

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

System	January		February		March		April		May		June		July		August		September		October	
	Server	App.	Server	App.	Server	App.	Server	App.	Server	App.	Server	App.	Server	App.	Server	App.	Server	App.	Server	App.
<b>BuySpeed ** &amp;***</b> GF and Agency (Procurement/Bids/Payments)	0	8	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>ECMS *</b> Contract Routing	0	8	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>AFIN</b> Capital and Grants (Procurement/Payments)	0	0	0	0	0	0	0	0	0	0	0.25	0.25	0	0	0	0	0	0	0	0
<b>Great Plains</b> GF and Agency (Payments)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

ITI's procurement and contracting systems have remained stable in late 2013.

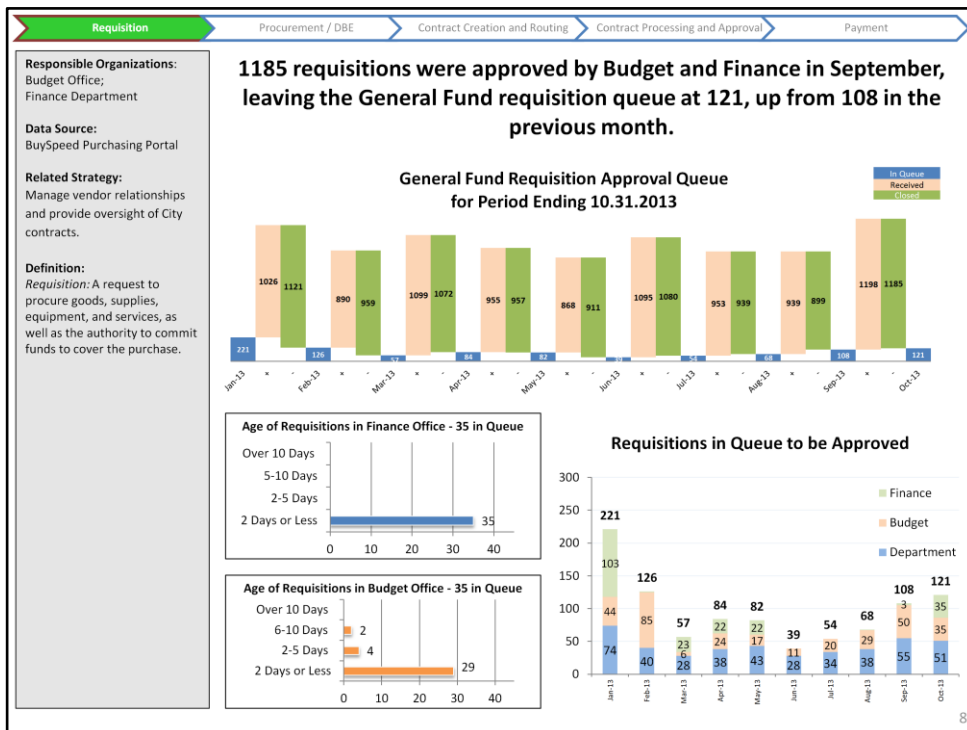


## Requisition Approval

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

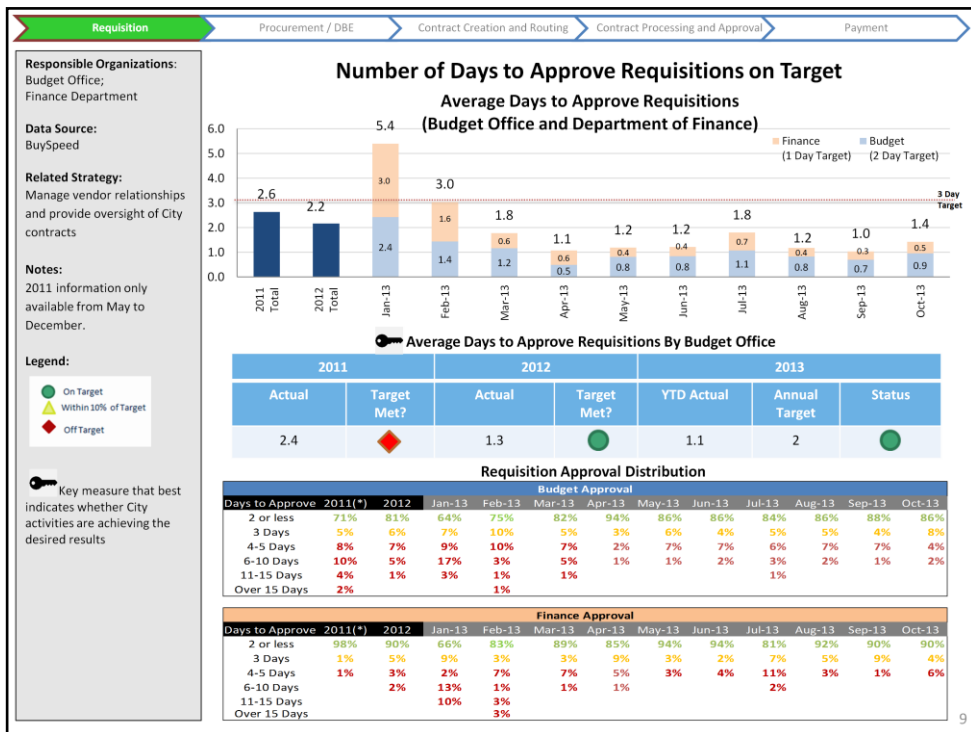
### Action Items \*

Responsible Parties	Area	Action Item	Status	Detailed Status
Andrew Kopplin and Brian Firstley	Requisitions	Initialize review of services provided by the Budget Office to introduce service level agreements (SLAs) a. Type of services provided b. Expected time to complete or follow up with departments	<u>In Process</u>	SLAs objectives still outstanding. Meeting to be scheduled by the CAO.
Brian Firstley and James Hussert	Requisitions	Draft process / protocol to add org codes / users to systems (Brian + Task Force) a. What do departments need? b. Who do they need to reach out? c. What are the steps?	<u>In Process</u>	<u>Draft is ready to be reviewed by the CAO</u>
Brian Firstley	Requisitions	Develop a plan to mitigate potential lapses in processing associated with the beginning of the fiscal year.	<u>In Process</u>	Budget will encourage departments with major required contractual obligations to encumber the required funding in the first few business days of 2014, while continuing to be aggressive with requisition processing.



Despite receiving a higher number of requisitions than any other month in 2013, Budget and Finance's requisition queue remained relatively steady.





Budget and Finance requisition approval remains by far the speediest stage of the ReqtoCheck process.

Requisition
Procurement / DBE
Contract Creation and Routing
Contract Processing and Approval
Payment

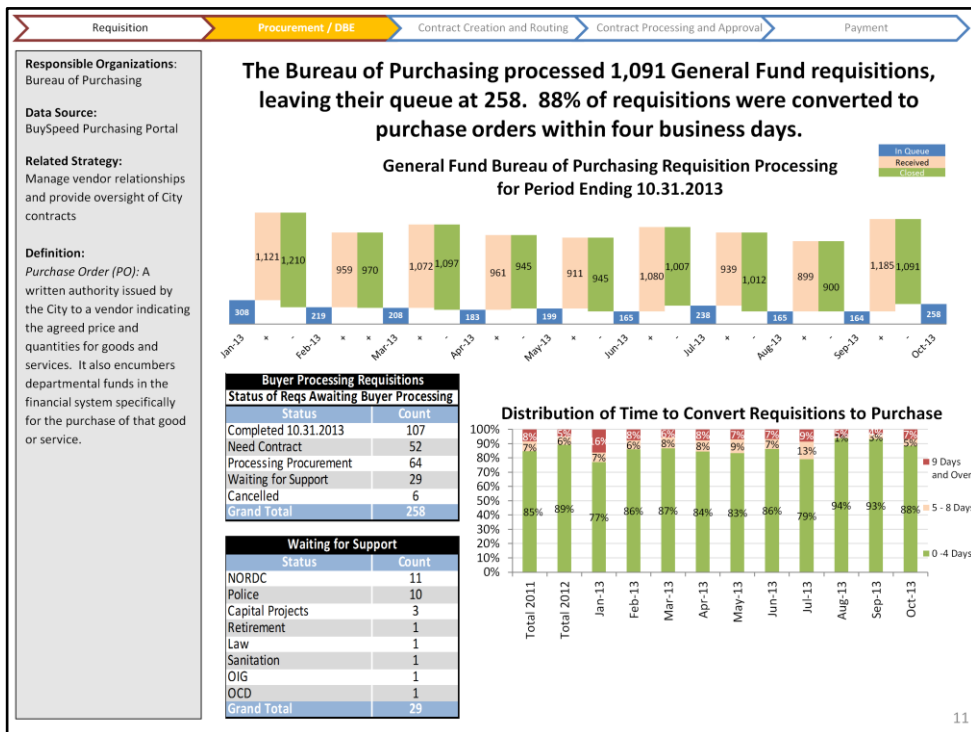
## Requisition to Procurement

- 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

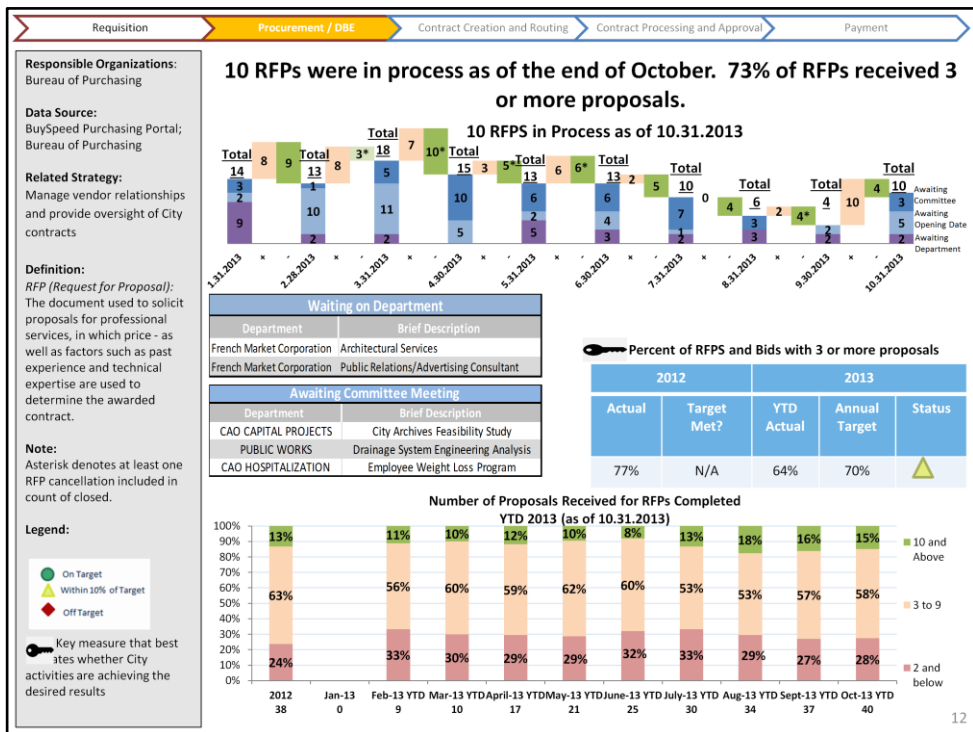
Action Items \*

Responsible	Area	Action Item	Status	Detailed Status
Mary Kay Kleinpeter	PO/BID/RFP/DBE	Share the report provided by the procurement consultants with the ReqtoCheck group. Schedule an external meeting with Andy to review the recommendations.	Open	Report was shared with ReqtoCheck group. Waiting to schedule follow up meeting.

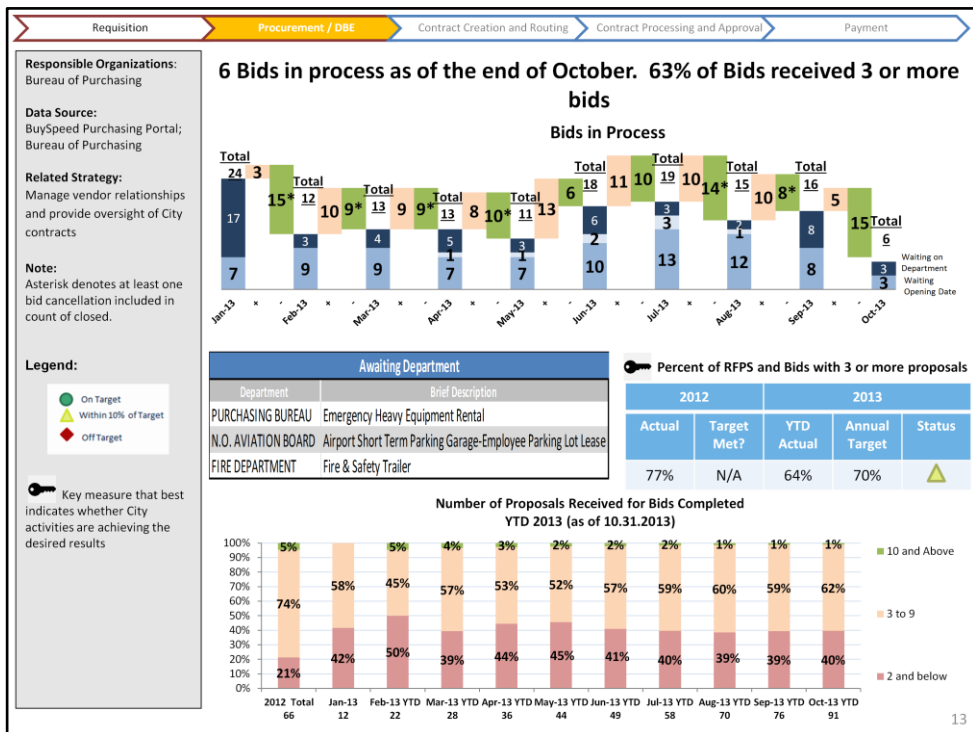
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Finance and the Bureau of Purchasing are considering revising the policy in regards to taking the Bureau of Purchasing out of the process of converting purchase orders under \$1,000, which accounts for approximately 70-75% of general fund requisitions. This would speed up processing times and allow procurement staff to focus their efforts on high value procurement.



RFPs have received a desirable level of competition so far in 2013.

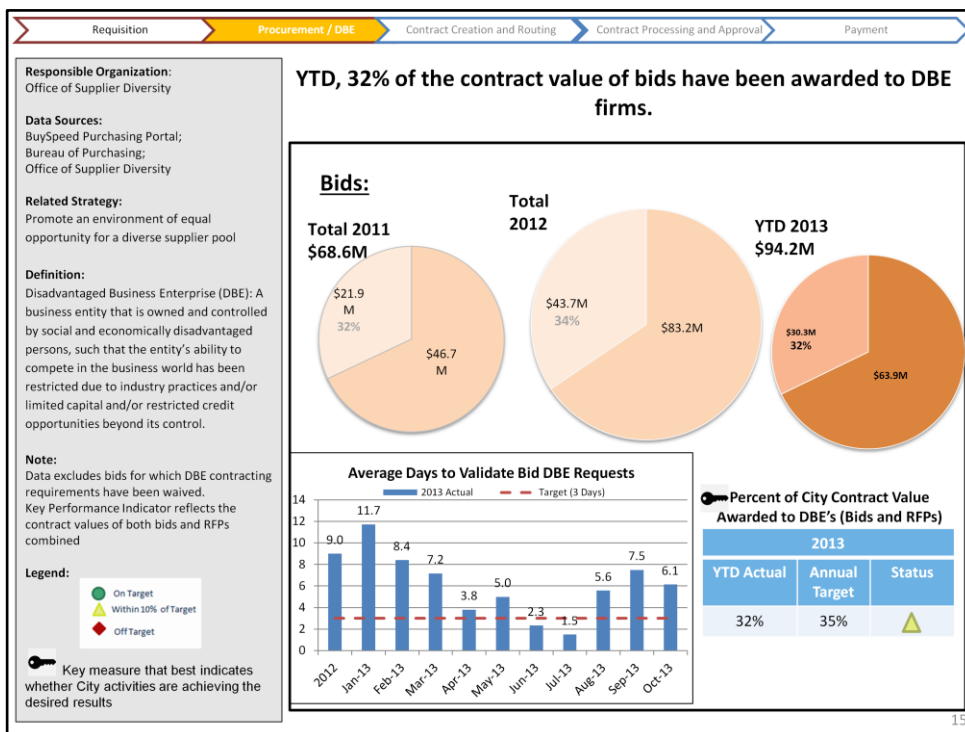


Bids are not receiving the level of competition desired by the administration.

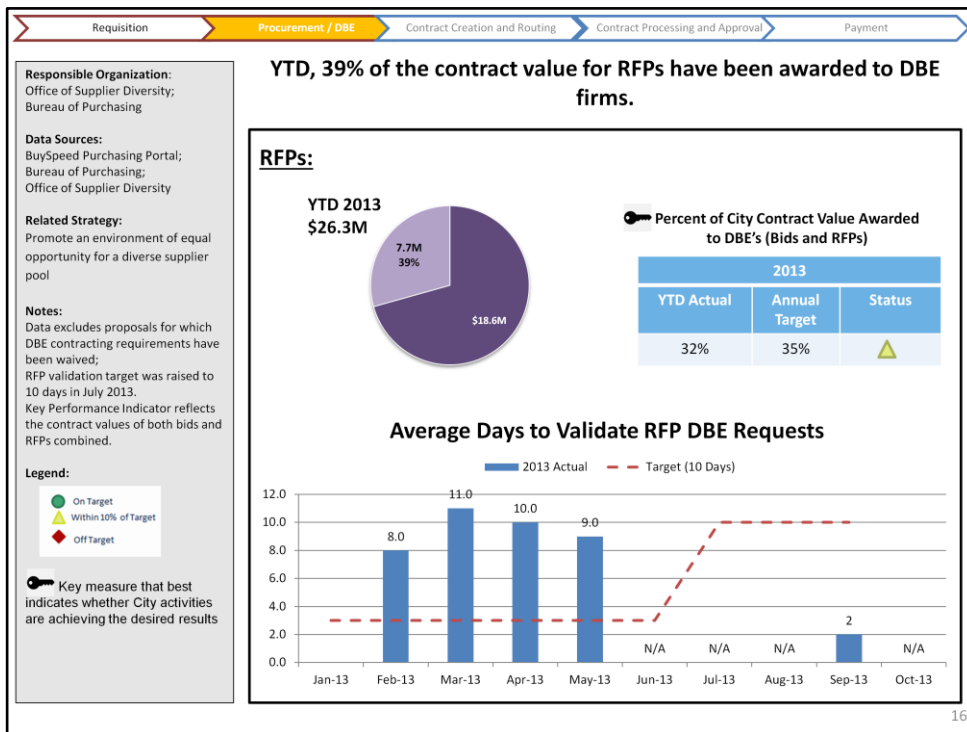
# Economic Development

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

Objectives and Strategies	Outcome Measures
<b>Promote business growth and job creation</b> <ol style="list-style-type: none"> <li>1. Foster a business-friendly regulatory environment, including streamlining the permitting process</li> <li>2. Promote an environment of equal opportunity for a diverse supplier pool</li> <li>3. Aggressively seek to attract new business and retain existing businesses</li> <li>4. Provide support for world-class special events</li> </ol>	<ul style="list-style-type: none"> <li>• Job growth (metro)</li> <li>• High wage job growth</li> <li>• Cultural industry job growth</li> <li>• Tourism growth (metro)</li> <li>• Population growth</li> <li>• Value of residential and commercial construction</li> <li>• Office, retail, and warehouse space occupancy rates (deviation from mean of benchmark jurisdictions)</li> <li>• Sales taxes generated</li> <li>• Occupational license growth</li> </ul>
<b>Develop and train the local workforce, and connect residents with jobs</b> <ol style="list-style-type: none"> <li>1. Provide access to work opportunities to youth and other vulnerable populations</li> <li>2. Promote workforce development and skills training to meet employers' needs</li> <li>3. Link employers to the local workforce</li> </ol>	<ul style="list-style-type: none"> <li>• Unemployment rate</li> <li>• Average annual wages</li> <li>• Gross Metro Product (GMP) per job</li> <li>• Educational attainment (proportion of population with some college, and bachelor's degree or higher)</li> <li>• Size of the City's middle class (proportion of households by national income quintiles)</li> <li>• Median household income by race and ethnicity</li> </ul>



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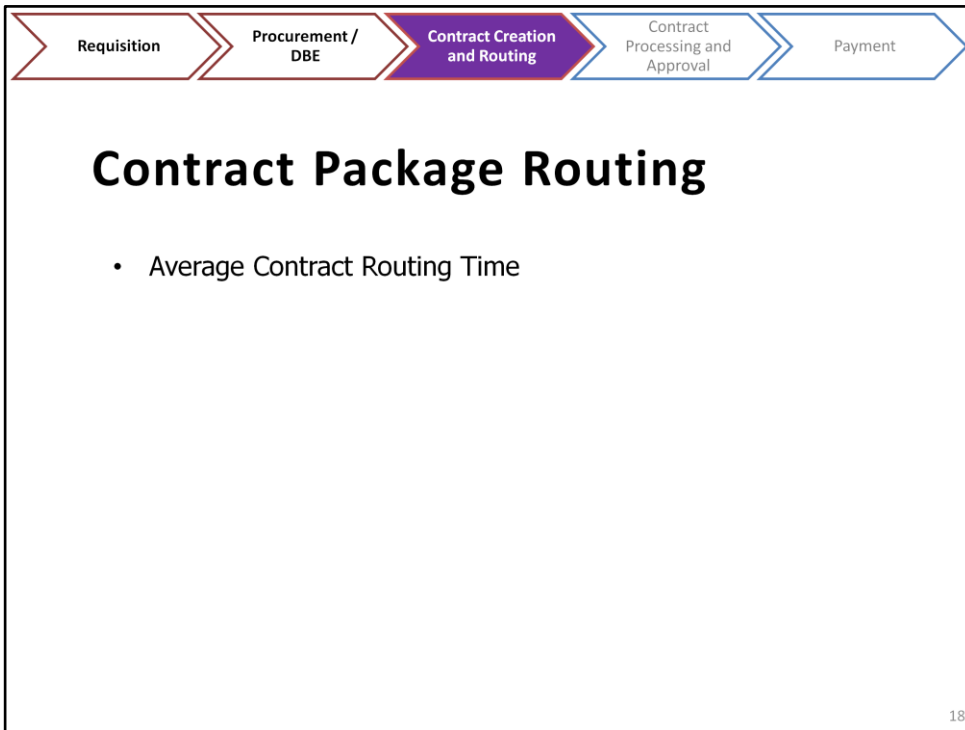
The lack of validation data for RFPs for many of the last few months was discussed. OPA and the Office of Supplier Diversity will set up a meeting to figure out if a better reporting method is needed.

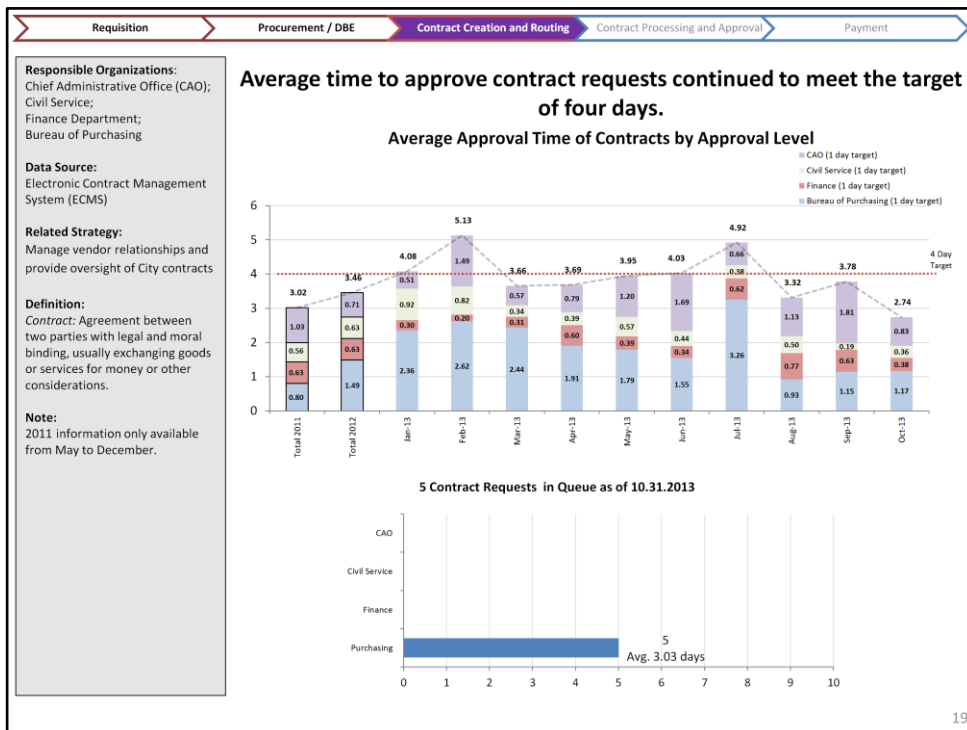


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The time to approve contract requests by Purchasing, Finance, Civil Service, and the CAO met the total four day target for the third month in a row, and reached a historical low of 2.74 in October.

Requisition	Procurement / DBE	Contract Creation and Routing	Contract Processing and Approval	Payment
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## Contract Approval Process

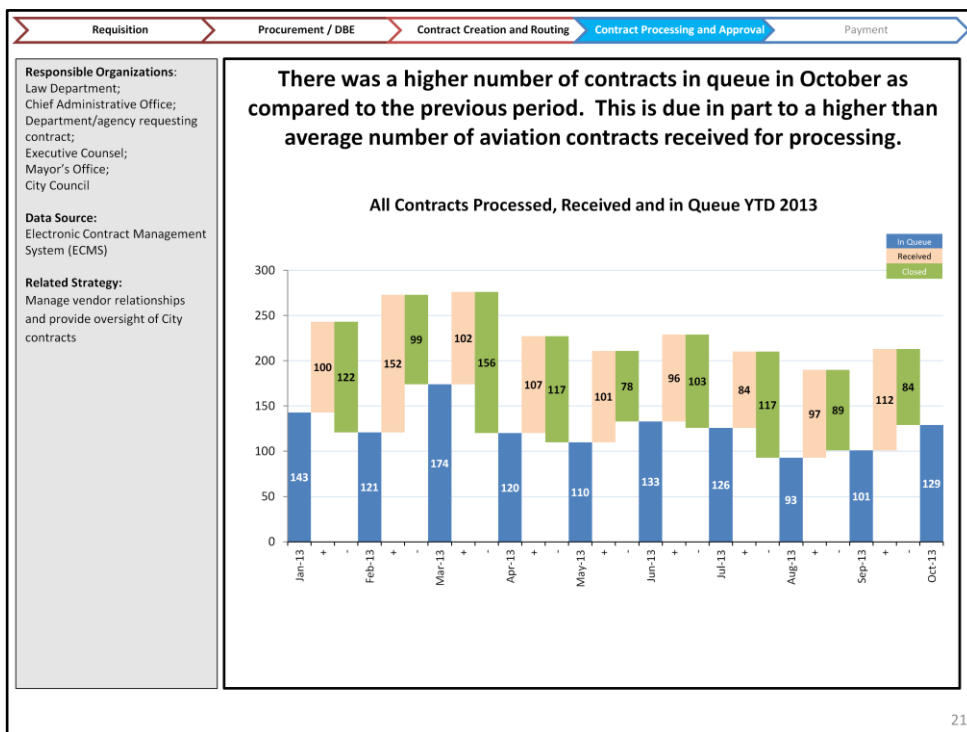
- Contract Processing and Approval

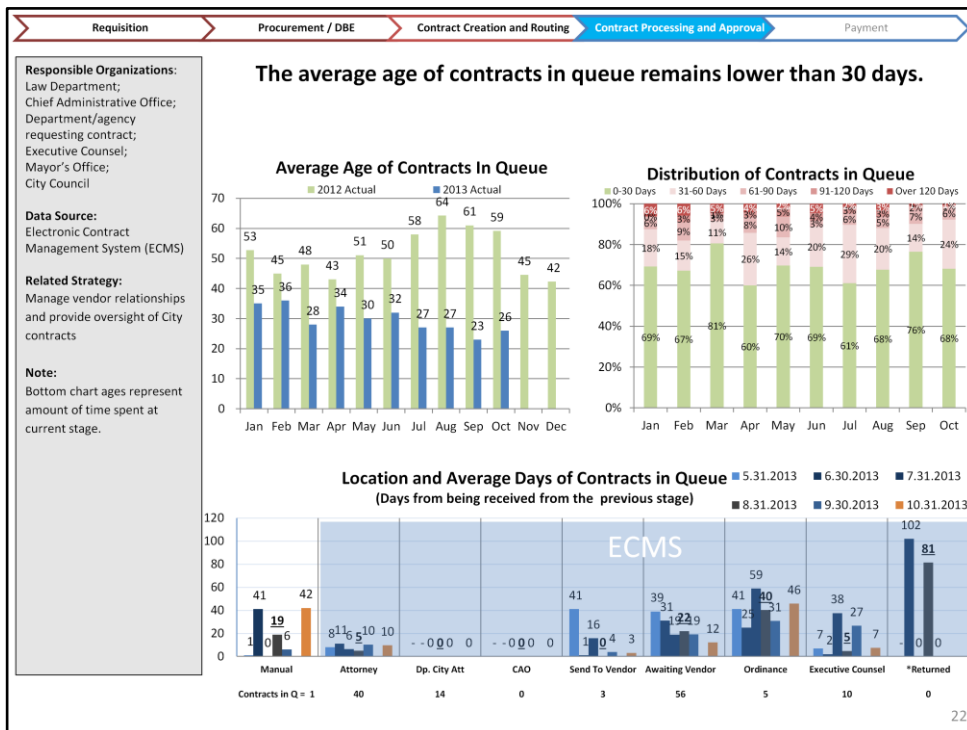
**Action Items \***

Responsible Parties	Area	Action Item	Status	Detailed Status
Rebecca Dietz	Contracts	Risk management form update. a. What is the process ?	<u>In Process</u>	Risk management provided risk form and draft of insurance requirements to be included in bids and rfps. Insurance wording is currently being reviewed by Law. Search for new Risk Manager currently proceeding.
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 ReptoCheck 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.
Rebecca Dietz	Contracts	Legal opinion on 8R and conversation with the City Council.	<u>In Process</u>	Executive Counsel feedback needed.
Rebecca Dietz, Mary Kay Kleinpeter, and Allen Square	Contracts	Develop a method to ensure that Buyspeed and ECMS vendor contact information is kept up to date.	<u>Open</u>	
Vic Spencer and Rebecca Dietz	Contracts	Explore an effective way to measure and set a target for the age of contracts in queue.	<u>Open</u>	OPA and Law met to discuss in October. OPA will conduct analysis of the factors affecting the number of contracts in queue after Law provides supplemental data in January.

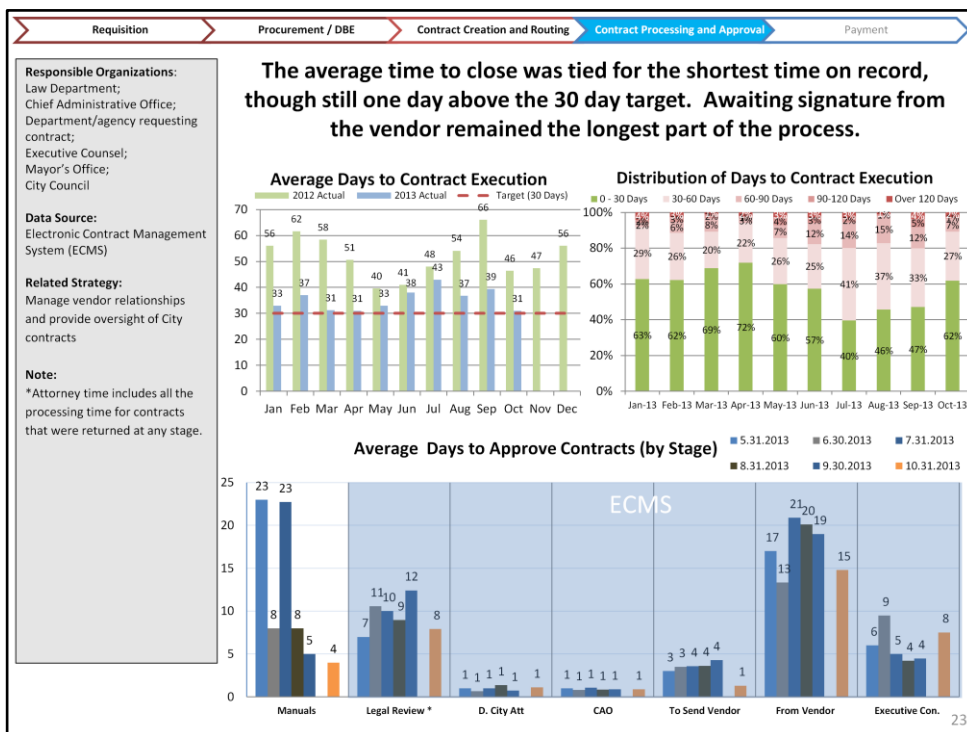
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Procurement suggested to Law to publish previous draft of 8R, as prepared by Law in 2012, per the preference of Executive Counsel.





Over the past few months, the average age of contracts in queue have been historically low, and are far less than half the age of the same period in 2012.



Requisition	Procurement / DBE	Contract Creation and Routing	Contract Processing and Approval	Payment
<p><b>Responsible Organizations:</b> Law Department; Department/agency requesting contract</p> <p><b>Data Source:</b> Electronic Contract Management System (ECMS)</p> <p><b>Related Strategy:</b> Manage vendor relationships and provide oversight of City contracts</p> <p><b>Note:</b> 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.</p>				
<p><b>The number of contracts awaiting vendor signature was at 56 at the end of October. The average time awaiting vendor was the lowest on record.</b></p>				
<p align="center"><b>Contracts Awaiting Vendor Signature</b> (5 contracts waiting over 30 days as of 10.31.2013)</p>				
Department	Average Days Awaiting Signature	Number of Contracts		
DISASTER CDBG UNIT	83	1		
CIVIL SERVICE	49	1		
HUMAN RESOURCES	36	1		
HEALTH DEPARTMENT	29	3		
PROPERTY MANAGEMENT	17	3		
Homeland Security Grant Approval	15	1		
CAPITAL PROJECTS	14	4		
PUBLIC WORKS	12	3		
NORD RECREATION DEPARTMENT	11	5		
HOMELAND SECURITY	9	5		
FINANCE	8	2		
PUBLIC LIBRARY	7	1		
AVIATION	7	18		
NEIGHBORHOOD STABILIZATION	4	5		
LAW	2	1		
OFFICE OF INSPECTOR GENERAL	2	1		
ITI	0	1		
<b>Grand Total</b>	<b>12</b>	<b>56</b>		



Requisition
Procurement
Contract Creation and Routing
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Payment

## The Check: Accounts Payable

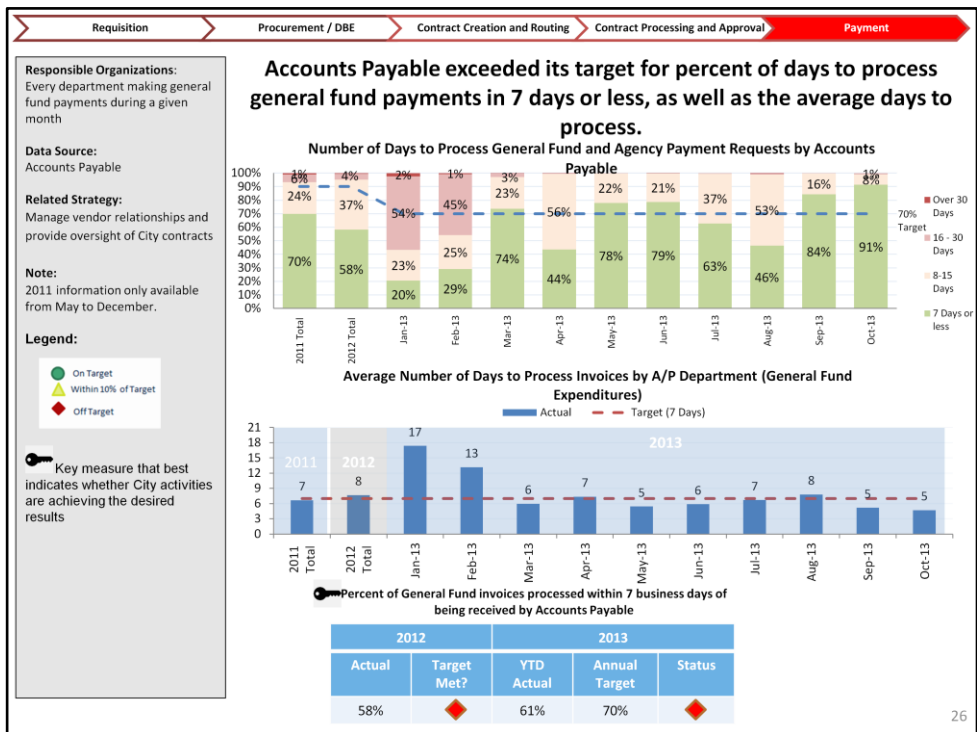
- PO Date and Invoice Date Analysis
- General Fund Payments
  - Processing by Accounts Payable
  - Payment from Invoice Date
- Capital and Grants Expenditure Payments
  - Processing by Accounts Payable
  - Payment from Invoice Date
  - Detail Review (invoices in the pipeline)
    - CDBG Invoice Payments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

### Action Items \*

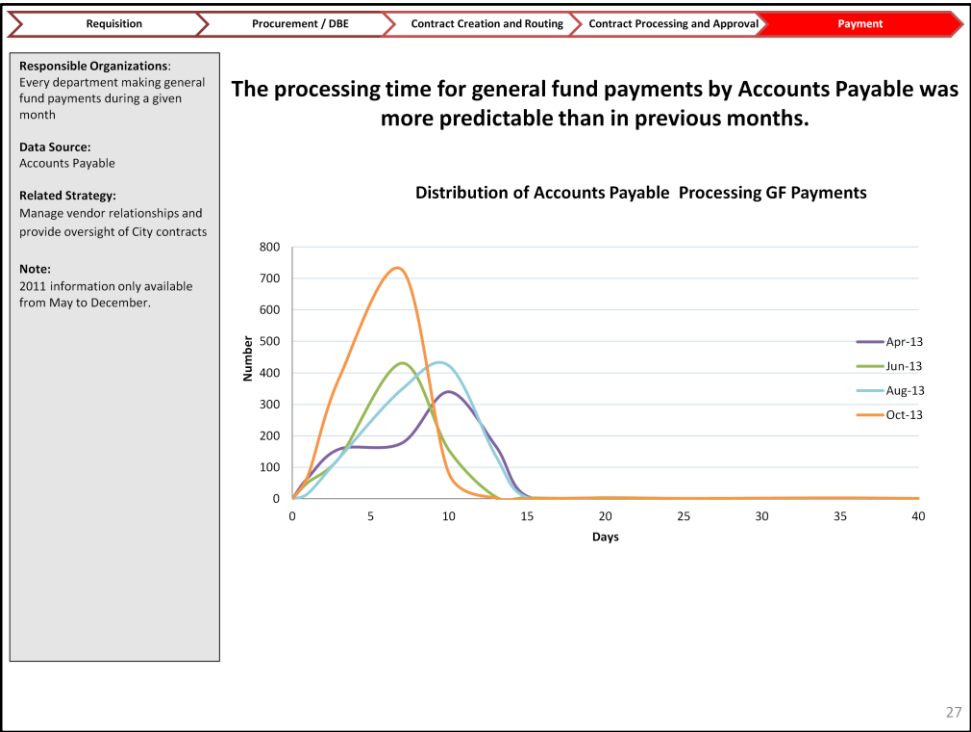
Responsible Parties	Area	Action Item	Status	Detailed Status
Norman Foster	Payment	Look into the potential system integration needs of using pcards to buy goods.	<u>Open</u>	A meeting has been held with the City's bank to explore this issue.
Norman Foster	Payment	Should vendors send invoices to departments or Accounts Payable. PO information notes to send invoices to A/P, but invoices are being sent to departments.	<u>Open</u>	Invoices will remain to be sent to departments. The comptroller is contacting departments to make sure departments are not holding invoices.

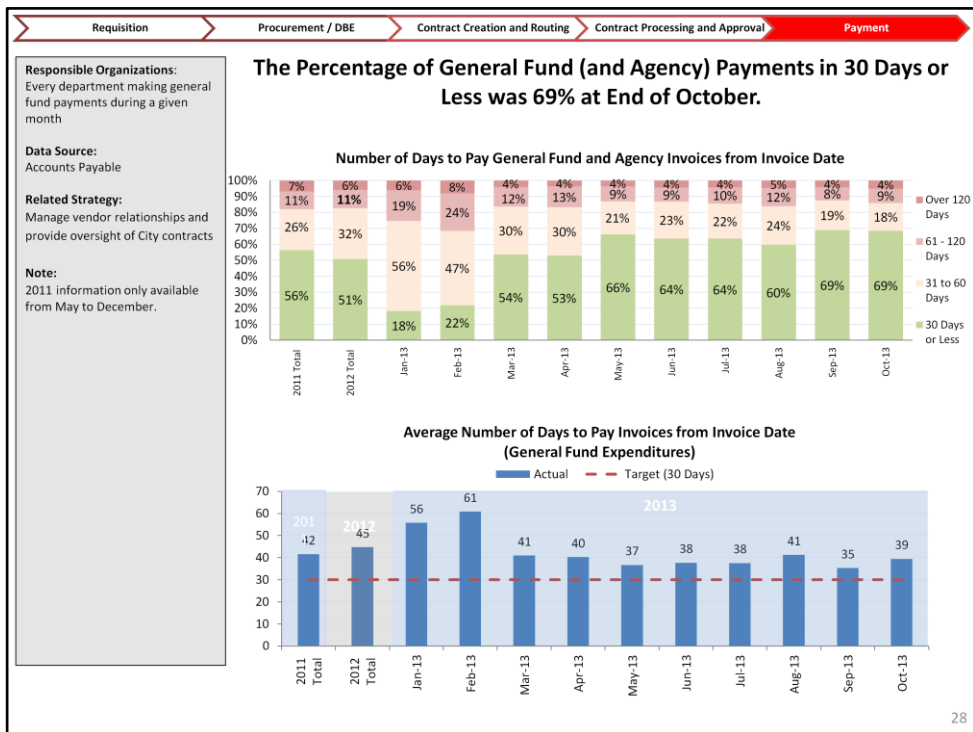
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A new action item was opened up for Finance to figure out a method for pre-paying Civil District Court for the recordation of contracts. Finance, Law, and Capital Projects will hold a meeting to discuss this issue.

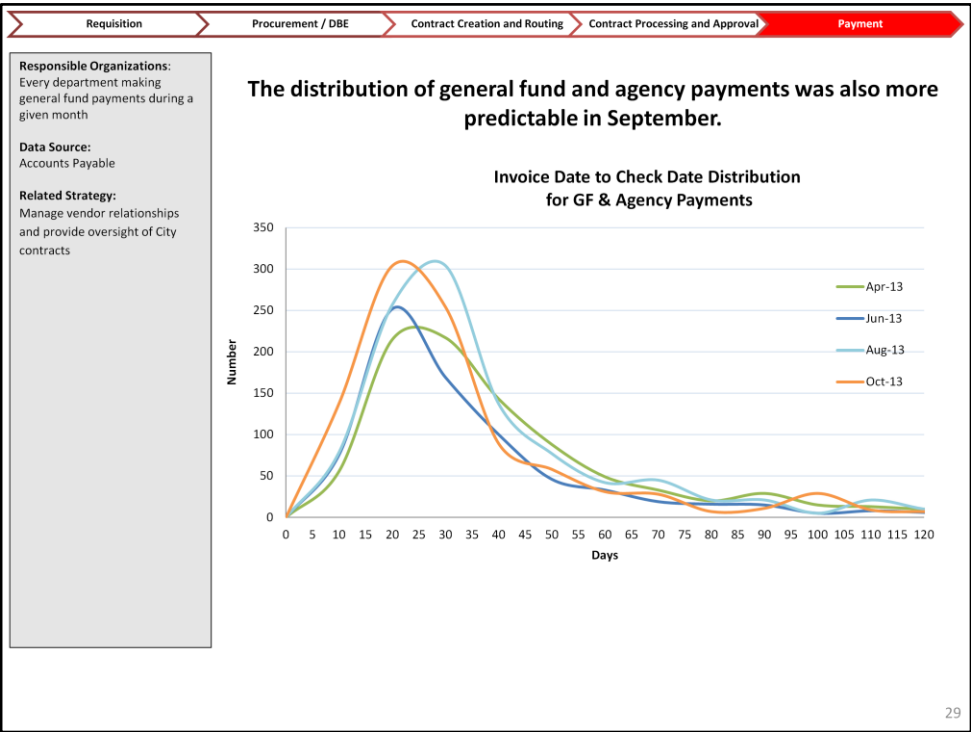


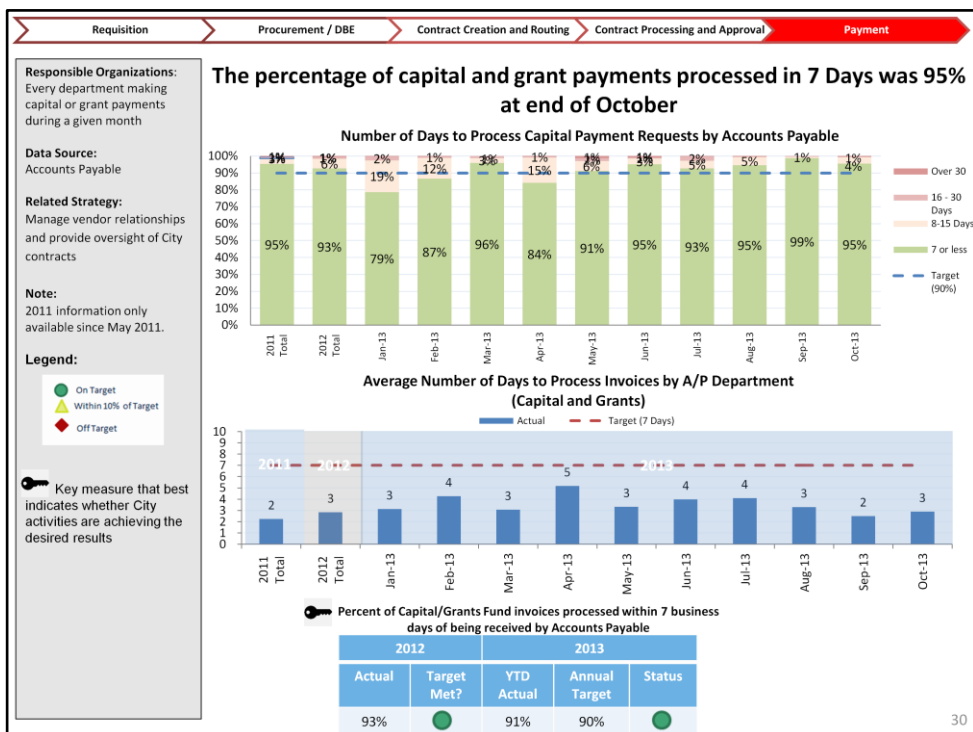
For the second month in a row, Accounts Payable met its timeliness targets for processing general fund invoices.

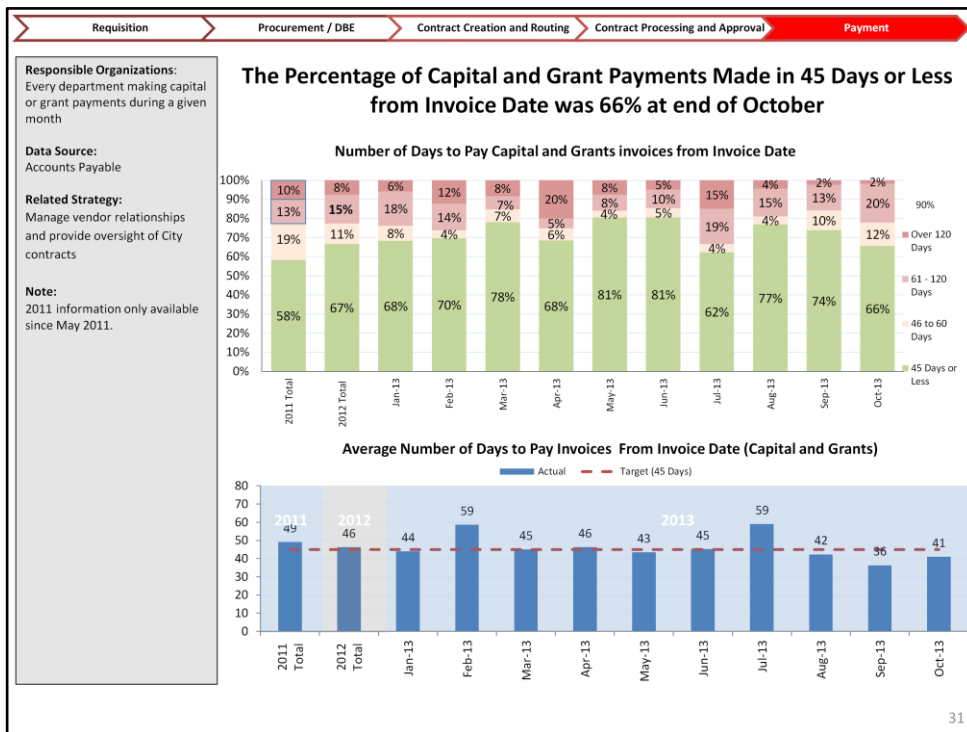




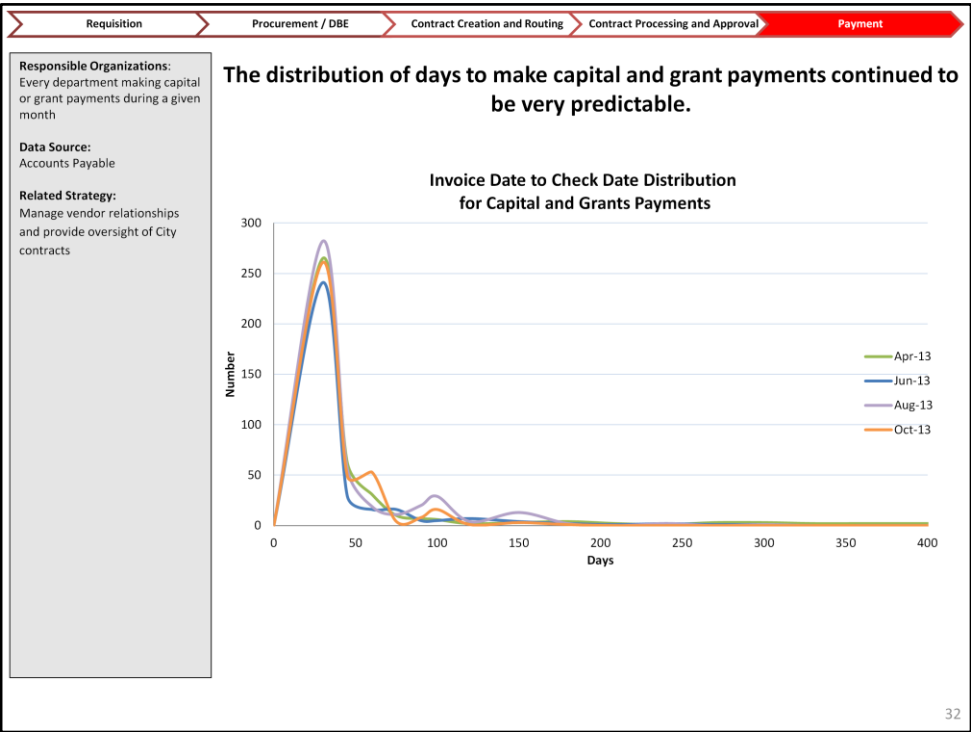
Though still lagging above the target of average days to pay general fund expenses, the vast majority of general fund payments over the past several months have been made within 30 days.



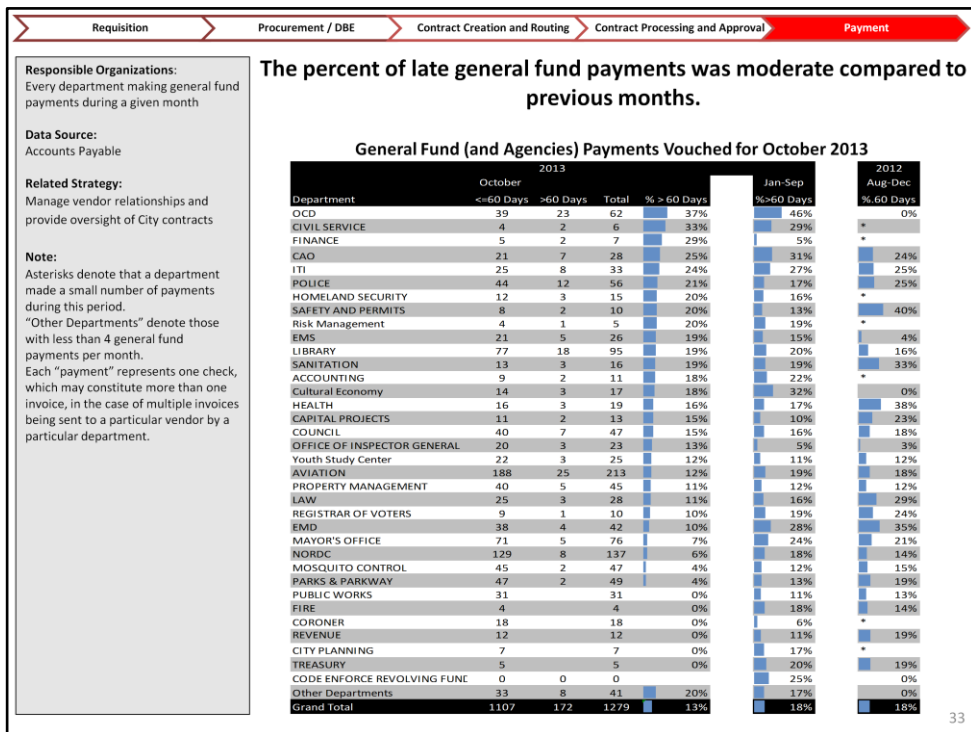


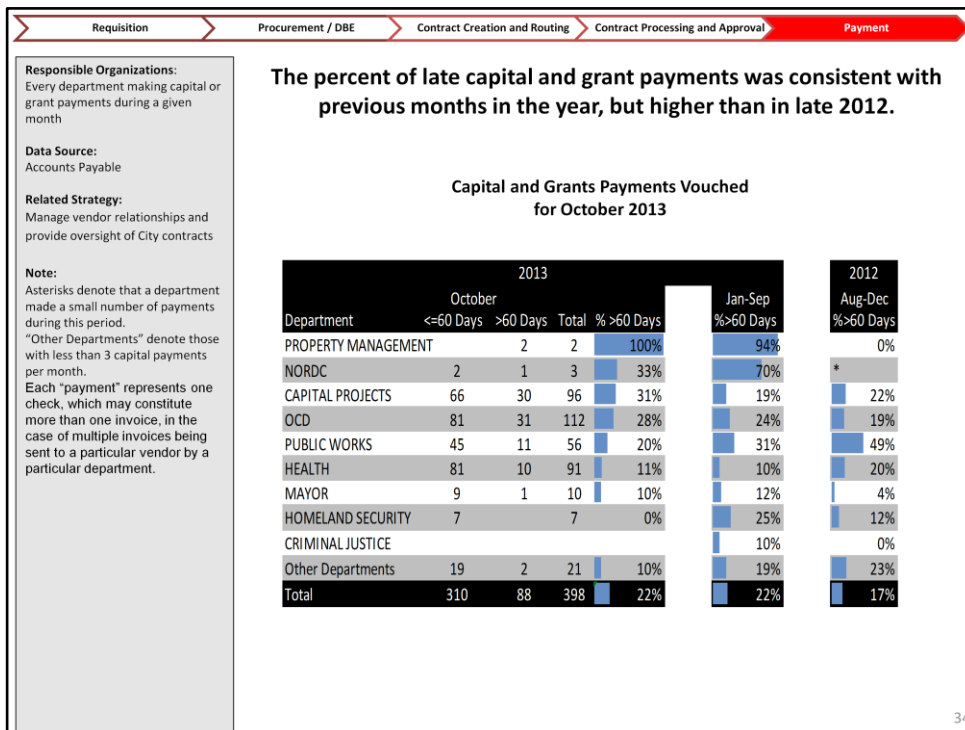


Capital and grant payments have been consistent and timely. In feedback meetings, contractors have expressed satisfaction with the speed of capital and grant payments.





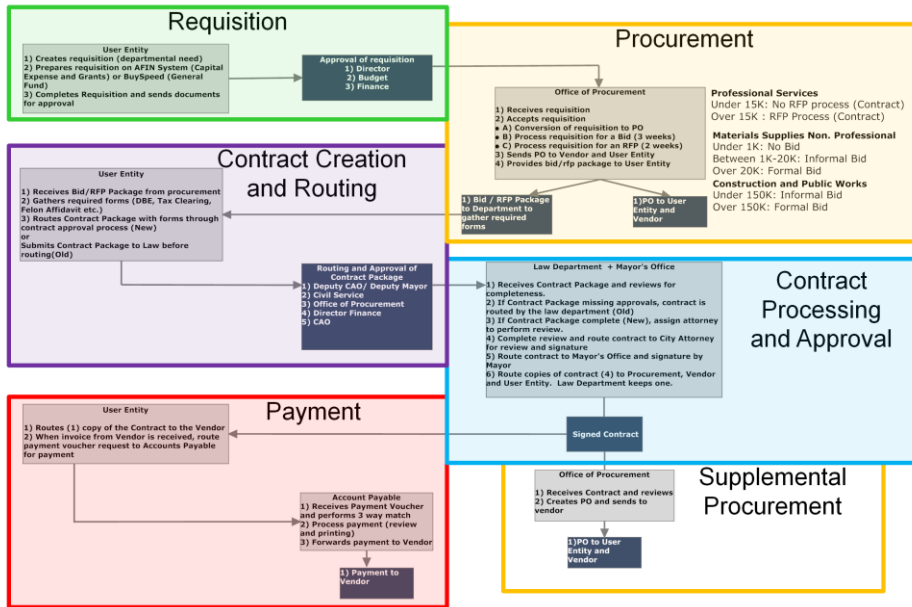




The majority of Capital Projects' late payments during the month were actually payments paid for on behalf of Property Management.

# Procurement Process Map/City of New Orleans

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



### **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?