



CITY OF NEW ORLEANS

ReqtoCheckSTAT

*Reporting Period: December 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.

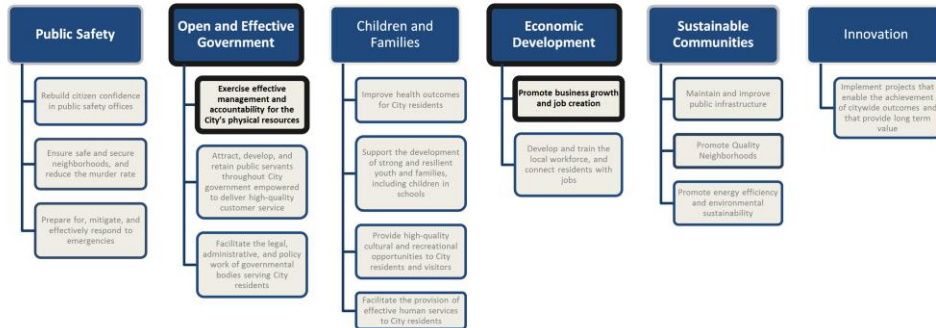
## Values

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



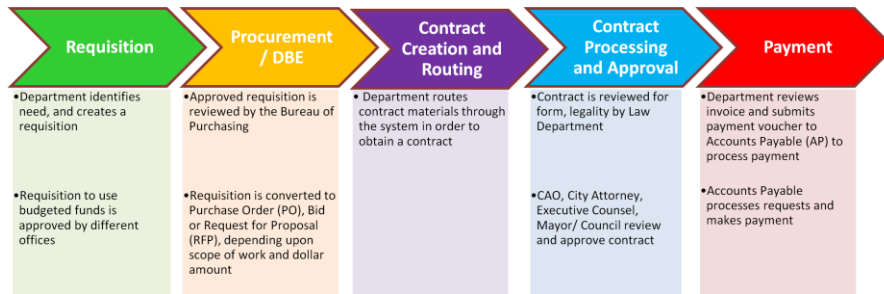
# Open and Effective Government

**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>1. Effectively steward the City's financial resources</li> <li>2. Manage the City's information and analyze the City's performance data</li> <li>3. Manage vendor relationships and provide oversight of City contracts</li> <li>4. 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>1. Cultivate a high-quality City workforce</li> <li>2. 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>1. Govern the City with integrity and accountability</li> <li>2. Defend the City's legal interests</li> <li>3. Promote civic engagement</li> <li>4. 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 38



5

**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.

Buyspeed experienced an 8-hour severity 1 outage in December 2013.  
In 2013, there were 3 severity 1 outages, for a total of 9.25 days.

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

System	January		February		March		April		May		June		July		August		September		October		November		December	
	Server	App.	Server	App.	Server	App.	Server	App.	Server	App.	Server	App.	Server	App.	Server	App.	Server	App.	Server	App.	Server	App.	Server	App.
<b>BuySpeed</b> ** 8 *** 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	0	0	0	1
<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	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	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	0	0	0	0





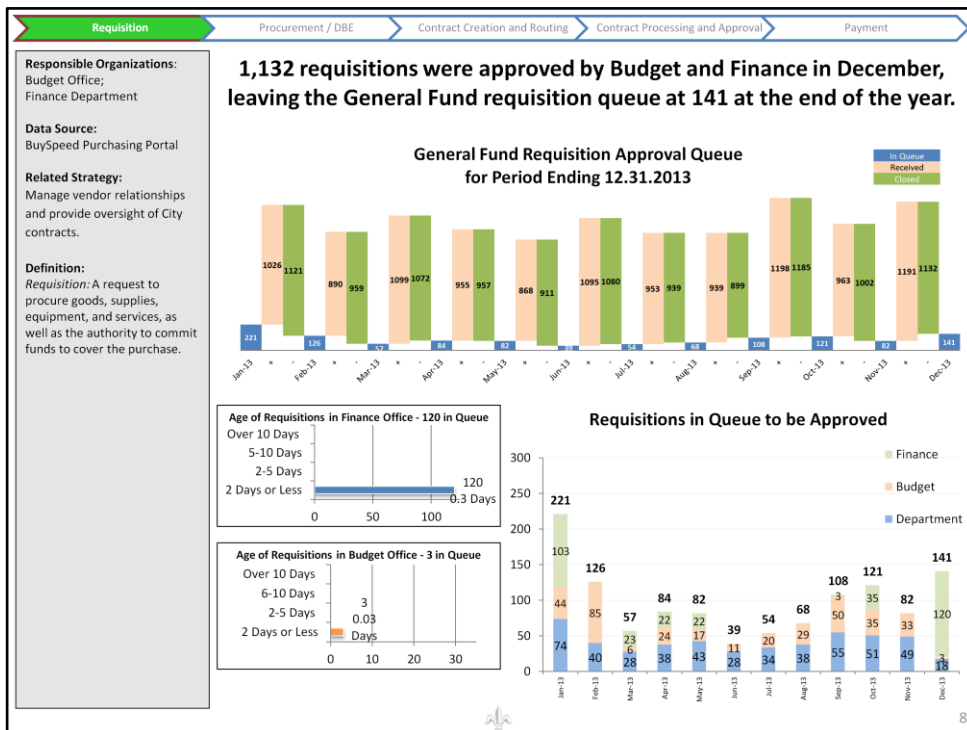
## Requisition Approval

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

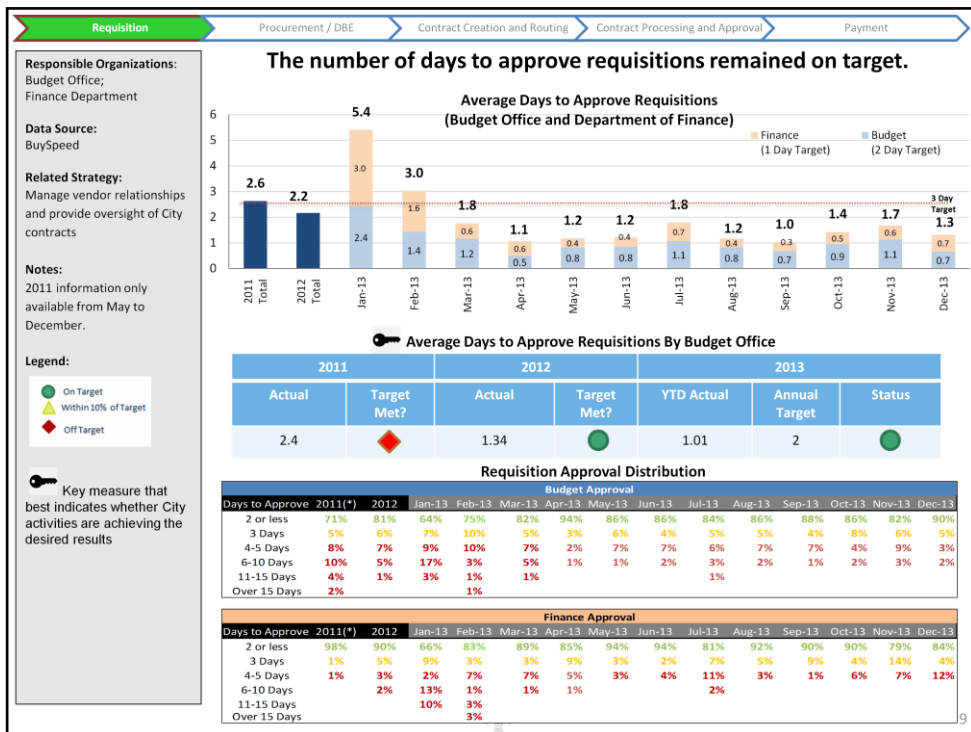
### Action Items \*

Open Items				
Responsible	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)	In Process	SLAs objectives still outstanding. Meeting to be scheduled by the CAO.
		a. Type of services provided b. Expected time to complete or follow up with departments		
Brian Firstley and James Husserl	Requisitions	Draft process / protocol to add org codes / users to systems (Brian + Task Force)	In Process	Draft is ready to be reviewed by the CAO
		a. What do departments need? b. Who do they need to reach out? c. What are the steps?		





Despite the anticipated spike of incoming requisitions at the end of the year, Budget and Finance managed to keep their queue at a reasonable level.



For the tenth month in a row, Budget and Finance far exceeded their 3-day target of days to approve requisitions.

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

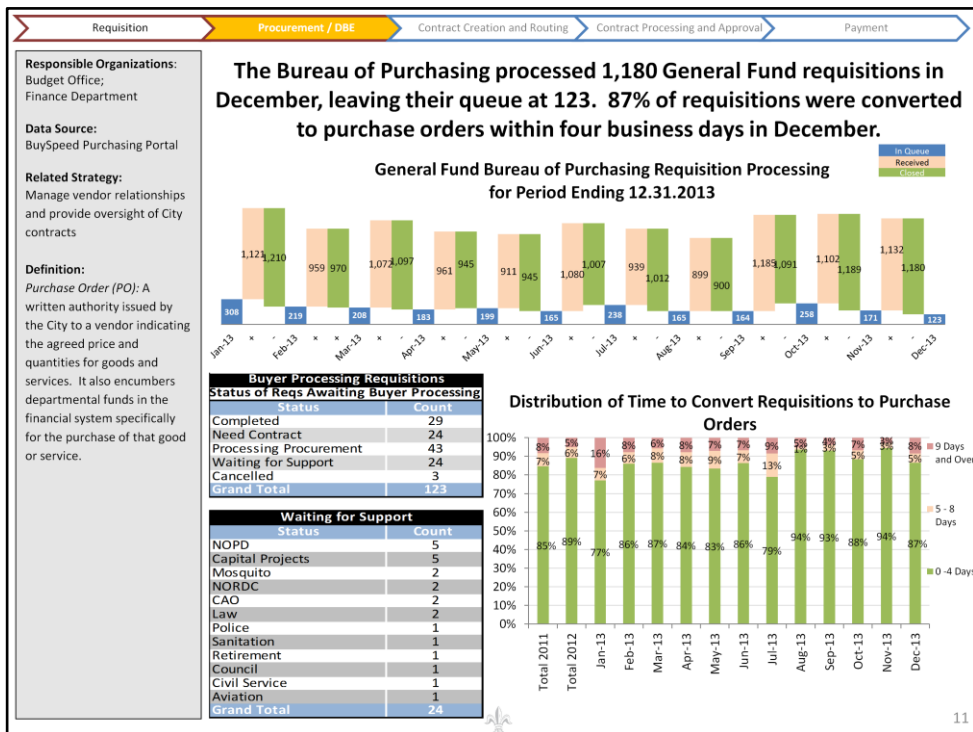
## Requisition to Procurement

- 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

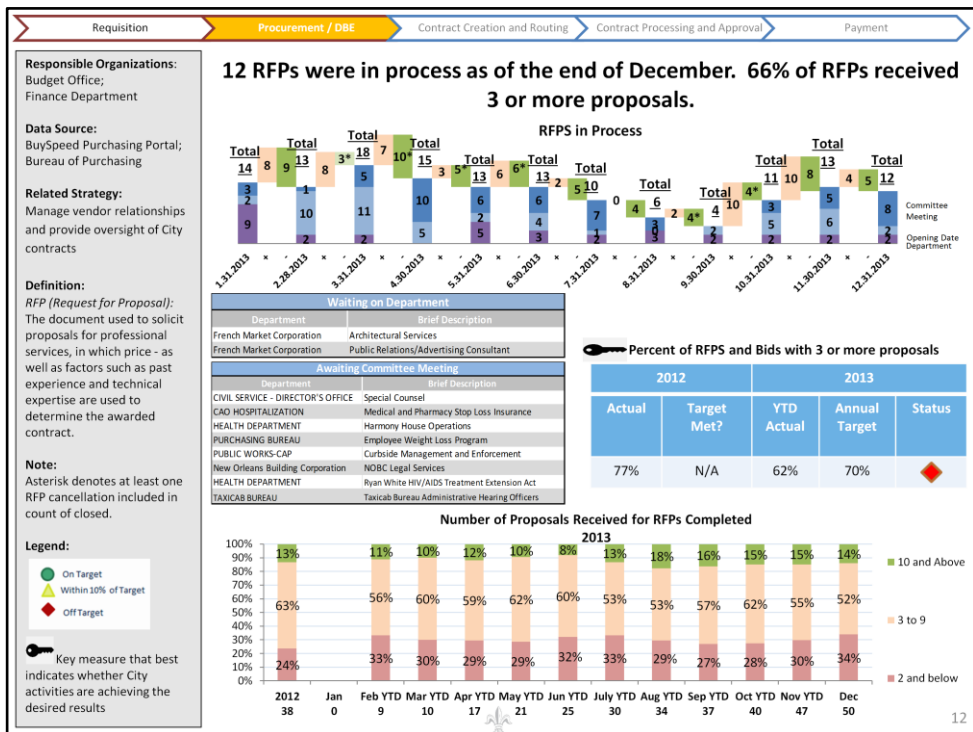
Action Items \*

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.

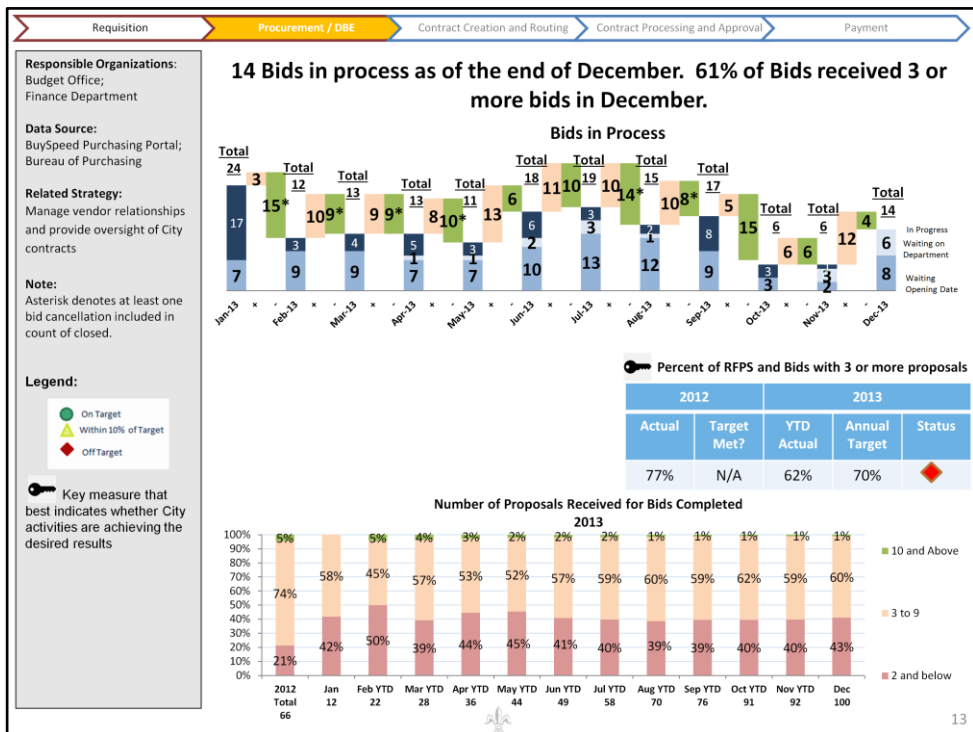
10



Despite receiving a high number of requisitions, the Bureau of Purchasing managed to get their queue lower than any other month in 2013.



The city did not meet the desired level of competition for RFPs in 2013, with 66% receiving 3 or more proposals during the year.



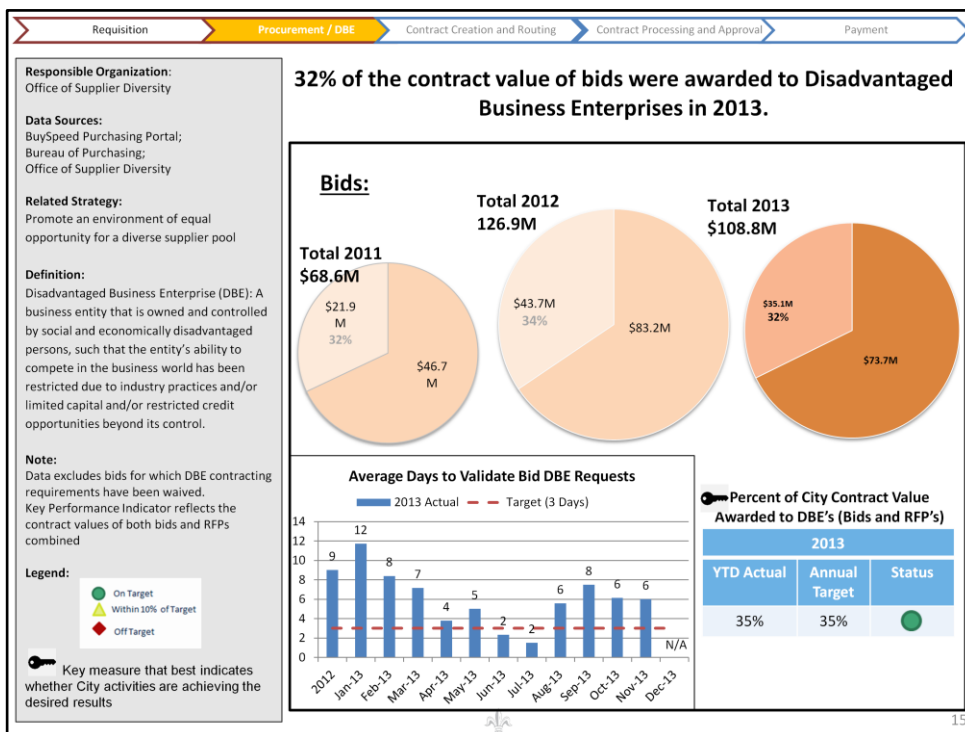
The city did not meet the desired level of competition for bids, with only 61% of bids receiving 3 or more responses from vendors.

# Economic Development

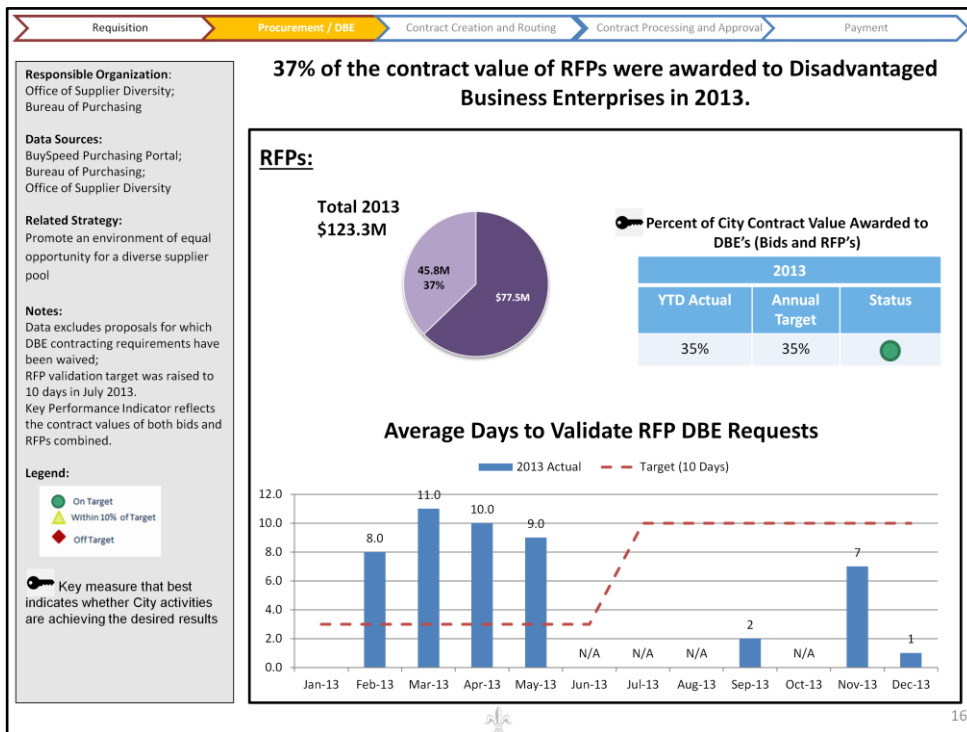
**Goal: Spur the growth of a diverse, inclusive economy that creates good-paying jobs and provides equal access to economic prosperity.**

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>





15



The city met its annual target of 35% of contract value awarded to Disadvantaged Business Enterprise firms, among DBE-eligible contracts.

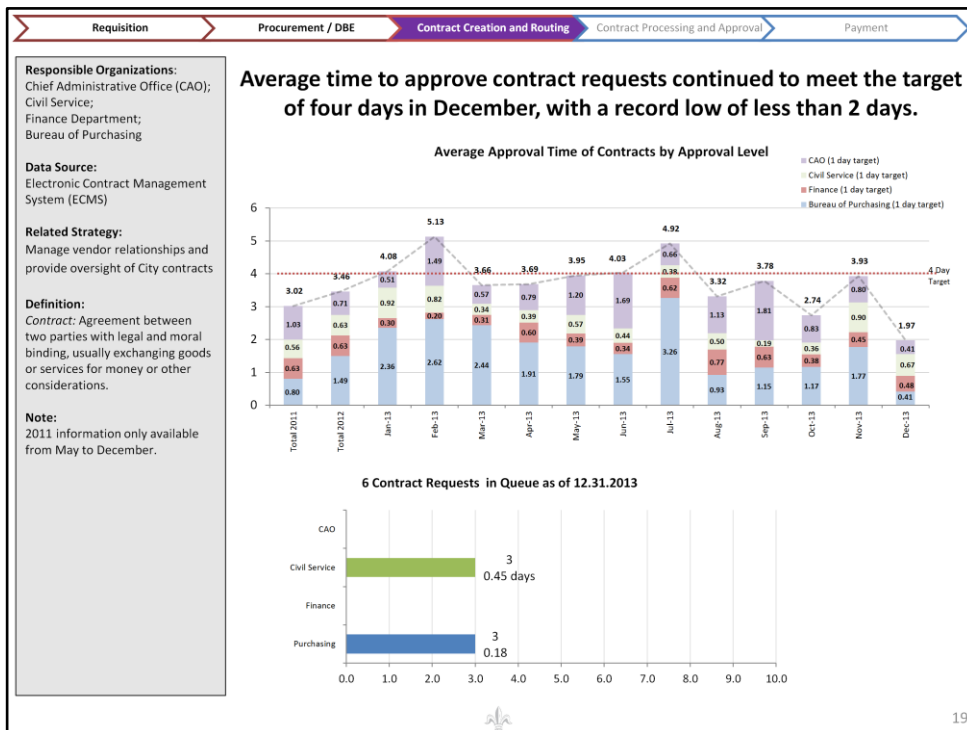
# Open and Effective Government

**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>







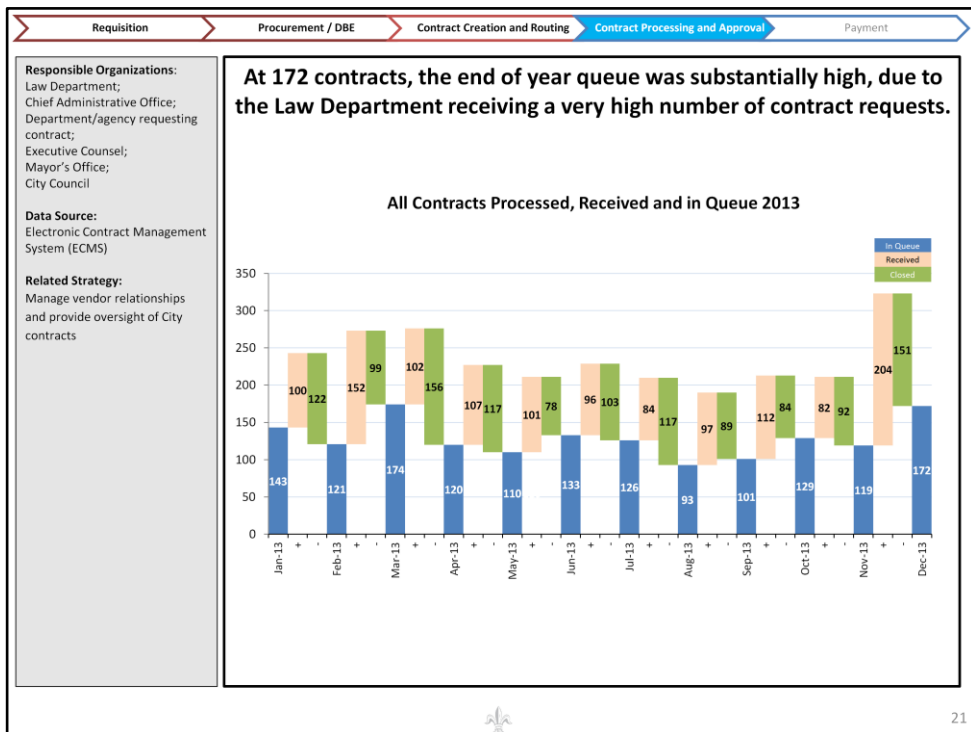
The average time to approve contract requisitions was at an all-time low of 1.97 days, well below the 4-day target.

# Contract Approval Process

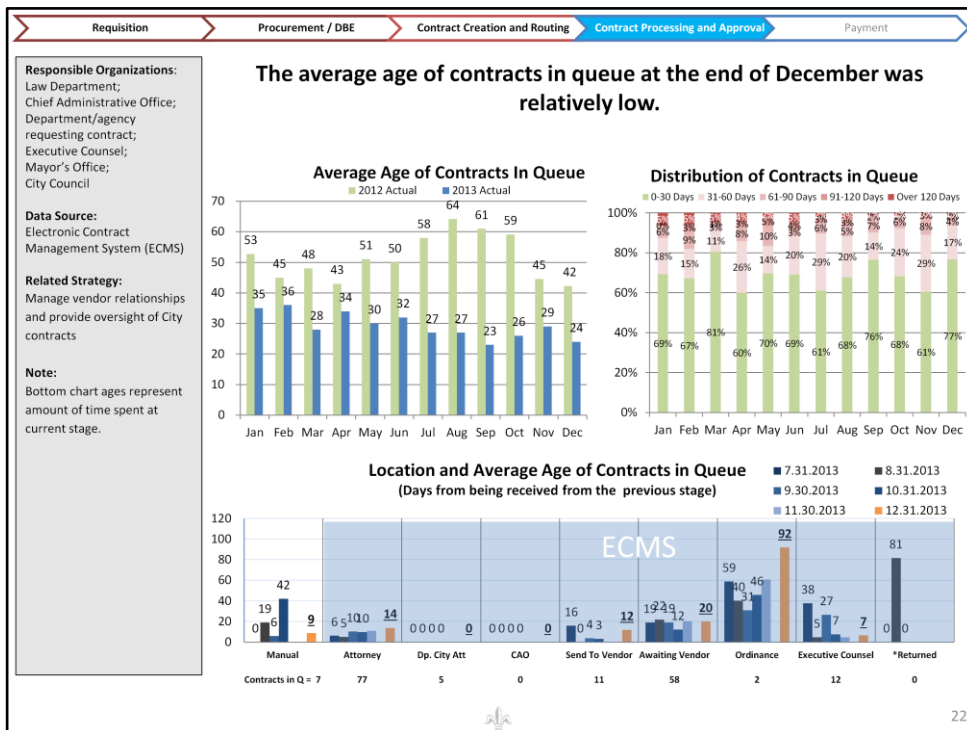
- Contract Processing and Approval

## Action Items \*

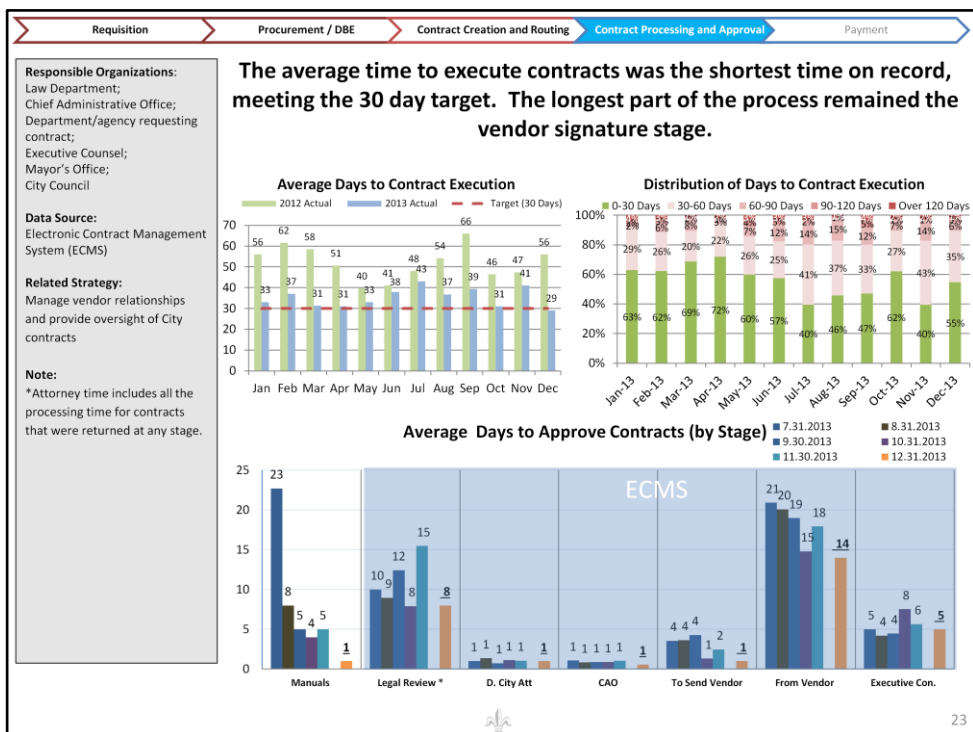
Responsible	Area	Action Item	Status	Detailed Status
Rebecca Dietz	Contracts	Risk management form update. a. What is the process ?	<u>In Process</u>	Risk management provided risk form and draft of insurance requirements to be included in bids and rfps. Insurance wording is currently being reviewed by 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 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.
Rebecca Dietz	Contracts	Legal opinion on BR and conversation with the City Council.	<u>In Process</u>	Executive Counsel feedback needed.
Julien Meyer and Vic Spencer	Contracts	OFA and the Law Department were asked to reach out directly to those departments that have contracts in the vendor signature stage for over 30 days.	<u>Ongoing</u>	Ongoing



A substantial number of contracts were executed in December, though the queue remained high, due to double the amount of contracts being requested compared to previous months.



The average time in queue for contracts open at the end of the month was 24 days, the second lowest on record.



For the first time on record, the city met its monthly target of 30 days on average to execute contracts.

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 58 at the end of December. The average time awaiting vendor was 20 days, which was moderate compared to previous months.</b></p>				
<p><b>Contracts Awaiting Vendor Signature</b> (13 contracts waiting over 30 days as of 12.31.2013)</p>				
Row Labels	Average Days Awaiting Signature	Number of Contracts		
NEIGHBORHOOD STABILIZATION	42	4		
HOMELAND SECURITY	34	2		
BLIGHT & REVITALIZATION	28	2		
OFFICE OF TECHNOLOGY & INNOVATION	24	2		
AVIATION	23	12		
CAPITAL PROJECT	19	6		
PUBLIC WORKS	19	11		
HEALTH DEPARTMENT	17	3		
Homeland Security Grant Approval	17	4		
ECONOMIC DEVELOPMENT	13	2		
City Council	13	3		
SANITATION DEPARTMENT	8	1		
NORD RECREATION DEPARTMENT	8	1		
PUBLIC LIBRARY	8	1		
PROPERTY MANAGEMENT	1	2		
DEFENSE BASE CLOSURE AND REALIGNMENT COMMISSION (BRAC	1	1		
DISASTER CDBG UNIT	1	1		
<b>Grand Total</b>	<b>20</b>	<b>58</b>		

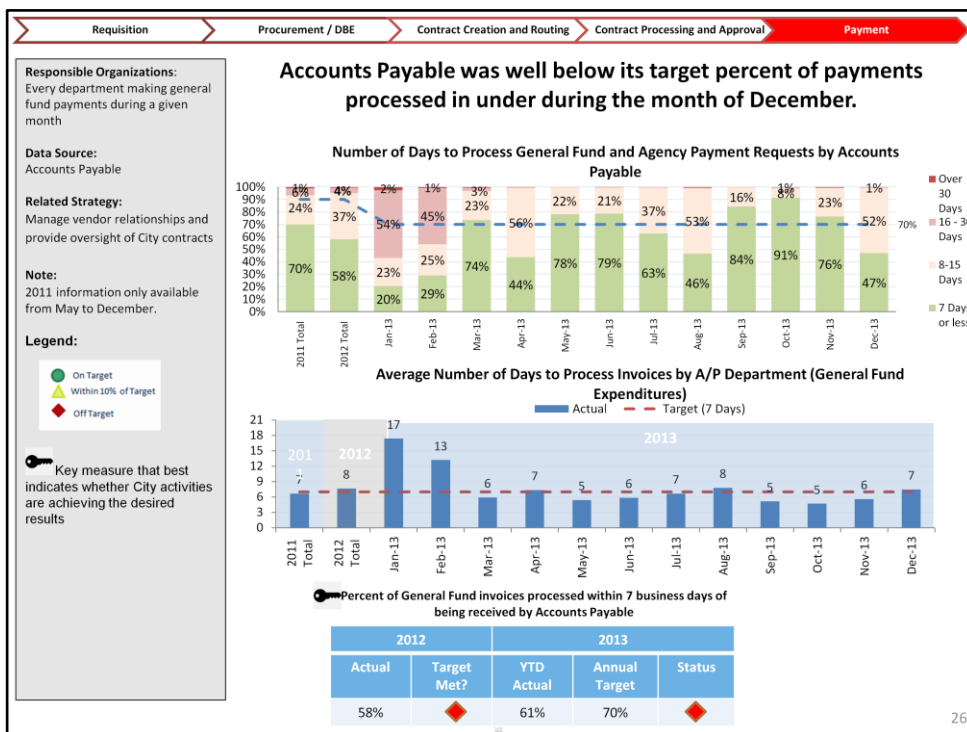
## The Check: Accounts Payable

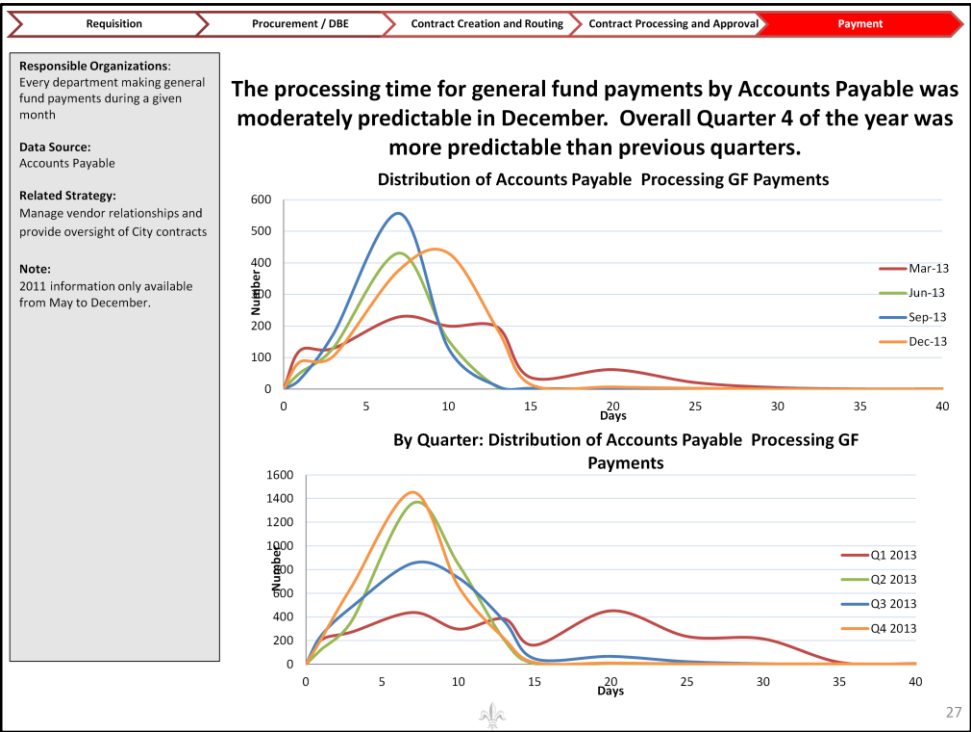
- PO Date and Invoice Date Analysis
- General Fund Payments
  - Processing by Accounts Payable
  - Payment from Invoice Date
- Capital and Grants Expenditure Payments
  - Processing by Accounts Payable
  - Payment from Invoice Date
  - Detail Review (invoices in the pipeline)
    - CDBG Invoice Payments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

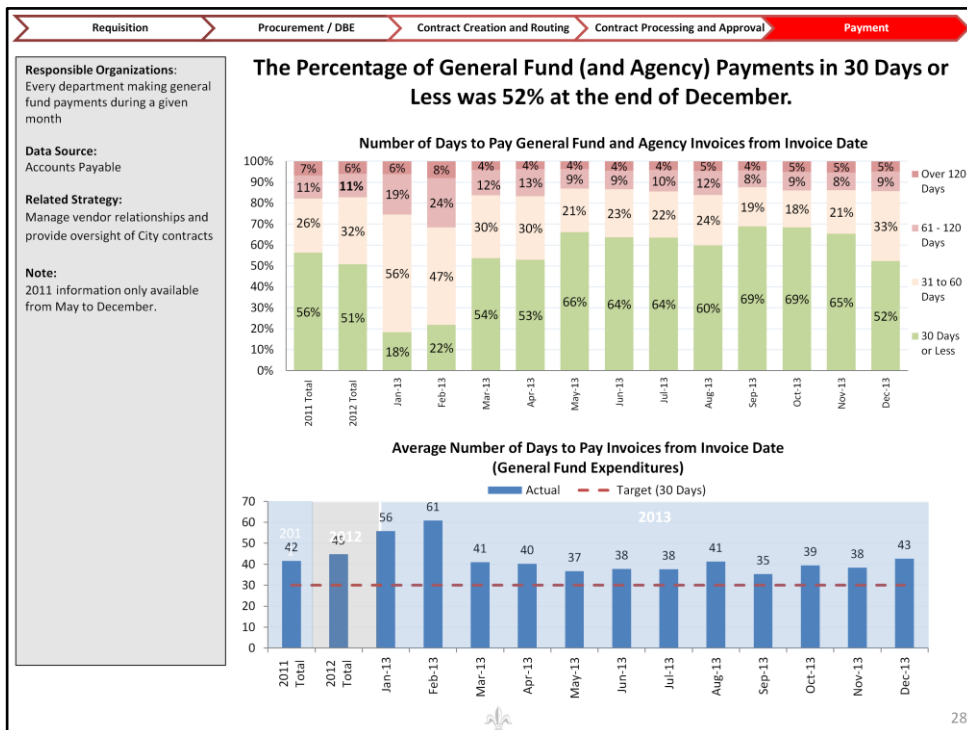
### Action Items \*

Responsible	Area	Action Item	Status	Detailed Status
Norman Foster	Payment	Look into the potential system integration needs of using pcards to buy goods.	<a href="#">Open</a>	
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 send to departments.	<a href="#">Open</a>	

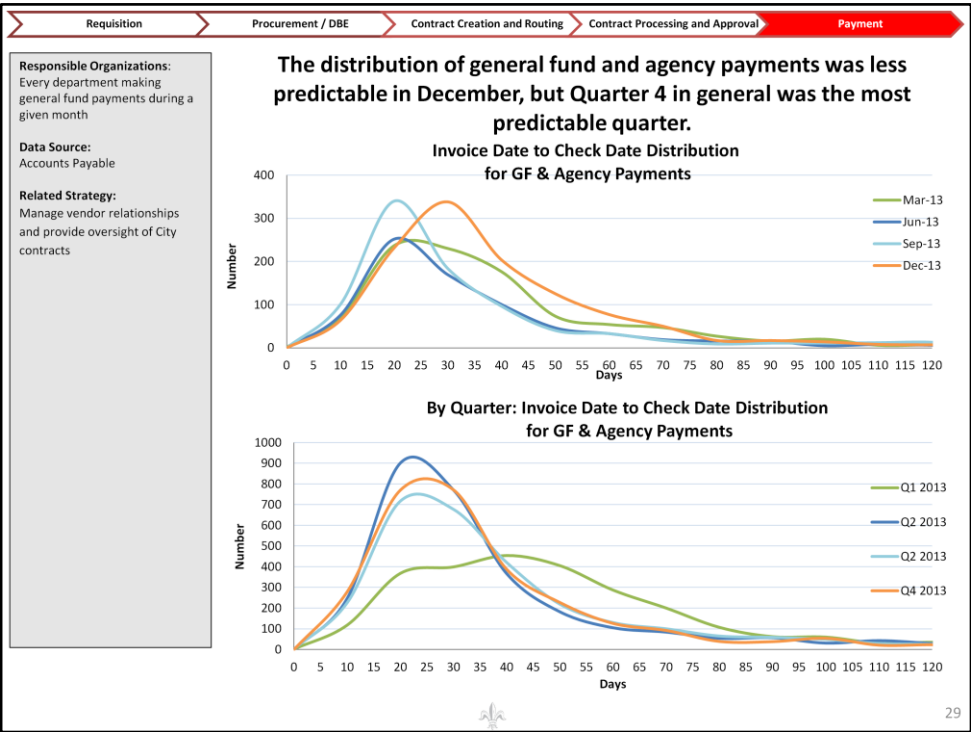


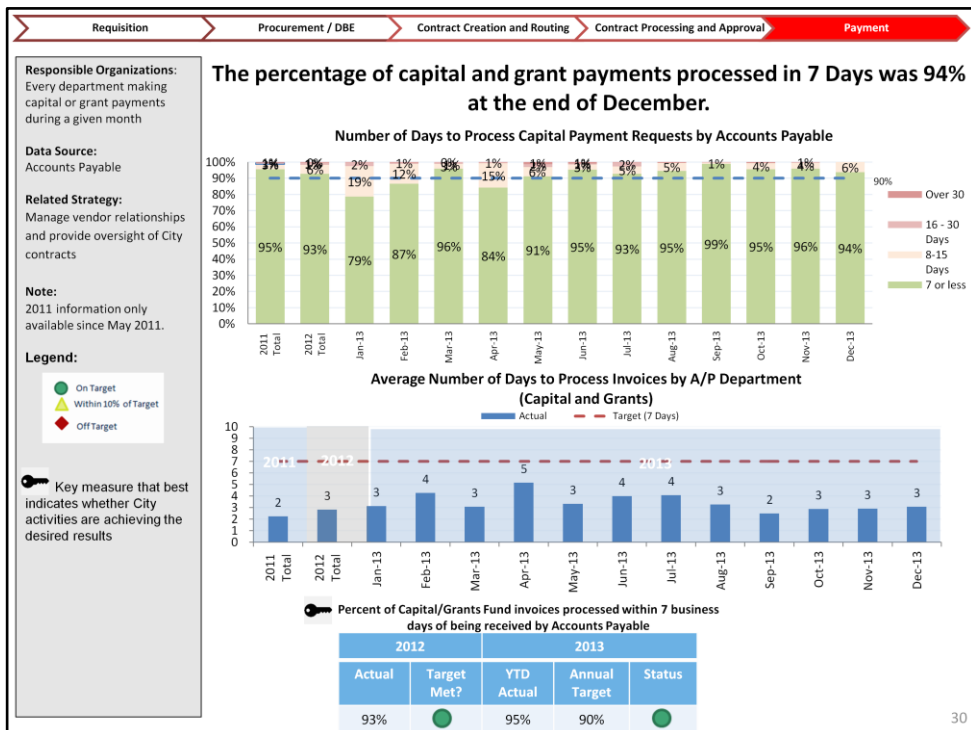


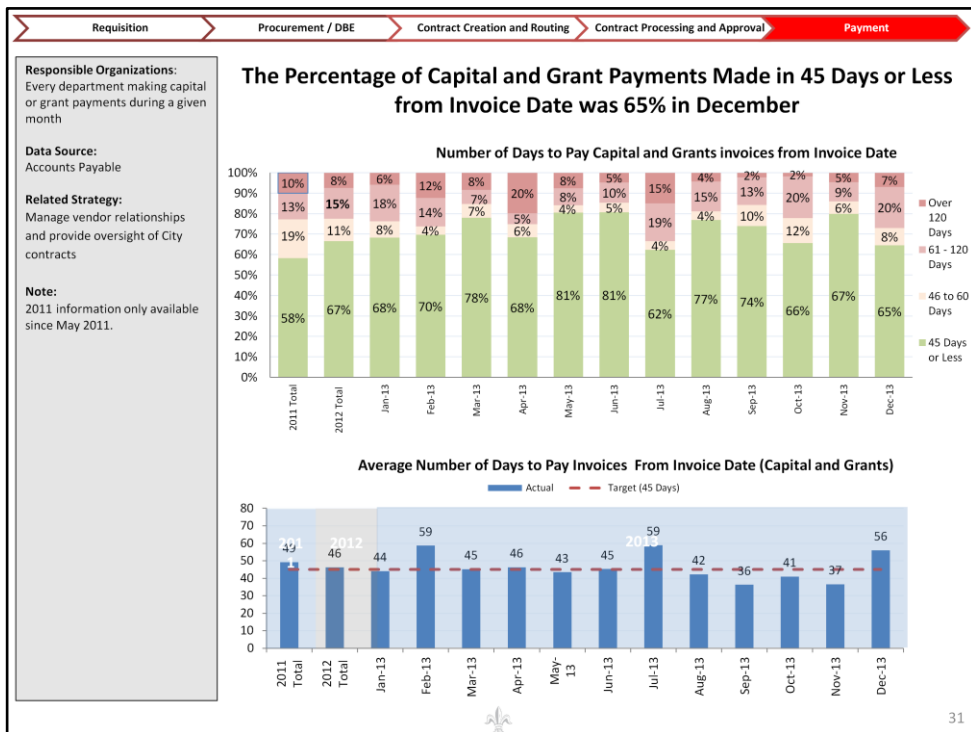




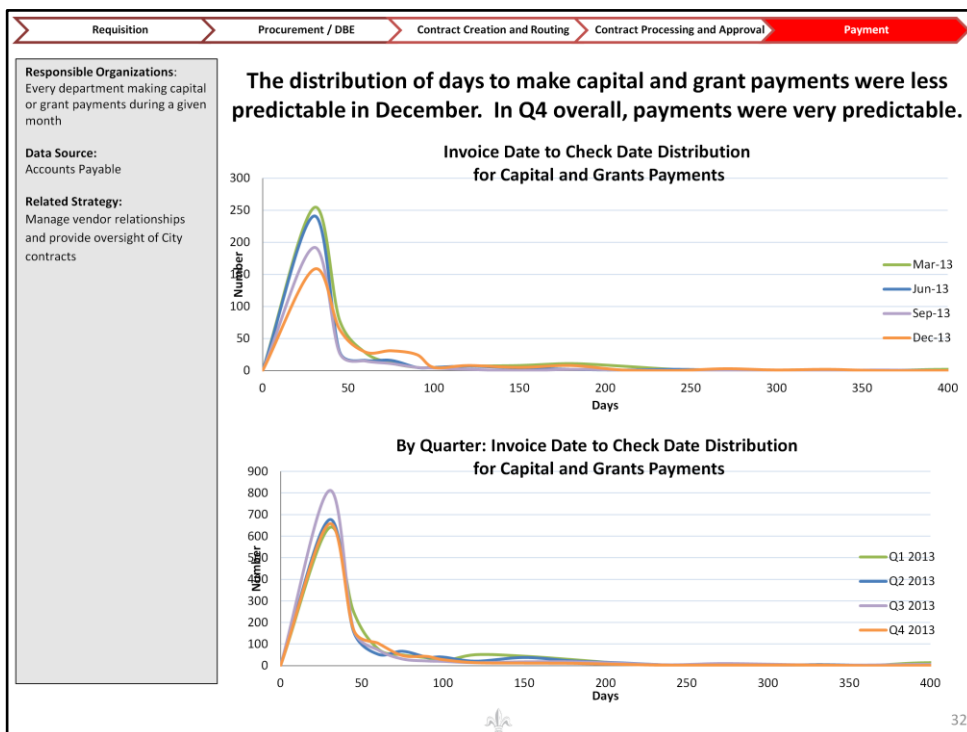
Due partially to a relatively higher number of payments, the city only managed to make only half of its general fund payments within the goal of 30 days or less in December.

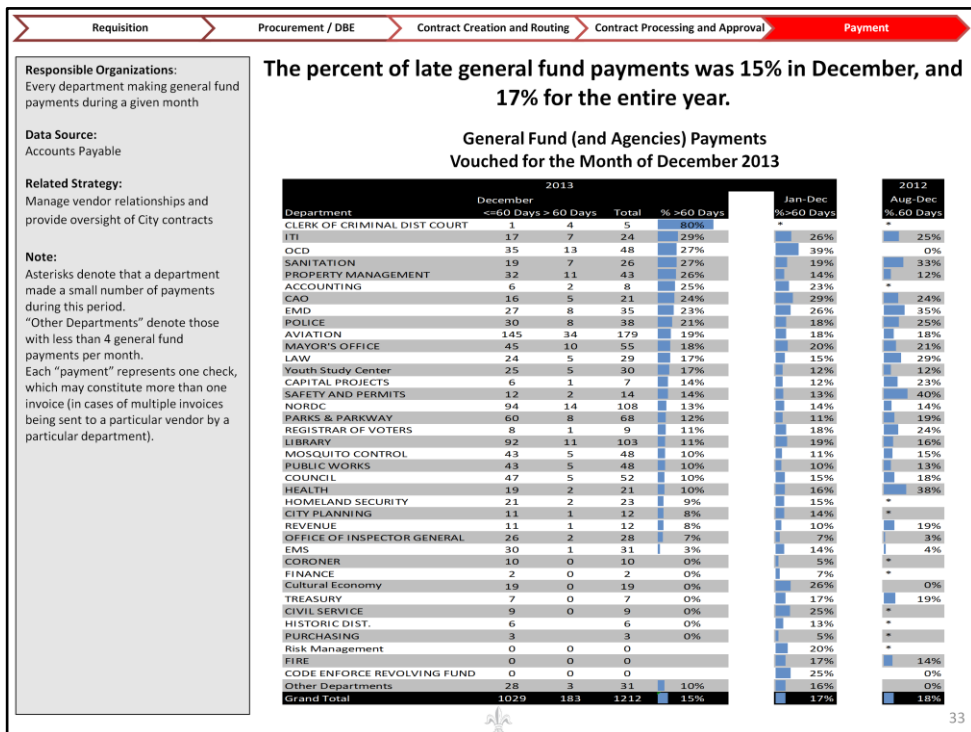




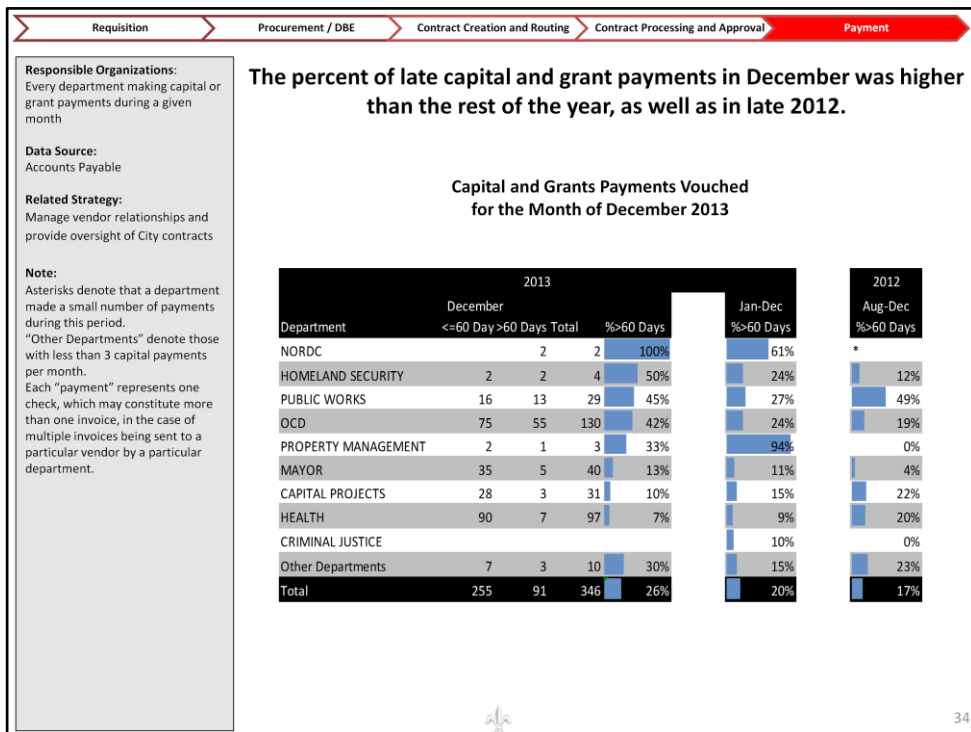


The city only made 65% of its capital and grant payments within the goal of 45 days or less in December.

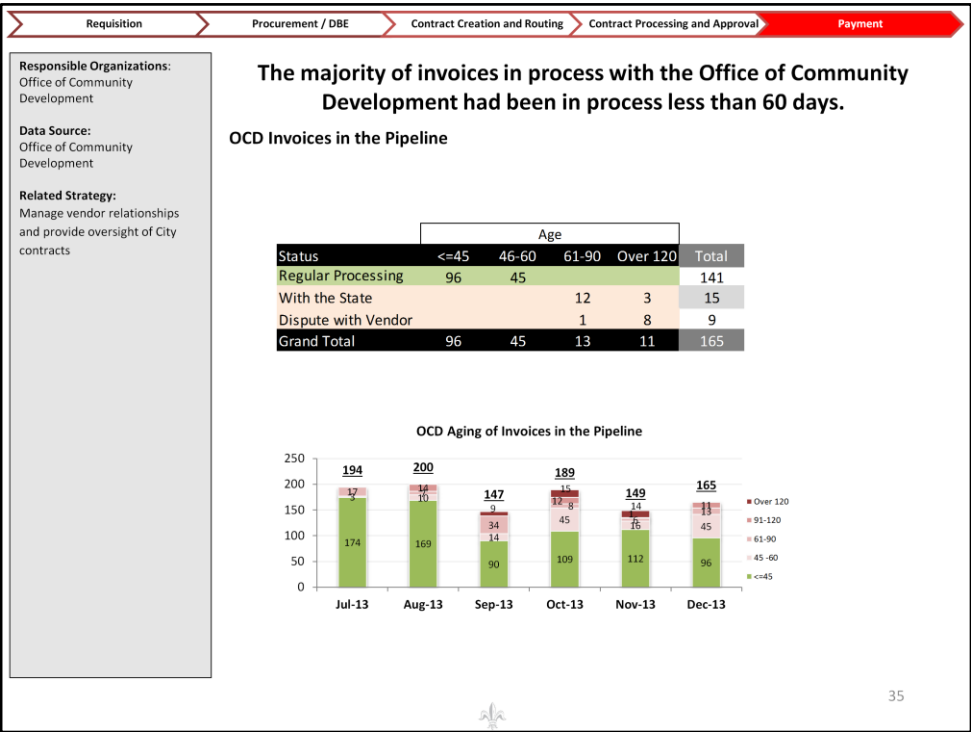


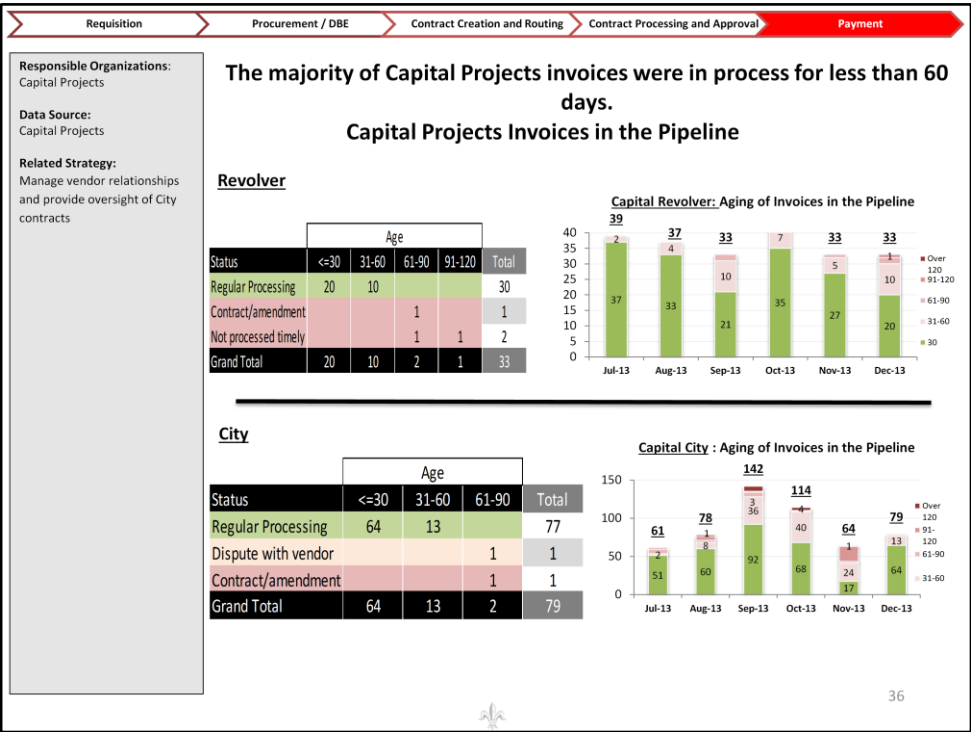


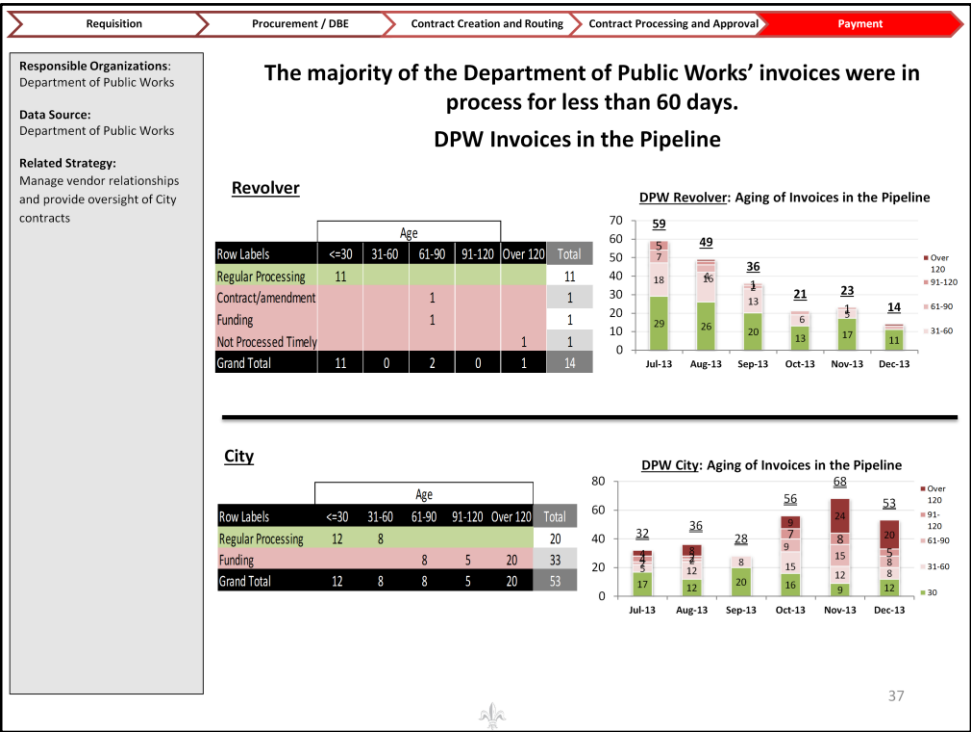
The percent of general fund payments older than 60 days was comparable to previous months in 2013 and 2012.



The percent of capital and grant payments made within 60 days was well higher than the average in both 2013 and late 2012.

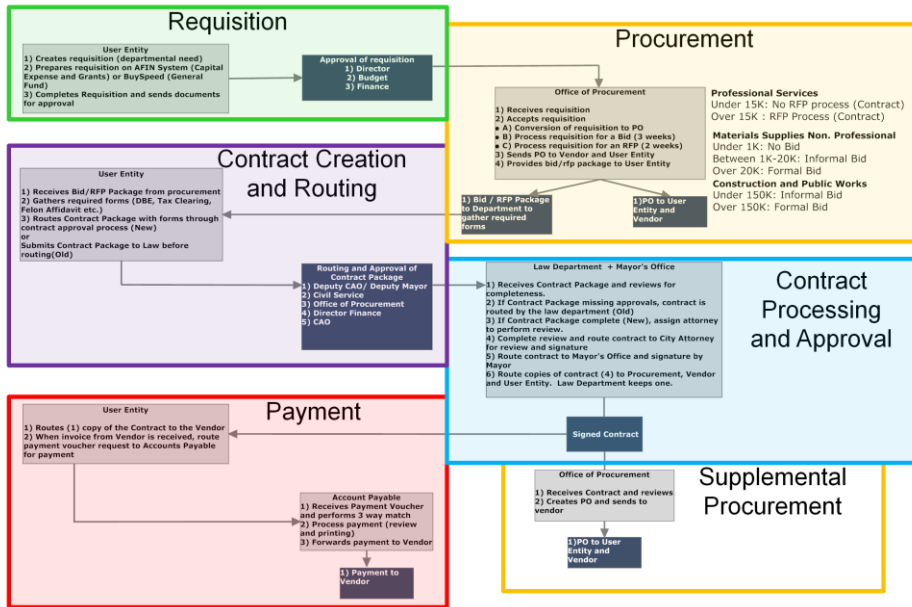






# Procurement Process Map/City of New Orleans

\* 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?

