



CITY OF NEW ORLEANS

ReqtoCheckSTAT

Reporting Period: Quarter 3 2015

Office of Performance & Accountability www.nola.gov/opa



ReqtoCheckSTAT October 29, 2015

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.

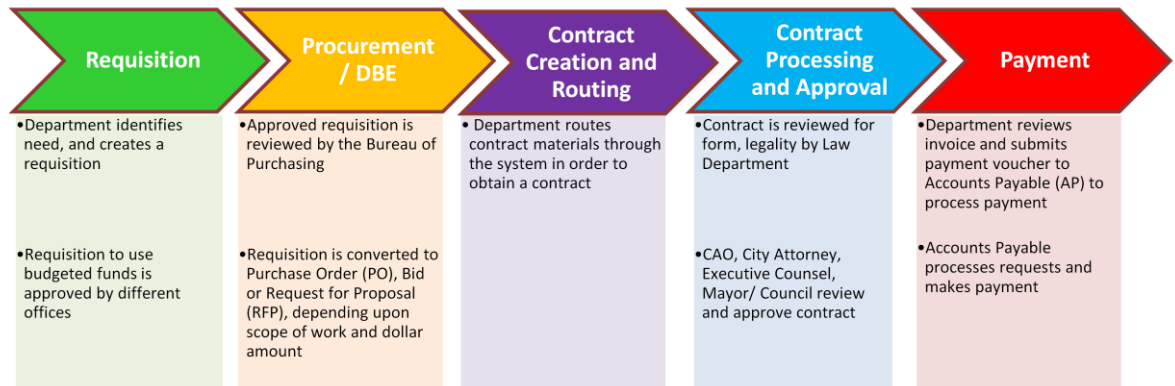


Action Items

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	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.
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; R. Dietz	Determine plan for consistently notifying departments of contracts likely nearing expiration, including a close-out/vendor monitoring form for CPO.	Executive Counsel will begin manually recording the expiration date of executed contracts prior to uploading them in the system.
M. Kleinpeter; J. Meyer	Begin including language on the living wage for all contracts, as well as on RFPs and Invitations to Bid	Purchasing is in discussions with the Law Dept. over specific language to include. The language is anticipated to be introduced with bids and RFPs with 2016 opening dates.



Procurement Process Overview*



*See a more detailed process map on slide 31



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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 through the first three quarters of 2015.

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

System	Q1 2013		Q2 2013		Q3 2013		Q4 2013		Q 1 2014		Q2 2014		Q3 2014		Q4 2014		Q1 2015		Q2 2015		Q3 2015	
	Server	App.	Server	App.	Server	App.	Server	App.	Server	App.	Server	App.	Server	App.	Server	App.	Server	App.	Server	App.	Server	App.
BuySpeed - General Fund and Agencies (Procurement/Bids/RFPs)	0	8	0	0	0	0	0	1	0	1	0	0	0	0	0	0	0	0	0	0	0	0
ECMS - Contract Routing	0	8	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
AFIN - Capital and Grants (Procurement/Payments)	0	0	0.25	0.25	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Great Plains - General Fund and Agencies (Payments)	0	0	0	0	0	0	0	0	0	2	0	0.5	0	0	0	0	0	0	0	0	0	0



Responsible Organizations:
Budget Office;
Finance Department

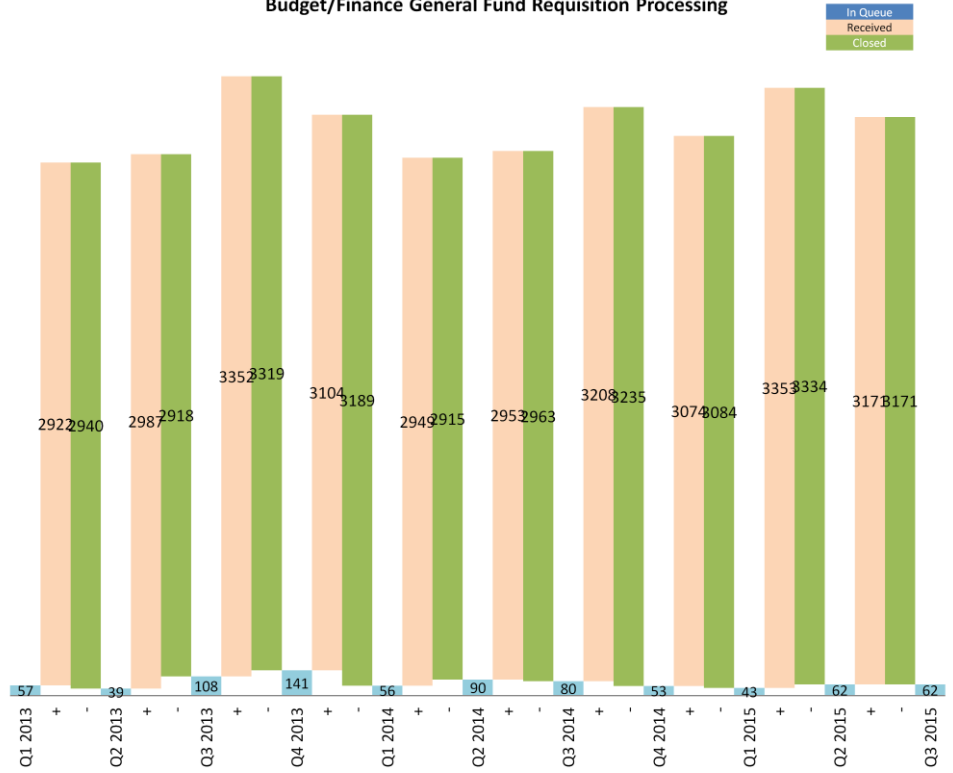
Data Source:
BuySpeed

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.

The General Fund requisition queue was relatively low, at 62 awaiting approval.

Budget/Finance General Fund Requisition Processing



Responsible Organizations:
Budget Office;
Finance Department

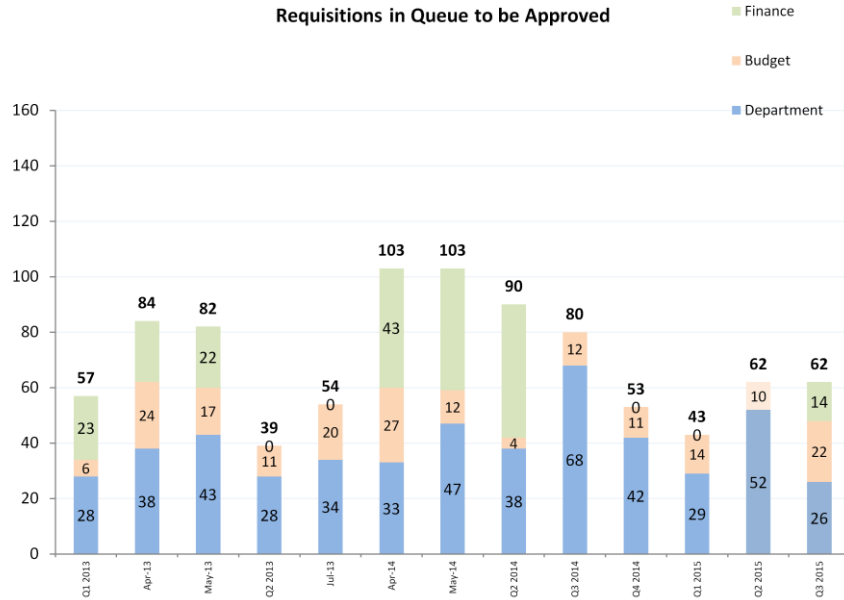
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Related Strategy:
Manage vendor relationships
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Definition:
Requisition: A request to
procure goods, supplies,
equipment, and services, as
well as the authority to commit
funds to cover the purchase.

36 requisitions were awaiting Budget or Finance approval, though all were less than 1 day old at the end of the quarter.

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.

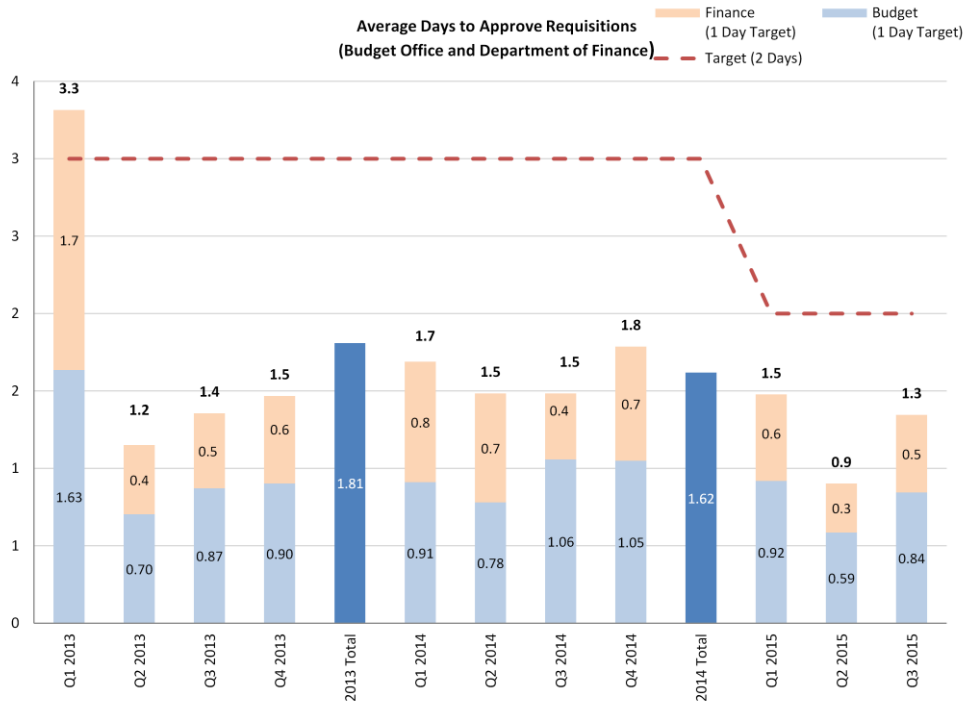
Distributions subject to
rounding error.

Legend:

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

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

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



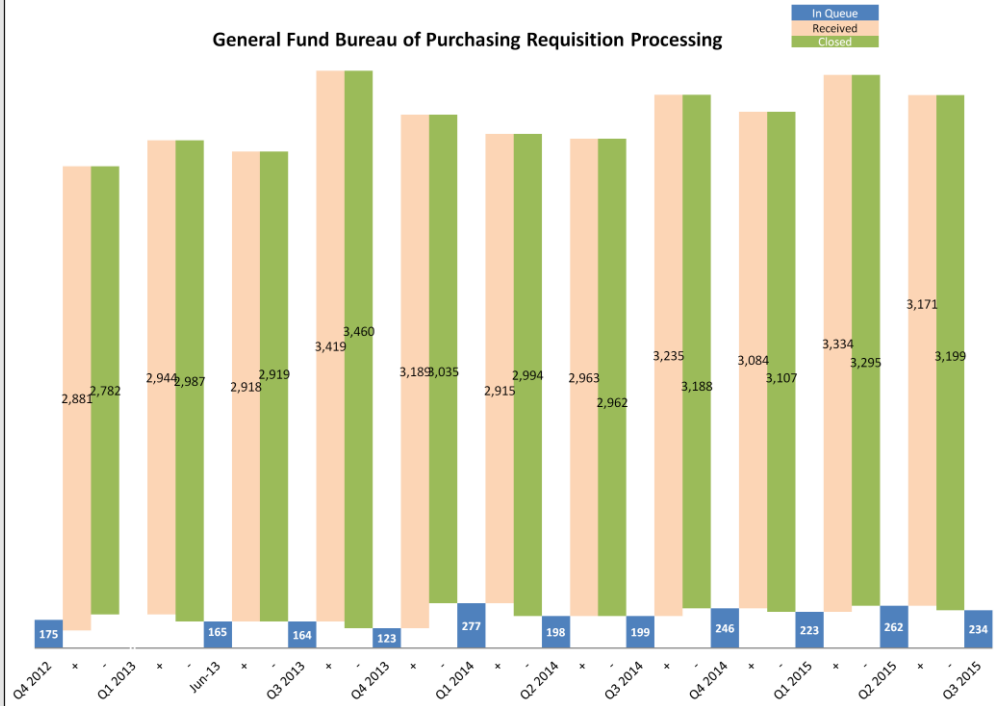
Responsible Organizations:
Bureau of Purchasing

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 234.



Responsible Organizations:
Bureau of Purchasing

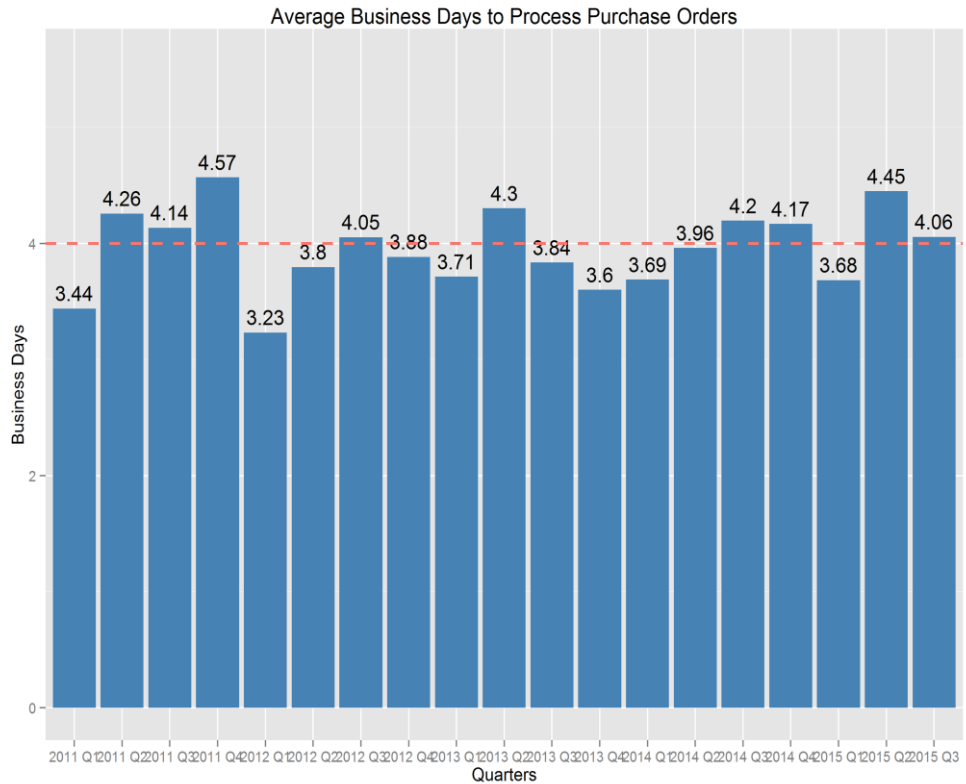
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Related Strategy:
Manage vendor relationships
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quantities for goods and
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Requisition: A document
generated by a
department/agency to notify
the Purchasing Bureau of the
goods or services it wants to
order.

Note:
Methodology adjustments in
Q3 2015 better able to filter
out

The Purchasing Bureau was very close to its processing target for the quarter.



Responsible Organizations:
Bureau of Purchasing

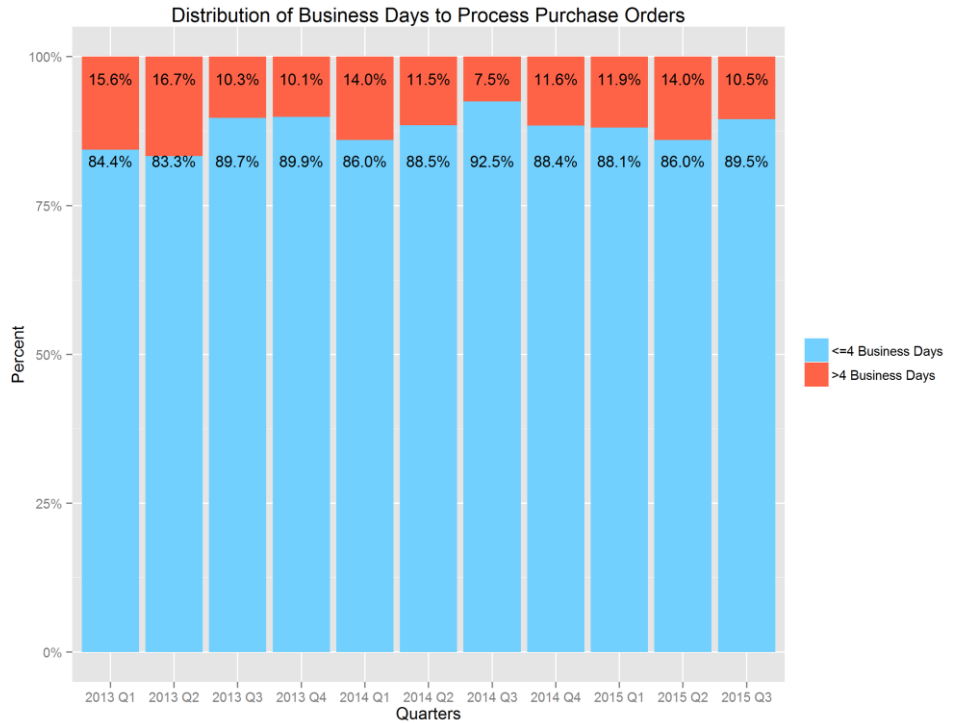
Data Source:
BuySpeed

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.



Responsible Organization:
Bureau of Purchasing

Data Source:
BuySpeed; 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.

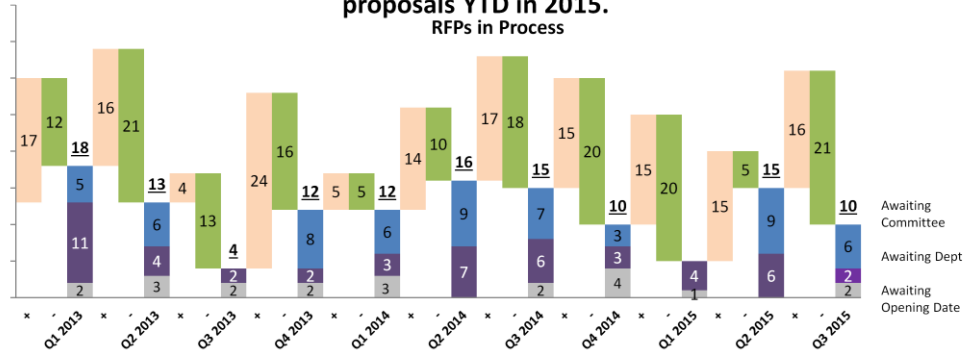
Note:
Closed RFP's in top chart includes cancellations.

Legend:

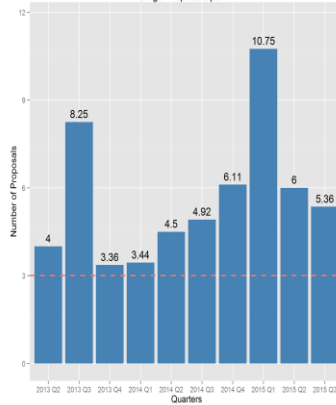
Key measure that best indicates whether City activities are achieving the desired results

10 RFPs were in process at the end of the quarter. 61% of RFPs received 3 or more proposals YTD in 2015.

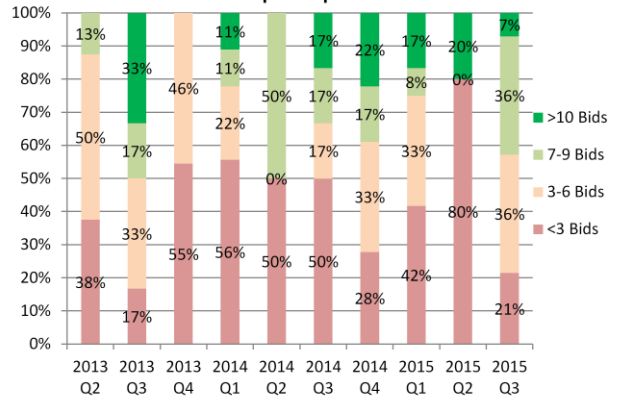
RFPs in Process



Average Proposals per RFP



Proposals per RFP



Responsible Organizations:
Bureau of Purchasing

Data Source:
BuySpeed;
Bureau of Purchasing

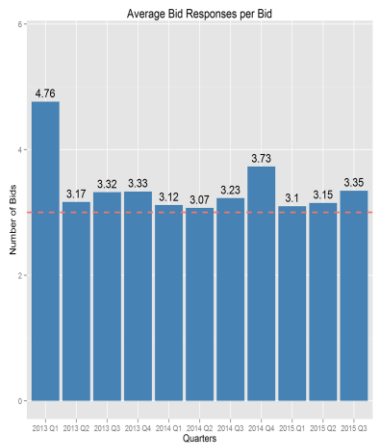
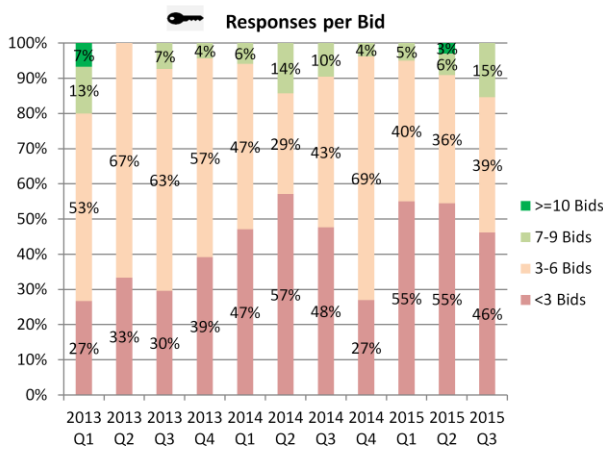
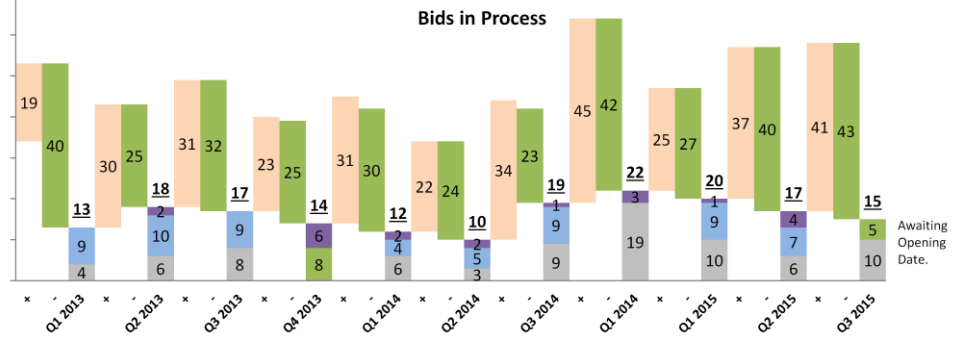
Related Strategy:
Manage vendor relationships
and provide oversight of City
contracts

Note:
Closed bids in top chart
includes cancellations.

Legend:

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

15 Bids in process at the end of the quarter. 48% of Bids received 3 or more bids YTD.



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Responsible Organization:
Office of Supplier Diversity (OSD)

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

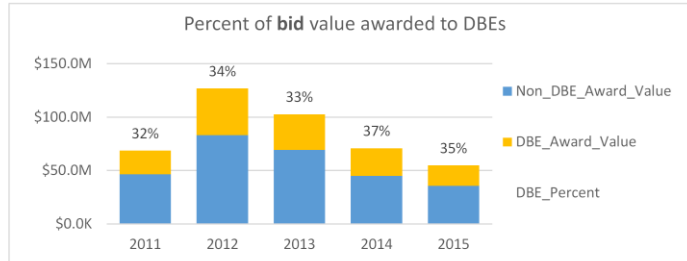
Related Strategy:
Promote an environment of equal opportunity for a diverse supplier pool

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.

YTD, vendors have committed 35% 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%	
2012	\$ 126,894,504.73	\$ 43,697,860.66	\$ 83,196,644.07	34%	
2013	\$ 102,756,809.00	\$ 33,501,039.20	\$ 69,255,769.80	33%	
2014	\$ 70,920,452.00	\$ 25,952,636.56	\$ 44,967,815.44	37%	
2015	\$ 54,896,932.06	\$ 19,274,267.55	\$ 35,622,664.76	35%	

Status of 2015 Bids

Status	# of Bids
Validated	42
Cancelled/Re-bid	2
Not Tracked by OSD	6
Waived due to high specialization	22
Waived due to no DBE's available in market	8
Grand Total	80



Responsible Organization:
Office of Supplier Diversity;
Bureau of Purchasing

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

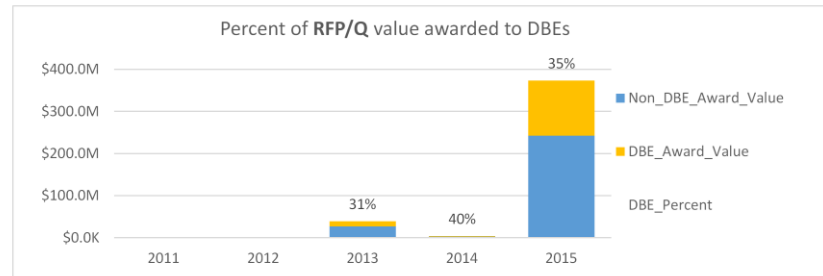
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Disadvantaged Business Enterprise (DBE): A business entity that is owned and controlled by social and economically disadvantaged persons, such that the entity's ability to compete in the business world has been restricted due to industry practices 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.

YTD, vendors have committed 35% of the value of contracts requiring an RFP to DBE firms.

RFPs:

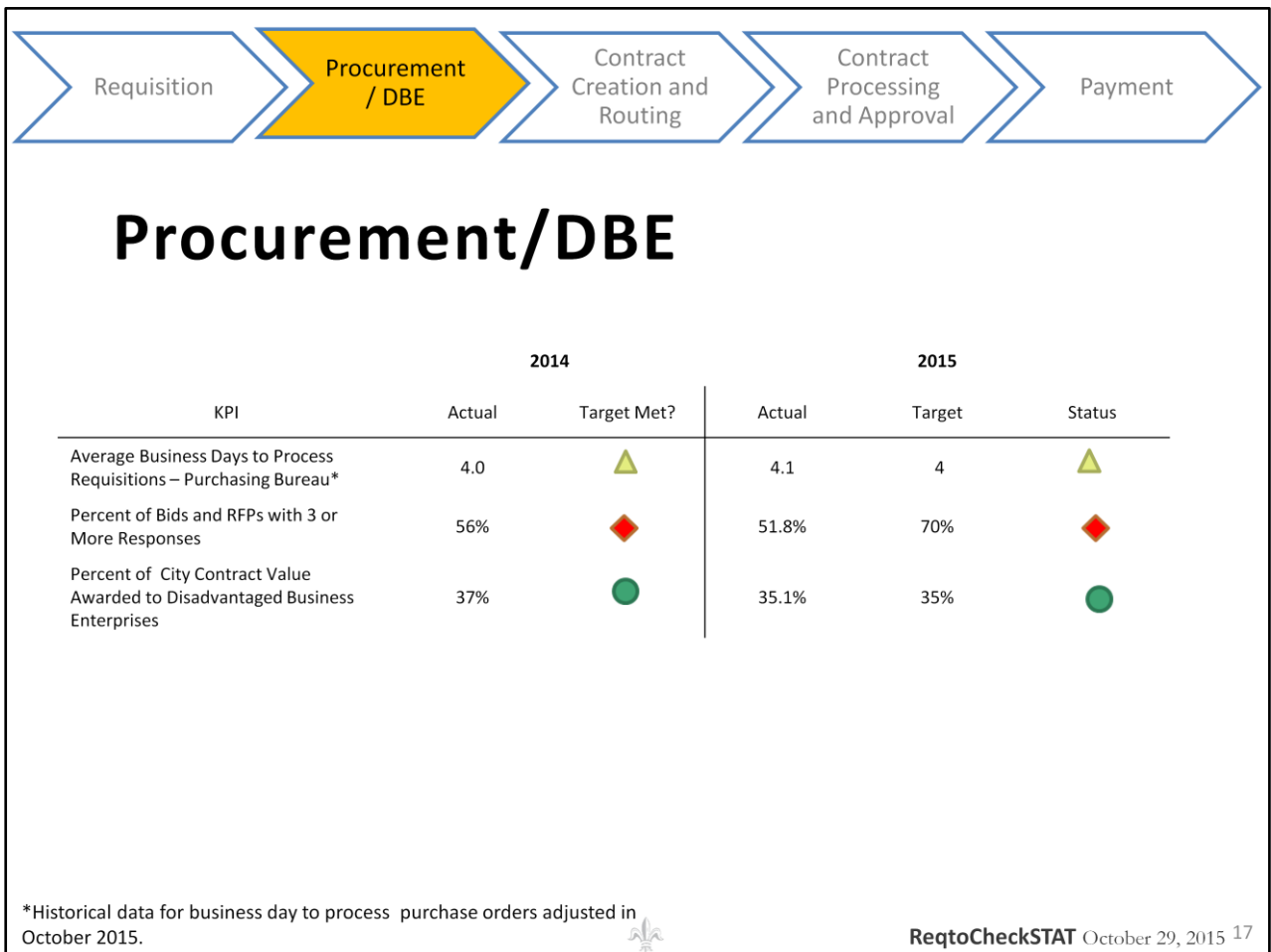


RFP/Q					
Year	Estimated_Contract_Value	DBE_Award_Value	Non_DBE_Award_Value	DBE_Percent	
2011	N/A	N/A	N/A	N/A	
2012	N/A	N/A	N/A	N/A	
2013	\$ 39,284,499.52	\$ 12,188,373.75	\$ 27,096,125.77	31%	
2014	\$ 4,287,611.47	\$ 1,700,146.33	\$ 2,587,465.14	40%	
2015	\$ 373,498,874.67	\$ 131,156,107.00	\$ 242,342,767.67	35%	

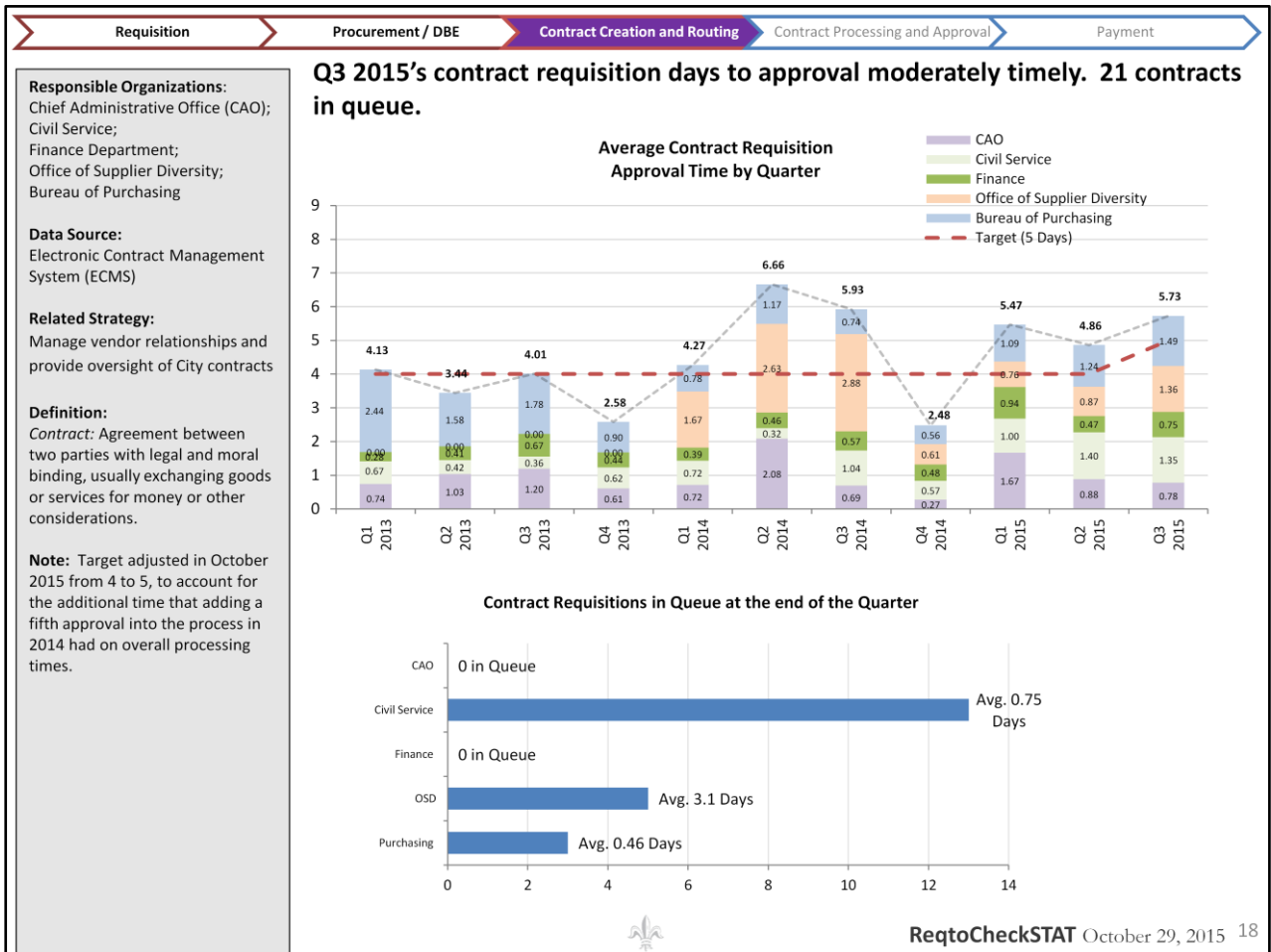
Status of 2015 RFPs

Status	# of RFPs
Validated	18
Not Tracked by OSD	3
Waived due to high specialization	1
Waived due to no DBE's available in market	2
TBD	7
Grand Total	31





The CAO observed that the “Percent of Bids and RFPs with 3 or More Responses” may be better described as a management statistic, rather than have a target, as it is unlikely that the City has much influence on how many responses they receive from a solicitation.



Target adjusted 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.

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

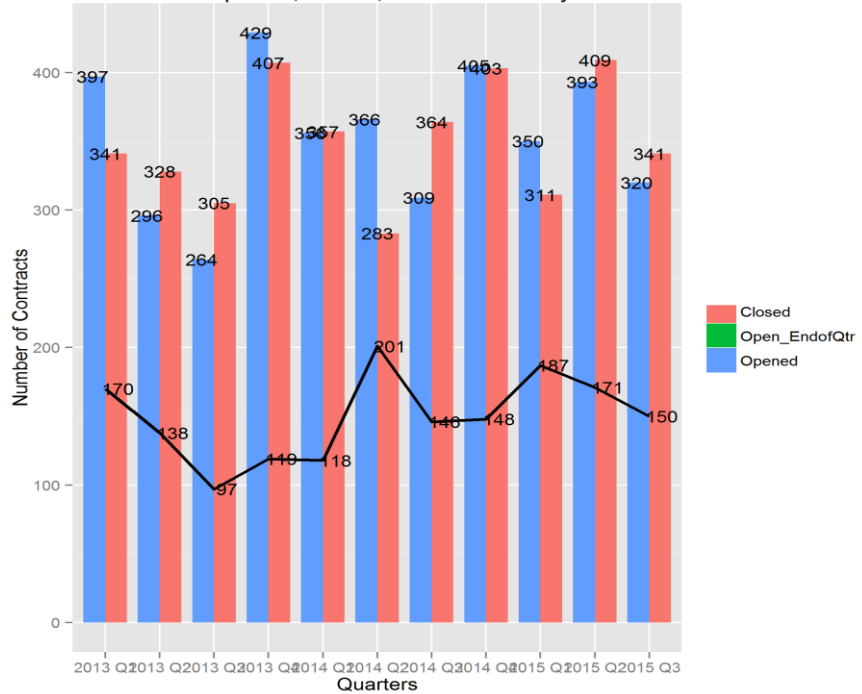
Note:

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 Q3 2015 was at 150.

Contracts Opened,Closed, and in Queue by Quarter



Responsible Organizations:

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

Data Source:

Electronic Contract Management System (ECMS); Law Department

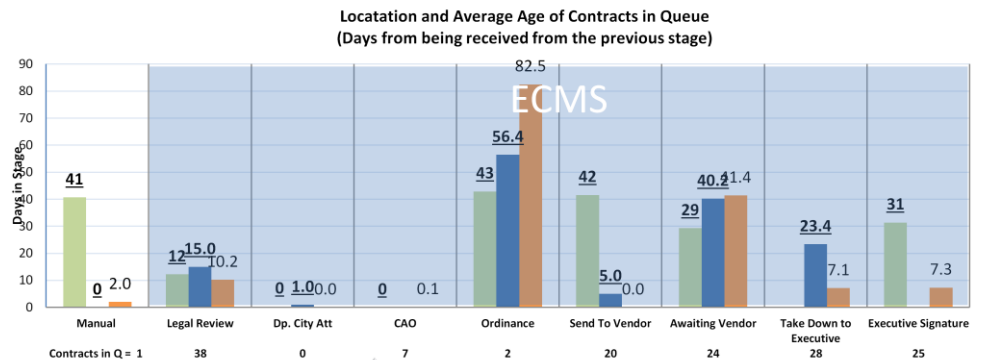
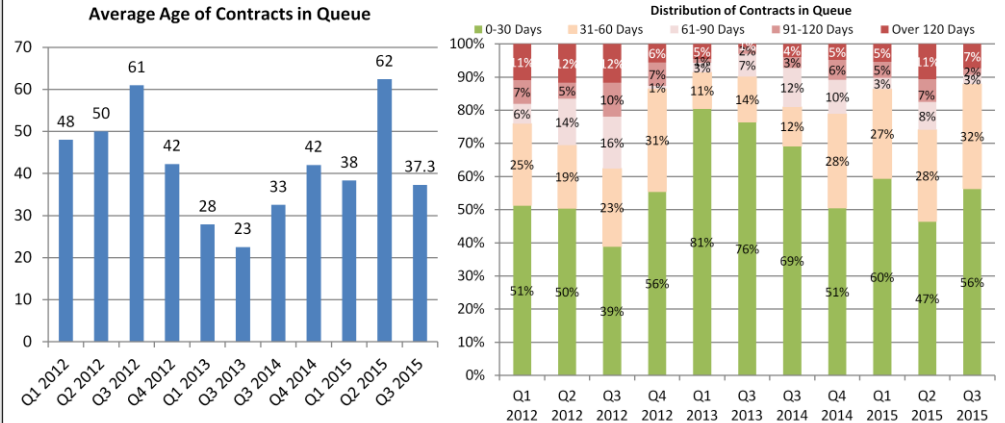
Related Strategy:

Manage vendor relationships and provide oversight of City contracts

Note:

Executive signature queue includes contracts awaiting execution by Executive Counsel, City Council, the CAO, or Property Management.

The average age of contracts lowest since Q3 2014.



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 24 contracts awaiting vendor signature, with an average age of 41 days at the end of Q3 2015.

Department	Days Awaiting Vendor	# of Contracts
PROPERTY MANAGEMENT	127.0	2
HEALTH DEPARTMENT	88.0	3
NEW ORLEANS BUILDING CORPORATION	71.0	2
AVIATION	32.4	7
HOMELAND SECURITY	27.5	2
LAW	13.0	1
NEIGHBORHOOD STABILIZATION	13.0	1
Homeland Security Grant Approval	5.7	3
CAPITAL PROJECT	5.0	1
MAYOR	2.0	2
Total	41.4	24



Responsible Organizations:

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

Data Source:

Electronic Contract Management System (ECMS)

Related Strategy:

Manage vendor relationships and provide oversight of City contracts

Note:

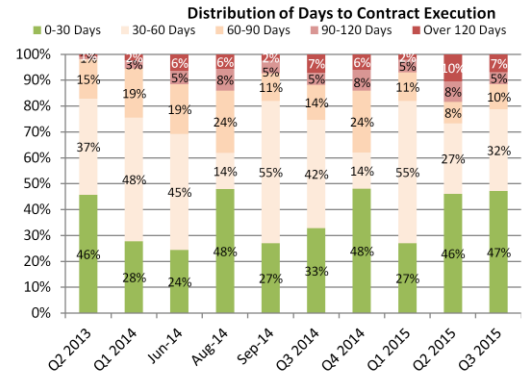
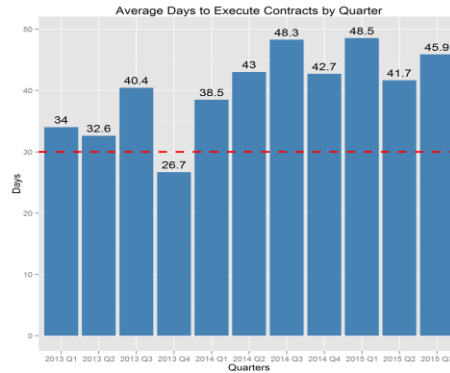
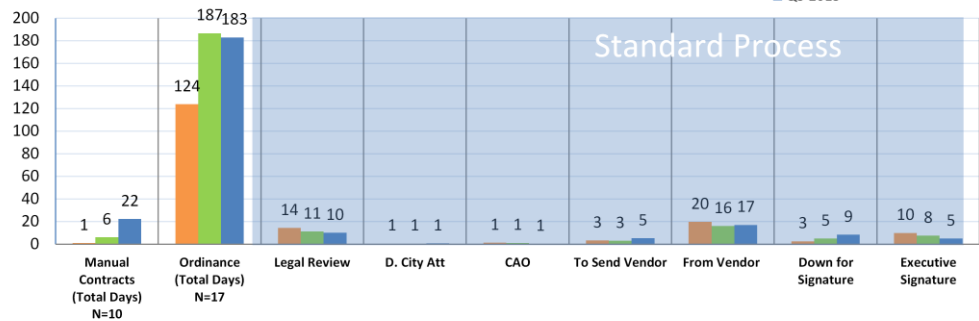
Legal review time includes all the processing time for contracts that were returned at any stage.

Executive signature queue includes contracts executed by Executive Counsel, City Council, the CAO, and Property Management.

"From Vendor" denotes when Law approves in ECMS to signify that a contract will be brought down to the Mayor or delegated executive to be signed.

Distribution chart subject to rounding error

The average days to execute was at 46, with many old contracts being closed in Q3, particularly 17 contracts that required City Council ordinances prior to execution. Contracts not requiring an ordinance were signed in 39 days on average.

**Average Days to Approve Contracts (by Stage)**

Responsible Organizations:

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

Data Source:

Electronic Contract Management
 System (ECMS)

Related Strategy:

Manage vendor relationships and
 provide oversight of City contracts

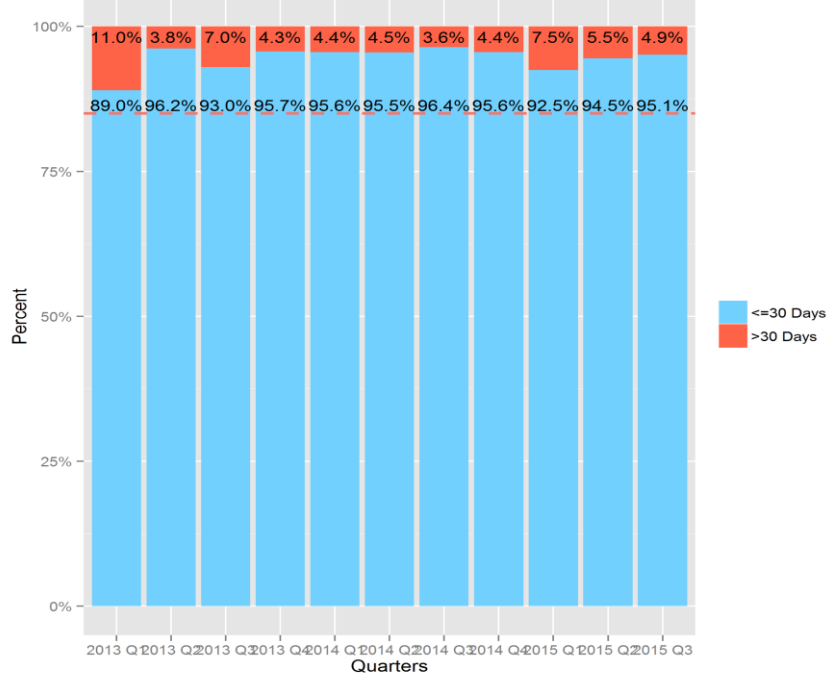
Note:

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

This KPI has been revised for 2016,
 to measure the percent of the same
 process within 14 days, rather than
 30 days.

95% of contracts were completed were drafted, reviewed, and approved by Law within 30 days in Q3.

Distribution of Days to Draft, Review, and Approve by Law Dept



Requisition



Procurement /
DBE

Contract Creation
and Routing

Contract
Processing and
Approval

Payment

Contract Approval Process

KPI	2014		2015		Status
	Actual	Target Met?	Actual	Target	
Percent of Contracts drafted, reviewed, and approved by the Law Department within 30 Days	96%		94%	85%	



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

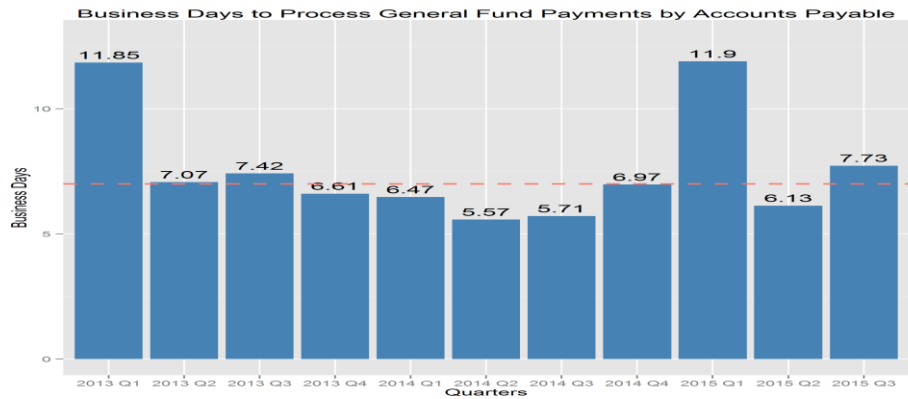
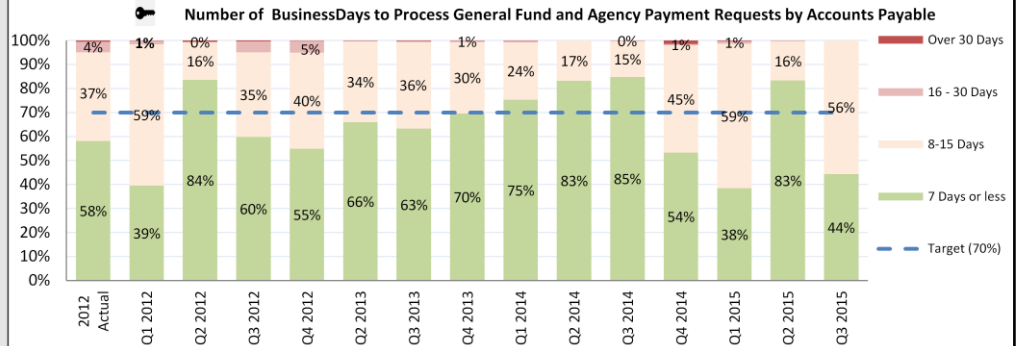
Data Source:
Accounts Payable records;
Great Plains

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

Note:
Q3 Great Plains sample N=
353.

Chart totals subject to rounding
error.

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



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

Data Source:
Accounts Payable records;
Great Plains

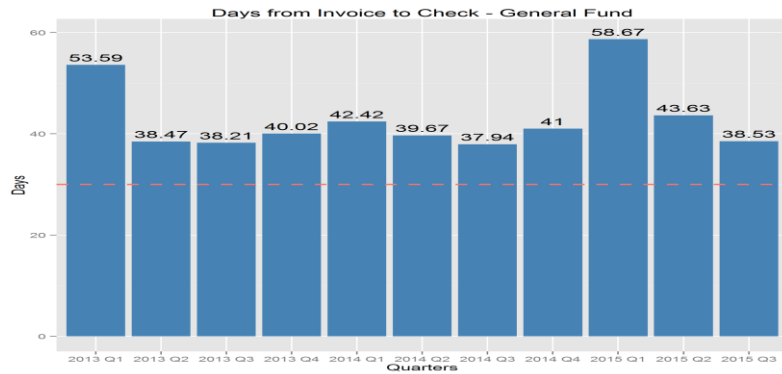
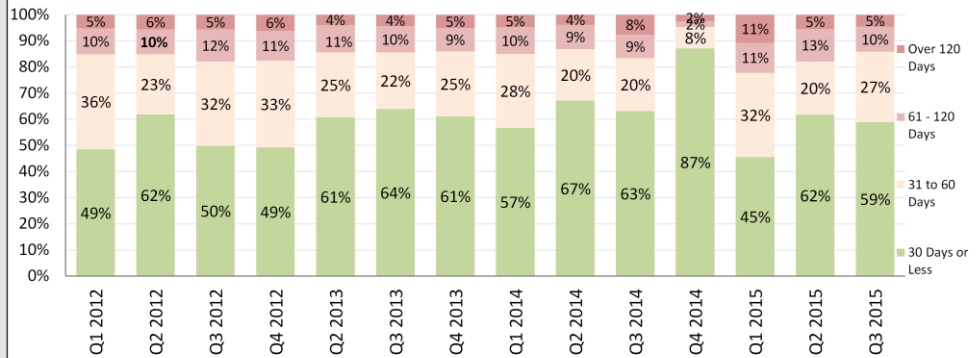
Related Strategy:
Manage vendor relationships and provide oversight of City contracts

Note:
Q3 Great Plains sample N= 353.

Chart totals subject to rounding error.

Overall timeliness to pay General Fund/Agency payments in Q3 2015 was more timely compared to other quarters.

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



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

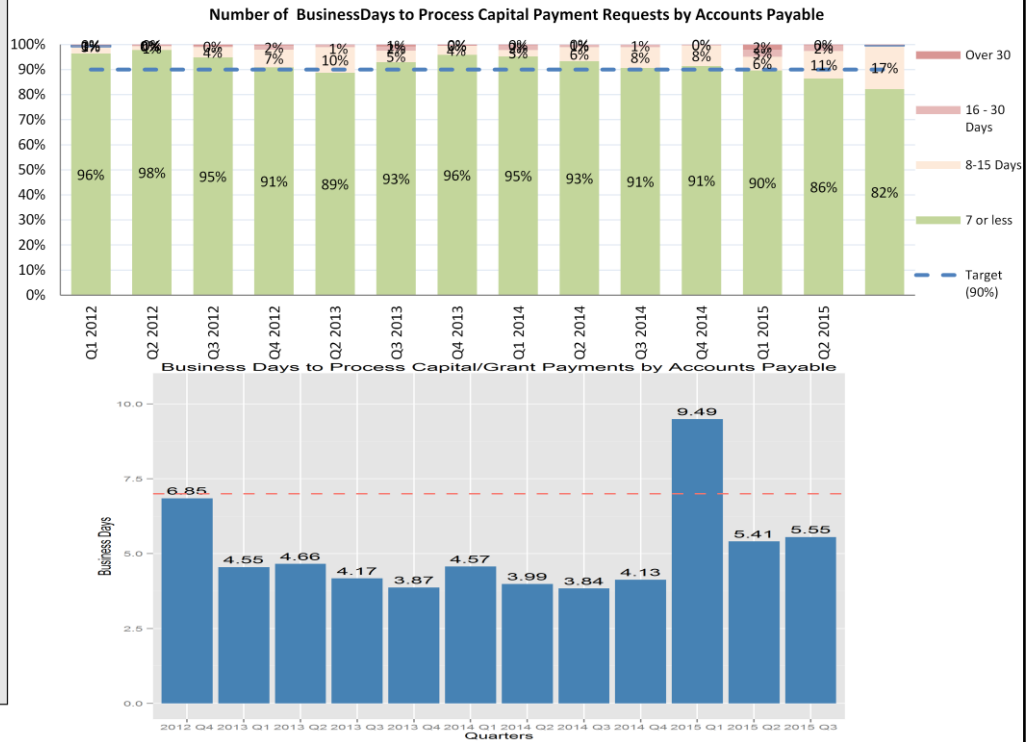
Data Source:
Accounts Payable records;
AFIN

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

Note:
Q3 2015 sample N=337.

Chart totals subject to rounding error.

Accounts Payable was below the 90% target days to process capital and grant payments within 7 business days, on average, they were well within the desired 7 day range.



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

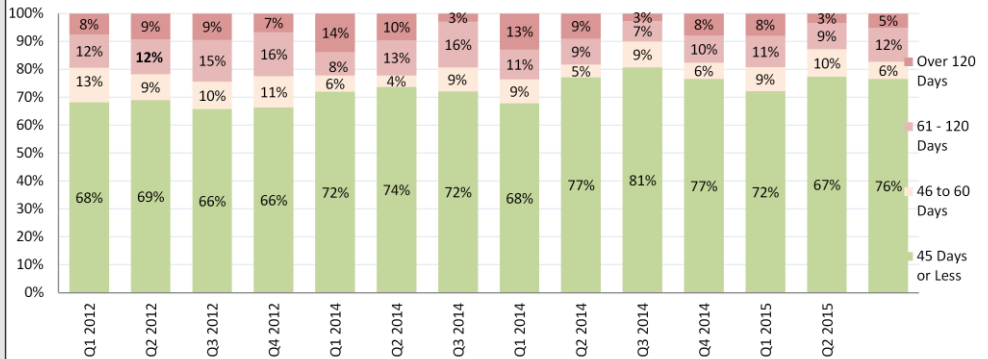
Note:

Q3 2015 sample N=337.

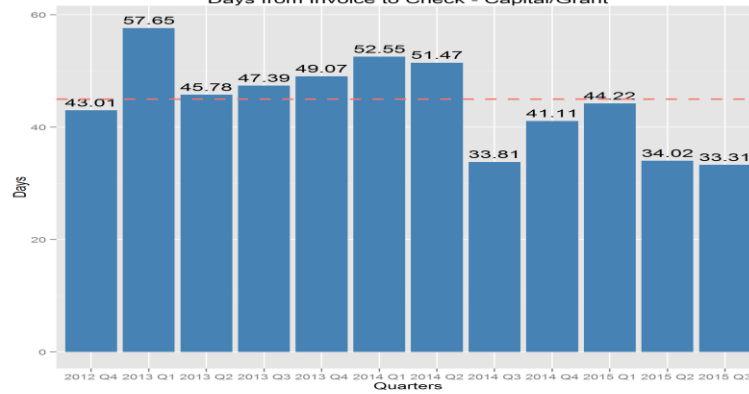
Chart totals subject to rounding error.

Overall timeliness on Capital/Grant payment processing exceeding target.

Number of Days to Pay Capital and Grants invoices from Invoice Date



Days from Invoice to Check - Capital/Grant







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

