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EXECUTIVE SUMMARY

New Orleans’ request for proposal (RFP) process experiences copious interruptions that affect its efficiency. It needs accountability but greater efficiency as well. This report compares cities of similar structures to establish a process best fit to fulfill the needs of New Orleans. The time it takes New Orleans to process one RFP, Louisville, KY could complete four. In New Orleans, for instance, once a city department issues an RFP and contractors submit proposals, the city’s review process involves excessive oversight compared to processes in similar cities. The unnecessary oversight elongates the process and reduces efficiency.

A comparison of New Orleans’ RFP process with those of other commensurable cities, requested by Dr. Blakely, indicates different policy options that would expedite the process in New Orleans and reevaluate the different checks currently involved. The cities in the comparative case studies use different procedures that fulfill their needs. Based on case studies, we recommend that New Orleans implement an expedited procedure in times of emergency, a threshold of $50,000 that determines the review process for the proposal, improved communication between the mayor and the review board, and a permanent review board that includes the use of a paralegal.
INTRODUCTION

New Orleans’ process for RFP’s is redundant. The time it takes New Orleans to process one RFP, Louisville, KY could complete four. An analysis of the RFP process in cities similar to New Orleans indicates differences in policies that can improve the RFP process in New Orleans. Policy options for New Orleans include an expedited process for times of emergency, a $50,000 threshold that determines the review process, a more open communication between the review board and the mayor, and a permanent review board.

I. RFP PROCESS IN NEW ORLEANS

Figure 1 depicts the general RFP process in New Orleans, LA (See Figure 1, below). An RFP is an invitation sent from a particular city department for suppliers to submit a proposal on a specific commodity or service. In New Orleans, the process to issue an RFP and determine the best contractor for the specific service needed, labeled in this report as the “RFP Process,” takes eight to eleven months.

[Figure 1 starts on the next page]
Stage one requires the specific department that wants work done to come up with an idea of what that work is and what it entails (see diagram of stage one below). After it brainstorms an idea, the department suggests a plan that allows for supplier to complete a contract. Stage one takes two to four months. Stage two begins after the department finishes the outline for a project.
Stage One

Stage two involves the RFP itself, from formulation to issuance. Stage three requires the selection of a vendor by the review board. For stages two and three, New Orleans uses an executive ordinance that explains the process and steps taken for a department to issue an RFP as well as the process needed to review the proposals submitted by suppliers in response to the RFP. Stages two and three are the longest stages in the RFP process in New Orleans because of the copious detail noted in the executive ordinance (see diagram of stages two and three below).

Stage Two, Step One
The first step explained in Executive Order CRN 08-06, Section 7 requires the particular department that creates the RFP to submit a draft of the RFP to the Chief Administrative Office for preliminary approval. With the information given in the RFP draft, the Chief Administrative Officer (CAO) or the City Attorney picks a selection review panel that analyses the different proposals submitted by suppliers as a response to the RFP’s.

Stage Two, Step Two
If the CAO approves the draft, the department sends another draft of the RFP to the Law Department. The Law Department determines illegalities as well as whether the RFP complies with Executive Order CRN 08-06.

Stage Two, Step Three
Once the Law Department gives written approval of the RFP the department that issues the RFP prepares an advertisement to request proposals from contractors. Contracts submitted these proposals to the purchasing department in order for the RFP to be published on the city’s website and office journal. The purchasing department advertises the RFP for a minimum of three consecutive days. The CAO determines which other publications to use and how long the advertisement will remain published.

When the purchasing department publishes the RFP, the department that issues the RFP submits a copy to the Disadvantaged Business Enterprise (DBE) Program Compliance Officer. The department that issues the RFP has the responsibility to use any means necessary to extend the invitation to submit proposals in response to the RFP. Departments must attempt to collect a minimum of three responses to the RFP from qualified contractors. If a minimum of three proposals is not met, the department contacts the CAO, who determines if more advertisement is needed.
Stage Two, Step Four
Here, the department that issues the RFP must collect at least one response to the RFP.\(^3\)

Stage Two, Step Five
The department that issues the RFP must be satisfied with the responses received.

Stage Two, Step Six
To continue into stage three, the CAO must not ask for a re-advertisement of the RFP’s.

Stage Three, Step One
Step one of stage three requires the department that issues the RFP to request a written authorization from the mayor and City Attorney to begin the contract process. With written authorization, the review board selects the proposals they prefer for the project and explains how this particular contractor meets the criteria described in the original RFP.

Stage Three, Step Two
The mayor and city attorney authorize the written request mentioned in step one of stage three.\(^4\)

Stage Three, Step Three
The review board consists of the CAO, the department director along with a staff member from the department that issues the RFP, and the DBE officer, who the city law includes in order to decide whether the DBE requirements for the city are met. Once the review board determines which proposals are the strongest and which ones meet the criteria described in the RFP best, the mayor makes the final decision as to who is hired for the job. The mayor can choose someone to hire or reject the proposals submitted as a response to the RFP.
The nine steps mentioned above demonstrate the various steps followed during the second and third stages of the RFP process. Once completed, the mayor hires a contractor that begins work on the project being requested. Normally, stage four takes one month.

Stage Four

As shown, stages two and three are the longest in the entire process. They involve the steps needed in order to approve, advertise, and respond to an RFP issued by a city department. These stages require time and precision. The nine steps in the two stages involve the different checks through which a proposal goes. In accordance with other cities’ RFP processes, some of these checks are not necessary and if removed the process becomes more beneficial to the needs of the city as it shortens the process and becomes more efficient.

Stages two and three in the RFP process in New Orleans describe the steps necessary to formulate an RFP, how to respond to the RFP that a department issues, and how to approve the response to the RFP by a contractor. Within these two stages, the CAO has various redundant responsibilities, which if changed, would enable a more efficient process. The CAO is involved in almost every step. Steps one, three, and six in stage two involve the participation and authorization of the CAO. The CAO’s participation can be less redundant if, for instance, the department has the responsibility to advertise its RFP as long as it sees fit. To grant the responsibility to the department instead of the CAO will facilitate the proposal process. Once contractors submit their proposal responses to the RFP, proposals directly go to the CAO and the review board. Not only would this stop the transfer of the RFP and proposals from department, to advertising, to CAO and back, but it would also allow for the department to find exactly what it needs to complete the project.

In other words, steps three and six in the executive order would be eliminated. The elimination of these steps leaves the CAO responsibility to approve a draft of the RFP as well as oversee the rest of the process as a part of the review board. This action saves a couple of weeks because the transfer of proposals from one office to the other would be eliminated. As will be shown, other cities reduce the number of redundancies, such as these, to expedite their processes.

The mayor’s authorization to begin the contract process as well as the mayor’s sole responsibility to hire a contractor to finalize a project (steps two and three in stage three) can be modified to enable a more efficient and smooth process. The mayor’s many responsibilities make it difficult for him/her to have great involvement in the RFP process. The mayor has the sole responsibility of hiring the contractor for the job. Though the length of the process will likely remain the same, a member of the mayor’s office should participate in the review board through the advertisement.
A member of his/her staff will enable a better final response and decision as to who meets the original demands of RFP’s during the last stage. The information given to the mayor by his/her staff will result in a more informed mayor.

These adjustments will enable a much needed change in stages two and three of the RFP process in New Orleans as well as establish a more efficient and accountable process as a whole.

1.1 New Orleans RFP Process Example

The following is an example of what an RFP process looks like in New Orleans. This example is repeated throughout this report to illustrate how the RFP process works in other cities.

**Situation**
A hospital needs help to rebuild its roof after a tree falls on top of it after a tornado.

**Stage One**
The Office of Recovery Management brainstorms a plan that will explain what needs to be done and how much money will be spent. Devising a plan for the job will take two to four months.

**Stage Two**
The Office of Recovery Management formulates a plan to solve the hospital’s problem and puts together a RFP’s in order to find a proper contractor for the job.

**Step One**
Once the Office of Recovery Management creates the RFP, it submits a draft of it to the CAO for preliminary approval. The CAO selects the review board in accordance to what is written in the RFP.

**Step Two**
After approval from the CAO, the Office of Recovery Management sends another draft of the RFP to the Law Department. The Law Department determines whether any illegalities exist in the RFP and whether it complies with Executive Order 08-06.

**Step Three**
Once the Law Department sends its written approval of the RFP, the Office of Recovery Management prepares an advertisement to receive proposals from contractors. The Office of Recovery Management sends these proposals to the purchasing department where the RFP will be published on the city’s website and office journal. The RFP is advertised for a minimum of three days. The CAO decides which other publications to use for advertisement and the amount of advertisement for the RFP. Then, the Office of Recovery Management submits a copy of the RFP to the DBE program compliance officer. The Office of Recovery Management can advertise the RFP in different publications in order to meet the City’s requirement of three RFP responses from contractors. If the Office of Recovery Management does not collect three proposals, it contacts the CAO, who determines whether more advertisement time is needed.
Step Four
The Office of Recovery Management collects at least one response from a qualified contractor for the RFP.

Step Five
The Office of Recovery Management must be satisfied with the responses received.

Step Six
If the CAO is content with responses and does not assign more advertisement time for the RFP’s, then stage three can start.

Stage Three
Stage three involves both the review board’s and the mayor’s approval to go ahead and start the job with a particular contractor.

Step One
The mayor and city attorney must send written approval to the Office of Recovery Management to begin the contract process. With written approval, the review board picks the proposals it prefers the most. The review board then explains why choose the particular contractors and how their responses meet the criteria stated in the original RFP.

Step Two
The mayor and city attorney send their written approval mentioned in step one of stage three.

Step Three
The review board selects its favorite responses to the RFP and sends the proposals to the mayor with an explanation of why the proposals are the best. The mayor makes the final decision as to who to hire for the job. He may also reject every proposal.

Stage Four
A contractor can now begin to repair the roof of the hospital. This last stage normally takes a month, however different jobs require different times.

II. AN EFFICIENT RFP PROCESS

A tactical and new approach is essential for the creation of a more efficient RFP process in New Orleans. The analysis that came from researching like cities’ RFP processes and comparing them to the process found in New Orleans establishes several suggestions that will benefit New Orleans.

The next section discusses and demonstrates the different ways Baton Rouge, LA, Jefferson Parish, LA, Atlanta, GA, and Louisville, KY operate their RFP processes. Dr. Blakely recommended the use of these cities as case studies. Evidence has been collected from each city’s process that will later be applied in a suggested restructuring to New Orleans’ RFP process.
III. THE RFP PROCESS IN CITIES SIMILAR TO NEW ORLEANS

3.1 Atlanta, Georgia

In Atlanta, the Office of Procurement takes care of all of the city’s requests for proposals. The time of response for an RFP from conception to completion of the project is anywhere between 120 to 200 days. The process starts with an idea or a scope of work brainstormed by a department that takes anywhere from a few days to a month (See Figure 2, below). The department presents its idea to members of the finance department and the project managers for further development of the idea that will fix the problem in the idea. The finance department and project managers can take up to three months to fully diagnose the problem and come up with a solution. Once a solution has been reached, it goes into a process known as the dollar threshold.

The dollar threshold is a dollar amount that determines whether the project will go into a competitive process or will receive quotes from three different vendors. The city uses the competitive process when the dollar amount for the project is above $20,000. The competitive process takes two months because the project needs advertising. Advertisement takes time because the RFP that is issued by a department has to be published in order for contractors to submit their proposals as a response.

When the project is less than $20,000, the city receives quotes from three vendors. The three vendors can send their quotes via phone or fax. Once the finance department receives the quotes, it takes two weeks to a month to review them. Atlanta’s Office of Procurement uses a permanent review board that examines each proposal submitted by contractors after the department issues an RFP. After the proposals are analyzed by the review board, they are sent to the mayor. The review board gives the mayor a summary that explains why it selected the particular proposals and how the contractors’ proposals meet the demands of the RFP. Once the mayor selects one proposal the project can be realized.

Atlanta’s process also involves a separate procedure in case of an emergency, wherein immediate action is needed. The emergency procedure in place skips the competitive process in order to receive prompt results. In case of an emergency and when the city needs to maintain something quickly, the expedited procedure enables it to happen promptly.
3.1.1 Atlanta’s RFP Process Example

Stage One
In Atlanta, only the Office of Procurement deals with requests for proposals for the City. The Office of Procurement plans the project and determines what the job will entail. This brainstorming process takes about a month.

Stage Two
The Office of Procurement presents its ideas to the Finance Department and project managers. The planning progresses in these meetings. The Finance Department designs a complete plan that offers the amount of money needed to fix the hospital roof and the fastest way to complete the project. It takes a maximum of three months for The Finance Department to devise a plan to complete the project.
Stage Three
After the Finance Department devises a plan to complete the project, the Office of Procurement decides the urgency of the situation.

Stage Four
The Office of Procurement decides that the situation is urgent because a hospital cannot go on without a proper roof. An already pre-qualified contractor is hired and the job begins immediately.

3.1.2 Policy Options

New Orleans can take two elements from the RFP process in Atlanta. Given Atlanta’s effective dollar threshold, New Orleans could benefit from a lower one as well. New Orleans’ current dollar threshold is $150,000. With a smaller threshold, the RFP process itself will become more efficient as well as shortened. The dollar threshold allows RFP’s above a certain amount of money to go into a competitive process, but proposals less than a particular amount of money are offered to three vendors that are pre-qualified. New Orleans would also benefit from an expedited process for emergency situations similar to the one Atlanta uses. If an emergency arises, the RFP process would go from idea to job, expediting the usual process.

3.1.3 Comparing the RFP Processes in New Orleans, LA and Atlanta, GA

Table 1 demonstrates the many differences between New Orleans and Atlanta. New Orleans has a CAO, Atlanta does not. New Orleans’ time of response is eight to eleven months and Atlanta’s is only 120 days to 200 days. New Orleans has five more checks than Atlanta does. Lastly, Atlanta has an emergency procedure whereas New Orleans does not.

Table 1: A Comparison of the RFP Processes in Atlanta and New Orleans

<table>
<thead>
<tr>
<th>Existence of CAO</th>
<th>No Atlanta</th>
<th>Yes New Orleans</th>
</tr>
</thead>
<tbody>
<tr>
<td>City Council Approval</td>
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<td>No</td>
</tr>
<tr>
<td>Time Of Response</td>
<td>4-7 Months</td>
<td>8-11 Months</td>
</tr>
<tr>
<td>Emergency Procedure</td>
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<td>No</td>
</tr>
<tr>
<td>Number of Checks</td>
<td>Normal: 4</td>
<td>Normal: 9</td>
</tr>
</tbody>
</table>
3.2 Baton Rouge, Louisiana

In Baton Rouge, the RFP process typically takes 30 to 45 days. It starts when a department forms an idea to address a structural problem in the city. If the cost is above $25,000, the mayor approves the proposal in the last steps of the process. If approval of the mayor is necessary, the process is prolonged for about a week. The department’s RFP is advertised for 10 days. After the advertisement of the RFP and after a selection is made from the submitted proposals from the contractors, the job can commence. In an emergency situation the department picks a contractor and the project starts as quickly as possible (See Figure 3, below).

Figure 3: The RFP Process in Baton Rouge, Louisiana
3.2.1 Baton Rouge’s RFP Process Example

Stage One
The purchasing department determines what will be needed to re-roof the hospital. Brainstorming takes three to five days.

Stage Two
The Department assesses the situation and determines if it is an emergency or whether the situation should go into the competitive process. The purchasing department estimates the cost of re-roofing the hospital.

Stage Three
The purchasing department evaluates the urgency of the situation. Baton Rouge’s list of emergency situations includes natural hazards such as severe weather, tornadoes, hurricanes, flooding, and winter weather as well as an act of terrorism or anything that might be said to danger their citizenry. The purchasing department sees the situation as urgent because the hospital roof was damaged by a hurricane and hires an already pre-qualified contractor to start the job immediately.

3.2.2 Policy Options

The process in Baton Rouge is simple and has different paths for an RFP in relation to the amount of money spent. New Orleans can use some of the Baton Rouge’s ideas, such as the emergency situation procedure and the dollar threshold amount. Once again, with the smaller dollar threshold New Orleans would require fewer checks if less money is involved. Fewer checks during the RFP accelerate the process. Baton Rouge’s two different procedures, both the standard and the emergency processes, can be used as models which could potentially help the RFP process in the city of New Orleans.

3.2.3 Comparing the RFP Processes in New Orleans, LA and Baton Rouge, LA

Table 2 demonstrates the many differences between New Orleans and Baton Rouge. New Orleans has a CAO, Baton Rouge does not. New Orleans’ time of response is eight to eleven months and Baton Rouge’s is only thirty to forty five days. New Orleans has five more checks than Baton Rouge does. Lastly, Baton Rouge has an emergency procedure where as New Orleans does not.
Table 2: A Comparison of the RFP Processes in Baton Rouge and New Orleans

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<tr>
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</tr>
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<tr>
<td>City Council Approval</td>
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<tr>
<td>Time Of Response</td>
<td>30-45 Days</td>
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<td>Normal: 9</td>
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<tr>
<td></td>
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</tbody>
</table>

3.3 Louisville, Kentucky

In Louisville, KY, a department issues the RFP. Step one can take anywhere from a day to a week. The department sends out the project to its purchasing department in order to convert the idea into a formal RFP. Also known as the RFP step, this step takes anywhere from a week to however long the department wishes for the RFP to be advertised. When the RFP deals with a more than one department, the RFP has to be reviewed by the mayor, which takes up to a week. In most cases, however, the department that issues the RFP evaluates proposals submitted by the contractors. The amount of time used to complete the process fluctuates because the department is at the mercy of the contractors. After the evaluation of the bids, the contractors go to work. The amount of time used for the contractors to actually perform the requested-project depends on the nature of the particular project (See Figure 4, below).
3.3.1 Louisville’s RFP Process Example

Stage One
The Public Works and Assets Department begins to evaluate the project and what it entails.

Stage Two
The Public Works and Assets Department determines the cost of fixing the roof as well as the time and material needed for the project.
Stage Three
After completing an RFP draft, the Department of Public Works and Assets determines whether the situation is urgent and whether the work must be done promptly. Because a tornado caused the roof to collapse and the structure involved is a hospital, the Department agrees that it is an emergency situation and that the job must be completed as soon as possible. The Public Works and Assets Department hires a pre-qualified contractor right away and the job begins.

3.3.2 Policy Options

If the department that issues the RFP recognizes the situation as an emergency, defined as a danger to its citizens, the process goes through a separate department that is set up to deal with disaster relief. The disaster relief department acts immediately in order to expedite the outcomes. An emergency program for New Orleans will allow for faster action in times of need.

3.3.3 Chart Comparing New Orleans, LA to Louisville, KY

Table 3 demonstrates the many differences between New Orleans and Louisville. New Orleans has a CAO, Louisville does not. New Orleans’ time of response is eight to eleven months and Louisville’s is only two months. New Orleans has six more checks than Louisville. Lastly, Louisville has an emergency procedure that expedites its process whereas New Orleans does not.

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3.4 Jefferson Parish, Louisiana

The first step in the RFP process in Jefferson Parish is for the department to propose the RFP. The department sends its idea to the Department of Purchasing. The Department of Purchasing puts the idea into an RFP. The RFP step takes thirty days because it needs to be advertised by the Purchasing Department. The Office of Budgeting and committee members reviews the responses to the RFP. After the committee receives the bids, the Office of Budgeting and the committee members meet and review the bids. After the meetings take place and the contract is completed, the Jefferson Parish Council must approve the project. The project may commence once the Jefferson Parish Council approves the project, which usually takes less than a week (See Figure 5, below).
3.4.1 Jefferson Parish’s RFP Process Example

Stage One
The General Services Department deliberates an idea. This stage takes about a week.
Stage Two
Once idea is formulated, the General Services Department sends its idea to the purchasing department where it is transformed into an RFP.

Stage Three
The purchasing department advertises the RFP for a maximum of thirty days.

Stage Four
Once the contractor’s proposals are submitted, the Office of Budgeting and Committee members reviews the proposals and picks a contractor it believes is best for the job.

Stage Five
The contractor’s proposal picked by the Office of Budgeting and Committee members is sent to the city council for approval. This stage takes a week.

Stage Six
Once the city council approves, the contractor begins re-roofing the hospital.

3.4.2 Policy Options

Jefferson Parish’s RFP process differs from the RFP process in New Orleans. Jefferson Parish does not require any type of mayoral involvement in its RFP process. The city council handles the review process for the proposals as well as the selection of the contractor in order for the job to begin. Jefferson Parish also uses an expedited process for emergency situations. At any time when the citizenry is in danger, Jefferson Parish ignores its usual RFP process and follows its expedited version. Though both processes differ, New Orleans needs to look toward Jefferson Parish’s emergency RFP process in order to protect its citizens and create a more reliable and efficient system.

3.4.3 Comparing the RFP Processes in New Orleans, LA and Jefferson Parish, LA

Table 4 demonstrates the many differences between the RFP process in New Orleans and Jefferson Parish. New Orleans has a CAO, Jefferson Parish does not. New Orleans’ time of response is eight to eleven months and Jefferson Parish’s is only two months. New Orleans has four more checks than Jefferson Parish. Lastly, Jefferson Parish has an emergency procedure whereas New Orleans does not.
Table 4: A Comparison of the RFP Processes in Jefferson Parish, LA and New Orleans

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<th>Jefferson Parish</th>
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3.5 A Comparison of New Orleans’ RFP Process to the RFP Process in Similar Cities

Table 5 expresses different components of the RFP processes in New Orleans, Baton Rouge, Atlanta, Louisville, and Jefferson Parish. The information stated below was gathered by information given by the Procurement Offices of each city excluding New Orleans whose information was gathered from information given by the Chief Administrative Office.

Table 5: A Comparison of New Orleans’ RFP Process to the RFP Process in Similar Cities

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<thead>
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<th>Atlanta, GA</th>
<th>Baton Rouge, LA</th>
<th>Louisville, KY</th>
<th>Jefferson Parish, LA</th>
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</table>
New Orleans is the only city in which a CAO is involved in the RFP process. The city council does not participate in the RFP process in New Orleans and Atlanta. There are varying time responses per individual city. Some of these responses amount to a month and others up to 11 months. However, it is important to note that if an expedited procedure is in place, the process in times that are not deemed an emergency can take more time without having severe circumstances. Every city except New Orleans uses an expedited procedure for times of emergency.

IV. POLICY OPTIONS AND RECOMMENDATIONS FOR NEW ORLEANS

After comparing RFP processes of similar cities, the most productive way to change New Orleans’ current system is to model the process after other cities in the United States, which have processes that have proven successful over the years. Some of the current checks New Orleans has in place can be eliminated in order for the proposals to be reviewed and checked only as appropriate, therefore shortening the process and increasing efficiency. In order for this to occur, proposals must be sent for review to those who have expertise in the particular field at hand.

4.1 Emergency Relief

Four of the cities under investigation use two systems: one for regular operation and another for emergencies. New Orleans must have a regular RFP procedure as well as one used in terms of emergency. The expedited process has fewer checks and balances than the process followed in any other circumstance. Baton Rouge and Jefferson Parish use emergency procedures in urgent situations. Their definition of an emergency situation ranges from natural hazards, such as severe weather, tornadoes, hurricanes, flooding, and winter weather, to an act of terrorism or anything that might endanger their citizenry. Both cities are similarly structured in comparison to New Orleans, which could use their definition of emergency situations in order to follow its potential expedited procedure. New Orleans’ expedited process would be implemented once the CAO declares the situation as an emergency. New Orleans would benefit by use of such procedure, being so similar to these cities in location and structure. The RFP process followed in other circumstances would still have the required amount of checks and balances because of the decreased immediacy of the problem.

4.2 Dollar Threshold

A dollar threshold also determines which process an RFP follows. As mentioned earlier, New Orleans has a threshold of $150,000. Though the city uses different processes depending on a greater or lesser cost for a particular RFP, these processes are not very different from one
another. For those that are less than $150,000, the review panel includes the CAO, the department director along with a staff member, as well as the DBE officer, who is included in order to decide whether the DBE requirements for the city are met. For proposals over $150,000, the review panel includes the CAO, the department director along with his/her staff member, the DBE officer, and a community member. Other than the added community member, the process remains the same no matter the total cost of the proposal. Though the community member, who must have expertise in the field at hand, makes a good addition toward the review process, the difference between cost and process is not great enough. The dollar threshold creates two different processes in which a smaller amount allows for a faster decision because of the smaller sacrificial cost. For the proposals that are greater in cost, the review is more in depth in order to increase precision and prevent excessive costs.

In accordance with other cities processes we suggest a smaller dollar threshold for New Orleans. Atlanta has a $20,000 threshold. This threshold indicates whether a proposal should go through a competitive process or to three pre-qualified contractors to complete the project at a faster pace. Baton Rouge employs a $25,000 threshold, which determines whether the RFP needs mayoral approval. Without the mayor’s approval, the process is faster but still efficient.

A $50,000 threshold allows for a more efficient RFP process in New Orleans. For proposals less than $50,000, the final mayoral approval is not necessary. Because of the lack of mayoral involvement in the current RFP process, we would count on the already much involved review board as well as the CAO to decide which proposal to use. For proposals that cost over $50,000, mayoral involvement is crucial. For these RFP’s, someone designated from the mayor’s office is involved in most of the process from the stage after advertising. The mayor’s staff involvement ensures a wide understanding as to the specifics of the project. A smaller dollar threshold allows for projects to proceed faster because of fewer restrictions. The smaller dollar thresholds found in other cities like Atlanta work similarly and are successful.

4.3 Summary for the Mayor

We suggest not only that the mayor become more involved in the RFP process that costs greater than $50,000, but also that a precise summary be submitted by the permanent review board to the mayor that will explain the different steps taken in order to determine the proposals that meet the criteria the best. This should include the board’s justification for the choice of contractors. The City of Atlanta’s Office of Procurement’s review board submits a summary to the mayor in order for him/her to better understand the office’s review process. According to Atlanta’s Office of Procurement, the summary is helpful for the mayor. It allows the mayor to be informed of the board’s decisions without having to sit in on the meetings him/herself. The mayor of New Orleans has a lot of responsibilities already, which is why the summary would be beneficial to him/her. With the summary, the mayor would be informed about the problem and project, without having to devote a lot of time in the entire process. The summary ensures a faster decision time frame. The mayor will have everything laid out in front of him/her and will make a reliable and firm decision in accordance to the summary. In the current system, the final review board provides a summary to the mayor of New Orleans, but the summary we recommend would be more precise. A summary for the mayor will eliminate a week off of the process and though a
week may not seem like a long time, that week is not needed and will be used towards the project itself.

4.4 Review Board

Currently, New Orleans has a difficult time reviewing submitted proposals. In order to facilitate the process, New Orleans should create a permanent review board. New Orleans has a review board for proposals that cost more than $150,000 and one for proposals less than $150,000, but it is not permanent. The recommended-permanent review board would select the contractors that meet the demands of the original request accurately. The people on this board would be a member of the CAO’s staff, a member of the mayor’s office, a member of the department that requests the work, a member of the DBE office, a paralegal, and expert of the subject dealt with in the RFP. Though this review board is similar to the one currently used, the suggested review board incorporates a permanent seat for a person of expertise and one for a paralegal. The paralegal allows for less interruptions and constant overview and eliminates potential illegalities through the process. Atlanta’s Office of Procurement has a permanent review board whose sole responsibility is to review proposals that are submitted as responses to the RFP. Jessica Boston, Senior Secretary in the Office of Procurement, explains that the permanent review board in Atlanta is crucial to the efficiency of their RFP process. The permanent review board’s success in Atlanta suggests that a similar permanent review board for New Orleans would be beneficial.

4.5 Predetermined Contractors

New Orleans should develop ties with contractors for certain projects. The predetermined contractors would be hired by the city for its expedited RFP process, designated for emergency situations. To have contractors that the city would use under these circumstances would accelerate the RFP process. Atlanta uses a similar system in connection with their dollar threshold. It uses predetermined contractors for proposals below the $20,000 threshold. The department would select the predetermined contractors in accordance to the lowest bid. Using the predetermined contractors shortens the entire RFP process. Because of the time difference, New Orleans’s RFP process would benefit from using these predetermined contractors in the expedited procedure for emergency situations and proposals under the $50,000 threshold.

Businesses would complete an application to enter the city’s pool of predetermined contractors. The request for qualification will be issued the second day of every year, excluding weekends, on the city’s website. The paperwork must be submitted by the 30th of January of that same year. The permanent review board would review the paperwork to make sure businesses meet the city’s qualifications. Once approved, the business has to document any changes it makes to its current documentation by resubmitting documentation. If no changes are made within the calendar year, it will be up for review a year from its approval into the city’s predetermined pool.

If the city does not find any contractors within the pool that are qualified for a specific project, it can hire someone outside of the pool that has the qualifications necessary for the specific job. Applications for new businesses will be available on the city’s website and will be reviewed by
the permanent review board at any time in the calendar year. Once approved, the business will be up for review at the same designated time as the rest of the businesses in the pool. The city’s method of hiring will be the contractor in the pool that offers the lowest bid for the project.

REFERENCES

3 Steps numbers four through eight must be completed before negotiations with contractors may begin.
4 Even if these eight steps are completed the contractors that submit proposals must also submit a statement expressing how they intend to follow the requirements made by the City’s DBE. The DBE includes the State and Local Disadvantaged Business Enterprise Program, the Sewage and Water Board, and the New Orleans Aviation Board.
10 The law department currently reviews the RFP at different stages in the process causes interruptions. For example at stage three if the law department determines any illegalities the process can go back to stage one.