

Job Order Contracting: Policies and Procedures

Final Report • October 7, 2021





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Re: Job Order Contracting Policies and Procedures

I certify that the inspector general personnel assigned to this project are free of personal or other external impairments to independence.

Edward Michel
Interim Inspector General

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The Office of Inspector General for the City of New Orleans (OIG) conducted an evaluation of the Department of Property Management's (DPM) Job Order Contracting Policies and Procedures.

Job Order Contracts (JOC) are a multi-layered procurement mechanism in which the City contracts with one or more general contractors to perform small maintenance and repair jobs on city properties. The individual repair jobs may not exceed the value of \$150,000 per job; however, the total of these projects over the course of a year could be more than \$1M. The DPM was the primary City agency responsible for managing the JOC program. On average, the DPM spent \$2.6M per year on projects between 2017 and 2019. The total cost of the DPM's JOC projects for the period under review was \$7.7M.

The purpose of the OIG's evaluation was to determine whether City departments were utilizing the JOC process efficiently and effectively, and in accordance with City policies and state law. Evaluators also determined whether there were adequate internal and external controls in place to safeguard the procurement process.

Evaluators reviewed documentation and data related to JOC projects that commenced with Requests for Proposals (RFPs) issued between January 2017 and December 2019, and were completed on or before October 7, 2020. Further, the review was limited to projects ordered by the DPM. Evaluators also interviewed City employees and reviewed documents obtained from the DPM, the City's Bureau of Purchasing, and a contracted, private entity, the Gordian Group International, Inc. (the Gordian Group). Finally, evaluators reviewed state and local laws, policies, executive orders, training manuals, and best practices related to JOCs.

The evaluation included the following major findings:

- The Department of Property Management (DPM) did not fully comply with City policies due to contradictory guidance by the Law Department and the Bureau of Purchasing that was not aligned with the needs and requirements of the program. This guidance, combined with ineffective policies, led to reduced competition in contracting and minimal oversight of the program.

- The DPM adopted an expedited approval process for nearly all jobs, even though many were not emergencies. By circumventing standard processes, the department decreased the efficiency of the JOC program and exposed a lack of internal controls, which could increase the risk of fraud, waste, and abuse.
- The DPM lacked appropriate oversight and monitoring for JOC data input and accuracy, hindering their ability to determine the efficiency and effectiveness of the program.

Based on these findings, the OIG made the following recommendations to the City of New Orleans:

- The DPM, the City Law Department, and the Bureau of Purchasing should work together to develop new policy provisions for the JOC program that align with statutory requirements, jurisprudence, best practices, and the operational needs of the program.
- The DPM should improve the efficiency of the JOC program by developing internal procedures to evaluate which jobs should be completed using JOC, triage emergency versus non-emergency jobs, and hold contractors accountable for noncompliance with contract stipulations.
- The DPM should implement a program of quality assurance to ensure data accuracy and integrity and utilize the data for necessary program improvements.

On June 6, 2021 OIG staff met with department heads and staff from the DPM, Bureau of Purchasing, and the Law Department. The purpose of this meeting was to share preliminary findings and discuss realistic options for program improvement with the departments. On June 10, 2021, OIG staff, including the Interim Inspector General and the First Assistant Inspector General for Audit and Evaluation met with the City Attorney for follow-up discussions.

The OIG provided a draft copy of this report to the departments as legally obligated on August 13, 2021, giving the City 30 days to review and provide a management response. The City's response was initially due on September 13, 2021; however, the departments requested and were granted a three-week extension following Hurricane Ida.

On Monday October 4, 2021 the OIG received Management Response Forms from the DPM, Bureau of Purchasing, and the Law Department stating the JOC program was cancelled in May 2021.

At no time during the June meetings or any of the subsequent communications with the department heads did they convey to the OIG that the JOC program was cancelled or slated for cancellation. OIG employees dedicated a considerable amount of time working to improve the efficiency and effectiveness of the JOC program. The cancellation of the program does not negate the findings observed over the course of the OIG's review. While the City had the opportunity to provide a written letter or statement in response to OIG reports, no statement was provided. The OIG can only conclude that after the June meetings, the departments recognized the validity of the concerns raised.

According to the Management Response Forms, the three program areas agreed to work together to develop trade-specific contracts using more traditional procurement mechanisms and revise procurement policies as recommended. The OIG is encouraged that the departments are working towards a more efficient procurement process. However, it is the goal of this office to provide relevant and timely recommendations for program improvement, which cannot be accomplished if program management withholds critical information.

I. OBJECTIVES, SCOPE, AND METHODS

The Office of Inspector General of the City of New Orleans (“OIG”) conducted an evaluation of the City of New Orleans Department of Property Management’s (“DPM’s”) use of Job Order Contracting (“JOC”) Policies and Procedures.

The purpose of the OIG’s review was to determine whether departments within the City of New Orleans (“City”) were utilizing the JOC process effectively, efficiently, and in accordance with City policies and state law. Evaluators also sought to determine whether City departments applied adequate internal and external controls to safeguard the procurement process.

Evaluators reviewed documentation and data related to JOC projects that commenced with Requests for Proposals (“RFPs”) issued between January 2017 and December 2019, and that were completed on or before October 7, 2020. Further, the review was limited to projects ordered by the DPM.

Pursuant to Sections 2-1120(12) and (20) of the Code of the City of New Orleans and La. R.S. § 33:9613, evaluators interviewed City employees and reviewed documents obtained from the DPM, the City Bureau of Purchasing, and a private, contracted entity, the Gordian Group International, Inc. (“the Gordian Group”). In addition, evaluators obtained and analyzed data related to contracts involving the DPM, vendors, and the Gordian Group, including customized reports generated through the JOC program’s online portal. Finally, evaluators reviewed state and local laws, policies, executive orders, training manuals, and best practices related to JOCs.

OIG evaluators were greatly assisted in the preparation of this report by the full cooperation of City employees. This evaluation was performed in accordance with the Principles and Standards for Offices of Inspector General for Inspections, Evaluations, and Reviews.¹

¹ Association of Inspectors General, “Quality Standards for Inspections, Evaluations, and Reviews by Offices of Inspector General,” Principles and Standards for Offices of Inspector General (New York: Association of Inspectors General, 2014).

II. INTRODUCTION

As noted previously, the OIG conducted an evaluation of the DPM’s JOC Policies and Procedures. A JOC is a multi-layered procurement mechanism created by the U.S. Army Corps of Engineers in the 1980s.² The City of New Orleans Chief Administrative Office (“CAO”) Policy Memorandum No. 113(R) provides the following definition of JOC:

A contract delivery method used to accomplish a large number of individual projects under a single master contract with a bidder who is licensed, bonded and general liability insured. Bidder agrees to a fixed period, fixed unit price, and indefinite quantity contract that provides for the use of job orders for Public Work or maintenance projects.³

Government agencies typically use JOCs to perform maintenance and repairs on government-owned equipment, machinery, and buildings. According to the Center for Job Order Contracting Excellence, JOCs are best suited for multi-disciplinary projects that may require the services of professionals from different trades.⁴ Examples of projects for which departments may use JOCs include minor construction projects; Heating, Ventilation, and Air-conditioning (HVAC) repairs; electrical upgrades; renovations; routine repairs; and emergency repairs.

When using JOCs, departments use unit price catalog books to determine average national or regional industry prices of goods and services.⁵ The City used a unit price book provided by the Gordian Group. Prices included in the unit price books

² Capital Projects Advisory Review Board JOC Evaluation Committee, *Job Order Contracting (JOC) Best Practices Guidelines* (Washington, 2021), 7, accessed June 29, 2021, https://des.wa.gov/sites/default/files/public/documents/About/CPARB/2021Meetings/02-Feb/9-JOC-BestPracticesGuidelines_January2021.pdf?54730;

³ CAO Policy Memorandum No. 113(R)p. 3

⁴ Center for Job Order Contracting Excellence, *Job Order Contracting (JOC): A LEAN Best Management Practice for Efficient Construction Project Delivery*, 4, accessed May 5, 2020, <https://secureservercdn.net/50.62.198.70/7d0.958.myftpupload.com/wp-content/uploads/2016/12/JOC-Fundamentals-Best-Practices.pdf>

⁵ *Ibid.*, 3; see also Center for Job Order Contracting Excellence, “Implementing a Successful JOC Program”, (Center for Job Order Contracting Excellence, 2019), accessed January 10, 2020, <https://secureservercdn.net/50.62.198.70/7d0.958.myftpupload.com/wp-content/uploads/2019/08/Implement-Success-JOC.pdf>.

consist of the cost of labor, materials, and equipment.⁶ The information may be updated annually to provide departments and contractors with current pricing data.⁷

In 2016, the City issued an Invitation to Bid (“ITB”) via a competitive bidding process to procure JOC services. In accordance with best practices, the ITB required prospective contractors to propose “adjustment factors” or “coefficients” by which the contractor would charge for goods and services.⁸ The factor or coefficient represented the proportion of the prices identified in the unit price book that each contractor proposed to charge the City. For example, a contractor that bid a factor of 0.8 would have proposed to complete jobs at 80 percent of the prices identified in the unit price book. The ITB stated the contractor with the lowest responsive and responsible bid, based on its proposed factor, would be awarded the contract.

The Department of Property Management (DPM) was the primary City agency responsible for managing the JOC program.⁹ However, other departments also utilized the program, including the New Orleans Recreation Development Commission, the City of New Orleans Capital Projects Administration, the Louis Armstrong New Orleans International Airport, and Department of Parks and Parkways. The City used the JOC mechanism to complete 1,552 jobs ordered between January 2017 and December 2019. The DPM ordered 1,237 of these jobs.¹⁰

⁶ Center for Job Order Contracting Excellence, *Job Order Contracts and Unit Price Books: What UPB Should You Use?* (2018), accessed May 6, 2021, <https://secureservercdn.net/50.62.198.70/7d0.958.myftupload.com/wp-content/uploads/2019/08/JOC-Unit-Price-Books.pdf>.

⁷ *Ibid.*, 2. Although the catalogs can be updated annually, the City of New Orleans opted not to update its unit price book for the duration of its contract with the Gordian Group.

⁸ Invitation to Bid, City of New Orleans, Proposal No. 4511-01965, Job Order Contract – General Contractor # 9 (February 2016); see also Center for Job Order Contracting Excellence, *Job Order Contracting (JOC): A LEAN Best Management Practice for Efficient Construction Project Delivery*, 4; Capital Projects Advisory Review Board JOC Evaluation Committee, *Job Order Contracting (JOC) Best Practices Guidelines*, 4.

⁹ CAO Policy Memorandum No. 113(R), p. 5.

¹⁰ This included all jobs where the RFP was issued between January 2017 and December 2019 that had a status of “complete.” Jobs were used for analysis even if they were completed after December 2019.

City policy provided that individual JOC projects may not exceed \$150,000 in value.¹¹ However, the City's 2016 ITB estimated that JOC contractors may earn approximately \$1.25M in work each year with, a prospective five-year total of \$5M.¹² On average, the DPM spent \$2.6M per year on projects between 2017 and 2019. The total cost of the DPM's JOC projects for the period under review was \$7.7M. The sum of all JOC projects in the City amounted to \$15.5M.

¹¹ CAO Policy Memorandum No. 113(R), p. 5-6.

¹² Invitation to Bid, City of New Orleans, Proposal No. 4511-01965, Job Order Contract – General Contractor # 9 (February 2016), p. 6.

III. INCONSISTENT POLICIES AND PROCEDURES

In the City of New Orleans, JOCs are governed by state law and City policy. Louisiana Public Bid Law set forth the process by which state and local agencies must procure goods and services over the “contract limit” of \$150,000.¹³ City policies provided additional guidelines for publicly bid contracts, as well as stipulations for contracts valued less than the contract limit. CAO Policy Memorandum 113(R) required the DPM to use the JOC mechanism only for individual public works projects “with a total value of \$150,000 or less.”¹⁴ Further, when procuring JOCs, the DPM was required to utilize procurement procedures at its disposal and “use said procedure to select no less than 2 but up to 5 contractors.”¹⁵ In setting forth this policy, Memorandum 113 provided additional guidelines for both formal and informal bid procedures.¹⁶

Finding 1: The Department of Property Management (DPM) did not fully comply with City policies due to contradictory guidance that was not aligned with the needs and requirements of the program. This guidance, combined with ineffective policies, led to reduced competition in contracting and minimal oversight of the program.

CONTRADICTIONARY REQUIREMENTS

Under Louisiana Public Bid Law, all publicly bid projects exceeding the contract limit of \$150,000 shall be awarded by “competitive sealed bidding” and must be awarded to the bidder with the lowest responsible and responsive bid, according to the advertised bid documents.¹⁷ In addition, for all such contracts exceeding the contract limit, the City’s invitation for bids must contain “a description of the

¹³ La. R.S. 38:2212(A). The contract limit is subject to annual increases based on the Consumer Price Index. In July 2020, the contract limit for Louisiana Public Bid Law increased to \$250,000. However, New Orleans City Policy had not changed to reflect this increase as of July 2021. All contracts reviewed for the purposes of this evaluation were written prior to the change in Louisiana Public Bid Law.

¹⁴ CAO Policy Memorandum No. 113(R), p. 6.

¹⁵ Ibid., at p.5-6.

¹⁶ See Attachment 1 to CAO Policy Memorandum No. 113(R).

¹⁷ La. R.S. 38:2212(A)(1)(a), (C)(1).

supplies, services, or major repairs to be procured and all contractual terms and conditions applicable to the procurement.”¹⁸

Consistent with Louisiana law, City policies, and best practices, the DPM issued multiple ITBs for JOC Contractors in 2016.¹⁹ Each ITB stipulated the contract would be a “requirements/price protection” contract where the price of services and materials would be determined during the bid process. The ITBs included clauses stating the proposed contract would be non-exclusive and the City had the right to obtain more than one contractor to complete the same work. Further, the ITBs gave a list of considerations the department would use to determine which contractor would be awarded individual jobs. Among the factors were evaluation of past and current work, balancing workload among contractors, price estimate differences between contractors, and contractor responsiveness to requests.

However, the DPM had only one JOC contractor at the time of the OIG’s evaluation. The City signed JOC contracts with Battco Construction and Maintenance Company and Tuna Construction, LLC in 2016, and the DPM’s administrators and staff stated that the DPM had multiple contractors until recent years. The DPM later limited itself to one contractor as the result of guidance from the City’s Law Department following the court decision, *Jack B. Harper Electrical, LLC v. City of New Orleans, et al.*, in which a contractor argued a “non-exclusive” clause in their contract was invalid, among other arguments. Although the judge did not provide a legal opinion for the decision, the court enjoined the City from opening bids for additional contractors for a project that was already awarded to the plaintiff.²⁰

The Law Department’s guidance to use only one JOC contractor was inconsistent with CAO Policy Memorandum No. 113(R), which stated that the City must select between two (2) and five (5) JOC contractors.²¹ Further, the DPM’s use of only one contractor was also contrary to the stipulated guidelines for contractor selection in the Gordian contract, which were designed to avoid overburdening a single

¹⁸ La. R.S. 39:1594(B).

¹⁹ Invitation to Bid, City of New Orleans, Proposal No. 4511-01965, Job Order Contract – General Contractor # 9 (February 2016); Invitation to Bid, City of New Orleans, Proposal No. 4511-01966, Job Order Contract – General Contractor # 9 (February 2016).

²⁰ *Jack B. Harper Electrical, LLC v. City of New Orleans, et al.*, Civil Action No. 2019-6184, Division B (Unpublished).

²¹ CAO Policy Memorandum No. 113(R), p. 5-6.

contractor and to ensure competitive prices. While not prescriptive in stating agencies and departments must utilize more than one contractor, JOC best practices suggested departments should consider the number of contractors needed to maximize the efficiency of the program and how best to divide projects among them.²²

The DPM's reduction in contractors resulted in a backlog of required documentation for job orders. Based on the OIG's discussions with DPM employees, the DPM's single JOC contractor was overwhelmed with the number of jobs assigned, a result contemplated in the ITB's contractor selection criteria. The JOC contractor was behind on jobs to such an extent that it was not able to produce written proposals or reports in a timely manner. This delayed the approval and payment of JOC invoices. Consequently, City employees had to assist with the development of job proposals, a task that was contractually assigned to the contractor.

INFORMAL BID PROCEDURE DID NOT FIT BEST PRACTICES FOR JOC PROGRAMS

Although CAO Policy Memorandum No. 113(R) required the DPM to use the City's Informal Bid Procedure for jobs, this procedure included several directives that were not applicable to the JOC program. Specifically, the JOC program did not obtain three quotes and did not receive oversight from the Bureau of Purchasing for individual jobs as required by the CAO policy.

According to the CAO policy, once the DPM selected a JOC contractor, it was required to use informal bid procedures to award individual jobs. Attachment 1 to Policy Memorandum 113(R) provided selection criteria, including the requirement that departments must solicit quotes from a minimum of three prospective vendors on any jobs under \$150,000.²³

In interviews with OIG evaluators, employees of the DPM advised that they had frequently solicited multiple quotes in the past but were not able to do so once the City Law Department advised the DPM that they were limited to engaging only

²² Capital Projects Advisory Review Board JOC Evaluation Committee, *Job Order Contracting (JOC) Best Practices Guidelines*, 16; Center for Job Order Contracting Excellence, "Prevent Steering of Job Orders," *JOC Insights* 2, vol 2, accessed July 9, 2021, <https://secureservercdn.net/50.62.198.70/7d0.958.myftpupload.com/wp-content/uploads/2020/09/JOC-insights-Steering-Final.pdf>.

²³ Attachment 1 to CAO Policy Memorandum 113(R), p. 1.

one JOC Contractor. However, they also expressed concerns that obtaining multiple quotes caused an unreasonable delay in processing urgent jobs. Additionally, they stated some vendors charged the City to appear at job sites and develop quotes, which increased the cost to the City of completing the work.

Administrators in the Bureau of Purchasing advised obtaining three quotes for each job was consistent with best practice guidelines for informal bids. However, based on the OIG's review of best practice guidelines specific to JOCs, one of the primary benefits of this alternative procurement mechanism was eliminating the need for departments and agencies to undergo a bid process for individual jobs.²⁴ JOC is considered a Lean construction mechanism, designed to "reduc[e] costs, materials, time and effort."²⁵ The City's Informal Bid Procedure was not designed to meet these specific goals.

The City's Informal Bid Procedure also required documentation and oversight from the Bureau of Purchasing. According to City policy, City departments must submit an "Informal Bid Quote Form" and documentation related to all quotes obtained to the Bureau of Purchasing. Employees of the Bureau of Purchasing were to review and approve the bids before issuing a purchase order.²⁶

Discussions with the Bureau of Purchasing and the DPM revealed the Bureau of Purchasing oversaw the Formal Bid Procedure used to obtain a JOC contractor, but it did not provide oversight for the individual jobs governed by Informal Bid Procedure. Instead, the DPM obtained one or more blanket purchase orders at the beginning of each year against which to charge invoices for multiple jobs. The value of the blanket purchase orders was based on spending estimates from the previous year. Therefore, the DPM did not provide documentation to the Bureau of Purchasing prior to awarding jobs to contractors. In most cases, jobs were awarded to contractors via email before a formal proposal was submitted, as will

²⁴ Center for Job Order Contracting Excellence, *Job Order Contracting (JOC): A LEAN Best Management Practice for Efficient Construction Project Delivery*, 12; "Job Order Contracting: The Army's Own IDIQ Procurement Solution," Federal News Network, last updated April 7, 2020, accessed June 29, 2021, <https://federalnewsnetwork.com/federal-insights/2020/04/job-order-contracting-the-armys-own-idiq-procurement-solution/>.

²⁵ "An Introduction to Lean Construction," 1, BuildingsGuide, accessed May 7, 2020, <https://www.buildingsguide.com/blog/introduction-lean-construction/>. See also Center for Job Order Contracting Excellence, *Implementing a Successful JOC Program*; and Center for Job Order Contracting Excellence, *Job Order Contracting (JOC): A LEAN Best Management Practice for Efficient Construction Project Delivery*.

²⁶ Attachment 1 to CAO Policy Memorandum 113(R), p. 1.

be discussed in Finding 2. The DPM leaders said, due to the number of jobs requested daily, having to obtain approval from the Bureau of Purchasing for each job would significantly impact their ability to make timely repairs to City properties.

Based on the foregoing, evaluators found the City's Informal Bid Procedure was not effective in guiding the operations of the JOC program. Although administrators in the Bureau of Purchasing stated the policy was consistent with best practices regarding informal bids, it did not address the needs and best practices associated with Job Order Contracting in particular. Further, the Bureau of Purchasing did not provide oversight consistent with the policy. Instead, the DPM's JOC program largely operated independently of City policy.

Recommendation 1: The DPM, the City Law Department, and the Bureau of Purchasing should work together to develop new policy provisions for the JOC program that align with statutory requirements, jurisprudence, best practices, and the operational needs of the program.

Evaluators learned from employees in the City Law Department and the City Bureau of Purchasing that the two departments are currently working to revise CAO Policy Memorandum No. 113(R). Specifically, the departments are working to ensure all policy provisions are consistent with the Public Bid Law and jurisprudence. While the OIG recognizes that City policies must be consistent with state law and jurisprudence, this office recommends, prior to the adoption of a new policy, the Law Department seek an authoritative opinion, such as one from the Louisiana Attorney General, regarding the applicability of non-exclusive clauses in Public Bid Law. Although the district court in *Jack B. Harper* prohibited the City from re-bidding that contract until the current contract was near its expiration, there was no judicial opinion for the basis of the decision.

The OIG also recommends the Law Department, the Bureau of Purchasing, and the DPM review best practice guidelines for the use of JOC programs. While policies currently in place may be consistent with best practices for informal bid procurements in general, adherence to these policies neutralizes the benefits of using JOC as a procurement method. In reviewing best practices, it will be important to determine whether JOC is the appropriate mechanism for

maintenance and repair of City properties. Alternatively, the departments may find stand-alone maintenance contracts would better suit the needs of the City. Any new policies developed should be consistent with state law, jurisprudence, corresponding city policies and best practices, where applicable. However, they should also consider the operational needs of the program to the extent they adhere to the law and increase the efficiency in the program.

As stated by interviewees, policies should not take the place of procedures, but should be used to guide the programs in the development of internal processes. Accordingly, once the new policy provisions are in place, the DPM must develop new JOC procedures in line with City policy, including internal controls to ensure adherence.

Finally, the new policy provisions should include reasonable methods of oversight and continuous monitoring by the Bureau of Purchasing. The policy provisions currently adopted in the Informal Bid Procedures for review and approval of bids left the DPM with little to no external oversight as the Bureau of Purchasing did not use these provisions to monitor the JOC program. Lack of oversight increases opportunities for fraud, waste, or abuse in any City department. Therefore, the OIG recommends the Bureau of Purchasing and the DPM work together to determine a reasonable schedule of review and monitoring consistent with the work being performed.

IV. EXPEDITED APPROVAL PROCESS

In 2016, the DPM issued an ITB for a JOC contractor that included an outline of how JOC projects would be initiated, approved, and paid.²⁷ This outline stated that, under ordinary conditions, approvals for JOC projects should proceed as follows:

1. The contractor attends a Joint Scope Meeting with the JOC Coordinator or other representative of the DPM to assess the needed repairs.
2. DPM personnel develop a draft detailed scope of work and issue a Request for Proposal.
3. The Contractor prepares a proposal which responds to the scope of work identified, including a Price Proposal.
4. The DPM reviews the Job Order Proposal with the included Job Order Price Proposal.
5. The DPM issues a Job Order to the contractor, indicating acceptance of the contractor's proposal. According to the ITB, the contractor may not begin any work on the job until they receive a Purchase Order for the approved price.

The ITB also stated that, for emergency jobs, the department may authorize contractors to use an expedited process in which construction or repairs can begin immediately, prior to the development of the proposal, with documentation submitted at a later date.

In addition, the DPM had two flowcharts which highlighted various steps in the JOC process. The first flowchart provided a depiction of the standard JOC process which should be used in ordinary circumstances when departments requested a job. Similar to the process outlined in the ITB, the flowchart stated broadly that the department would work with contractors to develop the scope of the project, price estimates, and a formal proposal prior to the beginning of construction. After the proposal has been approved, the DPM issues a Purchase Order and contractors begin work.

²⁷ Invitation to Bid, City of New Orleans, Proposal No. 4511-01965, Job Order Contract – General Contractor # 9 (February 2016), p. 10-13.

The second flowchart concerned the expedited process which is designed to initiate jobs quickly, such as in emergency situations.²⁸ According to the flowchart for emergency projects, the department may approve contractors to begin work on jobs immediately after development of the detailed scope and the contractor may submit formal proposals once the construction has begun or is completed. See **Appendix A**.

Finding 2: The DPM adopted an expedited approval process for nearly all jobs, even though many were not emergencies. By circumventing standard processes, the department decreased the efficiency of the JOC program and exposed a lack of internal controls.

Evaluators spoke with multiple employees of the DPM and reviewed flowcharts used by the DPM to guide the initiation, approval, and completion of JOC projects. Based on discussions with staff members, the DPM had adopted the expedited approval process as standard practice. In general, once the contractor and the DPM agreed to a detailed scope via email and a proposed price, contractors were approved to commence work on projects. These emails were used in the place of formal proposals to initially approve jobs. Once the work had already begun, the contractor then submitted a proposal for the work.

JOC proposals went through an extensive review process within the department to ensure compliance with the emailed scope and price projections, which had been used for initial approval of the job. The DPM employees also used a punch list to confirm the work was performed according to the agreed specifications. At the time this review occurred, the work on most projects was already completed, which sometimes created a problem. After approving the proposal, the DPM issued a Notice to Proceed (“NTP”), which included the Purchase Order number.

Representatives of the DPM alleged the department used the expedited approval process due to the urgent nature of the jobs. Once the program was limited to one JOC contractor, the contractor fell behind on submitting proposals because it was overburdened. Unable to delay the jobs until the contractor provided proposals

²⁸ The Louisiana Public Bid Law defines “emergency” as an unforeseen event which brings with it destruction or injury to life or the imminent threat of the same for which construction or repairs must be undertaken immediately without the delay for advertisements. See La. R.S. 38:2211(A)(5)(a).

for approval, the DPM moved to the expedited process. The DPM representatives said having only one contractor left them with no leverage to force the contractor to turn documentation in timely. They did not have contractual provisions to penalize the contractor, and they could not move the jobs to a more responsive company. Additionally, the DPM had no process in place to triage urgent versus non-urgent jobs.

A review of data for all DPM jobs with RFPs dated between January 1, 2017 and December 31, 2019 showed approximately 65 percent of completed jobs involved A/C, HVAC, plumbing, or electrical issues. These types of repairs could feasibly fall within the definition of “emergency” under the Public Bid Law, where the department may not be able to delay repairs while waiting for the contractor to submit a formal proposal. The DPM had a responsibility to mitigate potential further damage to City property or harm to city employees where possible. However, 21 percent of jobs included projects related to general repairs, office renovations, new flooring, janitorial services, and jobs that fell into a category Evaluators classified as “other.” “Other” included less frequently occurring jobs such as energy efficiency projects, Mardi Gras preparations and clean-up, and flood prevention, many of which could be planned well in advance and were not emergencies. The remaining 14 percent of jobs were services which may have fallen anywhere in the range of extremely urgent to not urgent at all, depending on the circumstances.²⁹ See **Table 1**.

²⁹ OIG evaluators grouped jobs into categories based on the job descriptions provided in the Gordian Job Order database.

Table 1. Percentage of JOC Projects Completed by Category

Category	Percent
Air Conditioning/HVAC	41.7
Plumbing	15.0
General Repairs	11.5
Electrical	6.6
Roofing	6.6
Office Renovations	3.9
Other ³⁰	3.4
Gate/Fence/Garage	3.7
Fire Alarm/Sprinkler Repair	2.5
Janitorial Services	1.4
Security	1.2
Multiple tasks ³¹	1.2
Flooring	0.7
Fire Alarm/Sprinkler Inspections	0.6

Source: eGordian Job Order data (2017-2019)

The data also revealed in 34 percent of all jobs, regardless of type of project, work began before the RFP was issued.³² Approximately 91 percent of jobs began and 84 percent were completed before the submission of a proposal. Construction began on 96 percent of jobs and was completed on 92 percent prior to the issuance of the Notice to Proceed. This was consistent with statements by DPM employees that the standard practice in the department was for contractors to submit proposals for approval after the work had begun.

According to the data evaluated, the average time between the start of a job and issuance of the NTP was 66 days. For the majority of jobs, the DPW issued the NTP within two months of the time the job started. However, in 30 percent of jobs, the NTP was delayed between two and six months. Further, in seven percent of jobs, the NTP was issued between six months and one year after the job started.

³⁰ “Other” comprised jobs that did not fit into another identified category. Primarily they were jobs which occurred once or very infrequently during the review period.

³¹ Jobs in the “multiple tasks” category included work orders where a combination of multiple repairs involving HVAC or plumbing were provided.

³² Analysis of dates and timelines was based on information entered into eGordian by DPM employees. However, OIG evaluators found there were concerns about the reliability of the data as discussed in Finding 3.

The DPM's failure to use standard procedures when ordering JOC projects increased the burden on the contractor to complete non-urgent jobs. Circumventing these processes also exposed the program's lack of internal controls and compounded the risk of fraud, waste, and abuse in government contracting.

Recommendation 2: The DPM should improve the efficiency of the JOC program by developing internal procedures to evaluate which jobs should be completed using JOC, triage emergency versus non-emergency jobs, and hold contractors accountable for noncompliance with contract stipulations.

Representatives from the DPM stressed the primary reason the department used the expedited approval process for most jobs was the contractor became overburdened as the sole provider of JOC services. The agency also stated it had begun to revise its approval process and require proposals in advance for non-urgent jobs. In an effort to increase the efficiency of the DPM's approval process, the OIG recommends the following.

As a preliminary matter, the DPM's new approval process should incorporate formal mechanisms to determine which jobs should proceed through JOCs rather than standard maintenance contracts or in-house repairs. At the time of the review, DPM employees assessed jobs initially to determine whether they could be completed in house. DPM officials reported the department relied heavily on JOCs because they did not have the capacity to do much of the work. However, the DPM was working to build that capacity. As the department builds capacity to complete jobs in-house, they should adopt formal criteria for assigning work to JOC contractors. This would help the department control the workload for one or more JOC contractors and ensure that only work that should be completed through the JOC mechanism is routed to the designated contractors.

The DPM should also develop methods to differentiate between urgent and non-urgent jobs in accordance with CAO Policy Memorandum No. 26, which provides priorities for property maintenance.³³ Non-urgent jobs should go through the standard approval process or be placed on hold, giving the JOC contractor more

³³ CAO Policy Memorandum No. 26.

time to clear the backlog of documentation for jobs that could not be delayed. Identification of a job as “urgent” should require the DPM to implement internal controls for verification of the urgent nature of the repair, signed authorization to override normal procedures, and documentation with rationale. This process is consistent, to a lesser degree, with the documentation requirements utilized throughout the City for emergency contracts.³⁴

Representatives with the DPM, Law Department, and Bureau of Purchasing stated the departments were considering ways to hire additional contractors and divide work in a manner consistent with the law and jurisprudence. The division of work may include hiring different JOC contractors to handle jobs based on factors such as the types of work or the geographic area of the city. The OIG encourages the DPM to pursue these efforts to increase the number of available JOC contractors. However, while this distribution of work would reduce the burden currently on a single contractor, it would not address problems related to contractor responsiveness and the City’s inability to hold contractors accountable. One of the hallmarks of JOC programs is that the contracts are performance-based, with contractors incentivized to provide a high quality of work in order to increase the quantity of jobs.³⁵ Therefore, in addition to efforts already underway, the departments should determine whether the non-exclusive clauses in their contracts are enforceable. Upon review, and if it is possible to have multiple contractors for the same work, the department should also pursue that option.

Finally, the OIG recommends the DPM consult with the Law Department to revise the next JOC contract such that it includes language describing penalties, monetary or otherwise, for non-compliance with contract stipulations.

³⁴ CAO Policy Memorandum No. 42(R).

³⁵ Center for Job Order Contracting Excellence, *Implementing a Successful JOC Program*, 1; see also Capital Projects Advisory Review Board JOC Evaluation Committee, *Job Order Contracting (JOC) Best Practices Guidelines*, 8.

The use of accurate data is important to the evaluation and improvement of any process or program. In 2020, the U.S. government released the Federal Data Strategy 2020 Action Plan, which identified ten principles to promote ethical governance, conscious design, and a learning culture in data management.³⁶ While not binding on state and local governments, these principles included the practical guidance that government agencies should promote data transparency, harness existing data to inform research and policy, and practice accountability by auditing data collection and learning from the results in an effort to make positive changes.

The City of New Orleans, through the DPM, contracted with the Gordian Group in 2015 to obtain a license to that company's eGordian JOC System. The eGordian software had the ability to generate numerous customized reports, based on the information entered into the system. In addition to full proposals and descriptions of the individual jobs, the software collected a range of data, including work order numbers; construction start, completion, and inspection dates; proposed costs for jobs; submission dates for contractor proposals and reports; purchase order numbers; specific locations of jobs; and the date of each job's approval. eGordian also provided timelines showing the progress of work as completed based on the dates entered for specific benchmarks. Project managers and department staff were able to create customized reports using a combination of any of these indicators.

Finding 3: The DPM lacked appropriate oversight and monitoring for JOC data input and accuracy, hindering their ability to determine the efficiency and effectiveness of the program.

Evaluators found several data elements employees manually entered in the eGordian system were inaccurate. A preliminary review of the timeline histories for several job orders suggested tracking data for jobs included errors for dates when construction began, ended, or was inspected.

³⁶ President's Management Agenda, *Federal Data Strategy 2020 Action Plan* (Washington D.C., 2020), accessed April 7, 2021, <https://strategy.data.gov/assets/docs/2020-federal-data-strategy-action-plan.pdf>.

For each job brokered through eGordian, the DPM established a job order number and began collecting data on the jobs. Employees entered the dates of several key steps in the job order process, including the dates when the job was initiated in the system, the proposal was due, the proposal was received from the contractor, construction started, construction was completed, and final inspections were performed. For each of these events, there were fields for staff to record the planned, adjusted, and actual dates.

Figure 1. Screenshot of eGordian Tracking Table for Job Order 18.5077.00-BC.

Go To | Job Order ▾ **Job Order: 18-5077.00 -BC - Arthur Monday** ✎ Clear Form

Center -Energy Efficiency Project - Tracking Dates

Hide N/A Tracking Dates? Legend: Completed behind schedule Incomplete behind schedule

Description	Planned Date	Adjusted Date	Actual Date	N/A	Remarks
Identification Date ★	10/5/2018	10/5/2018	10/5/2018	<input type="checkbox"/>	
Joint Scope ★	10/5/2018	10/5/2018	11/5/2018	<input type="checkbox"/>	
Detailed Scope of Work ★			11/9/2018	<input type="checkbox"/>	
RFP Issued ★			11/9/2018	<input type="checkbox"/>	
Proposal Due ★			11/30/2018	<input type="checkbox"/>	
Proposal Received ★			12/6/2018	<input type="checkbox"/>	
Proposal Approved ★			12/14/2018	<input type="checkbox"/>	
TGGs PO Issued ★			12/14/2018	<input type="checkbox"/>	
Contractors PO Issued ★			12/14/2018	<input type="checkbox"/>	
Notice to Proceed Issued ★			12/14/2018	<input type="checkbox"/>	
Bond Recordation ★			12/14/2018	<input type="checkbox"/>	
Bond Recordation Doc to Owner ★			12/14/2018	<input type="checkbox"/>	
Construction Start ★	11/13/2018	11/13/2018	11/13/2018	<input type="checkbox"/>	
Construction Complete ★	11/29/2018	11/29/2018	11/29/2018	<input type="checkbox"/>	
Final Inspection Date ★	12/4/2018	12/4/2018	12/4/2018	<input type="checkbox"/>	
Gordian Purchase Order Date	12/14/2018	12/14/2018	12/14/2018	<input type="checkbox"/>	

Source: eGordian, The Gordian Group, 2021

The eGordian system time-stamped the entry of each new tracking date when the program users entered the information in their system. However, while reviewing timeline histories, evaluators noticed some of the dates for “actual” events were in the future from the date of the time-stamp.

Figure 2. Screenshot of eGordian Tracking History for Job Order 18-5077.00-BC.

Job Order Details			
Work Order #		Contractor PO #:	
18-5077.00-BC		45116110173	
Arthur Monday Center -Energy Efficiency Project Job Order History			
Search: <input type="text"/>			
Action	User	Info	Date
Tracking Date Changed		Adjusted Date of Final Inspection Date has changed to 12/04/2018	11/09/2018 4:08 PM
Tracking Date Changed		Planned Date of Final Inspection Date has changed to 12/04/2018	11/09/2018 4:08 PM
Tracking Date Changed		Actual Date of Construction Complete has changed to 11/29/2018	11/09/2018 4:08 PM
Tracking Date Changed		Adjusted Date of Construction Complete has changed to 11/29/2018	11/09/2018 4:08 PM
Tracking Date Changed		Planned Date of Construction Complete has changed to 11/29/2018	11/09/2018 4:08 PM
Tracking Date Changed		Actual Date of Construction Start has changed to 11/13/2018	11/09/2018 4:08 PM
Tracking Date Changed		Adjusted Date of Construction Start has changed to 11/13/2018	11/09/2018 4:08 PM
Tracking Date Changed		Planned Date of Construction Start has changed to 11/13/2018	11/09/2018 4:07 PM
Tracking Date Changed		Actual Date of Proposal Due has changed to 11/30/2018	11/09/2018 4:07 PM
Tracking Date Changed		Actual Date of RFP Issued has changed to 11/09/2018	11/09/2018 4:07 PM
Showing 21 to 30 of 38 Records			
<input type="button" value="First"/> <input type="button" value="Previous"/> <input type="button" value="1"/> <input type="button" value="2"/> <input checked="" type="button" value="3"/> <input type="button" value="4"/> <input type="button" value="Next"/> <input type="button" value="Last"/>			
<input type="button" value="View Timeline"/> <input type="button" value="Close"/>			

Source: eGordian, The Gordian Group, 2021.

Using a data set obtained from Gordian containing all completed jobs issued between January 2017 and December 2019, evaluators selected 99 jobs through a systematic selection process.³⁷ Of the jobs identified, 74 percent had dates which

³⁷ Jobs were ordered according to Project Number and given a sample number in a repeating sequence of 1 to 50. All jobs with the sample numbers of 1, 13, 25, and 50 were reviewed. This resulted in 99 jobs.

were after the date of the eGordian time-stamp for either construction start, completion, or final inspection dates.

Employees stated that, while some dates in eGordian are generated by the system, such as dates when the contractor submits the proposals, other tracking dates were manually entered by employees and were used to process jobs for payment. These dates were also captured in reports created by eGordian and provided to departments for program management and oversight.

The erroneous data raised questions for evaluators about the integrity of the data collection as the date errors were widespread and not isolated to one or two Project Managers. It was also contrary to the principles of good data management to increase transparency and use existing data to inform data-driven decision making. While department employees assured evaluators each job went through an extensive review process prior to final approval, there were no quality control measures in place to ensure the accuracy of the data program managers entered. Instead of using data entered in the software, managers used email records to determine the dates when events occurred, an inefficient and non-transparent method of tracking the progress of jobs. Further, the department did not conduct any data analysis that could be used to evaluate the efficiency of the JOC program, its employees, or its contractors. JOC managers and staff held periodic meetings to discuss the progress of jobs but did not consider an evaluation of the JOC program as a whole.

Recommendation 3: The DPM should implement a program of quality assurance to ensure data accuracy and integrity and utilize the data for necessary program improvements.

The OIG found the DPM failed to accurately collect and use valuable data for program improvement. This office recommends the department implement mechanisms to increase data integrity and program improvement. To do this, the department should create quality assurance checks of all manually entered data. This might include a periodic supervisory review of specific data points for randomly selected jobs and tools to cross check the veracity of entered data. Data points selected should include those most indicative of the efficiency and effectiveness of the JOC program. The department can increase awareness of the importance of data accuracy among employees by creating performance measures related to the results of the quality assurance review.

Finally, the OIG recommends the DPM use data gathered in the eGordian system to develop a plan for continuous program improvement. Once there are quality control measures in place, the JOC program can use the information gathered to advance various goals for overall program improvement, such as the percentage of jobs meeting identified benchmarks. The department should also use the data to evaluate contractor performance toward deliverables. Further, the department should use collected data to assess the cost benefits and efficiency of using JOCs for specific types of jobs as opposed to other procurement mechanisms.

VI. CONCLUSION

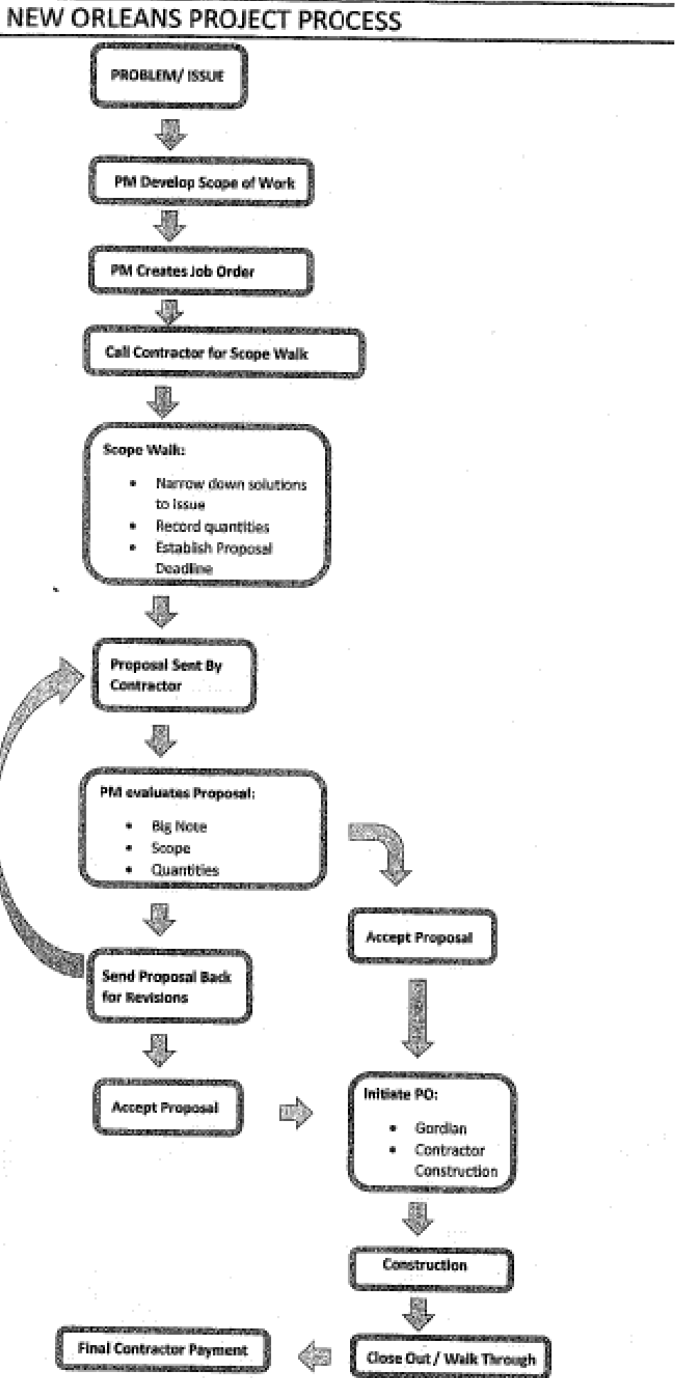
Job Order Contracts (JOC) are an important tool for maintenance of City properties. Developed by the Army Corps of Engineers, JOC is an alternative procurement mechanism which incorporates Lean construction principles to increase efficiency and speed in completing repairs. JOCs differ from traditional procurement models as they require less documentation for approval and do not receive the same level of oversight by the Bureau of Purchasing. City departments must recognize these differences in order to reap the benefits of the JOC design. However, departments must also have effective policies and procedures to prevent abuse and ensure the program operates as intended.

In reviewing the policies and procedures used by the Department of Property Management when issuing JOCs, evaluators found the department did not fully comply with the requirements of CAO Policy Memorandum No. 113(R) due to contradictory guidance from the Bureau of Purchasing and the Law Department, as well as policy provisions which were not applicable to this unique procurement mechanism. Evaluators also found the department did not follow its own internal procedures for approval of jobs. Instead the DPM adopted an expedited approval process for most jobs, one intended for use when an urgent response was needed. Employees and management stated the expedited approval process was necessary due to overburdening of the contractor as the sole provider of JOC services. However, the department had no process in place to differentiate between urgent and non-urgent jobs. Finally, the DPM failed to keep accurate data and did not monitor and use readily available data to evaluate and continuously improve the efficiency of the JOC program.

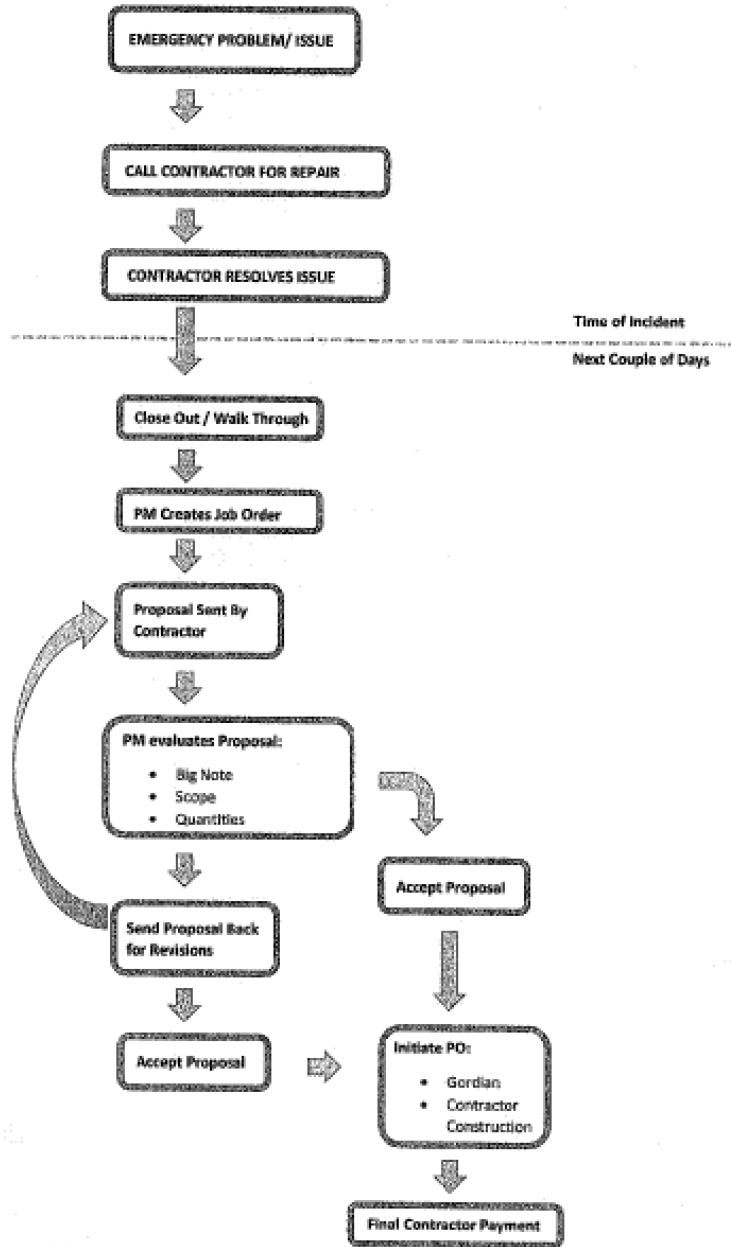
To improve the efficiency and effectiveness of the program, evaluators recommended the DPM work with the Bureau of Purchasing and the Law Department to develop policies that are consistent with the law, jurisprudence and best practices. These procedures should include mechanisms for periodic review and oversight by the Bureau of Purchasing. The DPM should also develop internal controls to ensure the department only uses expedited approvals for jobs requiring an urgent response. Finally, the DPM should improve data integrity by conducting quality assurance checks, developing employee performance measures related to data accuracy, and creating a plan for program evaluation and continuous improvement.

APPENDIX A. JOC FLOWCHART

The following flowcharts were provided by Gordian to the Department of Property management in their JOC Proposal Review Training Guide.



NEW ORLEANS EMERGENCY PROJECT PROCESS



OFFICIAL COMMENTS FROM THE CITY OF NEW ORLEANS

City Ordinance section 2-1120(8)(b) provides that a person or entity who is the subject of a report shall have 30 days to submit a written response to the findings before the report is finalized, and that such timely submitted written response shall be attached to the finalized report.

An Internal Review Copy of this report was distributed on August 13, 2021, to the entities who were the subject of the evaluation so that they would have an opportunity to comment on the report prior to the public release of this Final Report. Management Response Forms were received from the City of New Orleans on October 4, 2021.³⁸ There forms are attached.

NOTE: While the City states in the Management Response Forms that the JOC program was cancelled in May 2021, department heads and employees from the DPM, Procurement and the Law department participated with the OIG in meetings related to this program as late as June 2021. The purpose of those meetings was to discuss options for program improvement moving forward. At no time during the June meetings or in any of the communications since that time has anyone in any of the departments under review notified the OIG that the JOC program cancelled or even slated for cancellation.

³⁸ The Management Response Forms were originally due on September 13, 2021. However, due to Hurricane Ida, the departments requested and were granted an extension until October 4, 2021.

(JOB ORDER CONTRACTING POLICIES AND PROCEDURES; I&E 20-0001)

MANAGEMENT RESPONSE FORM

PLEASE COMPLETE THIS FORM AND RETURN AS SPECIFIED BELOW. SUPPLY YOUR RESPONSES IN THE SHADED BOXES.

PLEASE INDICATE YOUR AGREEMENT OR DISAGREEMENT WITH EACH OF THE FOLLOWING RECOMMENDATIONS BY SELECTING A RESPONSE FROM THE DROPDOWN BOX. IF YOU REJECT OR PARTIALLY ACCEPT THE RECOMMENDATION, PLEASE EXPLAIN WHY IN THE SPACE PROVIDED. PLEASE DEVISE A PLAN FOR IMPLEMENTING THE RECOMMENDATIONS OR SOLVING THE PROBLEMS THAT WERE FOUND. DESCRIBE EACH ACTION YOUR AGENCY WILL TAKE TO IMPLEMENT THE RECOMMENDATION, OR FIX THE PROBLEM, ALONG WITH THE NAME AND CONTACT INFORMATION OF THE PERSON(S) RESPONSIBLE FOR THE ACTION AND THE COMPLETION DATE.

RETURN THIS COMPLETED FORM TO PATRICE ROSE AT prose@nola.oig.gov BY **SEPTEMBER 13, 2021**.

ENTER NAME HERE: DEPARTMENT OF PROPERTY MANAGEMENT

RECOMMENDATION #1 REQUIRING IMMEDIATE ACTION:	RESPONSIBLE PERSON: (NAME AND CONTACT)	RESPONSE CHOICE (SELECT ONE):
1. The Department of Property Management, Law Department, and Bureau of Purchasing should work together to develop new policy provisions for the JOC program that align with statutory requirements, jurisprudence, best practices, and the operational needs of the program.	MARTHA GRISET migriset@nola.gov	PARTIALLY ACCEPT
IF YOU <u>REJECT</u> OR <u>PARTIALLY ACCEPT</u> RECOMMENDATION #1, PLEASE EXPLAIN WHY: THE CITY CANCELLED THE JOC PROGRAM IN MAY, SO THE RECOMMENDATION IS NO LONGER RELEVANT. BEFORE THE CITY USES THE JOC PROGRAM ((OR A SIMILAR MEANS OF CONTRACTING), DPM AGREES THAT IT SHOULD AMEND ITS PROCUREMENT POLICY TO COMPLY WITH LAW AND JURISPRUDENCE.		
DESCRIBE THE ACTIONS YOU WILL TAKE TO IMPLEMENT RECOMMENDATION #1 OR FIX THE PROBLEM:	RESPONSIBLE PERSON:	COMPLETION DATE:
1.1 DISCUSS AND REVIEW REVISIONS TO CAO POLICY 113	MARTHA GRISET	MAY 31, 2022
1.2 IMPLEMENT REVISED PROCUREMENT PROCESS	MARTHA GRISET	MAY 31, 2022
1.3 PROCURE NEW CONTRACTS	MARTHA GRISET	MAY 31, 2022
1.4		
1.5		

RECOMMENDATION #2 REQUIRING IMMEDIATE ACTION:	RESPONSIBLE PERSON: (NAME AND CONTACT)	RESPONSE CHOICE (SELECT ONE):
2. The DPM should improve the efficiency of the JOC program by developing internal procedures to evaluate which jobs should be completed using JOC, triage emergency versus non-emergency jobs, and hold contractors accountable for noncompliance with contract stipulations.	MARTHA GRISET	PARTIALLY ACCEPT
<p>IF YOU <u>REJECT</u> OR <u>PARTIALLY ACCEPT</u> RECOMMENDATION #2, PLEASE EXPLAIN WHY:</p> <p>THE EVALUATION PERFORMED BY THE OIG COVERS 1/17-12/19. THE CURRENT DPM ADMINISTRATION CANNOT SPEAK TO 50% OF THE TIME FRAME COVERED BY THIS EVALUATION. FROM DECEMBER OF 2018, DPM HAS USED A VERY THOROUGH AND EFFICIENT REVIEW OF PROJECTS, CONFIRMING THAT STAFF COULD NOT COMPLETE THEM AND THAT NO OTHER PERTINENT CONTRACT WAS AVAILABLE.</p> <p>DPM DOES ACCEPT THE RECOMMENDATION THAT CONTRACTORS SHOULD BE HELD ACCOUNTABLE FOR NON-COMPLIANCE WITH CONTRACTUAL OBLIGATIONS AND THAT IT SHOULD USE DIFFERENT PROCESSES FOR EMERGENCY/NON-EMERGENCY WORK.</p>		
DESCRIBE THE ACTIONS YOU WILL TAKE TO IMPLEMENT RECOMMENDATION #2 OR FIX THE PROBLEM:	RESPONSIBLE PERSON:	COMPLETION DATE:
2.1 JOC PROGRAM IS CANCELLED	N/A	N/A
2.2 DPM IS WORKING WITH PURCHASING TO ISSUE TRADE-SPECIFIC REQUIREMENTS CONTRACTS	MARTHA GRISET	MAY 31, 2022
2.3 DPM IS PLANNING TO HIRE ADDITIONAL SKILLED STAFF SO THAT IT CAN BETTER RESPOND TO BOTH EMERGENCIES AND NON-EMERGENCIES	MARTHA GRISET	CONTINUOUS
2.4 FUTURE CONTRACTS WITH VENDORS WILL HAVE GREATER ACCOUNTABILITY FOR COMPLIANCE WITH CONTRACTUAL OBLIGATIONS	ANDREW GREGORIAN (LAW DEPARTMENT)	DECEMBER 31, 2021
2.5		

RECOMMENDATION #3 REQUIRING IMMEDIATE ACTION:	RESPONSIBLE PERSON: (NAME AND CONTACT)	RESPONSE CHOICE (SELECT ONE):
3. The DPM should implement a program of quality assurance to ensure data accuracy and integrity and utilize the data for necessary program improvements.	MARTHA GRISET	Accept

JOB ORDER CONTRACTING POLICIES AND PROCEDURES
Date: August 13, 2021

Management Response for: DPM

IF YOU **REJECT** OR **PARTIALLY ACCEPT** RECOMMENDATION #3, PLEASE EXPLAIN WHY:

[REDACTED]

DESCRIBE THE ACTIONS YOU WILL TAKE TO IMPLEMENT RECOMMENDATION #3 OR FIX THE PROBLEM:	RESPONSIBLE PERSON:	COMPLETION DATE:
3.1 JOC PROGRAM IS CANCELLED	N/A	N/A
3.2 BETTER MANAGEMENT AND OVERSIGHT OF DATA BY DEPARTMENT SHOULD BE ATTAINABLE IN CONJUNCTION WITH THE ASSET MANAGEMENT SYSTEM TO BE PURCHASED AND MAINTAINED THROUGH BOND FUNDING.	MARTHA GRISET	JUNE 30, 2022
3.3 [REDACTED]	[REDACTED]	[REDACTED]
3.4 [REDACTED]	[REDACTED]	[REDACTED]
3.5 [REDACTED]	[REDACTED]	[REDACTED]

Inspection and Evaluation Division

(JOB ORDER CONTRACTING POLICIES AND PROCEDURES; I&E 20-0001)

MANAGEMENT RESPONSE FORM

PLEASE COMPLETE THIS FORM AND RETURN AS SPECIFIED BELOW. SUPPLY YOUR RESPONSES IN THE SHADED BOXES.

PLEASE INDICATE YOUR AGREEMENT OR DISAGREEMENT WITH EACH OF THE FOLLOWING RECOMMENDATIONS BY SELECTING A RESPONSE FROM THE DROPDOWN BOX. IF YOU REJECT OR PARTIALLY ACCEPT THE RECOMMENDATION, PLEASE EXPLAIN WHY IN THE SPACE PROVIDED. PLEASE DEVISE A PLAN FOR IMPLEMENTING THE RECOMMENDATIONS OR SOLVING THE PROBLEMS THAT WERE FOUND. DESCRIBE EACH ACTION YOUR AGENCY WILL TAKE TO IMPLEMENT THE RECOMMENDATION, OR FIX THE PROBLEM, ALONG WITH THE NAME AND CONTACT INFORMATION OF THE PERSON(S) RESPONSIBLE FOR THE ACTION AND THE COMPLETION DATE.

RETURN THIS COMPLETED FORM TO PATRICE ROSE AT prose@nolaog.gov BY **SEPTEMBER 13, 2021.**

ENTER NAME HERE: BUREAU OF PURCHASING



RECOMMENDATION #1 REQUIRING IMMEDIATE ACTION:	RESPONSIBLE PERSON: (NAME AND CONTACT)	RESPONSE CHOICE (SELECT ONE):
1. The Department of Property Management, Law Department, and Bureau of Purchasing should work together to develop new policy provisions for the JOC program that align with statutory requirements, jurisprudence, best practices, and the operational needs of the program.	JULIEN MEYER jpmeyer@nola.gov	PARTIALLY ACCEPT
IF YOU <u>REJECT</u> OR <u>PARTIALLY ACCEPT</u> RECOMMENDATION #1, PLEASE EXPLAIN WHY: THE CITY NO LONGER USES THE JOC PROGRAM. HOWEVER, THE BUREAU OF PURCHASING AGREES AND IS COMMITTED TO WORK WITH THE DEPARTMENT OF PROPERTY MANAGEMENT AND THE LAW DEPARTMENT TO SHAPE A POLICY AND A PROCUREMENT PROCESS WHICH SUPPORT MAINTENANCE AND REPAIRS NEEDS.		
DESCRIBE THE ACTIONS YOU WILL TAKE TO IMPLEMENT RECOMMENDATION #1 OR FIX THE PROBLEM:	RESPONSIBLE PERSON:	COMPLETION DATE:
1.1 REVISE CAO POLICY 113	JULIEN MEYER	MAY 31, 2022
1.2 REVISE PROCUREMENT PROCESS	JULIEN MEYER	MAY 31, 2022
1.3 SUPPORT PROCUREMENT OF NEW CONTRACTS	JULIEN MEYER	MAY 31, 2022
1.4		



**NEW ORLEANS OFFICE OF
INSPECTOR GENERAL**
Inspection and Evaluation Division
(JOB ORDER CONTRACTING POLICIES AND PROCEDURES; I&E 20-0001)
MANAGEMENT RESPONSE FORM

PLEASE COMPLETE THIS FORM AND RETURN AS SPECIFIED BELOW. SUPPLY YOUR RESPONSES IN THE SHADED BOXES.

PLEASE INDICATE YOUR AGREEMENT OR DISAGREEMENT WITH EACH OF THE FOLLOWING RECOMMENDATIONS BY SELECTING A RESPONSE FROM THE DROPDOWN BOX. IF YOU REJECT OR PARTIALLY ACCEPT THE RECOMMENDATION, PLEASE EXPLAIN WHY IN THE SPACE PROVIDED. PLEASE DEVISE A PLAN FOR IMPLEMENTING THE RECOMMENDATIONS OR SOLVING THE PROBLEMS THAT WERE FOUND. DESCRIBE EACH ACTION YOUR AGENCY WILL TAKE TO IMPLEMENT THE RECOMMENDATION, OR FIX THE PROBLEM, ALONG WITH THE NAME AND CONTACT INFORMATION OF THE PERSON(S) RESPONSIBLE FOR THE ACTION AND THE COMPLETION DATE.

RETURN THIS COMPLETED FORM TO **PATRICE ROSE** AT prose@nolaoig.gov BY **SEPTEMBER 13, 2021**.

ENTER NAME HERE: LAW DEPARTMENT

RECOMMENDATION #1 REQUIRING IMMEDIATE ACTION:	RESPONSIBLE PERSON: (NAME AND CONTACT)	RESPONSE CHOICE (SELECT ONE):
1. The Department of Property Management, Law Department, and Bureau of Purchasing should work together to develop new policy provisions for the JOC program that align with statutory requirements, jurisprudence, best practices, and the operational needs of the program.	TRACY TYLER ttyler@nola.gov	PARTIALLY ACCEPT
<p>IF YOU <u>REJECT</u> OR <u>PARTIALLY ACCEPT</u> RECOMMENDATION #1, PLEASE EXPLAIN WHY: THE LAW DEPARTMENT AGREES WITH THE RECOMMENDATION FOR NEW POLICIES THAT WILL ALIGN WITH RELEVANT LAWS, BEST PRACTICES, AND OPERATIONAL NEEDS. HOWEVER, LOUISIANA PUBLIC BID LAW LIMITS HOW THE CITY CAN PROCURE REPAIR AND MAINTENANCE CONTRACTS. LAW WILL WORK WITH PURCHASING AND DPM TO REVISE OUR POLICY PROVISIONS.</p>		
DESCRIBE THE ACTIONS YOU WILL TAKE TO IMPLEMENT RECOMMENDATION #1 OR FIX THE PROBLEM:	RESPONSIBLE PERSON:	COMPLETION DATE:
1.1 REVIEW AND ADVISE ON REVISED CAO POLICY 113	TRACY TYLER	MAY 31, 2022
1.2 REVIEW AND ADVISE ON REVISED PROCUREMENT PROCESS	TRACY TYLER	MAY 31, 2022
1.3 REVIEW AND ADVISE ON NEW CONTRACTS	TRACY TYLER	MAY 31, 2022
1.4	[REDACTED]	[REDACTED]
1.5	[REDACTED]	[REDACTED]