

The Office of Inspector General (OIG) for the City of New Orleans conducted an inspection of competitive bidding processes within the City of New Orleans (City) Bureau of Purchasing.

The purpose of the inspection was to examine whether City procurement practices for competitive bidding encouraged a level of competition among potential contractors that was consistent with the law and best practices. Competition is an important element in public procurement, ensuring that governments receive the goods and services they need at the best price.

Evaluators reviewed data on the number of responses the City received for Invitations to Bid (ITB), Requests for Proposals (RFP), and Requests for Qualifications (RFQ) issued in 2019 and 2020 in order to identify how many did not receive at least three responses.

The inspection included the following findings:

- A large percentage of the City's competitive solicitations received fewer than three responses, with the number of responses differing significantly based on the requesting department and the type of work solicited.
- The Bureau of Purchasing did not always comply with the Executive Orders requiring a written justification for proceeding with an RFP or RFQ procurement that received fewer than three responses.

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

- The Bureau of Purchasing should develop a process for systematically analyzing data on competition in the procurement process, implement improvements based on the trends in this data, and monitor the effectiveness of these initiatives.
- The Bureau of Purchasing should ensure the existence of a sufficiently detailed justification memo consistent with the requirements of Executive Order LC 20-01 before allowing an RFP or RFQ to proceed with fewer than three proposals.

The City accepted all recommendations in this report and identified steps to address the findings. While improving competition in the procurement process

can be a multi-faceted challenge, taking appropriate actions will increase the likelihood that the City receives maximum value from its procurements.