

Memorandum



CITY OF DALLAS

DATE October 3, 2025

TO Honorable Mayor and Members of the City Council

SUBJECT **Responses to Questions regarding Item A: Competitive Bid Threshold Increase & Code Alignment Briefing**

On October 1, 2025, the Dallas City Council received a briefing on Item A: *Competitive Bid Threshold & Code Alignment*. Below are additional responses to questions that were asked during the briefing.

Question: Were all the management recommendations from the Procurement Marketing Practices Audit in 2024 implemented?

The Office of the City Auditor issued an audit report for Procurement Marketing Practices on February 22, 2024. The audit's objective was to determine if the Office of Procurement Services' (OPS) procurement marketing practices reflected best practices to promote competition and competitive pricing. The report did not include recommendations for the review period of March 1, 2021 – March 31, 2023.

Question: Will threshold changes engage new businesses and are we making the process more competitive?

Yes. Staff anticipate that threshold adjustments will increase participation by new and emerging businesses. These changes will accelerate procurement timelines, reduce delays, and create more opportunities for smaller vendors to compete. In addition, the City's proposed DRIVE Policy, combined with updated Administrative Directives and capacity-building efforts through the Dallas Capacity-Building Collaborative, will expand access and foster competition. This will be tracked as a Key Performance Indicator (KPI) under the DRIVE policy framework.

Question: If we raise the contract threshold, can you provide a pre-report as opposed to a post-award report?

Yes. Staff is developing a **Procurement Accountability Report (PAR)** modeled after the monthly Budget and Technology Accountability Reports. The PAR will provide both pre- and post-award information, including:

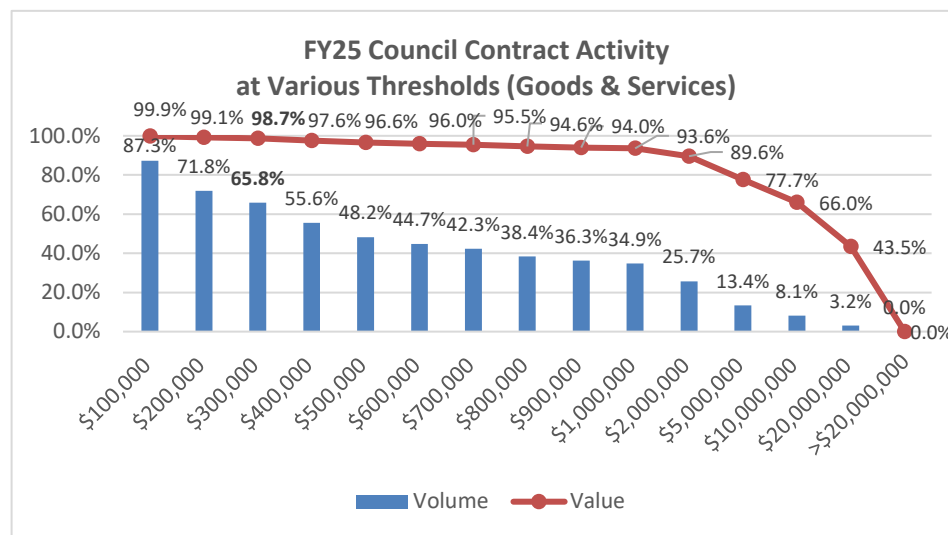
- A listing of upcoming and open solicitations
- Reports on Administrative Actions in process and approved

This will enhance transparency and support City Council oversight.

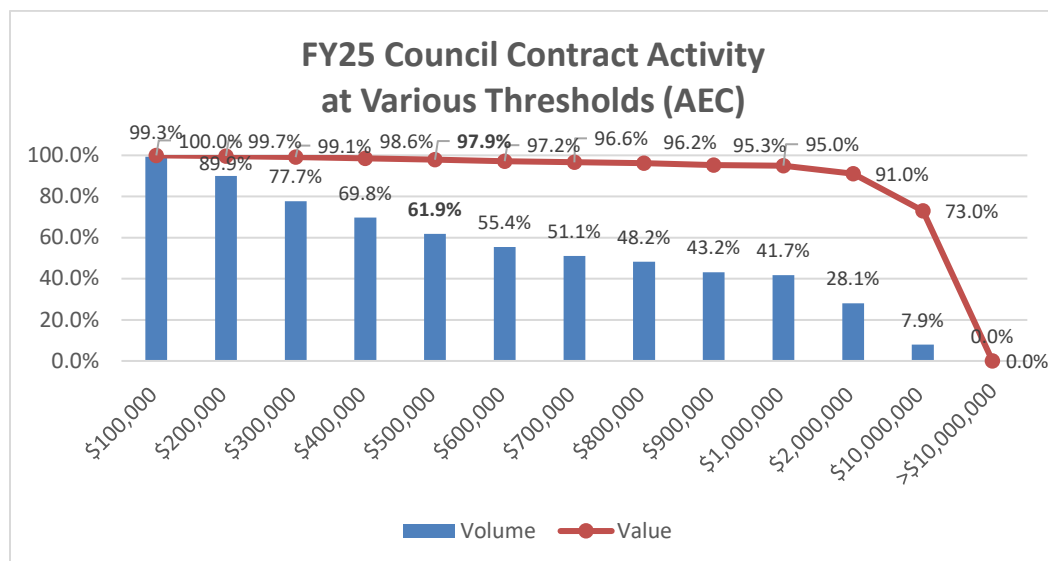
Question: Can you show what the impact of what would have stayed on the agenda for the past two years?

Yes. In addition to the FY 2024 data presented during the briefing, staff reviewed FY 2025 activity:

- **Goods, Professional, Consulting, and Other Services** - at a \$300,000 threshold, the City Council would have reviewed 65.8% of contracts representing 98.7% of total contract dollars. The remaining 97 contracts totaling \$11.8M would have been approved administratively.



- **Architecture, Engineering, and Construction Services** - at a \$500,000 threshold, the City Council would have reviewed 61.9% of contracts representing 97.9% of total contract dollars. The remaining 53 contracts totaling \$14.9M would have been approved administratively.



Question: Does this process also change the process and time for the City to pay contractors?

No. These changes address the procurement and contract award process but do not alter the City's post-award payment procedures. The City Controller's Office manages accounts payable once invoices are reviewed and approved by user departments. For FY25, the City Controller's Office accounts payable division paid approximately 90% of the invoices within 30 days. For the month of August 2025, over 95% of vendor invoices were paid within 30 days. In addition, over 85% of all vendor payments are made electronically.

Question: The Inspector General issued a report in February 2025 on concerns of some of the process with option to go through administratively versus council action, can you speak to those?

The City Manager's Office is in review of the Inspector General (IG) report and communicating with IG staff and City Attorney's Office to determine next steps to properly address the findings and recommendations issued by the IG.

Question: Can you come back in 6 months and report on impact of changes to threshold to committee?

Yes. OPS will brief the Finance Committee six months after the City Council adopts threshold changes. This briefing will highlight progress and impact; however, it is important to note that under the Dallas City Charter, the City Council may only adjust contract authority delegation once every 24 months.

Please contact me or Juanita Ortiz, Director of the Office of Procurement Services, should you need additional information.



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Assistant City Manager

c: Kimberly Bizzor Tolbert, City Manager
 Tammy Palomino, City Attorney
 Mark Swann, City Auditor
 Bilierae Johnson, City Secretary
 Preston Robinson, Administrative Judge
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