

Date: December 19, 2012
To: Consultants doing business with the Department of Public Service
From: Alex Cofield, Capital Fiscal Manager, Office of Support Services
Re: Helpful Hints

In late 2008, the Department of Public Service created the Office of Support Services (OSS). In part, OSS is responsible for advertising requests for proposals, contract administration, and invoice processing. During these 4 years, there have been many changes in how the Department interacts with the consulting community. A few are noted below:

- standardized contract,
- lump sum contracting,
- use of ODOT rates,
- more streamlined RFP process,
- scope/contract meeting with consultant,
- payments made within 30 days of receipt of invoice,
- notice to proceed issued to consultant within 90 days of RFP submittal, and
- posting upcoming contracting and award information on the department's web site.

Since centralizing the department's fiscal functions, OSS has identified some common issues and wants to share this information with the consulting community.

Please review the attached list of common issues. These topics pertain to both prime and subconsultants. Due to the fact that these functions are decentralized throughout the City, this memo pertains only to contracts with the Department of Public Service. Should you have any questions or topics for future memos, please contact me directly at (614) 645-1557 or aacofield@columbus.gov.



SUBMITTING YOUR PROPOSAL

Please submit all proposals to 109 N. Front St. Room 301 (Permit Office). Do not deliver to the OSS work area or do not leave the proposal at the security desk. All RFPs must be date/time stamped. If it is not date/time stamped, it may be deemed non-responsive. Consider putting the following address (without a name) on the package so that if it is delivered by a staff person or courier, it is clear where it should go:

Office of Support Services
Department of Public Service
Room 301
109 N. Front St.
Columbus, Ohio 43215
RFP for Project Name

CONTRACT

Please be familiar with the contract(s). This is important for the PM and your fiscal staff. The contract is the basis for the audits and many of the topics discussed below can be averted by knowing the ins/outs of the contract. While the contracts have been standardized, do know that sometimes updates are made. For example, if you have a new detailed design contract (non-lump sum) executed in/after November 2012, there are some new terms and conditions that are not in prior contracts.

SHORT PAYMENT OF INVOICES

Invoices are short paid for the following reasons:

- Sales tax was not deducted. Please deduct sales tax from receipts for direct expenses.
- Incorrect salary rates. If your contract was executed in the past 3 years, the hourly rates included in the contract are the maximum rates for the duration of the contract.
- Math errors. When the Department started using ODOT rates, this included using the Ohio Average Overhead Rate for design and geotechnical services when calculating the net fee. In the past, the Department used the firm's overhead rate. Unlike ODOT, the Department does not pay out the full amount of the net fee based upon work complete. The payment of net fee is based upon labor hours used.
- Courier expense included. Unless courier costs are included on the Exhibit C of the contract, courier charges are not a reimbursable expense.

DELAY IN PAYMENT OF INVOICES

Invoices may not be processed and payment made within 30 days of receipt for the following reasons:

- Missing documentation. An invoice cannot be processed if subconsultant invoices or receipts for other direct expenses are not attached.
- Progress report is missing. While OSS audits against the contract, the department's project manager also approves the invoice. Without a progress report, the project manager cannot approve the invoice.
- Subconsultant report/affidavit not attached.

- Invoice from prime or subconsultant is not on firm's letterhead. This is required by the City Auditor's Office. The Department has a preferred invoice format. If you do not have a copy of this and would like one, a sample is available on the department's website.
- Previously paid amount is incorrect.

OTHER INFORMATION

- If your contract is funded by ODOT, you will need to follow ODOT's invoicing process but just send the invoice to the Department. All the same rules apply as if you were contracting directly with ODOT. In a sense you are because ODOT will write the contract in their format, with the Department just adding some additional documentation.
- The firm's ODOT rates (overhead, cost of money) and ODOT's Ohio Average Overhead rates for net fee, provided to the Department at the time the contract is executed, are the rates used for the duration of the contract. Unlike ODOT, these rates do not change each year when ODOT updates a firm's rates.
- Only 1 invoice needs to be submitted to the Department. Three copies are no longer needed.
- OSS has developed tools to easily audit invoices against the contract. If you or your fiscal staff would like a copy of the audit sheet, let me know and I will email you a copy. Also, you can use the Exhibit C document as an auditing tool.