



Richard M. Daley
Mayor

Chicago Department of Transportation

CDOT Professional Services Voucher Payment Process

Agenda

Welcome

- Introductions
- Commissioner's message

CDOT's Mission Statement

Overview (Professional Services Voucher Payment Process)

- History
- Audit
- CDOT changes
- Objectives
- Benefits

CDOT's New Invoice Process

- Requirements
- How you can help
- Team effort (CDOT and Vendor)
- Vendor input



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MISSION STATEMENT

It is the goal of the Department of Transportation to **effectively manage**, through project programming and project design, the maintenance and capital rehabilitation of the City of Chicago's transportation infrastructure, enabling the **safe and efficient** movement of vehicles, cyclists and pedestrians on modernized and beautified streets, bridges and viaducts by utilizing a combination of city labor trades and contracted construction companies, equipment and materials tailored to each specific task or project and by expediting completion in a **cost-effective and timely** manner of which the finished product **meets or exceeds** the industry standards of practice and workmanship.

Thomas G. Byrne
Commissioner



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Audit

CDOT retained an Independent Auditor to assess the entire CDOT Professional Services Voucher Payment Process to determine how CDOT could improve its existing system to achieve greater efficiency.

The Audit disclosed several areas where CDOT had room for vast improvement within the voucher payment process. The audit's overall recommendation was that CDOT modify its existing protocol to incorporate more thorough, industry-standard accountability practices.

The more specific findings have been incorporated into this presentation and will be discussed in greater detail herein.



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Audit findings

Payments to consultants within 30-120 days

- Incomplete packages
- Incorrect reference numbers on documents within packages
- Packages delivered to incorrect personnel for processing
- Separate bills/Cumulative bills
- Errors on bills
- Unformulated payment procedure
- Unclear employee duties/overlapping duties
- Project managers not held accountable



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Change begins at CDOT

Department has made many changes to improve process

- Training and Standard Operating Procedures for all project managers and auditors
- Formalized auditors' workload requirements (accountability)
- Track invoice stages through process, with durations at each stage
- Weekly report to Commissioner regarding invoice status
- Budget coordinators work with project managers to resolve NSF bills, other issues
- Work with funding agencies to resolve change-order issues prior to expenditure of funds



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Audit-recommended changes to CDOT process

1. Unified Repository/Tracking
2. Acknowledgement of invoice receipt
3. Cumulative invoices
4. Separate agreements
5. Invoice minimum
6. Payment voucher requirements



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1. Unified Delivery/Tracking

- Consultants must submit all **monthly** invoices for labor and costs to:
Deputy Commissioner Gilberto Quinones
Division of Administration
Chicago Department of Transportation
30 N. LaSalle, Suite 600
Chicago, IL 60602
- All invoices shall be delivered via a commercial form of delivery which provides a tracking service (*discuss*)



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2. Acknowledgment of invoice receipt

- All invoices received for processing will be time and date stamped upon receipt by department personnel.
- Invoices will be returned to the consultant for deficiencies and will be date stamped with a return date.



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3. Cumulative invoices

- ❑ Cumulative, multiple-month invoices will be rejected, stamped with a return date and returned to the consultant.
- ❑ Sub Consultant billing should not be delayed over a month, if delayed a letter of acknowledgment for delay payment must be submitted.



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4. Separate agreements

Where the consultant has more than one agreement with CDOT, a separate invoice must be submitted for each agreement.



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5. Invoice minimum

Invoices for less than \$500 will **not** be accepted unless the invoice is for the last payment prior to closeout of the contract.



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6. Payment Voucher Requirements

Each Payment Voucher must include the following:

- One original and three copies of the entire billing package.
- The billing package must include the five-part payment voucher form, supplied by CDOT. (A copy of the form can be found on the next page.)
- Please don't remove the Vendor copy. It will be returned to you after the bill has been processed.



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CDOT Professional Services Voucher Payment Process



CITY OF CHICAGO DEPARTMENT OF TRANSPORTATION

Suite 600, 30 North LaSalle Street Chicago, Illinois 60602-2570

VOUCHER FOR PROFESSIONAL SERVICES

NO. 2265

CONSULTANT: _____ VENDOR CODE: _____

ADDRESS: _____

INVOICE NO.: _____ PAYMENT NO.: _____ CONTRACT NO.: _____

SERVICES PERFORMED (Date) From: _____ To: _____ PROJECT NO.: _____

CDOT PROJ. MANAGER: _____ WORK ORDER NO.: _____

Sub-order # _____ Tel: _____ Ship to: _____

AMOUNT OF BASIC CONTRACT SERVICES:

AMOUNT OF REIMBURSABLE:

CONTRACT CEILING INCLUDING REIMBURSABLE:

AMOUNT OF CURRENT INVOICE:

AMOUNT INVOICED TO DATE INCLUDING CURRENT INVOICE:

Invoice Date _____ Name of Consultant _____ Official Signature & Title _____ Date _____

BFY	FUND	DEPT.	ORGAN.	APPROP.	OBJ.	RPTC.	PROJECT	Full description of need (needed by ____ / ____ / ____) emergency ? <input type="checkbox"/> no <input type="checkbox"/> yes	quantity	unit meas.	unit cost	est. cost
COMMODITY CODE												
COMMODITY CODE												
COMMODITY CODE												
COMMODITY CODE												
COMMODITY CODE												
TOTAL \$												

Approved by: _____ Auditor _____ Comptroller's No.: _____

Services Verified by: _____ Date _____ Approved for Payment by: _____

Rates Verified by: _____ Date _____ COMMISSIONER OF TRANSPORTATION

Copies: White—Comptroller; Green—Commissioner of CDOT; Yellow—CDOT Accounting; Pink—CDOT Contracts; Goldenrod—Vendor

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The voucher must have the following information:

1. Consultant's name
2. Vendor code (Assigned by Procurement)
3. Address
4. Invoice number
5. Payment number
6. Contract number
7. Service performed (Date)
8. Project number
9. CDOT project manager
10. Release number
11. Amount of basic contract service
12. Amount of reimbursable
13. Contract ceiling amount including reimbursable
14. Amount of current invoice
15. Amount invoiced to date including current invoice
16. Invoice date
17. Name of consultant
18. Authorized signature of the consultant with Contact Name, Phone number and Email Address.



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CDOT Professional Services Voucher Payment Process

First item in the billing package



NO. 0881

CITY OF CHICAGO DEPARTMENT OF TRANSPORTATION

Suite 600, 30 North LaSalle Street Chicago, Illinois 60602-2570

VOUCHER FOR PROFESSIONAL SERVICES

CONSULTANT: _____ VENDOR CODE: _____

ADDRESS: _____

INVOICE NO.: _____ PAYMENT NO.: _____ CONTRACT NO.: _____

SERVICES PERFORMED (Date) From: _____ To: _____ PROJECT NO.: _____

CDOT PROJ. MANAGER: _____ WORK ORDER NO.: _____

CDOT PROJ. DESC: _____

Release # _____ Tel: _____ Ship to: _____

AMOUNT OF BASIC CONTRACT SERVICES:

CONTRACT CEILING INCLUDING MOD:

AMOUNT OF CURRENT INVOICE:

AMOUNT INVOICED TO DATE INCLUDING CURRENT INVOICE:



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Second item in the billing package



Subcontractor Payment Certification - Compliance Copy

Return to: Department of Procurement Services
Attn: Contract Compliance Unit - Room 403 City Hall
121 N. LaSalle Street
Chicago, Illinois 60602

Prime Contractor Name

Prime Contractor Vendor/Supplier Number

Contract/Purchase Order/Release Number

Monthly Estimate Invoice Numbers

Amount Due This Estimate

Estimated Amounts to be Paid by the Prime to Authorized Subcontractors from this Estimate

	Subcontractor Name	MI/WIDE	Subcontractor Vendor/Supplier Number	Payment Amount
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				

Total Amount to be Paid to Subcontractors
(If no subcontractors will be paid this invoice, please enter \$0)



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Third item in the billing package

Summary page of the bill which includes the following information:

Summary should be written on the company letterhead, signed by CFO, and must contain the following information:

- Total labor charge
- Overhead burden and fringe
- Fixed fee
- Percent complete
- Direct costs
- Total amount due on the invoice
- Previous, current and total amounts charged.

Sub-contractor: Contract Amount, Invoiced to Date, Paid to date.

The consultant must support each invoice with reasonable detail as outlined in the Schedule of Compensation in Exhibit 2 or Project Notice.



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Sample of Invoice Summary

INVOICE SUMMARY

CONSULTANT'S INVOICE NO:	Original Task Order:	\$109,000.00
CONSULTANT'S JOB NO:	Supplement 1:	\$65,000.00
PROJECT DESCRIPTION:	Total:	\$174,000.00
CONTRACT NO:		
RELEASE NO:	Remaining on Contract:	\$0.00
INVOICE PERIOD: 01/01/2005 - 01/31/2005		

ITEM			CURRENT	PRIOR	CUMULATIVE
1	DIRECT SALARIES		\$ -		
2	PAYROLL MULTIPLIER	150.00%	\$ (617.90)		
3	MAXIMUM FIXED FEE	\$ 74,446.00		\$ (617.90)	
4	PREMIUM OVERTIME				
5	IN-HOUSE DIRECT COSTS				
6	OUTSIDE DIRECT COSTS				
7	SUB CONSULTANTS				
8	TOTAL AMOUNT EARNED TO DATE				
9	LESS PREVIOUSLY INVOICED				
10	PAYMENT DUE THIS INVOICE				

SUBCONSULTANTS AND/OR VENDORS ASSIGNED TO MASTER AGREEMENT

NAME	TYPE	CONTRACTED AMOUNT	INVOICED TO DATE	PAID TO DATE
Minority Firm's Name A	MBE			
Non-Minority Firm's Name B	N/A			
Minority Firm's Name C	WBE			
Non-Minority Firm's Name D	N/A			

I certify that the percent of work shown as completed on this invoice is correct, and the purchase, lease, or rental of digital cameras, computers, engineering instruments, cellular phones, (vehicles, fuel and maintenance), and field office supplies, are for the sole purpose of the performance as described, and is in accordance with Exhibit 2 item 3, paragraph d of this agreement.

John Doe, Project Manager

DATE

Required:

CONTACT NAME: _____

DIRECT PHONE #: _____

CELL PHONE #: _____

EMAIL: _____



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Sample of Invoice Detail

INVOICE DETAIL

CONSULTANT'S INVOICE NO:	Task Order Amount:	\$109,000.00
CONSULTANT'S JOB NO:		
PROJECT DESCRIPTION:	Remaining Amount:	\$0.00
CONTRACT NO:		
RELEASE NO:		
INVOICE PERIOD:	01/01/2005 - 01/31/2005	

<u>Employee</u>	<u>Classification</u>	<u>Rate</u>	<u>Hours</u>	<u>Totals</u>
T. Johnson	Principle			
R. Murphy	Project Manager			
B. Armstrong	Senior Project Manager			
A. Brown	Jr. Project Manager			
D. Harris	Senior Technician			
K. Moody	Jr. Technician			

DIRECT LABOR TOTALS:	\$	-
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Overhead & Burden:	150.00%	\$	-
Maximum Fixed Fee: \$74,446.00 x 5.64% computed to date		\$	4,198.75
Previous Fee: 0.83%			(\$617.90)
Current Fee:			\$4,816.65

Outside Direct Costs:

Company A	
Company B	
Company C	
Personal Car Mileage: 1,653 miles	0.505
Parking:	

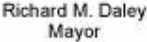
In-House Direct Costs:

Company Vehicle:	\$	45.00
Copies:		
CADD Hours:		
Premium Overtime:		

Sub consultants:

A	Invoice #1	\$	4,000.00
B	Invoice #2	\$	2,000.00
C	Invoice #3	\$	10,000.00
		\$	3,000.00
		\$	6,000.00
	TOTALS:	\$	25,000.00

TOTAL DUE THIS INVOICE:



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Labor Sheet

[illegible]



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Please do not forget:

- Payroll Data (in timesheet)
- Direct Costs (copy of receipts)
- Work by Subcontractors-Consultants
(Verified by Prime)
- Travel expenditures
 - Refer to Travel Guidelines as indicated in your agreement or as indicated on the City of Chicago web site.

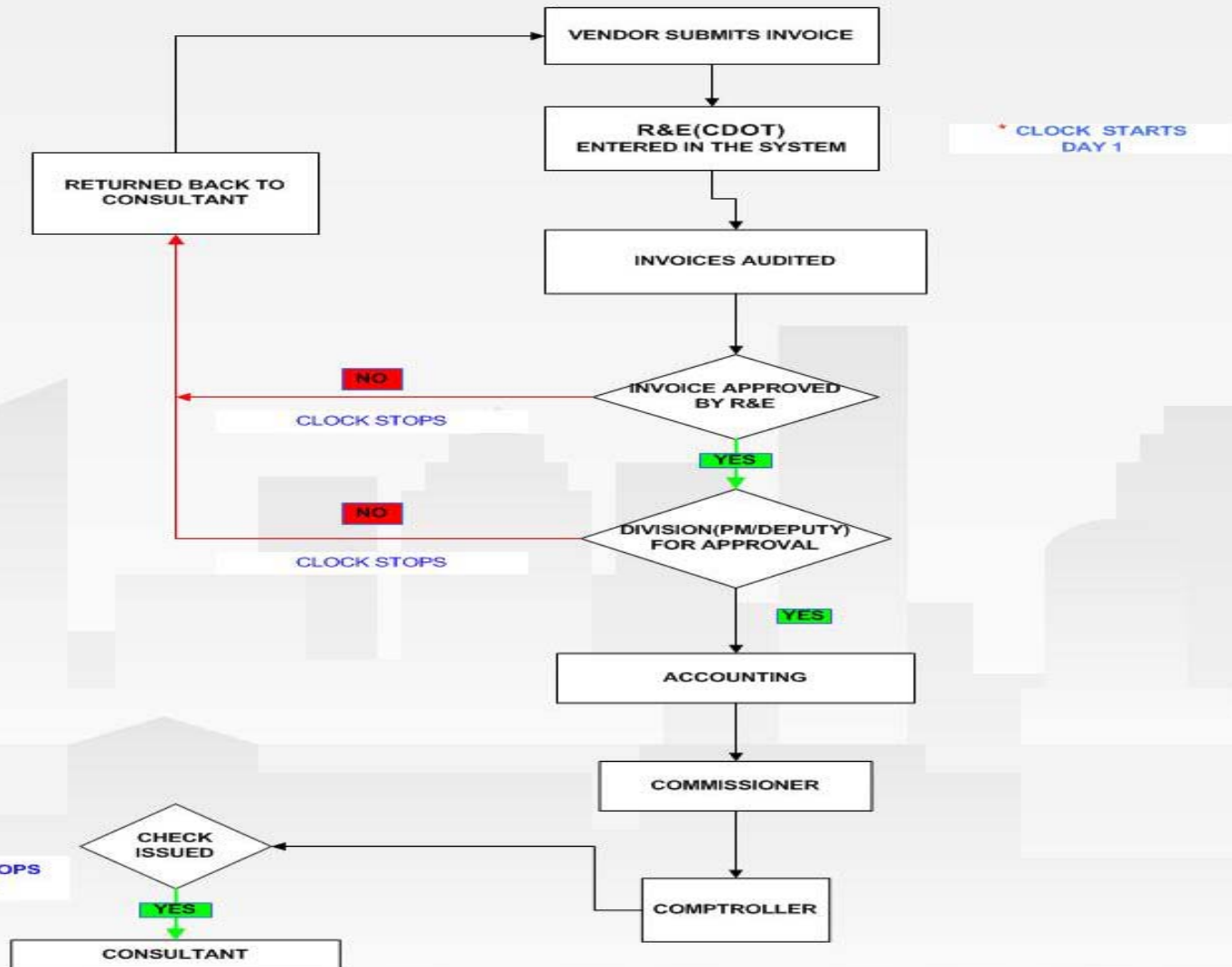
http://webapps.cityofchicago.org/publish/etc/medialib/intranet_media_library/misc/policies/travel.Par.68855.File.tmp/TravelPolicy08.pdf



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TEAM EFFORT

Vendor

- Complete, accurate invoice
- Monthly submission
- Correct address

CDOT

- Expedite payment to Vendor
- Better communication
- Correctly charge invoice to the task order

CDOT Project Manager

- Set up the funds before assigned task order
- Track processing from receipt of invoice to payment

CDOT Commissioner's Office

- Approve invoice and return in timely manner



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Reminder

Consultants must submit all monthly invoices to:

**Deputy Commissioner Gilberto Quinones
Division of Administration
Chicago Department of Transportation
30 N. LaSalle, Suite 600
Chicago, IL 60602**

Standard of performance:

The Commissioner, this Department, and its vendors should meet or exceed the industry standards of practice and workmanship.



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Key Contact Personnel

Gilberto Quinones
Deputy Commissioner, Division of Administration
312.744.5649

Mohammed Pakshir
312.744.3561
E-mail: mpakshir@cityofchicago.org

Pat Howard
312.744.4075
Call or E-mail for status
E-mail: phoward@cityofchicago.org

Ray Sagun
312.744-3841
E-mail: rsagun@cityofchicago.org



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Any Questions?

Thank you.

www.cityofchicago.org/transportation