

MEMORANDUM

TO: Agency Procurement Officers, Chief Information Officers and Chief Fiscal Officers

FROM: Stu Davis, DAS Assistant Director and State Chief Information Officer *SPD*
Jennifer Leymaster, DAS Chief Financial Officer *JL*
Kelly Sanders, Interim DAS General Services Division Deputy Director and State Chief Procurement Officer *KS*

DATE: July 18, 2018

SUBJECT: Simplified Procurement Services Fee for FY 2019

You received a memo dated May 1, 2018, informing you that information technology procurement and non-IT procurement had been consolidated into a single enterprise procurement group within the DAS General Services Division's Office of Procurement Services. That communication also described the fiscal impact this consolidation would have on agencies – in particular, the temporary suspension of both the procurement services fee and release and permit fee during the second through fourth quarters of FY 2018 and the creation of a consolidated fee to support these activities for FY 2019 and beyond.

The consolidated fee for FY 2019 has recently been approved by the Office of Budget and Management. That fee, 0.45% of disbursements against DAS contracts, will apply to all types of contracts, both IT and non-IT, and is effective for disbursements made since July 1, 2018. DAS will bill agencies monthly in arrears.

We are confident that this simplified approach to recovering the cost of Ohio's enterprise procurement activities will make everyone's work a little easier. Of course, this changed approach to cost recovery in no way changes state agencies' obligation to comply with procurement laws, rules, and policies.

Please direct questions to Das.statepurchasing@das.ohio.gov. We look forward to working with your agency through these changes and toward the State of Ohio eProcurement effort.