



# Invoicing Issues

## 2019 PEPS Conference

Tira Dobrozensky, PEPS Invoice Center Manager  
Lucas Short, TxDOT Austin District PM  
Ken Hsu, Bridgefarmer & Associates, Inc.

November 21, 2019

### Topics

- 1 • The PEPS Invoice Center, Mission, Team, and PEPS Service Centers
- 2 • Invoice Process Timeline
- 3 • Prompt Payment Act
- 4 • Common Obstacles
- 5 • Invoicing from a TxDOT District Perspective
- 6 • Invoicing from a Consultant Perspective

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## PEPS Invoice Center



The PEPS Invoice Center is a 1 ½ years old!

- Grown from 6 Contract Specialists in 2018 to 14 Full-time Contract Specialists and 1 Contracted Contract Specialist.

Invoice Center processes all PEPS invoices

- 6 Metro Service Centers
- 1 Urban Service Center
- 1 Rural Service Center
- 1 Service Center for Divisions

1,100+ invoices processed monthly

## PEPS Invoice Center Mission



Oversee review and on-time payment of invoices for the PEPS Division

- Achieve 100% on-time payments to avoid costly penalties for TxDOT
- Process account receivables for PEPS Contracts and Work Authorizations
- Address account inquiries and payment disputes
- Monitor HUB/DBE payment compliance

## PEPS Invoice Center Team

### Invoice Center Manager - Tira Dobrozensky

#### Leads

Priscilla Canales  
Nichole Cervantes

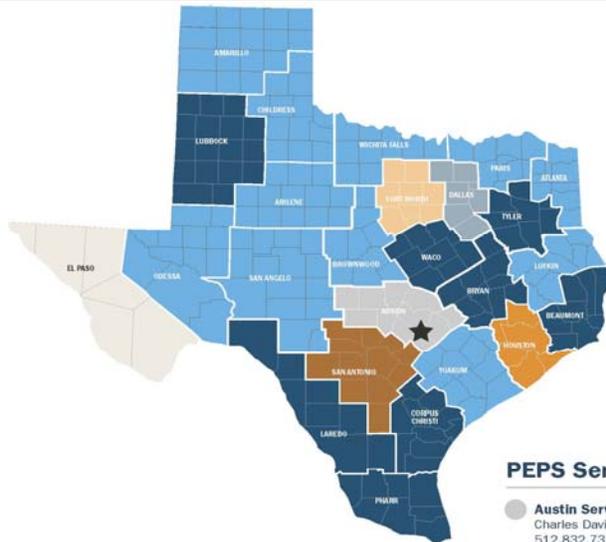


#### Contract Specialists

Adrianna Perryman	Vanessa Morris
Joku Njoku	Angelica Miranda
Cindy Barajas	Cathy Mendoza
Diana Santos	Arlene Sanchez
Patricia Pascone	Rachel Santana
Cassandra Johnson	Crystal Mejia

#### Contracted - Contract Specialists

Gina Lopez



#### ★ PEPS Division Austin HQ

**PEPS Division Director**  
Martin L. Rodin, RE.  
512.416.2037  
Martin.Rodin@txdot.gov

**Deputy Division Director**  
Lucio Vasquez, RE.  
512.416.2039  
Lucio.Vasquez@txdot.gov

#### PEPS Support Services

**Business Operations Center**  
Roy Gonzales  
512.416.2034  
Roy.Gonzales@txdot.gov

**Invoice Center**  
Tira Dobrozensky, CTCM  
512.486.5227  
Tira.Dobrozensky@txdot.gov

**Center of Excellence**  
Dan Neal, RE.  
512.416.2667  
Dan.Neal@txdot.gov

**Negotiations Service Center**  
Norma Glasscock, RE.  
817.370.3675  
Norma.Glasscock@txdot.gov

**Controls Center**  
Dione Albert  
512.416.2003  
Dione.Albert@txdot.gov

**Support Services Center**  
Kathy De Luna, CTCM, CTCD  
210.615.5901  
Kathy.DeLuna@txdot.gov

#### PEPS Service Centers

● **Austin Service Center**  
Charles Davidson, RE., CTCM  
512.832.7315  
Charles.Davidson@txdot.gov

● **Dallas Service Center**  
Joseph Jancuska, RE.  
214.320.6187  
Joseph.Jancuska@txdot.gov

● **El Paso Service Center**  
Jaime Perales, RE., CFM  
915.790.4231  
Jaime.Perales@txdot.gov

● **Fort Worth Service Center**  
Jessica Andrews, RE.  
817.370.3668  
Jessica.Andrews@txdot.gov

● **Houston Service Center**  
Gail Morea, RE.  
713.802.5795  
Gail.Morea@txdot.gov

● **San Antonio Service Center**  
Larry H. Wenger, RE.  
210.615.5971  
Larry.Wenger@txdot.gov

● **Service Center for Divisions**  
Kori Rodriguez, RE.  
512.416.2268  
Kori.Rodriguez@txdot.gov

● **Urban Districts Service Center**  
Jaime A. Vela, RE.  
512.416.2007 or 956.712.7730  
Jaime.A.Vela@txdot.gov

● **Rural Districts Service Center**  
Lynn Daniel, RE.  
940.937.7281  
Lynn.Daniel@txdot.gov



Days 1 - 21

## Invoice Process Timeline

### CONTRACT SPECIALIST

- Verifies Contract, WA and SWA compliance
- Verifies (100% review 1<sup>st</sup> invoice, 30% all invoices thereafter):
  - Budget status
  - Labor classifications
  - Travel expenses and other direct expenses (ODEs)
- Coordinates with TxDOT PM

### TxDOT PROJECT MANAGER (PM)

- Verifies work and progress report
- Verifies staff as appropriate
- Reviews budget status\*
- Coordinates with signature authority

Invoice stamped "Received" by TxDOT - 30 calendar days begin

\* If applicable, coordinates any questions and/or reductions of invoice with Prime Provider PM

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Days 21 - 28

### FINANCE DIVISION

- Verifies invoice acceptability
- Processes voucher
- Submits appropriate documentation to Comptroller of Public Accounts thru PeopleSoft



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## Days 28 – 30

### COMPTROLLER OF PUBLIC ACCOUNTS

- Holds until the 30th day
- Issues payment on or before the 30th day from acceptable invoice date\*

\* If providers participate in the Early Payment Program, issue payment before the 30th day.

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### Prompt Payment

State agency payment due on 30th day after the latest of:

- Date agency receives goods under contract
- Date performance of contracted service is complete
- Date agency receives invoice for goods or services

### Disputed Payment

- 21st day after government entity receives invoice
- Dispute resolved in favor of vendor
- Dispute resolved in favor of government entity

Texas Government Code Chapter 2251

**STOP and PLEASE NOTE:**

State pays vendor 30 days from the date the invoice was received.



PLEASE hold off on payment status/inquiries until 30 calendar days have passed from the date of invoice submittal.

\*\*If a payment status inquiry is received **BEFORE** the 30 days from the date the invoice was received; we will **NOT** respond to the inquiry until the 31<sup>st</sup> day.\*\*

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**Invoice Center Obstacles**



- Under Staffed/Staff Turnover
- Unprepared for End 2018 Fiscal Year
- Holidays & Meetings
- Undergone Audit and O.A.R.
- Processes & TxDOT software



CSJ obstacles in PeopleSoft

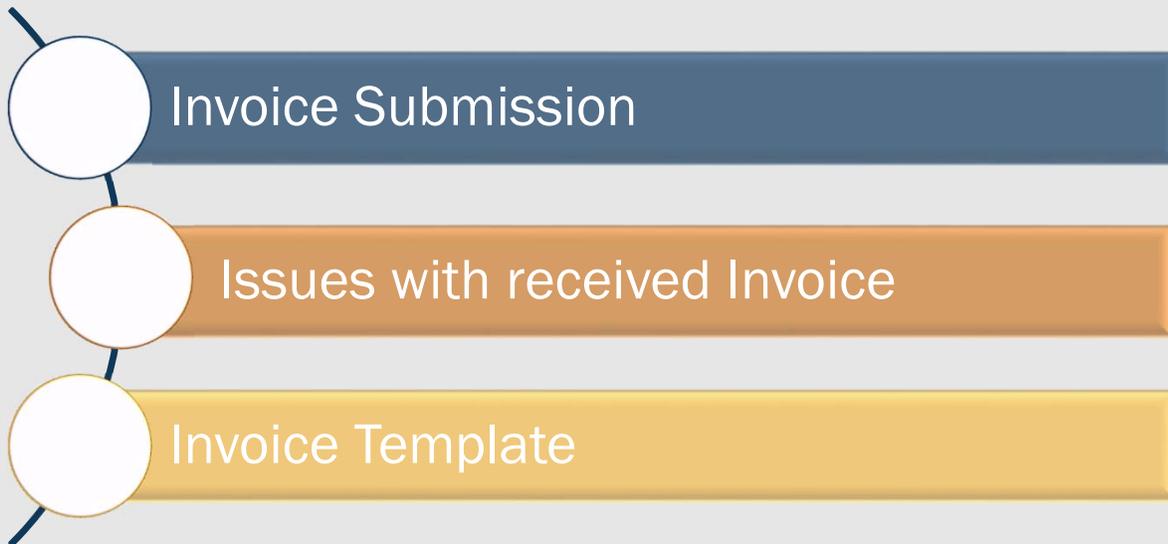
Purchase Order Obstacles

Budget check errors



- Project Manager turnover
- Signature Authority
- Unresponsiveness
- Department (Manager) ID

## Obstacles with Consultants



## Invoicing from a TxDOT Perspective *Lucas Short*

# Common Issues

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## Issues for TxDOT



Most current invoice template not being used

Not following the Work Authorization

- Overbilling CSJs and Function Codes
- Other Direct Expenditures (ODEs)

Missing or incomplete documentation for ODEs

Not enough detail or description of task

- Items missing

## Issues for Consultants



### Progress report not reflecting the effort billed

- Not enough detail or description of task
- Items missing

### Invoices not including everything from the reported time period

- Subproviders not invoicing until the next month
- ODE receipts from previous months being included

### Not enough time to review

## Issues for Consultants



Each TxDOT district, office, and even project manager requires something different

Inexperienced TxDOT PMs

Unfamiliarity in the roles of PEPS, FIN, and the District in the review and payment of an invoice

Unfamiliar with PS-CAMS and TxDOT's payment system

# Recommendations

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## Hold a contract kick-off meeting

### Agenda items:

- Discuss the expectations of contract
- Clearly define District or Office requirements for billing ODE's
- Provide examples of acceptable ODE documentation
- Provide examples of acceptable progress report formats



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NEWS

- Upcoming T...
- Events
- Thu., Oct. 3,
- PEPS Newsle...
- Newsletter
- Fri., Sep. 13,
- PEPS 3rd An...
- Events
- Thu., Jun. 20,
- 2020 PEPS A...
- Hands Meet...
- Events
- Thu., May 1,

- Work Authorization Requests and Management Process
- Risk Analysis
- Work Authorization Negotiation
- Work Authorization PeopleSoft S...
- Work Authorization Closeout
- Commercial Lab Program
- Invoice Templates and Process
- Program Compliance
- Contract Report for HUB Program

Process Outline

Invoice Template Packages

<b>Cost Plus Fixed Fee (CPFF)</b>	
07-16-19	CPFF Invoice Template and Instructions
<b>Specified Rate (SR)</b>	
09-18-19	SR Invoice Template and Instructions
<b>Specified Rate &amp; Unit Cost (SR/UC)</b>	
09-19-19	SR/UC Invoice Template and Instructions
<b>Lump Sum (LS)</b>	
10-08-19	LS Invoice Template and Instructions

Recommendations for Consultants



Request current TxDOT invoice template

Bring accounting staff to the contract kick-off meeting

Review invoice thoroughly prior to submittal to ensure it follows examples provided by TxDOT PM

Add notes on ODE documentation to clarify billing

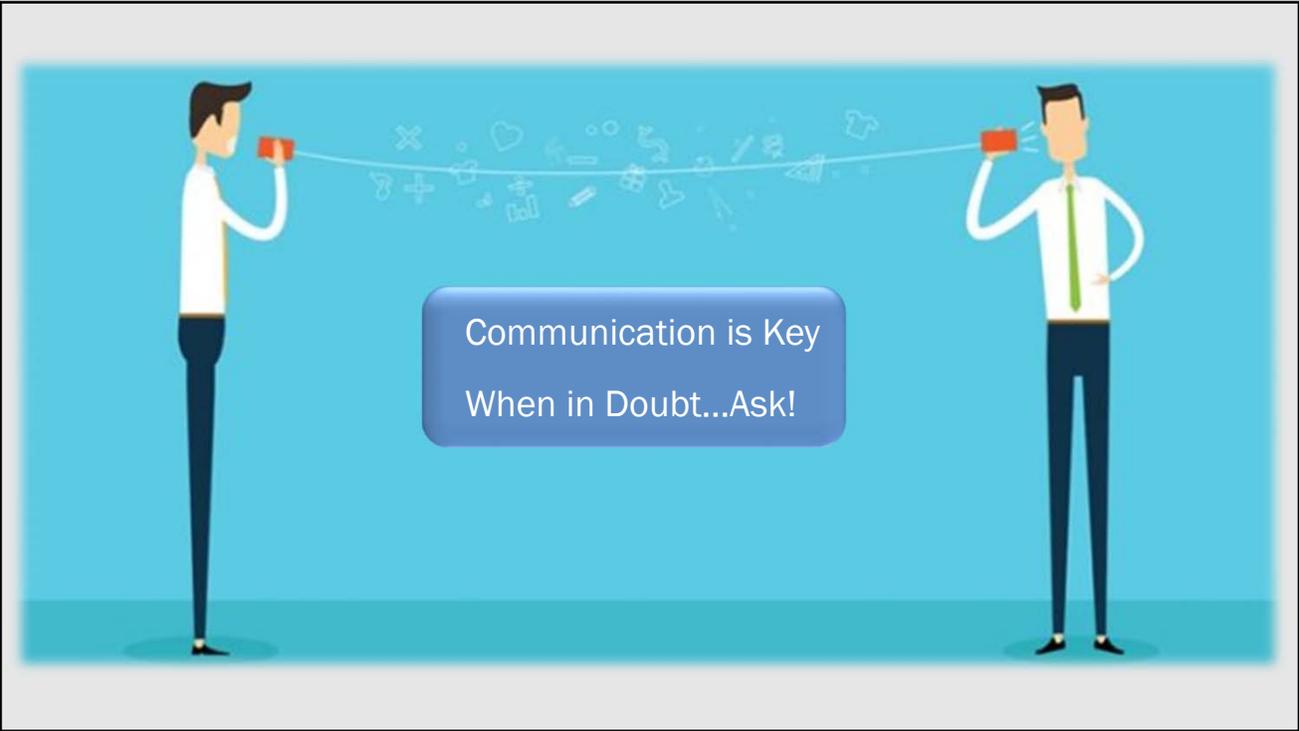
The screenshot shows the GSA website's 'Per Diem Rates' page. The main content area is titled 'Per Diem Rates' and includes a search form with a dropdown for 'For Fiscal Year' set to '2020 (Current Year)' and a text input for 'Texas'. A sidebar on the left contains a 'Plan and Book' section with a yellow arrow pointing to 'Per Diem, Meals & Incidental Expenses (M&IE)'. Other sidebar items include 'Research and prepare travel', 'Passenger', 'POV rates', 'Lodging', 'Conferences/Meetings', 'Travel Charge Card', and 'State Tax Exemption'. The top navigation bar lists categories like 'BUYING & SELLING', 'REAL ESTATE', 'POLICY & REGULATIONS', 'SMALL BUSINESS', 'TRAVEL', 'SHARED SERVICES', and 'TECHNOLOGY'.

## Recommendations for Consultants

### Monitor Sub-Consultant billing

- Ensure all documentation is submitted for billed time period
- Ensure documentation follows examples provided by TxDOT PM
- If necessary, delay submitting the invoice until all subs have provided the necessary information

# Recommendations for Both Parties



# Invoicing from a Consultant Perspective

*Ken Hsu*

## Suggested Attitude Adjustment About Invoicing



Accountable stewards of taxpayer money

Financial agents of contract management

Cooperate to get everyone paid in a timely manner

## Suggestions/Requests for the Future



Dynamic dialogue and interaction

Uniformity in interpretation

Various training resources

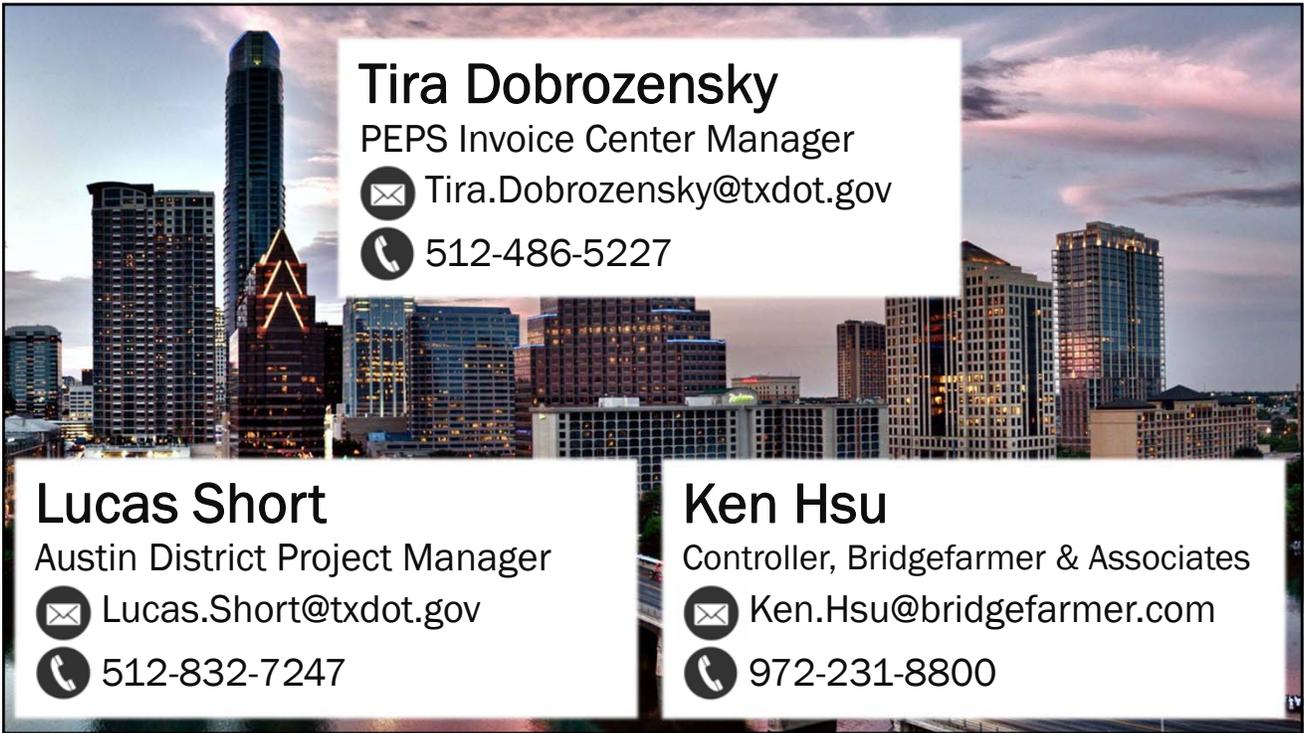
- Digital written instructions
- How to video

Current Invoice Status Updates

- Submitted/Received
- Approved/Pending/Rejected
- Queued for payment



**QUESTIONS?**



**Tira Dobrozensky**

PEPS Invoice Center Manager

✉ [Tira.Dobrozensky@txdot.gov](mailto:Tira.Dobrozensky@txdot.gov)

☎ 512-486-5227

**Lucas Short**

Austin District Project Manager

✉ [Lucas.Short@txdot.gov](mailto:Lucas.Short@txdot.gov)

☎ 512-832-7247

**Ken Hsu**

Controller, Bridgefarmer & Associates

✉ [Ken.Hsu@bridgefarmer.com](mailto:Ken.Hsu@bridgefarmer.com)

☎ 972-231-8800