

State of New York Executive Department
Office Of General Services
Procurement Services Group
Corning Tower Building - 38th Floor
Empire State Plaza
Albany, New York 12242
<http://www.ogs.state.ny.us>

REVISED CONTRACT AWARD NOTIFICATION

Title	:	Group 79032 – Expense Reduction Services Classification Codes: 84 and 43
Award Number	:	<u>20518</u> (Replaces Award 01382)
Contract Period	:	May 28, 2007 through May 27, 2012
Bid Opening Date	:	November 2, 2006
Date of Issue	:	May 22, 2007 revised April 5, 2010
Specification Reference	:	As Incorporated In The IFB
Contractor Information	:	Appears on Page 2 of this Award

Address Inquiries To:

State Agencies & Vendors	Political Subdivisions & Others
Name : Tony Montes Title : Purchasing Officer Phone : 518-474-1688 Fax : 518-402-5331 E-mail : Anthony.montes@ogs.state.ny.us	Customer Services Phone : 518-474-6717 Fax : 518-474-2437 E-mail : customer.services@ogs.state.ny.us

The Procurement Services Group values your input.
Complete and return "Contract Performance Report" at end of document.

Description

This is a "No Cost" contract. The primary intent of this contract is to identify refunds or credits resulting from overpayments or incorrect billings and tariff audits. Cost recoveries may be pursued, with all contractor audit fees deducted from funds recovered. New York State is not seeking to alter utility systems, purchase new equipment or assess utilization of equipment; however, **if requested** by the agency the contractor may make recommendations that, if implemented, will result in savings but do not qualify for a refund or credit. The Office of General Services has engaged the expertise and services of qualified vendors to perform Statewide Expense Reduction Services for the following categories: Lot I: Accounts Payable Purchasing, Contract Audit Services (offers Purchasing Specialty Categories to include: technology contracts, services contracts, commodity contracts, financing services, library publications and office supply purchases; Lot II: Accounts Payable, Utilities (excluding NYC Water & Sewage) and Fuels, Audit Services: offers audits of fuel and utility billings to include: gasoline, diesel fuels, natural gas, electricity, water, and sewage service; Lot III: Accounts Payable, Utilities - New York City Water and Sewage, Audit Services; and Lot IV - Telecommunications Network and Audit Services.

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**NOTE: See individual contract items to determine actual awardees.
CONTRACTOR INFORMATION**

Contract Number	Contractor Name and Address	Contact Information	Federal ID Number
PS62887	Broniec Associates, Inc. 4855 Peachtree Industrial Blvd. Suite 215 Norcross, GA 30092	Name: Gerry A. Conheady Phone: (770) 940-5013 Fax: (770) 729-9764 Email: gconheady@broniec.com Web: www.broniec.com	58-1417221
PS62888 SB	Cost Control Associates 310 Bay Road Queensbury, NY 12804	Name: Keith Laake Phone: (800) 836-3787 or (518) 798-4437 Fax: (518) 798-1735 Email: Keith.laake@costcontrolassociates.com Web: www.costcontrolassociates.com	16-1597018
PS62889 SB	HPA Consulting Group, Inc. 160 Allens Creek Road Rochester, NY 14618	Name: Kimberly Y. Lonobile Phone: (888) 472-4888 x 126 or (585) 461-2560 x 126 Fax: (585) 461-1153 Email: Kim.lonobile@hpagroup.com Web: www.hpagroup.com	16-1465376
PS62890 SB	J V Kelly Group, Inc. 145 East Main Street Huntington, NY 11743	Name: Jennifer Lawrence Phone: (631) 427-2888 Mobile: (631) 357-1986 Fax: (631) 824-9265 Email: jlawrence@jvkg.com Web: www.jvkg.com	41-2043936
PS62891 SB	Secure Path Networks LLC P.O. Box 944 Pelhalm, NY 10803	Name: Thomas Gesky Phone: (631) 598-3873 Fax: (631) 980-5400 Email: tomg@securepathnetworks.com Web: www.securepathnetworks.com	13-4201433
PS62892	TeleSoft Corporation 14 Commerce Drive Crawford, NJ 07016	Name: Robert J. Sullivan Phone: (908) 497-3818 Fax: (908) 709-1333 Email: rsullivan@telesoft.com Web: www.telesoft.com	86-0431009
PS62893 SB	Troy and Banks 2216 Kensington Avenue Buffalo, NY 14226	Name: Thomas T. Ranallo Phone: (800) 499-8599 x 25 or (716) 839-4402 x 25 Fax: (716) 839-4452 Email: Tranallo@troybanks.com Web: www.troybanks.com	16-1464075

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CONTRACTOR INFORMATION (Cont'd.)

Contract Number	Contractor Name and Address	Contact Information	Federal ID Number
PS62894 SB	UtiliSave, LLC 1944 Coney Island Avenue 2 nd Floor Brooklyn, NY 11223	Name: Donna C. Miele Phone: (800) 272-8366 or (718) 382-4500 Fax: (718) 625-4100 Email: dmiele@utilisave.com Web: www.utilisave.com	11-3403938
PS62895 SB	Water Group, LLC (The) 1825 65 th Street Suite 200 Brooklyn, NY 11204	Name: Moshe Lowy Phone: (718) 621-3331 Fax: (718) 621-4754 Email: info@watergroupny.com	11-3630954

Cash Discount, If Shown, Should be Given Special Attention.

INVOICES MUST BE SENT DIRECTLY TO THE ORDERING AGENCY FOR PAYMENT.
(See "Contract Payments" and "Electronic Payments" in this document.)

AGENCIES SHOULD NOTIFY THE PROCUREMENT SERVICES GROUP PROMPTLY IF THE CONTRACTOR FAILS TO MEET DELIVERY OR OTHER TERMS OF THIS CONTRACT. PRODUCTS OR SERVICES WHICH DO NOT COMPLY WITH THE SPECIFICATIONS OR ARE OTHERWISE UNSATISFACTORY TO THE AGENCY SHOULD ALSO BE REPORTED TO THE PROCUREMENT SERVICES GROUP.

SMALL, MINORITY AND WOMEN-OWNED BUSINESSES

The letters SB listed under the Contract Number indicate the contractor is a NYS small business. Additionally, the letters MBE and WBE indicate the contractor is a Minority-owned Business Enterprise and/or Woman-owned Business Enterprise.

NOTE TO AUTHORIZED USERS

When placing purchase orders under the contract(s), the authorized user should be familiar with and follow the terms and conditions governing its use which usually appears at the end of this document. The authorized user is accountable and responsible for compliance with the requirements of public procurement processes. The authorized user must periodically sample the results of its procurements to determine its compliance. In sampling its procurements, an authorized user should test for reasonableness of results to ensure that such results can withstand public scrutiny.

The authorized user, when purchasing from OGS contracts, should hold the contractor accountable for contract compliance and meeting the contract terms, conditions, specifications, and other requirements. Also, in recognition of market fluctuations over time, authorized users are encouraged to seek improved pricing whenever possible.

Authorized users have the responsibility to document purchases, particularly when using OGS multiple award contracts for the same or similar service(s), which should include:

- a statement of need and associated requirements,
- a summary of the contract alternatives considered for the purchase,
- the reason(s) supporting the resulting purchase (e.g., show that the basis for the selection among multiple contracts at the time of purchase was the most practical and economical alternative and was in the best interests of the State).

REQUEST FOR CHANGE

Any request by the agency or contractor regarding changes in any part of the contract must be made in writing to the Office of General Services, Procurement Services Group, prior to effectuation.

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PSG's DISPUTE RESOLUTION POLICY

It is the policy of the Office of General Services' Procurement Services Group (PSG) to provide vendors with an opportunity to administratively resolve disputes, complaints or inquiries related to PSG bid solicitations or contract awards. PSG encourages vendors to seek resolution of disputes through consultation with PSG staff. All such matters will be accorded impartial and timely consideration. Interested parties may also file formal written disputes. A copy of PSG's Dispute Resolution Procedures for Vendors may be obtained by contacting the person shown on the front of this document or through the OGS website (www.ogs.state.ny.us).

CONTRACT PAYMENTS

Payments cannot be processed by State facilities until the contract services have been satisfactorily performed. Payment will be based on any invoice used in the supplier's normal course of business. However, such invoice must contain sufficient data including but not limited to contract number, description of service, quantity, unit and price per unit as well as federal identification number.

State facilities are required to forward properly completed vouchers to the Office of the State Comptroller for audit and payment. All facilities are urged to process every completed voucher expeditiously giving particular attention to those involving cash discounts for prompt payment.

If the contract terms indicate political subdivisions and others authorized by law are allowed to participate, those entities are required to make payments directly to the contractor. Prior to processing such payment, the contractor may be required to complete the ordering non-State agency's own voucher form.

See "Contract Billings" in Appendix B, OGS General Specifications.

ELECTRONIC PAYMENTS

The Office of the State Comptroller (OSC) offers an "electronic payment" option in lieu of issuing checks. To obtain an electronic payment authorization form visit the OSC website at www.osc.state.ny.us or contact them by e-mail at epunit@osc.state.ny.us or by phone at 518-474-4032.

NOTE TO CONTRACTOR

This Contract Award Notification is not an order. Do not take any action under this contract except on the basis of purchase order(s) from the Authorized User(s).

OVERLAPPING CONTRACT ITEMS

Services available in this contract may also be available from other New York State contracts. Authorized Users should select the most cost effective procurement alternative that meets their program requirements and maintain a procurement record documenting the basis for the selection.

CONFLICT OF TERMS AND CONDITIONS

Conflicts between documents shall be resolved in the following order of precedence:

- (a) Appendix A
- (b) This Invitation For Bids
- (c) Appendix B
- (d) Bidder's Bid

PROCUREMENT LOBBYING TERMINATION

OGS reserves the right to terminate this contract in the event it is found that the certification filed by the Offerer/Bidder in accordance with New York State Finance Law §139-k was intentionally false or intentionally incomplete. Upon such finding, OGS may exercise its termination right by providing written notification to the Offerer/Bidder in accordance with the written notification terms of this contract.

SUMMARY OF POLICY AND PROHIBITIONS ON PROCUREMENT LOBBYING

Pursuant to State Finance Law §§139-j and 139-k, this solicitation includes and imposes certain restrictions on communications between OGS and an Offerer/bidder during the procurement process. An Offerer/bidder is restricted from making contacts from the earliest notice of intent to solicit offers/bids through final award and approval of the Procurement Contract by OGS and, if applicable, the Office of the State Comptroller ("restricted period") to other than designated staff unless it is a contact that is included among certain statutory exceptions set forth in State Finance Law §139-j (3) (a). Designated staff, as of the date hereof, is identified on the first page of this solicitation. OGS employees

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are also required to obtain certain information when contacted during the restricted period and make a determination of the responsibility of the Offerer/bidder pursuant to these two statutes. Certain findings of non-responsibility can result in rejection for contract award and in the event of two findings within a four-year period, the Offerer/bidder is debarred from obtaining governmental Procurement Contracts. Further information about these requirements can be found on the OGS website: <http://www.ogs.state.ny.us/aboutOgs/regulations/defaultAdvisoryCouncil.html>

NYS STANDARD VENDOR RESPONSIBILITY QUESTIONNAIRE (Appendix 1)

Bidder agrees to fully and accurately complete the NYS Standard Vendor Responsibility Questionnaire, which is attached as Appendix 1 (hereinafter the "Questionnaire"). The Bidder acknowledges that the State's execution of the Contract will be contingent upon the State's determination that the Bidder is responsible, and that the State will be relying upon the Bidder's responses to the Questionnaire in making that determination. The Bidder agrees that if it is found by the State that the Bidder's responses to the Questionnaire were intentionally false or intentionally incomplete, on such finding, OGS may terminate the Contract by providing ten (10) days written notification to the Contractor. In no case shall such termination of the Contract by the State be deemed a breach thereof, nor shall the State be liable for any damages for lost profits or otherwise, which may be sustained by the Contractor as a result of such termination.

TAX LAW § 5-A (Appendix 2)

Tax Law § 5-a, is effective with all solicitations to purchase issued by covered agencies on or after January 1, 2005. It applies to contracts where (1) the total amount of such persons' sales delivered into New York State are in excess of \$300,000 for the four quarterly periods immediately preceding the quarterly period in which the certification is made, and with respect to any affiliates, subcontractors, or affiliates of subcontractors whose sales delivered into New York State exceeded \$300,000 for the four quarterly periods immediately preceding the quarterly period in which the certification is made, and (2) the contracts or agreements with state agencies or public authorities for the sale of commodities or services have a value in excess of \$15,000. This law imposes upon certain contractors the obligation to certify whether or not the contractor, its affiliates, its subcontractors and affiliates of the subcontractors are required to register to collect state sales and compensating use tax. Where required to register, the contractor must also certify that it is, in fact, registered with the Department of Taxation and Finance (DTF). The law prohibits the Comptroller, or other approving agency, from approving a contract awarded to a vendor meeting the registration requirements but who is not so registered in accordance with the law.

Contractor certification forms and instructions for completing the forms are attached to this bid. Proposed contractors should complete and return the certification forms within two business days of request (if the forms are not completed and returned with bid submission). Failure to respond timely may render a bidder non-responsive and non-responsible. Bidders shall take the necessary steps to provide properly certified forms, within a timely manner to ensure compliance with the law.

Vendors may call the Tax Department at 1-800- 972-1233 for any and all questions relating to Tax Law § 5-a and relating to a company's registration status with the Tax Department. For additional information and frequently asked questions, please refer to the Department of Tax and Finance web site: http://www.nystax.gov/sbc/nys_contractors.htm .

MERCURY-ADDED CONSUMER PRODUCTS

Offerers are advised that effective January 1, 2005, Article 27, Title 21 of the Environmental Conservation Law bans the sale or distribution free of charge of fever thermometers containing mercury except by prescription written by a physician and bans the sale or distribution free of charge of elemental mercury other than for medical pre-encapsulated dental amalgam, research, or manufacturing purposes due to the hazardous waste concerns of mercury. The law further states that effective July 12, 2005, manufacturers are required to label mercury-added consumer products that are sold or offered for sale in New York State by a distributor or retailer. The label is intended to inform consumers of the presence of mercury in such products and of the proper disposal or recycling of mercury-added consumer products. Offerers are encouraged to contact the Department of Environmental Conservation, Bureau of Solid Waste, Reduction & Recycling at (518) 402-8705 or the Bureau of Hazardous Waste Regulation at 1-800-462-6553 for questions relating to the law. Offerers may also visit the Department's web site for additional information: <http://www.dec.state.ny.us/website/dshm/redrecy/c145home.html>.

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PRICE INFORMATION

LOT I – ACCOUNTS PAYABLE, PURCHASING, CONTRACT AUDIT SERVICES

Dollar Range	Broniec Associates, Inc.	JVG (J V Kelly Group, Inc.)
\$ 1 - \$ 10,000	39%	46%
\$ 10,001 - \$ 20,000	39%	45%
\$ 20,001 - \$ 30,000	39%	44%
\$ 30,001 - \$ 40,000	39%	43%
\$ 40,001 - \$ 50,000	39%	42%
\$ 50,001 - \$ 100,000	39%	41%
\$100,001 and above	33%	40%
Consultant Recommendation	0%	50%

LOT II – ACCOUNTS PAYABLE, UTILITIES (Excluding New York City Water & Sewage) & FUEL AUDIT SERVICES

Dollar Range	UtiliSave, LLC	Cost Control Associates, Inc.	Troy and Banks
\$ 1 - \$ 10,000	25%	34%	39%
\$ 10,001 - \$ 20,000	25%	34%	39%
\$ 20,001 - \$ 30,000	25%	34%	35%
\$ 30,001 - \$ 40,000	25%	34%	35%
\$ 40,001 - \$ 50,000	25%	34%	25%
\$ 50,001 - \$ 100,000	25%	34%	25%
\$100,001 and above	25%	34%	25%
Consultant Recommendation	25%	40%	35%

LOT III – ACCOUNTS PAYABLE, UTILITIES – NEW YORK CITY (NYC) WATER AND SEWAGE AUDIT SERVICES

Dollar Range	UtiliSave, LLC	Water Group, LLC
\$ 1 - \$ 10,000	25%	35%
\$ 10,001 - \$ 20,000	25%	32%
\$ 20,001 - \$ 30,000	25%	30%
\$ 30,001 - \$ 40,000	25%	28%
\$ 40,001 - \$ 50,000	25%	25%
\$ 50,001 - \$ 100,000	25%	25%
\$100,001 and above	25%	25%
Consultant Recommendation	25%	35%

LOT IV – TELECOMMUNICATIONS NETWORK AND AUDIT SERVICES

Dollar Range	Telesoft Corporation	HPA Consulting Group	SPN (Secure Path Network)
\$ 1 - \$ 10,000	14%	18%	22%
\$ 10,001 - \$ 20,000	18%	18%	21%
\$ 20,001 - \$ 30,000	18%	18%	20%
\$ 30,001 - \$ 40,000	18%	17%	19%
\$ 40,001 - \$ 50,000	18%	16%	18%
\$ 50,001 - \$ 100,000	20%	15%	17%
\$100,001 and above	24%	15%	16%
Consultant Recommendation	25%	20%	15%

CONTRACT SCOPE

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The intent of this contract is to engage the services of qualified vendors for Statewide Expense Reduction Services for the following categories:

- Lot I: Accounts Payable Purchasing, Contract Audit Services (Includes Purchasing Specialty Categories)
Lot II: Accounts Payable, Utilities (excluding NYC Water & Sewage) and Fuels, Audit Services
Lot III: Accounts Payable, Utilities - NYC Water and Sewage, Audit Services
Lot IV: Telecommunications Network and Audit Services

The State shall not pay any charges for these audit services. Contractors shall receive payment for their successful service as a percentage of the money refunded to the state by vendors/contractors that over billed the state over the past years.

The issuing agency is the New York State Office of General Services (OGS) Procurement Services Group. These service contracts shall be statewide contracts primarily for, but not limited to, New York State agencies. Additionally, services may be utilized by political subdivisions, school districts and others authorized by law. (See Non-State Agencies Participation in Centralized Contracts.) Accordingly, references to the State and its agencies as users under this solicitation and the ensuing contract(s) encompass and include other users such as these entities.

PROCUREMENT INSTRUCTIONS

- A. To participate in the contract, Authorized Users shall contact the Contractor for the purpose of establishing an account. This will entail having the Authorized Users indicate that it is eligible to be part of the New York State contract.
- B. Start up of new accounts shall be made in accordance with instructions to the Authorized Users, local governments, and others authorized by law to participate in contracts. An account or engagement would basically be defined as those orders included on a Purchase Order.
- C. The Authorized Users will review the list of services and rates and select the best value contractor for the audit category and anticipated range of funds to be recovered.

Best Value Selection Procedure

Best Value is defined as, "The basis for awarding contracts for services to the offerer who optimizes quality, cost and efficiency, among responsive and responsible offerers. Such basis shall reflect, wherever possible, objective and quantifiable analysis." Best Value may also mean lowest cost. Contractor may be selected on the basis of lowest cost if quality appears to be uniform among competing bidders and if Authorized Users determines lowest cost to be the Best Value. Authorized Users have the responsibility to document purchases, particularly when using OGS multiple award contracts for the same or similar service(s), which should include:

- a statement of need and associated requirements;
 - a summary of the contractors considered to perform the purchase; and
 - the reason(s) supporting the resulting purchase (e.g., show that the basis for the selection among multiple contracts at the time of purchase was the most practical and economical alternative and was in the best interests of the State).
- D. Authorized Users shall set up an initial meeting with the Contractor, if required, to outline specific information on the availability of records and other information required to initiate the audits. The Authorized User's name, address, telephone number, and customer number shall be recorded.
- E. The Authorized Users shall issue a purchase order or other written order that is effective and binding on the Contractor when placed in the mail addressed to the Contractor at the address shown. Note: for services, purchase orders may be issued for an estimated quantity for the entire year.
- F. The Authorized Users should submit a copy of this purchase or other written order to the attention of the individual shown on the front page of the Contract Award Notification at the OGS Procurement Services Group using the following address: OGS - Procurement Services Group, Tower Building, Empire State Plaza, Albany, NY 12242
- G. Authorized Users shall prepare an Authorization Letter (Exhibit A) to allow contractors access to the Authorized Users accounts with vendors and a Vendor Form to identify vendors and account numbers for each audit undertaken for the purpose of obtaining billing records

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- H. Authorized Users shall make copies of current and past equipment and service records available to the contractor.
- I. Upon receipt of the purchase order, the contractor proceeds with the audit and reports results each Fiscal Quarter by submitting a Reimbursement Log as well as copies of the erroneous account information to OGS Procurement Services. All information should be provided in electronic format where possible and sent to the following address: OGS - Procurement Services Group, Tower Building, Empire State Plaza, Albany, NY 12242; to the attention of the individual shown on the front page of the Contract Award Notification. If submitting electronically, use the Email Address included with the name of the individual shown on the front page of the Contract Award Notification.
- J. Authorized Users shall receive the full refund or credit for services and tender a percentage of the refund/credit as payment to the contractor for services rendered.

CONTRACTOR'S SHARE

The method of determining the contractor's share of the savings is based on a sliding scale where percentages are shown in incremental steps, based on percentages bid.

- The first step is the percentage to be applied to the first \$10,000 of refunds;
- the second step is the percentage to be applied to the amount of refunds from \$10,001 and up to \$20,000;
- the third step is the percentage to be applied to the amount of refunds from \$20,001 and up to \$30,000;
- the fourth step is the percentage to be applied to the amount of refunds from \$30,001 and up to \$40,000;
- if a fifth step were necessary, this would represent the percentage to be applied to the amount of refunds from \$40,001 and up to \$50,000;
- if a sixth step were necessary, this would represent the percentage to be applied to the amount of refunds from \$50,001 and up to \$100,000; and
- if a seventh step were necessary, this would represent the percentage to be applied to the amount of refunds over \$100,000.

OGS Administrative Fee: Contractor shall forward to OGS an amount equal to five percent (5%) of the total refund below. Refunds are required upon receipt of Authorized Users payment. A copy of the checks covering the OGS Administrative Fee together with a detailed summary showing those accounts for which the check is intended to cover should be mailed directly to me.

All original checks covering the Administrative Fee should be mailed directly to:

OGS Finance
P.O. Box 2117
Albany, NY 12220

EXAMPLE: Contractor A's share of a \$35,000 refund is calculated below:

Contractor "A"		% Bid	Refund Increments			
		Sample %		\$		
First	Up to \$10,000	30 %	X	\$10,000	=	\$ 3,000
From	\$10,001 to \$20,000	25 %	X	\$10,000	=	\$ 2,500
From	\$20,001 to \$29,999	20 %	X	\$10,000	=	\$ 2,000
From	\$30,001 up to \$40,000	10 %	X	\$ 5,000	=	\$ 500
	Total					\$ 8,000
Less	OGS Administrative Fee \$35,000 x 5%					\$ 1,750
	Contractor "A" Share					\$ 6,250

The contractor shall invoice the Authorized User for the "Total" (\$8,000) and forward a check to OGS for 5% of the refund collected (\$1,750), retaining the remainder (\$6,250) as payment for services.

The fee scale shall be applied separately to each engagement (Purchase Order). One engagement may include several separate accounts.

SERVICE REQUIREMENTS

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The State shall not pay any charges for these audit services. Instead, the contractor shall receive payment for its successful service as a percentage of the money refunded to the State by user vendors that over billed the State over the past years.

All bills will be audited for at least the seventy-two (72) months prior to the audit unless limited by contract or law for accuracy and compliance with rates in effect at time of usage. If records exist beyond the first seventy-two months, the audit may include all available records.

A. AUTHORIZED USERS PROCEDURES/SECURITY

The contractor shall comply with all Authorized Users designated written policy and security requirements in addition to the requirements listed below:

- (1) The contractor shall not discuss the accounts payable, purchasing or contract audit process or findings with anyone not directly associated with the project including Authorized Users personnel, suppliers, the media, other individuals or potential customers unless designated in writing by the Authorized Users.
- (2) All reports prepared for or relating to services performed by the contractor shall be furnished to and shall become the sole and exclusive property of Authorized Users and shall be treated as confidential by the contractor

B. FINANCIAL

(1) Fees / Payments:

The contractor shall be paid the contractually agreed percentage of savings for each "Individual Contract" as full payment for all services rendered. If no refund is due the Authorized Users, there shall be no fee or other payment due the contractor. The contractor's fee shall be paid in accordance with standard New York State procedures, including the prompt payment section of the New York State Finance law, as applicable. Payment may be made on a quarterly basis upon receipt of an invoice and verification that a refund or credit has been received by the Authorized Users.

The State must approve in writing to the Contractor any settlement offers from suppliers or service providers not in the exact amount of the credit requested.

(2) Underbillings:

Any underbillings identified to the Authorized Users by the contractor shall be reported by confidential letter to the designated New York State Authorized Users contact.

(3) Exclusions:

Any contract resulting from this solicitation shall exclude recovery of taxes.

C. RECORDS

The contractor shall maintain accurate records and accounts of services performed under any contract resulting from this solicitation and shall furnish monthly reports to the Authorized Users. Additionally the contractor shall furnish or make available to The Office of The State Comptroller any account records of successful collection. All records and accounts shall be maintained for six years minimum, subsequent to date of collection or until final audit has been conducted, whichever occurs first.

D. REPORTS

The contractors have demonstrated their ability to create and audit reports to be submitted to the Authorized Users, on at least a monthly basis. At a minimum, these reports shall include inventory information, financial detail, and billing discrepancy information such that it can serve as the basis for refund.

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E. CERTIFICATION

Each contractor has furnished to the Procurement Services Group certification indicating the following: No persons assigned to this project own, control or have interest in any company or supplier; and that members of their immediate families do not own, control or materially benefit from any suppliers involved in the Authorized User's audit.

F. CONSULTATION RECOMMENDATIONS

The primary intent of any contracts resulting from this solicitation is to identify refunds resulting from billing audits. New York State is not seeking to alter procurement systems or policy impacted by statute; however, **if requested** by the Authorized Users, the contractor shall make recommendations that if implemented shall result in savings, but do not qualify for a refund or credit. Consultant Recommendations may include, but not be limited to: cash discount performance; review of alternate utility rates, riders and/or suppliers to determine if any optional rate, supplier, or contract commitments are available; power factor penalty correction, potential meter separations for billing purposes; contract negotiation to eliminate punitive rates clauses, etc. If the Authorized Users opt to act on these recommendations the contractor shall receive compensation based on the schedule of fees designated under Consultant Recommendations and actual savings netted to the Authorized Users. The contractor's compensation shall be based on net savings for a twenty-four month period, after implementation or other costs are deducted.

G. RECOVERY OF TAXES

Any contract resulting from this solicitation shall exclude recovery of taxes. *Any taxes identified by the contractor during the course of an audit shall be reported in writing to the designated New York State Authorized Users contact.*

II.2.1 SERVICE REQUIREMENTS - MANDATORY

A description of the Lots appears below.

LOT I - ACCOUNTS PAYABLE, PURCHASING, CONTRACT AUDIT SERVICES

- A. The contractors are expected to perform the following services as designated below:
Lot I provides for the audit of purchase accounts payable designated by the centralized procurement function of The New York State Office of General Services or an individual New York State using entity.

Audit areas for centralized procurement may include but not necessarily be limited to the following:

Technology Contract areas

Office Automation
Microcomputers
Printers
Computer Networking Hardware and Software
Computer Software
Modems
Data Communications
Computer Mini/Mainframe Peripherals

Library Publication Contracts

Books (Library, School, Text, etc.)
Periodicals, Magazines (Domestic & Foreign)
Serials
Database Access Subscriptions

Service Contracts

Passenger Vehicle Rentals
Courier Services
Hearing Reporter & Transcription Service
Carpet Installation
Security Services
Moving Services

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Temporary Personnel
Heavy Equipment Rental
Rubbish Removal
Elevator Maintenance

Commodities Contracts

Industrial Supplies
Food and Household Supplies
Groceries
Vehicles
Laboratory Supplies
Medical/Surgical Supplies
Copiers/maintenance

Office Supplies Contracts

Miscellaneous Office Supplies
Office Supplies Procured Via Preferred Sources

Audit services shall include but not be limited to the following: application of proper price list, correct discount from list, cost plus percentage or other applicable formula, educational discount if applicable, other miss billings as applicable for the specific technology or service, duplicate billings, duplicate payments, and returned goods not properly credited.

B. Qualifications

The contractors have submitted documentation demonstrating their experience in meeting the following additional mandatory qualifications for Lot I - Accounts Payable, Purchasing, Contract Audit Services:

- (1) A minimum of three (3) years experience conducting financial reviews of accounts payable, purchasing, and contract audit services.
- (2) A minimum of three (3) years experience in reporting project status, audit findings, and recommendations in writing and verbally to a varied audience (management, technical, non-technical).
- (3) A minimum of three (3) years experience in negotiating and securing refunds resulting from recovery of errors in bills. This may also include the recovery of interest applied to refunds resulting from recovery of errors in bills.
- (4) A minimum of two (2) years experience in supervising and being responsible for the work of both technical (as appropriate) and non-technical personnel, ranging from clerical staff to senior management in a large organization to accomplish an audit.
- (5) A minimum of one (1) year experience managing a multiple site, multi-faceted long term (one year or more) audit.

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LOT II - ACCOUNTS PAYABLE, UTILITIES (Excluding New York City Water & Sewage) & FUELS AUDIT SERVICES

The contractors are expected to perform the following services as designated below:

- A. Audit the following areas both for centralized procurement and individual Authorized Users' purchases: including fuel oils, gasoline, diesel fuels, natural gas, electricity, water and sewage (excluding NYC Water & Sewage). The contractor shall provide to the Authorized User a comprehensive analysis of billing information including the following:
- (1) Comparison of usage and electrical demand amounts to prior periods and other similar locations and applications.
 - (2) Meter readings for estimated readings.
 - (3) Comparison of beginning and ending meter readings.
 - (4) Payment history for multiple payments and outstanding credits.
 - (5) Verification of applicability and correct rate for any tax charges.
 - (6) Review of any applicable contracts to ensure billings are in accordance with contract provisions.
 - (7) Examination of multiple billings for the same location and utility type to ensure billings are assigned correctly.
 - (8) Sample recalculation of representative bills based on applicable tariff schedule information.
- B. Qualifications: The contractors have submitted documentation demonstrating their experience in meeting the following additional mandatory qualifications for Lot II - Accounts Payable, Utilities (Excluding NYC Water & Sewage) & Fuels Audit Services:
- (1) A minimum of three (3) years experience conducting financial reviews of energy bills such as electricity, natural gas, and other types of heating fuels.
 - (2) A minimum of three (3) years of experience in reporting project status, audit findings, and recommendations in writing and verbally to a varied audience (management, technical, non-technical).
 - (3) A minimum of three (3) years experience in negotiating and securing refunds resulting from recovery of errors in bills. This may also include the recovery of interest applied to refunds resulting from recovery of errors in bills.
 - (4) A minimum of two (2) years experience in supervising and being responsible for the work of both technical (as appropriate) and non-technical personnel, ranging from clerical staff to senior management in a large organization to accomplish an audit.
 - (5) A minimum of one (1) year experience managing a multiple site, multi-faceted long-term (one year or more) audit.

LOT III - ACCOUNTS PAYABLE, UTILITIES - NEW YORK CITY (NYC) WATER AND SEWAGE AUDIT SERVICES

The contractors are expected to perform the following services as designated below:

- A. Audit the following areas for centralized procurement and individual Authorized Users purchases: New York City individual Authorized Users WATER AND SEWAGE purchases.

The utility bills for this Lot are available through the New York City Department of Environmental Protection (DEP). Bills dated prior to 1995 were originally issued by the New York City Department of Finance (DOF). During 1995 - 1996, the DEP converted to an electronic billing system, assuming responsibility for all utility bills for New York City. Billing history for accounts formally managed by DOF are available through the DEP system.

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- B. The contractor shall provide to the Authorized User a comprehensive analysis of billing information including the following:
- (1) Comparison of usage and demand amounts to prior periods and other similar locations and applications.
 - (2) Meter readings for estimated readings.
 - (3) Comparison of beginning and ending meter readings.
 - (4) Payment history for multiple payments and outstanding credits.
 - (5) Verification of applicability and correct rate for any tax charges
 - (6) Review of any applicable contracts to insure billings are in accordance with contract provisions.
 - (7) Examination of multiple billings for the same location to insure billings are assigned correctly.
 - (8) Sample recalculation of representative bills based on applicable tariff schedule information.
- C. If requested by the Authorized User, the contractor shall provide a report of all records held by the NYC DOF or NYC DEP for water bills prior to the preceding 72 month period.
- D. Qualifications: The contractors have submitted documentation demonstrating their experience in meeting the following additional mandatory qualifications for Lot III - Accounts Payable, Utilities - NYC Water And Sewage Audit Services:
- (1) A minimum of three (3) years experience conducting financial reviews of the water/sewage billing accounts from the NYC Department of Environmental Protection post 1995, and the NYC Department of Finance prior to 1995. Preference has been given to vendors that have documented experience in dealing with bills prior to 1995.
 - (2) A minimum of three (3) years of experience in reporting project status, audit findings, and recommendations in writing and verbally to a varied audience (management, technical, non-technical).
 - (3) A minimum of three (3) years experience in negotiating and securing refunds resulting from recovery of errors in bills pre 1995 and post 1995. This may also include the recovery of interest applied to refunds resulting from recovery of errors in bills.
 - (4) A minimum of two (2) years experience in supervising and being responsible for the work of both technical (as appropriate) and non-technical personnel, ranging from clerical staff to senior management in a large organization to accomplish an audit.
 - (5) A minimum of one (1) year experience managing a multiple site, multi-faceted long-term (one year or more) audit.

LOT IV - Telecommunications Network and Audit Services

The contractors are expected to perform the following services as designated below:

- A. Audit the State telecommunications and data communications equipment and service bills to identify billing errors, negotiate with the billing company to correct the errors, settle payment discrepancies, and secure refunds.

This shall include wireless communications. Wireless Communication shall mean all accounts related to personalization, location-independent communications in all media. This media may include but shall not be limited to portable telephones, communicating palmtop computers, protocols, messaging, communications, and personalized traffic filtering.

- B. The contractor must provide confirmation of its ability to be able to audit::
- (1) Switched telephone services provided by local telephone companies
 - (2) Long distance telephone services provided by long distance telephone companies
 - (3) Tariffed non-switched voice services such as Foreign Exchange lines and tie lines provided by both local and long distance telephone companies
 - (4) Video telecommunications services
 - (5) Both analog and digital tariffed non-switched data services such as point-to-point and multidrop data circuits provided by both local and long distance telephone companies
 - (6) The billing for rented or leased voice communications equipment

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- (7) Any maintenance charges that may or may not apply to rented or leased voice communications equipment
 - (8) The maintenance charges for state-owned voice communications equipment
 - (9) The billings for rented or leased data communications equipment
 - (10) Any maintenance charges that may or may not apply to rented or leased data communications equipment
 - (11) Maintenance charges for state-owned data communications equipment
- C. The contractors have described in detail, their:
- (1) Audit and analysis procedures
 - (2) Inventory procedures for both services and equipment
 - (3) Financial analysis procedures
 - (4) Software tools that will be used for audit and analysis
 - (5) Hardware tools that will be used for network monitoring
 - (6) Any other procedures or systems that will be used to perform these network and equipment audits.
- D. The contractor has demonstrated its ability to create an inventory of network equipment and services as part of each audit. The inventory must be collected as a database and the database shall be provided to the state at the end of each audit in hardcopy and electronically using a state-agreed database or spreadsheet format and software version, IBM compatible (e.g. Quattro-Pro or Excel). At a minimum, the database/spreadsheet shall include the following:
- (1) For switched service:
 - (a) Authorized Users name and circuit location information
 - (b) Billing telephone number for each circuit
 - (c) Actual telephone number for each circuit
 - (d) Circuit or service description
 - (e) LEC carrier name
 - (f) IXC carrier name
 - (g) Average monthly billing amount by carrier divided into fixed monthly cost and usage
 - (2) For private line service, both voice and data:
 - (a) Authorized Users name and circuit location information
 - (b) Billing number for each circuit
 - (c) Circuit numbers
 - (d) Circuit and service description
 - (e) LEC carrier name
 - (f) IXC carrier name
 - (g) Average monthly billing amount by carrier
 - (3) For equipment, both voice and data:
 - (a) Authorized Users name and equipment location information
 - (b) Billing number information for equipment
 - (c) Equipment description
 - (d) Rental, leased, or owned information
 - (e) Average monthly billing amount
 - (f) Maintenance information

The inventory report shall include additional information that demonstrates the completeness and accuracy of the inventory and that this information be provided in a clear and concise fashion. Additionally, the vendor shall describe in detail the layout and content of the inventory report they plan to use.

- E. The contractors have demonstrated their ability to maintain a tariff library and shall be able to describe to the Authorized User, in detail, the size and type of the tariff library utilized, whether owned or leased, including the maintenance and up-to-date procedures used.

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F. Qualifications

The contractors have submitted documentation demonstrating their experience in meeting the following additional mandatory qualifications for Lot IV - Telecommunications Network and Audit Services:

- (1) A minimum of three (3) years of combined managerial and technical experience in the telecommunications and/or data communications field detailing the resumes of key personnel.
- (2) A minimum of three (3) years demonstrated management experience in the telecommunications audit field.
- (3) A minimum of three (3) years of experience in reporting project status, audit findings, and recommendations in writing and verbally to a varied audience (management, technical, non-technical).
- (4) A minimum of three (3) years of hands-on (e.g. line-by-line analysis, physical circuit inventory) technical experience in the telecommunications audit field.
- (5) A minimum of three (3) years experience in preparing and reviewing audit reports.
- (6) A minimum of three (3) years experience in negotiating and securing refunds resulting from recovery of errors in bills. This may also include the recovery of interest applied to refunds resulting from recovery of errors in bills.
- (7) A minimum of two (2) years experience in supervising and being responsible for the work of both technical (as appropriate) and non-technical personnel, ranging from clerical staff to senior management in a large organization to accomplish an audit.
- (8) A minimum of one (1) year experience managing a multiple site, multi-faceted long-term (one year or more) audit.
- (9) A minimum of one (1) year experience in auditing both intrastate and interstate tariffs and equipment bills.

NON-STATE AGENCIES PARTICIPATION IN CENTRALIZED CONTRACTS

New York State political subdivisions and others authorized by New York State law may participate in contracts resulting from this solicitation. These include, but are not limited to local governments, public authorities, public school and fire districts, public and nonprofit libraries, and certain other nonpublic/nonprofit organizations. See "Participation in Centralized Contracts" in Appendix B, OGS General Specifications. For purchase orders issued by the Port Authority of New York and New Jersey (or any other authorized entity that may have delivery locations adjacent to New York State), services to be provided may include locations adjacent to New York State.

Upon request, all eligible non-State agencies must furnish contractors with the proper tax exemption certificates and documentation certifying eligibility to use State contracts. A list of categories of eligible entities is available on the OGS web site (www.ogs.state.ny.us). Questions regarding an organization's eligibility to purchase from New York State Contracts may also be directed to OGS Procurement Services Group's Customer Services at 518-474-6717.

Contractors are encouraged to voluntarily extend service contracts to those additional entities authorized to utilize commodity contracts under Section 163(3) (iv) of the State Finance Law, as per section 39c of Appendix B.

CONTRACT PERIOD AND RENEWAL

This contract shall commence after approval by the New York State Comptroller, effective upon mailing by OGS (see Appendix B, Clause 38) and shall be in effect for five (5) years.

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SHORT TERM EXTENSION

In the event the replacement contract has not been issued, any contract let and awarded hereunder by the State, may be extended unilaterally by the State for an additional period of up to one month upon notice to the contractor with the same terms and conditions as the original contract including, but not limited to, quantities (prorated for such one month extension), prices, and delivery requirements. With the concurrence of the contractor, the extension may be for a period of up to three months in lieu of one month. However, this extension terminates should the replacement contract be issued in the interim.

CANCELLATION FOR CONVENIENCE

The State of New York retains the right to cancel this contract, in whole or in part without reason provided that the Contractor is given at least sixty (60) days notice of its intent to cancel. This provision should not be understood as waiving the State's right to terminate the contract for cause or stop work immediately for unsatisfactory work, but is supplementary to that provision. Any such cancellation shall have no effect on existing Authorized Users agreements, which are subject to the same 60 day discretionary cancellation or cancellation for cause by the respective Authorized Users.

CONTRACT MIGRATION

State Agencies or any other Authorized Users holding individual contracts with contractors under this centralized contract shall be able to migrate to this contract award with the same contractor, effective on the contract begin date (retroactively, if applicable). Migration by a State Agency or any other Authorized Users to the centralized contract shall not operate to diminish, alter or extinguish any right that the State Agencies or other Authorized Users otherwise had under the terms and conditions of their original contract.

ADMINISTRATIVE AND REPORTING REQUIREMENTS**A. CONTRACT MEETINGS:**

- (1) The Contractor shall be responsible for the completion of a variety of administrative and reporting requirements, and the cost of same shall be included in the base bid price.
- (2) Upon award of the contract and prior to the start of any work, the Contractor may be required to attend an initial program meeting with the Authorized User's representative. It may be necessary for each Authorized User using the contract to also conduct an initial meeting with the Contractor.
- (3) This meeting shall include an introduction for each respective Authorized User's organization, chain of command, etc., if required.
- (4) Upon request of the Office of General Services or the Authorized Users, there shall be contract meetings for the following purposes:
 - Review contract progress, quality of work, and approval and delivery of services;
 - Identify and resolve problems which impede planned progress;
 - Coordinate the efforts of all concerned so that the contract progresses on schedule to on-time completion of implementation of services;
 - Maintain a sound working relationship between the Contractor and the Authorized Users, and a mutual understanding of the contract;
 - Maintain sound working procedures.
 - Review the service performance.

B. REPORTING REQUIREMENTS:

- (1) OGS Reporting Requirements:
Unless otherwise directed, the Contractor shall provide a quarterly report attaching copies of all Purchase Orders and other documentation verifying amount of credits and/or other charges, by the fifteenth of the month following the close of each quarter to the Office of General Services, Procurement Services Group, Corning Tower, 37th Floor, Empire State Plaza, Albany, NY 12242. This report shall detail all work completed that quarter and shall include status information. A copy of this report shall also be provided as outlined in Item 2 below.

The above referenced report shall include:

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- The name of the entity being audited (e.g. Hadley Luzerne Central School)
- The date the audit was submitted
- The anticipated date when the audit will be complete
- The account number(s) being audited
- The vendor name(s) included in the audit
- The anomaly description
- The amount of the monthly over bill
- The amount of the claim
- The name of the auditor
- The amount of the refund received
- The amount of other credits and charges received
- The status of the claim

Additional related sales information and/or detailed Authorized Users purchases may be required and must be supplied upon request.

Failure to submit the required report may be cause for disqualification of Contractor on this contract and for future contracts.

(2) Authorized Users Reporting Requirements:

Monthly Reports should be provided to Authorized Users actively participating in the contract advising them of the status of their audits. In addition to the quarterly reports required by the Office of General Services, the Contractor shall also provide a monthly report to the Authorized Users, (unless Authorized Users requests reports on a less frequent basis) which shall be attached to the Invoice. This report shall detail all work completed that month for that Authorized Users and shall compare scheduled work versus actual work completed. At a minimum, these reports must include inventory information, financial detail, and billing discrepancy information such that it can serve as the basis for refund. See the items detailed in (1) above for suggested inclusions in these reports.

PURCHASE ORDERS

If utilized as a method of payment, Purchase Orders shall be effective and binding upon the contractor when placed in the mail addressed to the contractor at the address shown on the award schedule.

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EXHIBIT A – AUTHORIZATION LETTER

A separate Authorization Letter should be prepared for each Utility Company involved in the Audit.

TO WHOM IT MAY CONCERN:

The State of New York has engaged [INSERT CONTRACTOR'S NAME] as auditors to review current and past billing payment records for all New York State Departments, Agencies, and Commissions. The auditor listed above is authorized to review and make inquiries concerning all billing records and other activity regarding their account(s) with your firm.

Please respond directly to the address below with respect to all questions, claims and other matters pertaining to such account(s). This includes, but is not limited to, negotiating adjustments of service, and requesting and receiving billing media.

Contact Person: _____
Contractor Name: _____
Contractor Address: _____

Refund checks/credits are to be made payable to the Authorized User for which the service was performed. Specific information pertaining to how a check should be made out shall be worked out with the Authorized User. These refund checks are forwarded directly to:

[INSERT AUTHORIZED USER NAME AND APPROPRIATE MAILING ADDRESS]

This letter of authorization is valid until further written notification by the NYS Authorized User [INSERT AUTHORIZED USER NAME]. If you have any questions please contact me at [INSERT PHONE NUMBER INCLUDING AREA CODE] or Fax at [INSERT FAX NUMBER INCLUDING AREA CODE].

Sincerely,

[AUTHORIZED USER CONTACT]

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State of New York
Office of General Services
PROCUREMENT SERVICES GROUP
Contract Performance Report

Please take a moment to let us know how this contract award has measured up to your expectations. If reporting on more than one contractor or product, please make copies as needed. This office will use the information to improve our contract award, where appropriate. **Comments should include those of the product's end user.**

Contract No.: _____ Contractor: _____

Describe Product* Provided (Include Item No., if available): _____

*Note: "Product" is defined as a deliverable under any Bid or Contract, which may include commodities (including printing), services and/or technology. The term "Product" includes Licensed Software.

	Excellent	Good	Acceptable	Unacceptable
Product meets your needs				
Product meets contract specifications				
Pricing				

CONTRACTOR

	Excellent	Good	Acceptable	Unacceptable
Timeliness of delivery				
Completeness of order (fill rate)				
Responsiveness to inquiries				
Employee courtesy				
Problem resolution				

Comments: _____

_____ (over)

Agency: _____ Prepared by: _____
Address: _____ Title: _____
_____ Date: _____
_____ Phone: _____
_____ E-mail: _____

Please detach or photocopy this form & return by FAX to 518/474-2437 or mail to:

OGS PROCUREMENT SERVICES GROUP
Customer Services, 37th Floor
Corning 2nd Tower - Empire State Plaza
Albany, New York 12242
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