



**Department of
Administrative Services**

Mike DeWine, Governor
Jon Husted, Lt. Governor

Matt Damschroder, Director

January 24, 2020

Mr. Randall J. Meyer
Ohio Inspector General
30 East Broad Street, Suite 2940
Columbus, OH 43215-3414

Dear Inspector General Meyer:

This letter is in response to the recommendations made by your office to the Ohio Department of Administrative Services (DAS) in File ID Number: 2018-CA000078. ODAS appreciates the input received from the Ohio Inspector General's Office in this and past reports.

Understanding the need for continuous improvement, we are taking the following actions in response to your recommendations:

Finding 1 Recommendations:

1. Review the recommendations issued for similar issues identified in Report of Investigation 2017-CA00012 released on October 31, 2019, to determine whether any additional action is warranted.

Response:

We will review and determine if a new competition should be completed, seek approval for extension of a resource or end the identified consultant's engagement.

Finding 2 Recommendations:

1. Consider incorporating guidance for agencies defining what activities are prohibited for both state employees and existing consultants participating in the solicitation and hiring processes for new consultants.

Response:

We will work on clarifying and disseminating guidance covering proper activities for both state employees and existing consultants participating in the solicitation and hiring processes for new consultants.

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2. Should a consultant be permitted to participate in an interview as a subject matter expert, consider developing a formalized process to document whether or not a conflict of interest exists between the subject matter expert and the prospective candidate and the prospective candidate's employer.

Response:

We will consider developing a formalized process to document whether a conflict of interest exists.

Finding 3 Recommendations:

1. Consider the benefits of including, in the posting submitted to Knowledge Services or the Request for Quote, the anticipated timeframe it is expected the consultant's services will be needed.

Response:

We will review our posting and RFQ materials to find ways to better define the nature and length of engagements.

2. Review the recommendations issued for similar issues identified in Report of Investigation 2017-CA00012 released on October 31, 2019, to determine whether any additional action is warranted.

Response:

We will review and determine if a new competition should be completed, seek approval for extension of a resource or end the identified consultant's engagement.

Finding 4 Recommendations:

1. Consider implementing a process to monitor upcoming STS contract expiration dates to ensure the contract is renewed or extended prior to the contract expiration date.

Response:

We will consider implementing a process to monitor upcoming STS contract expiration dates to ensure the contract is renewed or extended prior to the contract expiration date.

2. Consider implementing a process to confirm periodically throughout the life of the STS contract that the vendor is current on their revenue share, does not have any outstanding findings for recovery, and to confirm the steps that are to be taken to resolve these issues or to cancel the STS contract.

Response:

DAS Finance currently monitors revenue share reporting and remittance throughout the life of the contract. We will consider implementing an additional procurement process to confirm periodically throughout the life of the STS contract that the vendor is current on their revenue share, does not have any outstanding findings for recovery, and to confirm the steps that are to be taken to resolve these issues or to cancel the STS contract.

Finding 5 Recommendations:

1. Consider implementing a process for OIT initiatives that identifies the purpose of the initiative, the steps to be taken to achieve the goal of the initiative, the expected deliverables, and a timeframe of when the initiative is expected to be completed.

Response:

We will review our posting materials to find ways to better define the nature and length of engagements.

2. Consider amending the STS terms and conditions or the Request for Quotes to include a provision for the frequency the vendor is to submit consultant timesheets and invoices to ensure ODAS has the ability to verify funds are available to pay for costs incurred prior to fiscal year-end.

Response:

We will consider amending the STS terms and conditions or the Request for Quotes to include a provision for the frequency with which the vendor is to submit consultant timesheets and invoices to ensure ODAS has the ability to verify funds are available to pay for costs incurred prior to fiscal year-end.

3. Review the recommendations issued for similar issues identified in Report of Investigation 2017-CA00012 released on October 31, 2019, to determine whether any additional action is warranted.

Response:

We will review and determine if a new competition or resource extension approval should be completed with additional timesheet and invoice guidance or end the identified consultant's engagement.

Finding 6 Recommendations:

1. Review the recommendations issued for similar issues identified in Report of Investigation 2017-CA00012 released on October 31, 2019, to determine whether any additional action is warranted.

Response:

We will work to further educate agencies on proper R&P submissions.

Finding 7 Recommendations:

1. Consider developing and implementing a process that several months before year-end, ODAS program area and business office staff review purchase order activity and determine the anticipated hours needed for the remainder of the year. Once it is determined additional hours are needed, the ODAS business office or program area staff should begin the process to amend the purchase order for additional hours.

Response:

We will consider developing and implementing a process that several months before year-end, ODAS program area and business office staff review purchase order activity and determine the anticipated hours needed for the remainder of the year. Once it is determined additional hours are needed and sufficient funding is available to meet that need, the ODAS business office or program area staff should begin the process to amend the purchase order for additional hours.

General Comments:

1. Consider clarifying existing written policies or procedures for the R&P system to clearly explain what documents are to be attached to an agency's R&P request; the information each type of document is required to contain; and whether a document can be used to meet multiple documentation requirements.

Response:

We will work to further educate agencies on proper R&P submissions.

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DAS appreciates the importance of overseeing the state's procurement program in compliance with Ohio laws, rules, policies and procedures. We continue to strive to preserve the efficiency and integrity of the program for State agencies.

We appreciate this opportunity to share our responses. Should you have any questions regarding our response, or need any additional information, please do not hesitate to contact me.

Respectfully,



Matthew M. Damschroder
Director