IMPORTANT MESSAGE REGARDING ELECTRONIC OPTIONS FOR PAYMENT OF THE CONTRACT PREPARATION FEE FOR PROFESSIONAL SERVICES CONTRACTS

Starting on July 18, 2018, the City of Philadelphia (the “City”) will begin to accept electronic payment (“e-pay”) of contract preparation fees for Professional Services Contracts. The City is instituting this e-pay option for contract preparation fees for professional services contracts to both expedite contract conformance and speed-up payment for services rendered.

There will be two ways to pay the Contract Preparation Fee online via e-pay:

1. Vendors may pay by e-check – this option will be free for vendors.
2. Vendors may pay by credit or debit card – these transactions will include a service fee of 2.45% of the contract preparation fee amount, with a minimum of $1.95.

To pay the Contract Preparation Fee by one of these e-pay options, vendors will visit www.phila.gov/contractprepfee and enter their company name, their Contract Number, and their payment amount. Vendors must then follow the instructions to complete their electronic payment and should save a copy of their confirmation receipt as proof of payment.

Payment of contract preparation fees is required by Chapter 17-700 of The Philadelphia Code when the City prepares certain Professional Services Contracts and Amendments. The required fee must be received by the City before the City is permitted to conform the contract. If the fee is not received promptly, a delay in the conformance of the contract will occur. And, because the City may not make a payment for services under the contract until the contract is conformed, untimely payment of the fee may delay payment for services rendered.

The City Solicitor has issued regulations establishing the current schedule of fees for preparation of the initial contract and subsequent amendments, which can be found in the Request for Proposal. This schedule is based upon the contract amount and whether the vendor under the contract is a for-profit or nonprofit entity. If the contract preparation fee is required for a contract, the vendor’s City contact will tell the vendor the amount of the fee, when the fee is due, and the options for payment.

The City encourages all vendors to utilize the e-pay option to pay their contract preparation fees once available on July 18, 2018. Instead of having to wait to receive paper checks, the City’s Law Department will automatically receive payments electronically. And, utilizing e-pay supports the City’s ongoing efforts to become a more efficient and effective government, deliver enhanced services to vendors, and provide for a sustainable environment.

The other benefits of electronic payment of Contract Preparation Fees include:

- Safe, secure method of payment;
- Elimination of lost, misplaced or stolen checks;
- Improvements in timing and contract conformance, with no wait for paper checks to be delivered in the mail.
E-pay is currently optional, and paper checks will still be accepted as payment. However, the City plans to require e-pay for all contract preparation fees beginning in early 2019. E-pay will be easy and secure, and we encourage you to begin using e-pay before the requirement takes effect.

We look forward to your participation, and thank you for your cooperation as we strive to provide more convenient, efficient and secure payment methods. If you have any questions, please reach out to the eContract Philly team at (215) 686-4914 or eContractPhilly@phila.gov.