

ERC Recertification

Lora Lewis

Vincennes District Local Program Director, INDOT

Road School 2015



Welcome!

■ Agenda overview:

- LPA Program Updates
 - Kathy Eaton-McKalip
- Federal-Aid Program Contracts & Negotiation
 - Jennifer Beck
- Invoicing
 - Jessica Miller
- Project Development Pitfalls
 - Jessica Miller
- Open Q&A
 - Jessica Miller, Jennifer Beck & Lora Lewis



LPA Program Updates

Kathy Eaton-McKalip
Local Public Agency Programs Director, INDOT



Federal Funds

- **INDOT – Sharing Agreement 25% with locals**
- **Past Practices – Allowing the carryover of funding from FY to FY**
- **MPO 4-5 year spending plans**
- **INDOT agreements with MPO's**



Federal-Aid Program Contracts

Jennifer Beck

Greenfield District Local Project Manager, INDOT



INDOT-LPA Contract



■ INDOT-LPA Contract

- This contract states agreement between both parties on:
 - Project description
 - LPA Responsibilities, rights & duties
 - INDOT Responsibilities, rights & duties
 - Project Funds
 - Terms & Schedule
 - General Provisions & compliance

LPA-Consultant Contracts



INDOT Consultant Selection



INDOT Consultant Selection

- Please reference the LPA-Consultant Selection Toolkit. <http://www.in.gov/indot/2833.htm>
- ALL consultants that work on ANY phase of a federally funded project need to be INDOT prequalified for the services they are performing.
- The INDOT consultant selection process is mandatory ONLY if federal funds are being used to pay for the consultant's services.



LPA-Consultant Contract Checklist

2/5/2015



INDIANA DEPARTMENT OF TRANSPORTATION

LPA – Consultant Contract Review Checklist

Version 02/05/15-LPA

Local Public Agency: _____

Project Name: _____ Des. No.: _____

Consultant Name: _____

1. Review the contract document:

- a. Verify that draft contract is consistent with the latest INDOT boilerplate.
- b. Verify that the contract description, Des. number and scope of work is within the parameters described in the RFP advertisement and in SPMS.
- c. Verify that the maximum compensation amount shown on page one matches the amount shown in Appendix D.
- d. Verify that Section 23 of the draft contract includes proper addresses for the LPA and for the consultant.
- e. Verify that the signature page contains the names and titles for either the Board of County Commissioners, City Board of Public Works and Safety or the Town Board, as appropriate.

2. Verify Appendix "C" of construction inspection contracts indicates the Final Construction Records is to be submitted within 45 days of the contractors last day of work.

3. Verify the Appendix "D" compensation method is appropriate for the scope of work.

- a. Construction inspection services should be paid for on a negotiated hourly billing rate basis.
- b. Other types of services may be paid for on a lump sum basis, cost plus fixed fee basis, unit price basis or negotiated billing rate basis.
- c. Cost plus percent of cost compensation is not allowed on any consultant contracts.
- d. See the INDOT Professional Services Contract Administration Manual for more information on the compensation methods. The manual is available at: <http://www.in.gov/indot/2733.htm>.

4. Verify the consultant has provided a copy of the lead consultant's prequalification letter showing their approved overhead rate.

5. Verify the consultant has provided a fee proposal and the fee proposal includes the following:

- a. Itemization of task elements with estimated hours by employee classification.
- b. Cost calculations show the overhead rate and profit rate has been applied.

6. Analyze the Consultant Fee Proposal.

- a. Confirm the task elements are relevant to the scope of work.
- b. Confirm the profit rate does not exceed 15%. INDOT's profit rate guidelines are available at <http://www.in.gov/indot/2730.htm>. LPA's are not required to follow INDOT's practice; however, use of rates above 15% is not acceptable.
- c. Confirm the proposal does not exceed the Escalation Values for INDOT Consultant Contracts http://www.in.gov/indot/files/DBWI_ProposalsContracts_EscalationRates.pdf. INDOT uses the Bureau of Labor and Statistics Employment Cost Index (ECI) to determine appropriate escalation values. INDOT's guidelines are available at: <http://www.in.gov/indot/2750.htm>.
- d. Confirm the overhead rate used in the fee proposal is consistent with or lower than the rate shown in the consultant's prequalification letter.
- e. Confirm, to the extent possible, major task element and overall cost totals are not excessive.

7. If the contract is for Construction Inspection, is an Engineer's Assignment letter attached?

- a. Not Applicable
- b. Engineer's Assignment is attached.

ERC signature: _____ Date: _____

<http://www.in.gov/indot/2833.htm>



LPA-Consultant Contract Checklist

1. Review the contract document

- a. Verify that draft contract is consistent with the latest INDOT boilerplate. <http://www.in.gov/indot/2390.htm>
- b. Verify that the contract description, Des number and scope of work is within the parameters described in the RFP advertisement and in SPMS.
- c. Verify that the maximum compensation amount shown on page one matches the amount shown in Appendix D.
- d. Verify that Section 23 of the draft contract includes proper addresses for the LPA and for the consultant.
- e. Verify that the signature page contains the names and titles for either the Board of County Commissioners, City Board of Public Works and Safety or the Town Board, as appropriate.



LPA-Consultant Contract Checklist

2. Verify Appendix "C" of construction inspection contracts indicates the Final Construction Record is to be submitted within 45 days of the contractors last day of work.

Version 12-30-2013

APPENDIX "C"

SCHEDULE:

No work under this Contract shall be performed by the CONSULTANT until the CONSULTANT receives a written notice to proceed from the LPA.

All work by the CONSULTANT under this Contract shall be completed and delivered to the LPA for review and approval within the approximate time periods shown in the following submission schedule:

(TO BE DETERMINED)



LPA-Consultant Contract Checklist

3. Verify the Appendix “D” compensation method is appropriate for the scope of work.

- a. Construction inspection services should be paid for on a negotiated hourly billing rate basis.
- b. Other types of services may be paid for on a lump sum basis, cost plus fixed fee basis, unit price basis or negotiated billing rate basis.
- c. Cost plus percent of cost compensation is not allowed on any consultant contracts.
- d. See the INDOT Professional Services Contract Administration Manual for more information on the compensation methods.



Contract Compensation Methods

■ Lump Sum

- Scope of work is well-defined
- Confident in the level of effort required
- Appropriate for PE or R/W

■ Negotiated Labor Rate

- Scope of work is NOT well-defined
- Consultant is not in control over the level of effort required
- Mandatory for CE



Contract Compensation Methods

■ Cost Plus Fixed Fee

- Scope of work is well-defined
- Low confidence in the level of effort required
- Full CPA Audit or Approval to use this method
- Appropriate for PE or R/W

■ Unit Price

- Method typically used with repetitive, well-defined units of work
- Commonly used for R/W and geotechnical services; \$xx.xx per parcel or \$xx.xx per boring



LPA-Consultant Contract Checklist

4. **Verify the consultant has provided a copy of the lead consultant's prequalification letter showing their approved overhead rate.**



Financial Prequalification



INDIANA DEPARTMENT OF TRANSPORTATION Driving Indiana's Economic Growth

100 North Senate Avenue
Room N749
Indianapolis, Indiana 46204

Michael R. Pence, Governor
Karl B. Browning, Commissioner

External Audit <http://www.in.gov/indot/2846.htm>
Division of Economics, External Audit, and Performance Metrics

July 1, 2014

Re: Report on Review of Financial Prequalification submission
For Fiscal Year Ending: December 31, 2013

Dear Ms.

External Audit has reviewed the Financial Prequalification submittal by _____ or the fiscal year ending December 31, 2013. This notice is to report the results of the financial review. For further information regarding the overall Prequalification status of your firm, including technical requirements, please contact the Prequalification Section directly.

We reviewed an Indirect Cost Schedule and associated required documents for Financial Prequalification submitted for the Self-Certified Level as application

Your firm submitted a self-certified Indirect Cost Schedule with a rate of 123.38% and facilities capital cost of money rate of 0.33% for _____ for the period ending December 31, 2013.

Indiana Department of Transportation (INDOT) accepts the use of these rates for invoicing of services provided during the firm's fiscal period covered by this report, for contracts with or administered through the agency. Acceptance of these rates for this use does not constitute "establishment of a rate by a cognizant agency" for the purpose of applying the regulations published in Title 23 CFR Sect. 172.7. INDOT also accepts the use of these rates as provisional rates for estimating, negotiating and billing current contracts with or administered through the agency. This provisional rate acceptance expires June 30, 2015. Costs billed to contracts with federal participation are subject to audit for compliance with the cost principles contained in 48 CFR Part 31. With the financial prequalification accepted at the Self-Certified Level, this firm is restricted to total annual billings of less than \$250,000 for a contract or contracts with or administered through INDOT. This includes both Consultant-State and Consultant-LPA contracts.

Total wages and salaries (not including bonuses, profit share, company retirement contributions, or other forms of indirect compensation) were submitted as \$473,312 Direct and \$185,505.34 Indirect, for a total of \$658,817.34.

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INDIANA DEPARTMENT OF TRANSPORTATION Driving Indiana's Economic Growth

100 North Senate Avenue
Room N749
Indianapolis, Indiana 46204

Michael R. Pence, Governor
Karl B. Browning, Commissioner

The audited financial submission for this firm documents the separation of direct and unallowable indirect vehicle operating cost, from allowable indirect vehicle operating costs. This firm may bill and be reimbursed for direct miles billed for contracted services in accordance with State statute and policy. The firm submitted an audited mileage rate of \$1.12. This firm however, includes all overtime premium costs in the general overhead and therefore may not be bill or be reimbursed for overtime premium as a direct project cost.

Issues concerning the financial data submitted to the Agency and the allowable indirect cost rates accepted by External Audit are subject to the following procedures. All financial documents used as the basis to establish the firm's self-certified indirect cost (overhead) rate must be made available to INDOT for review at a location of mutual agreement, as determined by INDOT and the consultant firm. INDOT and American Council of Engineering Companies agreed to the implementation of a Dispute Resolution Procedure effective January 1, 2008. Firms wishing to dispute the indirect cost rates allowed by the agency may request a meeting with Mark Ratliff, Director of Economics, External Audit, and Performance Metrics at MRatliff@indot.in.gov.

This letter is for internal use only and shall not be used for any other purpose. Occasionally, INDOT receives requests from other state transportation agencies to share the financial data for firms providing financial prequalification submissions to our agency, and we may respond to those requests. Firms offering "engineering and design services", as defined under 23 USC 112(b) (2) (A), who have submitted financial data for Prequalification with INDOT will receive a notification from External Audit summarizing any such data provided and identifying the agency and contact person receiving the information.

If you have any questions or concerns regarding your financial submission or the allowable indirect cost rate for your firm, you may contact External Audit directly.

Sincerely,

William Farley, Field Auditor
Phone: 317-232-0112
WFarley@INDOT.IN.GOV

cc: Venus Thorne, Northpointe Engineering & Surveying, Inc.
Karen McDonald, Prequalification Engineer, INDOT

Blaine Hayden, Prequalification Coordinator, INDOT
David E. Brewer, Manager of External Audit, INDOT

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Financial Prequalification

- Overhead Rate
- Cost of Money Rate

Your firm submitted a self-certified Indirect Cost Schedule with a rate of 123.38% and facilities capital cost of money rate of 0.33% for the period ending December 31, 2013.

Indiana Department of Transportation (INDOT) accepts the use of these rates for invoicing of services provided during the firm's fiscal period covered by this report, for contracts with or administered through the agency. Acceptance of these rates for this use does not constitute "establishment of a rate by a cognizant agency" for the purpose of applying the regulations published in Title 23 CFR Sect. 172.7. INDOT also accepts the use of these rates as provisional rates for estimating, negotiating and billing current contracts with or administered through the agency. This provisional rate acceptance expires June 30, 2015. Costs billed to contracts with federal participation are subject to audit for compliance with the cost principles contained in 48 CFR Part 31. With the financial prequalification accepted at the Self-Certified Level, this firm is restricted to total annual billings of less than \$250,000 for a contract or contracts with or administered through INDOT. This includes both Consultant-State and Consultant-LPA contracts.

- Mileage Rate* and other notes

The audited financial submission for this firm documents the separation of direct and unallowable indirect vehicle operating cost, from allowable indirect vehicle operating costs. This firm may bill and be reimbursed for direct miles billed for contracted services in accordance with State statute and policy. The firm submitted an audited mileage rate of \$1.12. This firm however, includes all overtime premium costs in the general overhead and therefore may not be bill or be reimbursed for overtime premium as a direct project cost.

* INDOT Currently Reimburses \$0.44/Mile



LPA-Consultant Contract Checklist

5. Verify the consultant has provided a fee proposal and the fee proposal includes the following:

- a. Itemization of task elements with estimated hours by employee classification.
- b. Cost calculations show the overhead rate and profit rate has been applied.



Contract Fee Proposal

- All proposed fees should be accompanied with justification, no matter the method of compensation.
 - Cost of Services, Overhead, Profit, Cost of Money, Escalation

| Classification | 2014 Hourly Rate | 2014 AVERAGE HOURLY LABOR RATE | 2014 AVERAGE HOURLY LABOR RATE TIMES PROVISIONAL OVERHEAD AT 165.97% | 2014 AVERAGE HOURLY LABOR RATE + OH | 2014 AVERAGE HOURLY LABOR RATE x PROFIT AT 10.40% | 2014 AVERAGE HOURLY LABOR RATE TIMES COST OF MONEY AT 1.880% | PROPOSED 2014 HOURLY BILLING RATE |
|-------------------------------|------------------|--------------------------------|--|-------------------------------------|---|--|-----------------------------------|
| Division Manager | \$60.30 | \$60.30 | \$100.08 | \$160.38 | \$16.68 | \$1.13 | \$178.19 |
| Civil Engineer III | \$34.25 | \$34.25 | \$56.84 | \$91.09 | \$9.47 | \$0.64 | \$101.21 |
| Construction Observer | \$18.55 | \$18.55 | \$30.79 | \$49.34 | \$5.13 | \$0.35 | \$54.82 |
| Construction Observer Manager | \$30.45 | \$28.10 | \$46.64 | \$74.74 | \$7.77 | \$0.53 | \$83.04 |
| Construction Observer Manager | \$24.35 | | | | | | |
| Construction Observer Manager | \$29.50 | | | | | | |
| | | \$62.19 | \$103.22 | \$165.41 | \$17.20 | \$1.17 | \$183.78 |



LPA-Consultant Contract Checklist

6. Analyze the Consultant Fee Proposal.

- a. Confirm the task elements are relevant to the scope of work.
- b. Confirm the profit rate does not exceed 15%.
- c. Confirm the proposal does not exceed the Escalation Values for INDOT Consultant Contracts.
- d. Confirm the overhead rate used in the fee proposal is consistent with or lower than the rate shown in the prequalification letter.
- e. Confirm, to the extent possible, major task element and overall cost totals are not excessive.



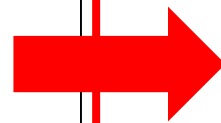
Profit Matrix

| | <u>% Add On</u> | <u>Select</u> | <u>Base =</u> 7.00% |
|---|-----------------|------------------|------------------------|
| Complexity | | | |
| Low | 0.0 | | |
| Low/Mid | 0.5 | | |
| Mid | 1.0 | | |
| Mid/High | 1.5 | | |
| High | 2.0 | | 0.00% |
| Cost | | | |
| >\$10,000,000 | 0.0 | | |
| >\$2,000,000 & <=\$10,000,000 | 0.5 | | |
| >\$500,000 & <=\$2,000,000 | 1.0 | | |
| <=\$500,000 | 1.5 | | 0.00% |
| Duration | | | |
| <3 years | 0.0 | | |
| >=3 years & <5 years | 0.3 | | |
| >=5 years | 0.7 | | 0.00% |
| Overhead | | | |
| >190% | 0.0 | | |
| >180% & <=190% | 0.7 | | |
| >160% & <=180% | 1.4 | | |
| >120% & <=160% | 2.1 | | |
| <=120% | 2.8 | | 0.00% |
| | | Calculated Total | 7.00% |
| Minimum Possible Rate 7.0% | | | |
| Maximum Possible Rate 14.0% http://www.in.gov/indot/2730.htm | | | |



Profit Matrix

| | <u>% Add On</u> | <u>Select</u> | <u>Base =</u> 7.00% |
|-------------------------------|-----------------|------------------|------------------------|
| Complexity | | | |
| Low | 0.0 | | |
| Low/Mid | 0.5 | | |
| Mid | 1.0 | | |
| Mid/High | 1.5 | | |
| High | 2.0 | | 0.00% |
| Cost | | | |
| >\$10,000,000 | 0.0 | | |
| >\$2,000,000 & <=\$10,000,000 | 0.5 | | |
| >\$500,000 & <=\$2,000,000 | 1.0 | | |
| <=\$500,000 | 1.5 | | 0.00% |
| Duration | | | |
| <3 years | 0.0 | | |
| >=3 years & <5 years | 0.3 | | |
| >=5 years | 0.7 | | 0.00% |
| Overhead | | | |
| >190% | 0.0 | | |
| >180% & <=190% | 0.7 | | |
| >160% & <=180% | 1.4 | | |
| >120% & <=160% | 2.1 | | |
| <=120% | 2.8 | | 0.00% |
| | | Calculated Total | 7.00% |
| Minimum Possible Rate 7.0% | | | |
| Maximum Possible Rate 14.0% | | | |



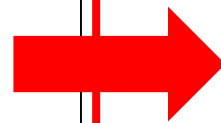
- Low:**
- On-call contracts that do not include preparation of construction plans.
 - Traffic Data Collection and Forecasting
 - Environmental Document Preparation –CE/Section 4(f)
 - Environmental Services 5.4 to 5.12
 - Right of Way Plan Development
 - Training
 - Shop Plan Review
 - Non-bridge inspection services
 - Bridge Load Capacity Rating and other Bridge Analysis/Testing
 - Operational staffing (such as for TMC dispatch)
 - Assistance Program Services
 - Utility Coordination Services
- Low/Mid:**
- On-call contracts that include preparation of construction plans.
 - Systems Planning
 - Non-Complex Traffic Capacity and Operations Analysis
 - Non-Complex Roadway Design
 - Level 1 Bridge (inspection and design)
 - Traffic Design 10.1 to 10.6
 - Subsurface Utility Engineering
 - Topographic Survey Data Collection
 - Construction Inspection
- Mid:**
- Environmental Document Preparation -EA
 - Traffic Safety Analysis
 - Studies requiring special expertise.
- Mid/High:**
- Level 2 bridge (inspection and design)
 - Complex Traffic Capacity and Operations Analysis
 - Complex Roadway Design
 - On-call Engineering Assessment Services
- High:**
- Environmental Document Preparation -EIS
 - Multilevel interchange design
 - Level 3 bridge (inspection and design)

<http://www.in.gov/indot/2730.htm>



Profit Matrix

| | <u>% Add On</u> | <u>Select</u> | <u>Base =</u> 7.00% |
|-------------------------------|-----------------|------------------|------------------------|
| Complexity | | | |
| Low | 0.0 | | |
| Low/Mid | 0.5 | | |
| Mid | 1.0 | | |
| Mid/High | 1.5 | | |
| High | 2.0 | | 0.00% |
| Cost | | | |
| >\$10,000,000 | 0.0 | | |
| >\$2,000,000 & <=\$10,000,000 | 0.5 | | |
| >\$500,000 & <=\$2,000,000 | 1.0 | | |
| <=\$500,000 | 1.5 | | 0.00% |
| Duration | | | |
| <3 years | 0.0 | | |
| >=3 years & <5 years | 0.3 | | |
| >=5 years | 0.7 | | 0.00% |
| Overhead | | | |
| >190% | 0.0 | | |
| >180% & <=190% | 0.7 | | |
| >160% & <=180% | 1.4 | | |
| >120% & <=160% | 2.1 | | |
| <=120% | 2.8 | | 0.00% |
| | | Calculated Total | 7.00% |
| Minimum Possible Rate 7.0% | | | |
| Maximum Possible Rate 14.0% | | | |

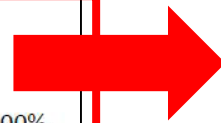


This is referencing the cost of the consultant services being contracted.



Profit Matrix

| | <u>% Add On</u> | <u>Select</u> | <u>Base =</u> 7.00% |
|-------------------------------|-----------------|------------------|------------------------|
| Complexity | | | |
| Low | 0.0 | | |
| Low/Mid | 0.5 | | |
| Mid | 1.0 | | |
| Mid/High | 1.5 | | |
| High | 2.0 | | 0.00% |
| Cost | | | |
| >\$10,000,000 | 0.0 | | |
| >\$2,000,000 & <=\$10,000,000 | 0.5 | | |
| >\$500,000 & <=\$2,000,000 | 1.0 | | |
| <=\$500,000 | 1.5 | | 0.00% |
| Duration | | | |
| <3 years | 0.0 | | |
| >=3 years & <5 years | 0.3 | | |
| >=5 years | 0.7 | | 0.00% |
| Overhead | | | |
| >190% | 0.0 | | |
| >180% & <=190% | 0.7 | | |
| >160% & <=180% | 1.4 | | |
| >120% & <=160% | 2.1 | | |
| <=120% | 2.8 | | 0.00% |
| | | Calculated Total | 7.00% |
| Minimum Possible Rate 7.0% | | | |
| Maximum Possible Rate 14.0% | | | |

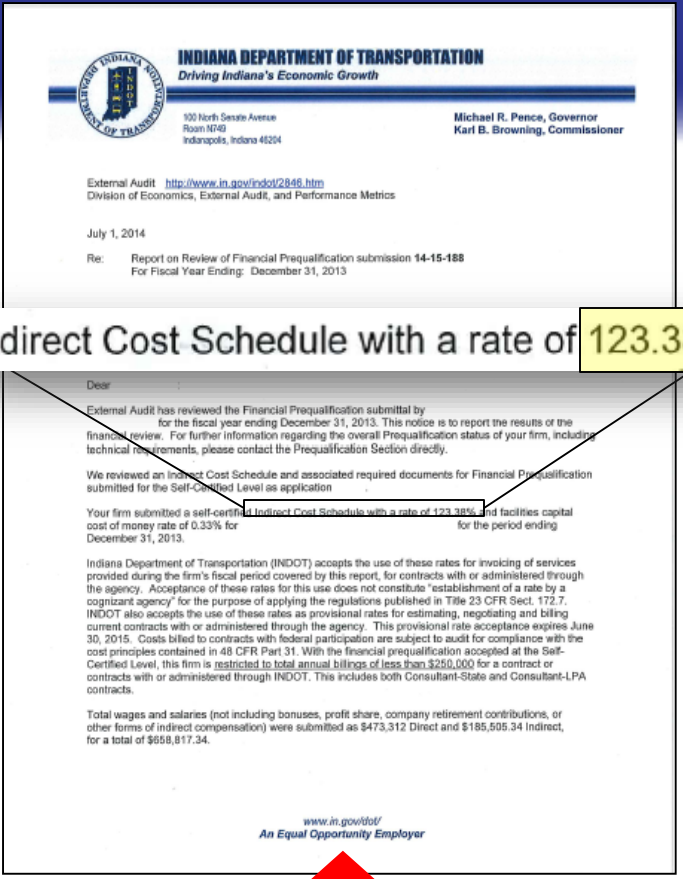


This is referencing the duration of the consultant contract.



Profit Matrix

| | <u>% Add On</u> | <u>Select</u> | <u>Base =</u> 7.00% |
|-------------------------------|-----------------|------------------|------------------------|
| Complexity | | | |
| Low | 0.0 | | |
| Low/Mid | 0.5 | | |
| Mid | 1.0 | | |
| Mid/High | 1.5 | | |
| High | 2.0 | | 0.00% |
| Cost | | | |
| >\$10,000,000 | 0.0 | | |
| >\$2,000,000 & <=\$10,000,000 | 0.5 | | |
| >\$500,000 & <=\$2,000,000 | 1.0 | | |
| <=\$500,000 | 1.5 | | 0.00% |
| Duration | | | |
| <3 years | 0.0 | | |
| >=3 years & <5 years | 0.3 | | |
| >=5 years | 0.7 | | 0.00% |
| Overhead | | | |
| >190% | 0.0 | | |
| >180% & <=190% | 0.7 | | |
| >160% & <=180% | 1.4 | | |
| >120% & <=160% | 2.1 | | |
| <=120% | 2.8 | | 0.00% |
| | | Calculated Total | 7.00% |
| Minimum Possible Rate 7.0% | | | |
| Maximum Possible Rate 14.0% | | | |



Reference the INDOT Audit letter provided by the Consultant for the approved overhead rate as shown above.



Escalation

- **INDOT uses the Bureau of Labor and Statistics Employment Cost Index (ECI) to determine appropriate escalation values.**

<http://www.in.gov/indot/2730.htm>

Applicable 7/1/10: CY 2009 ECI rate **0.4%**

Applicable 7/1/11: CY 2010 ECI rate **2.4%**, Alternate INDOT rate **0%**

Applicable 7/1/12: CY 2011 ECI rate **2.0%**, Alternate INDOT rate **2.0%**

Applicable 7/1/13: CY 2012 ECI rate **1.8%**, Alternate INDOT rate **1.8%**

Applicable 7/1/14: CY 2013 ECI rate **1.4%**, Alternate INDOT rate **1.4%**



Escalation

■ INDOT's Contract Language

INDOT will pay the CONSULTANT for the actual hours of work performed by essential personnel exclusively on this contract. The hourly billing rate schedule is shown below. INDOT will consider Rate adjustments annually, during the calendar year following the date of this contract. The standard adjustment, if not altered by INDOT, will be the 12 month percent change, as of December 31, 20XX, as compared to December 31, 20XX-1 in the Employment Cost Index (ECI) and will be applicable on July 1st of each year. A negative percentage change will result in an equal decrease in the Rate, if not altered by INDOT. INDOT reserves the right, annually as described herein, and after consideration of other relevant economic and financial factors to make fair and reasonable Rate adjustments differing from the ECI when considered to be in the best interest of the State of Indiana.

Employment Cost Index is defined as the "Employment Cost Index, Wages and Salaries (not seasonally adjusted), for private industry workers, professional, scientific and technical services", as issued each December by the U.S. Department of Labor, Bureau of Labor Statistics, Base = December 2005 =100.

<http://www.in.gov/indot/2730.htm>



LPA-Consultant Contract Checklist

7. If the contract is for Construction Inspection, is an Engineer's Assignment letter attached?

Date

Name and address of District contact person

Re: Des. No.:
Project Location:

Dear Contact Person,

Mr./Ms. , who is an employee of is hereby designated full time Resident Project Representative for the construction of the above referenced subject. It is understood that in this capacity, the designated individual will be in full time direct control of the project, and will follow the established procedures of the Indiana Department of Transportation (INDOT) in the discharge of these duties and will be working under the supervision of the INDOT District Area Engineer and will look to that office for advice and instruction.

The Project Representative will utilize the services of the following personnel:

1. Assistant Project Supervisor
2. Inspector
3. Inspector
4. Inspector
5. Project Manager

who are employed by above named Firm in accomplishing the overall supervision of this project. The testing equipment shall be provided by the named Firm as required.

We shall maintain all books, documents, paper, accounting records and other evidence pertaining to the cost incurred and shall make such materials available at their respective offices at all reasonable times during the contract period and for three (3) years from the date of final payment. The Federal Highway Administration, the State of Indiana, or other authorized representatives of any unit providing funding for the project shall be furnished copies thereof if requested.

Sincerely,



Addressed to the Project Manager

<http://www.in.gov/indot/2833.htm>



Signed by the ERC



LPA-Consultant Contract Tips

- Use separate contracts for each phase (PE, R/W & CE) even if you plan on using the same consultant.
- Avoid using more than one payment method per contract (lump sum, negotiated labor rate, etc.) unless the services & payment are clearly defined.
- Use past projects to help determine appropriate costs.
- **INDOT only reimburses mileage/lodging per the State Policy.**
 - Lodging - \$89/night, Mileage - \$0.44/mile
 - <http://www.in.gov/idoa/2459.htm>



Invoicing

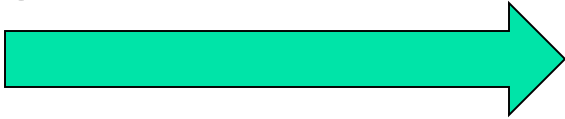
Jessica Miller

Seymour District Local Project Manager, INDOT



Invoicing

“LPA Invoice & Claim Voucher Guidelines-2014”



http://www.in.gov/indot/files/LPA_InvoiceVoucherInstructions.pdf

APPENDIX C: LPA INVOICE-VOUCHER State Form 52663 (5-06)

- An LPA Invoice-Voucher must be included with each claim submitted.
- The LPA Invoice-Voucher and claims can be submitted as copies.
- The LPA should submit no more than and no less than one billing per every 30-45 days to INDOT. Consultants should submit no more than and no less than one billing per every 30-45 days to the LPA. Purchase Orders (PO's) are considered inactive after 45 days of no financial activity. Inactive PO's are at the risk of being closed.

The FHWA states that federal funds are “reimbursement funds” and the LPA is required to pay their Consultant first before submitting a LPA Invoice-Voucher to the INDOT District for reimbursement. **A copy of the cancelled check to the Consultant or, in the case of direct deposit, a copy of the electronic funds transfer (EFT) must accompany each invoice and claim voucher.**

- The LPA should not submit an LPA Invoice-Voucher prior to receiving a copy of the Purchase Order from INDOT.
- *For each 30-45 day period there will not be a billing by the LPA, an email or letter should be submitted to the District Local Program Coordinator stating there were no invoices submitted by the consultant for that period and billing will continue the next month unless another email or letter is submitted.*

The supporting documentation required to be submitted with the LPA Invoice-Voucher for the following types of contracts is listed below:

- Labor Rate Multiplier Contracts
- Negotiated Labor Rate Contracts

- * Supporting documentation does not have to be original.
- * Time documents for each billed employee:
 - Identify the employee and classification
 - Project
 - Date
 - Weekly Timesheets - must include breakdown of hours worked on each day of the week.
 - In the event of overtime, the weekly timesheet is needed to determine if overtime is billable for the project.
 - Direct labor for cost reimbursable agreements MUST be billed/invoiced by employee name and by the labor classification, since these agreements state reimbursement at “actual” cost.

Invoicing

■ KEY TAKEAWAYS:

1. Use the instructions as your #1 resource
2. It's technical learning, but don't be afraid to ask for help! Once you learn it, you won't have problems.
3. INDOT must return the billing for any adjustments because we are not allowed to change them.



Project Development Pitfalls

Jessica Miller

Seymour District Local Project Manager, INDOT



Project Pitfalls

- **Project Development Timeline**
 - INDOT 4 year project development
 - Typical 1 year for environmental
 - Typical 1 year for right of way acquisition
 - Project specific
- **Letting Preparation Schedule**
 - 2015-2022 schedule – LPA
 - Final Tracings vs. RFC
 - Stage 3 Submission Date



Project Pitfalls

- **Underestimating Fatal Flaws**
 - New funding procedure
- **R/W Purchase Orders**
 - Consultant Services
 - R/W Acquisition Costs
 - LID letter



Project Pitfalls

■ MPO vs. Rural Processes

■ Call for Projects

- Review INDOT call posting to determine eligibility
- Metropolitan Planning Area (MPA) vs Urbanized Area (UA)

■ Funding Changes

- TIP vs. STIP

■ Project Development/Delivery

- Quarterly Reports through MPO



Questions?

LPAQuestions@indot.in.gov

