

Project Closeout Process

for

Division Let & Locally Administered Federally Funded Projects



Webinar – March 24, 2011





Project Closeout Process

FHWA Perspective

Brad Hibbs, PE

Operations Engineer, FHWA - NC Division



Project Closeout Process

Agenda

- **Division Let Projects**
- **Project Certification**
- **Locally Administered Projects**
- **Question & Answer Session**



Project Closeout Process

Agenda

- **Division Let Projects**
- **Project Certification**
- **Locally Administered Projects**
- **Question & Answer Session**



Project Closeout Process

Division Let Projects

- **The Procedures Cover Both HiCAMS “D” Projects & Purchase Order Contracts**
- **This Training Will Include the Process From Project Acceptance to Records Retention**



Division Let Projects

Project Acceptance

- **Contractor Completes All Items of Work Associated With the Project**
- **A Final Inspection is Held on the Project**
- **Once All Recommendations are Complete, the Division Engineer “Accepts” the Project, Agreeing That All Items of Work Have Been Completed**
- **The Division Sends a Letter Notifying the Contractor of the Official Project Acceptance Date**



Division Let Projects

Project Acceptance Letter



STATE OF NORTH CAROLINA
DEPARTMENT OF TRANSPORTATION

BEVERLY EAVES PERDUE
GOVERNOR

EUGENE A. CONTI, JR.
SECRETARY

DATE

Contract No.:
POC No.:
WBS Element No.:
TIP No.:
F. A. No.:
County:

"PROJECT DESCRIPTION"

CONTRACTOR NAME
ADDRESS LINE 1
ADDRESS LINE 2

SUBJECT: Final Acceptance of Project

Gentlemen:

A final inspection for the above referenced project was held on DATE.

Mr./Ms. _____, Resident Engineer/District Engineer/Bridge Maintenance Engineer, has advised that all work on the project was completed on DATE. Please be advised that the project is accepted as of that date.

This completes the entire project.

Sincerely,

Division Engineer

cc: Mr. J. F. Sullivan, III, P. E. (if Federally funded)
Resident Engineer
District Engineer
Division Bridge Maintenance Engineer (if bridge project)
State Bridge Management Engineer (if involves bridge construction)
GIS Unit Manager (if involves adding a road to the system)

MAILING ADDRESS:
NC DEPARTMENT OF TRANSPORTATION
CONSTRUCTION UNIT
1543 MAL SERVICE CENTER
RALEIGH NC 27699-1543

TELEPHONE: 919-733-2210
FAX: 919-733-8441
WEBSITE: WWW.NCDOT.ORG

LOCATION:
TRANSPORTATION BUILDING
1 SOUTH WILMINGTON STREET
RALEIGH NC



Division Let Projects

Project Acceptance

- **For HiCAMS Projects:**
 - ✓ *Enter the Acceptance Date on the Completion Tab of the Review Contract Details Function*
 - ✓ *If the Project Contains a 12-Month Guarantee, Verify That the Guarantee Check Box is Checked In HiCAMS and the Time Period of the Guarantee Has Been Inserted. This is Located on the “General” Tab Under Review Contract Details.*



Division Let Projects

HiCAMS 12-Month Guarantee Status

The screenshot displays the HiCAMS software interface. The main window is titled "Review Contract Details (DA00006)". The contract information is as follows:

- Contract:** DA00006
- Contractor:** ROBERSON CONTRACTING, INC.
- Status:** Accepted
- Description (nickname):** NC 37 Pipe Installation
- Bid Amount:** \$272,278.19
- Location:** CULVERT OVER BURNT MILL CREEK ON NC-37, 0.1 MILE SOUTH OF US-17.
- Contract Type:** Other
- Contractor:** 2133 - ROBERSON CONTRACTING, INC.
- WBS:** 45080.3.ST1
- Fiscal Vendor #:** 36733
- Spec Year:** 2006
- Physical Len:** 0 Miles - English
- Comment:** Due to Trns*port contract create being done after Letting Date, CBOM was set up with wrong create date. The Letting Date has been corrected, but no correction will be
- Work Order Table:**

Work Order	Federal Aid Number	Merge	TIP
45080.3.ST1	STM-0037(2)	N	B-5182
- Regional Category:** Regional

The "Project Guarantee" section is circled in red and contains the following information:

- Step By Step:**
- Railroad Insurance:**
- No Plan:**
- Seed Mulch Incentive:**
- 100% State Funded:**
- A Plus B:**
- Blanket Consent:**
- Mainframe Contract:**

Project Guarantee:
Guarantee: 12 Months Expires: 09/21/2011
Provisions Fulfilled: 00/00/0000
By: _____

Buttons at the bottom: Activate, Indicators, Warranties



Division Let Projects

Final Estimate

- **Final Estimate Assembly**
- **Verification of DBE Contract Payments**
- **Notification of Final Quantities Letter**
 - ✓ *Includes the Estimate Report, “Estimate Report For Contract Final Quantities” and the Assessment Of Liquidated Damages, if Any*
 - ✓ *Includes Request For Final Documents and Direction to Submit to the Division Engineer*



Division Let Projects

Final Estimate

- **Final Documents (Article 109-10):**
(See Construction Unit's Web Site For Examples)
 - ✓ ***Consent of Surety***
(If Payment or Performance Bond is Required)
 - ✓ ***Affidavit***
 - ✓ ***"Final Claim Letter" OR "Letter of No Final Claim"***

http://www.ncdot.org/doh/operations/dp_chief_eng/constructionunit/pc.html



Division Let Projects

DBE Payment Verification Form

DBE/MBE/WBE Subcontract Commitment Payment Summary

The Contractor is required to utilize the subcontractors for which work was committed at the time of bidding as approved by the Department. Those subcontractors and the applicable dollar value of the work committed are included in the contract. The questions addressed on this form and the information to be supplied refers only to those subcontractors or those subcontractors who are approved as replacements.

Contract / Purchase Order Number: _____

1. Were **all** subcontractors listed in the contract utilized on this project? Yes No
2. Were any of the subcontractors listed in the contract replaced? Yes No
List the name of the original subcontractor and the replacement subcontractor, for any that were replaced.

Original	Replacement

Attach a copy of the DBE/MBE/WBE Replacement Request Form and supporting documentation for all subcontractors that were replaced.

3. Is the total of payments entered in the payment tracking system equal to or greater than the committed amount for all subcontractors? Yes No
4. List the subcontractor name, the committed amount, and the total payment amount of any subcontractor for which the answer to question number 3 above was "No".

Subcontractor	Committed Amount (\$)	Total Payment Amount (\$)

Provide justification for any subcontractor not performing the committed value of work.

5. Have all payments been reviewed and accepted? Yes

Contract Commitment Summary

Federal Aid contracts have one reporting format, DBE. State funded contracts require separate reporting for MBE and WBE subcontractors. Provide the total dollar amounts for the respective group according to the contract.

DBE/MBE/WBE Firm Name	Contract Requirement (\$)	Actual Payments (\$)

Resident Engineer/Contract Administrator

Date



Division Let Projects

Final Quantities Letter



STATE OF NORTH CAROLINA
DEPARTMENT OF TRANSPORTATION

BEVERLY EAVES PERDUE
GOVERNOR

EUGENE A. CONTI, JR.
SECRETARY

January 13, 2011

CERTIFIED MAIL

Contract No.: C000000
Project: 1111.1.1
County: Any
Description: R-0000Z – US 00 From State Line to State Line

Contractors, Incorporated
P.O. Box 0000
Anywherein, NC 27000

Subject: Notification of Final Quantities and Apparent Liquidated Damages

Gentlemen:

The final estimate assembly for the above referenced project has been completed and the Contract Final Quantities report is attached for your review. This is not the final estimate as defined by Article 101-3 and referenced in Article 107-25 of the 2006 Standard Specifications.

The date of availability for this contract was April 9, 2006 and the completion date was July 15, 2007. Construction began on April 9, 2006 and was completed and accepted on July 30, 2007 resulting in an overrun of the contract time by 15 calendar days. Supplemental Agreement Number 1 granted a contract time extension of five (5) calendar days. The contractual final estimate underran 0.110% allowing no additional calendar days. The revised completion date with authorized extensions is July 20, 2007. This results in an overrun of the contract time by 10 days at \$1,000 per day for a total of \$10,000 of apparent liquidated damages assessable for the overall contract time.

Intermediate Contract Time Number 2 consisted of lane closure day and time restrictions. Seven (7) hourly violations to this intermediate contract time at \$1,000 per hour occurred during the life of the project. A total of \$7,000 of apparent liquidated damages is assessable for these violations to the intermediate contract time.

In summary, a total of \$17,000 in apparent liquidated damages is assessable for violations to the overall and intermediate contract times.

MAILING ADDRESS:
NC DEPARTMENT OF TRANSPORTATION
CONSTRUCTION UNIT
1543 MAIL SERVICE CENTER
RALEIGH NC 27699-1543

TELEPHONE: 919-733-2210
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WEBSITE: WWW.NCDDOT.ORG

LOCATION:
TRANSPORTATION BUILDING
1 SOUTH WILMINGTON STREET
RALEIGH NC

Taylor & Murphy Construction Company Incorporated
Page 1
June 9, 2010

The following documents are required in accordance with Article 109-10 of the Standard Specifications prior to processing of the final estimate. These documents should be submitted to Mr. I. M. Engineer, Division Engineer, North Carolina Department of Transportation, P. O. Box 1234 Division Lane, Somewhere, North Carolina 22222.

- Statement of Consent of Surety on the contract bonds for payment of money due the contractor.
 - Affidavit of the Contractor that all debts arising out of the construction have been satisfied, or affidavit which shall include a list of obligations not satisfied.
 - The Contractor Final Claim or written notice that the contractor has no final claim.
 -
- The final estimate assembly will be available at the Division Office until *(date)* for your review. Please advise in writing whether you will require a formal review of the final estimate assembly prior to this date.

Sincerely,

Division Engineer

Attachments

cc
Resident Engineer

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CONSTRUCTION UNIT
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RALEIGH NC 27699-1543

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1 SOUTH WILMINGTON STREET
RALEIGH NC



Division Let Projects

Closeout Conference

■ Closeout Conferences

- ✓ *Used to Resolve Outstanding Project Issues*
- ✓ *If ALL Issues are Resolved, the Division Engineer or His Designee Should Complete the Closeout Conference Form (For Division Projects). Both the Division Engineer and the Contractor Should Sign And Date the Form.*
- ✓ *Background Information and Detailed Justification Information Should be Attached to the File Copy of the Form*
- ✓ *The Signed Closeout Conference Form Serves as the Final Claim Letter*



Division Let Projects Closeout Conference



North Carolina Department of Transportation

Closeout Conference Form

Contract No.: DA00000 Contractor: ABC Contracting
TIP No.: B-0000 County: Dare

The Contractor has completed all work required under the above contract and the Department of Transportation has furnished the Contractor the final quantities and the apparent liquidated damages, if any, assessed on the final estimate. The Contractor and the Department of Transportation have held a conference to review the final estimate and based upon the information provided during that conference the Contractor and the Department of Transportation agree to the following and based on this agreement the Contractor waives his right to file a verified claim under the requirements of Article 107-25 of the Standard Specifications.

Adjustment to Final Estimate:

Additional Compensation: \$ 2500.00
Extension of Contract Time: 20 days
Extension of ICT# : _____ days
Extension of ICT# : _____ days
Line Code _____, Description _____, Quantity _____
Line Code _____, Description _____, Quantity _____
Other: _____

Contractor to receive additional compensation of \$2500.00 for one additional mobilization due to utility delays. Contractor mobilized to project and phone lines had not been relocated per the contract requirements. Storm drain could not be placed until the utility was relocated and the contractor's pipe crew had to remobilize to install the pipe.

Contract time is extended 20 days due to utility conflicts delaying the controlling operation, storm drain installation on -L-at station 17+50.

N. C. Department of Transportation

Approved by: D. E. Smith Name & Title: D. E. Smith/ Division Engineer
Division Engineer (or Representative) (Please Print)
Date: 5/1/2010

Contractor

Approved by: I. A. Jones Name: Mr. I. A. Jones
(Signature) (Please print)



Division Let Projects

Closeout Conference

- If **ALL** Outstanding Project Issues are **NOT** Resolved, the Contractor Should Not Sign the Form and Should Proceed With Filing a Final Claim in Writing to the Division Engineer



Division Let Projects

Final Claims

- **The Division Engineer Has Final Approval Authority for Final Claims Within the Specifications**
- **The Construction Unit Should be Consulted for Claims That Exceed \$50,000 and/or 30 Days**
(Reference June 28, 2007 S. Varnedoe Memorandum)



Division Let Projects

Final Claims

- **The Construction Unit is Responsible for Claims That are Outside of the Specifications**
- **The Division Engineer Should Provide a Written Response to the Contractor Indicating the Claim Decisions for Final Claims**



Division Let Projects

Final Statement

- **Letter From the Division Engineer Sent by Certified Mail to the Contractor**
- **Includes the Final Estimate Statement**
- **Receipt of the Final Statement Begins the Time Frame Allotted for the Contractor to File a Verified Claim With the State Highway Administrator's Office (60 Days)**



Division Let Projects

Final Statement

■ Example Letters:

- ✓ *Zero Estimates*
- ✓ *Balance Due to Contractor*
- ✓ *Overpayment – Balance Due to the Department*
- ✓ *Final Claim Review*



Division Let Projects

Final Statement – Zero Estimate



STATE OF NORTH CAROLINA
DEPARTMENT OF TRANSPORTATION

BEVERLY EAVES PERDUE
GOVERNOR

EUGENE A. CONTI, JR.
SECRETARY

<DATE>

CERTIFIED MAIL

PROJECT: <WBS ELEMENT NO.>
CONTRACT NO.: <D CONTRACT NO.>
COUNTY: <COUNTY>
DESCRIPTION: <LOCATION DESCRIPTION>
SUBJECT: Payment of Final Estimate

<CONTRACTOR NAME>
<ADDRESS LINE 1>
<ADDRESS LINE 2>

Gentlemen:

Attached for your files is a copy of the final estimate for the above project which is your final statement.

General Statute 136-29 of the Road and Highway Laws of North Carolina (copy attached) provides that a Contractor who has not received the amount he claims he is due under the contract may submit a written verified claim to the State Highway Administrator within sixty (60) days after receipt of the final statement. The State Highway Administrator is Mr. T. R. Gibson, P. E., and his mailing address is Department of Transportation, 1536 Mail Service Center, Raleigh, NC 27699-1536. A sample verification form is also attached for your information. After receipt of a verified claim, Mr. Gibson will have a member of his staff make a separate and independent review of the claim from that previously made.

Sincerely,

<DIVISION ENGINEER NAME>
Division Engineer

Cc: <RESIDENT ENGINEER>, w/atta.
File w/atta.



Division Let Projects

Final Statement – Balance Due To Contractor

January 6, 2011

CERTIFIED MAIL

PROJECT: 39460
CONTRACT NO.: DJ00011
COUNTY: Anson
DESCRIPTION: Intersection of US 52 and Morven Road (SR 1152)

SUBJECT: Payment of Final Estimate

McCollum Trucking & Grading
810 N. Sutherland Ave.
Monroe, NC 28110

Dear Sirs:

The final estimate in the amount of \$12,978.20 has been processed and represents the final payment of the contract. Attached for your files is a copy of the final estimate and is considered your final statement.

General Statute 136-29 of the Road and Highway Laws of North Carolina (copy attached) provides that a Contractor who has not received the amount he claims he is due under the contract may submit a written verified claim to the State Highway Administrator within sixty (60) days after receipt of the final statement. The State Highway Administrator is Mr. T. R. Gibson, P. E., and his mailing address is Department of Transportation, 1536 Mail Service Center, Raleigh, NC 27699-1536. A sample verification form is also attached for your information. After receipt of a verified claim, Mr. Gibson will have a member of his staff make a separate and independent review of the claim from that previously made.

Sincerely,

Barry S. Moose, P. E.
Division Engineer

BSM/TBB/kkc
Cc: Dennis Cloud, P. E., w/atta.
File w/atta.

1234 Division Lane, Lehigh, NC 88888



Division Let Projects

Final Statement – Overpayment



STATE OF NORTH CAROLINA
DEPARTMENT OF TRANSPORTATION

BEVERLY EAVES PERDUE
GOVERNOR

EUGENE A. CONTI, JR.
SECRETARY

January 6, 2011

CERTIFIED MAIL

PROJECT: 39460
CONTRACT NO.: DJ00011
COUNTY: Potts
DESCRIPTION: Intersection of US 63 and SR 1111 (Naval Road)

SUBJECT: Payment of Final Estimate

Bartlee Construction Company
810 Southland Road
Normal, North Carolina 28888

Dear Sirs:

This project has been completed and the final estimate has been processed reflecting a **balance of \$18,634.57 due the Department of Transportation**. A copy of the final estimate is attached for your review. **Please furnish your check for this amount made payable to the Department of Transportation, Division of Highways**. The check should be mailed to the address shown below.

**Mr. I. M. Engineer, P. E.
Division Engineer
North Carolina Department of Transportation
1234 Division Lane
Lehigh, North Carolina 88888**

General Statute 136-29 of the Road and Highway Laws of North Carolina (copy attached) provides that a Contractor who has not received the amount he claims he is due under the contract may submit a written verified claim to the State Highway Administrator within sixty (60) days after receipt of the final statement. The State Highway Administrator is Mr. T. R. Gibson, P. E., and his mailing address is Department of Transportation, 1536 Mail Service Center, Raleigh, NC 27699-1536. A sample verification form is also attached for your information. After receipt of a verified claim, Mr. Gibson will have a member of his staff make a separate and independent review of the claim from that previously made.

Sincerely,

I. M. Division Engineer
Division Engineer

cc: Resident Engineer, P. E., w/atta.

716 West Main Street, Albemarle, NC 28001



Division Let Projects

Final Statement – Final Claim Review



STATE OF NORTH CAROLINA
DEPARTMENT OF TRANSPORTATION

BEVERLY EAVES PERDUE
GOVERNOR

EUGENE A. CONTI, JR.
SECRETARY

November 15, 2009

CERTIFIED MAIL

Contract No.: C211111 (B-3333)
F.A. No.: BRSTP-11(55)
WBS Element: 33331.3.2
County: Mountain

"Bridge Over Richie's Creek & Approaches on US 11"

Barbee Construction Company
Post Office Box 4321
Bashful, North Carolina 88888

Gentlemen:

Subject: The Final Estimate Review

The revised completion date is November 13, 2008 and the work was completed on February 2, 2009. Under the terms of the contract, liquidated damages of \$40,500.00 are assessable against you for this overrun of 81 calendar days.

Intermediate Contract Time No. 1 restricted the closing or narrowing a lane of traffic on Bathe Road and prohibited work within one mile of a school when school was in session. On October 7, 2008, you violated the restrictions of Intermediate Contract Time No. 1 by two hours. Under the terms of the contract, liquidated damages of \$2,000.00 are assessable against you for two violations of this contract time.

We are in receipt letter dated November 4, 2010 requesting that liquidated damages be waived for 63 days due to the seasonal limitations for thermoplastic pavement markings and our determination is as follows.

On December 5, 2008 you completed all known work required by the contract. The Department made a final inspection of the work December 10, 2008 and provided you a punch list on December 13, 2008. On December 16, 2008, you mobilized to perform the punch list work. Due to delays in making a final inspection of the work and providing you a punch list, the completion date is

MAILING ADDRESS:
NC DEPARTMENT OF TRANSPORTATION
DIVISION OFFICE
1234 DIVISION LANE
LEHIGH, NC 22222

TELEPHONE: 919-555-1111
FAX: 919-555-1112
WEBSITE: WWW.NCDOT.ORG

Bartlee Construction Company
Page 1
November 15, 2009

extended ten calendar days in accordance with Article 108-10(B)3 of the Standard Specifications for the period between December 5, 2008 and December 16, 2008.

On December 17, 2008, you completed all punch list items except for thermoplastic pavement markings, which were precluded by seasonal limitations. On February 2, 2009, weather conditions were favorable and the Department waived the seasonal limitations on thermoplastic pavement markings to allow the minor work remaining to be performed. Inasmuch as all work on the project is totally complete, with the exception of thermoplastic pavement markings on which work is precluded by seasonal limitations, liquidated damages are waived in accordance with Article 108-10(B) for the period of 46 days between December 17, 2008 and February 2, 2009.

In summary, the completion date is extended ten calendar days to November 23, 2008, reducing the overrun of contract time to 71 calendar days. The assessment of liquidated damages is waived for 46 calendar days which leaves 25 days for which liquidate damages are assessable. The final estimate has been processed with liquidated damages of \$12,500.00 deducted.

Attached is final estimate warrant 2332876 in the amount of \$61,801.94 which represents the final payment of the contract. Also attached for your files is copy of the final estimate, which is your final statement.

General Statute 136-29 of the Road and Highway Laws of North Carolina (copy attached) provides that a Contractor who has not received the amount he claims he is due under the contract may submit a written verified claim to the State Highway Administrator within sixty (60) days after he receives the final statement. The State Highway Administrator is Mr. T.R. Gibson, P. E., and his mailing address is Department of Transportation, 1543 Mail Service Center, Raleigh NC 27699-1543. A sample verification form is also attached for your information. After receipt of a verified claim, Mr. Gibson will have a member of his staff make a separate and independent review of the claim from that previously made.

Yours very truly,

I. M. Engineer, P. E.
Division Engineer

cc: Resident Engineer



Project Closeout Process

Division Let Projects

- Questions or Comments?





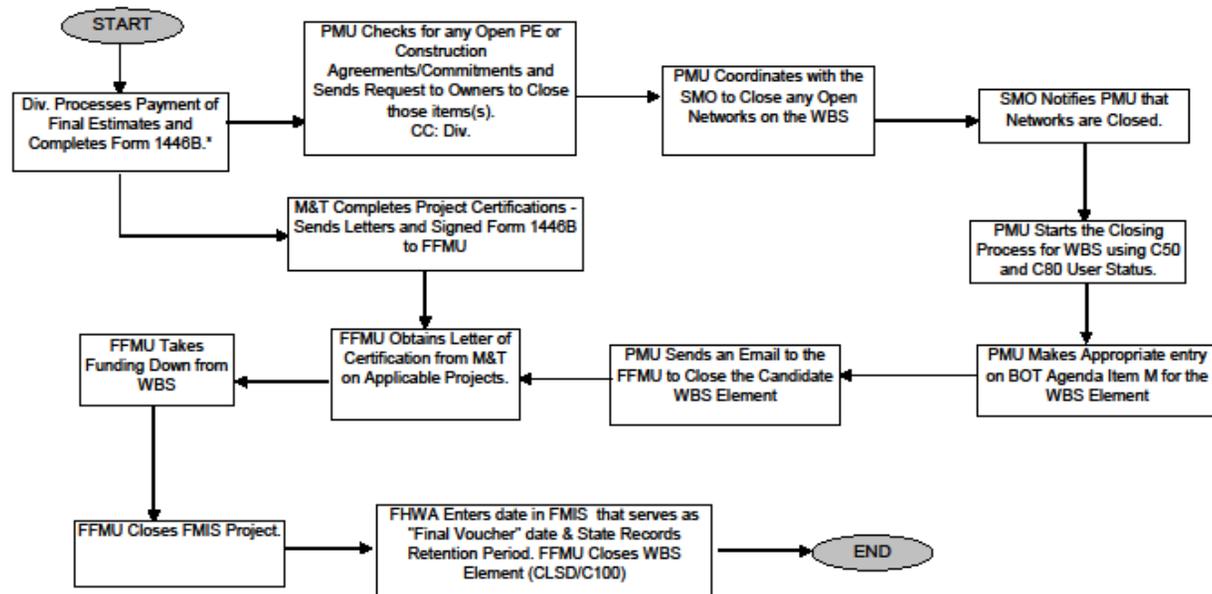
Division Let Projects

Project Funding Closeout Process

FUNDING CLOSEOUT PROCESS FOR DIVISION LET, FEDERALLY FUNDED PROJECTS

Clarifications & Abbreviations:

PMU – Project Management Unit of Program Development Branch
 FFMU – Federal Funds Management Unit
 BOT – Board of Transportation
 SMO – Schedule Management Office
 WBS – Work Breakdown Structure
 FMIS – Federal Management Information System
 M&T – Materials and Tests
 CU – Construction Unit
 Div – Administrative Division



* Note that for Full Oversight Projects, FHWA completes Form 1446B and sends it directly to FFMU.



Division Let Projects

FHWA Final Acceptance Report

- **FHWA Final Acceptance Report (Form 1446B) – Signed by the Division Engineer and State Materials Engineer**
- **Should be Completed as Part of the Final Estimate Assembly**
- **Completed Form Should be Sent to the State Materials Engineer of the Materials & Tests (M&T) Unit**
- **FHWA Final Acceptance Checklist**
- **M&T Certification**



Division Let Projects

FHWA Final Acceptance Report

NCDOT DIV FORM 1446B
2-11

NCDOT FINAL ACCEPTANCE REPORT FORM 1446B For NCDOT Delegated Authority Projects

Contract Number:	<input type="text"/>	Division:	<input type="text"/>
WBS Number:	<input type="text"/>	F.A. #:	<input type="text"/>
TIP Number:	<input type="text"/>	County:	<input type="text"/>

Project Location

Project Scope

Letting Date	<input type="text"/>
Date Work Started	<input type="text"/>
Date Accepted by NCDOT	<input type="text"/>
Date Final Estimate Paid	<input type="text"/>

Procedures and controls were sufficient to assure that this project was completed in reasonable close conformance with the approved plans and specifications including authorized changes and extra work.

Remarks: If applicable note deficiencies below

Accept of Project – Division Engineer	Materials Certification – State Materials Engineer
Signature	Signature
Date	Date

cc: State Construction Engineer
Project Management Unit
Federal Funds Management Unit
FHWA – Operations Engineer



Division Let Projects

FHWA Final Acceptance Checklist

Final Acceptance Checklist for NCDOT Delegated Authority Projects

Project Information:

TIP No.:	Federal-aid No.:	Contract No.		
Project Description:				
NCDOT Division:				
Date Awarded:	Approved Date:			
Time Started:	Work Started:			
Contract Days:	Revised Contract Days:			
Completion Date:	State Acceptance Date:			
Liquidated Damages (No. of days and total amount):				
Material Certification	Yes	No	N/A	
Proposed Final Estimate	Yes X	No	N/A	ATTACHED
Contractor's Written Statement of Claims (Submitted Separately)	Yes	No	N/A	
List of Supplemental Agreements	Yes	No	N/A	
(Participating / Non-Participating)	Yes	No	N/A	
List of Time Extensions	Yes	No	N/A	
Utilization of DBE	Yes	No	N/A	
Additional Information:				
(Original – Project File cc – FHWA – with Proposed Final Estimate)				



Project Closeout Process

Agenda

- **Division Let Projects**
- **Project Certification**
- **Locally Administered Projects**
- **Question & Answer Session**



Division Let Projects

Materials Certification

- **Part of the Project Closeout Process is the Completion of a Materials Certification**



Division Let Projects

Materials Certification

- **23 CFR 637.209 (B) (3) Requires:**
 - ✓ ***“The Preparation of a Materials Certification, Conforming in Substance to Appendix A of this Subpart, Shall be Submitted to the FHWA Division Administrator for Each Construction Project Which is Subject to FHWA Construction Oversight Activities”***
 - ✓ ***Most of These Projects Will be “Delegated Authority” and the Materials Certification Will be Addressed to our Federal Funds Manager But Still Subject To FHWA Audits***



Division Let Projects

Materials Certification

- **What Are We Certifying?**
 - ✓ *Policy (23 CFR 637.205) - The Division Administrator (FHWA) Shall Provide Appropriate Oversight to Ensure That the State's Quality Assurance Program is Being Implemented as Approved*



Division Let Projects

Materials Certification

■ What Does the Quality Assurance Program Contain?

✓ *23 CFR 637.207 Requires Each State Transportation Department to Provide an Acceptance Program Consisting of:*

- Frequency Guide Schedules - Minimum Sampling Guide (MSG)
- Location Where Sampling Should Occur (MSG, Contract Provisions And Standard Specifications)
- Specific Attributes to be Inspected Which Reflect the Quality of the Finished Product (Contract Provisions & Standard Specifications)
- Qualified Sampling and Testing Personnel (M&T, Division, LGA)
- Qualified Laboratories (M&T)
- Independent Assurance (M&T)



Division Let Projects

Materials Certification

- **What Do We Need?**
 - ✓ ***Communication Between Division Staff and M&T Staff***
 - ✓ ***Proper Amount of Samples Taken From Project for “Point Of Use Materials”***
 - **Concrete, ABC, Soils, Asphalt, Etc.**



Division Let Projects

Materials Certification

■ What Do We Need?

- ✓ ***Proper Documentation For Products Tested or Inspected Prior to Delivery on a Project***
 - Structural Steel, Prestress/Precast Concrete Members, Pipe, Reinforcing Steel, Pavement Markings, Etc.
- ✓ ***Notification to M&T Personnel When Project Inspection is Needed***
 - Guardrail, Metal Pipe, Stay in Place Forms, Etc.
 - Independent Assurance and Technician Assessments



Division Let Projects

Materials Certification

■ Why Is It Important?

✓ *Federal Requirement*

- Fund Reimbursements Are Dependent Upon It
- A Dollar Amount For Testing Shortages and Exceptions To The Quality Assurance Program are Summarized And Reported To FHWA

✓ *Quality Of Infrastructure*

- Quality Construction/Quality Product
- Less Future Maintenance



Division Let Projects

Materials Certification

■ HiCAMS Versus Non- HiCAMS

What's the Difference?

✓ *Projects Administered Using HiCAMS*

- Materials Receipt, Acceptance and Payment Should Flow Through HiCAMS as Well

✓ *Non-HiCAMS Projects*

- Need Paper Copies of Everything
- When In Doubt, Keep a Copy
- M&T Must Have These Items to Certify the Project



Division Let Projects

Materials Certification

- **If You Need Training For Any Of Your Staff Please Contact Us:**
 - ✓ *Divisions 1, 2, 3 & 6 - Henry Traywick – (910) 485-7213*
 - ✓ *Divisions 4, 5 & 7 - Randy Pace – (919) 329-4220*
 - ✓ *Divisions 8, 9 & 10 - Pam Carriker – (704) 636-3367*
 - ✓ *Divisions 11, 12, 13 & 14 - Ken Hamby – (336) 903-9107*
 - ✓ *Randy Pace*
Materials Operations Engineer – (919) 329-4220
 - ✓ *Sam Frederick*
Quality Systems Engineer – (919) 715-1746
 - ✓ *Chris Peoples*
State Materials Engineer – (919) 329-4000



Project Closeout Process

Materials Certification

- Questions or Comments?





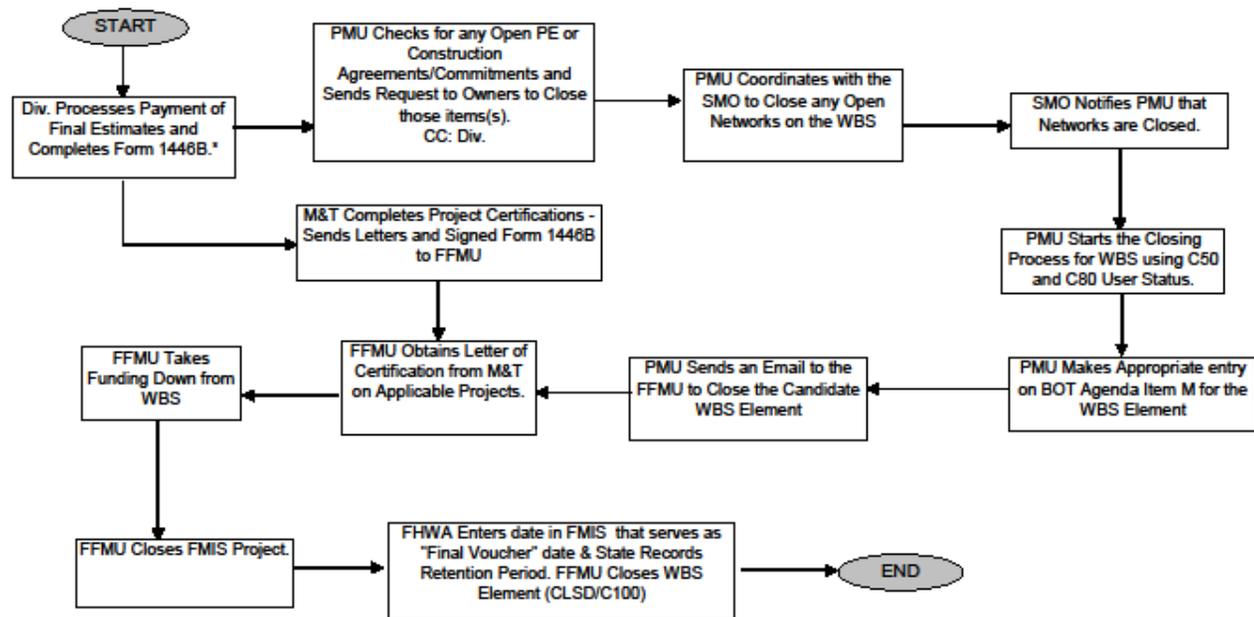
Division Let Projects

Funding Closeout Process

FUNDING CLOSEOUT PROCESS FOR DIVISION LET, FEDERALLY FUNDED PROJECTS

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* Note that for Full Oversight Projects, FHWA completes Form 1446B and sends it directly to FFMU.



Division Let Projects

Records Retention

■ Federal Projects

- ✓ *Retain Records In Division For Three (3) Years After FHWA Final Voucher*



Division Let Projects

Records Retention – FHWA Final Voucher Paid

The screenshot displays the SAP Easy Access interface for user Sherell R. Williams. The transaction code **zf22** is highlighted in the top navigation bar. The main window shows the 'Funding Ledger overview by SHERELLWILLI on 03/07/2011 in PRD' for WBS element **46067.3.st26**. Below this, a detailed overview for WBS 45067.3.ST26 is shown, including system status, user status, and funding ledger details. A table at the bottom provides a breakdown of funding and expenditures.

Gr...	Fund	Agreement ID	...	Alloted funding amount	Total funding	Expenditures
1	27STC220	C220-0008-605	F	187,531.00	187,531.00000	187,531.00000
2	7101999		S	0.70	0.70000	0.70000
				187,531.70	187,531.70000	187,531.70000

Transaction Code: zf22



Division Let Projects

Contact Information

Who Do I Call With Questions?

■ **Division Let Contracts –**

Project Closeout Processes & Records Retention:

Construction Unit:

- Phillip Johnson, Michelle Long (919) 733-2210
- Roadway / Bridge Construction Engineers

Funding Closeout:

Federal Funds Management Unit:

- Tonya Marriott (919) 733-3624 Ext. 332
- Amy Clawson (919) 733-3624 Ext. 322



Project Closeout Process

Agenda

- **Division Let Projects**
- **Project Certification**
- **Locally Administered Projects**
- **Question & Answer Session**



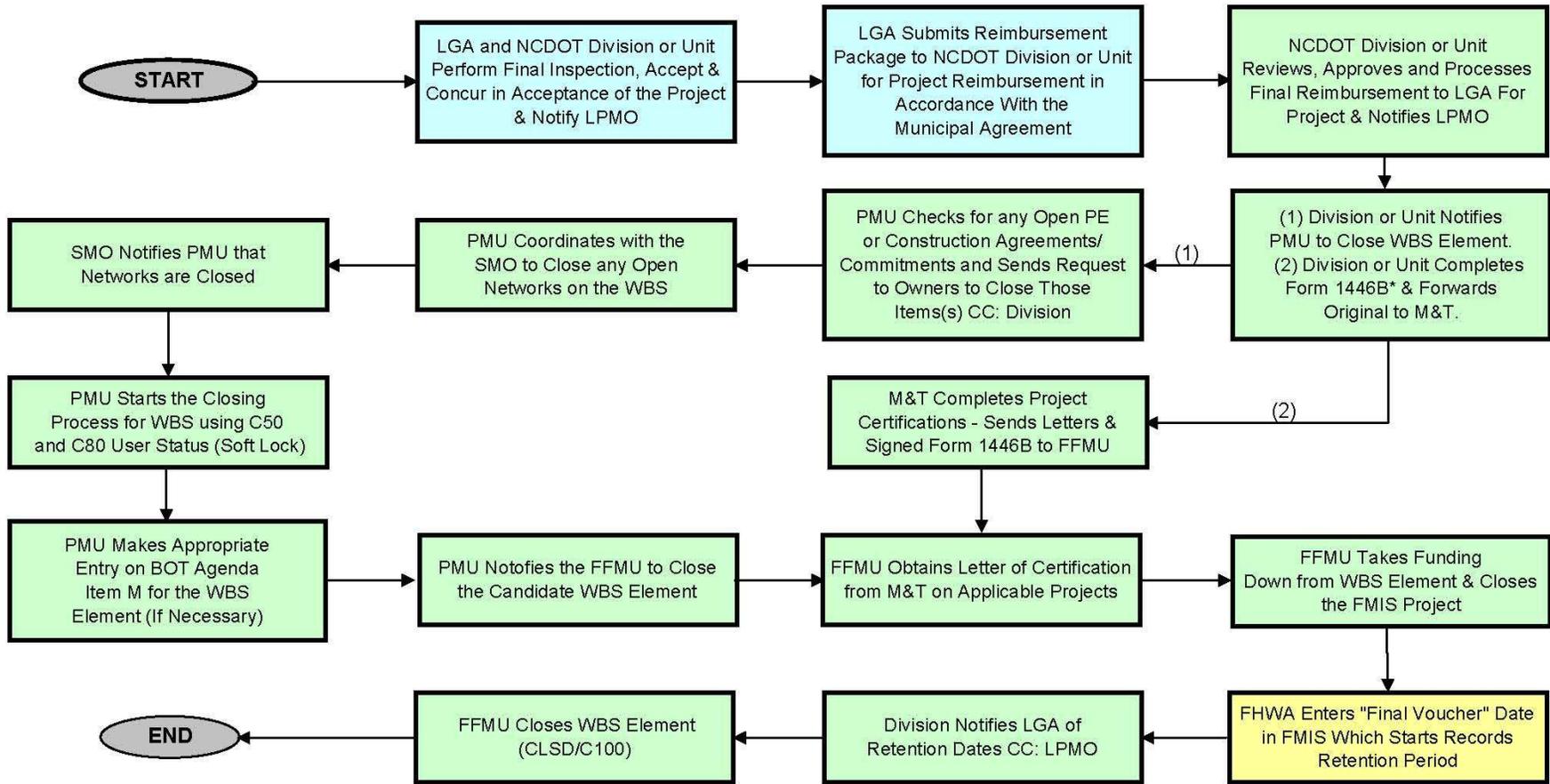
Project Closeout Process

Locally Administered Projects

- **New Closeout Procedures**
 - ✓ *Developed Recently*
 - ✓ *Final Draft Format*
 - ✓ *Available on the LPMO Website Once Approved*
 - ✓ *Includes Process Flow Chart*
- **This Training Will Include the Process From Project Acceptance to Records Retention**

NCDOT PROJECT CLOSEOUT PROCESS LOCALLY ADMINISTERED PROJECTS - FEDERALLY FUNDED

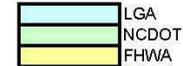
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FOR INTERNAL REVIEW ONLY



Clarifications & Abbreviations:

LGA -- Local Government Authority
 FFMU -- Federal Funds Management Unit
 BOT -- Board of Transportation
 SMO -- Schedule Management Office
 M&T -- Materials and Tests

PMU -- Project Management Unit of Program Development Branch
 NCDOT Division or Unit -- Division Office or NCDOT Unit Responsible for the Project
 WBS -- Work Breakdown Structure
 FMIS -- Federal Management Information System
 LPMO -- Local Program management Office

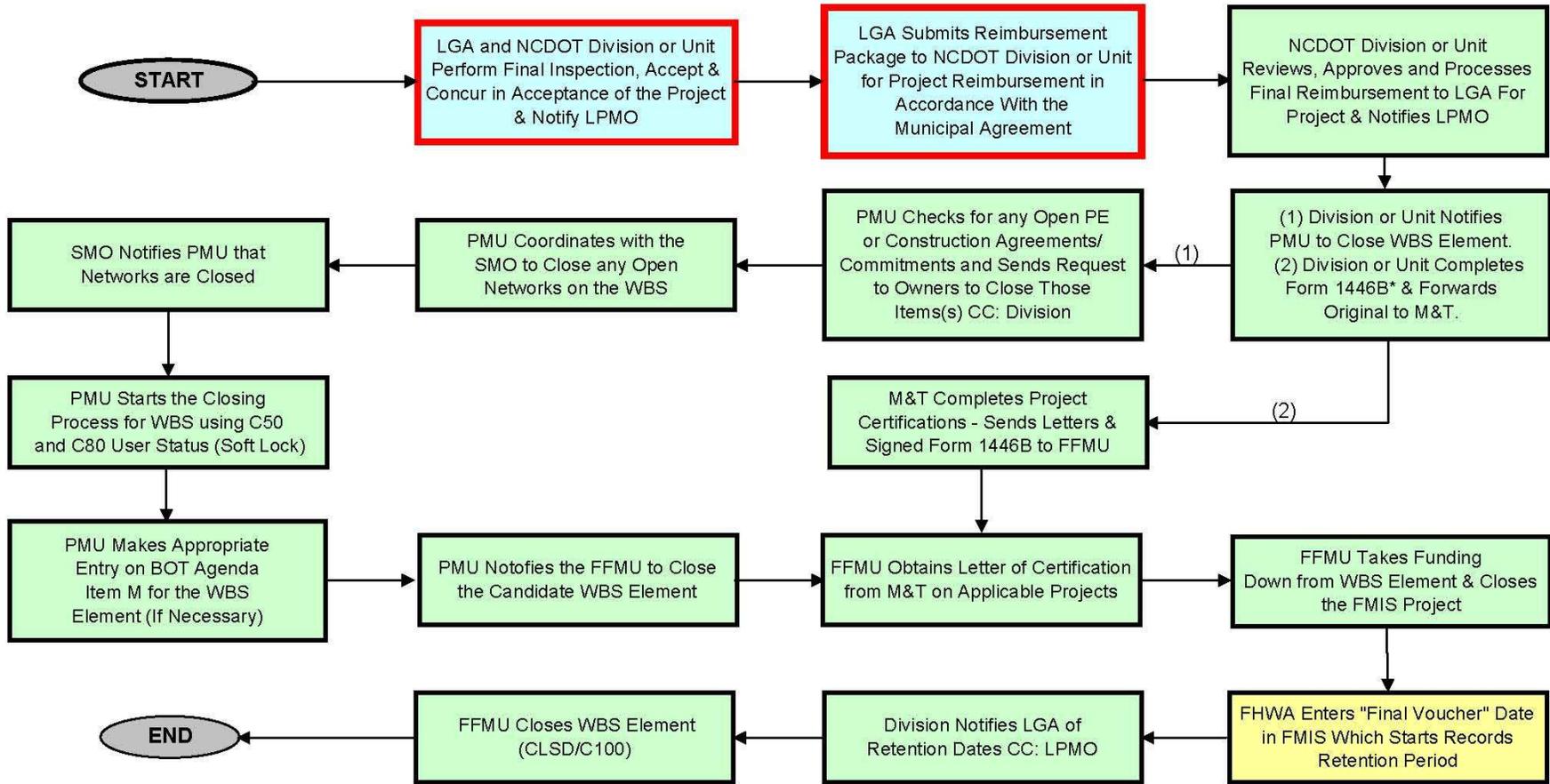


*** Note That for Full Oversight Projects, FHWA Completes Form 1446B and Sends It Directly to FFMU.**

NCDOT PROJECT CLOSEOUT PROCESS

LOCALLY ADMINISTERED PROJECTS - FEDERALLY FUNDED

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Project Closeout Process

Locally Administered Projects

■ Project Acceptance

- ✓ *The LGA's Contractor Completes All Items of Work Associated With the Project*
- ✓ *The Division Attends the Final Inspection Held on the Project*
- ✓ *The Division Provides Any Corrective Actions in Writing to the LGA*
- ✓ *Once All Recommendations are Complete, the Division Engineer Concurs in Acceptance of the Work in Writing, Copying the DE, DPM, and LPMO*



Project Closeout Process

Locally Administered Projects

- **Claims (Time & Additional Compensation)**
 - ✓ *The Division Has Final Authority for All Claims for Locally Administered Projects*
 - ✓ *The Division Should Review and, if Appropriate, Concur With Claims Presented by the LGA*
 - ✓ *The Division Must Notify the LGA in Writing of All Decisions for Concurrence or Non-Concurrence*
 - ✓ *The Division Should Review the Municipal Agreement to Determine if Action is Necessary*
 - ✓ *Every Effort Should be Made to Provide Ongoing Oversight to Address Claims as They Arise*



Project Closeout Process

Locally Administered Projects

■ Claims (Time)

- ✓ *LGA Should Provide Written Project Documentation For Delays to the Controlling Operation Detailed by Date*
- ✓ *The Construction Unit Should be Consulted for All Requests in Excess of 30 Days*
- ✓ *The Division Should Review the Municipal Agreement to Determine if a Supplemental Municipal Agreement is Necessary*
- ✓ *If Concurrence Cannot be Granted, the LGA Should be Notified in Writing That the Department Will Not Concur in the Time Extension*



Project Closeout Process

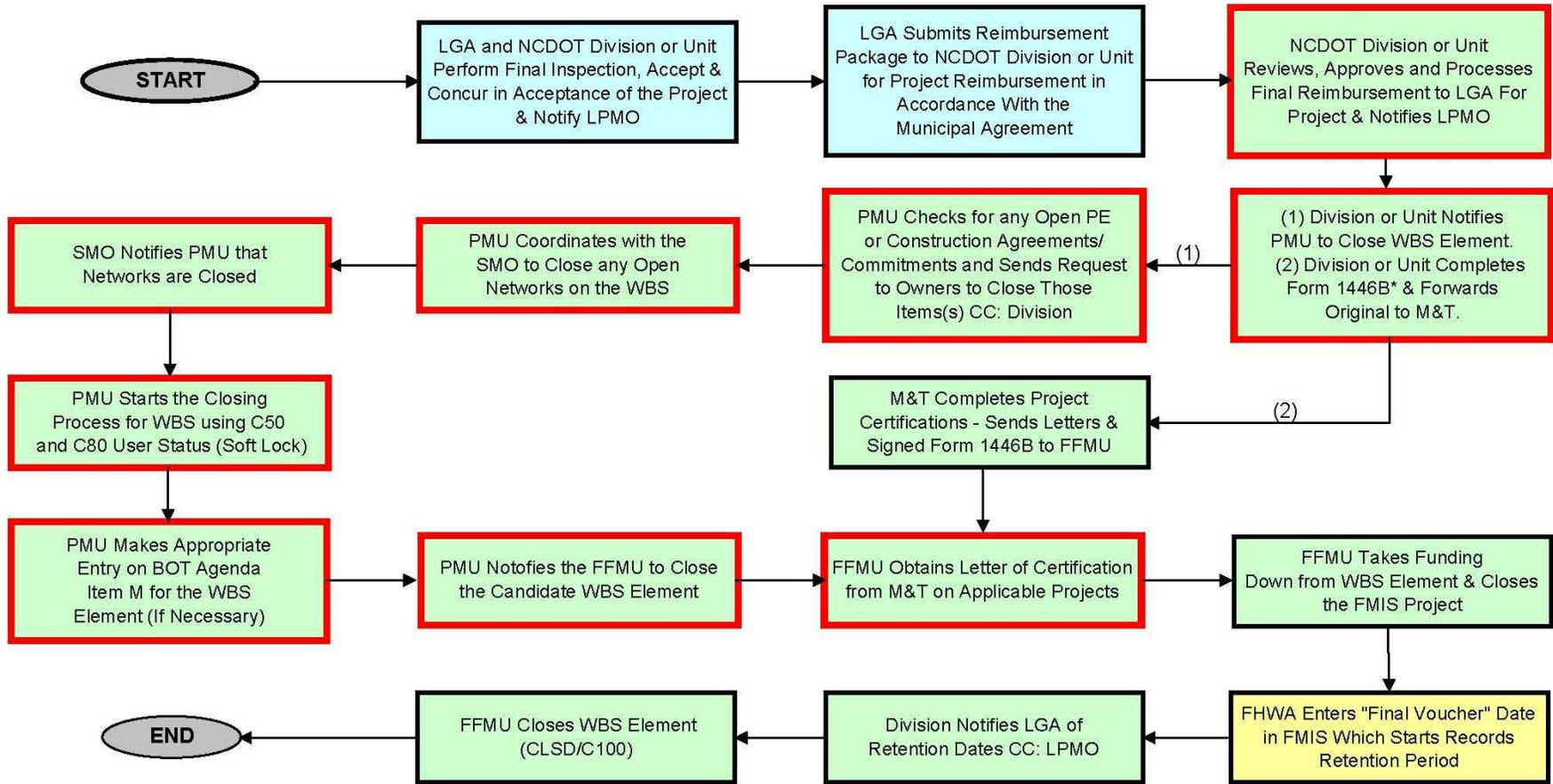
Locally Administered Projects

- **Claims (Additional Compensation)**
 - ✓ *LGA Should Provide Written Project Documentation For Additional Compensation*
 - ✓ *The Construction Unit Should be Consulted For All Requests in Excess \$50,000*
 - ✓ *The Division Should Review the Municipal Agreement to Determine if a Supplemental Municipal Agreement is Necessary*
 - ✓ *If Concurrence Cannot be Granted, the LGA Should be Notified in Writing of Such and That the Department Will Not Participate in These Costs*

NCDOT PROJECT CLOSEOUT PROCESS

LOCALLY ADMINISTERED PROJECTS - FEDERALLY FUNDED

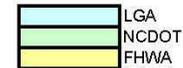
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Project Closeout Process

Locally Administered Projects

- **Final Invoices (Reimbursement Package)**
 - ✓ ***The Division Reviews and Approves the Reimbursement Package For Payment to the LGA Which Should Include the Following Items:***
 - ***Payment Quantities (With All Invoices)***
 - ***Materials & Tests Results (All QA & QC Test Results)***
 - ***Sales Tax Exclusion Form***
 - ***Subcontractor Payment Report (All Subcontractors)***
 - ***Cancelled Checks (Front & Back)***
 - ***FFATA Reporting Form***



Project Closeout Process

Locally Administered Projects

- **Final Invoices (Reimbursement Package)**
 - ✓ *Prior to Processing a Reimbursement Request, the Division Should Verify Available Funding*
 - ✓ *All Supporting Documentation Should be Scanned With the Invoice in BSIP*
 - ✓ *The Division Should Notify the LPMO upon Receipt and Payment of the Final Reimbursement Package From the LGA*



Project Closeout Process

Locally Administered Projects

- **Final Invoices (Reimbursement Package)**
 - ✓ *Since the Department is Providing Oversight, and Not Administering the LGA Contract, the Final Contract Documents as Included in 109-10 of the NCDOT Standard Specifications are Not Required*
 - ✓ *The Verified Claim Provision (G.S. 136-29) Does Not Apply to Locally Administered Projects*



Project Closeout Process

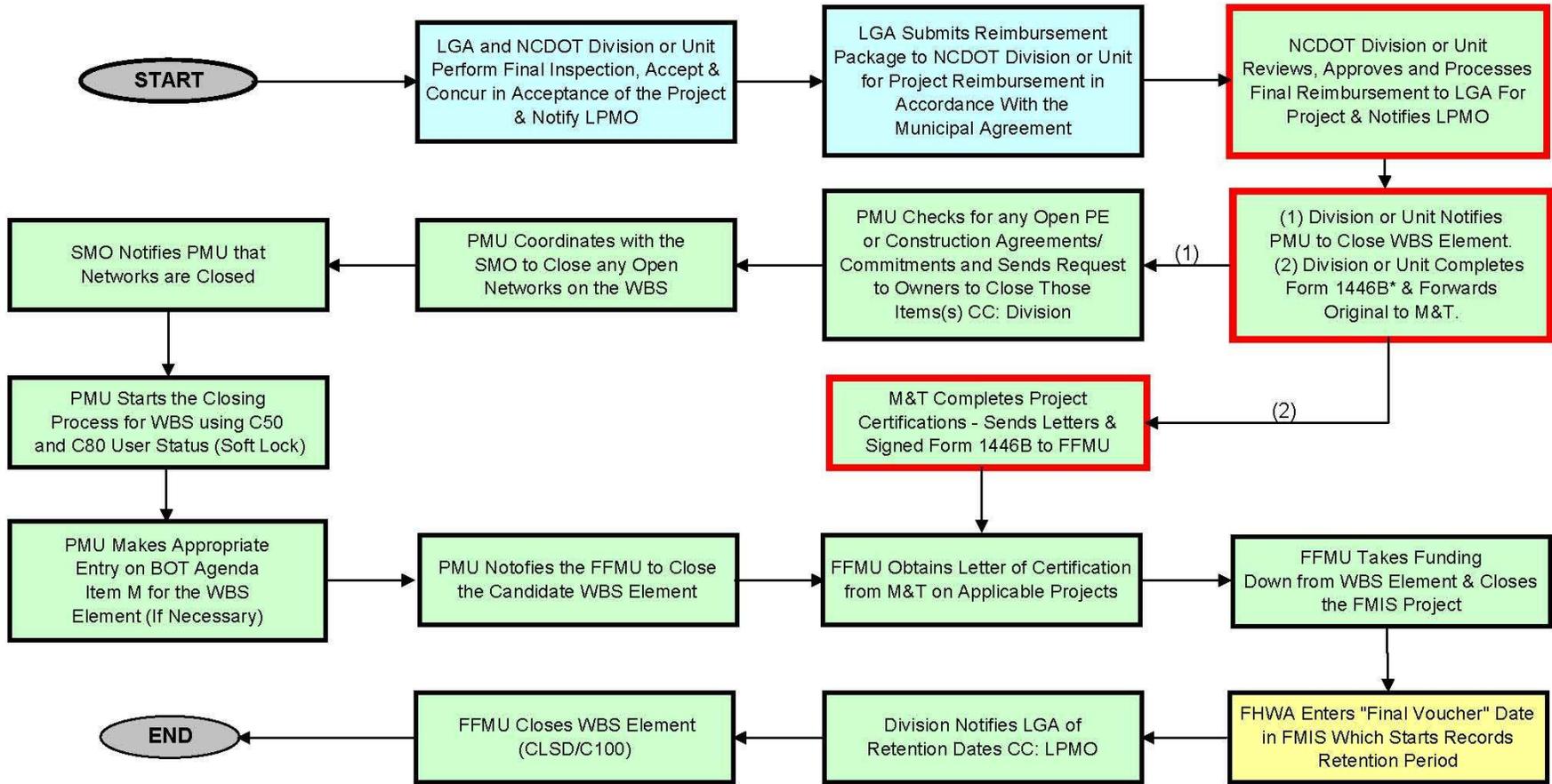
Locally Administered Projects

■ Closing WBS Elements (Preparation)

- ✓ *Project Funding Commitments - All PE, R/W, PO, Professional Services Contract Commitments Have to be Removed Before Closing WBS Elements*
- ✓ *Project Scheduling Networks – Once All Commitments Are Cleared, SMO Closes All Scheduling Networks*
- ✓ *PMU Initiates the Closing Process in BSIP With a “Soft Lock” of the Project WBS Element(s)*
- ✓ *PMU Submits Any BOT Actions Necessary*
- ✓ *PMU Notifies FFMU to Close the WBS Element(s)*

NCDOT PROJECT CLOSEOUT PROCESS LOCALLY ADMINISTERED PROJECTS - FEDERALLY FUNDED

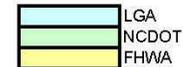
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Project Closeout Process

Locally Administered Projects

- **Final Acceptance Report (Form 1446B)**
 - ✓ *The Division Should Complete and Distribute Form 1446B Upon Completion of the Review and Payment of the Reimbursement Package From the LGA*
 - ✓ *The Original Form is Sent to the State Materials Engineer For His Signature*
 - ✓ *The State Materials Engineer Forwards the Signed Copy to the FFMU for Final Processing*



Project Closeout Process

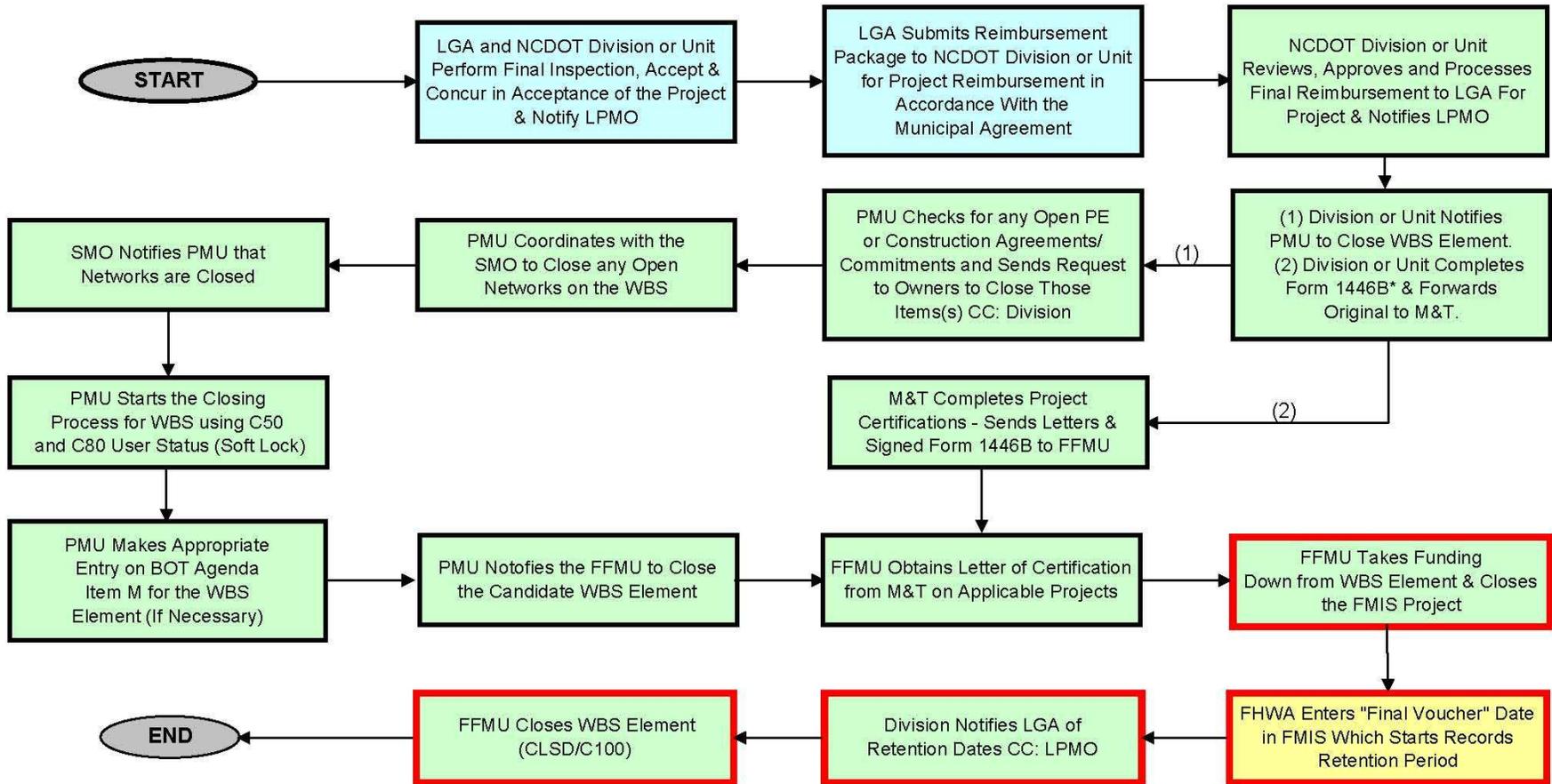
Locally Administered Projects

■ Project Certification

- ✓ *M&T Will Review the Project Materials, Tests and Documentation and Work With the LGA to Certify the Project*
- ✓ *The State Materials Engineer Will Forward the Signed Form 1446B to FFMU, With Copies to the FHWA, DE, SCE, PMU and LPMO*

NCDOT PROJECT CLOSEOUT PROCESS LOCALLY ADMINISTERED PROJECTS - FEDERALLY FUNDED

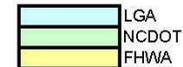
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Project Closeout Process

Locally Administered Projects

- **Closure of WBS Elements & FMIS Project**
 - ✓ *FFMU Locks the WBS Element(s) Once All Funding and Commitments are Removed and They Have Received the Completed Form 1446B*
 - ✓ *FHWA Enters the “Final Voucher” Date in FMIS, Which Populates BSIP*
 - ✓ *Once the “Final Voucher” Date Has Been Entered, FFMU Closes the WBS Element(s) and Notifies the Division, SCE, SME and LPMO*



Project Closeout Process

Locally Administered Projects

■ Records Retention

- ✓ *Minimum Retention Period is Three (3) Years From the Final Voucher Date*
- ✓ *The Division Should Notify the LGA in Writing of the Beginning and Ending Dates for the Minimum Retention Period With Copies to the SCE, SME and LPMO*
- ✓ *Three (3) Years is the Minimum Retention – Some Projects are Ongoing for Several Years, Which Results in a Longer Retention Period of Records*



Project Closeout Process

Locally Administered Projects

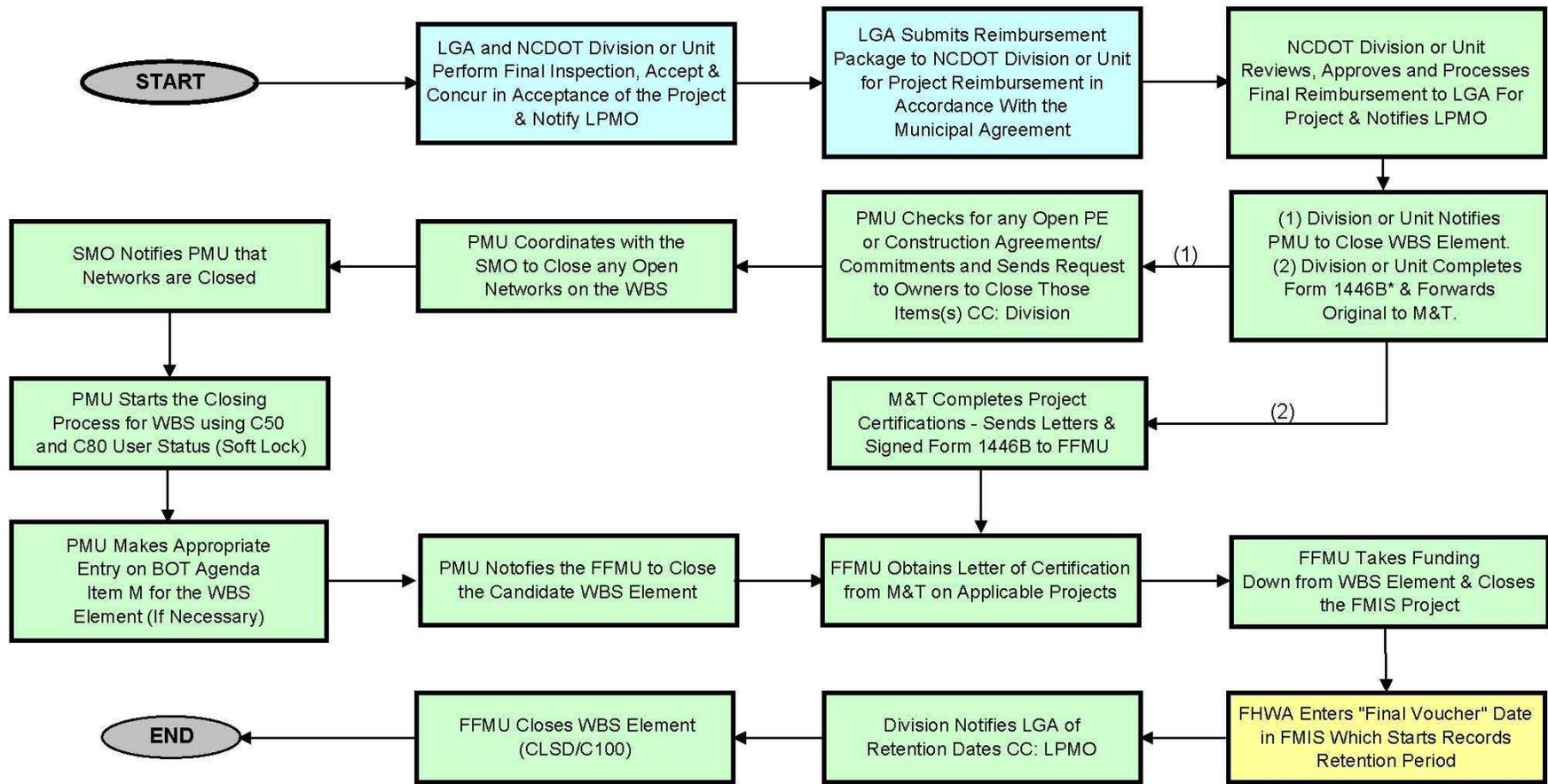
■ Audits

- ✓ ***Can Be Performed at Any Time By:***
 - ***NCDOT (OIG, Fiscal, LPMO)***
 - ***FHWA (Division, Headquarters, OIG)***
 - ***NC OSBM***
 - ***NC OERI***
 - ***NC Auditor's Office***

NCDOT PROJECT CLOSEOUT PROCESS

LOCALLY ADMINISTERED PROJECTS - FEDERALLY FUNDED

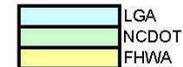
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Locally Administered Projects

Other Items

■ Sales Tax Update

- ✓ *An E-mail Update Distributed to Divisions on February 17, 2011 Clarifying the Issue of Sales Tax on Locally Administered (Reimbursable Projects)*
- ✓ *It is the LGA's Responsibility to Identify and Remove Any Sales Tax From the Reimbursement Request*
- ✓ *It is NCDOT's Responsibility to Ensure That This is Happening*
- ✓ *Comments or Questions on Update?*



Locally Administered Projects

Other Items

- **Specifications For LGA Projects**
 - ✓ *Municipalities Should Utilize NCDOT Specifications for Typical Transportation Mode Projects*
 - ✓ *Currently Working on Acceptable Changes to NCDOT Specifications (Administrative)*
 - ✓ *Add Special Provisions for Items Not Covered By NCDOT Specifications*
 - ✓ *NCDOT Specifications Not Required for Non-typical Transportation Mode Projects*



Locally Administered Projects

Other Items

- **Design/Contract Administration Exemptions**
 - ✓ *Current Policy Prohibits PEFs From Doing Both*
 - ✓ *If There is a Situation Where This is Needed, an Exemption is Necessary*
 - ✓ *Exemptions are Granted on a Specific Case By Case Basis – No Blanket or Advance Exemptions*
 - ✓ *Contact LPMO if Your Municipality Requests This*



Locally Administered Projects

Other Items

■ **Additional Training & Webinars**

- ✓ *There is Much Need for Both Internal & External Training for Locally Administered Projects*
- ✓ *Resources are Limited Everywhere – NCDOT and at Our External Partners*
- ✓ *Immediate Solution:*
 - *E-mail Updates for Urgent Issues*
 - *Handbook Will be Updated Incrementally With Sections Posted on the Web Page – A Future Update of the Entire Handbook is Planned*
 - *A Webinar is Planned for Municipalities for Updates This Summer*



Locally Administered Projects

Contact Information

Who Do I Call With Questions?

■ Locally Administered Projects -

Transportation Programs Director

Rodger D. Rochelle, PE rdrochelle@ncdot.gov (919) 212-3250

Transportation Programs Manager

Jimmy L. Travis, PE jtravis@ncdot.gov (919) 212-3270

LPMO Transportation Consultant (Statewide)

Marta Matthews mtmatthews@ncdot.gov (919) 250-4147



Project Closeout Process

Locally Administered Projects

- Questions or Comments?





Project Closeout Process

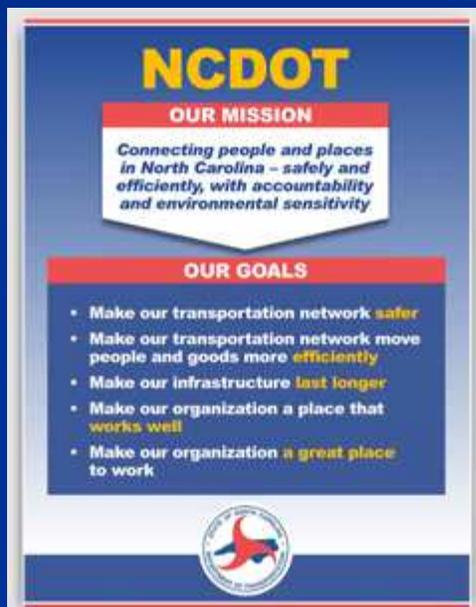
Agenda

- **Division Let Projects**
- **Project Certification**
- **Locally Administered Projects**
- **Question & Answer Session**



Project Closeout Process

**Thank You For Your Time & Effort to Closeout
NCDOT's Division & Local Projects!**



***Making Our Organization A Place
That Works Well!***

Project Closeout Process

for

Division Let & Locally Administered Federally Funded Projects



Webinar – March 24, 2011

