

DIVISION OF LOCAL ASSISTANCE



CONSTRUCTION OVERSIGHT INFORMATION NOTICE



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Welcome to the COIN!

This is the seventh issue of Caltrans Local Assistance Program Construction Oversight Information Notice, or "COIN" for short. These short, single-topic bulletins are intended to provide outreach information and guidance to local agencies on issues pertaining to the construction of Federal-aid projects. They cover a wide variety of subjects, including discussions of findings resulting from process reviews by Caltrans and/or FHWA, changes in procedures or regulations, reminders of existing procedures or best practices, and other timely information. The goal is to ensure proper and timely delivery of Federal-aid projects.

OUR SEVENTH TOPIC: TIMELY SUBMITTAL OF INVOICES FOR FEDERAL-AID REIMBURSEMENT AND "DISADVANTAGED BUSINESS ENTERPRISE (DBE)" INFORMATION

1. With the advent of the American Recovery and Reinvestment Act (ARRA) national focus has been centered on not only how federal funds are being spent, but also the timeliness of those expenditures. Reviews of ARRA funded local agency projects show an increasing number approaching one year since construction authorization with no invoices (construction contract or local agency costs) being submitted to the DLAE for reimbursement. Projects are considered inactive if no invoicing has occurred for:
 - a) over 12 months for projects with an unexpended balance over \$500,000
 - b) over 24 months for projects with an unexpended balance of between \$50,000 and \$500,000
 - c) over 36 months for projects with an unexpended balance of less than \$50,000

Inactive projects have the potential of losing federal funds as the "Program Supplement" and "Master Federal-aid" agreements both require local agencies to invoice within 6 months of fund encumbrance. In addition, award packages are to be submitted within 60 days of the construction contract award or with the first invoice, whichever occurs earlier. **Action: local agencies need to submit invoices as soon as practical to avoid perceptions that a project is inactive.** A list of potential inactive projects can be found at:

<http://www.dot.ca.gov/hq/LocalPrograms/Inactiveprojects.htm>

2. The submittal of Exhibit 15-G2 "Local Agency Bidder DBE Information" of the Local Assistance Procedures Manual is an item that needs increased attention and immediate improvement. Frequent mistakes in the submittal include incorrect calculations, failure to include all DBE participating firms and late submittal. The completed form is required to be submitted (by fax or scanning) to the DLAE within 15 calendar days after the signing or award of a federal-aid construction contract. Projects have the potential of losing federal-aid funding if a local agency fails to submit the completed form within the 15 calendar day time period. **Action: local agencies need to ensure that the correct information is submitted on the form within the 15 calendar day time period.**

The Construction Oversight Information Notice (COIN) is prepared by Caltrans, Division of Local Assistance, Office of Policy Development and Quality Assurance. Comments or suggestions should be directed to the COIN Editor: Ken.Darby@dot.ca.gov.