

## Chapter 4

# REVIEW FUNCTIONS, TYPES AND CERTIFICATION OF THE FINAL ESTIMATE PACKAGE

### 4.1 PURPOSE

To define the Initial Reviewer's functions and contrast with the Overviewer's function. To define the review types, in-depth review by Initial Reviewer and Overviewer, in-depth review by Initial Reviewer only, and the risk based reviews. To outline the submission process to the paid off status of a ***Certified Final Estimate Package*** submitted by Consultants and Florida Department of Transportation (Department) personnel. This is done to minimize the Department's exposure to the risk of overpayment errors and interest on delayed payments. To outline the functions related to the reviewing process of the Final Estimate Package, these procedures apply to both Class 1 and District Contracts. This Manual coordinates with the ***Preparation and Documentation Manual (P&DM) (Topic No. 700-050-010)***.

#### 4.1.1 Resident Office/Consultant Quality Control (QC) Plan

A Sample QC Plan is shown in [Attachment 4.3](#) of this chapter. The Resident Office (RO)/Consultant may elect to use this QC Plan, but shall do so by submitting a letter to the District Final Estimates Manager (DFEM) requesting authorization and attach this QC Plan with the name of the firm Resident Officer and the person(s) responsible for the Certified Final Estimate. Should the RO/Consultant elect to develop their own QC Plan, it shall detail the process of submitting a ***Certified Final Estimate Package*** to the District Final Estimate's Office (DFEO) and a copy shall be submitted to the DFEM. The letter and/or QC Plan shall be submitted to the DFEM prior to the beginning of construction.

#### 4.1.2 Certification of the Final Estimates Package

Final Estimates Level II, Qualified Personnel responsible for the Final Estimate Package shall submit a certification stating that all quantities submitted are true and correct [Computation Book Pay Item Summary and Certification Sheet \(Form No. 700-050-10\)](#).

After a Post Audit Review (PAR) by the DFEO has been completed and errors are found (monetary and/or procedural) the responsible person shall be contacted and given the chance to answer to the findings. Should the procedural errors be substantiated, the report will provide feedback in a manner according to the condition of the findings so the Final Estimates Process will be performed in a positive manner. See [Chapter 15](#) of the [Review and Administration Manual](#) for details.

**Note:** Certification of Quantities by Others(items requiring a Certification of Quantities will

be provided by the Contractor.) The Resident Office (RO)/Consultant shall review these Certifications and use reasonable investigation during the invoice period, to insure to the best of his/her knowledge, these quantities are correct. If an error or omission is a result of erroneous information provided on these Certifications, the RO/Consultant will not be held responsible for these quantities on the **Certified Final Estimate Package**.

#### 4.1.3 Certified Final Estimates Package Submittal to the DFEO

- a) The Final Estimate(s) is to be submitted within thirty (30) calendar days after final acceptance.
- b) The **Offer of Final Payment Letter** shall be submitted to the Contractor on the Consultant's letterhead (Consultant's only) or the Department's letterhead (Internal only) and a copy placed in the **Comp Book** within thirty (30) calendar days after final acceptance.

#### 4.1.4 Consultant Construction Engineering Inspection (CCEI) Scope of Services

The CCEI Scope of Services shall be utilized to develop the Scope of Service for contracts that are to have a certified final estimate prepared by a Consultant.

- (A) Submittal to District Final Estimates Office (DFEO):
  - 1) Documentation and Records in compliance with the Contract Documents, Statewide QC Plan or Consultants approved QC Plan and the Department's procedures; and
  - 2) One set of final "as – built" plans and
  - 3) The Final Estimate(s), along with a copy of the **Offer Letter**, is to be submitted within thirty (30) calendar days after final acceptance.
- (B) Preparation of Final Estimates Qualification (Level II):
  - 1) Consultant personnel preparing the Certified Final Estimate Package shall be Level II Qualified for the Preparation of Final Estimates. See **requirements below** for FE Certification/Qualification under the Construction Training Qualification Program (CTQP).

- (C) Certification by Consultants ([see Attachment 4-1](#))

A duly authorized Officer of the Consultant firm will provide a notarized

certification that:

- 1) The Final Estimate was prepared in full compliance with the Contract Documents, QC Plan, and the Department's procedures; and
- 2) The Final Estimate is true and correct as determined by the Consultant's review; and the ***Offer of Final Payment Letter*** was made in accordance with the Procedures; and
- 3) The Consultant hereby submits the Final Estimate(s) Package to the DEFO in compliance with the Contract and Departments procedures; and
- 4) That for separate, good, and valuable consideration, the payment and receipt of which is acknowledged, the Consultant hereby agrees to indemnify and hold the Florida Department of Transportation, and its officers and employees harmless from all liabilities, damages, costs, and attorney fees incurred and paid as a result of the negligence, recklessness, or intentional wrongful misconduct of the Consultant and persons employed or utilized by the Consultant in the preparation and audit of the Final Estimate(s).

#### **4.1.5 Final Estimates Qualification (Level II)**

Personnel preparing the Certified Final Estimate Package shall be Level II Qualified for the Preparation of Final Estimates. See [Chapter 9 of the \*Construction Training Qualification Manual, \(Topic No. 700-000-001\)\*](#). Training classes will be offered through the Construction Training Qualification Program (CTQP). For information on current training classes, please refer to the State Construction Office's web site.

## **4.2 PROCEDURES**

### **4.2.1 Review Functions**

- (A) The Initial Reviewer and the Overviewer's functions differ principally in the degree of judgment required and the focus width and degree of attention given to the pay items reviewed.
  - 1) Initial Reviewers perform a thorough check of any pay item reviewed. They shall be familiar with the overall character, scope, and type of work required by the contract before beginning any reviewing. For Certified Final Estimates submitted by a Consultant, final estimates duties must be included in the Scope of Services.
- (B) The Overviewer's function contrasts with the Initial Reviewer function, in as much as

the Overviewer is expected to exercise considerable judgment in reviewing changes made by the Initial Reviewer and the in-depth reviewing of any area which the Overviewer feels the Initial Reviewer or a Risk Based Reviewer may have neglected. The Overviewer will usually have a combination of several years of experience working on transportation construction projects and/or reviewing them. The Overviewer verifies all changes, and carefully checks specific items that have not been initially reviewed. In keeping with sound reviewing practices, the Overviewer, like the Initial Reviewer, shall never be allowed to check their own work. For a given contract, the same individual shall never be assigned or allowed to do more than one of the three final estimate functions of preparation, Initial Review, or Overview.

- (1) The Overviewer is to review and confirm any and all changes to the final estimate made by the initial reviewer.
- (2) From the verified quantities the Overviewer makes a quantity update of the last monthly or progress estimate, which was run in Site Manager. This update becomes the Progress or Final Estimate.
- (3) The Overviewer (preferably the DFEM) must discuss all significant changes made to the final estimate with the Project Administrator (PA). These changes must be clearly understood and agreed to by the PA before a final estimate is submitted to the Contractor. In this way, there will be no disagreement among the Department's personnel during any subsequent arbitration or litigation by the Contractor for additional compensation. If the DFEO staff and the PA are not able to come to an agreement, the DFEM shall explain the matter to the Resident Engineer (RE) and attempt to come to an agreement. If the DFEM and the RE are not able to come to an agreement, the District Construction Engineer (DCE) shall decide the matter and inform the PA, the RE and the DFEM of the Department's position in the matter.
- (4) After the DFEO staff and PA have agreed on all significant changes to the final estimate, the DFEO staff will update the explanation of overruns and underruns unless extensive changes are required. If extensive changes are required to the explanation of overruns and underruns, the DFEM shall return it with a transmittal memo to the RE who will instruct the PA to provide an updated version within seven (7) calendar days of the date of the transmittal memo.

## 4.2.2 Review Types

The DFEM or designee shall have the responsibility and the authority to exercise judgment in deciding which reviews are appropriate for a specific contract. Factors the DFEM or designee shall consider in making this decision are the dollar amount of the contract, the complexity of the contract, the quality of the Construction Contract Administration, previous experience with the specific Contractor, and the experience level of the available reviewers.

The basic review types are shown in [Attachment 4-4](#) of this chapter.

## 4.2.3 Contract Assignment and Priority Selection Criteria

The individual job reviewing assignments and the decision as to the particular type of review to be accomplished shall be made by the DFEM or designee based on judgment and established priorities. The DFEM or designee is required to see that follow-up action is taken and/or new information is obtained for the timely completion of assignments. The DFEM or designee accomplishes this task by taking the following steps:

- (A) Weekly Review of Staff Priorities: At least once a week the DFEM or a designee shall make a complete review of all the contracts assigned to the staff. Updates and/or actions should be taken in consideration.
- (B) The DFEM or designee directs the Initial Review, Overview, and answers questions that may arise at the staff level. Major decisions will be coordinated with the DCE, the District Secretary (DS), the Director, Office of Construction, and the State Final Estimates Manager (SFEM).

## 4.2.4 Review Marking Conventions

- (A) In the event of litigation by the Contractor, a review by the Department's Inspector General's Office, or an FHWA review, it will be necessary to know who has worked on a particular final estimate. In order to readily identify the DFEO's personnel the person(s) responsible shall sign the last page of the [Computation Book Pay Item Summary and Certification Sheet \(Form No. 700-050-10\)](#) included in the computation book. This shall be done in a fashion similar to the signature blocks for the Project Manager (PM) and the Resident Engineer (RE).

The Initial Reviewer and Overviewer (if any) shall print their name followed by the words "Initial Reviewer" or "Overviewer" as appropriate, as well as the date on which their review was completed. They shall place their signature just above their printed name and initial beside that in the same manner as the initials placed everywhere else in the final estimates document. In order to identify each individual's work at all other locations within the final estimates document the following ink or pencil color and initialing conventions shall be observed by the DFEO/Consultant personnel

when working in the plans, in the **Comp Book**, in field books, in separate bound computation volumes, and on any forms such as the [Engineer's Work Sheet \(Form No. 700-010-14\)](#).

- 1) Ink or Pencil Color Conventions:
  - (a) The PA and staff shall work in Black ink or Black pencil.
  - (b) The Initial Reviewer shall work in Red ink or Red pencil.
  - (c) The Overviewer shall work in Blue ink or Blue pencil.
  - (d) The DFEM shall work in Green ink or Green pencil.
  
- 2) Initialing Conventions:
  - (a) For these initialing conventions the word "reviewed" shall indicate that the Reviewer has reviewed the material and agrees or has made corrections. All Reviewers shall initial or place a check mark beside all work they have personally reviewed.
  - (b) No Reviewer shall place their initials or check mark beside any material they have not personally reviewed.
  - (c) All Reviewers will initial beside each area of work they have reviewed, with the following exception. Where there is a sequential series of reviewed areas on the same page, which have all been reviewed by the Reviewer, and there is no material which the Reviewer has not reviewed between these sequential areas, then the Reviewer shall initial the first and last of the sequential reviewed areas on that page. Place a check mark beside all other reviewed areas between the first and the last of the sequential reviewed areas on that page.

Initial Reviewers shall place their initials on the [Computation Book Pay Item Summary Sheets \(Form No. 700-050-10\)](#) included in the front of the **Comp Book**. They shall place their initials or a check mark on the line, in the **Summary Sheets** beside each pay item they have reviewed.

Once reviews are performed, report the findings on the proper form. Refer to [Chapter 2, Figure 2-1](#) for [Final Estimates Field Review \(Form No. 700-050-36\)](#).

### 4.3 REVIEW DOCUMENTATION OF A CERTIFIED FINAL ESTIMATE

The DFEO shall prepare a written report ([See Example, Attachment 4-5](#)) for the Certified Final Estimate reviewed and submit this report to the SFEM.

The Review frequencies provided below will be the minimum requirement on the number of projects (based on their degree of value) that will be performed on Certified Final Estimates Packages.

#### Minimum requirements for PAR frequencies

	\$100M or >	\$50M to \$100M	\$25M to \$50M	\$2M to \$25M	<\$2M
<b>PAR</b>	<b>100%</b>	<b>50%</b>	<b>40%</b>	<b>35%</b>	<b>15%</b>

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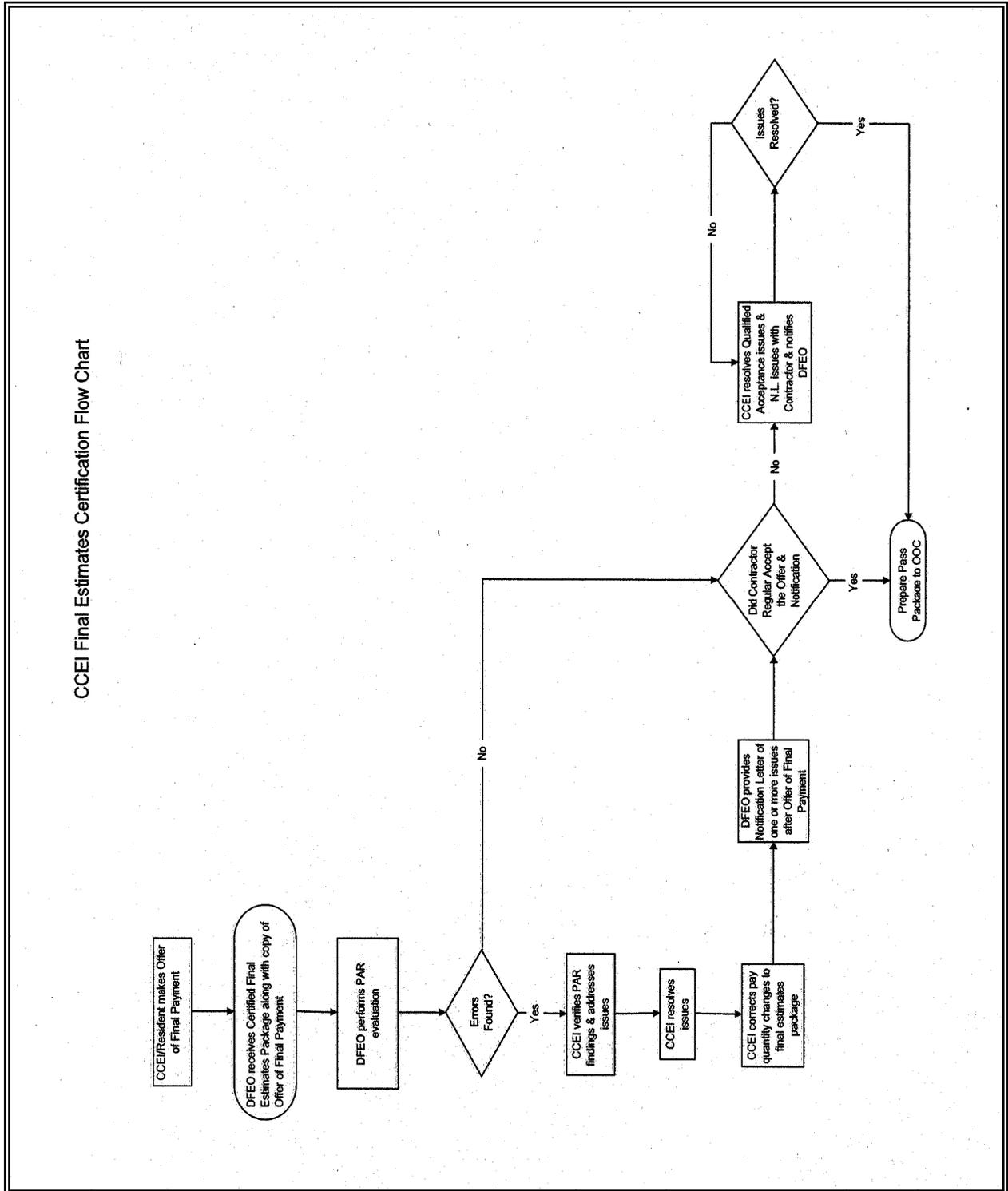
## LIST OF ATTACHMENTS FOLLOWING THIS CHAPTER

Attachment No. 4-1 .....	Certification As To Accuracy Of Final Payment
Attachment No. 4-2 .....	Flow Chart
Attachment No. 4-3 .....	Sample Quality Control Plan
Attachment No. 4-4 .....	Review Types
Attachment No. 4-5 .....	Sample Post Audit Review Letter
Attachment No. 4-6 .....	Example of Formal Report

### Attachment 4-1

STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION		700-050-38 OGC - CONSTRUCTION 06/04
<b>CERTIFICATION AS TO ACCURACY OF FINAL PAYMENT</b>		
<p>The undersigned _____, on behalf of and as a duly authorized representative of _____, (hereinafter referred to as the "Consultant") hereby certifies, to the best of Consultant's knowledge, information and belief, to the Florida Department of Transportation (hereinafter referred to as the "Department") as follows:</p>		
<p>1. That the Final Estimate package for Contract Number _____, Financial Project Number(s) _____, (hereinafter referred to as the "Final Estimate") is in compliance with the Contract, Statewide Quality Control Plan or other acceptable plan as developed by the Consultant, and the the Department's procedures; and</p>		
<p>2. That the Final Estimate is true and correct as determined by the Consultant's reasonable and independent investigation and measurements; and</p>		
<p>3. That the Consultant hereby recommends that the Department make payment based on the attached Final Estimate; and</p>		
<p>4. That the Consultant hereby agrees to indemnify and hold the Florida Department of Transportation, its officers and employees harmless from all liabilities, damages, costs, and attorney fees incurred and paid as a result of the negligence, recklessness, or intentional wrongful misconduct of the Consultant and persons employed or utilized by the Consultant in the preparation and/or audit of the Final Estimate as outlined in the Scope of Services. The Department also reserves the right to recover from the Consultant any increased costs, delays or other damages to the Department due to errors and/or omissions under applicable Florida Statutes (334.044(2); 334.048.20.23(3)(a) and 337.015).</p>		
<p>5. Monetary Amount Submitted _____ .</p>		
State of Florida County of _____ Sworn to and subscribed before me this _____ day of _____, _____, by _____  (Print name of the person signing the Certification)	A false statement or omission made in connection with this certification is sufficient cause for suspension, revocation or denial of qualification, and may subject the person and/or entity making false statement to any or all civil and criminal penalties available pursuant to applicable Federal and State Law.	
_____ Notary Public	_____ Consultant	
_____ Commission Expires	_____ By	
Personally Known _____ OR Produced Identification _____ Type of Identification Produced _____	_____ Title	
Distribution: Original - District Final Estimates Manager Copy - State Final Estimates Manager Copy - Attached to front of Computation Book		

### Attachment 4-2



## **Attachment 4-3**

### **SAMPLE QC PLAN**

#### **Name of Firm or Resident Office**

#### **Name of Person Responsible for Certified Final Estimate**

#### **Purpose and Scope**

This document describes QC procedures used in a review of a final estimates package. The RO or designee is responsible to ensure that the final estimates package is complete, accurate, clearly observes contract documents and plans, is responsibly supported and is timely submitted to the DFEO after offer of final payment to the Contractor. The goal of this approach is to expedite the review process and attain a quality final estimates package that is compiled throughout the life of the contract. These procedures apply to both Class 1 and District Contracts.

#### **Reference Documents and Manuals**

(A) Job Contract Documents: The following documents are referenced within this document and are implicitly included in the term Job Contract:

- (1) Special Provisions
- (2) Technical Special Provisions
- (3) Plans
- (4) Roadway Design, Structures, and Traffic Operations Standards
- (5) Developmental Specifications
- (6) Supplemental Specifications
- (7) Standard Specifications
- (8) Bid Blank

(B) Department of Transportation Documents: The following procedures and guidelines are referenced in preparation for a review of the final estimates package.

- (1) Basis of Estimates Handbook
- (2) Preparation and Documentation Manual
- (3) Computation Methods for Design, Construction, and Final Estimate Handbook
- (4) Review and Administration Manual
- (5) Final Estimates Guide List
- (6) Construction Project Administration Manual

## Definitions

The following explanations define the intended use of the terms within and in conjunction with this document:

**Acceptable:** An area where evaluation of critical requirements indicates a process is in compliance with predetermined criteria.

**Adequacy:** The existence of sufficient coverage to support all tasks and functions at the prescribed level of competency as described in the reference manuals.

**Critical Requirement:** An essential and measurable activity in a Department process without which the process cannot be carried out.

**Overviewer:** Uses judgment in reviewing changes made by the Initial Reviewer, as well as in reviewing in-depth any other area deemed appropriate as outlined in Level of Assessment below.

**Final Estimates Package:** All documents necessary to provide a historical and legal record of the work performed on the project in accordance with the job contract for final payment to the Contractor. Contents are referenced in the ***R&AM, Chapter 3, Section (2) (b)***.

**Initial Reviewer:** Performs a thorough check of the final estimates package (preferably done during the life of the project rather than after the fact).

**Significant Finding:** A monetary or procedural error showing neglect in producing and/or maintaining the necessary final estimates package and documentation.

**Unacceptable:** An area where evaluation of the critical requirements indicates a process is not in compliance with predetermined criteria.

## Level of Assessment

(A) Resident Office (RO) Level and/or District Office (DO) Level

- (1) Pre-Review Meeting - The RO/DO may arrange a pre-review meeting with the assigned CEI staff on how to manage the final estimates package development of all newly awarded contracts. The determination to conduct the meeting will be based on the complexity of the contract and the level of experience of the project staff. An appropriate checklist and/or other material for estimates package development will be provided to the CEI staff at this meeting.

- (2) Pay Item Review - This determination will be based on the following criteria:
  - (a) Size and complexity of project
  - (b) Pay item problem areas
  - (c) Statewide required pay items where these pay items are a major item of work as defined in **Article 1-3 of the Standard Specifications**:
    - (1) Earthwork
    - (2) Asphalt
    - (3) Concrete
  - (d) All material penalties and failures. Open samples and Material Certification issues should be resolved before submittal of the Final Estimate Package.
- (3) Frequency of Review - The following intervals are minimums.
  - (a) There will be one review for construction contracts with an original contract amount of less than two million dollars.
  - (b) There will be two reviews for construction contracts with an original contract amount of two million dollars to ten million dollars.
  - (c) There will be three reviews for construction contracts with an original contract amount of more than ten million dollars.
  - (d) A minimum of one review will be performed for Lump Sum and Design Build Contracts.

Reviews may also be performed at percent completion of the projects, such as follows:

One review to be performed at no less than 80% of project completion.

Two reviews to be performed at 60% and 90% of projects completion.

Three reviews to be performed at 30%, 60%, and 90% of projects completion.

- (4) The DFEM has the authority to exercise judgment in deciding which pay items are to be reviewed for a specific contract. The RO will work with the Reviewer for each contract to ensure compliance with established procedures.
- (B) District Level Only
- (1) Consists of:
    - (a) Reviewing and updating the overrun and underrun explanations.
    - (b) Reviewing the final contract time file, test reports and failures, as well as the Initial Reviewer's changes, field review reports, and checklists.
    - (c) Reviewing adjustments, work orders, and Supplemental Agreements to ensure they are included in the final estimate.
    - (d) Reviewing calculations for Fuel and Bituminous Adjustments
    - (e) Preparing and or assisting the RO prepare the final estimate for submittal to the Contractor and the complimentary paperwork for support of the submittal as described in **Chapter 14, Sections 1 and 2 of the R&AM.**
    - (f) Provide Notification of Findings Due to Additional Review Letters as needed for modification of the original Offer of Final Payment.
    - (g) Prepare Post Audit Review Letter.  
[\(See Example, Attachment 4-5\).](#)
  - (2) Administrative Close out (DFEO ONLY) - Consists of:
    - (a) Tracking, Receiving, and Reviewing Contract Documents **Chapter 14, Sections 3, 4, 7, and 9 of the R&AM**
    - (b) Pursuit of Overpayments - **Chapter 14, Section 6 of the R&AM**
    - (c) Contractor's Acceptance - **Chapter 14, Section 8 of the R&AM**
    - (d) Pass Process - **Chapter 14, Section 10 of the R&AM**
    - (e) Contract Closure - **Chapter 14, Section 11 of the R&AM**

## Attachment 4-4

### REVIEW TYPES

- (A) In-depth review with Initial and Overview phases: In this review all pay items, adjustments, contract time, penalties, incentives and liquidated damages, and material test failure resolutions are checked by the Initial Reviewer. The Overviewer will confirm all changes, investigate any issues overlooked by the Initial Reviewer, and produce a final estimate to be used in making an offer of final payment to the Contractor. The Overviewer should review the final results with the Initial Reviewer.
- (B) Problem Area Review: An initial review of any problem area. Earthwork, Asphalt and Concrete pay items will also be included when these are major items of work as defined in **Article 1-3 of the Standard Specifications**. The initial review can be accomplished in the field or at the DFEO. In this type of review, the overview phase can also be accomplished in the field. An Overviewer will confirm all changes, investigate any issues not checked by the Initial Reviewer and produce a final estimate to be used in making an offer of final payment to the Contractor. The Overviewer should review the final results with the Initial Reviewer.
- (C) Flow Chart Review Process of a Certified Final Estimate Package ([See Attachment No. 4-2](#)) (DFEO ONLY): The implementation of this new process will require the Districts to review each estimate package submitted.
- (1) Certified Final Estimates Package Received
    - (a) After the Resident Office (RO) delivers the Estimates Package to the DFEO, the DFEM shall ensure that the Final Estimates Package and Certification letter ([See Attachment 4-1](#)) is complete, contains all signatures and dates, and has been properly executed. If the Certification letter is not properly completed, the DFEM shall return the **Certification Letter** to the RO for corrections. Once the Certification Letter is found acceptable, the original shall be placed in the DFEM office files and a copy attached over the original submitted copy inside the cover of the **Comp Book**.
  - (2) DFEO Review
    - (a) The DFEM review will follow the District's QC Plan and the Department's procedures and guidelines. The Certified Estimate package review is done after **Offer of Final Payment** to the Contractor.

(3) Review after Offer of Final Payment

- (a) When errors are found during the DFEO review, the DFEO shall contact the RO to verify his/her findings and address the issues. DFEM and RO will review findings and resolve all issues at that time. The RO will make a formal report ([See Example Attachment 4-6](#)) within 14 calendar days as to what steps will be taken to eliminate these type issues in the future. This report will be sent to the District Construction Engineer (DCE), DFEM and the SFEM. After the DFEM and RO both have agreed on errors and /or omissions, the RO must make corrections to the Final Estimates Package, and the DFEM will make an Offer of Final Payment.
- (b) After the **Offer of Final Payment** has been made to the Contractor and Regular Acceptance has been received, the review is complete.
- (c) If the Department receives a Qualified Acceptance from the Contractor, the RO will be responsible for resolution of the items in disagreement. Once the resolution is reached, the DFEO will send a notification letter addressing those issues.
- (d) After all corrections have been made, the DFEM will determine if the Contractor has been overpaid.
  - (1) If the Contractor has not been overpaid\underpaid, the DFEM will submit a **Notification Letter on One or More Issues after Offer of Final Payment** to the contractor. These findings will be in addition to the items the contractor may qualify on the original Offer of Final Payment.
  - (2) If the Contractor has been overpaid the DFEM will submit a **Notification Letter** to the Contractor requesting a refund.

**Attachment 4-5**  
**SAMPLE POST AUDIT REVIEW FOR A CERTIFIED FINAL ESTIMATE**

Per the Review & Administration Manual, Topic 700-050-005, Chapter 4:  
 If errors or omissions are listed, the Consultant will submit a formal report within  
 FOURTEEN (14) calendar days defining what steps will be taken to eliminate these type  
 issues from recurring on future projects.

This report will be sent to:

David Chason, State Final Estimates Manager, [david.chason@dot.state.fl.us](mailto:david.chason@dot.state.fl.us)  
 The District Construction Engineer,  
 The District Final Estimates Manager

Project FIN: 43600715201

Contract No. T0009

CCEI Project Manager: Ed Perris

CCEI: Better Corporation

CCEI Contract No.: C-0008

Group Areawide 00

CCEI Project Administrator: Brent Michael

CCEI Resident Engineer: Tracy Carlton

F.E. Level II: Tracy Carlton

TIN Number: C65281270

Reviewer: Rick Goodwright DFEM

Review Date: 02/10/11

PAR No. 55

Hours in Review: 18

**SM Contract Type:** SLPQ

CERTIFIED AMOUNT \_\_\_\_\_ FINAL AMOUNT \_\_\_\_\_

1. Optional Base Group 11 (285711): Asphalt CPF of 1.03% was not applied to pay item.  $2779 \text{ SY} \times \$ 1.0800 = + \$ 3,001.32$  Under Payment.  
**+3,001.32 Under Payment**
  
2. Asphalt Concrete Friction Course (FC-5) (337-7-5): Per Supplemental Specifications (337-13), pay quantity is limited to a Maximum of 105% of the set spread rate. The spread rate was set at  $80 \text{ Lbs/SY} \times 1.05 = 84 \text{ Lbs/SY}$  Maximum.  
 $(84 \text{ Lbs/SY} \times 11,947.13 \text{ SY}) \div 2000 \text{ Lbs/Ton} = 501.78 = 501.8 \text{ Tons}$  (Maximum Tons allowed for pay). Contractor placed 528.6 Tons – 501.8 Tons = 26.8 Tons at NO PAY.  
 and  $26.8 \text{ Tons} \times \$ 119.15 = - \$ 3,193.22$  Over Payment.  
**- 3,193.22 Over Payment**

<u>Overpayment</u>	+	<u>Underpayment</u>	= <b>Absolute Value</b>
\$ 3,193.22		\$ 3,001.32	= \$ 6,194.54

## ATTACHMENT 4-6 EXAMPLE OF FORMAL REPORT

**Better Corporation**  
CONSULTING ENGINEERS, PLANNERS, SURVEYORS  
P. O. BOX 100  
SOMEWHERE, FLORIDA 30000  
PHONE 999-555-2003 FAX 999-555-2004

January 8, 2004

Mr. Izzy Wright, District Final Estimates Manager  
District Ten Construction Office  
Florida Department of Transportation  
P.O. Box 10  
Somewhere, Florida 30000

Subject: Final Estimate Quality Control Report FPIN: 43600715201  
Contract Number: T0009  
Description: SR 7, From SR 8 to the Yessur County Line

Mr. Wright,

I have reviewed Better Corporation's Final Estimate Review process for the above mentioned project as required by policies and procedures set forth in the Final Estimates Review and Administration Manual, District Final Estimates Office QC Plan, CEI QC Plan and the Statewide QC Plan. A review was conducted to determine the steps necessary to eliminate the type of procedural error that was documented by the Quality Assessment of the Final Estimate from future submitted Final Estimates packages.

The errors that were documented involved the failure to apply an Asphalt Composite Pay Factor in accordance with the Preparation and Documentation Manual and the Maximum of 105% of the set spread rate for Friction Course per Supplemental Specifications.

In order to prevent this error from occurring again I will forward this Report to qualified final estimates personnel in the North Florida division of Better Corporation to review the requirement and will discuss this requirement in an upcoming meeting.

Thank you for the opportunity to review and improve our QC process. The Better Corporation always has Quality at the forefront of our operational objectives and as such strives continuously to improve its processes. As a result of our effort to produce Quality, I would appreciate any suggestions for improvement that the Department might suggest. If you have suggestions for improvement or if additional review of this matter is required, please do not hesitate to contact me.

Respectfully,

Y. Yessur, P.E.  
Vice President  
Better Corporation

Harry Potter, P.E., Resident Engineer, FDOT, John Deere Construction Project Manager, FDOT, Massey Ferguson, P.E. Senior Project Engineer, Somewhere Engineering, Inc., Gary Cooper, Project Administrator, Somewhere Engineering, Inc., Roddy McDowell, SEQAR Team Leader, Somewhere Engineering Inc., Petula Clark, Office Manager, Somewhere Engineering, Inc.