

# Introduction

## District VI Construction LAP Audit Team

**Barbara Espino-Perez**  
District Construction Manager /  
Construction LAP Coordinator

**Armando Del Corral**  
**Douglas Ramos**  
**Guillermo Machado**  
**Raoul Alexis**  
Final Estimates Audit Team



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# Scope



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# Scope

- 46 Current LAP Projects with a Total Amount of \$ 38 Million
- 32\* Upcoming LAP projects in Fiscal Years '15, '16, and '17 with a Total Amount of \$ 51 Million

\* This figure will increase as new LAP projects are added to the work program



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# Scope



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# How it all Works

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## Contract Phases

1. Pre-Construction Phase

2. Construction Phase

3. Close Out Phase

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# How it all Works

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## 1. Pre-Construction Phase

- Review of Agency Contracts
- Agency Training Sessions
- Attendance to Pre-Construction Meetings

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# How it all Works

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## 2. Pre-Construction Phase: One-on-One Training:

- Training sessions with Agencies regarding the “District Six Compliance and Construction Checklists”
- Meetings with DMO to discuss submittals and procedures necessary to obtain material certification, for critical projects and projects on the NHS/SHS, as needed

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# Approach

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- **Construction Administration Audit**
- **Compliance Audit**
- **Use of Checklists**

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# Approach

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## 1. Construction - Project Auditor Review

- Construction Project Documentation, Quantity Reporting and Invoice Reviews
- Material: Quality Control Reviews (LIMS reporting and material certification)
- Project Site Visits

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# Approach

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## 2. Compliance - Compliance Officer Review

- FHWA 1273
- Title VI
- Wage Rate Tables
- Certified Payrolls
- DBE / CUF “Commercially Useful Function”
- Labor Interviews

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# How it all Works

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## 2. Construction Phase:

- Tools Developed
  - Construction Checklist
  - Compliance Checklist

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# How it all Works

## 2. Construction Phase: Construction Checklist

Local Agency Program (LAP) Construction Administration Compliance Audit Form									
FDOT P.M.:		FM No.:		Letting Date:		Original Contract Days:		Final Contract Days:	
Agency/Municipality:		FDOT Contract No.:		Award Date:		Original Completion Date:		Actual Completion Date:	
Agency/Municipality Contact:		FAP No.:		Execution Date:		Original Contract Amount:		Final Contract Amount:	
Contractor Name:		Local Agency Contract Number:		Pre-Con Date:		Construction Auditor:		Compliance Auditor:	
Project Name/Location:		CEI / Contact:		NTP Date:	Start Date:	Audit Date:		Audit Number:	

Item	Reference	NHS/SHS or Critical <input type="checkbox"/>	Non-NHS / SHS: <input type="checkbox"/>	Non-NHS / Non-SHS <input type="checkbox"/>	Non-Fed Aid Hwy / Non-SHS: <input type="checkbox"/>	Topic	Activity	YES	NO	N/A	Comments
NOTE: A listing of "NO" as identified below under any of these columns simply means that Agency can deviate from CFR requirements for that particular Topic and shall implement their own policies and procedures. However, topic shall be addressed in the contract.											
1	23 CFR 630B	Yes	Yes	No	No	Standard Specifications and Plans	Did Local Agency use current FDOT specifications when the construction project is on the SHS?				
2	LAP Manual Chapter 22.8 23 CFR 635.104 23 CFR 635.114 (a) 23 CFR 635.110	Yes	Yes	Yes	Yes	Recommendation to FDOT	Did Agency recommend to FDOT that the construction contract be awarded to the lowest responsible bidder?				
3		Yes	Yes	No	No	Bonding and Prequalification	Did the Local Agency certify that Florida DOT Prequalified Contractors will be used to perform LAP projects when on the NHS or SHS. However, when the project is on the NHS or SHS, and the contract is under \$250,000 then a prequalified contractor is not required. Per FDOT Standard Specifications 2-1 Prequalification of Bidders.				
4	23 CFR 635.410	Yes	Yes	Yes	Yes	Buy America	Is FDOT's Supplemental Specification 6-12.2 included in contract. (All Provisions Apply) or in Agencies contract language?				
5	49 CFR 18 23 CFR 18.42 FHWA 1273 Item V.2	Yes	Yes	Yes	Yes	Records Retention	Do project records provide adequate assurance that the quantities of completed work are determined accurately and uniformly, and be maintained for a minimum of 5 years following contract completion and acceptance?				

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# How it all Works

## 2. Construction Phase: Compliance Checklist

Local Agency Program (LAP) Construction Administration Compliance AudR Form - Revised Edition 12/21/12						
FDOT P.M.:		FM Number:		ARRA Number:		Municipality Contact:
FDOT Contract Number:		Letting Date:		Award Date:		Auditor:
Contractor Name:		Preconstruction Date:		NTP Date:		Start Date:
Project Name/Location:		Contract Days:		Contract Amount:		Completion Date:
NHS/SHS:	Non-NHS/SHS:	Non-NHS/Non-SHS:	Non-Federal Aid Highway/Non-SHS:	AGENCY NAME:		

  

No.	Reference	Topic	Requirements	In Compliance	Not Compliance	Comments
1	American Recovery and Reinvestment Act of 2009	ARRA Reporting - In the executed contract	The Local Agency is required to enter data monthly (by the 10th of each month) all respective information received from the Prime contractor regarding all project employment data.			
2	LAP Manual Chapter 22	Title VI (Non-Discrimination)	Comply with Federal Statutes, USDOT, FHWA Regulations. Verify the Title VI statement in all solicitations for bids, work or for material. Reference to Title VI should be in the contract as outlined in Chapter 22.5.4 of the LAP Manual.			
3	23 CFR 635.117	Local Hiring Preference	The executed contract must state that the Local Agency does not have local hiring preferences.			
4	Lap Manual Chapter 15 Section 15.1.3	Executive Order 11246	Executive Order 11246 must be referenced in all construction contracts. It bans discrimination and requires contractors and subcontractors to take affirmative action to ensure that all individuals have an equal opportunity for employment, without regard to race, color, religion, sex, national origin, disability or status as a Vietnam era or special disabled veteran.			
5	LAP Manual Chapter 23.1.2	Identification of Subcontractors FDOT Form 700-010-05	Local Agency must be aware of all subcontractors performing work on the project jobsite. Does agency have a documentation or tracking mechanism to identify and/or approve subcontractors?			
6	49 CFR 26	Disadvantaged Business Enterprise (DBE) - must be in executed contract	The Local Agency shall comply with FDOT's DBE Program Plan unless the Local Agency has a DBE Program Plan approved by the USDOT. Effective Oct. 2010; FDOT DBE Goal is 8.60 in its race neutral program. Establish a DBE Availability goal and include in bid document. Include DBE special provisions in bid document. Use DBE certified under the FL Unified Certification Program Directory: <a href="https://www3.dot.state.fl.us/EqualOpportunityOffice/bidnet/mainmenu.asp">https://www3.dot.state.fl.us/EqualOpportunityOffice/bidnet/mainmenu.asp</a> (this is also in the EOC System)			
7	Lap Manual Chapter 14 Section 14.3 FDOT	Report Anticipated DBE Participation	The Prime Contractor must enter Anticipated DBE Participation in to the EOC System by the date of the Pre-Construction Meeting. The Agency assigned LAP RCS will review and accept the DBE Participation entered in the EOC System.			
8	Lap Manual Chapter 14 Section 14.4	Equal Opportunity Compliance System - (EOC)	Each month the Prime Contractor must enter into the EOC System actual payments made to all DBE contractors and suppliers. The Agency assigned LAP RCS will review and accept the DBE payments entered in the EOC System.			
9	Lap Manual Chapter 14 Section 14.5	DBE Certification	The Local Agency must verify the DBE firm(s) named by the contractor are recorded with the appropriate NAICS codes for the work being performed in order to be counted as DBE Participation. The Agency assigned LAP RCS will verify in the EOC System.			

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# How it all Works

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## 2. Construction Phase: FDOT Minimum Construction Inspection Frequency

- Simple Projects < \$500,000.00
  - Final Inspection (100%)
- Simple Projects > \$500,000.00
  - Initial Inspection (< 25%), Final (100%)
- Projects within travel way and > \$500,000.00
  - Initial (< 25%), Midpoint (50%), Final (100%)
- Critical Projects (As defined in Manual Sec 23.1.3)
  - Initial (< 10%), Interim (Quarterly), Final (100%)

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# How it all Works

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## 2. Construction Phase: Audit Review Findings

- Memorandum of Findings including payment recommendations sent to:
  - District LAP Administrator
  - Project Manager
  - Local Agency
  - District Fiscal Office

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# How it all Works

## 3. Close Out Phase:

- Final Acceptance Package:
  - Final Acceptance Memo
  - FHWA Form
  - LAP Record of Final Plans
  - Contract Time
  - Final Invoice
  - Final Disbursement Form
  - Final Construction Compliance
  - Final Inspection and Acceptance
  - Material Certification



*Florida Department of Transportation*

1000 NW 111<sup>th</sup> Avenue  
Miami, Florida 33172

RICK SCOTT  
GOVERNOR

ANANTH PRASAD, P.E.  
SECRETARY

**MEMORANDUM**

Date :  
To : Ana Alvarez, District Six Federal Aid Coordinator  
From : Barbara Espino-Perez, District Construction Manager/Construction LAP Coordinator  
Copies : Mark Croft, District Construction Engineer, [Design PM], [ District Lap Administrator],  
Roosevelt Petithomme, State LAP Administrator, [Agency Contact]  
Subject : AGENCY NAME  
PROJECT DESCRIPTION  
PROJECT FINAL ACCEPTANCE  
FM No. 1-.....  
FAP No. 1-.....  
FDOT Contract No. 1-.....  
Contractor:

Attached please find the following documents indicating that the project has been completed, accepted and in substantial completion with federal requirements:

- LAP Record of Final Plans and Documents
- Final Invoice with Project Certification
- Local Agency Program Final Inspection and Acceptance of Federal-Aid Project
- Final Material Certification

Any pending invoices may be processed and accepted accordingly. Should you have any questions, please feel free to contact my office at (305) 640-7405.

State of Florida Department of Transportation  
District Six Construction  
1000 N.W. 111<sup>th</sup> Avenue  
Miami, Florida 33172

Attention: Barbara Espino-Perez, FDOT District Construction Manager/Construction LAP Coordinator

www.dot.state.fl.us

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# Challenges

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- **New Agencies unfamiliar with Federal requirements; in particular Compliance**
- **Most contractors that work for local agencies are not familiar with Federal Regulations**
- **Agency lack of Contract Management Support**
- **High Local Agency personnel turnover, necessitating training and retraining**
- **Agency Response Time**
- **Inconsistent Invoicing Procedures**

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# Positive Results

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- **Key to the Success of our Program**
  - **D6 Management Support**
  - **Use of experienced construction personnel**

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# Positive Results

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- Agencies adapting to meet necessary Federal Requirements
- Enhanced lines of communication with Design, Fiscal & Work Program
- Checks & Balances for payment approvals

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## Contact Information

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