

Section 5.3

SUBLETTING OF CONTRACT

5.3.1 Purpose

To provide uniform standards for subletting contracts.

5.3.2 Authority

Sections 20.23(3)(a) and 334.048(3) and 337.137, Florida Statutes (F.S.)

5.3.3 References

Section 337.137, F.S.

Federal Aid Policy Guide, 23 CFR 635.116(b)

5.3.4 General

The prime Contractor shall certify that each subcontract arrangement will be in the form of a written agreement containing all the requirements and pertinent provisions of the prime contract. Upon request, the prime shall furnish the Department with a copy of the subcontract or written agreement.

5.3.5 Certification of Sublet Work

(A) Resident Level Responsibilities

The prime Contractor will be required to submit [**Form No. 700-010-36, Certification of Sublet Work**](#), and a schedule of values (“schedule” or “schedule A”) showing the appropriate pay items to be sublet. The Certification of Sublet Work and the schedule are to be submitted by the prime Contractor.

The schedule shall include pay item numbers, description, actual quantities to be sublet (partial, if appropriate), unit prices (price subcontractor is to receive) and the total dollar amount for each item. For lump sum projects, the schedule shall show a breakdown of each item of work to a level of detail that the work can be clearly identified and a description of work, in lieu of pay item number and item description, and total dollar

amount of sublet work. The prices shown on the schedule may not match the bid unit prices.

- (A) When a ***Certification of Sublet Work*** is submitted, a review to ensure item numbers are correct, legible, and work clearly identifiable, shall be performed in conjunction with the remaining review. If the Contractor sublets a portion of a contract item, the Department will use only the sublet proportional cost in determining the percentage of subcontracted work.
- (B) When a subcontractor (Firm "A") fails to complete work and another subcontractor (Firm "B") is authorized to complete the remaining portion of the work, a sublet certification identifying work actually performed by the subcontractor (Firm "A") shall be submitted to revise the first certification. This revision will replace/modify the original certification and should be so specified. A new certification shall be submitted by the replacement subcontractor (Firm "B") reflecting work to be performed, whether totally or partially.

5.3.6 Responsibilities

(A) Resident Level Responsibilities

- (1) Each certification of sublet work and schedule will be retained by the Department and will be scanned into the Department's approved Electronic Document Management System.
- (2) A copy of each certification of sublet shall be made available to the Resident Engineer/Operation Engineer.
- (3) The Resident Engineer/Operation Engineer shall review at least one (1) ***Certification of Sublet Work*** per contract to ensure that the Contractor has met all State and Federal requirements.

(B) District Level Responsibilities

- (1) The District office shall also make review part of their QA plan.

5.3.7 Form Processing

(A) Resident Level Responsibilities

- (1) The Resident Office will examine at least one (1) ***Certification of Sublet Work***

per project (more if non-compliance is found).

- (2) The percent of work sublet must be less than the percent (noted in the contract) of the total work in the contract, excluding the contingency pay items.
- (3) Unit prices on the certification shall be contract prices or designated with a "P" (partial) with appropriate explanation.
- (4) Any subcontractor whose name appears on the **Contractor's Suspension Report** shall not be considered for subcontract work. A copy of the **Contractor's Suspension Report** is available from the Office of Construction website. [View Suspension List](#).
- (5) Any subcontractor whose name appears on the Federal System for Award Management (SAM) website with an active exclusion shall not be considered for subcontract work as indicated in the exclusion. A hyperlink to the Federal SAM website is available from the Office of Construction website (same web page as the Suspension Report mentioned in item #4).
- (6) Upon completion of the review of a sublet certification, the document should be uploaded into EDMS and notification sent to the District Compliance Officer via email.

5.3.8 Documentation

(A) Resident Level Responsibilities

The Resident Office will incorporate a process to verify that subcontracts have met all State and Federal requirements, including the inclusion of FHWA Form 1273 for subcontracts on federal-aid jobs. This verification process will begin within the first 90 days after contract execution (or from work begin date on design-build contracts), and will include no less than 20% of all subcontracts and purchase orders (more if non-compliance is found).

Documentation of the review of the subcontract (including the attachments) must be kept by the Resident Office with the Resident's copy of **Form No. 700-010-36, Certification of Sublet Work**. Such documentation can be a signed memorandum to the file or a stamp on the office copy of the subcontract signed by the reviewer. A copy of any terms pertaining to labor, material, or equipment necessary to monitor and/or administer the contract will be made available to field staff.

5.3.9 Full Unit Prices

Regardless of the prices agreed upon with the subcontractor, the total amount shown on the ***Certification of Sublet Work*** shall be the same as those in the contract with the Department where it is proposed to sublet all work in a pay item.

5.3.10 Partial Unit Prices

If it is proposed to sublet only part of the work in a pay item, such item shall be designated with "P" and the unit price shown shall be the actual price agreed upon with the subcontractor.

On the certification forms for pay item with "P" designation, the Contractor will be required to include a brief description of that portion of the work in that pay item which is to be sublet. The description shall contain sufficient information for determination as to what work the subcontractor will perform. In his review, the Engineer shall make a determination as to whether the unit price shown for the "P" item appears reasonable for the partial work to be accomplished by the subcontractor. If the price for the "P" item appears too low, the prime Contractor shall be requested to provide further justification.

5.3.11 Subordinate Sublets

The same ***Certification of Sublet Work*** form including prices with subcontractor, as well as the procedure indicated above will be required for subordinate sublet certifications. Both the subcontractor's and the subordinate's names shall appear in the space provided.

Calculations determining Total Proportion of Work Certified to Sublet are to be excluded on Subordinate Requests.