

State of Hawaii
Department of Defense
Engineering Office

Contracting Training

March 4, 2020

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March 4, 2020

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General Information

1. Training:

All personnel that participate in procurement of any level are required to complete the State Procurement Office (SPO) Procurement Training classes prior to participating in any procurement. The SPO website <http://spo.hawaii.gov> contains a list of mandatory and recommended classes. Most of us fall under level 2 procurement. Most of these classes are available on-demand so they are very easy to take when you have time.

2. Websites:

The State Procurement Office website is <http://spo.hawaii.gov>
This website contains all procurement notices and solicitations (with bid documents), awards, contracting forms, training, references and much more.

The State DOD website is <http://dod.hawaii.gov>
If you go to Staff Offices, Engineering Office then click on the Engineering picture, on the top bar you will find Bids and Awards. The bid documents for current projects out for bid, contract awards and closed bids will be in this section. Below the bar are forms for your use.

State Procurement Requirements

3. Contract Procurement levels:

Goods & Services projects over \$100,000, Professional Services projects over \$100,000 and Construction projects over \$250,000 must be processed as a formal contract. If your estimated project cost is just under the \$100,000 or \$250,000 levels we recommend that you use a formal contract instead of HiePRO just in case the amount comes in higher.

All professional services must follow the same procedures of an evaluation and selection regardless of the estimated amount. After we receive the proposal from the selected vendor, if the proposed amount is under \$100,000 you may be able use a purchase order instead of a contract from that point on, depending on the project.

A formal contract can also be used for Goods & Services and Professional Services projects under \$100,000 and for Construction projects under \$250,000. You may want to use a formal contract if the project has more complicated specifications or qualifications or if you need the extra protection. Contracts protect you from misunderstandings of what is required from the contractor/vendor. A contract is the best way to protect you and the State.

	HIENG-Contracts	VS.	FISCAL-Small Purchases
Goods & Services	Over \$100,000		Under \$100,000
Professional Svcs	Any amount		N/A
Construction	Over \$250,000		Under \$250,000
Time to process	Longer		Shorter
Risk	Less		More

4. **Contract Procurement Types of contracts:**

The 3 basic types that we use are:

- Goods & Services
- Construction
- Professional Services

Refer to HRS Chapter 103D-305 and Hawaii Administrative Rules (HAR) Chapter 3-122, Subchapter 7.

5. **Contract Procurement methods:**

There are 3 basic methods of procurement for contracts that we use.

- a. Competitive Sealed Bidding – Also called an IFB or Invitation for Bid is normally used for Construction or Goods & Services contracts. This method is used when you know exactly what you want. The award is based on the lowest bid and follows HRS 103D-302.
- b. Competitive Sealed Proposals – Also called an RFP or Request for Proposal – This method is used when competitive sealed bidding is not practical (e.g. when the primary consideration in determining award may not be price; whether the contract needs to be other than a fixed-price type; and whether the specification for goods, services or construction cannot be sufficiently described in an IFB). In certain situations, a competitive sealed proposal may be used if it is determined that competitive sealed bidding is not advantageous, even though practical. The proposals are evaluated using a points system. The award is based on the total proposal evaluation points and which proposal is in the States best interest and follows HRS 103D-303.
- c. Professional Services – This method is to select a Firm to perform professional services such as architectural and engineering services, planning, accounting and environmental services, etc. The award is based on evaluation criteria and is awarded based on the evaluation points, follows HRS 103D-304

“Professional Services” means those services within the scope of the practice of architecture, landscape architecture, professional engineering, land surveying, real property appraisal, law, medicine, accounting, dentistry, public finance bond underwriting, public finance bond investment banking, or any other practice defined as professional by the laws of this State or the professional and scientific occupation series contained in the United States Office of Personnel Management’s Qualifications Standards Handbook.

6. **Hawaii Revised Statutes/Hawaii Administrative Rules** – The Hawaii Revised Statutes or HRS is the Law that we follow for these methods and can be found in HRS 103D chapters 302, 303 & 304. The Hawaii Administrative Rules or HAR are the procedures that we follow to achieve the law and can be found under HAR 3-122

The HRS & HAR can be found on the State Procurement Office web site on the top of the home page under references.

Basics of a Project

7. **Scope of Work (SOW)/Specifications:** When writing a SOW/Specifications make sure you describe exactly what you want the contractor to do. This describes the work to be done in detail and specifies the exact nature of the work or services to be done. Make sure all possible issues are covered.

A. A SOW or specifications should always:

- a. Identify minimum requirements.
- b. Allow for competition.
- c. List specific quantities if required. (e.g. 10 each...up to 10 each... a minimum of 10 ea.)
- d. Specific location, building number or delivery locations.
- e. Deliverable schedule. Should list the specific deliverables, describing what is due and when. (e.g. "final report is due 30 days after approval")
- f. Period of Performance. How many "calendar" days. Or if it's a service contract list the expected time frame, e.g. from July 1, 2020 to June 30, 2021, with or without options to extend for additional years, or for a design services contract, until construction is completed and accepted.
- g. Special Requirements. Such as certifications for personnel, anything else not covered in the contract specifications. Anything that you or the project requires.
- h. Miscellaneous. There are many items that do not form part of the main requirements but are none the less very important to the project. They may seem minor but being overlooked or forgotten could pose problems for the project. For example, "Contractor to provide their own dumpster"
- i. If you have plans/drawings they should be in PDF file and only the pages that the contractor will need.

B. The SOW cannot be brand restrictive. However, you can list a brand as long as it's followed by "equal or better", e.g. "Contractor to spread Roundup (or approved equal or better) after erecting fence". Note: If only one brand name is listed the designer must be cognizant that there are in fact other acceptable manufacturers/products available.

Therefore, try to list at least two manufacturers.

There should be a statement in the beginning of the SOW stating that all brands and models identified in the SOW are for comparison purposes only and shall be assumed to be followed by "or approved equal or better" unless otherwise stated.

If another brand will not be compatible then you must state the reason in your SOW, for example, if you have Mitsubishi a/c units and need to replace a few of them. If another brand is not compatible with the Mitsubishi system, this must be stated in the SOW.

Be prepared to approve brands and models that are submitted for an addendum prior to bid opening. If you disapprove requests, you must have a good reason why it is disapproved.

- C. Always look at your SOW from the contractors view. Examples include:
- a. Is it clear what you want?
 - b. Are the goods/services or project explained well enough that the contractor can prepare a bid.
 - c. Does it list your minimum requirements? For example, if you are writing a SOW for a shed. What are the dimensions? Do you want a shingled or metal roof? Electrical and plumbing installed? This is why it is important to include plans & specs.
 - d. Are the plans clear? Do you have all the correct plan pages needed?
 - e. Are there any contradictions within the plans and SOW. Double check all references in your SOW.
 - f. Always make sure a contractor cannot come back and say “well you didn’t say you wanted the wall to be 4” thick, you just said to build an interior wall.”
- CI. A SOW for Professional Services should always include the ability to do a supplement when needed such as add a phase, additional requirements, etc. For example “SOW may be adjusted as needed after all investigations have been completed”.

8. Wage Rate Schedule:

- For non-construction projects that include positions that the state also has, for example a janitor, a wage rate schedule will be included in the contract. This form will list the type of state position along with the salary schedule for that position. The vendor will be required to pay his employees equal to or greater than the state rate.
- For construction projects, the contractor will be required to pay his employees equal to or greater than the applicable wage rate schedule (Davis/Bacon wages). This schedule can be found on the DLIR website <http://labor.hawaii.gov/rs/home/wages/72-2>
- Certified payrolls will be required to be submitted to the Project Manager with each monthly invoice for the duration of the contract if a wage rate schedule is included or if Davis/Bacon wages are required. The CA will request copies of the certified payrolls from the Project Manager randomly throughout the contract period.

9. CRF FY deadlines:

State FY - March 16, 2020

Federal FY - May 15, 2020

If something comes up after these dates, projects will be done on a case by case basis depending on workload and time.

Keep in mind that there are 16 weeks between the State CRF deadline and the end of the State fiscal year and 20 weeks between the Federal CRF deadline and the end of the Federal fiscal year.

When planning your CRF submittals please take into account the estimated time to complete a contracting action, the time of year and our workload.

Contract Process

10. Contract Request Form or CRF.

The most recent form was revised in December 2019. This form can be found on the DOD website. All contract actions start with the CRF. This is an internal form created by the Engineering Office that once completed will ensure that all parties are in agreement that this is the correct process for this project and to ensure the funding is in place. From the date it is received in the Engineering office until it is signed and approved usually takes 2-3 weeks.

- **Contract Type** - First line-check the box for which type of contract you need. Second line-check if you're using CIP\$, if this is a renewal put in what renewal # it is, if it's a supplement write in which supplement #.
- **Requestor Information** –
 - Project Manager/Organization, phone, fax & email. This is who I am going to call when I have questions. Do not list the Fund Manager. This should be a knowledgeable person who knows the project. Only information/forms received from the PM will be accepted unless coordinated with the PM/CA prior to receipt.
 - Project Name, create a title that is short but has enough information that it can't be confused with another project e.g. - if the CRF just says "Exterior Painting Bldg 1", which bldg 1? It should read "Exterior Painting for Bldg 1, Waiawa". If this is a supplement put in the complete CORRECT project title from the original contract. This keeps it consistent and easy to follow.
- **Scope of Work** –
 - The SOW must be included. If this is for a Supplement, either attach the supplemental scope of work or write in what will be done under the "brief scope of work" section. For a Supplement if there is no change to the SOW write in "No change".
 - Contract/Supplement time should be in calendar days for construction or a time frame for services e.g. 1-year. For a supplement this box is for the days/time for the supplement only, not the entire project; if there is no change, it should say "no change". Check the box if technical specs are included.
 - Start/Completion Date. Check if they are Projected dates or the Required dates. If it has to be started after a certain date or completed by a certain date, write it in with a note, e.g.-project must be completed by December 1, 2021, or project can not start until after July 1, 2020. If this section is left blank then I will "assume" that you don't care when it starts or ends as long as it runs for the contract time/number of days. If the project is a Professional Services contract we recommend to leave the end date open, however, you may be required to list deliverable due dates. If there is no time change, the line should read "No Change".
 - Special Instructions. Note if CIP funds are being used or if connected with a prior CA# e.g. A professional services contract for drawings/specs was CA-1222-D, put that in this section. If this CRF is for construction and will use those drawings, the CA # will be CA-1222-C. That way we'll know for certain which contracts are part of the bigger project. Also list any other special requirements in this section.

- Brief Scope of Work, please list any licenses that may be required for this project and a short explanation of what will be done e.g. - To replace lighting fixtures. The contractor would need an electrical license. If licenses are required and you don't list them, I won't know they are required which may delay the bid opening by weeks or we may even have to re-bid completely.
- A Liquidated Damages (LD) amount should be included. LD's must be associated with an actual "damage" incurred by the State as a result of the contractor not completing the work on-time, in accordance with the contract duration + any extensions of time granted via change order.

Examples of actual damages are as follows:

1. The State is currently in rented office space while their new office/building is being renovated or constructed. If the contractor does not complete the work on-time, the State would incur the cost of additional rent. Depending on the method of rental payment, this amount can be noted as a per calendar day or per month LD.
2. The Multi-Purpose room is booked months in advance. If a delay in the completion of work causes a cancellation of an event or it has to be moved somewhere that we would have to pay for, this amount can be assessed to the contractor as an LD.

However, in most cases, there is no actual "damage" to the State, other than the costs necessary to administer the construction contract. DAGS has determined their cost to be approximately \$189/calendar day or \$270/working day. Attached FYI (Attachment A) is a copy of DAGS memo showing how they derived this amount.

On our DOD projects, defining the LD amount should be discussed with the division representative to confirm if there are any actual damages that would be incurred. If there are no damages, I would recommend we utilize the same administrative costs used by DAGS as noted above.

For Professional Services contracts we suggest that you waive the LD amount depending on the project.

- **Financial data –**

- Fill in the fiscal years. This is the fiscal year that the contract is to be encumbered in.
- Type of Funds - check the box for which type you're using. If using Federal MCA funds include the year the funds will be encumbered from on the line.
- CIP information - Act, Year, Item No., Appropriation amount. A copy of the Tables P, Q & R and the allotment advice shall be attached if CIP funds are to be used.
- CIP Project Title - list the correct CIP Title.
- Funding Codes - write the complete fund code line (e.g. S-20-G-217-7160-ROMA-A078J1-20). If you have more than one code line include the amount for each line. **It is the Project Manager's responsibility to verify all fund codes with the FM & the Fiscal Office prior to submitting the CRF.**
- Justification - If the supplement increase amount is more than 10% of the original contract price a justification must be listed or attached.
- Amounts Table - Basic contract line, if this is an original contract this will be your ESTIMATED cost line. For a supplement the basic contract line will be the ACTUAL cost from the original contract, the supplement lines will be the actual cost for each supplement.

- **Approvals –**
 - Insert your Fund Manager office or title (CFMO, OVS).
 - Project No. Assigned - for a new contract this will be assigned by the CA. If this is a supplement, please type in the CA# with the supplement # - e.g. CA-1234-S1.

The instruction page is color coded for the different responsibilities.
Also attached is our flow chart with a timeline.

A. Unfunded Projects CRF

If you have a priority project and funds are not available at this time, you may submit a CRF with the scope of work, specifications, plans and drawings so that when funds become available the project can be executed on short notice.

Follow the above procedures for a CRF with the following changes.

- CRF is to be submitted with a “Unfunded Project CRF Request Memo” See attached draft on page 12.
- On the funding code line, the PM shall note “Funds not available at this time.”
- CA will insert “Subject to Available Funds” above the Project Number block.
- CEO will review and initial on signature line.
- CA creates bidding documents for future advertisement for bid.
- When funds become available PM will e-mail the CA the final CRF with funding codes and information.
- CA will route the CRF through the e-signature process for approval.
- When the CRF has completed the e-signature process the CA will post the “Notice to Bidders” and standard contracting procedures will follow.

CONTRACT REQUEST FORM

CONTRACT TYPE:Construction/Repair ☐Engineering/Professional ☐Goods & Services ☐CIP Contract ☐Renewal # ☐Supplement # ☐**REQUESTOR INFORMATION:**

Project Manager/Organization: _____

PHONE: _____

FAX: _____

EMAIL: _____

PROJECT NAME: _____

SCOPE OF WORK:☐ Attached

TIME: _____

(calendar days)

TECH SPECS: ☐ Yes ☐ No ☐ Attached

START/COMPLETION DATE: _____

☐ Projected☐ Required

SPECIAL INSTRUCTIONS (Percentage & status of CIP funds, Association with prior CA#, etc.): _____

BRIEF SCOPE OF WORK (license types required?): _____

LIQUIDATED DAMAGES (amount, waived, N/A or no change): _____

FINANCIAL DATA:

FISCAL YEAR (to encumber in): _____

State _____

Federal _____

TYPE OF FUNDS: ☐ Federal: if MCA (yr to encumber from) _____☐ State OEP☐ State CIP☐ State GIA☐ Other

CIP Info: ACT _____

Year _____

Item No. _____

Appropriation (attach app warrant) \$ _____

-

CIP Project Title: _____

FUNDING CODE(S): _____

JUSTIFICATION (If supplement increase is more than 10% of original contract amount.): _____

	Federal Dollars	%	State Dollars	%	Other(s) Share	%	Total
Basic Contract	\$ -		\$ -		\$ -		\$ -
Supplement #1	\$ -		\$ -		\$ -		\$ -
Supplement #2	\$ -		\$ -		\$ -		\$ -
Supplement #3	\$ -		\$ -		\$ -		\$ -
Supplement #4	\$ -		\$ -		\$ -		\$ -
GRAND TOTAL	\$ -		\$ -		\$ -		\$ -

APPROVALS:

Recommended by Fund Manager: _____

Date _____

Availability of State Funds: _____

ASO

Date _____

Chief Engineering Officer: _____

HIENG

Date _____

APPROVED ☐DISAPPROVED ☐

PROJECT NO. ASSIGNED

Kenneth S. Hara

Date _____

Major General

Hawaii National Guard

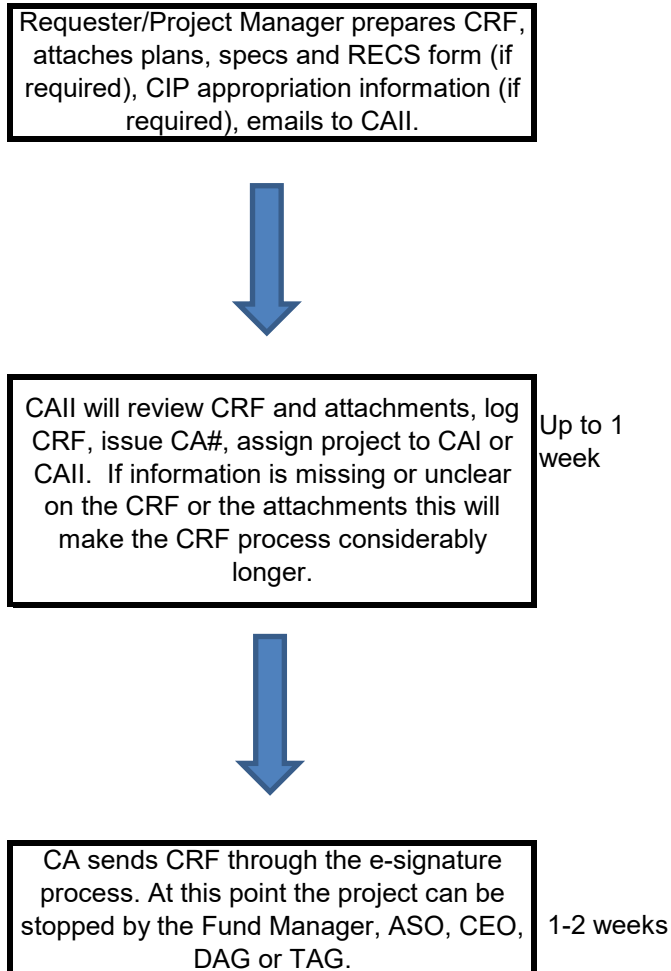
Adjutant General

CEO - CRF (Rev 12/19)

1.	Please anticipate at least 90 days for a contract to be executed from the time the complete CRF, scope of work and drawings/technical specifications are provided to HIENG. Plan your requests to allow sufficient time to meet the start date of the project. Contract requests submitted with less than 90 days lead time will be approved as expeditiously as time and resources will allow.
2.	The requestor/project manager (PM) shall complete the form.
3.	Special Instructions line - The requestor/fund manager will notate if CIP funds are to be used and what percentage, and if the funds have been allotted/pending allotment/have not yet been submitted. A copy of the allotment advice shall be attached if CIP funds are to be used. Requestor should highlight their project appropriation in the appropriations warrant (or Session Laws) if CIP funds are involved.
3a.	Special Instructions line - For CRF that are connected with prior CA# (ex, design & construction), the requestor/project manager will list the CA# and title of the prior projects.
4.	Brief Scope of Work line - requestor/project manager is responsible to list all license type/numbers required for this project, also to include use of the "key words" if applicable. Key words: Replacement, Construct, Building Improvements, Land Improvements, Repair, Maintenance, Services, Furnish & Deliver.
5.	Financial Data section - FISCAL YEAR, PM to list the fiscal year the funds are to be ENCUMBERED in, not the year the funds are coming from.
5a.	Type of Funds - Check off the appropriate box. If using MCA funds, the PM must list the FFY that the funds are to come from on the line.
5b.	CIP Info line - The requestor/project manager will indicate the ACT and Year of the appropriation (ie: ACT 213 Year 2007), the Item number (ie: C13), the amount of the funding (\$). If CIP codes are not available at that time it will be noted on the CRF.
5c.	CIP Project Title line - The requestor/project manager will indicate the CIP project title name and where the funding will come from PLANS, LAND, DESIGN, CONSTRUCTION, or EQUIPMENT of the appropriation, as applicable.
5d.	Funding Codes line - Complete fund code lines including amounts shall be listed. PM is responsible to verify with their fund manager and the fiscal office to ensure all funding codes are correct. The requestor/fund manager shall ensure that proper funding codes and breakdowns are provided on the CRF.
5e.	Justification line - If a supplement increase is more than 10% of the original contract value a justification shall be listed.
5f.	Amounts Table - The requestor shall include a quantitative anticipated dollar amount for the Basic Contract line. If the CRF is for a supplement the Basic Contract line will be the actual original contract amount. The Supplement lines shall be the actual supplement amount, not an estimate. In the % column write the percentage in numbers (i.e.: 100) in the appropriate columns. The "Other" column is for money coming from other than Federal or State, for example money coming from a County.
6.	After the form is completed and the fund codes have been verified, the requestor will email the CRF Excel file, the email from Fiscal verifying the fund code lines, the scope of work, specifications and drawings to the Contracts Assistant II.
7.	CAII will assign a CA#, ensure that the form is completed correctly, verify all attachments and forward the CRF via the ETS E-signature process for validation and approval. Once the CRF has completed the e-signature process the contract procedures will start.
8.	Fund Manager is responsible for recommending and validating the project under state or federal law, or program requirements. The Project Manager initiates the CRF and provides information including, but not limited to all budget information and financial data, scope of work, special instructions, and POC information. The Fund Manager is the first to sign the CRF.
9.	State Fiscal Office (HIADMF) is responsible for validating the availability of state funds and verifying funding codes. The ASO will sign the CRF after the Fund Manager.
10.	Chief Engineering Officer (CEO) / Contracting Officer is responsible for validating that the requested project is a valid contract, and that all project information has been provided by the Fund Manager and Project Manager. The CEO will sign the CRF after the ASO.
11.	The Adjutant General (TAG) will approve or disapprove the contract. The TAG is the last signature on the CRF. Once the TAG signs the CRF the project is considered approved by the Department and work can proceed with completing the contract.

Contract Request Form Flow Chart

With estimated time frame



Total estimated time
to completion: 2-3 weeks

Revised 1-20

Unfunded Project CRF Request Memo

(Date)

To: SHAOYU L. LEE
Captain
Interim Chief Engineering Officer

From: (Division/Office) _____

Subject: Unfunded Project: (Project Title) _____

The above project is deemed a priority although funds are not available at this time. We request the attached CRF to be processed as an unfunded request so that when funds become available the project can be executed on short notice.

Authorized by:

Division Head Signature

☐ Approved ☐ Disapproved

SHAOYU L. LEE
Captain
Hawaii National Guard
Interim Chief Engineering Officer

Date

Enc.

Contract Request Form (CRF) Electronic Signature SOP

CRF SOP:

- Creation of Form:
 - The Project Manager will create the CRF. The Project Manager will verify with the Fiscal Office that all funding codes are correct prior to sending the form to the CAII.
 - Project Manager will email CRF form (excel) to the CAII along with all sow, specs (word document) & plans (PDF) and appropriation documents if required.
 - CAII will coordinate with PM if any changes are required.
 - CA will initiate form for e-signatures.
 - CRF will follow the route for signatures and approvals required by the CRF's particular funding codes.
 - CA will send PM a copy of the CRF when completed/signed.

Common Questions:

Q: Who has visibility of the CRF in the process?

A: The Sender has visibility of the CRF and all actions taken at any given time.

Q: What if the person who needs to sign is out of the office or out sick?

A: The person who needs to sign can assign it to go to someone else if they know they will be out or the sender can also bypass or replace that person.

Q: Why am I receiving a reminder to sign when I already signed the document?

A: Remember after prefilling the fields to select the "Click to Send" button on the bottom of the screen. There should be a "Processing Document" message followed by a screen indicating the document has been successfully sent for signature. If you opened the document, signed and/or filled in the required fields, and closed the browser, the document will not be processed.

Rules:

No changes can be made to the form once it starts the e-signature process. If the form is declined it will automatically be sent back to the sender and all signatures and initials will be erased.

Responsibility:

The whole idea behind e-signing is to speed up the process. If everyone does their part in a timely manner the CRF process should take no more than 4-5 days from sending to completion. If the CRF is stuck at one step for more than a day or two you will be getting an email reminder. For Approvers the email should not be in your inbox for more than a few hours.

Approvers – Responsibilities are to log, verify codes, inform signators that a CRF is coming to them for their signature or for their information. Not all Approvers will have to initial the form.

Signators – Responsibilities are to sign the form approving the project.

Definitions:

Signature – E-signature

Approver – All Approvers will have an area to initial or to simply approve the form in the case of logging or for your info/comment. This title does not necessarily mean that you are

“Approving” the form or action, it is a generic term.

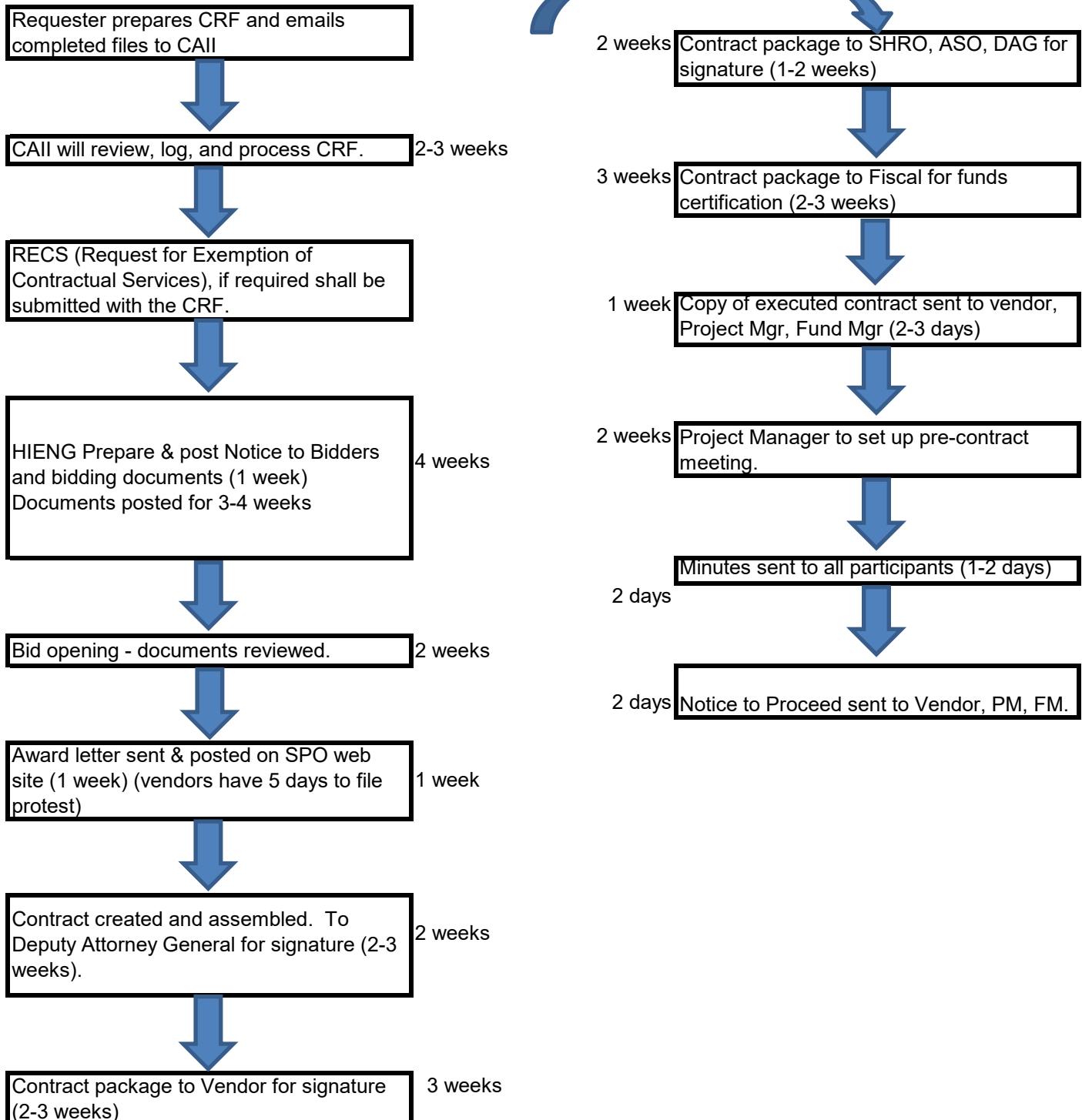
Sender – The person who initiates the form for e-signatures.

11. Goods & Services contracts Procedures/Timeline

- All contract actions start with the Contract Request form.
- RECS (Request for Exemption of Contractual Services) Form HRD 282. If this type of work can be performed by State workers this form will be required prior to posting for bids. A copy of the completed/approved form is to be submitted with the CRF. If this form is not included with the CRF and it is required, the CRF will be returned to the PM. This form can be found on the State of Hawaii DHRD website <http://dhrd.hawaii.gov/forms/> .
- The bid proposal packet is put together and the notice to bidders is posted. The bid documents will be available on the State Procurement Office website, the DOD website and in the HIENG office. The notice is posted for a minimum of 10 calendar days between the posting date and the bid opening date for an IFB, 15 days for step 1 and 10 days for step 2 of a multistep IFB, and 30 calendar days for a RFP. Preferably all notices will be posted for 30 days. The total posting time may end up being longer with addendums.
- On the bid opening date the project manager (PM) will be asked to attend the opening as a witness and to help with the bid tabulations. Review of the bids, responsibilities of offerors and issuance of intent to award (if required) may take up to 2 weeks. If the bid amount is over the CRF estimated amount the PM will be required to submit a revised CRF with the total, actual contract amount.
- The award letter is created, sent and posted on the SPO website. Vendors have 5 days to file a protest. An award is NOT an authorization to proceed with the work.
- Contract is assembled and sent to the department's Deputy Attorney General, vendor, personnel (if required), ASO & DAG for signatures, then to Fiscal for funds certification. This can take 8 weeks or more.
- Once the funds certification comes back, copies of the contract are sent to the vendor, FM & PM. The PM then sets up the pre-contract meeting. The CA will facilitate the initial part of the meeting. At this meeting the Notice to Proceed date is set, contact information is exchanged and last minute questions are gone over. Minutes and attendance sheets are sent to all attendees by the CA.
- Notice to proceed is issued and sent to vendor with a copy to the PM & FM. The SPO website is updated. This is when the time of performance clock starts.
- Total time from CRF receipt to contract completion – Estimated 23 weeks.

G&S Contract Flow Chart

With estimated time frame



Total estimated time from CRF to completion: 23 weeks

Revised 1-20

12. **Construction contracts** Procedures/Timeline

- All contract actions start with the Contract Request form.
- The bid proposal packet is put together and the notice to bidders is posted. The bid documents will be available on the State Procurement Office website, the DOD website and in the HIENG office. The notice is posted for a minimum of 15 calendar days between the date of the pre-bid conference (if one is held) or the posting date, whichever is later, and the bid opening date for an IFB, 15 days for step 1 and 30 days for step 2 for a multistep IFB, and a minimum of 30 calendar days for a RFP. Preferably all notices will be posted for 30 days. The total posting time may end up being longer with addendums.
- A Pre-Bid conference is required to be held if the construction project is estimated to cost \$500,000 or more. If the estimate is close to 500k, plan on a pre-bid conference. CA will facilitate the conference.
- A site visit should be held whenever it would be advantageous for the contractor/vendor to actually see and inspect the site regardless of the estimated project cost.
- The project manager (PM) will be asked to attend the bid opening as a witness and to help with the bid tabulations. Review of the bids, responsibilities of offerors and issuance of intent to award (if required) may take up to 2 weeks. If the bid amount is over the CRF estimated amount the PM will be required to submit a revised CRF with the total actual contract amount.
- The award letter is created, sent and posted on the SPO website. Vendors have 5 days to file a protest.
- Contract is assembled and sent to the department's Deputy Attorney General, vendor, ASO & DAG for signatures, then to Fiscal for funds certification. This can take 8 weeks or more.
- Once the fund certification comes back, copies of the contract are sent to the vendor, FM & PM. The PM then sets up the pre-construction meeting. The CA will facilitate the initial part of the meeting. At this meeting the Notice to Proceed date is set, contact information is exchanged and last minute questions are gone over. Minutes and attendance sheets are sent by the CA to all attendees.
- Notice to proceed is issued and sent to vendor, PM & FM. The SPO website is updated.
- Total time from CRF receipt to completion – Estimated 23 weeks.

Additional Requirements/Issues for Construction Contracts

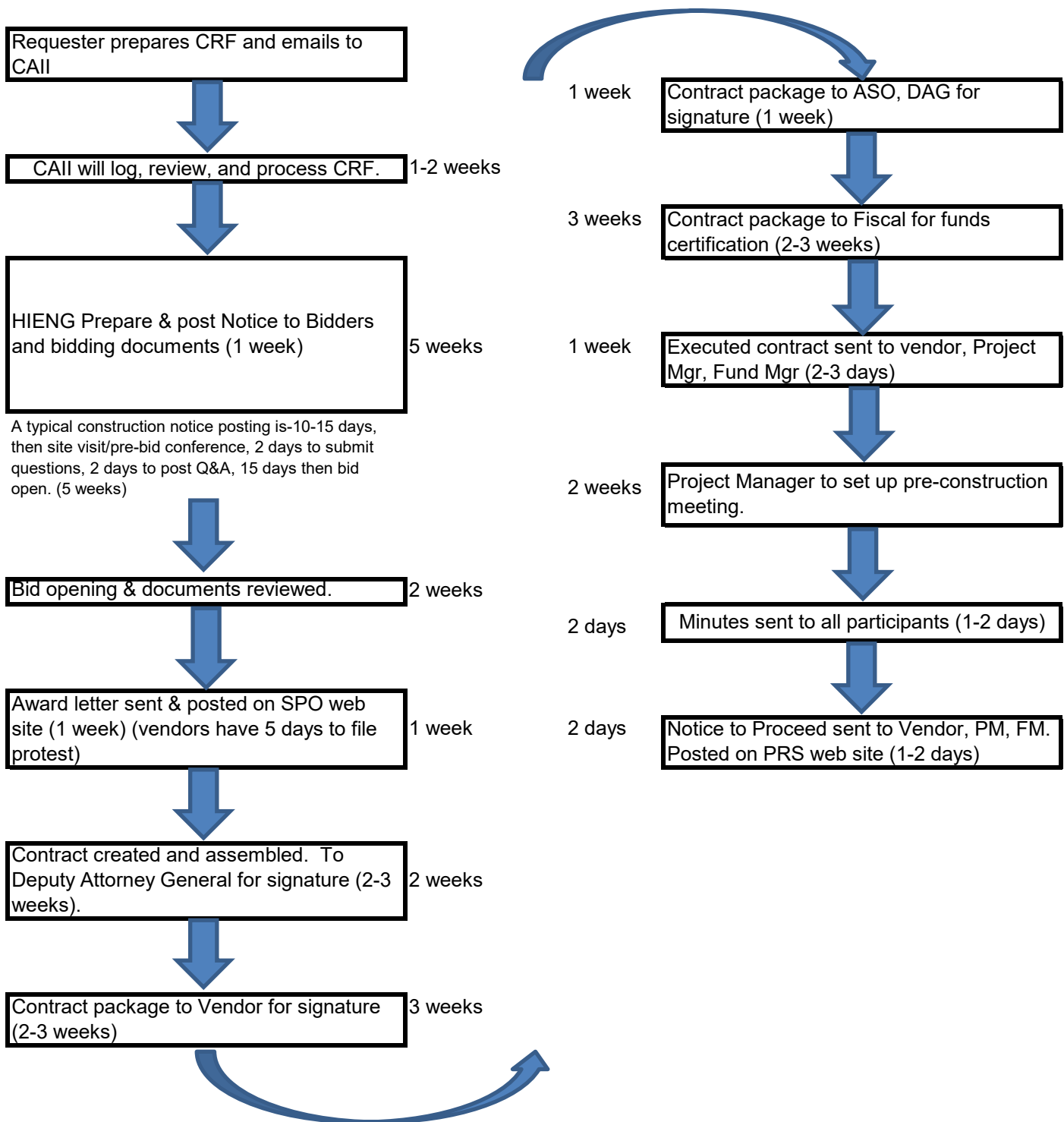
- A. Employment of State Residents Requirements (HRS103B) (Act 68) – For construction contracts only – This statute requires the contractor and sub-contractors whose contract is over \$50,000, to submit the “Certification of Compliance for Employment of State Residents” form certifying that at least 80% of the workers for this project are local State of Hawaii residents. A copy of this form will be included in all construction bid documents. This form must be notarized. The original forms are to be submitted to the HIENG office, ATTN: Contracting, prior to submitting their final invoice. Project managers are to email the CAII to ensure these forms have been submitted prior to forwarding the final payment invoices to fiscal. If these forms are not submitted the final payment will be held until the forms are completed and submitted.

Note: This chapter shall not apply if it is in conflict with any federal law, or if the application of this chapter will disqualify the state from receiving federal funds or aid (e.g. grant funds).

- B. Apprenticeship Agreement Preference – For construction contracts where the estimated value of the public works contract is greater than \$250,000.00 (ACT 17/2009) – If a contractor participates in an apprenticeship program they should submit an original Form 1 “Certification of Bidder’s Participation” for each trade associated with the contract with their bid. If the form is completed and correct their bid will be reduced by 5% for evaluation purposes. The winning contractor will then be required to submit an original Form 2, for each Form 1 that was submitted, each month signed and dated by the contractor and the apprenticeship program sponsor. This form is only to be submitted by the general contractor. Project managers are to email contracting to ensure these forms have been submitted prior to forwarding the final payment invoices to fiscal. If these forms are not submitted the final payment will be held until the forms are completed and submitted.
- C. Labor and Wage Certification (HRS Chapter 104) - Certified Payrolls are required for all contracts/agreements over \$2,000 that require wages to be equal or greater than state wages (like custodial services) or if the Davis/Bacon act applies (construction). These forms are to be submitted by the contractor with the invoices to the Project Manager (PM). The PM is responsible to verify that the employees are being paid the correct wages in accordance with the State’s “Wage Rate Schedule” administered by the State Department of Labor and Industrial Relations. The CA will request copies of the certified payrolls randomly throughout the contract period.

Construction Contract Flow Chart

With estimated time frame



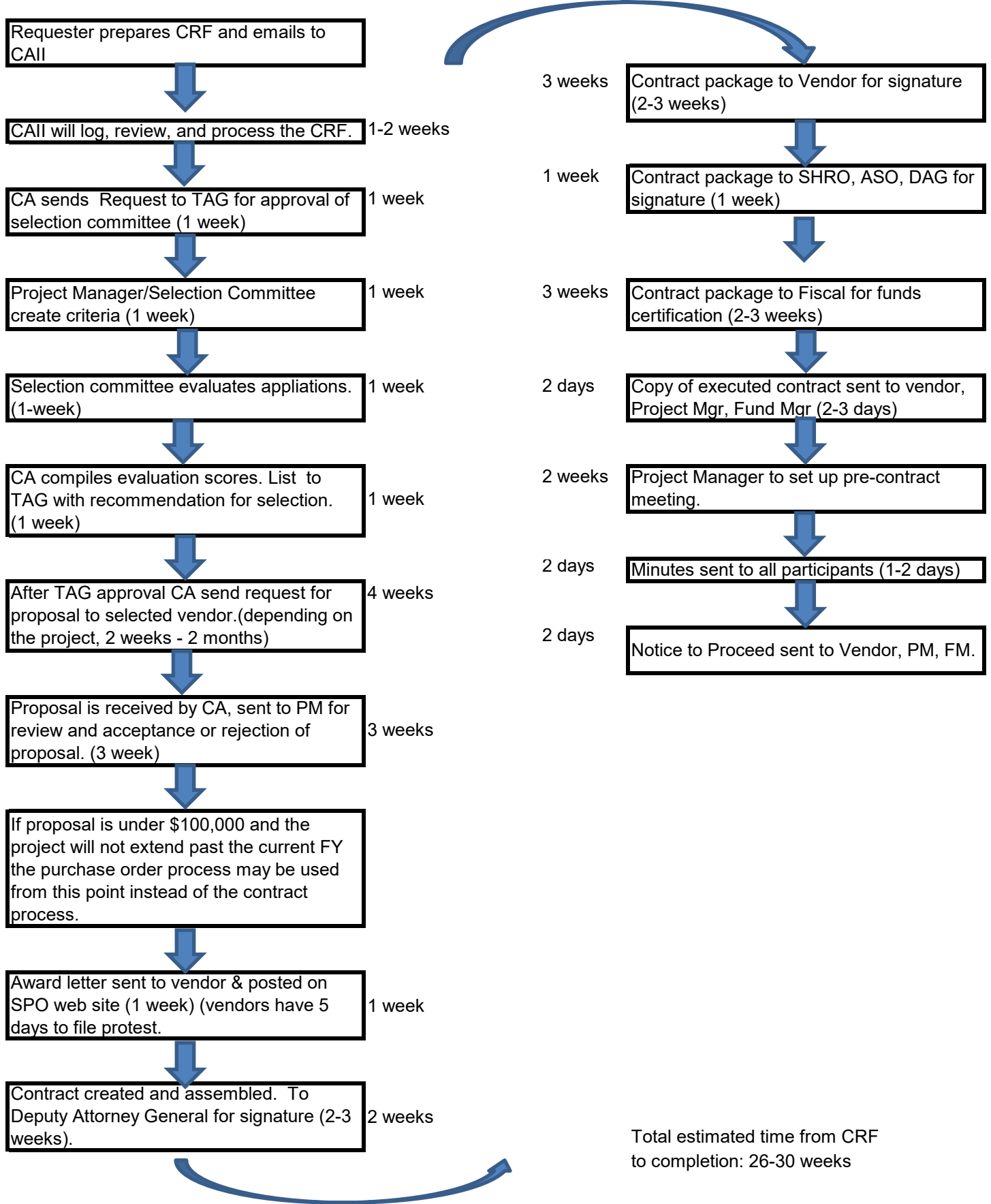
Revised 1-20

13. Professional Services contracts Procedures/Timeline

- All contract actions start with the Contract Request form.
- Request for approval of the selection committee members goes to TAG for approval.
- The PM with or without the help of the selection committee creates the evaluation criteria. PM will be given a sample evaluation sheet to start with and will work with the CA to finalize the evaluation sheet. The 3 criteria are Experience, Expertise and Capacity to complete the work. Evaluation is then held.
- The CA compiles the evaluation scores and sends a request for selection approval to TAG.
- A Request for Proposal is then sent to the vendor. A copy will be sent to the PM for their files & information. The PM may meet with the vendor to refine the SOW. The vendor will then prepare his proposal and submit to the CA. When the proposal is received a copy is sent to the PM for acceptance or rejection. If the proposal is rejected the PM and vendor may enter negotiations. If the accepted bid amount is over the CRF estimated amount the PM will be required to submit a revised CRF with the total contract amount. When the proposal is accepted the CA continues with the award process.
- The award letter is created, sent, and posted on the SPO website. Vendors have 5 days to file a protest.
- If the amount is under \$100,000.00 the PM has the option to proceed with creating a purchase order (PO) instead of a formal contract as long as the PO will not cross fiscal years and will not be increased over \$100,000.00. PM may request to continue with a contract regardless of the amount or time.
- The contract is assembled and sent to the department's Deputy Attorney General, vendor, Personnel, ASO & DAG for signatures, then to Fiscal for funds certification. This can take 8 weeks or more.
- Once the fund certification comes back, copies of the signed contract are sent to the vendor, FM & PM. The PM then sets up the pre-contract meeting. The CA will facilitate the initial part of the meeting. At this meeting the Notice to Proceed date is set, contact information is exchanged and last minute questions are gone over. Minutes and attendance sheets are sent to all attendees by the CA.
- Notice to proceed is issued and sent to vendor, PM & FM. The SPO website is updated.
- Total time from CRF receipt to contract completion – Estimated 26-30 weeks.

Professional Services Contract Flow Chart

With estimated time frame

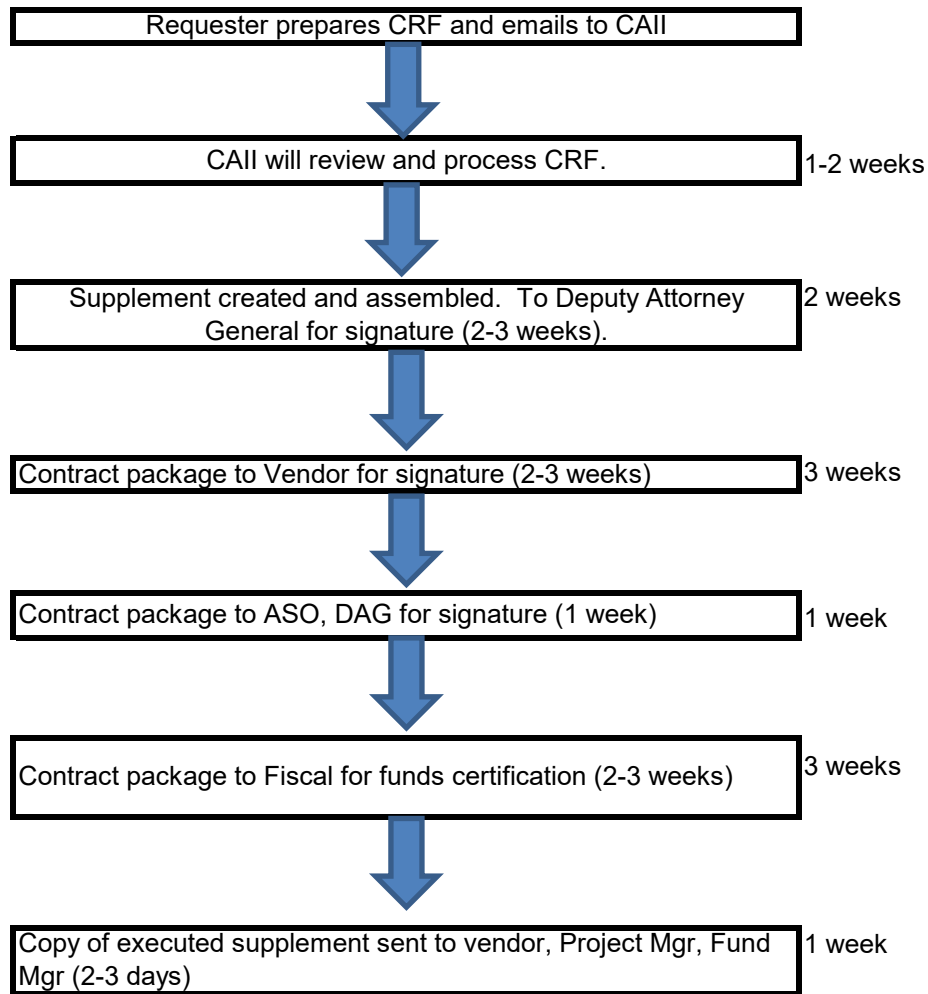


14. Supplemental Contracts Procedures/Timeline

- All contract actions start with the Contract Request form. A supplement will have already been negotiated between the vendor and the PM prior to submittal of the CRF to HIENG.
- For a recurring services contract there will be a Supplemental Award Letter sent to the vendor, not to be confused with an NTP. This is to let them know that if the supplement does not get completed prior to the start date, they are authorized to continue service while the Supplement is being processed. (e.g., a refuse contract). If the supplement is using MCA money, a copy of the award letter will also go to Fiscal/Catherine to reserve the money prior to the end of the FFY.
- Supplement is assembled and sent to the department's Deputy Attorney General, vendor, ASO & DAG for signatures, it then gets packaged and sent to Fiscal for funds certification. This can take 8 weeks or more.
- Once the fund certification comes back, copies of the supplement are sent to the vendor, FM & PM with a note to the PM that the vendor may start on the supplemental work.
- If the supplement is for time and/or scope change only and there are no funds involved, once the supplement is signed copies are sent to Fiscal, the vendor, FM & PM with a note to the PM that the vendor may start on the supplemental work.
- Total time from CRF receipt to supplement completion – Estimated 10-12 weeks or more.

Supplemental Contract Flow Chart

With estimated time frame



Total estimated time from CRF
to completion: 12 weeks

Revised 1-20

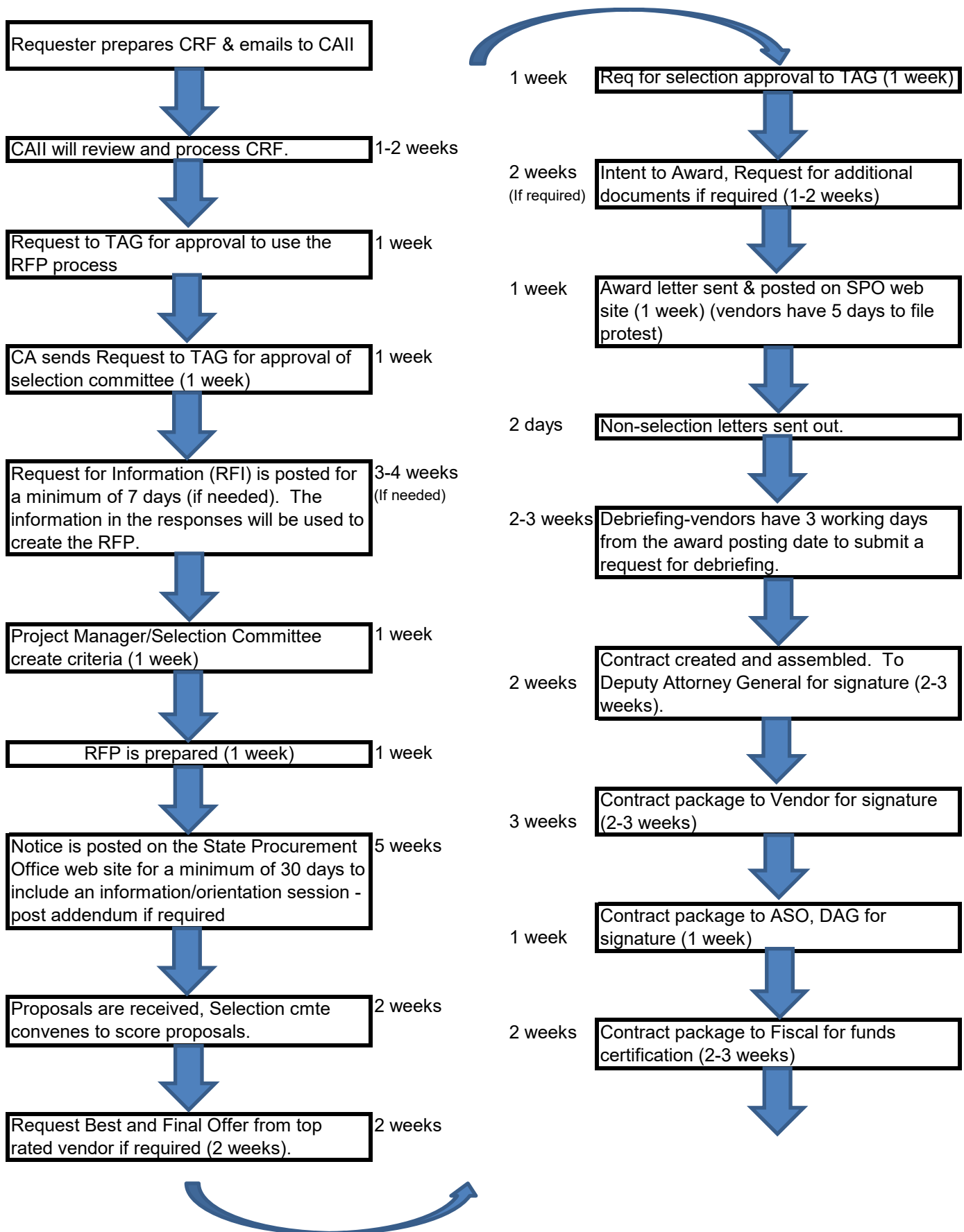
15. Request for Proposals (RFP) Procedures/Timeline.

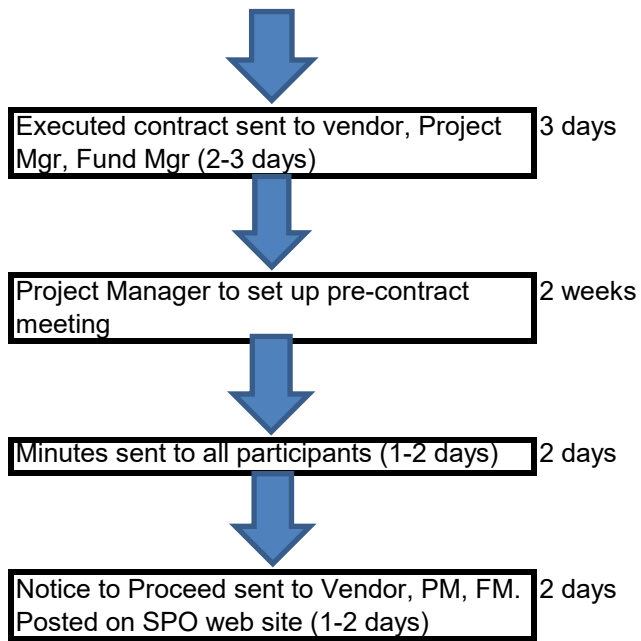
This method is used when competitive sealed bidding (IFB) is not practical (e.g. when the primary consideration in determining award may not be price; whether the contract needs to be other than a fixed-price type; and whether the specification for goods, services or construction cannot be sufficiently described in an IFB). In certain situations, a competitive sealed proposal may be used if it is determined that competitive sealed bidding is not advantageous, even though practical. The proposals are evaluated using a points system. The award is based on the total proposal evaluation points and which proposal is in the States best interest.

- All contract actions start with the Contract Request form.
- Request for approval to use the RFP process goes to TAG.
- Request for approval of the selection committee members goes to TAG.
- If required, a Request for Information (RFI) is posted on the SPO website. The main use for an RFI is to hold a meeting where you can gather information and suggestions from vendors and experts in the field of the project.
- The PM with or without the help of the selection committee creates the evaluation criteria/rating system and the RFP documents.
- The RFP Notice is posted on the SPO website for a minimum of 30 days unless prior approval has been given for a shorter posting period. The 30 days is to include an information/orientation session if needed, not to be confused with the RFI. Usually it is needed depending on the project.
- For a Design/Build project a Pre-Bid conference is required for projects estimated to be over \$100,000.00.
- Proposals are received but not opened in public. Evaluation is then held.
- The CA compiles the evaluation scores and a Best and Final Offer (BAFO) may be requested from the top rated vendor(s).
- CA sends a request for selection approval to TAG.
- An Intent to Award or Award letter is sent to the vendor and posted on the SPO website. Vendors have 5 days to file a protest.
- Non selection letters are sent out.
- A request for debriefing must be submitted by non-selected bidders within 3 working days from posting of the award. If a debriefing is requested this must be completed prior to creating the contract.
- Contract is assembled and sent to the department's Deputy Attorney General, vendor, Personnel (if required), ASO & DAG for signatures. Then gets packaged and sent to the Fiscal Office for funds certification. This can take 8 weeks or more.
- Once the fund certification comes back, copies of the contract are sent to the vendor, FM & PM. The PM then sets up the pre-contract meeting. The CA will facilitate the initial part of the meeting. At this meeting the Notice to Proceed date is set, contact information is exchanged and last minute questions are gone over. Minutes and attendance sheets are sent to all attendees by the CA.
- Notice to proceed is issued and sent to vendor, PM & FM. The SPO website is updated.
- Total time from CRF receipt to completion – Estimated 34 weeks or more.

Competitive Sealed Proposals (RFP) Contract Flow Chart

With estimated time frame





Total estimated time from CRF to completion: 34 weeks or more

Revised 1-20

16. Closing a contract.

When the Fiscal Office makes the final payment on any contract they will send the CA a copy of the form used to process the final payment. The CA then will send a “Notice of Contract Completion” letter to the vendor with copies to the PM & FM that final payment is in the process of being, or has been, made and that the contract is now closed.

Prior to processing the final payment, for construction contracts only, the PM must follow the “Prior to a Construction Contract Final Payment SOP”, on the next page.

**PRIOR TO A CONSTRUCTION CONTRACT FINAL PAYMENT-
PROJECT MANAGER
STANDARD OPERATING PROCEDURES**

1. When the Project Manager (PM) receives an invoice for final payment on a construction contract, compliance with Act 68 and Act 17 must be met. Prior to forwarding the invoice for payment the PM must e-mail the Contracts Assistant II (CAII) to confirm compliance with Act 68, Employment of State Residents Requirements and Act 17, Monthly Report of Contractor's Participating in Approved Apprenticeship Programs requirements.
2. The CA will verify that all required forms have been received from the contractor.
3. If forms for Act 68 and/or Act 17 have not been received, the CA will e-mail the PM and the Fiscal office to hold all requests for payment until further notice.
 - A. The CA will send a Notice of Withholding of Payment letter to the vendor highlighting the documents required before final payment can be made.
4. When the CA receives and verifies all Act 68 and/or Act 17 forms, the CA will initiate an Authorization to Proceed with Final Payment letter. This letter will be sent to the PM. The PM must include this letter when submitting the final invoice to the fiscal office for payment.
5. If the Authorization to Proceed with Final Payment letter is not attached to a construction final invoice sent to the Fiscal Office, the final payment cannot be made.
6. Notes:
 - A. Act 68 forms must be completed prior to the final invoice.
 - B. Act 17 forms must be completed and submitted monthly prior to the monthly progress payments.

Tools

17. Recommendations & Comments:

- A. PMs should familiarize themselves with the “General Conditions” for Construction, Professional Services and Goods & Services Contracts. These General Conditions provide important information and requirements relative to the Bidding, Award and Execution of the Contract. It also provides the requirements for the administration of the contract during the execution of work.
- B. Another good source of information is the Department of Accounting and General Services (DAGS) Design Consultant Criteria Manual (DCCM). Their website is <http://www.hawaii.gov/pwd>.
- C. In order to participate in the Consultant Selection and Procurement using State Funds, PMs must receive the required procurement training. Refer to the requirements found on the State Procurement Office website.
- D. The Engineering/Contracting staff assists the divisions in the selection of professional consultants and solicitation of their projects, including the processing and execution of the contract. HIENG is not responsible for the development of the SOW/Specification, plans pages & attachments, or the administrators of the contract.
- E. Please keep track of your contract end dates and submit a CRF in enough time (3 months minimum) when an extension or a new contract is needed.
- F. All checklists are posted on the CAI & CAII boards in the Engineering Office. You are all welcome to come look at the checklists to see where your contract is in the process whenever you need the status.
- G. Timing is very important since the process is so long and goes through so many hands to complete a contract. Even though you submit a correct CRF prior to the deadline or the estimated timeline to complete the CRF, this does not guarantee the contract or supplement will be completed on time. All attachments (scope, plans, correct and complete information, etc.) must also be submitted with the CRF. We will do our best to ensure all projects are completed on time but keep in mind that certain times of the year our workload or priorities may interfere with processing.
- H. Reminder that all formal letters to the contractor/vendor should go through the CAII. The CEO must sign all official letters regarding contracts.

18. Common mistakes:

- A. Not renewing contracts in a timely manner. It is not the responsibility of the Contracting Office to initiate a contract extension. The PM is responsible to submit a CRF in a timely manner to extend a contract. Please remember that it takes approximately 12 weeks or more to complete a supplement.
- B. Not checking on Act 68 & Act 17 forms. This will delay the final payment and closing of a contract.

- C. Not checking with Fiscal regarding funding codes prior to submitting the CRF. This will delay the completion of the CRF.
- D. Not verifying wage certifications or certified payrolls.
- E. Incomplete or incorrect CRF's. Ensure that your CRF is complete and correct and that all attachments are correct and included before submitting to the CAII.
- F. The PM is responsible to check with the FM **AND** the Fiscal Office prior to submitting the CRF.

19. Important Dates:

- A. March – Contract Training.
- B. February-March – An email will be sent out for Professional Services requirements for the next SFY.
- C. March 15 – Deadline for all SFY CRF's for current SFY or beginning next SFY.
- D. March-April – Request for Professional Services submissions is posted on the SPO website for the next FY projects.
- E. May 15 – Deadline for all FFY CRF's for current FFY or beginning next FFY.

20. **Checklists.** Attached (Attachment B) are two PM checklists that were created for your use as a Project Manager. These lists contain some of your responsibilities during the contracting period. Feel free to add items for your use. These checklists will be posted on the DOD website.

21. References:

HRS 103-D Procurement Law
HAR 3-122 Administrative Rules
State Procurement Office (SPO) Website: <http://spo.hawaii.gov>
State DOD Website: <http://dod.hawaii.gov>
DLIR Website: <http://labor.hawaii.gov>
State Wage Rate Schedule (Little Bacon Wages)
<http://labor.hawaii.gov/rs/home/wages/72-2/>


**DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
DIVISION OF PUBLIC WORKS**

OCT 27 2006

Ltr. No. (P)1265.6

MEMORANDUM

TO: Mr. Ernest Y. W. Lau
Public Works Administrator

FROM: Ralph Morita 
Chief, Planning Branch

SUBJECT: Updated Basis for "Liquidated Damages (LD)"

As requested, Planning Branch updated the basis of LD charge computations for CIP funded work. The following comments and attachments are provided for your review and approval:

A. It is assumed that LD charges are associated with:

1. Calendar days or working days past the authorized construction completion date (i.e., after adjustment for DAGS approved project time extensions related to additional work days).
2. Compensatory costs related to "time sensitive" issues, such as:
 - a. DAGS direct operational costs for typical "CIP fund" related work is **about \$168 per calendar day or about \$240 per working day**, average cost per project (refer to attachment Staff Services Branch computations).

NOTE: Staff Services Branch computed "average yearly CIP expenditures" over the last five (5) fiscal years (converted to an "average daily cost per CIP funded project" based on Public Works Division staff working on about 150 CIP funded projects each year) is about \$240 per working day. Planning Branch converted the cost per working day to cost per calendar based on "21 working days = 30 calendar days" or "1 work day = 1.4 calendar day" or "1 calendar day = 0.7 work day."

- b. Public Works Division in-direct operational cost for typical "general fund" related administrative work for all DAGS projects is **about \$21 per calendar day or about \$30 per working day**, average cost per project (refer to attachment Staff Services Branch computations).

- c. Miscellaneous and/or related "user agency" operational costs resulting from delays in scheduled completion of required construction work, which includes (but is not limited to):
- (1) "Loss of revenue" because a scheduled event or function had to be delayed/cancelled/postponed.
 - (2) "Unanticipated incurred costs" because a scheduled event or function had to be delayed/canceled/postponed, such as: monetary penalties for delay/cancellation/postponement; upfront guarantees; new public notices or advertisements; relocation of a scheduled event or function to another location; additional site security considerations; and interim provisions or accommodations for continued ongoing operations (i.e. temporary fencing or barricades; temporary lights; portable generators; portable water tank; portable restrooms; etc.).
 - (3) "User agency" direct costs (staff time charges) and indirect costs (related administrative work).

NOTE: Public Works Division has the discretion to include this charge on a "project by project" basis or to exclude this charge in entirety (i.e., as deemed appropriate and/or necessary by Project Management Branch and/or Quality Control Branch staff with the "user agency").

- d. "Lost opportunity" for building space utilization (i.e., equivalent lease rental costs computed on the daily cost over 30-calendar days per month), such as:
- (1) About \$3.00 (average; includes common area maintenance) per gross square feet (gsf) of lease rental space per month for building spaces that can readily accommodate the functional requirements for (but not limited to) the following "typical" operations:
 - (a) Offices, conference rooms, etc.;
 - (b) Classrooms, computer labs, etc.;
 - (c) Office equipment rooms, office storage areas (not warehouse spaces), etc.; OR
 - (2) About \$4.00 (average; includes common area maintenance)/gsf/month for building spaces that can readily accommodate the functional requirements for (but not limited to) the following "specialized operational requirements":

NOTE: It is assumed the building spaces will need extensive plumbing, ventilation, acoustical treatment, other accommodations, etc. for these types of "specialized operations".

- (a) Special education classrooms, science classrooms, medical or health center facilities, libraries, computer centers, etc.
- (b) Cafeteria/kitchen/cooking facilities, dining rooms, etc.
- (c) Workshop areas for industrial, graphic arts, electronics, technology, etc.
- (d) Auditorium and/or performance spaces for musicals/concerts, dancing, singing, acting, filming, etc.

NOTE: For conversion of lease rental cost per calendar day to lease rental cost per working day, assume "1 calendar day = 0.7 work day."

NOTE: Staff Services Branch computed "average yearly operating budget expenditure" over the last five (5) fiscal years (converted to an "average daily cost per DAGS project based on Public Works Division staff working on about 150 DAGS projects each year) is about \$30 per working day. Planning Branch converted cost per working day to cost per calendar day based on "1 work day = 1.4 calendar day."

- B. Accordingly, Planning Branch (based on discussions with Jack Rosenzweig, AG office) recommends LD charges be computed by Public Works Division staff, as coordinated with the "user agency" (including project file documentation on the coordination efforts), as follows:

LD = DAGS direct operational CIP costs per calendar day (or working day) + DAGS in-direct administrative costs per calendar day (or working day) + miscellaneous "user agency" costs per calendar day (or working day), as applicable + estimated "lost opportunity" lease rental costs per calendar day (or working day), as applicable.

Example: UHM Hawaii Hall Renovations
DAGS Job No. 12-31-4077

LD = \$168/calendar day for the DAGS direct operational CIP costs + \$21/calendar day for the DAGS in-direct operational administrative costs + any miscellaneous "user

Mr. Ernest Y. W. Lau
Ltr. No. (P)1265.6
Page 4

agency" costs (if deemed applicable or necessary by the "user agency") + [say 37,000 gsf (based on the total size of the building) x \$3/gsf/month)/30 calendar days per month].

LD = \$168 + \$21 + \$3,700 = about \$3,890 per calendar day.

If you concur with this Planning Branch's recommendation, please sign and return a copy of this letter for distribution to the Project Management Branch for use and further handling. It is also understood lease rental costs (average; includes common area maintenance) + Staff Services Branch computation worksheet + basis for calculating LD charges should be reviewed and updated about every two (2) years, if needed.

Should you have further questions, please call me at 586-0500.

CONCURRENCE (Proposed update of LD charge computations):


Public Works Administrator

11/2/06
Date

ATTACHMENT (Computation Sheet)
REVISED BASIS FOR COMPUTATION OF LIQUIDATED DAMAGES (LD)

CIP FUND CHARGES:

Reference worksheets include the Staff Services Branch actual expenditure summary reports on the T-912-M account (staff payroll, adjusted to include fringe benefit rates) the S-XX-308-M account (mileage/car rental/motor pool/parking expenses, etc.); the S-XX-313-M account (supplies/services/equipment, etc.); and the S-XX-314-M account (accrued vacation/sick leave, etc.).

The breakdown over the last five fiscal years is provided below (in \$1,000's):

Fiscal Years	T-912-M	+	S-308-M	+	S-313-M	+	S-314-M	=	Total
FY 2000-2001	\$ 5,458	+	\$ 182	+	\$ 1,105	+	\$ 778	=	\$ 7,523
FY 2001-2002	\$ 5,902	+	\$ 180	+	\$ 768	+	\$ 775	=	\$ 7,624
FY 2002-2003	\$ 6,875	+	\$ 217	+	\$ 791	+	\$ 978	=	\$ 8,861
FY 2003-2004	\$ 7,161	+	\$ 221	+	\$ 873	+	\$ 974	=	\$ 9,229
FY 2004-2005	\$ 8,147	+	\$ 190	+	\$ 531	+	\$ 948	=	\$ 9,816
Sub-totals:	\$ 33,543	+	\$ 990	+	\$ 4,067	+	\$ 4,453	=	\$ 43,053
Average Annual PWD Expend. CIP funds:									\$ 8,611

Assuming DAGS has about 150 CIP projects at any time during the year, the average annual DAGS expenditures per CIP project is estimated to be \$57,407. Accordingly, the average daily DAGS expenditure per CIP project is estimated to be about \$240/working day (based on 240 working days/calendar year) or \$168/calendar day.

GENERAL FUND CHARGES:

Reference worksheets include the Staff Services Branch actual expenditure summary reports on Public Works Division's general fund accounts for staff payroll; other personnel costs (i.e., shortage differential, payroll restriction, adjustments, etc. fringe benefit rate not applicable for this staff payroll); and other related costs (office supplies, dues/subscriptions, postage, freight, etc.).

The breakdown over the last five fiscal years is provided below (in \$1,000's):

Fiscal Years	G-031-M
FY 2000-2001	\$ 1,038
FY 2001-2002	\$ 1,145
FY 2002-2003	\$ 1,098
FY 2003-2004	\$ 933
FY 2004-2005	\$ 1,084
Sub-total:	\$ 5,297
Average Annual PWD Expend. General funds:	\$ 1,059

Therefore, the average daily DAGS expenditure per project (general fund charges) is estimated to be about \$30/working day (refer to computations used for the CIP fund charges) or about \$21 per calendar day.

CRF

	Prepare CRF for initial project or supplement - If supplement, list CA# and Supplement #
	Provide project title and brief description
	Identify complete funding code line(s) - Verify all funding with FM & Fiscal
	Attach SOW & drawings to CRF
	Identify wage rates (verify w/ State Personnel) if required
	Identify special requirements
	List licenses required if any
	List Liquidated Damages
	Identify Pre-Bid requirement (see Posting & Pre-Bid)
	Is a RECS (Request for Exemption of Contractual Services) required? If so, attach copy.
	Submit CRF, SOW, drawings and RECS to Contracts Assistant via email.
	Received copy of signed CRF

POSTING & PRE-BID

	Pre-Bid Conference is required for IFB jobs estimated over \$500K & RFP jobs estimated over \$100K. If a Pre-Bid is required coordinate date with CA prior to posting of notice (must be posted in notice) Set-up Pre-Bid conference approx. (2) weeks after posting. Get dates from CA
	Notify Fund Manager to attend if needed
	Notify Project Designer to attend if applicable
	If a Pre-Bid conference is not required but you wish to offer a site visit, coordinate with the CA the same as above. The Fund manager is not required to attend a site visit.
	Assist CA with Q&A from Pre-Bid or site visit for Addendum posting

BID OPENING & CONTRACT COMPLETION

	Attend bid opening & sign as witness
	Receive Award letter
	Receive copy of completed contract or supplement

PRE-CON MEETING

	Set-up pre-con meeting, coord with CA
	Notify Contractor to attend
	Notify Facility POC/AFA to attend
	CA to run initial part of meeting, handle sign in, agenda and take minutes. PM may add to mtg requirements.
	Received via e-mail pre-con minutes & attendance sheet from CA
	Received copy of NTP

DURING CONTRACT

	Monitor progress of contract & ensure vendor is adhering to all contract conditions.
	Are Act 68 & Act 17 forms required? Submitted?
	Verify certified payroll if required.

REQUIREMENTS FOR FINAL PAYMENT

	Final inspection Completed by PM.
	PM receives final invoice.
	If not a construction contract, process invoice for final payment per your office procedures.
	If is a construction contract, PM to confirm via email with CA if Act 68 and Act 17 forms have been submitted prior to submitting invoice for final payment for ALL construction projects as required.
	Receive email from CA if Act 68 & Act 17 forms are received.
	If forms are not received: Received copy of Withholding of Payment letter
	Receive "Authorization to Proceed with Final Payment" letter from CA
	PM submits invoice for final payment along with Authorization to Proceed with Final Payment letter to Fiscal to process final payment and close the contract.

**SUPPLEMENT
CRF**

	Is the CA# listed? What is the Supplement #?
	Provide project title and brief description of supplemental work
	Identify complete funding code line(s). Verify with FM & Fiscal.
	Attach SOW and drawings
	Identify wage rates (Verify with State personnel) If required
	Identify special requirements
	List licenses required if any new requirements for supplemental work.
	Is a RECS (Request for Exemption of Contractual Services) required? If so, attach copy.
	Submit CRF, SOW and drawings to CAII
	Received completed copy of CRF
	Received completed copy of supplement

