

CONSULTANT CONTRACT SERVICES UPDATES

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INTRODUCTION

- Continuing efforts to align DOTD contracting with 23 CFR 172 and the CCS Manual (policy) requirements
- Continuing efforts to provide greater consistency in contracting activities

TOPICS

- INVOICES
 - Standardized Form
 - Progress Schedules
- COMPENSATION AND WORK TYPES
- CONTRACTS
 - Indirect Cost Rates (ICR)
 - ICR: Company-wide, Home and Field
 - Provisional ICR
 - Contract Time – IDIQs
 - Substitutions

Single Standard Invoice

- Excel File
- Separate Worksheets for each compensation type
- Separate Worksheets for data entry per type
- Summary Sheet
- Back-up documentation still required (employee time sheets, expense receipts, etc.)



LADOTD Standard Invoice Summary Sheet

Company/Entity Name	
Address	
Address (Line 2)	
Project Number	
Contract Number	
Purchase Order Number	
Vendor Number	
Invoice Number	
Percent Complete of Project	
Total Amount This Invoice	\$0.00
Total Paid from Previous Invoices	\$0.00
Total Through this Invoice	\$0.00
Maximum Contract Amount	
Notice to Proceed Date	MM/DD/YYYY
Contract End Date	MM/DD/YYYY
Date	MM/DD/YYYY

Project Progress Schedule

- **Project Progress Schedules are required with each invoice submitted, indicating the percent complete of the actual scheduled work/task(s).**
- **No standard format, but progress schedules should reflect the status of progress as of the date of the invoice.**
- **Deliverables are governed by the NTP and project schedule.**

CONTRACT TIME

- Confusion of two different notions
 - “Term of contract” is how long contract is in effect
 - “Time to provide services” is governed by NTP and the project schedule approved by DOTD PM and attached to each invoice indicating progress to-date
- The contract’s term is NOT an efficient scheduling tool

COMPENSATION PER WORK TYPES

- ✓ Lump Sum - Non-negotiated
- ✓ Lump Sum - Negotiated
- ✓ Cost Plus Fixed Fee
- ✓ Specific Rates of Compensation (aka “billable rates”)
- ✓ Cost Per Unit of Work

Non-Negotiated Lump Sum

Work effort needed to perform the scope is predictable and the consultant is subject to few risks outside its control

- Typical Road Design (e.g., 3R projects, intersection improvements, ordinary capacity)
- Simple Traffic, (e.g., Tier One Analysis)
- Off-System Bridge Design
- Small/Routine Program Management (e.g., Local Road Safety, Safe Routes to Public Places, Road Transfer)
- Feasibility Reviews
- Typical Survey (e.g., Property Survey, ROW Mapping, Topographic)
- Inspection (other than CE&I)

Negotiated Lump Sum

General work effort is predictable, but it is desirable to have input on detailed task breakout before contracting

- Complex Road Design (e.g., interstate interchanges, urban interstate or arterials)
- Complex Traffic (not otherwise described)
- Simple On-System Bridge Design (typically rural; e.g., slab-span, quad-beam, PPC girder)
- Value Engineering

Cost Plus Fixed Fee - (negotiated unless otherwise noted)

Consultant is subject to cost uncertainties/risks outside of its control (site risks, contractor schedules)

- Utility Coordination (in Design and/or Construction)
- Environmental
- Complex Bridge Design (not otherwise described)
- Major Program Management (e.g., ARRA, LTM)
- Innovative Procurement Support
- Constructability Review (non-negotiated) (should only be used on large, highly complex projects)
- CPM (Critical Path Monitoring)

Specific Rates of Compensation (aka Billable Rates)

Contract might never be tasked, dependent on external events (e.g., natural disasters), or consultant is serving as owner's representative on a construction project (e.g., CE&I)

- C E & I (non-negotiated) and Owner Verification
- Construction Support
- Embedded or Similar Staff Augmentation Contracts
- Emergency Response Contracts (e.g., debris monitoring)

Cost Per Unit of Work

Work effort per unit is predictable and closely tied to the level of production associated with the deliverable

- Geotech
- Real Estate
- SUE (Designation)

CONTRACTS

Reminders:

- Indirect Cost Rates
- Contract Time for IDIQs
- Substitutions

INDIRECT COST RATES

The consultant's ICR impacts all types of compensation

Escalated Direct Labor Cost
Indirect Cost
Profit
+ Direct Expenses
Compensation (or Max Compensation)

CPA AUDITED RATES

- **Contract requires submission annually**
- **Consultant's failure to submit may subject consultants to disqualification**

Submitting CPA-audited Rates

- Audit article requires all consultants to submit CPA-audited indirect cost and labor rates for themselves annually and ensure that their subs do the same, unless consultant falls into the Low or Medium Risk categories per the Risk-based Analysis that will be implemented in the near future
 - Requirement applies regardless of compensation type
- Shall be developed using the cost principles and procedures set forth in 48 C.F.R. 31 of the Federal Acquisition Regulations

Submitting CPA-audited Rates (cont'd)

- Use Indirect Cost Rate certification as required by 23 C.F.R. 172
- Consultants may have applied to their contracts their company-wide or home rates, except where the services are primarily field services, in which case the field rate will be used.

PROVISIONAL ICR

- If a consultant has no approved rates on file with DOTD, provisional rates will be used until rates are submitted and approved
- Contract will be amended to adjust compensation with approved rates, once received
- Consultant to adjust invoices after execution of amendment

USE OF PROVISIONAL RATES

- The lesser of the consultant's company-wide rate or the statewide average for Home or Field, as applicable
- Actual approved rates, when received, will be applied retroactively – adjusted up or down at the next invoice period.

IDIQ CONTRACT TIME

- **5-year maximum term**
- **Perform no services prior to receipt of the Task Order NTP from the DOTD PM**
- **Services performed/deliverables due in accordance with project schedule**
- **All Task Orders will be for the remaining term of the IDIQ contract**

ADDITIONS/SUBSTITUTIONS

of sub-consultants or key personnel

No changes to key personnel or sub-consultants prior to contract execution

Section 1.2.2 CCS Manual

Sub-consultants

Section 4.2 CCS Manual – request use of or replacement of a sub through the PM to CS Administrator w/justification and documentation.

Key personnel

Section 4.3 CCS Manual – request with justification and supporting documentation submitted to PM and CS Administrator.

QUESTIONS?

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