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**INDIANA DEPARTMENT OF TRANSPORTATION  
LOCAL PUBLIC AGENCY  
PROJECT DEVELOPMENT PROCESS  
GUIDANCE DOCUMENT  
FOR  
LOCAL FEDERAL-AID PROJECTS**



Last Revision – September 2025

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# INTRODUCTION

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This Guidance Document is intended to be a living document and as such is expected to undergo regular updates and revisions as determined by INDOT. It is the LPA's responsibility to follow the most current version of this Document. When updates are made to this Document, notices will be sent through the State of Indiana's GovDelivery subscription service with a description of each update.

## Questions

**If there are questions concerning this Document, please email the Local Public Agency Programs Office at [LPAQuestions@indot.in.gov](mailto:LPAQuestions@indot.in.gov).**

## FEDERAL-AID PROGRAM OVERVIEW

The Indiana Department of Transportation (INDOT) aids Local Public Agencies (LPAs) by providing financial resources in constructing, preserving, and improving transportation on the Nation's roads. INDOT is held accountable in ensuring the highway projects approved for federal funding are consistent with all applicable laws, regulations, and policies. In 1991, Legislation made the Federal-Aid Program a Federally Assisted, State Administered program, delegating responsibility to the State Departments of Transportation. The law allows INDOT to act on behalf of the Federal Highway Administration (FHWA) by taking responsibility for project development, as well as administering the construction and inspection of many federal-aid projects. Each State Department of Transportation has an agreement with FHWA called a "Stewardship-Oversight Agreement."

Two important characteristics of federal aid are that it is both a reimbursable and a matching program.

Reimbursable means that FHWA pays grantees and sub-recipients the actual eligible expenses incurred on a progress payment basis. Money is not provided in advance, so the LPA must initially finance the project. The LPAs incur project costs and are reimbursed.

A matching program means that the federal funds are matched with state or local resources to cover the total project cost.

Federal funds typically provide 80% of the project's eligible cost, with the remaining 20% provided by State or local agency funding.

## LPA CERTIFICATION PROGRAM

Many local agencies have expressed a desire to take more control of their federally funded projects, and INDOT has created a mechanism to facilitate that for projects that are not on the National Highway System. This program, known as the LPA Certification Program, is optional and offers an exciting opportunity for LPAs to utilize all federal, state, and locally recognized and accepted design standards for their projects.

Visit our LPA Programs website and choose LPA Certification Program for more information on how to become certified

## FEDERAL GRANT PROCESS

All federal transportation awards are received by INDOT and then passed through to the local entities and others through a federal aid project.

## LPA NEWSLETTER

Are you subscribed to get our emails? INDOT has a **free** email subscription service offered to all LPAs by INDOT.

Signing up for our emails will provide information that may significantly impact funding from the Federal-Aid and CCMG Program's through INDOT. All communications from the INDOT LPA Department are sent through our email subscription system.

[Subscribe Today!](#)

# CHAPTER ONE: ROLES, RESPONSIBILITIES AND QUALIFICATIONS

## PRIMARY PARTIES

### Federal Highway Administration (FHWA)

The FHWA is responsible for ensuring adequate and proper delivery of federal-aid projects.

### Indiana Department of Transportation (INDOT)

INDOT is the agency responsible for planning, building, maintaining, and operating Indiana's state and interstate highway system. INDOT is accountable to FHWA to ensure all project elements comply with federal law and regulations. INDOT is required to administer federal transportation funds provided by the U.S. Department of Transportation through its various divisions according to all federal and State laws and as defined by the FHWA/INDOT Stewardship and Oversight Agreement.

INDOT ensures that local projects utilizing federal funds made available by INDOT are appropriately utilized in a timely manner. INDOT will also provide guidance for the local agency to stay in compliance with all federal and state regulations.

### District Program Director

Will assist with applications, contracts and funding

### District INDOT Project Manager

Will assist with project schedules, technical problem solving, facilitating required reviews and final tracing submissions. Project delivery.

### Local Public Agency (LPA)

As part of the Stewardship-Oversight Agreement, each LPA is required to have at least one full-time LPA employee assigned as an Employee in Responsible Charge (ERC).

Considerations in choosing an ERC include, but are not limited to, the following:

- The ERC role **cannot** be filled by a consultant, or a contract employee hired by the LPA.
- The ERC does not need to be a technical expert, but rather someone who can be fully engaged in a project and understand the project goals and milestones.
- The ERC is the designated employee responsible for driving completion of the project.
- The ERC will work closely with their consultants to develop their project and can reach out to other governmental agencies and metropolitan or regional planning agencies for assistance.

### Employee in Responsible Charge (ERC)

The responsibilities of the ERC include, but are not limited to, the following:

- Serves as a liaison for the LPA and its Board or administrative body regarding financial and managerial decisions that affect the project or is a fiduciary representative of the LPA's board or administrative body.
- Maintains ERC status throughout the project.
- Maintains log-in credentials for the INDOT Technical Application Pathway (ITAP) on behalf of the LPA.

- Aids in the preparation of the project application through ITAP and submitting the application as required.
- Requests the Early Coordination Meeting.
- Request the TIP if in an MPO area
- Prepares the Request for Proposal to select a consultant.
- Ensures and validates that the consultant selection process was followed correctly.
- Negotiate fees with the consultant.
- Ensure the LPA-Consulting Contract is executed by the LPA and consultant.
- Ensures the INDOT-LPA Contract is signed by the LPA and returned to INDOT.
- Requests INDOT initiate federal project authorization through the Fiscal Management Information System (FMIS) from FHWA.
- Works with the INDOT District to secure a Purchase Order and submit the LPA Invoice-Voucher claim for costs incurred after notification of federal authorization and Notice to Proceed (NTP) is given by INDOT
- Assures work does not proceed on a project phase prior to receiving INDOT's Notice to Proceed (NTP).
- Help coordinate and attend the Public Hearing if a hearing is required.
- Coordinates the completion of the Environmental Document with the consultant.
- Requests and submits the LPA's matching funds at the appropriate time to prevent delays in project construction.
- Maintains their LPA Project Development Certification.
- Affirms that Design Documentation meets INDOT Design Manual Standards.
- Oversee Utility and Railroad Relocation work.
- Ensures the Constitutional Rights of landowners are not violated (compliance with the Uniform Acquisition and Relocation Act and associated regulations).
- Certifies the Land Acquisition Package.
- Certifies the completeness of Final Tracings Submission.
- Ensures project meets **ALL** State and federal laws.
- Develop and retain all project documentation.
- Complete the INDOT Local Quarterly Reports and attend Tracking Meetings.
- Manages its consultant's performance.
- Maintains complete documentation of all project activities through project development and construction.

***It is imperative that the LPA maintain complete documentation of all required actions as proof of compliance. Failure to maintain complete records may result in the loss and/or repayment of part or all federal aid spent on the project. This documentation must be maintained by the LPA for 5 years after project completion.***

## LPA ERC Project Development Certification Training

The INDOT Training Portal will allow you to complete online training, maintain training records and access to completion certificates, and maintain your own account features.

To enroll in and gain access to the ERC Basic Project Development, the ERC Basic Recertification, or the LPA Certified Bridge Inspection ERC On-line Course, ERCs' must register as a user on the INDOT Training Portal and request enrollment in applicable ERC course by sending an email to [INDOTLPAQuestions@indot.in.gov](mailto:INDOTLPAQuestions@indot.in.gov).

Links to register for the INDOT Training Portal and a Quick Step Guide to INDOT Training Portal are on the LPA Programs website.

***If an ERC's certification has lapsed, the LPA may continue work on any phase of a project as long as there is an active Purchase Order. Any work on that phase will not be reimbursable until the LPA has a recertified ERC. If the LPA has completed work on a phase and is ready to begin the next phase, funds will not be requested until the LPA has a certified ERC. This includes the Construction phase. If the ERC leaves the organization for any reason, the LPA must designate a new ERC and ensure they successfully complete ERC Certification Training.***

**To become an LPA Certified ERC** – The nominated ERC must take and pass the ERC Basic Project Development On-line Course to become certified. The course usually takes 1 to 2 hours to complete, and the certification is valid for **1 year**.

**To maintain the annual certification requirement** – An ERC must take and pass the ERC Basic Recertification On-line Course (1 to 2 hours in length) or the ERC Basic Project Development On-line Course within **1 year** of receiving their original ERC certification. The ERC has 30 days from the expiration date to complete the recertification process.

**If an ERC's certification has expired** – The ERC will have to complete the ERC Basic Project Development On-line Course to become recertified.

## Consultants

Consultants are often utilized by LPAs to provide architectural and engineering services to develop their projects and are responsible for:

- Keeping all parties (local and state) involved and informed of project status and costs through frequent communication.
- Delivering high quality, timely work, on or below budget.
- Held accountable, along with the LPA, for failure to meet any federal and state regulations, deadlines, and errors and omissions.

## Metropolitan Planning Organizations (MPO)

MPOs' are responsible for:

- Coordinating transportation planning within their defined Metropolitan Planning Area.
- Managing a fiscally constrained program and air quality conformity for their regions.
- Performing Air Quality Conformity Modeling for air quality non-attainment areas as required by the United States Environmental Protection Agency for compliance with the Federal Clean Air Act.

## PEMS Project Engineer/Supervisor

It is the responsibility of the PEMS to oversee the inspection, testing, and documentation of all construction activity. The PEMS is also responsible for ensuring that the project is constructed in accordance with the contract documents, Standard Specifications, permits, and other contract specific requirements. The PEMS is also responsible for verifying HTs performing material testing are qualified.

Daily work reports, testing reports, progress estimates, change orders, and all other contract documentation are entered into INDOT's Site Manager construction application program by the contract field staff. It is the responsibility of the PEMS to verify all reports are accurate and are kept current as construction progresses.

The PEMS must be trained and certified in accordance with the requirements within the INDOT Certified Construction Technician Training and the INDOT Independent Assurance and Qualified Acceptance Personnel Programs.

The PEMS will be approved by the District Construction AE prior to the Ready for Contracts (RFC) date.

## CHAPTER TWO: REQUIREMENTS TO APPLY

### Employee In Responsible Charge (ERC)

The Local Public Agency (LPA) must have an ERC with a current certification. Instructions for this can be found on INDOT's LPA website.

### Indiana Technical Application Pathway (ITAP)

To apply for federal-aid funds, the Local Public Agency's Employee in Responsible Charge (LPA ERC) must be enrolled in the Access Indiana Portal to access the INDOT's Technical Applications Pathway (ITAP).

INDOT Technical Application Pathway (ITAP) is a gateway for your LPA to access INDOT's most used applications. All LPAs should be users, and all new Employee in Responsible Charge (ERC) should apply as a user. This will allow the ERCs to complete applications and reports. If you have a question or are unsure if your agency is enrolled, contact your [INDOTLPAQuestions@indot.in.gov](mailto:INDOTLPAQuestions@indot.in.gov) for ITAP support.

### Federal Asset Management Plan (AMP)

When applying for federal funding for a preservation type project, an approved Federal Asset Management Plan is required.

### Certified Road Inventory

When applying for federal funds you must verify that the road is an on-system road. Off system roads are not eligible for federal awards, however certain Safety projects could be eligible for Highway Safety Improvements Funds.

To receive a copy of your certified road mileage, or to add or to delete a road from your Certified Road Inventory, contact [INDOTLPAQuestions@indot.in.gov](mailto:INDOTLPAQuestions@indot.in.gov).

### Americans with Disabilities Act (ADA) Transition Plan

The LPA ERC must certify to INDOT during the project application process that they are compliant with the Americans with Disabilities Act (ADA) and Title IV before they can receive federal-aid funds.

All local governments need to show that they are at least making a good faith effort in adopting an ADA Transition Plan. INDOT is working with all local governments throughout Indiana to ensure compliance or at least show that each local government is making a good faith effort in becoming compliant.

INDOT is a recipient of federal funds and has a Stewardship and Oversight Agreement with the Federal Highway Administration which means that if you receive any funding from INDOT (state or federal), whether through a contract to perform work or provide professional services or as part of a grant or award for your community, INDOT is required to ensure you are in compliance with Title VI & Americans with Disabilities Act (ADA) nondiscrimination and accessibility requirements.

Our goal in monitoring our sub-recipients is to provide sufficient training, tools, and resources to make compliance efforts manageable and easier for our sub-recipients as we work together to improve Indiana communities by constructing roads, bridges, highways, and pedestrian facilities across the state. Questions can be sent to [INDOTLPAQuestions@indot.in.gov](mailto:INDOTLPAQuestions@indot.in.gov).



# CHAPTER THREE: APPLYING AND RECEIVING A FEDERAL AWARD

## Electronic Application Process for Rural Federal funds (non MPO)

The Local Call Application can be found under the Scheduling Project Management System (SPMS) logo in ITAP. There are tabs along the top of the screen for each section of the application. Mandatory fields that are required to be completed in the application are shown in a peach color. After the application is submitted, it is reviewed by the District Local Program Director for completeness. The application will then be either accepted for consideration or returned for additional information. **It is recommended to submit the application early enough for review by the district in case it needs to be sent back for corrections prior to the deadline.**

## Selection Process

Project applications will be scored by a team of INDOT experts in their related fields. The scoring team will be represented by the District Local Program Director and staff. Once all scores are compiled, an executive review team will review all final scores for accuracy and will determine funding types and awards for projects.

## Notification of Award

After the project eligibility review and project selection process have been completed, the LPA sponsor for each selected project will receive a "Notification of Award." A "Notification of Award" letter is sent to the ERC listing the federal amount that was awarded.

## Process for MPO Projects

The process of funding and selecting LPA projects in MPA areas is dependent on the project's location in relation to the Urbanized Area (UA) boundary.

The Large Urban Areas are the limits where MPOs usually utilize their funds although they are free to fund any project within their MPA. The population in the rural area outside the Large Urban Areas statewide is the population that is used to determine the share of Federal-aid funds that go to rural areas.

Most LPA Surface Transportation Program (STP) funded projects located within an UA are funded by the MPO using selection criteria established by the MPO's Policy Committee.

Projects outside the UA, but within the MPA, are generally funded and selected by the Local Public Agency Programs Office with the assistance of the appropriate District. However, LPAs will coordinate these projects through the applicable MPO. MPOs may also choose to fund projects that are outside their UA, but within their MPA.

LPAs in an MPA should contact their MPO for detailed information about submission of project applications, project funding eligibility, selection criteria, etc.

Each MPO must verify project eligibility and submit written verification to the Local Public Agency Programs Office. This written verification will normally be completed by electronic submission of a Project Application Form to the appropriate District Program Director.

Prior to inclusion or amendment of a selected project into the Transportation Improvement Program (TIP), regardless of whom selected the project or the project funding source, the MPO must do the following.

- Verifying the project is consistent with the latest air quality conformity determination if the MPA is in an air quality non-attainment or maintenance area.
- Verifying the project is consistent with the adopted Metropolitan Transportation Plan (MTP).
- For MPO funded projects, determining the project does not require re-demonstration of fiscal constraint.
- Provide the public with reasonable opportunity to comment on the project by following the procedures outlined in the MPO's or INDOT's adopted "Public Participation Plan" as appropriate.

The MPO will ensure selected projects and/or project phases are appropriately programmed in the TIP and subsequently will submit a request to INDOT to include the project in the STIP. Projects must be listed individually and programmed by phase (Preliminary (PE), Right-of-Way (R/W), Construction (CN)). If a project is not fully funded within the four-year life of the TIP, the LPA must provide the estimated cost to complete the project to the MPO.

LPAs also must notify the MPO of any change in project scope, project phase costs, project/phase timelines, funding sources, etc. so that the MPO can appropriately modify or amend its TIP per the procedures contained in the TIP. The MPO will subsequently submit a request to INDOT to appropriately modify or amend the STIP.

LPAs must familiarize themselves with the MPO's established Change Order Policy and comply with that policy.

### Process for Bridge Inspection Projects

Bridge Inspections are required on all bridges meeting the National Bridge Inspection Standards (NBIS).

NBIS are federal regulations establishing requirements for:

- Inspection procedures
- Frequency of inspections
- Qualifications of personnel
- Inspection reports
- Maintenance of bridge inventory

***Any bridge not inspected and inventoried in compliance with the NBIS may be ineligible for federal bridge replacement funding.***

***The ERC is responsible for ensuring a new Bridge Inspection Contract is in place prior to the expiration of the previous contract. As a matter of risk management, it is critical that the LPA avoid any lapse in inspection coverage.***

### Bridge Inspection Schedule

INDOT, with concurrence from the Federal Highway Administration (FHWA), has established a Compliance Month for every LPA. This compliance month is the month that bridge inspections are to be performed by the LPA.

All bridge inspections shall be maintained on schedule and completed in the month they are due.

If an inspection is anticipated to be more than 30 days beyond the scheduled inspection due date, the ERC shall write a written explanation of the delay.

This letter shall be submitted to the LPA Bridge Inspection and Border Bridge Program Manager with a "cc" to the Bridge Inspection Program Manager and the Central Office Local Program Director as soon as the LPA knows there is a potential scheduling problem and within 30 days beyond the originally scheduled due date.

***It is important to note late inspections do not change the schedule of any future inspections. For example, if a bridge is on a 2-year inspection schedule and is scheduled to be inspected in July, even when the current inspection is delinquent, the following 2-year inspection will remain in July. There is no benefit provided for late inspections.***

Any LPA bridge inspection that is more than 30 days beyond the due date and the ERC has not submitted a written explanation to INDOT, is at risk for losing part or all the federal funds provided within the contract.

When a bridge is replaced, or when preservation work occurs, the bridge must be inspected in accordance with the INDOT Bridge Inspection Manual.

## Technical Issues

Detailed information on every aspect of bridge inspection is fully explained in the INDOT Bridge Inspection Manual. However, the ERC should be aware of the most common issues presented below.

### *Scour Monitoring*

The LPA's consultant is required to develop a Scour Monitoring Action Plan for all scour critical bridges. It is the responsibility of the Local Public Agency Employee in Responsible Charge (LPA ERC) to know the plan and ensure the plan is followed during flood events. For further information regarding the scour plan, see Bridge Scour Evaluation Procedures for Local Public Agency Bridges in the Indiana Department of Transportation Bridge Inspection Manual.

### *Load Rating*

Each bridge shall be load rated to determine its safe load carrying capacity in accordance with the American Association of State Highway Transportation Officials (AASHTO) Manual for Bridge Evaluation. The load rating shall be certified by a Professional Engineer (P.E.) licensed in the State of Indiana and uploaded in accordance with the INDOT Bridge Inspection Manual. The load rating shall remain until the rating condition of the bridge has been revised to a 4 or less, or the loadings or configuration of the bridge's structural components change. This revised rating shall warrant a structural evaluation by a P.E.

### *Load Posting Signs*

It is the responsibility of the LPA to install and maintain load posting signs in accordance with the load posting recommendations made by the LPA's consultant within 30 days of the consultant's recommendations.

To ensure load posting signs are installed as required, the LPA ERC or their consultant is responsible for uploading a picture of the posted sign in the iTAMS database.

The necessity to post a structure will cause the bridge inspector to notify the ERC, the Bridge Inspection Program Manager and the LPA Bridge Inspection and Border Bridge Program Manager of the critical finding. This event will be recorded and monitored until the critical finding can be closed out by proper actions being taken. For additional information regarding critical findings see the INDOT Bridge Inspection Manual.

### *Critical Findings*

The LPA's consultant is responsible for communicating all critical findings immediately to the ERC, the Bridge Inspection Program Manager and the LPA Bridge Inspection and Border Bridge Program Manager.

The LPA ERC is responsible for ensuring these findings are acted upon within the timeframes listed below. Actions will vary depending on the critical findings but may include, but are not limited to, immediate repairs, closing the bridge or additional inspection.

The action decided on by the LPA shall be communicated by the bridge inspector in the formal notification of the critical finding.

The Inspector shall notify the State Program Manager at the time he reports a Critical Finding as to whether the Critical Finding is “Urgent” or “Severe”. An “Urgent” Critical Finding must have an action completed and the Critical Finding closed-out with 3-days of it being found. A “Severe” Critical Finding must have an action completed and the Critical Finding closed-out within 30-days of the Critical Finding being found. This longer time may be used to conduct a load rating, have signage made, or other items that cannot be done immediately.

“Urgent” cases require action(s) taken within 24-hours and “Severe” cases require actions(s) taken within 72 hours; however, in unusual circumstances “Urgent” cases may be extended up to 72 hours (3-days) if approved by the SPM or ASPM. In addition, “Severe” cases may be extended up to 30 calendar days if approved by the SPM or ASPM.

### *New Bridge*

New Bridges built in a county shall be inspected and added to iTAMS (inventoried) when/or before the new bridge is open to traffic.

# CHAPTER FOUR: NOW TO BEGIN

## Early Coordination Meeting

The “Early Coordination Meeting” is a requirement for any LPA selected for a new federally funded project. The ERC **must request** an early coordination meeting with the Local District Program Director within **15 days** of receiving the award notification. Failure of the LPA to request the Early Coordination Meeting within 15 days of the award may result in a loss of funding.

The purpose of the Early Coordination Meeting is to discuss and review:

- Project requirements.
- Consultant selection procedures and the Request for Proposals (RFP) process.
- INDOT-LPA Contract.
- Other relevant topics such as planning and programming, scope, schedule and budget, right-of-way and utilities, and project development.
- 

The meeting agenda is an Early Coordination Meeting Checklist. This agenda will need to be signed by both the LPA’s ERC, Project Manager and the District Local Program Director at the close of the meeting to verify all topics discussed.

## Indiana Statewide Transportation Improvement Plan (STIP)

The STIP is a capital improvement program that includes all state and federally funded transportation system improvements expected to be undertaken during a four-year period. The STIP also includes all Regionally Significant Transportation Projects, regardless of funding source.

INDOT develops the STIP in cooperation with the Metropolitan Planning Organizations (MPOs) and in consultation with the Rural Planning Organizations (RPOs) and Non-Metropolitan local officials

After the LPA project has been authorized in SPMS, it must be included in the STIP with each phase and estimate listed for the year in which funds are expected to be obligated prior to requesting federal funds authorization. Projects listed in the STIP are broken down into three phases. These phases are Preliminary Engineering (PE), Right-of-Way (R/W), and Construction (CN).

## Transportation Improvement Plan (TIP)

Projects located within an MPO’s Planning Area (MPA) must first be included in that MPO’s Transportation Improvement Program (TIP) prior to being included in the STIP. The process for including projects in the STIP/TIP is completed by INDOT in cooperation with the MPO as applicable. The LPA shall request inclusion in the TIP before INDOT will issue a contract. The project is then automatically processed by the MPO and INDOT for inclusion in the STIP.

## Local Quarterly Tracking Meetings

The ERC is responsible for submitting the required Local Quarterly Reports (LQR) through ITAP and attending Local Quarterly Tracking Meetings. The LQR must be completed and submitted by the LPA detailing up-to-date cost estimates and schedules. The LPA is required to submit an LQR through the time the final voucher is presented for the construction phase and all POs are closed.

LPAs must utilize INDOT's electronic Local Quarterly Report through the INDOT Technical Application Pathway (ITAP) to submit all their Local Quarterly Reports.

This means all INDOT and MPO funded project LQRs are required to be completed in and submitted through ITAP. Failure to submit the LQR can result in funding being held for reimbursement until the LPA is current on the LQR. Quarterly reports are required throughout the whole life of the project until INDOT receives the final construction record and the project can be closed out.

Local Quarterly Reports are required to be submitted by the 21<sup>st</sup> day of the months of January, April, July, and October.

- MPO funded projects: Local Quarterly Tracking meetings will be coordinated / scheduled through the applicable MPO for projects located in a Metropolitan Planning Area (MPA) of an MPO.
- INDOT-Rural funded project: Local Quarterly Tracking meetings will be coordinated / scheduled through the applicable District Project Manager for projects funded by INDOT.

### Posting a Request for Proposal or RFP

If the LPA is funding the phase with 100% local funds, they do not have to post an RFP but must use a consultant from INDOT's prequalified list.

If consultant services are to be funded with federal aid, the LPA must comply with the following.

- Create and advertise a Request for Proposals (RFP) on INDOT's Web site. A local Web site posting can be in addition to INDOT's posting. Instructions for this process can be found on INDOT's LPA website under the LPA consultant Information section.
- The LPA can advertise one RFP for the Preliminary Engineering (PE), R/W Services or R/W Acquisition phases.
- Federal Highway requires that the Construction Inspection phase be advertised separate from any other phase. This means INDOT cannot accept RFP for all phases. The Construction Inspection Phase must be advertised separately.

The RFP shall include a project description, scope of services and deliverables, schedule, qualification requirements, Disadvantaged Business Enterprise (DBE) goal, selection rating worksheet and a response due date. The RFP must specify the contract type, identify any special provisions or requirements, disallow any disclosure of cost.

The RFP will be reviewed by INDOT and shall be advertised on INDOT's Web site

### Prequalification Requirements

INDOT prequalifies consultants for various engineering and design related work types in accordance with the INDOT Consultant Prequalification Manual. The LPA shall clearly specify appropriate prequalification work types in the RFP advertisement based on a comparison of the nature of services to be performed to the work type descriptions included in the prequalification manual. The advertisement must identify required INDOT Prequalification work types when applicable work types are available. Whenever INDOT prequalification is required, the lead consultant and all sub-consultants must be prequalified. All professional services that require pre-qualification according to the INDOT Prequalification Manual must be performed by pre-qualified consultants.

### DBE Goal

Each advertisement shall have a stated DBE goal. The DBE Goal Request form is available via a link on the LPA Selection Web page that will generate an auto-email goal request.

INDOT is the only entity in the State of Indiana with a Federal Highway Administration (FHWA) approved DBE program. As such, INDOT maintains responsibility for setting all DBE goals and may not delegate any portion of the program administration to the LPA.

The LPA shall complete the DBE Goal Request form to obtain the goal value.

### *Selection Rating Sheet*

A copy of the consultant rating sheet must be included within the RFP. A standard preapproved LPA Consultant Selection Scoring Tabulation Sheet is available as an Excel file.

LPAs may choose to customize the standard LPA score sheet for a particular project advertisement; however, advance INDOT approval of the specific revisions is required. All evaluation criteria must be “qualifications-based”, and the criteria must not introduce bias based on city, county, or state boundaries. The INDOT approval process may take up to two (2) weeks depending upon the nature of customization proposed.

### *Prescreening and Interviews*

If an LPA desires to use prescreening or interviews during the selection process, details of the prescreening and/or interview process must be described in the RFP. The District Program Director can assist with the suggested text for the RFP. A minimum of three qualified firms must receive the RFP when prescreening is used. Similarly, when interviews are conducted, they must be held with a minimum of three (3) qualified firms.

### *Minimum Number of Respondents*

Competition between multiple qualified firms is a foundational tenet of the federal qualifications-based selection process. Whenever the LPA perceives there is a risk that fewer than three (3) Letters of Interest (LOI) may be received, the LPA should undertake recruitment efforts beyond basic web site advertisement to obtain competition. Recruitment efforts may include sending letters or making phone calls to firms who are qualified to do the work but may not submit a LOI due to the size of the project.

If fewer than three (3) LOI are received, documentation will be required that demonstrates that the LPA made significant recruitment efforts beyond advertisement to create a competitive selection process. If significant recruitment efforts are not documented, the LPA will be required to re-advertise the RFP and make additional efforts to obtain competition.

### *Due Date*

The typical advertising period for an LPA RFP is one (1) month. RFP advertisements of less than 14 days are not allowed.

### *Consultant Selection Scoring*

Evaluation of proposals and ranking of consulting firms begins immediately following the receipt of the LOI and the passage of the due date. The LOI must contain all the information specified in the advertisement. LOI that do not meet or address the qualification criteria as of the due date shall not be considered for evaluation.

Firms submitting LOI for engineering and design related services must be evaluated and ranked on their qualifications and not on the cost of proposed services or any other considerations not advertised or prohibited by Qualifications Based Selection.

The components of evaluation and ranking include prequalification verification, scoring team selection, scoring, and ranking and DBE goal compliance check.

The lead consultant must be INDOT prequalified and the consultant team, including sub-consultants identified in the LOI, must collectively be INDOT prequalified for all work types specified in the RFP. For example, if an RFP requires multiple prequalification work types, the lead firm may provide some work types and utilize sub-consultants to provide the others.

A list of prequalified firms is available on the INDOT Web site.

### *Past Performance Data*

Consultants performing services for INDOT or for LPA federal-aid projects are evaluated by INDOT. The LPA requests INDOT past performance data for each RFP advertised from the appropriate District or Central Office and the past performance scores (PPS) will be applied in the scoring process when applicable data is available. There is now PPS for all phases PE, RW, and CE.

### *Scoring Team*

A team of scorers comprised of no less than three (3) individuals should evaluate the LOI; with one (1) of the individuals acting as the leader of the team. The scorers should be familiar with the proposed project and must be capable of providing unbiased reviews of the qualifications of the submitting consultants.

### *Scoring*

Members of the team must be knowledgeable of the project and scoring process. Evaluation factors must be applied to all proposals in a uniform, fair and consistent manner. Scorers shall evaluate LOI using the selection rating sheet advertised in the RFP.

### *Tabulation of Scores and Ranking*

The evaluation factors must result in the scoring and ranking of firms in order from highest to lowest qualified for the specific RFP. If a scoring tie exists among the highest ranked firms, the selecting official shall determine which of the tied firms is to be treated as the most qualified firm and shall provide a documented explanation of the basis for the decision.

A final summary tabulation sheet must be signed by the ERC.

### *DBE Goal Compliance Check*

The DBE Compliance Check must be performed by the INDOT Equity Initiative Services.

### *Consultant Selection Checklist*

An LPA Selection Review Checklist must be completed by the ERC and then submitted to the District Local Program Director for approval. The checklist lists each item that the ERC is responsible for submitting to INDOT with the checklist to obtain INDOT approval of the consultant.

**After the LPA has received INDOTs approval for the selection and ranking process, the LPA may proceed with negotiations with the highest ranked firm.**

### *Contract Negotiation*

The LPA ERC shall meet with the top-ranked consulting firm to review and discuss the project scope of work. The goals of this meeting are to:

- Communicate the LPA's expectations for the project.
- Answer consultant questions.
- Set a due date and requirements for the cost proposal package.

The LPA shall require the consultant to submit a cost proposal package that includes the following:

- A draft scope of work.
- A cost proposal.
- Overhead rate documentation.

The LPA shall review and approve this to make sure that project objectives are being met.

The LPA shall require the consultant to submit a detailed person-hour breakdown by task element showing hourly classification rates, overhead rate, profit rate, non-salary direct costs (mileage, per diem, etc.) and computation of the total costs.



The LPA will only be reimbursed for the consultants non salary direct costs as listed in the State's Travel Policy.

The LPA is responsible for negotiating with the highest ranked consultant to resolve any differences in opinion regarding the scope, level of effort, schedule, and cost of the desired services.

The LPA may not negotiate overhead rates in the negotiation process; these are determined by audits performed in accordance with federal acquisition regulations and approved by INDOT in the prequalification process. A lower overhead rate may only be used if the consultant offers a lower rate.

The LPA shall retain documentation of negotiation activities and resources used in the analysis of costs to establish elements of the contract.

If the LPA and the highest ranked consultant cannot come to a negotiated agreement, The LPA must provide INDOT documentation of reasonable negotiation efforts to justify the decision to move to the next ranked firm. The LPA will also need to request the DBE goal met from the next ranked firm. Once an LPA discontinues negotiations with a firm and moves to the next firm the LPA cannot reenter negotiations with the higher ranked firm.

### Contract Compensation Methods

The standard contract compensation methods are lump sum, negotiated labor rate, cost plus fixed fee and unit price.

INDOT will not fund contingency fees. Contingency fees included in any consultant contracts max amount will be subtracted from the federal participation amount and will be the responsibility of the local's participation amount.

Typical compensation methods for LPA project phases are as follows:

- Lump sum for PE.
- Unit price for R/W Services
- Negotiated labor rate for Construction Inspection

### LPA/ Consultant Contract Template

The LPA-Consulting Contract shall be in accordance with the latest version of the appropriate contract located on INDOT's Web site. INDOT requires this "boilerplate" contract to be used for all project phases (PE, R/W and CI) on all projects that will have federal-aid participation. R/W Engineering work may be included in the LPA-Consulting Contract for PE, but R/W Services requires a separate contract to be prepared. Below are eligible items for each contract.

### Preliminary Engineering Services:

Items that need to be included in the Preliminary Engineering (PE) contract

- Environmental
- Geotechnical
- Design
- Hydraulics
- Utility coordination
- RR coordination
- Right-of-Way Engineering
  - Title Search
  - Plat #1
- Right-of-Way Plans
- Legal Descriptions

- APA's (Appraisal Problem Analysis)
- Appraisals (appraisers should not discuss value or offers with property owner before NEPA approval)
- Appraisers job is to contact owner to schedule time for pictures and assessment. Appraisers do not even need to contact parcel owner if it is bare land and less than 10k.

## Right-of Way Services

The RW services contract should be negotiated and executed in advance of NEPA approval to avoid delays for this phase.

Items that need to be included with the RW services contract.

- Buying
- RW Services Administration; R/W Management
- Relocation -approval by Central Office required
- Compensation and land purchase
- Actual work of right of way services may not begin prior to environmental clearance

## Right of Way L.I.D. or Land Improvement and Damages

The L.I.D. is the form used for the RW purchase. This form can be filled out and submitted after the RW services have begun and the actual amount that is needed is known. This cannot be filled out based on estimates.

## Construction inspection

The RFP for CE (construction engineering) or CI must be advertised separately from the PE and RW but at least 6 months prior to and in time to have the fully executed agreement by the final tracings date, or the letting will be moved out.

If the LPA does not utilize the “boilerplate” contract, that phase will not be eligible for federal aid. Project specific issues can be addressed within this contract by customizing the appropriate Appendices.

A copy of the draft LPA-Consulting Contract and supporting documentation must be submitted to the District Local Program Director to forward to the District INDOT Project Manager for review before the contract is executed. The supporting documentation must include a copy of the fee proposal and manhours and a copy of the prequalification letter showing the overhead rate. INDOT will verify that the contract documentation is in order, and that all required contract provisions are included. This submission must also include a copy of the LPA Selection Review Checklist signed by the LPA's ERC.

**Prior to execution of any LPA consultant contract, the contract along with the contract review checklist, is required to be sent to the Program Director and Project Manager for review. INDOT will not approve your contract but will ensure that what is on the checklist is included in the contract. The LPA will then receive an email letting them know that the contract is good for execution.**

## CHAPTER FIVE: PRELIMINARY ENGINEERING PHASE

Once the LPA consultant contract has been executed, do not send them a notice to proceed (NTP). There is still work to be done before that can happen. The LPA will still need the INDOT LPA contract before they can submit the FMIS request to receive a purchase order. Any work done prior to the PO and NTP from INDOT will not be eligible for reimbursement.

### INDOT / LPA contract

The Contract for the development of federal-aid local projects between INDOT and the LPA is commonly referred to as the “INDOT LPA Contract.” A contract for each phase separately is required prior to FMIS approval.

The INDOT contract for Preliminary Engineering (PE) and the Right of Way services (RW) will not be processed until an LPA consultant contract has been executed and included in TIP if located in the MPA and then in the STIP. Utilities (UT) Railroad (RR) and construction inspection (CE) will all be included in the Construction (CN) contract.

Any change in the window the funds are intended to be available will be reviewed by the Director of the Local Public Agency Programs Office to determine if there are funds available in the fiscal year the funding window is moving to. If INDOT approves any changes to the federal funds on a project, then the District Local Program Director will initiate the amendment to the INDOT-LPA Contract.

The LPA will contact the District Local Program Director if an issue that may require an amendment to the INDOT-LPA Contract occurs. Examples of changes or issues that may necessitate an amendment to the INDOT-LPA Contract include changes in scope, changes in funding sources, additional funding award, or a move of the letting date.

An LPA in an MPO Planning Area should submit proof of adjustment from the MPO in the form of an amendment resolution or modification note to the District Local Program Director to receive a revised INDOT-LPA Contract.

If the amendment is for a project funded by an MPO, then proof of the MPO’s concurrence in that amendment is required before it can proceed.

An executed INDOT contract **does not** take the place of a notice to proceed and is **not** authorization to start work on a particular phase of a project.

### Electronic Signature – DocuSign

INDOT LPA Contract = It is the responsibility of the Employee in Responsible Charge (ERC) to provide INDOT with contact information for the person(s), with Legal Binding Authority, to sign contracts for a local agency.

What is Legal Binding Authority?

- Mayor; or
- Designee with one of the following to demonstrate signatory has legal authority to bind the agency:
  1. Ordinance showing one official signatory is sufficient to legally bind the agency.
  2. Resolution which shows the individual who signed has the legal authority to bind the agency.
  3. Meeting Minutes which delegate legal authority to one individual to sign on behalf of the agency, or
- Multiple signatures from a quorum of County Commissioners, Board of Public Works, or Town Council.

INDOT must have the signer(s) information prior to any contract being routed to a local for execution:

1. **Signer Name:** = First and last name of legal signer.

2. **Signer Email:** = An e-mail address that will mail directly to the legal signer.
3. **Signer Cell Phone Number:** = A phone number that can receive a text message. This text message will be sent with the authorization code needed for the legal signer to enter into DocuSign as a verification of identity. This is the preferred method of signature verification.
4. **Alternative Means of Signature Verification:** = If the legal signer does not have a cell number, or does not want to provide their cell number, they will receive an e-mail with an authorization code, located within the body of the e-mail, to enter into DocuSign as verification of identity.

***If INDOT receives a contract signed by the LPA, and 30 or more days have lapsed from the date of the first LPA signature to the last LPA signature in DocuSign, the Contract will be rejected and routed again via DocuSign to the LPA to be re-signed.***

***If the LPA does not sign and return the Contract or the Amendment within 6 weeks of receipt, funding for the project may be removed. If the LPA does not sign and return the Contract or the Amendment within 2 months of receipt, the funds will be rescinded, and the project will be eliminated.***

## **Cancelling a Project**

A city, county, or town may decide to cancel a project. In such event, the highest-ranking official from the city, county, or town shall notify, in writing or by e-mail, the District Local Program Director in its District and provide the project description and Designation Number (Des. No.). The District Local Program Director shall forward this information to the Director of the Local Public Agency Programs Office.

The Director of the Local Public Agency Programs Office will contact the Procurement & Project Accounting Division to determine how much federal money, if any, was spent on the project. The city, county, or town may be required to repay INDOT all federal money spent on its cancelled project depending on FHWA's determination.

***An environmental document may still need to be completed if federal funds were used.***

If no federal money was spent on the project, the Director of the Local Public Agency Programs Office will approve elimination of the project in SPMS by the District Local Program Director. Otherwise, the Director will inform the District Local Program Director of the amount to be repaid. The District Local Program Director will provide this information to the LPA and ask for confirmation that they still desire to cancel the project.

## **FISCAL MANAGEMENT INFORMATION SYSTEM (FMIS)**

Approval of funds in FMIS is the federal authorization for the use of federal-aid on a specific project phase. FMIS authorization is not just an authorization for the use of federal-aid funds, but also an authorization of the project phase.

Prior to the start of work on each phase (PE, R/W, CN) of the project, the phase must be authorized and approved in the federal FMIS database.

Before the FMIS authorization can be processed, the following requirements must be fulfilled, per phase:

- The project must be listed in the TIP (if applicable) and the STIP.
- The Consultant Selection must be approved as described in Chapter Five.
- The LPA-Consulting Contract should be executed by both the LPA and their consultant after INDOT review.
- The INDOT-LPA Contract must be approved by the Attorney General's office.
- A signed FMIS Request must be completed and submitted to INDOT. PO's will not be requested until the LPA has submitted this request.

***Any local money expended, or costs incurred by the LPA prior to a Notice to Proceed (NTP) issued by INDOT will not be eligible for federal-aid reimbursement.***

If the LPA has not incurred any expenses within **6 months** of the NTP, the authorization may be revoked, and the LPA will be required to request FMIS authorization for services when they are prepared to move forward.

If authorization is revoked, expenses that occurred during this time will be **ineligible** for federal reimbursement.

## Purchase Order (PO) and Notice to Proceed (NTP)

The INDOT District will issue a Purchase Order (PO) after the INDOT-LPA Contract is fully executed by the Attorney General's Office and a Request for Funds (FMIS Request) has been approved. Work can begin when Notice to Proceed (NTP) has been given to the LPA from INDOT and the LPA notifies the Consultant that they may begin work. All PO's must be invoiced monthly to stay active. Inactive PO's that are more than 6 months old will be closed and the funds will be lost.

***Any local money expended, or costs incurred by the LPA prior to a Notice to Proceed (NTP) issued by INDOT will not be eligible for federal-aid reimbursement.***

## PO Reimbursement

Invoices are to be reviewed for accuracy and approved by the ERC before payment. The ERC shall verify that the charges are consistent with the contract and not beyond the current level of project completion. The extent of review required is dependent upon the contract compensation method. LPA Invoice-Voucher instructions are described later in this document. INDOT also has established invoice review guidelines in Chapter 4 of the INDOT Professional Services Contract Administration Manual. PO's with no activity can be declared as inactive status by FHwy guidelines and can be subject to be closed out.

## Scheduling meeting

Once the PE consultant has been selected and given a notice to proceed, the LPA should reach out to the project manager to have a scheduling meeting. They will work with the consultant on building the schedule to take this project to letting and meeting the required time frames.

## Field Checks

Field checks provide opportunities for involved parties to review design plans, ensure all railroad, utility and right-of-way issues are addressed, and help prevent unnecessary change orders during the construction phase.

All projects will have a Preliminary Field Check. Some projects will also have a final field check. Many factors determine whether a final field check is required, such as the need for additional clarification, the amount of time between the preliminary field check and completion of the project development stage and the complexity of the project. The LPA and the Designer should clarify with the District INDOT Project Manager the type of field checks required for each project.

The preliminary field check occurs after Stage 1 but before the Stage 2 submission. This may not apply to Bridge Rehab projects where the field check would typically be held prior to Stage 1.

The Designer is responsible for preparing and distributing plans and notifying all relevant parties of the pending field check.

## Environmental Process

The environmental process is required to study various aspects of social, economic, and natural resource environments and to meet compliance with the National Environmental Policy Act (NEPA) for local projects.

The NEPA Environmental documentation is essential for meeting the needs of the public by:

- Providing for complete disclosure and transparency and the opportunity for stakeholder input and comments on proposals, alternatives, and environmental impacts.
- Promoting informed decision making by government officials by providing appropriate information regarding compliance with standards for federally funded transportation projects.
- Ensuring compliance required by environmental laws.

The environmental process for local projects follows the same process as state projects.

## Plan Development

Completing the plan development process in accordance with applicable federal and state laws and regulations is required to use federal funds for any phase of a federal-aid project. Most projects require

- Field Survey or investigation
- Hydraulic Design Approval
- Field Checks (Preliminary Required)
- Stage 1 submittal required for Level 1 Design exceptions
- Stage 3 Required
- Geotechnical Investigation Approval
- Pavement Design Submittal
- Early Submission of Proprietary Material
- Unique Pay Item and Special Provisions (required by stage 3 submission)

The Indiana Design Manual (IDM), Indiana Manual of Uniform Traffic Devices (MUTCD), Design Memos, Geotechnical Manuals, Indiana Department of Transportation (INDOT) design standards and specifications, Low Volume guide, or the American Association of State Highway Transportation Officials (AASHTO) requirements have precedence over this Guidance Document

The plan development process is intended to be performed concurrently with the other project development activities.

INDOT will review all project plans at the Stage 3 Review Submission or as described below for bridge rehabilitation projects.

**Stage 3 Review is submitted at 90% level of completion and a minimum of 152 days prior to the scheduled Ready for Contracts (RFC) date.** However, the LPA may also request an INDOT review at Stage 1 and/or Stage 2 by submitting plans to the District Electronic Records Management System (ERMS) Coordinator and requesting a review.

If the project involves utility relocation, appropriate time must be given to the Utility to develop their work plans per 105 IAC 13. The Stage 3 submittal date may be adjusted to coincide with the development time provided to the Utility in 105 IAC 13, which will allow for the utility work plans to be complete and included with the Final Tracings submittal. Final Tracings submittals that do not include the Utility Work Plans or the Utility Certification will be considered “Unsatisfactory” for the purposes of rating the Consultant’s performance.

Bridge rehabilitation projects must follow the development process outlined in IDM Chapter 14, 14-2.05 Bridge Plans, Rehabilitation Project. LPA projects will not require Preliminary Plan Review. If the project has an ADA component, a preliminary plan review is recommended. The LPA may also request an INDOT review of Preliminary Plans as described above for Stage 3 Review. Submittal of Bridge Final Plans Submission (BRFPS) shall be submitted in place of Stage 3 Submittal in accordance with INDOT’s Letting Preparation Schedule or sooner. All items required for Stage 3 Review not specified in IDM 14-2.05(4) shall be provided with BRFPS.

*A Stage 1 submission is recommended if there is a Level One design exception or if the project involves an Americans with Disabilities Act (ADA) component.*

Level 1 Design Criteria are those design elements that have been deemed most critical for safety and serviceability. A complete list of all Level 1 Design Criteria can be found in the Indiana Design Manual IDM Chapter 302 (Chapter 40-8.02). The formal

documentation and approval process for a design exception or waiver is described in Chapter 302 (Chapter 40-8.04). These guidelines must be followed anytime these criteria are not satisfied.

Level 2 Design Criteria are also design elements deemed to be important indicators of safety and serviceability but are not considered as critical as Level 1 criteria. A complete list of all Level 2 Design Criteria can be found in the IDM Chapter 302 (Chapter 40-8.02(01))

If a Level 2 criterion is not satisfied, the Designer will document in the project file the specific criterion that has not been satisfied and provide a brief rationale for why it was not satisfied. The rationale shall be signed by the highest elected official of the LPA who has jurisdiction of the road or project and shall be included with the Stage 3 Review submittal. For more information on this process, please refer to IDM Chapter 302 (Chapter 40).

Level 3 Design Criteria includes the design criteria not listed in Level 1 or 2. If Level 3 criterion is not satisfied, the Designer will document in the project file via ERMS the specific criterion that has not been satisfied. The Designer shall inform the Local Public Agency Employee in Responsible Charge (LPA ERC) of the Level 3 criterion not satisfied.

### Geotechnical investigation approval

The Designer is responsible for the preparation of a complete Geotechnical Investigation and report in accordance with INDOT guidelines. The purpose of the Geotechnical Investigation is to evaluate the subsurface conditions to provide recommendations to design and construct the project. This typically occurs after the preliminary field check.

The geotechnical consultant is not required to submit the investigation plan to the Office of Geotechnical Services for review and approval at each step of the investigation but is strongly encouraged to do so.

The Geotechnical Report will be submitted for approval at approximately 30% through project design completion (or directly after the timing of the Stage 1 Review Submission), and never later than 50% through design completion

### Pavement Design

The Project Designer is responsible for pavement design.

Pavement designs shall be prepared in accordance with Part 6 of the IDM. Pavement designs shall follow sound pavement engineering principles and concepts. Designs shall clearly identify:

- Anticipated pavement life and type.
- Extent and severity of failure mechanisms at the end of the pavement's life.
- Approximate the cost/lane-mile year of life implied by the pavement design and pavement work delineated.
- A pavement treatment and cost must be identified during early stages of development of an LPA project. A preliminary pavement design may be required without the available data like cores, FWD and soils information. The need for testing (cores, FWD, soils information) should be identified and be requested well in advance.
- The pavement design shall be designed by a Professional Engineer (P.E.) and checked by a second P.E. both competent in pavement design. The Pavement Designer shall affix his or her PE stamp to the design.

If a submittal for review is required, the pavement design submission shall occur after the pavement and geotechnical investigation is complete. This submission shall be submitted in time that all necessary corrections and approvals can be made prior to any necessary project plan submittals.

The Pavement Design Submission accompanied by the appropriate supporting data and information shall be submitted through ERMS.

At the time of submission, the Designer shall copy the District Asset Engineer, the designated District INDOT Project Manager, the Pavement Engineering Office, and the ERC to ensure an effective line of communication.

Because the Pavement Engineering Office does not receive notice of plans when they are submitted into ERMS, it is critical that you copy the ERC, the Pavement Engineering Office, the designated District INDOT Project Manager, the INDOT District Asset Engineer and the District ERMS Coordinator at the time you submit your pavement design

INDOT does not approve of pavement design submittals but reviews them for compliance to the IDM Part 6 requirements and adherence to technically sound pavement design practices. If the pavement design does not meet IDM Part 6 requirements, INDOT will notify the Designer and will provide suggestions or guidance in the issues that must be resolved. Once the pavement design has been reviewed and determined in compliance with IDM Part 6, a pavement design acceptance letter will be sent to the LPA Project Designer.

The Pavement Design provided will have a validity of no more than 2 years. If the pavement design acceptance letter is over 2 years old, the LPA Pavement Design Engineer will need to review and revise accordingly. In addition, any project changes prior to construction, including but not limited to scope, pavement treatment, geometry, paving locations must be sent to the Pavement Engineer who stamped the pavement design. The Pavement Engineer is the only competent authority to authorize a change with review from INDOT Pavement Division.

Include the letter of Pavement Design Acceptance Letter with Final Tracings Submission.

## PROPRIETARY MATERIAL

Proprietary materials are a result of proprietary (brand or manufacturer specific) specifications. There are limited circumstances where proprietary materials are needed. Guidance on the use of proprietary materials including acceptable use and the approval process is detailed in the IDM.

All proprietary materials require approval regardless of whether the work is participating or non-participating. Ensure the request for use of Proprietary Materials is submitted by Stage 2 level of development. Incorporation of non-approved proprietary materials may result in repayment of partial or all project federal-aid funds by the Federal Highway Administration (FHWA). If FHWA finds non-approved proprietary materials during a later review or audit, the LPA will be required to refund the federal dollars paid for this expense.

Federal funds cannot be used to pay for proprietary materials unless given prior approval.

## UNIQUE PAY ITEM AND UNIQUE SPECIAL PROVISIONS

Unique Pay Items and Unique Special Provisions must be submitted to INDOT for approval prior to the Stage 3 Submission. These items will be submitted to the District INDOT Project Manager who will manage all distribution of appropriate material. Unique special provisions regarding liquidated damages must be approved by the District Construction Area Engineer (AE).

The District INDOT Project Manager will return the documentation for unique pay items and unique special provisions to the LPA and the Designer for use on the project once approved by INDOT.

## Non-Participating Pay Items (often called Z-Items)

A non-participating pay item is any pay item that cannot use federal aid on an otherwise federally funded project. Any non-participating item will be documented and paid 100% by local funds.

Non-participating items must be documented on the project cost estimate by adding a supplemental description to the item description line. Non-participating items are paid for with 100% local funds.

# CHAPTER SIX: RIGHT OF WAY PHASE



## Right of Way (RW) services and Land Improvement and Damages Form (L.I.D.)

The RW services RFP should have been posted with the PE. If PE was 100% local or the LPA determines that they would prefer not to use the same consultant as PE, then follow the RFP process mentioned earlier in the PE section to move forward with the RW phase. The RFP contract negotiation and execution procedure should be started and finished on time, so that the INDOT contract can be executed prior to the NEPA approval, this will ensure there are no delays in requesting the FMIS for the RW services phase when the NEPA is approved. The L.I.D. form for the actual purchase can be filled out and the FMIS submitted once the RW services have been performed, and the known amount needed can be requested. The L.I.D. amount will not be requested based on estimates.

*If all R/W documentation is not submitted to the LPA R/W Supervisor at least 75 days prior to the RFC date, the letting date may be delayed.*

- **R/W Certification (when no new R/W is required)** – If the project to be certified requires no additional R/W for construction, the LPA shall submit the appropriate existing R/W documentation to the Electronic Records Management System (ERMS) and the LPA must submit the appropriate certification letter for the project, at least 75 days before the project RFC date.

Procedures and activities required in the R/W Acquisition process for LPAs are described fully in INDOT's Real Estate Division Manual including: Appraisal, Buying, Relocation, Property Management and the Indiana Department of Transportation's (INDOT's) Right-of-Way Engineering Manual. This manual takes precedence over this Guidance Document and should be used by the LPA to ensure compliance to all federal and state laws, directives, and requirements.

## LAND ACQUISITION ACTIVITIES

There are two fundamental requirements that underpin the acquisition of property for federal-aid transportation projects:

- Every person is entitled to **"Just Compensation"** for his or her property rights under federal law.
- **The Uniform Act** shall be followed during land acquisition if there is or may have federal-aid funding at a later date for any aspect of a project.

Land acquisition consists of most, if not all, of the following activities.

- **Assurance Letter** – Before beginning land acquisition phase of a project, the LPA shall send to the LPA R/W Supervisor, written assurance stating it will comply with the *Uniform Relocation & Real Property Acquisition Act of 1970, as amended*, as well as all other current Indiana and federal regulations. The letter shall be on the LPA's letterhead and signed by the ERC. The letter shall reference the des number and location of the project. A copy of the letter shall be sent to the District INDOT Project Manager. The body of the letter shall state the following:
  - In compliance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, the following assurance is made:
  - Where federal funds are involved in any project or program which results in real property acquisition or displacement, the (name of LPA) will comply with said Act and Regulations.
- **LPA Project Scope Meeting Summary** – Assists the INDOT reviewers with scheduling and prioritizing their assignments. The **form** identifies the R/W clear date, property owners and tenants and shall be sent to the LPA R/W Supervisor with the Assurance Letter.
- **R/W Services, Management and Relocation** – The coordination, technical direction, review, and reporting of R/W service activities for each parcel to be acquired. These services include abstracting, R/W Engineering, Appraising, Buying, Relocation and Condemnation. Reports shall be made monthly or as required by the District INDOT Project Manager.
- **Title Research** – Research of title records to establish ownership for property and other interests in the property impacted by a project to be acquired by the LPA. This is also often referred to as abstracting. Abstracting for INDOT projects is defined as a search of the public records for a period of no less than 20-years or to the last recorded transfer by a warranty deed,

whichever is longer. This includes judgments, bankruptcy, divorce, easements, with miscellaneous record searches for mechanics liens, mortgages, or other encumbrances. For temporary acquisitions, the research needs only to go back to the last deed of record.

- **R/W Engineering** – Preparation of legal descriptions (for all interests being acquired by the LPA, including but not limited to fee simple, temporary rights of way and clearance of other property interests) acquired from each property owner.
- R/W parcel plats are to be prepared in accordance with the R/W Engineering Manual and the Indiana Administrative Code (IAC) Title 865.
- **Scope of Work and Appraisal Problem Analysis (APA)** – The defining of the appraisal problem, appraisal scope of work, and establishing the appropriate valuation form type (waiver valuation, value finding, short form appraisal, etc.) to be completed.
- **An APA shall be completed by the project's review appraiser for each parcel.** The APA process provides the LPA the first estimate of what purchasing the R/W will cost. If the APA is completed using owner contact, the APA preparation is considered R/W Services. The APA must be accepted/signed by the LPA.
- **Appraising** – Establishing an Opinion of Just Compensation. Determining the value of the acquisition (land, improvements, cost to cures, interests and/or damages) through appraisal or waiver valuation, as well as the review of appraisals. The appraisal, through an attached Statement for the Basis of Just Compensation, must be accepted/signed by the LPA.
- **Buying** – Presenting a written offer to purchase land or interests therein to the property owner and executing all documents required to transfer the necessary property rights or interests from each owner for each parcel on a project.
- **Relocation** – Determining and paying relocation entitlement when people, businesses, and/or personal property are displaced by the acquisition of property for a project.
- **Condemnation** – Applying a governmental agency's right of "eminent domain" to acquire property for a project. This does not apply to voluntary acquisitions. Court documents (Order of Appropriation, Award, Agreed Finding and Judgment, etc.) shall be submitted for review to INDOT District before R/W Certification can be completed.
- **Property Management** – After the rights to a property are acquired, that property must be cared for until it is utilized for the project. Even after the project is constructed, there may be a remnant containing facilities that require on-going up-keep.
- **R/W Certification** – Before a project can go to a construction letting, the LPA and INDOT shall certify that all parcels necessary to construct the project have been acquired and cleared in accordance with federal and state regulations.

The LPA R/W Supervisor will review the parcels as they are received. The last parcel on a project must be received by the LPA R/W Supervisor at least 75 days before the project's Ready for Contracts (RFC) date for the R/W Certification to be issued prior to the RFC.

✳ ***Any form documents used from INDOT's Real Estate Division Manual must be revised to reflect the LPA rather than INDOT.***

- **R/W Certification (when no new R/W is required)** – If the project to be certified requires no additional R/W for construction, the LPA shall submit the appropriate existing R/W documentation to the Electronic Records Management System (ERMS) and the LPA must submit the appropriate certification letter for the project, at least 75 days before the project RFC date.

## RW at Risk

Right of way at risk is discouraged. If this is the only option, there are guidelines to follow.

First the LPA will need federal highway approval before they can move forward with this. This will then be a case-by-case situation.

## RW FMIS

The FMIS request for R/W Services will not be requested until after the environmental document is complete and has National Environmental Policy Act (NEPA) approval.

## Posting RFP for CE

The RFP for CE should be posted no later than 9 months prior to letting, this will ensure that there is enough time to follow the regulations to have the contract executed by the final tracing date to keep the current letting.

If the LPA is funding the phase with 100% local funds, they do not have to post an RFP but must use a consultant from INDOT's prequalified list.

If consultant services are to be funded with federal aid, the LPA must comply with the following. Federal Highway requires that the Construction Inspection phase be advertised separate from any other phase. This means INDOT cannot accept RFP for all phases. The Construction Inspection Phase must be advertised separately.

The RFP shall include a project description, scope of services and deliverables, schedule, qualification requirements, Disadvantaged Business Enterprise (DBE) goal, selection rating worksheet and a response due date. The RFP must specify the contract type, identify any special provisions or requirements, disallow any disclosure of cost.

The RFP will be reviewed by INDOT and shall be advertised on INDOT's Web site. Additional instructions for the RFP process, consultant selection and contract negotiation can be found in chapter 4 of this guidance document.

# CHAPTER SEVEN: CONSTRUCTION INSPECTION PHASE

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## CE consultant selection

All professional services leading to federally funded construction must be performed by INDOT prequalified consultants or by LPA in-house staff that have been approved by INDOT as having the same technical qualifications specified for consultants. This is regardless of whether federal funds for the services are being reimbursed, or the phase is 100% local.

PEMS and HTs oversee all phases of the construction process including maintaining a daily account of time worked, documentation of the type of work performed, and jobsite testing as required.

All inspection field staff must meet one of the following criteria:

- a. Be a Professional Engineer, or
- b. Hold a bachelor's degree in engineering or construction management from a regionally accredited university, or
- c. Be certified through the INDOT Certified Construction Technician Training

All inspection field staff must and maintain their certification in the INDOT Independent Assurance and Qualified Acceptance Personnel Program. This certification requirement also applies to any sub-consultants that perform any tests. The IA/QA Program is administered through the District Testing Office.

All testing must be performed by Qualified Technicians and in accordance with the Indiana Test Methods. Laboratory testing needed for acceptance of construction materials will be provided through the District Testing Office.

CI can be provided by contracting with a pre-qualified consultant firm or the LPA may use its own full-time forces provided those forces meet all certification and qualification requirements put forth by the INDOT Consultant Contracting Manager.

Additional information regarding procedural instructions for construction administration can be found in the General Instructions to Field Employees (GIFE).

The GIFE provides general guidance to Construction field staff. It does not contain contractual documents and is not intended to be used as construction specifications.

Any questions concerning procedural instructions that appear to conflict with Standard Specifications or contract special provisions should be directed to the District Construction AE.

# CHAPTER EIGHT: PREPARING FOR CONSTRUCTION

## Utility and Railroad

If a project requires Railroad or Utility Coordination, It must be included in the PE contract. When a UT or RR PO is needed for CN or review by the UT or RR department a separate FMIS authorization for those activities is required. The agreements for these between the LPA and Utility or Railroad are required by final tracing or before a PO can be issued.

If utility coordination is needed on a project, a firm cannot submit a Request for Proposal unless they have an Indiana Department of Transportation (INDOT) certified utility coordinator. To become an INDOT certified utility coordinator, the person must successfully complete the INDOT utility coordinator certification program. A score of 75% or better on the test is required to successfully become certified. More information regarding the INDOT utility coordinator certification program is available on the INDOT Utility and Rail Homepage.

Roadway agencies, utility companies and railroad companies are each generally responsible for constructing, maintaining, and operating their own facilities. Close coordination and cooperation between each entity is required where they interact to ensure the design, construction, operation, and maintenance of all networks are compatible both during and after the highway improvement project is completed.

The process of utility and railroad coordination for a federal-aid project begins at the inception of the project and continues until all work by utility companies is complete and/or all work near the railroad right-of-way is complete. It is essential for utility and railroad coordination activities to be performed in the proper order and in the proper manner to ensure federal money is available and can be utilized where appropriate for a specific project.

## Interlocal Agreements

Interlocal agreements are used when two LPA's share a project. An interlocal agreement is a contract to collaborate on a specific project or service. The purpose is to outline terms and conditions to which the LPA's will work together to streamline a project. These agreements are needed, for example if a Town or City has a road project and that road has a bridge that is owned by the County. The Town or City would be the Sponsor and owner of the project, but there would be an agreement with the County to assist in payment of the project or just only they will be responsible for the finished bridge. Other examples could include pedestrian paths or sidewalks where an LPA sponsors the project, but maybe the Parks department would be responsible for the maintenance. These are only a few examples.

Interlocal agreements are like other agreements and are due by final tracing to keep the projects current letting

## Stage 3 Submission

Stage 3 Submission is the point where INDOT provides a thorough review of the entire set of plans and supporting documentation. Section 1 of the FHWA-Indiana PS&E Checklist is completed by the INDOT Plan Reviewer at this stage.

The Designer is responsible for preparing the Stage 3 Submission for INDOT. Plans and design calculations will be prepared to a final plan level of completion (90% project design completion level) in accordance with IDM Chapter 103 (Chapter 14). For a complete list of documentation required, the Designer should reference IDM Chapter 14.

For projects that require only the Stage 3 Submission (if not previously submitted), all previous documentation required for Stage 1 and Stage 2 must be included in this submittal. Any Stage 3 Submission received by INDOT before the Pavement Design Acceptance Letter has been sent to the LPA and their Designer will be rejected. The Stage 3 Submission may be resubmitted once the pavement design review process has been completed.

The Designer will electronically transmit the Stage 3 Submission through ERMS and notify the District ERMS Coordinator at least **152 days prior** to the RFC date. The ERC shall be copied on the notification.

The Stage 3 Submission will be reviewed by INDOT for Level 1 and Level 2 Design Criteria, Permits, Geotechnical, Pavement, and Hydraulics approval letters, Maintenance of Traffic, and other items as indicated in the IDM for conformance and for **fatal flaws**.

INDOT will review the Stage 3 Submission within 1 month of receipt and will forward the results of the review to the Designer and notify the LPA.

**✳ *Not having all or the proper Environmental Permits and Right-of-Way permits will halt the project development process at the Stage 3 Review Submission.***

Technical assistance may be requested at any time from the INDOT Central Office as needed.

If a technical assistance review has been completed prior to the Stage 3 Submission, INDOT will determine the level of additional review required. However, the design plans and the pavement design must reflect no changes in scope have taken place.

All Stage 3 Submissions will be signed and dated by the INDOT reviewer to show the required reviews were completed.

## Final Tracing

The Final Tracings Submission will be accomplished after the Stage 3 Submission has been reviewed and no fatal flaws have been found. The Final Tracings Submission shall be submitted at least 30 days prior to the RFC date.

The title sheet for an LPA set of plans submitted with the Final Tracings Submission must include the following signatures:

The LPA's board or administrative body. The minimum number of signatures is that which represents a quorum. The LPA's fiduciary representative may sign in lieu of the board members or administrative body.

The person's name and title should be printed below the signature. The respective signatures must be obtained prior to the Final Tracings submittal. Questions should be directed to the appropriate INDOT LPA Project Manager.

The Final Tracings Submission includes but is not limited to: Environmental Document approval, Final Plans, Specifications, Estimate, Final Tracing Approval letter, Right-of-Way Certification, Permits, and the Contract-Preparation Documents (CPD) in the IDM Chapter 103 (Chapter 14 Figure 14-C).

The Designer should reference the Final Tracings Checklist, which can also be found on the Design Manual Editable documents Web site at <https://www.in.gov/dot/div/contracts/design/dmforms/index.html> for a complete listing of all documentation required for the Final Tracings Submission.

The Final Tracings Submission will be submitted to the District ERMS Coordinator where it will be reviewed prior to transmitting the Final Tracings Submittal to the Contract Administration Office. The Designer will copy the LPA in the transmission as part of the District Final Tracings Package Review; the entire submission is reviewed for conformity and compliance to reduce questions during the bidding process.

The District INDOT Project Manager provides the plans, specifications and estimate to the Area Engineer to complete the "time set" portion of the CPD. After this section is complete, the District Project Manager will send the CPD back to the Consultant so it can be uploaded into ERMS. If the LPA or their Consultant would like to discuss the construction time set before it is set, they should work with the District INDOT Project Manager to schedule a meeting with the District Construction AE.

All other project elements will be reviewed for validation of compliance, primarily focusing on verifying that all required documents, development certifications, approvals and permits as depicted on the project development process certification checklist have been obtained and are in order before authorizing federal money expenditure.

If additional information is required, the District ERMS Coordinator will notify the LPA.

No project will receive federal funding until all critical element errors and fatal flaws are corrected.

## FHWA PS & E CHECKLIST

The FHWA-Indiana Plans, Specification & Estimates (PS&E) Checklist was added as a required document to the Final Tracings Checklist effective April 15, 2012. The purpose of the FHWA-Indiana PS&E Checklist is to ensure a complete Final Tracings Submission and a more efficient PS&E approval process.

The checklist is completed by INDOT staff and uploaded into ERMS as each section is completed, with the total completion of the checklist prior to RFC.

While this checklist is an internal INDOT form, the LPA and/or Designer should view the FHWA-Indiana PS&E Checklist once it has been uploaded to ERMS to ensure all required documents have been submitted and reviewed.

The checklist can be found in ERMS under the naming convention: FT FHWA-Indiana PS&E Checklist [Des No.]

If there are any missing documents or required reviews, the PS&E will not be accepted, and the project will not go to letting.

All the firms related to the FHWA-Indiana PS&E Checklist can be found on INDOT's Web site

There are three sections to the FHWA-Indiana PS&E Checklist:

- **Section 1** – Design Quality – completed by the INDOT Plan Reviewer
- **Section 2** – Project Manager Review – completed by the INDOT Project Manager
- **Section 3** – Contracts Review – Completed by the Contract Administration Division

## PLAN REVISIONS PRIOR TO LETTING

Plan Revisions are the changes made to a set of plans and contract documents up to one week prior to letting. The letting date (not the plan signing date) controls when and how revisions can be made to the plans and contract documents.

Plan revisions shall be handled in accordance with the IDM. This section covers how and when sheets can be replaced, proper numbering for replaced sheets, and rules regarding the placement revision notes. Once the District Construction Engineer approves the revisions, they are sent to the Contract Administration Division for posting.

## CE FMIS

The CE FMIS request should be made no later than 2 weeks prior to letting.

## PREPARATION FOR LETTING PROCESS

It is the responsibility of the LPA to prepare the local match funds for CN based on the estimates and the amount of CN funds awarded. After letting and award, the LPA will be invoiced for the match funds up front and will be required to pay them within 60 days from letting or the contractor can pull the bid

It is the responsibility of the Contract Administration Division to prepare the project documents for letting once the Final Tracings Submission for a project has been submitted and the project is deemed RFC by the District Office. Once the project is deemed ready for contracts, the Contract Administration Division will prepare and advertise the Contract for letting. The Contract Administration Division will also verify that all documents are present and properly uploaded to the Electronic Records Management System (ERMS).

# CHAPTER NINE: LETTING

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## Letting Process

The Contract Administration Division processes all federally funded Local Public Agency (LPA) projects for bid letting. All projects must be properly advertised to the public, processed, and awarded to receive a Notice to Proceed (NTP) from the Indiana Department of Transportation (INDOT) to begin construction.

Once a project has been authorized in the Fiscal Management Information System (FMIS), it is eligible for advertisement in the “Notice to Highway Contractors.”

Once advertised, contract documents are available for viewing and downloading from the INDOT Letting Information Web site.

The advertisement is posted on the Web site, a minimum of three weeks prior to the letting, unless a special exception is provided by the Federal Highway Administration (FHWA).

Bids from Contractors are typically accepted only electronically through Bid Express by the required date and time specified in the advertisement. All bidders must be currently Prequalified by INDOT and have a current Certificate of Qualification.

All questions from Contractors must go through proper channels and must not be answered directly by either the LPA or the LPA's Consultant.

Contractors must be referred to the Contractor's Question Form on the INDOT Web site for the submission of questions. Questions will be answered in a timely manner and answers will be distributed uniformly to all Contractors to avoid giving any Contractor an unfair advantage. If additional clarification is needed the District Construction Area Engineer (AE) will contact the LPA's consultant and LPA's Employee in Responsible Charge (ERC).

While the LPA or the Project Designer may need to answer some specific project questions, federal and state policies require all questions and answers be made available to all bidders.

Violation of these policies could result in a fatal flaw of the bidding process and cause the project to be removed from a letting and/or jeopardize federal funding.

Occasionally it is necessary to issue addendums to contracts that are advertised for bid. Requests for revisions can come from many sources including the LPA, the Contractor, INDOT, or the Project Designer.

When a revision is issued online to bidders, a notice is also sent by list server email.

It is important to note late revisions and/or large revisions may place the letting date at risk for rescheduling for a later letting

## Award of the Contract

On the day of letting, the ERC will be contacted by email with a concurrence letter and the unofficial bid results. The ERC will have 2 days to sign and return the letter.

The bids are validated by the Bid Tab Edit process, after which the Bid Tab Analysis report is produced. This provides bid tab listings and compares the prices to the engineer's estimate.

Notwithstanding to any other statute or rule adopted by the department, the department may



accept a proposal and award a contract for the construction, improvement, or maintenance of a road if:

(1) the lowest responsive and qualified bid is:

(A) less than three million dollars (\$3,000,000);

(B) one (1) of three (3) or more bids received by the department for the contract; or

(C) not more than fifteen percent (15%) above the estimated cost of the project.

A contract shall not be awarded until all proposal items are validated, the DBE goal is met, the Central Office Program Funds Manager and the District Local Program Director concur in the award, LPA concurrence is received, and the bid analysis has been completed without a finding of Materially Unbalanced Bids. Materially unbalanced bids are suspected in cases where unit prices are significantly less than the expected cost for some contract line items and significantly overstated in others. A materially unbalanced bid may lead to a payment pursuant to the award of a contract to the unbalanced bidder would result in an “advance payment” to the contractor or result in INDOT paying a higher total price than if it awarded to the next low bidder.

Local funds are generally required for construction of federal-aid projects. The amount of funds required of the LPA is generally referred to as the “match.” INDOT will invoice the LPA for the amount due after the bid award. The match is required to be paid to INDOT **prior** to INDOT issuing NTP for construction to the winning Contractor. Both the matching funds and the federal funds are encumbered on a purchase order to pay for the Contractor’s construction work.

## Change orders or advice of change

During the life of a project, issues arise that require the processing of change orders, time extensions, and claims. It is the responsibility of the PEMS to document all communications and construction activities that affect these items.

For change orders and claims approvals, the PEMS must maintain communication with, and obtain the approval of, both the LPA’s ERC and the District Construction AE. LPAs should make it very clear to their consultant PEMS the extent they want on approval of change orders.

Change Orders do not alter the amount of funds available to pay the Contractor. When additional funds are required to process progress payments, the PEMS will request additional funds, and the District Program Director will receive an Advice of Change request from the District Construction Department. It is this request that will generate an invoice to the LPA. The PEMS must notify the LPA’s ERC prior to the request for the ERC to review the request. If the LPA’s ERC concurs with the request and approval is given, the ERC should begin steps to acquire funds to pay.

If there is a disagreement in the scope of work needed between AE and the LPA’s PEMS, the issue will be resolved by the District Construction Director. It is the responsibility of the PSMS to notify the LPA’s ERC of all construction changes and engage them in such conversations.

It is the responsibility of the PEMS and the LPA to know the status of their funding. The PEMS must maintain a running total of all contract costs, indicating the remaining balance of all purchase order allocations.

Because the allocation of federal funds for each project is limited, change orders and claim costs may exceed the federal allocation. In this case, the LPA will be responsible for providing 100% of any additional funding required. Certain types of extra work may not be eligible for federal funding even if there are unused federal funds left on the project.

If the project is in a Metropolitan Planning Organization (MPO) planning area and funded all or in part by MPO allocations, the LPA’s ERC must notify the MPO of any change orders and/or changes in the scope of work. Further, the ERC must notify the MPO at the onset of an Advice of Change and receive a determination from the MPO indicating whether the MPO will fund the Advice of Change. Additionally, this determination will be provided to INDOT Finance so that INDOT Finance can place proper funding on the Advice of Change. It is the LPA Consultant’s responsibility to keep the LPA’s ERC promptly notified of both the Advice of Changes and the Change Orders.

## Errors and omissions

INDOT expects consultants to deliver technical accuracy and quality work; however, project E&O may occur. Some E&O may be within an acceptable level of care while others are not. Depending on their significance, E&O may result in increased design, construction, and maintenance costs. INDOT has a defined procedure for addressing E&O in the INDOT Professional Services Contract Administration Manual.

E&O on LPA projects shall be handled following the same procedure, with the ERC responsible for the role of Project Manager. When an E&O is suspected, the ERC will need to coordinate with the District Program Director Project Engineer for assistance with this process.

# CHAPTER TEN: PROJECT CLOSEOUT

## Final Construction Records and Project closeout

Once the contract is complete and meets acceptance the INDOT District will send Form IC-639 (Report of Contract Final Inspection & Recommendation for Acceptance) for the LPA to sign. The LPA shall sign and return Form IC-639 within 10 business days.

All federal-aid projects require a Final Construction Record (FCR). Preparing for the FCR is the responsibility of the PEMS. The FCR must be completed within 45 days of acceptance of the contract's completion. Any exceptions must be approved by the District Construction Director.

The FCR is submitted and maintained in the Site Manager construction application.

By the time the FCR has been checked for discrepancies by the field staff and District Final Review, all monies due the Contractor must be resolved. The PEMS is responsible for follow-up of all unresolved issues until the time of contract close-out.

The FCR must be thoroughly and accurately checked by the field staff. The FCR will then be reviewed in INDOT's District Office. Once the District Final Review has been completed and all field issues have been resolved, the FCR is then forwarded to INDOT's Central Office for verification and final approval.

After the FCR has been approved in the Central Office, the project will proceed to Project Closeout.

Quarterly Reports are due on projects until all PO's have been closed for all phases or all phases, and a final acceptance has been received for CN.

## Final Audit

INDOT's External Audit section reports to the Sr. Director of Finance within the Finance Department of INDOT. External Audit's responsibilities include auditing the contract files after the final invoice has been received and processed by the Owner Office.

There are several types of contracts that are submitted to External Audit, including the INDOT-LPA Project Coordination Contract, the LPA-Consultant Contract, LPA Force Accounts, Utility Agreements and Railroad Agreements. Submission of project files to External Audit is the responsibility of the Owner Office within INDOT.

It is the responsibility of the LPA to ensure that billing by their consultant follows compliance with the contract between the parties. Ongoing training of individuals who review invoices and approve them for payment stresses the importance of not paying invoices which are not in compliance with the contract. Invoices submitted to INDOT which are not in compliance with the contract will be rejected and returned to the LPA for correction with the subcontracted party prior to reimbursement.

The resolution process allows the LPA thirty (30) days to notify INDOT of their intention to dispute a citation amount. Notice of intent to dispute the findings of any audit received after the allowed 30-day period **will not** be accepted. The Sr. Director of Finance handles the dispute process between INDOT and the contracted party. Until the 30 days have passed or until the contractor has confirmed agreement with the citation, no billing goes to the party responsible for reimbursement to INDOT.

After that time, the External Audit staff will provide billing information and a copy of the audit report to INDOT's Accounts Receivable section in accounting. If additional funds are owed to the LPA, that party must submit another claim to be reimbursed for underpayment. This claim is processed by the Owner Office in a similar manner to the original payments per the

agreement. Records of the payment or other resolution is requested to be provided to the External Audit section from the Owner Office.

## Fatal Flaws

The definition of a Fatal Flaw includes any problem with a critical element that has not been or cannot be resolved. Fatal flaws also include violations of any state or federal law, and any action that compromises safety or the rights of property owners. Fatal flaws may be identified at any stage of the project development process.

Once a fatal flaw has been identified it shall stop all affected project activity until the fatal flaw is resolved. Unresolved fatal flaws can negatively impact the project schedule, funding, and the project budget. They may also impact project scope. Unresolved fatal flaws will prevent the project from proceeding to the next stage including advertisement and letting.

In Land Acquisition, the focus on fatal flaws is primarily centered on ensuring all activities protect the rights of property owners as set forth by the Uniform Act. However, this focus does not exclude other types of fatal flaws.

While it is impossible to list all possible fatal flaws the following list provides a sample of possible fatal flaws related to land acquisition.

In project programming, the focus on fatal flaws is primarily centered on project scope, proper procedures related to consultant selection and managing critical documents. However, this focus does not exclude other types of fatal flaws. Some of the most common fatal flaws are listed below.

- Changes to the scope, “scope creep,” can result in insufficient approved federal funds needed to construct the project.
- The consultant selection process was not followed as discussed in Chapter Five.
- Failure to maintain ERC Certification.
- Required documents (e.g., INDOT-LPA Contract, Local Quarterly Reports, etc.) are not submitted in a timely manner.
- The project schedule.
- The project funding.
- The project budgets.
- The LPA does not have matching funds.
- The project is not ADA compliant.
- The LPA's project does not meet the contracted funding window.
- There is no Designated Employee in Responsible Charge (ERC).
- The project is not eligible for the federal-aid program.
- The project is not consistent with the adopted MTP.
- The project is not consistent with the latest air quality conformity determination (non-attainment and maintenance areas).
- The boilerplate LPA-Consulting Contract from INDOT's Web site was not used.
- The work was performed prior to INDOT issuance of the NTP.
- The project is not included in the appropriate Transportation Improvement Program (TIP) if applicable, and the Statewide Transportation Improvement Program (STIP).
- The permits are not obtained in a timely manner.
- The Right-of-Way (R/W) covered by the environmental document being less than that indicated by the design plans.
- An increase in impacts after the environmental document is approved.
- Determining the need for mitigation too late in the environmental process.
- The Field Check was not held in a timely manner.
- The Geotechnical Report was not submitted on time or not provided to the correct persons.

- Pavement Design submittal was not reviewed by correct people.
  - The Proprietary Material approval was not received prior to the submission of the Final Tracings Package.
  - Design exception request late in project development. No guarantees that all design exceptions are approved.
  - The Railroad agreement is not executed.
  - The Utility agreement is not executed.
  - Indiana 811 was not contacted for location of the utilities.
  - The funds were not authorized by FMIS.
- 
- Coercion of property owners to donate or forego required procedures/receive full payment
  - Quid pro quo
  - Letting with Exception without the approval required from the District INDOT Project Manager and LPA R/W Supervisor.
  - The property owners are not properly informed of acquisition procedures.
  - Incorrect R/W Engineering.
  - Incorrect method of establishing just compensation (Appraising).
  - Conducting appraisals and making offers before Public Hearing Certification completed.
  - Offers made (Buying) before environmental approval.
  - Relocation not approved at Central Office.
  - Relocation Assistance not handled properly.
  - False Information.
  - Violation of nondiscrimination and Title VI protections.
- 
- Railroad coordination is not complete.
  - Right of Way acquisition process is not complete.
  - All necessary environmental Permits are not acquired.
  - PS&E approval denied.
- 
- No inspector is present when materials paid for by direct measurement are delivered and incorporated in the work.
  - Authorizing materials that do not meet specifications.
  - Authorizing work that does not comply with the specifications, standard drawings, or contract plans.
  - Authorizing added work without proper approvals.
  - Filing to maintain timely daily work reports.
  - Failing to process progressive estimates on a two-week payment schedule.
  - Failing to complete the FCR.
  - Failing to maintain a project file.
  - Not having funds available for added work.
  - Progressing with work prior to issuance of the NTP.
  - Accessing a parcel prior to Right-of-Way (R/W) being clear.

***Once a fatal flaw has been identified the Project Sponsor shall stop all affected project activity until the fatal flaw is resolved. Unresolved fatal flaws can negatively impact the project schedule, funding, budget, and scope. Unresolved fatal flaws will prevent the project from proceeding to the next stage of project development, including advertisement, and letting, and may lead to loss of Federal Funding.***

# CHAPTER ELEVEN: ADDITIONAL ASSISTANCE PROGRAMS

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## Emergency relief program

During disaster events, an Emergency Relief Program is available to affected LPAs. These Programs and requirements are:

- Federal Highway Administration (FHWA) Emergency Relief (ER) – a program to supplement state and local resources resulting from a disaster. The disaster must be:
  - A Governor or Presidential disaster declaration
  - At least \$700,000 in statewide damage (\$5,000 per site)
  - On a Federal-Aid Highway
  - *Local roads and rural minor collectors are not eligible for FHWA ER funding.*
- Federal Emergency Management Agency (FEMA) Public Assistance (PA) – a program to supplement state and local resources resulting from a disaster. The disaster must be:
  - A Presidential disaster declaration
  - “Off-System” (publicly owned)
  - Local roads and rural minor collectors are eligible for FEMA PA funding.
- In case of an emergency event, the District Local Program Director will send an email to the LPA, including the Emergency Management Agencies and Highway Superintendents within the LPA’s jurisdiction that may have damage to their roads or bridges. The email will include either the Emergency Relief Reimbursement Checklist if the event qualifies as a FHWA ER event or a Preliminary Damage Assessment Worksheet if the event qualifies for FEMA PA event.
- Please keep in mind that to seek reimbursement for an emergency event, you must follow all the criteria for the normal Federal-aid process.
- A completed Emergency Repairs Checklist should be sent to the District Program Director with each DES Number.
- Example of a checklist below

**Documentation Required for FHWA ER Temporary Repairs Reimbursement Checklist**  
**(Provide a copy of this checklist with your claim voucher)**

- ☐ 1) Cost summary record – compilation of incurred expenses
- ☐ 2) Force account labor records – signed, detailed time sheets with hours (regular and over time) worked, rate, and total cost
  - ☐ a) Payroll reports with calculation of labor surcharge (fringe)

*A responsible employee having knowledge that the time distribution is accurately reported is to sign.*
- ☐ 3) Force account equipment records – signed time and equipment use reports and/or commercial invoices
  - ☐ a) Equipment, horsepower, capacity and location used
  - ☐ b) Operator's name, dates and hours (regular and overtime) worked/used each day, total hours, total cost
  - ☐ c) Rented equipment – rental rates supporting documents, i.e. [Blue Book Rental Rates](#)
    - ☐ i) Inventory stock tickets, supplier invoice, payment documents (include proof of), procurement process, and rental agreement

*A responsible employee having knowledge of actual equipment use on designated project is accurately reported is to sign.*
- ☐ 4) Force account materials records – signed stock issue slip or supplier's invoice
  - ☐ a) In-house stockpile materials – signed vendor/supplier invoice, date, description, payment documents (include proof of), procurement process
    - ☐ i) Amount and date used, and process of tracking amount used
  - ☐ b) Purchased materials – signed vendor/supplier invoice, date, description, payment documents (include proof of), procurement process
    - ☐ i) Date used

*A responsible employee who has knowledge of actual material use on designated project is accurately reported is to sign.*
- ☐ 5) Contract summary records – detailed vendor invoice with date and description of work performed, invoiced amount, total claim amount, and comments
  - ☐ a) Procurement process, bid advertisement and bids, award letter, contract, NTP, change orders, invoices, and proof of payment
- ☐ 6) Pictures of before and after the damage, and after work completed. If there aren't any before pictures an aerial may be used from [IGIO Orthophotography/LiDAR](#) web site.
- ☐ 7) A letter certifying that the information provided is accurate to the best of the person's knowledge and the temporary work was completed within 270 days of the disaster declaration.

# APPENDIX A

## LPA INVOICE VOUCHER INSTRUCTIONS

State Form 52663 (R2 / 6-16)

- An LPA Invoice Voucher must be included with each claim submitted. The current LPA Invoice Voucher is posted on INDOT's Local Public Agency Programs Web site.
- The LPA Invoice Voucher and claims can be submitted as copies.
- The LPA Invoice Voucher **must** be electronically submitted via email to the appropriate INDOT District:

Crawfordsville District	<a href="mailto:Crawfordsvilleinvoices@indot.in.gov">Crawfordsvilleinvoices@indot.in.gov</a>
Fort Wayne District	<a href="mailto:Fortwayneinvoices@indot.in.gov">Fortwayneinvoices@indot.in.gov</a>
Greenfield District	<a href="mailto:Greenfieldinvoices@indot.in.gov">Greenfieldinvoices@indot.in.gov</a>
LaPorte District	<a href="mailto:Laporteinvoices@indot.in.gov">Laporteinvoices@indot.in.gov</a>
Seymour District	<a href="mailto:Seymourinvoices@indot.in.gov">Seymourinvoices@indot.in.gov</a>
Vincennes District	<a href="mailto:Vincennesinvoices@indot.in.gov">Vincennesinvoices@indot.in.gov</a>

✱ **All LPA Invoice Vouchers for Countywide Bridge Inspection and Inventory Program projects must be submitted via email to the appropriate INDOT District.**

- The LPA should submit no more than and no less than one billing per every 30-45 days to INDOT. Consultants should submit no more than and no less than one billing per every 30-45 days to the LPA. Purchase Orders (PO's) are considered inactive after 45 days of no financial activity. Inactive POs are at the risk of being closed.

***The FHWA states that federal funds are "reimbursement funds." It is INDOT's policy that the LPA is required to make payment to the Payee prior to submitting an LPA Invoice Voucher to the Assigned Program Coordinator for reimbursement. A legible copy of the cancelled check (front and back) to the Payee or, in the case of direct deposit, a copy of the electronic funds transfer (EFT) must accompany each invoice voucher including supporting documentation. When proof of payment exceeds reimbursement requested,***

- The LPA should not submit an LPA Invoice Voucher prior to receiving a copy of the Purchase Order from INDOT.
- The LPA ERCs are responsible for completing the LPA Invoice Voucher.
- Per Section 5-5.02 Invoice Review of this document – "Invoices are to be reviewed for accuracy and approved by the ERC before payment." Proof of ERC review needs to be provided when requesting reimbursement. Examples of proof could be, but not limited to:
  - 1) The ERC's signature on the LPA Invoice Voucher,
  - 2) The ERC's signature on the Accounts Payable Claim submitted for payment by the LPA, or
  - 3) The ERC's signature on the Consultant Invoice.

It is the LPA's responsibility to track Federal Funding Allocation awarded to their project and each Purchase Order (PO) assigned to their project. A sample spreadsheet for tracking [Federal Fund Allocation \(Purchase Order\) log](#) is posted on the LPA Web. INDOT highly recommends submission of the Purchase Order Tracking Log with each LPA Invoice Voucher. The LPA is required to submit the Purchase Order Tracking Log with submission of LPA Invoice Voucher Claim #99 (Final).

✱ ***For each 30–45-day period there will not be a billing by the LPA, an email or letter should be submitted to the Assigned Program Coordinator and Program Manager stating there were no invoices submitted for that period and billing will continue the next month unless another email or letter is submitted. Should this procedure be utilized for more than 9 consecutive months, the PO will be at risk of being closed and the project funds will become inactive and no longer available.***



The **supporting documentation** required to be submitted with the LPA Invoice Voucher for the following types of contracts is listed below:

- Labor Rate Multiplier Contracts
- Negotiated Labor Rate Contracts

- ※ Supporting documentation does not have to be original.
- ※ Time documents for each billed employee:
  - Identify the employee and classification
  - Project
  - Date
  - Weekly Timesheets - must include breakdown of hours worked on each day of the week.
    - In the event of overtime, the weekly timesheet is needed to determine if overtime is billable for the project.
  - Direct labor for cost reimbursable agreements MUST be billed/invoiced by employee name and by the labor classification, since these agreements state reimbursement at “actual” cost.
- ※ Payroll Records are required for LPA force projects, and union pay scales for some utilities and railroads.
- ※ Expense reports and supporting receipts for billed direct non-salaried costs (DNS costs). These expenses may include, but are not limited to:
  - Meals (only if trip included an overnight stay)
  - Lodging
  - Mileage

✿ ***Please keep in mind that INDOT will only reimburse the LPA the maximum allowable limit under the State’s Travel Policy for meals, lodging and mileage. The State’s Travel Policy can be found on IDOA’s Web site at <https://www.in.gov/idoa/state-purchasing/travel-services/>. Because IDOA policies change periodically, please verify current travel policies prior to billing.***

- Equipment Rentals (Generally allowed only if rented from a third unrelated party)
- Field Supplies
- Materials

※ Mileage Records/Log must identify:

- Project
- Date
- Employee
- Vehicle used
- Beginning and Ending miles (Odometer readings)
- Departure location and arrival location
- This information may be recorded on an expense report or some document other than a mileage log.

— Lump Sum Contracts

- ※ Supporting documentation does not have to be original.
- ※ Monthly Progress Report – must show percent of each “task” completed during that billing cycle based on the “tasks” included in the LPA–Consultant Contract as well as the total percent of each “task” completed to date.

— Cost Plus Fixed Fee Contracts

- ※ Supporting documentation does not have to be original.
- ※ Time sheets, expense reports with supporting receipts, etc. (see specifics above) for the corresponding charges on the invoice and the Monthly Progress Report for those corresponding charges on the invoice.

***When overhead rates change during the life of a contract, consulting firms should begin billing at the revised rates when they go into effect. Overhead rates are usually adjusted at the beginning of a State fiscal year after a review by INDOT Audit.***

## LPA Invoice Voucher Completion Instructions

***The LPA ERCs are responsible for completing the LPA Invoice Voucher.***

***Invoices submitted to INDOT for payment which are not in compliance with the contract and these instructions will be rejected and returned to the LPA for correction prior to reimbursement.***

***INDOT personnel are restricted from making any changes to any invoice or claim voucher. All changes must be edited by the LPA.***

***INDOT cannot accept LPA INVOICE VOUCHERS which are hand completed except in areas noted below. The signature of the Vendor is the ONLY place where handwritten is acceptable.***

***Auditor of State enforces the existing policy against approval of altered invoices. Invoices that have been altered, either by the local or by INDOT, will not be approved for payment by AOS. If an error has been made on an invoice, the consultant / contractor must either resubmit the invoice or send an email verifying/approving the alteration. This includes any change to the pre-printed invoice (date, quantity, amount, invoice #, etc.).***

The numbers below correspond to the red numbers shown on the LPA Invoice Voucher following these instructions. **LPA MUST complete all areas shaded in grey to allow for reimbursement processing.**

In addition, any number that references information from the Purchase Order will correspond to the blank example Purchase Order (also following these instructions) showing where the information is located.

1. **LPA'S NAME AND REMIT TO ADDRESS** – This Information must match the vendor information in the Remit to box located on the Purchase Order (PO). This address has been approved through the Auditor of State and is the address where the payments for claims will be sent.
2. **TO: INDIANA DEPARTMENT OF TRANSPORTATION, CARE OF** – Drop Down Menu. Select the appropriate District Program Coordinator. The address will be Auto Populated based on the District Program Coordinator Selection. Keep in mind that the claims **must** be submitted electronically to each District email inbox address as shown on page 1.
  - ✱ **NOTE:** All claims for Countywide Bridge Inspection and Inventory Program projects must be submitted via email to the appropriate INDOT District.
3. **PO Number** – Enter the PO Number of PO that funds are being deducted from.
  - 3a. This space is auto populated upon data entry in number 3.
4. **Net Amount of Claim** – This amount is auto populated from **Line-Item No. 10 (Net amount of claim)** - number 19.
5. **Vendor Code** – Enter the Vendor (Vendor ID) number shown on the PO that funds are being deducted from for your City/Town/County. This is the digit number on the PO preceded by zeros.
6. **Invoice Number** – Enter a referencing number based on supporting documentation for which the LPA is requesting reimbursement. This reference number is typically a consultant invoice number or in case of a claim for right-of-way, a Parcel Identification number. One reference number per line, DO NOT combine invoices or parcels. 6a. & 6b. Available for entering additional referencing numbers based on supporting documentation for which the LPA is requesting reimbursement. This reference number is typically a consultant invoice number or in case of a claim for right-of-way, a Parcel Identification number.

7. **Amount** – Enter the gross amount from the supporting documentation corresponding to the entered Invoice Number the LPA is requesting reimbursement.
- 7a. & 7b.** Available for entering the additional gross amounts from the supporting documentation corresponding to the entered additional Invoice Voucher Numbers the LPA is requesting reimbursement.
8. **Line-Item No. 1 (Claim No.)** – The first claim should be number 001 and continue in sequence until the final claim for a PO is ready for submission. The final claim for a PO **MUST** be numbered 099, which indicates the final claim. When a project has multiple PO's, claim numbers start at 001 with the final claim being 099 for each individual PO. **CLAIM NUMBER SEQUENCE DOES NOT CONTINUE WHEN PROJECT HAS MULTIPLE PO'S.**
9. **Line-Item No. 1 (Des. No.)** – Enter the Des. No. that is assigned to the project. The Des. No. can be found on the front page of the INDOT-LPA Contract. The Assigned Program Director is available if you have questions.
10. **Line-Item No. 2 (This claim voucher is for:)** – Drop Down Menu. Select the phase of the work the LPA Invoice Voucher covers
11. **Line-Item No. 3 (Project Description:)** – Enter the description of the project as shown in the INDOT-LPA Contract. The Assigned Program Director is available if you have questions.
12. **Line-Item No. 4 (Period covered by this claim.)** – Enter the period of time the work occurred, and reimbursement is being requested. Time periods covered for the duration of a PO must be sequential with no time lapses or gaps. If no work occurred during a particular period of time, the gap period of time needs to be reflected on the claim and on all supporting documentation. It is an INDOT policy that a service period must be at least 30 days or greater.
13. **Line-Item No. 5 (Gross amount of previous claims)** – Enter the Gross amount of previous claims that have been submitted for reimbursement. The LPA should be maintaining their own records to know the amount to enter, but the Assigned Program Coordinator is available if you have questions. The Gross amount of previous claims is tracked per PO. The Gross amount of previous claims **does not** extend over multiple PO's.
14. **Line-Item No. 6 (Net amount of previous claims)** – Enter the amount of federal reimbursements for previous claims that have been submitted for reimbursement. The LPA should be maintaining their own records, but the Assigned Program Coordinator is available if you have questions. The Net amount of previous claims is tracked per PO. The Net amount of previous claims **does not** extend over multiple PO's.
15. **Line-Item No. 7 (This (is) (is not) a final claim.)** – Drop Down Menu. Select “IS FINAL” or “IS NOT FINAL” to indicate whether this claim is a final claim for the PO. Claim No. 099 indicates the final claim and must be entered as “IS FINAL.”
16. **Line-Item No. 8 (Gross amount of this claim)** – This amount is auto populated summation of 7., 7a. & 7b.
17. **Line-Item No. 9 (Federal Share Reimbursable (Line 8 x Fed. %))** – Enter percentage of funding awarded. This amount can be found in the INDOT-LPA Contract. The Assigned Program Director is available if you have questions.
18. **Line-Item No. 9 (Federal Share Reimbursable (Line 8 x fed. %))** – This amount is auto populated upon data entry of numbers 16. and 17.
19. **Line-Item No. 10 (Net amount of claim)** – Enter net amount of claim for which reimbursement is being requested. Should be equal to number 18. unless PO is being exhausted, then will be remaining balance on PO.
20. **Line-Item No. 11** [I am aware of the project end date (this may or may not be the same as the PO end date.)] – Drop Down Menu – Select “Yes, LPA is aware of the Project End Date” or “No, LPA does not know Project End Date.”
21. **Line-Item No. 12** (My last reimbursement request was within six (6) months.) – Drop Down Menu – Select “Yes” or “No.” If this is Claim 1, leave blank.
22. **Signature of Vendor** – Signature of LPA official who is authorizing the claim. Signature must not be stamped or typed (Must be *Handwritten*).

- 22a. **Official Title** – Official title of the person signing the claim.
- 22b. **Date (Month, Day, Year)** – Enter the date the LPA Invoice Voucher is being submitted for reimbursement. The date will need to be updated if a claim was previously rejected and is being resubmitted.

## Example LPA Invoice-Voucher



**LPA INVOICE VOUCHER**  
 State Form 52663 (R2 / 6-16)  
 INDIANA DEPARTMENT OF TRANSPORTATION  
 Approved by State Board of Accounts, 2016  
 Approved by Auditor of State, 2016

INDOT USE ONLY	
PS Receipt No.	
PS Voucher ID No.	
INDOT Invoice No.	
PO Number	3.
Net Amount of Claim	4.
Vendor Code	5.
CFDA Number	20.205

### LPA'S NAME AND REMIT TO ADDRESS

1.
----

TO: INDIANA DEPARTMENT OF TRANSPORTATION  
 CARE OF: 2.  
 ADDRESS:

EXEMPT PER I.C. 5-17-5-2

PO Number	Invoice Number	Amount
3a.	6.	7.
3a.	6a.	7a.
3a.	6b.	7b.

1	Claim No.	8.	Des. No.	9.
2	This claim voucher is for: 10.			
3	Project Description: 11.			
4	Period covered by this claim.		From:	12.
5	Gross amount of previous claims.		\$	13.
6	Net amount of previous claims.		\$	14.
7	This (is) (is not) a final claim.			15.
8	Gross amount of this claim.		\$	16.
9	Federal Share Reimbursable (Line 8 x Fed. %)	17.	%	\$ 18.
10	Net amount of claim.		\$	19.
11	I am aware of the project end date (this may or may not be the same as the PO end date). 20.			
12	My last reimbursement request was within the last six (6) months. 21.			
Note: If funds are removed, no reimbursement will be given.				

### RECOMMENDED FOR APPROVAL

INDOT OFFICIAL INITIATING THE CHARGE		DATE (Month, Day, Year)	
I certify that this claim is correct and valid and is a proper charge against the State Agency indicated.			
Authorized Signature of State Agency		Date (Month, Day, Year)	
Pursuant to the provisions of Indiana Code 5-1-10-1, I hereby certify that the amount claimed is legally due after allowing all just credits, and that no part of the said has been paid.			
Signature of Vendor	Official Title	Date (Month, Day, Year)	
22.	22a.	22b.	

## Example Purchase Order



### Purchase Order INDOT Consulting Indiana Department of Transportation

Approved by Encompass Leadership Team - 2011

Order #	Date	Required Date	Page
3.			1 of 1
Requisition Number:			
Vendor ID: 5.			
Agency: 00800 Transportation			
Pay Terms: 35 Days in Arrears			
Fund/Object/Center: 63200/ 583110 / 467010			

Vendor 5.  
Remit to 1.

Ship To  
Dept Of Transportation

Vendor Name Address

Bill To  
Transportation  
Dept Of Transportation

Vendor Contact  
Name:  
eMail:  
Phone:

Buyer  
Name:  
eMail:

#### Purchase Order Instructions & Comments

Purchase Order Line Details							
Item No	Description	(FOB Destination)	Qty Ordered	Qty Recd	UOM	Unit Price	Extended Amt

Deliveries acceptable only between 8:00 AM and 4:30 PM, Monday through Friday

#### Units of Measure, Handling, Totals, Signatures

The following UN/CEFACT Unit of Measure  
Common Codes are used in this document:  
EA Each

This area left blank

Total PO Amt. \$

Issued by the Indiana Department of Transportation	CONFIRMATION OF RECEIPT	
	I certify that the items listed above were received. All commodities appeared to conform to specifications and showed no patent defects, except as otherwise noted.	
	Signature of State Employee Receiver	Date Signed(Month/Day/Year)
FUNDING ENCUMBERED BY THE AUDITOR OF STATE		
I certify that there is sufficient unencumbered balance in the above account to cover the amount of this order, and that funds have been set aside for payment thereof.		

# APPENDIX B

## ACRONYMS

AASHTO – American Association of State  
Highway Transportation Officials

ADA – Americans with Disabilities Act

AE – District Construction Area Engineer

APA – Appraisal Problem Analysis

BIAS – Bridge Inspection Application System

BRFPS – Bridge Final Plans Submission

CFR – Code of Federal Regulations

CI /CE– Construction Inspection/ Construction  
Engineering

CIB – Contract Information Book

CN – Construction

CPD – Contract Preparation Document

DBE – Disadvantaged Business Enterprise

DOT – Department of Transportation

E&O – Error and Omissions

EEO – Equal Employment Opportunity

ER – Emergency Relief

ERC – Employee in Responsible Charge

ERMS – Electronic Records Management System

FEMA – Federal Emergency Management Agency

FHWA –Federal Highway Administration

FMIS – Fiscal Management Information System

IAC – Indiana Administrative Code

IDM – Indiana Design Manual

INDOT – Indiana Department of Transportation

ITAP – INDOT Technical Application Pathway

LCCA – Life Cycle Cost Analysis

LOI – Letters of Interest

LPA – Local Public Agency

LPA ERC – Local Public Agency Employee in  
Responsible Charge

MPA – Metropolitan Planning Area

MPO – Metropolitan Planning Organization

MTP – Metropolitan Transportation Plan

NBIS – National Bridge Inspection Standards

NEPA – National Environmental Policy Act

NTP – Notice to Proceed

P.E. – Professional Engineer

PEMS – Project Engineer/Supervisor

PFC – Preliminary Field Check

PO – Purchase Order

PS&E – Plan Specifications and Estimates

R/W – Right-of-Way

RFC – Ready for Contracts

RFP – Request for Proposal

SPMS – Scheduling Management Project System

STIP – Statewide Transportation Improvement  
Program

STP – Surface Transportation Program

TIP – Transportation Improvement Program

UA – Urbanized Area

# APPENDIX C

## GLOSSARY

***Change Order*** – The addition or subtraction from items in the contract that were missed or not needed.

***Construction Change*** – A modification to the construction plans, which is then uploaded into ERMS and documented for the as-built plans.

***Construction Time Set*** – The timing of the construction time project is based on a variety of factors including but not limited to need, weather, the Final Tracings Package submission, etc. The time set is set by the District Construction AE.

***Consulting Parties*** – Individuals or entities identified in the Section 106 process that has expressed an interest in the effects of the undertaking on historic resources. Consulting parties are invited to participate in the consultation process.

***Contract Information Book (CIB)*** – The purpose of the CIB review is to ensure the Designer and LPA acknowledge that what is in the book is correct. The CIB is a compilation of all the bids and relevant information organized in book format.

***Critical Element*** – Any review item used to verify that federal and state laws, regulations, and directives have been met. Critical Elements are most often identified through reviews scheduled at specific stages of the project development process.

***De Minimis Finding*** – A determination by FHWA under Section 4(f) of the Transportation Act that impacts to a protected property are minor and inconsequential.

***Disadvantaged Business Enterprise (DBE)*** – A DBE is a for-profit small business concern that is at least 51% owned and controlled by one or more socially and economically disadvantaged individuals. The DBE program is governed by 49 CFR Part 26. The owner is typically a minority or female and may not have a personal net worth that exceeds \$750,000 (excluding primary residence and equity interest in DBE firm). The business may not have gross receipts that exceed Small Business Administration limits.

***Engineer's Estimate*** – Final Estimate made by INDOT prior to letting to estimate the cost of construction based on the Contract. This estimate is used to evaluate the bids received.

***Electronic Records Management System (ERMS)*** – ERMS is the overall storage system for all INDOT documents.

***Employee in Responsible Charge (ERC)*** – The ERC is someone nominated by the LPA to oversee their LPA standard projects or countywide bridge inspection projects. Must take and pass the Basic Project Development On-line Course, the ERC Basic Recertification On-line Course or ERC Bridge On-line Course to be certified as an ERC.

***Fatal Flaw*** – Any problem with a critical project element that has not been or cannot be resolved. Fatal flaws also include violations of any state or federal law, and any action that compromises safety or the rights of property owners. Fatal flaws may be identified at any stage of the project development process.

***Field Survey*** – The Field Survey is conducted at the beginning of a project and identifies the topography of the project area.

***Fiscal Constraint*** – Under federal regulations, the MTP, TIP, and STIP must be fiscally constrained (estimated year of expenditure costs cannot exceed reasonably expected revenues from all sources) by year and include a financial plan to implement programmed projects.

***Fiscally Constrained*** – FHWA cannot approve a STIP that lists more projects than can be afforded. Projects within the MPA must first be programmed in the TIP prior to programming into the STIP.

***Fiscal Management Information System*** – The system in which federal funds are authorized by the FHWA.

***Indiana Local Technical Assistance Program*** – Created by the Federal Highway Administration in 1982 to provide local agencies with information and training programs to address the maintenance of local roadway and bridges.



***INDOT Level One Controlling Design Criteria*** – Highway design elements which are judged to be the most critical indicators of a highway’s safety and its overall serviceability. Each Level One criterion must be satisfied for the entire project length, including all paving exceptions. If the criterion is not satisfied, the Designer must apply for a design exception or revise the plans.

***INDOT Level Two Design Criteria*** – Highway design elements which are judged to be important indicators of a highway’s safety and serviceability but are not considered as critical as the Level One criterion. If Level Two criterion is not satisfied, the Designer will document in the project file that the criterion has not been satisfied and will provide a brief rationale for not satisfying it. However, it is not necessary to prepare in-depth documentation to justify the decision.

***INDOT Technical Application Process*** – ITAP is a gateway to access INDOT’s most used applications such as the Scheduling Project Management System, Professional Services Contracting System, Local Quarterly Report, and the Local Call Application, etc.

***Level One Design Exception*** – Includes any variation away from the INDOT standard of those highway design elements which are judged to be the most critical indicators of a highway’s safety and its overall serviceability. Level 1 design exceptions must be approved at Stage 1 review.

***Local Public Agency*** – Any city, county, municipality, or other political subdivision that may be empowered to cooperate with the State transportation department in highway matters. Typically, it serves as the project sponsor for a non-State funded project.

***Materially Unbalanced Bidding*** – A bid is materially unbalanced when the cost of an item is included in such a way that the order of bidders (highest to lowest) bidders does not reflect the actual cost.

***Metropolitan Planning Area (MPA)*** – The MPA is the area, determined by agreement between the Governor and the MPO, in which the MPO will carry out the federally prescribed continuing, cooperative, and comprehensive (3C) multimodal transportation planning process. As a minimum, the MPA must encompass the entire existing UA (as defined by the U.S. Census Bureau) plus the contiguous area expected to become urbanized within the 20 year forecast period for the MTP

***Metropolitan Planning Organization (MPO)*** – MPO’s are organizational entities or units of general-purpose local government designated by the Governor to carry out the continuing, cooperative, and comprehensive (3C) multimodal transportation planning process prescribed by 23 U.S.C. 134 and 49 U.S.C. 5303. Each urbanized area with a population of more than 50,000 individuals (as determined by the U.S. Census Bureau during the latest decennial census) is served by one of Indiana’s 14 MPOs.

***Metropolitan Transportation Plan (MTP)*** – The MTP is a fiscally constrained 20-year plan for transportation improvements in a MPA. The plan, which is developed by the MPO through a collaborative effort between LPAs, the MPO, INDOT and the public, is based on adopted land use plans and projections for growth in population, housing and jobs. Federal-aid funds cannot be used to advance LPA projects unless those projects are consistent with the adopted MTP, which must be updated every 4-years in air quality non-attainment and maintenance areas and every 5-years in all other areas.

***Overhead Rate*** – Overhead rate refers to a factor/ratio computed by adding together all a firm’s costs that cannot be associated with a single cost objective (e.g., general, and administrative costs and fringe benefit costs), then dividing by a base value (usually direct labor cost) to determine a rate. This rate is applied to direct labor, as incurred on projects, to allow a firm to recover the appropriate share of indirect costs allowable per the terms of specific agreements. In this document, the terms “indirect cost rate” and “overhead rate” are used synonymously.

***National Bridge Inspection Standards (NBIS)*** – The NBIS are federal guidelines pertaining to bridge inspection frequency, inspector qualifications, report formats, inspection and rating procedures, and the maintenance of a state bridge inventory. These standards were created to make bridge inspections thorough and consistent nationwide. The NBIS are minimum standards, and states may elaborate on these guidelines to clarify them or to make them more stringent. The NBIS led to the National Bridge Inspection Program which mandated that all states maintain an up-to-date inventory of all bridges over 20 feet in span and inspect them at regular intervals using the NBIS criteria.

***National Environmental Policy Act (NEPA)*** – The federal legislation requiring states to document the environmental impact of transportation projects. The NEPA process is enforced by regulations of the Council on Environmental Quality (CEQ).

***Prequalification*** – Prequalification refers to a process whereby consultants are certified to do business with INDOT. The certification process includes verification that the firm is an entity legally eligible to do business with the State, that the firm holds the required professional licenses to perform services in specified categories, that the firm holds minimum levels of liability insurance coverage and that the firm has an accounting system that will properly segregate expenses for determination of eligible costs. Prequalification does not guarantee that the firm does excellent work. A consultant may apply for prequalification at any time. The INDOT Prequalification Manual and the list of INDOT pre-qualified firms are available on INDOT’s website.

**Professional Services** – Professional Services are services that require involvement of licensed professionals such as engineers, architects, appraisers, surveyors, etc.

**Proprietary Material** – Proprietary Material is defined through specifications that are so detailed that only one product will satisfy the requirements, or that the name of the product is specified.

**Qualifications-Based Selection (QBS)** – QBS refers to a procurement process established by the United States Congress as a part of the Brooks Act [Title 40 United States Code, Chapter 11, Section 1104, paragraph (b)] and further developed as a process for public agencies to use for the selection of architectural and engineering services for public construction projects. It is a competitive contract procurement process whereby consulting firms submit qualifications to a procuring entity (owner) who evaluates and selects the most qualified firm, and then negotiates the project scope of work, schedule, budget, and consultant fee. 23 CFR 172 prescribes policies and procedures for administration of engineering and design related services contracts for transportation projects using federal funds.

**Regionally Significant Transportation Project** – A regionally significant project means a transportation project on a facility which serves regional transportation needs and a project that would normally be included in the modeling of the MPA’s transportation network by the MPO. At minimum, this includes all principal arterial highways and fixed guide way transit facilities that offer a significant alternative to regional highway travel.

**Reverse Taper Match Process** – When PE and/or R/W for projects awarded prior to April 29, 2009, are used for match credits the Reverse Tapered Match Process must be followed. RTM is the process where prior to incurring PE/R/W development cost, a request for federal authorization must be approved through FMIS.

**Section 4(f)** – The provision of the US Department of Transportation Act of 1966 (Title 49, USC, Section 303) that requires special considerations be made regarding the “use” of any publicly owned park, recreation area, wildlife/waterfowl refuge or historic property that is listed in or eligible for the National Register of Historic Places.

**Section 6(f)** – The provision of the federal Land and Water Conservation Fund Act of 1965 that protects public recreational properties developed or enhanced using federal funding supplied to states or municipalities under the act by requiring replacement of lands converted to non-recreational uses.

**Section 106 Process** – The provision of the National Historic Preservation Act of 1966 that requires federal agencies to take into account the effect of their undertakings on properties included in or eligible for inclusion in the National Register of Historic Places, and to afford the Advisory Council on Historic Preservation a reasonable opportunity to comment on such undertakings.

**Statewide Transportation Improvement Program (STIP)** – The STIP is a 4 year statewide prioritized listing/program of transportation projects expected to be funded in those four years with federal funds and those state and local funded projects that have been deemed regionally significant. For projects to be eligible for federal funding under **Title 23 U.S.C. 134** and **Title 49 U.S.C. Chapter 53**, the STIP must be consistent with both the Long-range Statewide Transportation Plan and any applicable MPOs. INDOT develops the STIP in cooperation with the MPOs and in consultation with Rural Planning Organizations (RPOs) and local officials outside MPAs. Prior to approval, INDOT will seek public comment from interested parties and citizens following procedures contained in the INDOT Public Participation Plan.

**Transportation Improvement Program (TIP)** – The TIP is a 4 year prioritized listing/program of transportation projects in an MPA that are expected to be funded in those 4 years with federal funds and all regionally significant projects, regardless of funding source (i.e. state, local, etc.). For projects to be eligible for federal funding under **Title 23 U.S.C. 134** and **Title 49 U.S.C. Chapter 53**, the TIP must be consistent with the MPO’s adopted Metropolitan Transportation Plan (MTP). The MPO develops the TIP in cooperation with INDOT, affected public transportation operators, and LPAs. Prior to approval by the MPO’s Policy Committee, all interested parties are afforded a reasonable opportunity to comment on the proposed TIP following procedures contained in the MPO’s adopted Public Participation Plan. After approval by the MPO and the Governor, the TIP is included without change, directly or by reference, in the STIP.

**Urbanized Area (UA)** – UA means a geographic area with a population of 50,000 or more, as designated by the U.S. Census Bureau

**Work type** – Work type refers to the categories of service defined in the INDOT prequalification manual such as: Environmental Document Preparation, Non-Complex Roadway Design, Level 1 Bridge Design, etc.

# APPENDIX D

## LINKS TO EXTERNAL RESOURCES

[INDOT Web site](#)

[Local Public Agency Program Web page](#)

[Individual Metropolitan Planning Organization Web sites](#)

[Maps showing the Urbanized Boundaries](#)

[Functional Classification Maps](#)

[Federal Regulations](#)

[Federal Highway Administration](#)

[Special Federal Aid Funding – Emergency Relief Program](#)

[Public Assistance: Local, State, Tribal and Non-Profit](#)

[Public Assistance: Policy and Guidance](#)

[FHWA’s Guide to Federal-Aid Projects & Programs](#)

[FHWY Stewardship and Oversight Agreement](#)

[Code of Federal Regulations Title 23 Highways](#)

[Indiana Code, State Offices and Administration](#)

[Resources for Indiana Communities - Title VI/ADA Information & Resources for Indiana Communities](#)

[Procedural Manual for Preparing Environmental Documents](#)

[INDOT Categorical Exclusion Manual](#)

[INDOT Project Development Public Involvement Procedures Manual](#)

[Division of Historic Preservation and Archaeology’s \(DHPA’s\) Qualified Professional Roster](#)

[INDOT Public Involvement Web page](#)

[Clean Water Act](#)

[Waterway Permit Manual](#)

[Federal Highway Administration's Section 4\(f\) Web site](#)

[INDOT's Traffic Noise Analysis Procedure](#)

[Advisory Council on Historic Preservation Section 106 regulations](#)

[Indiana Historic Bridge Inventory](#)

[Indiana Manual of Uniform Traffic Devices \(MUTCD\) Reference Material](#)

[Geotechnical Manuals and Guidelines](#)

[INDOT Approved Materials List](#)

[INDOT Web page - Standards & Specifications](#)

[INDOT Hydraulics website](#)

[INDOT Utility and Rail Coordination Homepage](#)

[INDOT Real Estate Manual](#)

[Real Estate webpage](#)

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