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ACCEPTANCE OF MATERIALS

GENERAL

Materials Received and Acceptance records for all projects are maintained in the department's Highway Construction and Materials System (HiCAMS). Materials used are assigned to each Contract Line Item using the Contract Bill of Materials function found in the Contract Maintenance module. Materials Quantities are calculated using the Contract Bid Quantity and the Conversion Factor. For more details on the Contract Bill of Materials and Conversion Factors, see the HiCAMS User Guides "Review Contract BOM" and "Working with Conversion Factors."

The sampling and testing requirements for each Material are maintained in the Minimum Sampling Guide and are enforced by HiCAMS when calculating the Accepted Quantities. The Paid, Accepted, and Received quantities are viewed using the HiCAMS Audit Materials function found in the Contract Tracking module. For more details on working with the Audit Materials function see the HiCAMS User Guide "Audit Materials".

The following guidelines for numbering should be followed:

1. Each sample and/or test report for each contract item should be numbered consecutively. All check samples should carry the same number as the original sample, plus an alphabetical designation, such as "34-A."
2. All materials received reports (MRRs) should be numbered consecutively in date order, beginning with the Number 1 for the first report submitted for a project. It is also possible to designate the MRRs with an R for Roadway Materials and an S for Structure Materials.
3. Ticket Books should be numbered sequentially within a Line Item Number. For resurfacing projects, it may be desirable to use the map number as part of the ticket book number. For example, Ticket Books on Map 34 would be numbered 3401, 3402, 3403, etc.

In order for the Audit Materials function to be of benefit, entries must be made on a daily basis. If the system is maintained properly, it will serve as a continuous, accurate check to ensure the following:

1. The minimum number of samples have been taken.
2. The minimum number of tests have been performed.
3. Accepted Quantities meet or exceed the Paid Quantities

FAILING TEST REPORTS AND FIELD INSPECTION REPORTS

Upon receipt of a HiCAMS notification of a failing sample test report or failing Field Inspection Report (FIR), the Resident Engineer should investigate and note the following information in the disposition section of the Sample or FIR:

1. The results of any check samples taken at the same location.
2. Any justification and/or explanation of why the acceptance sample failed to meet the requirements of the Standard Specifications.

3. Whether the material represented by the test or FIR was utilized, or removed and replaced.
4. If the material was utilized, whether or not there was a reduction in unit price (Price Adjustment Recommendation).
5. Any other information that the Resident Engineer deems important that pertains to the test report.

INDEPENDENT ASSURANCE TESTING

The Federal Highway Administration Program Manual requires independent assurance samples be taken to provide an independent spot check on the reliability of test results obtained in accordance with the Guide for Process Control and Acceptance Sampling and Testing on Federal Aid projects. The Federal Highway Program Manual also requires that the test results be made available to project personnel such that they can be compared with acceptance test results obtained on similar material in an expedient manner.

The Statistical Program for Comparing Independent Assurance and Acceptance Test Results administered by the Materials & Tests Unit is used for this comparison. Copies of the program are available from the Independent Assurance Section of the Materials & Tests Unit. Independent Assurance Section personnel will periodically visit the project. However, the Resident Engineer should apprise Independent Assurance Section personnel of the sequence of operations and the progress of work such that samples can be taken in accordance with the Guide for Process Control and Acceptance Sampling and Testing. Once an evaluation has been made as to accuracy of the acceptance tests, construction technicians inspecting will be alerted if improved procedures, closer inspection and control, and/or corrective actions are necessary. Corrective actions include adjustments to equipment and/or modifications of sampling or testing techniques.

MATERIALS RECEIVED REPORTING

The Materials Received Report (MRR) (M&T Form 251) should be completed when any material is received on the project that is to be incorporated into the construction on a temporary or permanent basis. The MRR (M&T Form 251) should not be completed for certain items including, ABC, Ready-Mixed Concrete, Materials used in Ready-Mixed Concrete, and Asphalt. It is not necessary to fill out materials received reports for asphalt cement and nonstrip additive since these items are accepted by certification. See the QMS Manual for current procedures regarding asphalt cement and nonstrip additive. This documentation is necessary to ensure that all materials are tested and meet the requirements of Division 10 of the Specifications.

The Minimum Sampling Guide lists materials that are pretested and materials that are to get sampled by project personnel. The Minimum Sampling Guide can be accessed through the References section of HiCAMS, or from the Materials and Tests Home page.

The HiCAMS User Guide should be referenced for instructions on how to enter materials in HiCAMS.

Materials Received Report (M&T Form 251)

The Inspector or person receiving the materials should provide the following items that are included on the Materials Received Report (MRR) (M&T Form 251): See **Forms and Examples** in this section of the Manual.

1. **Project No.:** The primary state WBS element.
2. **Report No.:** The number of the MRR numbered consecutively beginning with the Number 1.
3. **Date Received:** The date the material was received on the project.
4. **County:** The county(ies) that the project is located in.
5. **Destination (Town or Siding):** Location of where the materials are going, such as project, yard, etc.
6. **Contractor:** The prime Contractor for the project. The Subcontractor may also be included if all items are specific to his work.
7. Indicate in this blank space if the items listed are for electrical purposes.
8. **Material & Type, Grade, or Class:** List materials by name under the appropriate line item codes included in the contract. Enter sizes, class, and type of each material. The material should be listed in the appropriate contract payment unit if applicable. If an item is incidental to another pay item, such as steel offset blocks are incidental to the pay item steel beam guardrail, then list the contract line code item.
9. **Car or Transport No.:** Applicable Car, Vehicle, Trailer, or Transport Number.
10. **Inspection Tag No.:** The batch, lot, tag, or heat numbers, if applicable.
11. **Other Identifying Information:**
 - If an item is pretested and stamped “*Approved for Use,*” enter “*NCDOT stamped.*”
 - Plastic Pipe: State if it is Schedule 40.
 - Posts/Blocks/Poles: State if wood, steel, or plastic. If wood, state “*AWW.*”
 - Reinforcing Steel: Attach a Certified Mill Test Report and M&T Form 913. The quantity on Form 913 must match the quantity listed on the MRR. The heat numbers on Form 913 must match the heat numbers on the Certified Mill Test Report.

- H-piles: The heat numbers must be listed on the MRR. A Certified Mill Test Report must be attached to the MRR and the heat numbers must match.
RC Pipe: Alternate IDs should be listed on the manufacturer's bill of laden
12. **Quantity:** Include the quantity of each material received in English or Metric quantities, as appropriate.
 13. **Shipped From:** Enter the location where the material is being shipped from, such as Lima, Ohio.
 14. **Producer or Supplier:** Enter the producer, **not the supplier**. Examples of suppliers are Lowes, Silverman, etc. “General Materials” is acceptable for PVC pipe.
 15. **Transferred From Project:** Enter the project number where the materials are being transferred from. A test report or certification for the item(s) being transferred must be attached to the MRR.
 16. **Resident Engineer:** Name of Resident Engineer for the project.
 17. **By Inspector:** The Inspector’s signature receiving the material.

PROGRESS SCHEDULE

The following is a list of instructions from the Contract Special Provisions for every construction project let to contract for use in preparing a progress schedule:

1. The Contractor shall prepare and submit for review and approval a schedule of proposed working progress. This schedule shall be submitted on forms supplied by the Engineer or in a format that is approved by the engineer. A detailed Critical Path Method (CPM) schedule shall not be submitted to replace the progress schedule details required below.
2. The project number, county, prime contractor, and the date the Progress Schedule is prepared shall be shown in their respective places at the top of the form.
3. Establish a scale for **TIME (DAYS)**. It is suggested that a scale of 10, 20, or 30 days be used based on the length of time of the contract. The contract time in calendar days shall be noted at the end of the scale. **The progress chart must begin on the availability date** and the completion date will be according to the Contractor's estimate as to when he will complete the contract but shall not be extended beyond the completion date as shown in the contract. In computing the number of calendar days allowed by the contract, the date of availability and the project completion date will each be counted as a calendar day.
4. Establish a scale for **TIME (PERCENT)**. This shall be shown at the top of the chart and shall be in 10 percent increments with the date of availability or the first workday being zero percent and the completion date or the last working day being 100 percent.
5. **MAJOR WORK ACTIVITIES AND RELATIVE PERCENT OF PROJECT:** Operations shown here shall be the major activities appropriate for the type of project. The dollar value of all bid items included in the particular major operation shall be added and the sum divided by the total contract amount to obtain the relative percent of project. Major work activities are defined as components comprising more than five (5) percent of the total project cost or occupying more than ten (10) percent of total contract time and shall include, at minimum if applicable, the following:

- Clearing and grubbing
- Grading (to include unclassified excavation and borrow excavation)
- Drainage
- Soil stabilization
- Aggregate base course
- Pavement
- Culvert construction
- Bridge construction (including removal)
- Signals, ITS, and lighting installation
- Overhead signs

If the major work activity does not represent a dollar value, make a note under that activity on the progress schedule showing the activity has no dollar value. As a check, the total of all major activities and relative percents shall equal 100 percent.

6. Clearly label any major milestones on the chart as shown on the example under **Forms and Examples** of this Manual. Major Milestones are derived from the project construction phasing and shall include, at minimum, the following:
 - Date of availability
 - Start of construction
 - Intermediate completion dates or times
 - Seasonal limitation durations
 - Permit restrictions/conditions
 - Traffic shifts
 - Detour installation
 - Road openings
 - Beginning and end of each traffic control phase or work area
 - Construction completion date
 - Contract completion date

7. Beside each major operation, show a bar graph reflecting the time to be spent for the operation. Normally this graph will reflect a uniform rate of progress from the date the operation begins until it is completed. However, some major activities may proceed at different rates during the life of the contract or even be temporarily suspended. In the event that a major activity proceeds at different rates, the intermediate percentages of completion shall be shown at the appropriate locations on the bar graph. These points shall come wherever the rate of progress changes significantly. If the bar graph has been correctly done, the anticipated rate of progress between any two percentages will be uniform. If the major activity is temporarily suspended, the bar graph shall be stopped and later started when it is anticipated that the operation will be resumed. Intermediate percentages of completion shall be shown at the end and beginning of each segment of the interrupted bar graph.

8. Upon completion of the bar graph, the cash curve for the project shall be determined and drawn. The total progress is to be computed for as many intermediate intervals as may be necessary to establish the curve. Depending upon the length of the project, intervals of 10, 20, or 30 days may be appropriate. The total progress at any time is the sum of the weighed progress figures for each major activity. The weighed progress is the percent completion of the major activity times its relative percent.

The Contractor is also required to submit a written narrative that explains the sequence of work, the controlling operation(s), intermediate completion dates, milestones, project phasing, anticipated work schedule, and estimated resources. In addition, the Contractor shall explain how permit requirements, submittal tracking, and coordination with subcontractors, utility companies and other entities will be performed.

The Contractor is required to submit three copies of the progress chart to the Division Engineer seven (7) days prior to the Preconstruction Conference. It is the Division Engineer's responsibility to approve the initial schedule, if it appears to be acceptable, and to forward an approved copy to the State Construction Engineer and to the Resident Engineer. Revised progress schedules shall be forwarded by the Division Engineer, along with any recommendations regarding the schedule, to the State Construction Engineer for his consideration.

Upon receipt of the approved progress schedule, the Resident Engineer shall maintain it in his project files. **Each month the Resident Engineer should plot the actual percent complete as determined by the monthly estimate on his copy of the progress schedule.** This will be maintained throughout the project as a visual reference of the Contractor's progress on the project. See **Forms and Examples** in this section of the Manual.

SAMPLE NARRATIVE

Work schedule: *ABC Contracting* working hours for this contract will be Monday thru Friday from 7:00 A.M. to 4:30 P.M. This will be a ten hour shift with a half hour lunch break. No weekend work is anticipated at this time. During warm weather months and as work dictates, we may extend the shift time to a twelve hour work day with possible weekend and night work. This will be considered if the project falls behind schedule and will be reflected in our monthly updates. There will be no work impacting traffic for the Dates, Times and Holidays listed in the contract for ICT #3.

ABC Contracting and our subcontractors will be mobilizing all necessary equipment to adequately perform all grading and erosion control operations. We will be utilizing stone from our *ABC Quarry* located five miles from the project. Asphalt plant mix and all concrete will be supplied from our plants at the quarry.

A Utility Coordinator will be engaged with all the utility companies to ensure the conflicting utilities listed in the contract are phased as planned. Every effort will be made by *ABC Contracting* to expedite the work of the utility companies. The project special provisions will be adhered to and monthly meetings will be held with the utility owners. Noted in the table below, *ABC Contracting* will make accessible the areas necessary for the relocation of these utilities prior to the dates required by the contract to allow the owners an additional time for relocation. These dates will be reviewed with the owners.

We are requesting in addition to the monthly construction meeting an opportunity to meet with the NCDOT's staff and the environmental agencies. This meeting will be to discuss the permit and environmental requirements of this contract. Our company strives to be proactive in environmental stewardship and would like feedback to ensure there will be no delays due to any environmental issues.

The project manager will be responsible for all submittals. This person will familiarize themselves with the contract to be aware of any submittals required and the time necessary for their review. Also, this person will coordinate with the subcontractors to ensure any submittals will be forwarded in a timely manner. We have a built in lead time necessary for the review and approval of our submittals. We ask that the NCDOT contact us immediately if a revision is required. This will enable us to make any corrections and stay on schedule.

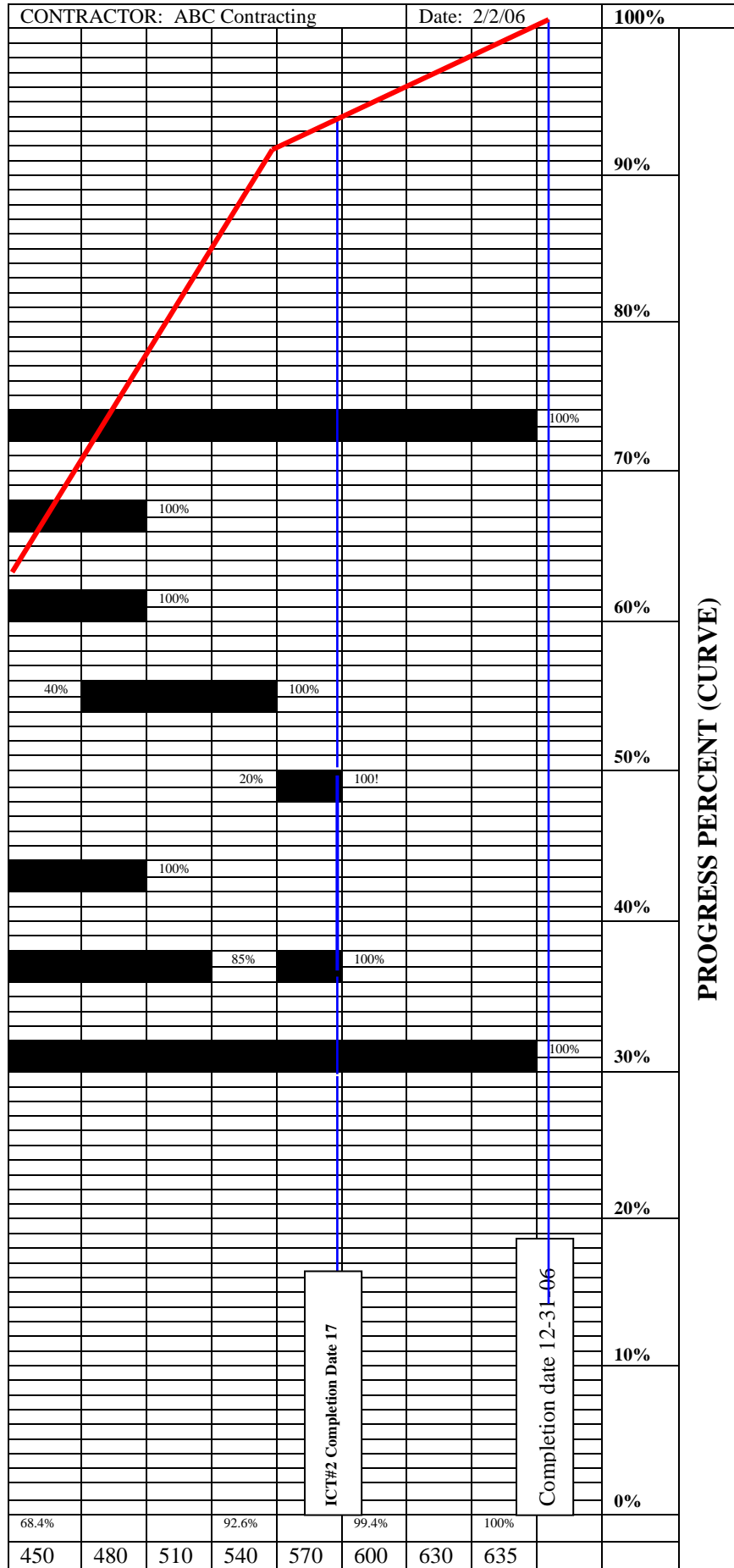
The project manager will also be responsible for the coordination of all work related to this project. This person will schedule the subcontractors work and oversee the utility coordinators' schedule. The monthly updates will give documented details of the upcoming project activities.

You will notice that this project has a strict time schedule. *ABC Contracting* is committed to being responsive to all inquiries and needs by the NCDOT, subcontractors, utility owners, and suppliers. We ask that the NCDOT's staff involved with this project show the same initiative. With all parties involved, the terms of the contract can be successfully met. We are also committed to building a high quality product that will serve the traveling public for many years to come.

The following table gives details of *ABC Contracting's* work as required by the contract:

<u>Milestone/Work Activity</u>	<u>Description, Time, Subcontractor</u>
1	Date of Availability: 4/4/05. Also Date of Availability for ICT #1.
2	Submittals Forwarded: 4/6/05. Submittals for Temporary Shoring, proposed method of surveying, concrete and asphalt mix designs, and catalog cuts for the planned waterline installation.
3	Begin Construction: 4/11/05. Advanced Warning Signs will be installed at the designated locations by the traffic control subcontractor.
4	Surveying: 4/13/05. Surveying subcontractor to begin marking clearing and grubbing limits as well as the ESA's.
5	Clearing and Grubbing: 4/15/05. Clearing and grubbing subcontractor ABC Contracting will be installing all erosion control devices along with the clearing operations in accordance with the E.C. plans. The ESA's will be not be cleared at this time.
6	End Moratorium: 4/15/05. The end of the instream moratorium for trout.
7	Waterline Construction and Temporary Shoring: 5/01/05. The waterline subcontractor to begin relocating the waterline
8	Pipe Construction: 5/08/05. Surveyor to stake pipe and drainage structures. Pipe subcontractor to begin pipe installation and drainage structure construction.
9	Grading and widening: 5/22/05. Grading will progress in accordance with Phase I of the TCP's.
10	Traffic Switch: 6/01/05. Traffic placed on Temporary Widening.
11	Culvert Construction: 7/11/05. Structure subcontractor mobilizing to begin Phase I of the culvert construction.
12	Begin Trout Moratorium: 11/15/05.
13	Phase I Completion: 11/18/05. Phase I of the TCP's and ICT #1 work will be complete and traffic will be moved into the pattern to begin Phase II.
14	ICT #1 Contract Completion Date: 12/2/05
15	Winter Shutdown: 12/16/05: All grading will cease until 3/06. The pipe subcontractors will continue with Phase II when not restricted by weather and permit restrictions. Any grading areas not completed will be dressed and temporary seeded. Utilities to be relocated after traffic switch will begin. This work should be finished by 3/06. This work includes water and sewer, gas, and fiber optic cable.
16	Resume grading: 3/6/06. Remobilize grading equipment to continue Phase II.
17	End Trout Moratorium: 4/15/06

- 18 Resume Culvert Construction: 4/17/06. Remobilize culvert subcontractor. Also, begin installing the pipe that will carry live water.
- 19 Paving: 6/19/06. Fine grading, ABC placement, and paving will begin for Phase II.
- 20 Signal Installation Complete: 8/18/06.
- 21 Final Paving and Striping: Begin 9/4/06. End 10/27/06. Traffic placed in final traffic pattern.
- 22 Final Inspection: 10/30/06.
- 23 **ICT #2 Contract Completion Date: 10/31/06.**
- 24 Begin Reforestation: 12/15/06. Completion 12/22/06.
- 25 **Contract Completion Date: 12/31/06.**



REQUIRED POSTERS TO BE DISPLAYED BY THE CONTRACTOR

The following items are to be displayed by the Contractor on federally-funded projects on a bulletin board, which should be weatherproof, in a conspicuous place where it can be seen by employees and applicants for employment.

List of Posters

* Sources : <http://www.fhwa.dot.gov/programadmin/contracts/poster.cfm> and
<http://www.dol.gov/oasam/programs/osdbu/sbrefa/poster/matrix.htm>
 (January 11, 2010)

Jobsite Posters for Federal Aid Projects

Form#	Poster Title	Title Additional Information
OFCCP 1420 Revised 2008 Equal	Equal Opportunity is the Law	http://www.dol.gov/ofccp/regs/compliance/posters/pdf/eeopost.pdf (English - November 2009) http://www.dol.gov/ofccp/regs/compliance/posters/pdf/eeosp.pdf (Spanish -November 2009) Required by Executive Order 11246, as amended; Section 503 of the Rehabilitation Act of 1973, as amended; 38 U.S.C. 4212 of the Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended; 41 CFR Chapter 60-1 .42; 41 CFR 60-250.4(k); 41 CFR 60-74 1.5(a); and FHWA-1273, §II(3)(d). Available at USDOL website in English, Spanish, and Chinese by telephone at 1-888-9-SBREFA, or by email at Contact-OSBP@dol.gov .
	Contractor's EEO policy statement	Required by 41 CFR 60-741.44 through FHWA-1273, §II(1)(b).
	Letter appointing contractor's EEO officer for project	Required by 41 CFR 60-741.44 through FHWA-1273, §II(1)(b).
FHWA- 1022 Revised 9/1994	Notice - Federal Aid Projects	http://www.fhwa.dot.gov/programadmin/contracts/fhwa1022.pdf (English - September 1994) False statements notice. Required by 18 CFR 1020 and 23 CFR 635.119 Available on FHWA website.
FHWA- 1495 Revised 1981	Wage Rate Information	http://www.fhwa.dot.gov/programadmin/contracts/fhwa1495.pdf (English - September 1981) May be substituted for WH-1321 per FHWA-1273, §IV(1)(a). Available on FHWA website.

Job Site Posters for Federal Aid Projects (cont.)

Form#	Poster Title	Title Additional Information
WH-1321 Revised 1/1986	Notice to Employees	http://www.dol.gov/whd/regs/compliance/posters/fedprojc.pdf (English - April 2009) Davis-Bacon wage rate poster. Required by 29 CFR 5.5(a)(1) and FHWA- 1273, §IV(1)(a). Enforcement by STA and/or USDOL. Available at USDOL website, by telephone at 1-888-9-SBREFEA, or by email at Contact- OSBP@dol.gov .
	Actual wage rates 1	Required by both FHWA-1495 and WH-1321.
OSHA-3165 Revised 2006	Job Safety & Health Protection	http://www.osha.gov/Publications/osha3165.pdf (English - December 2006) Required by 29 USC 657(c), 29 CFR 1903.2 through FHWA-1273, §VIII(1). Enforcement through OSHA. Available at USDOL website in English and Spanish, by telephone at 1-888-9-SBREFEA, or by email at Contact- OSBP@dol.gov .
	Emergency phone numbers	Required by 29 CFR 1926.50(f) through FHWA-1273, §VIII(1) except on areas with 911 for emergencies
WH-1088 Revised 6/2007	Your Rights - Federal Minimum Wage	http://www.dol.gov/whd/regs/compliance/posters/minwage.pdf (English - July 2009) http://www.dol.gov/whd/regs/compliance/posters/minwagesp.pdf (Spanish - July 2009) Needed on projects where Davis-Bacon rates do not apply per 29 USC 211, 29 CFR 516.4 posting of notices. Enforcement by USDOL. Available at USDOL website in English and Spanish, by telephone at 1-888-9-SBREFEA, or by email at Contact-OSBP@dol.gov
WH-1284 Revised 7/2007	Notice to Workers with Disabilities Paid at Special Minimum Wages	http://www.dol.gov/whd/regs/compliance/posters/disabc.pdf (English - July 2009) Required by 29 CFR 525.14/ Enforcement by USDOL. Available at USDOL website in English and Spanish, by telephone at 1-888-9-SBREFEA, or by email at Contact-OSBP@dol.gov
WH-1420 Revised 8/2001	Your Rights under the Family and Medical Leave Act of 1993	http://www.dol.gov/whd/regs/compliance/posters/fmlaen.pdf (English - January 2009) Required by 29 CFR 825.300 and 825.400 for employers of more than 50 people. Enforcement by USDOL. Available at USDOL website in English and Spanish, by telephone at 1-888-9-SBREFEA, or by email at Contact- OSBP@dol.gov

Job Site Posters for Federal Aid Projects (cont.)

Form#	Poster Title	Title Additional Information
WH-1462 Revised 6/2003	Notice: Employee Polygraph Protection Act	http://www.dol.gov/oasam/programs/osdbu/eppac.pdf (English - June 2003) Required by 29 CFR 801.6. Enforcement by USDOL. Available at USDOL website in English and Spanish, by telephone at 1-888-9-SBREFEA, or by email at Contact-OSBP@dol.gov
	Water quality related information (Example: NPDES Notice of Intent)	Project specific. Need to check with the agency administering the NPDES program in the project area for posting requirements. Enforcement by that agency.
	Whistleblowers Know Your Rights (ARRA)	http://www.fhwa.dot.gov/economicrecovery/whistleblowersposter.pdf (English - 2009)

¹ Actual wage rates are customarily included in the Contract Proposal.

Revised : 1/11/2010 (FHWA-NC)

The Resident Engineer should provide the Contractor with copies of the posters “Notice Relating to False Statements” (Form FHWA-1022), “Wage Rate Information - Federal-Aid Project” (Form FHWA-1495), and EEO Poster, (Form OFCCP-1420).

. Prior to furnishing the posters to the Contractor, the Resident Engineer should insert the following information on the posters:

1. On the “Notice Relating to False Statements” (Form FHWA-1022), the name of the Chief Engineer-Operations should be placed in the blank for **State Highway Department**. The name of the FHWA Division Administrator should be placed in the blank for **Federal Highway Administration**.
2. On the “Wage Rate Information - Federal-Aid Project” (Form FHWA-1495), place the name of the Resident Engineer and the respective office address.
3. No information is required to be listed for the EEO Poster, (Form OFCCP-1420).

TRAINING REQUIREMENT

Most federally-funded contract construction projects include as part of the Equal Employment Opportunity Special Provisions requirements that the Contractor provide on-the-job training for a specified number of trainees. Training and upgrading of minorities and women toward journey worker status is a primary objective of the program. Accordingly, it is expected that the Contractor will make every effort to enroll minority and women trainees to the extent that they are available within a reasonable area of recruitment. Therefore, it is expected that Contractors utilize the training program to enhance overall company goals and objectives of attaining a more complete, diverse, and competent work force. This training commitment should not be used to discriminate against any applicant for training. The On-The-Job Training (OJT) Program Manager of the Business Opportunity and Workforce Development (BOWD) Unit will administer the program.

All training programs must be approved by the Department. Training programs shall be approved on an annual basis. The OJT Program Manager is responsible for facilitating the approval of a Contractor's program. There are two basic types of training programs:

1. Apprenticeship Programs administered by the Department of Labor, which generally require one to four years of on-the-job training along with classroom instruction.
2. On-the-job Training Program, commonly known as the **Alternate Program**, is monitored by the OJT Program Manager of the Business Opportunity and Workforce Development (BOWD) Unit. This program is for specific journey worker job classifications and are generally of shorter duration than the apprenticeship programs.

PROGRAM ADMINISTRATION - ALTERNATE PROGRAM

Under the **Alternate Program**, Contractors receive their trainee assignments on a calendar year basis in lieu of a per project basis. Trainees enrolled through the **Alternate Program** may receive training on private, state and federally-funded projects. The Resident Engineer may be asked to assist the OJT Specialist to conduct trainee interviews and verify training.

The Contractor will maintain and furnish monthly reports documenting company compliance under these contract documents. This information shall be provided to the On-The-Job Training (OJT) Program Manager of the Business Opportunity and Workforce Development (BOWD) Unit.

It should be noted that the Department does not compensate Contractors for providing the training required by the contract documents.

Questions concerning the Alternate Program may be addressed to any member of the Civil Rights and Business Development Section staff, even though primary responsibility for the program rests with the OJT Program Manager.

DISTRIBUTION OF REPORTS

The following pages contain a list of some of the more routine reports prepared by the Resident Engineer or the Resident Engineer's personnel. No attempt has been made to include every report that is necessary, but only those most prevalent in the Resident Engineer's use. The subsection titled **Correspondence** should also be referred to in conjunction with this list. If questions arise as to proper distribution or frequency of reports, the Division Engineer should be consulted.

The Resident Engineer should review all reports submitted under his signature or jurisdiction for accuracy, completeness, proper distribution, etc. If critical errors are discovered after distribution of any report, corrected reports should be sent out with the same distribution of the original report and should be indicated as a corrected report.

Distribution of Reports Table

DISTRIBUTION OF REPORTS

FORM	DESCRIPTION	TYPES OF PROJECTS	WHEN PREPARED	PREPARED BY	SUBMITTED BY	COPIES	COPY DISTRIBUTION
880	Supplemental Agreement	All	Before beginning the affected work	Resident Engineer	Resident Engineer	1*	Refer to explanation of Supplemental Agreements included elsewhere in this section of the Manual.
480	Detailed Statement of Force Account	All	Will accompany Final Estimate when submitted	Resident Engineer	Division Engineer	1	Submitted with the Final Estimate Assembly.
SFE-1	Status of Final Estimate	All	One week after acceptance of the project - and by the 1st of each month thereafter	Resident Engineer or Division Engineer	Resident Engineer or Division Engineer	4	Original - State Construction Engineer Division Engineer Roadway Construction Engineer Resident Engineer
M&T 1, 2, 3, 4	Sample Cards - Roadway/Structure Items	All	Submit with each sample taken for the project	Inspector	Resident Engineer	2	Original - Accompanies sample to the M&T Lab Resident Engineer's File
M&T 250	Daily Plant Report on Ready-Mixed Concrete Operations	All	Daily when concrete is incorporated into the project	Inspector	Resident Engineer	3	Original - Resident Engineer Materials & Tests' Engineer Inspector
M&T 251	Report of Materials Received	All	Daily as materials are received on the project	Inspector	Resident Engineer	3	Original - Resident Engineer Division Engineer Materials & Tests Unit
M&T 253	Inspectors Daily Report on Concrete Pavement	All concrete paving	Daily when concrete pavement is placed	Inspector	Resident Engineer	4	Original - State Materials Engineer Pavement Construction Engineer Division Engineer Roadway Construction Engineer
M&T 255	Report of Materials Transferred	All, if applicable	Upon transfer of materials to another project	Inspector	Resident Engineer	4	Original & 1 Copy - Materials & Tests Unit Resident Engineer receiving material Resident Engineer transferring material
M&T 504-A	Field and AASHTO Density Determination	All	Submit for each test - submitted on weekly basis	Inspector	Resident Engineer	3	Original - State Materials Engineer Division Engineer Resident Engineer
M&T 507	Proof Rolling Daily Report	Applicable	Daily when proof rolling on project	Inspector	Resident Engineer	3	Original - Resident Engineer Geotechnical Unit Division Engineer
M&T 507	Proof Rolling Daily Report	Applicable	Daily when proof rolling on project	Inspector	Resident Engineer	3	Original - Resident Engineer Geotechnical Unit Division Engineer

DISTRIBUTION OF REPORTS

FORM	DESCRIPTION	TYPES OF PROJECTS	WHEN PREPARED	PREPARED BY	SUBMITTED BY	COPIES	COPY DISTRIBUTION
M&T 514 - QA/QC	Control Strip Density	Asphalt	When warranted - attach 2 copies to M&T 605	QA/QC Nuclear Density Technicians	QA/QC Nuclear Density Technicians	3	Original - Resident Engineer (White) QC Density Technician (Gold) Soils Laboratory Engineer (Pink)
M&T 515 - QA	Test Section Density Verification	Asphalt	When warranted attach 2 copies to M&T 605	QA Nuclear Density Technician	QA Nuclear Density Technician	3	Original - Resident Engineer (White) QA Nuclear Gauge Operator (Gold) Soils Laboratory Engineer (Pink)
M&T 605	Asphalt Roadway Inspector's Daily Report	Asphalt	Daily when asphalt is placed on the project	QA Technician	QA Technician	3	Original - Resident Engineer (White) Roadway Inspector (Gold) Materials and Test (Pink)
M&T 516-QC	Daily Test Sections Summary Report	Asphalt	When warranted attach 2 copies to M&T 605	QC Nuclear Density Technician	QC Nuclear Density Technician	3	Original - Resident Engineer (White) QC Nuclear Density Technician (Gold) Soils Laboratory Engineer (Pink)
QC-1	HMA Quality Control Certification	Asphalt	Daily	QC Technician	QC Technician	2	Original 0 QC Lab QA Lab
QA-1	Asphalt Quality Assurance Summary Report	Asphalt	Daily when plant mix QA tests are performed	Division QA Supervisor	Division QA Supervisor	2	Original - QA Lab files Contractor
QA-2	Hot Mix Asphalt Certification	Asphalt	Quarterly at the end of March, June, September, and December	Division QA Supervisor	Division QA Supervisor	2	Original - QA Lab files State Materials Engineer
QA-2A	Mix Deficiency Pay Factor Recommendations/Actions	Asphalt	When warranted due to mix deficiencies	Division QA Supervisor	Division QA Supervisor	5	Original – Resident/District Engineer State Materials Engineer Pavement Construction Engineer Division QA Supervisor State Pavement Management Engineer
QC-2	Scale Calibration Worksheet at asphalt plant	Asphalt	AC Scales - quarterly Aggregate scales – quarterly, attach to M&T 606 Additive Scales - monthly	QC Technician	QC Technician	2	Original – QC Technician at QC Lab QA Lab

DISTRIBUTION OF REPORTS

FORM	DESCRIPTION	TYPES OF PROJECTS	WHEN PREPARED	PREPARED BY	SUBMITTED BY	COPIES	COPY DISTRIBUTION
QA-2B	Density Deficiency Pay Factor Recommendations/Actions	Asphalt	When warranted due to density deficiencies	Division QA Supervisor	Division QA Supervisor	5	Original – Project Engineer State Materials Engineer Pavement Construction Engineer Roadway Construction engineer Division QA Supervisor State Pavement Management Engineer
QC-5	Daily Core Location and Lot Summary	Asphalt	Daily when samples taken – attach to M&T 605	QC Technician	QC Technician	2	Original – Resident Engineer QC Technician
QA-5	Quality Assurance Core Sample Density Results	Asphalt	Daily when samples taken	QA Technician	QA Technician	4	Original – Resident Engineer QC Lab QA Roadway Technician QA Lab
QA/QC-7	NC Hearne Straightedge Summary	Asphalt	Daily when required	QC Technician	QC Technician	4	Original – Resident Engineer Pavement Construction Engineer (Yellow) Division Engineer (Pink) M&T – Federal Aid Project (Gold)
M&T 903	Batch ticket for central and transit mix concrete	All, if applicable	Daily when concrete is incorporated to project	Contractor	Inspector	1	Resident Engineer
M&T 904	Report on disposition of rejected material	All	As rejections are made	M&T Unit	M&T	5	Original & Two Copies - Resident Engineer Division Engineer Materials and Tests Unit
SAF	Subcontract Approval Form	All	When warranted	Contractor	Resident Engineer	3	See Request for Subcontracts elsewhere in this section of the Manual.
PR-1391	EEO Report	Federal-Aid	Each July	Contractor	Resident Engineer	4	Original and one copy - Civil Rights Office Division Engineer Resident Engineer

ANNUAL EEO REPORT - FHWA FORM 1391

FHWA 1273 require that prime contractors and subcontractors submit an Annual EEO Report (FHWA 1391) each July for the duration of the project, indicating the number of minority, women, and non-minority group employees currently engaged in each work classification required by the contract. This information is to be reported on Form FHWA-1391 for all active federal-aid construction projects. . If on-the-job training is being required by special provisions, the contractor will be required to collect and report training data. Appropriate sanctions may be enforced for contractors failing to report, such as withholding of progress payments.

Entries made for “Job Categories” are to be confined to the listing shown on the FHWA 1391 report. Miscellaneous job classifications are to be incorporated in the most appropriate category listed on the form. All employees working on federal construction projects must be accounted for. **NOTE:** Surveyors are not considered construction trade and should not be reported on the form.

WHO HAS TO REPORT?

- All prime contractors and subcontractors regardless of tier who has Federal-aid contracts of \$10,000.00 or more must report on form FHWA-1391.
- Subcontractors are required to submit their reports to the prime contractors.

PERIOD TO REPORT

- The report should coincide with the information submitted on the certified payroll for the last full payroll period ending in July. A full payroll period is seven (7) days.
- If the federal contract is active during this payroll period but no work was performed, contractors must submit a 1391 report indicating “NO ACTIVITY”. **Do not** report any other payroll period in the month of July.

ACTIVE PROJECTS:

- If the prime contractor works during the month of July they must file Form 1391.
- If the prime contractor completed work on June 30 and performed no work in July, they still are required to file Form 1391 because the final acceptance did not come before July 1 and the project is considered active.
- If the project was accepted by NCDOT as complete in June, the prime contractor does not have to file a Form 1391 report because the project is considered complete before July 1.
- If the work order is dated August 1, the prime contractor does not have to file a Form 1391 because the project was not active in July.

NCDOT may request additional 1391 reports when conducting a compliance review of a contractor.

Completing Form 1391: Follow the instructions shown below for completing the appropriate boxes on Form 1391. These boxes coincide with the FHWA 1391 report updated in 2010. The new report can be located at: <https://apps.dot.state.nc.us/quickfind/forms/>. Enter "FHWA-1391" in the search box to

retrieve the form. A blank form is included in the Records and Reports Section of this Manual under Forms and Examples.

- Box 1:** Check whether you are a prime contractor or a subcontractor on this project.
- Box 2:** Indicate the complete name and address of the firm.
- Box 3:** Enter the NCDOT contract number (e.g., C300200). Do not complete this report if the project is not a federal-aid project.
- Box 4:** Prime contractors indicate the contract value of the entire project. Do not enter the bid amount. Subcontractors indicate the amount of the subcontract only. Do not consider plan changes.
- Box 5:** Indicate the county and state of the project location.
- Box 6:** Enter the FFY for date of the Form 1391.
- Box 8:** The report must be signed by the firm's representative (e.g., EEO Officer) certifying the reported data to be true. The prime Contractor is responsible for the accuracy of each Subcontractor's report and should sign, date, and submit the reports to the Resident Engineer.
- Box 9:** Indicate the date the report was completed.
- Box 10:** The Form 1391 must be signed by the "State Highway Official". Prime contractors are not authorized to sign as a "State Highway Official". NCDOT has designated their Resident Engineers as the reviewer of the reports.

DUE DATE: All 1391 Reports are due to the Resident Engineer on or before the August 15th **in quadruplicate**. One copy of each report should be retained by the Resident Engineer, a copy should be sent to the Division Engineer, and the remaining two copies should be sent to the Office of Civil Rights and Business Development. Every effort should be made to submit this report before the deadline. If all reports for a project are not received by August 15, the Resident Engineer initiates action to withhold progress payments until the forms are received.

Questions regarding the FHWA 1391 report should be directed to the Title VI/EO Compliance Section at 919-508-1854.

Definitions of Job Categories

LIST OF TRADES (FORM FHWA 1391)	
Officials	Construction managers, project engineers, superintendents, etc. who have management level responsibility and authority.
Supervisors	All levels of project supervision, if any, between management and foremen levels. <i>For example: first-line supervisors.</i>
Foremen/Women	Men and women in direct charge of craft workers and laborers performing work on the project.
Clerical	Persons who perform a combination of clerical tasks to support office, business, and administrative operation.
Equipment Operators	Use machinery that moves construction materials, earth, and other heavy materials and applies asphalt and concrete to roads and other structures. <i>For example: paving, surfacing, and tamping equipment operators, crushing and grinding workers, dredge and excavating operators, etc.</i>
Mechanics	Repair and maintain engines and hydraulic, transmission, and electrical systems for equipment such as cranes, bulldozers, and trackhoes.
Truck Drivers	Drivers that operate industrial trucks and tractors.
Ironworkers	Person who install iron or steel girders, columns, and other construction materials to form buildings, bridges, highways, tunnels, and other structures.
Carpenters	Construct, erect, install, or repair structures and fixtures made of wood.
Cement Masons	Smooth and finish poured concrete surfaces and work with concrete to create sidewalks, curbs, roadways, or other surfaces.
Electricians	Install and maintain all of the electrical and power systems.
Pipefitter/Plumbers	Pipe layers, Plumbers, Pipefitters, Steamfitters.
Painters	Stain, varnish, and apply other finishes to buildings and other structures and apply decorative coverings to walls and ceilings.
Laborer-Semi Skilled	Performs job that require physical strength, training, and experience. <i>Examples include: helpers, bridge worker, grade checker, and oiler/greaser/firer.</i>
Laborer-Unskilled	Performs jobs that require little skill and can be learned quickly.

REQUESTS FOR SUBCONTRACT

In accordance with Article 108-6 of the Specifications, the Contractor is permitted to sublet a portion of the work when approved in writing by the Engineer. In addition, the Contractor may find it necessary to sublet work to certain types of business firms in order to meet the requirements of the contract. Federal Highway Administration requirements establish Disadvantaged Business Enterprises (DBE) program goals for federally-funded projects. Accordingly, a DBE percentage goal is established for each project that includes federal funds. The North Carolina General Statutes establish Disadvantaged Businesses program goals for state-funded projects. Further, the General

Statutes establish percentage goals for two specific elements of Disadvantaged Businesses; they are Minority Businesses (MB) and Women Businesses (WB). MB and WB goals are established for each state-funded project. Simply stated, federally-funded projects are single goal projects, DBE goal only, while state-funded projects are dual goal projects, MB and WB goals only. **The Resident Engineer should ensure that the goals established in the contract are met by the Contractor.**

PRIME CONTRACTOR SUBLETTING CONDITIONS

The Specifications require that the Contractor shall perform work amounting to a minimum of 40 percent of the original contract amount with his own organization. This is commonly referred as the **threshold** for the project subletting. In determining the amount of work to be performed by the prime Contractor, the value of items that have been sublet to DBE, MB, or WB Subcontractors and the value of items identified in the contract as **specialty items** that have been sublet are to be deducted from the original contract amount prior to computing the percentages. **However, the accumulative total of DBE, MB, or WB items that are deducted in the computation of percentages will in no case exceed the dollar amount of the contract DBE, MB, or WB goal.** The dollar value of the DBE, MB, or WB goal equals the total original contract amount multiplied by the respective contract DBE, MB, or WB percentage goal. **Any specialty item sublet to a DBE, MB, or WB firm should be counted as a specialty item and not as a DBE, MB, or WB sublet item.** Items of extra work and overruns are not considered in the computation of the amount of work that a Contractor is required to perform with his own work forces. A Subcontractor may sublet any portion of the work that has been sublet to his firm. The subletting of work by a Subcontractor is called second tier subcontracting.

No work can be sublet by a prime Contractor or a Subcontractor without the following conditions being satisfied:

1. The Contractor proposing to sublet work shall properly complete the appropriate Subcontract Approval Form (SAF) for the subcontractor and/or second tier subcontractor and submit it to the Resident Engineer for approval prior to beginning any work associated with the contract.
2. Subcontract Certification (Form RS-1-C), shall be completed on all Subcontract Approval Forms (SAF) for state **and** federally-funded highway construction projects.
3. DBE/MBE/WBE Subcontractors should be identified on the Subcontract Approval Form for work sublet to qualified DBE, MBE, and WBE Subcontractors.. If the Subcontractor or second tier Subcontractor is not a DBE, MBE, or WBE the box beside "NONE" should be marked.

The proper procedures to follow in the subletting of work are to be discussed at the Preconstruction Conference. The Contractor should also be furnished a supply Subcontract Approval Forms or advised where to find an electronic version of the form for use in requesting approval of any subcontract.

The Specifications require the Contractor to submit a certified copy of the actual subcontract agreement only when directed by the Engineer. Initially, the request should be handled on a random basis for each project to the satisfaction of the Resident Engineer. The frequency at which the subcontract agreements are requested would be determined by the compliance received based on the random checks. The agreements

received would be in addition to those received under the requirements for DBE, MBE, and WBE Subcontractors.

RESIDENT ENGINEER RESPONSIBILITIES

Upon receipt of a request by a Contractor to sublet work, the Resident Engineer is responsible to ensure that: (See **Forms and Examples** in this section of the Manual.)

1. The Subcontract Approval Forms and attachments have been properly completed. Instructions for proper completion are located on the Construction Unit Website under Resources and Forms.
2. Work designated in the contract to be performed by specific DBE, MBE, or WBE Subcontractors is not performed by others. A listing of items of work to be performed by specific DBE, MBE, or WBE Subcontractors can be found in the contract preceding the listing of contract items.
3. **The percent of work remaining to be performed by the Contractor must be at least 40 percent of the original contract amount minus any specialty items and DBE, MBE, and WBE items that have been sublet. Extra work and/or overruns sublet are not to be used in any percentage computations.** A Subcontractor can only sublet work that has been subcontracted to him by the prime Contractor. There are no percentage restrictions on the amount of work which a Subcontractor may sublet. However, subletting by DBE, MBE, and WBE Subcontractors will be governed by the Special Provisions relative to DBE, MBE, or WBE participation which may be applied towards the contract goal.
4. **When a portion of the contract quantity is sublet, the unit price for the item of work is the same as the contract price.**
5. When a partial item of work is sublet, the monetary distribution reflects the work to be performed. The Resident Engineer may request a copy of the actual subcontract agreement to verify prices submitted.
6. The firm to which the work is being sublet is must be a prequalified Bidder or Subcontractor. If a certified DBE, MBE or WBE firm is sublet work, then that firm must be a prequalified Bidder or Subcontractor.

The listings of prequalified Contractors, Subcontractors, and certified DBE, MBE, and WBE firms are maintained electronically and can be reviewed utilizing the **Directory of Transportation Firms** on the DOT website. The web address is <https://apps.dot.state.nc.us/vendor/directory>. Any firm currently listed as a prequalified Bidder or Subcontractor is acceptable to perform subcontract work on NCDOT projects. In addition, any certified DBE, MBE, or WBE must be listed as a prequalified Bidder or Subcontractor in the Directory of Transportation Firms to be acceptable to perform subcontract work on NCDOT projects.

A firm can be considered for inclusion in the Department's list of known Subcontractors by submitting a list of available equipment, a brief description of the company's work history, and a list of the firm's owners/principals, along with brief resumes for those individuals. The firm shall submit the information to the Resident Engineer, who will forward it to the Contractor Prequalifications Engineer.

After reviewing the Contractor's submitted Subcontract Approval Form, the Resident Engineer should verify the amount of work performed by the Prime Contractor is within the 40 percent threshold, determine that the submittal is in order, and sign the

form for approval. **The Resident Engineer should retain all original forms in the project files.**

In those instances where a second tier Subcontractor is working on a federally-funded project, certified payrolls are to be submitted to the Resident Engineer's office. The payrolls shall contain the following statement: **“(Name of Subcontractor), Second Tier Subcontractor for (Name of Contractor), Prime Contractor.”**

Once a Subcontract Approval Form (SAF) as been approved, it will remain in force until a change is initiated by the prime Contractor. If a Subcontractor cannot or will not perform all the work, the prime Contractor must submit a new Subcontract Approval Form (SAF) to document the quantity of work performed by the Subcontractor. The new SAF shall be completed in its entirety and numbered in succession to the most previous SAF. The following statement shall also be included on the new SAF, **“This documents the work actually performed under approved SAF Number (#).”** This new SAF must be submitted regardless of whether the remainder of the work will be performed by the prime Contractor or by another Subcontractor. **Until a new SAF is submitted by the prime Contractor, the original Subcontractor is the only firm authorized to perform the indicated work.** In the event no work was performed by the original Subcontractor and the identical work is to be performed by another Subcontractor, a new SAF should be submitted and numbered in succession. The following statement shall also be included on the new SAF, **“This Request for Subcontract replaces all work previously sublet on SAF Number (#).”** Should additional work be sublet to a previously approved Subcontractor, a new SAF should be submitted that lists only the additional work. The SAF should be numbered in succession to the most previous SAF.

Every SAF shall be completed in its entirety, including the computations to be completed by the Resident Engineer. All SAF's should be numbered chronologically in the order in which they are submitted. **Revised SAF 's shall not be submitted.** Section 107-9 of this Manual should be referenced for subcontracting of work within Railroad rights-of-way.

The following requirements are applicable to the subletting of contracts:

1. The prime Contractor must perform with his own organization work amounting to **not less than 40 percent** of the total original contract bid minus subcontracted specialty items unless otherwise specified by a special provision.
2. The prime Contractor and first tier Subcontractors may sublet work with the approval of the Engineer.
3. Neither the Contractor nor any Subcontractor may enter into any written or oral equipment lease or rental agreement, materials purchase agreement, and/or labor agreement that circumvents the provisions of Article 108-6 of the Specifications.
4. A lease or rental agreement for equipment entered into by a Contractor or Subcontractor based upon payment for a unit of work, production basis, will be considered subletting of the contract unless the lease or rental agreement is with a commercial equipment company, manufacturer, or commercial leasing agency approved by the Engineer.
5. An equipment lease or rental agreement that is based upon reasonable unit prices per unit of time will not be considered subletting of the contract. This type of agreement will be considered a bona fide equipment lease or rental agreement.
6. It is considered proper and acceptable for the following parties to enter into bona fide lease agreements for equipment:
 - A. Prime Contractor with approved Subcontractor

- B. Prime Contractor with another Contractor who is not approved to perform work on that particular project
 - C. Approved Subcontractor with another Contractor who is not approved to perform work on that particular project
 - D. Prime Contractor with an equipment dealer
 - E. Approved Subcontractor with an equipment dealer
 - F. Approved Subcontractor with approved Subcontractor
7. It is considered proper and acceptable for the following parties to enter into lease agreements for fully operated equipment:
- A. Prime Contractor with approved Subcontractor
 - B. Approved Subcontractor with approved Subcontractor
 - C. Prime Contractor or approved Subcontractor with an independent, commercial trucking firm
 - D. Prime Contractor or approved Subcontractor with an owner/operator of hauling equipment, such as trucks
8. Proposed lease agreements for fully operated equipment between the following parties are not considered proper and will not be approved unless special conditions are deemed necessary and are approved by the Engineer:
- A. Prime Contractor and another Contractor who is not approved to perform work on that particular project
 - B. Approved Subcontractor and another Contractor who is not approved to perform work on that particular project
 - C. Prime Contractor and equipment dealer
 - D. Approved Subcontractor and equipment dealer
 - E. Approved DBE/MBE/WBE Subcontractor and prime Contractor
 - F. Approved DBE/MBE/WBE Subcontractor and approved Subcontractor
9. With the exception of a bona fide lease agreement, no agreement either written or verbal can exist between the prime Contractor and an unapproved Contractor or equipment dealer.
10. With the exception of a bona fide lease agreement, no agreement either written or verbal can exist between an approved Subcontractor and an unapproved Contractor or equipment dealer.
11. Work accomplished by the prime Contractor's organization has to be performed with bona fide employees of the prime Contractor and with equipment either owned or leased by the prime Contractor. Materials have to be negotiated for, purchased, and paid for by the prime Contractor unless this portion of the line item is sublet to an approved Subcontractor.
12. Work accomplished by an approved Subcontractor has to be performed with bona fide employees of the approved Subcontractor and with equipment either owned or leased by the approved Subcontractor. Only that item or portion of an item of work can be sublet to a Subcontractor that is going to be performed by the Subcontractor, or an approved second tier Subcontractor. The furnishing of materials necessary to accomplish the work sublet to a Subcontractor must be the responsibility of the Subcontractor unless the subcontract provides for the prime Contractor to furnish the materials. The Subcontractor must be responsible for the negotiation and payment of the materials unless otherwise approved by the Engineer. Material purchasing mechanisms deemed necessary to assist the Subcontractor in the securing of materials may be used if the particular mechanism is approved by the Engineer and there is no intent to circumvent the subcontracting procedures. The

following material purchasing mechanisms are approved to assist Subcontractors in securing materials:

- A. Joint payment checks from the prime Contractor to the Subcontractor and a supplier
 - B. Use of the prime Contractor's purchasing volumes discounts to secure Subcontractor's materials
13. Items or portion of an item of work sublet by the prime Contractor to a Subcontractor must be performed by that particular Subcontractor unless a change is approved by the Engineer.
14. To be considered bona fide employees of a Contractor:
- A. The employees must be under the direct management control of the Contractor, must receive their wages and appropriate fringe benefits directly from the Contractor by appropriate payroll check, and must understand and acknowledge when interviewed that they are in the employ of the Contractor,

or
the employees may be supplied to the Contractor by a labor service, agency, or pool through an agreement between the two parties. In this case, it is still the employing Contractor's responsibility to ensure compliance with all the contract labor standards clauses and contract minimum wage rates. The employing Contractor shall be responsible for providing all required payroll data and the employing Contractor shall remain responsible for executing all required payroll certifications.

DISADVANTAGED BUSINESS ENTERPRISE / MINORITY BUSINESS ENTERPRISE / WOMEN BUSINESS ENTERPRISE

General

It is the policy of the North Carolina Department of Transportation (NCDOT) that Disadvantaged Business Enterprises, Minority Business Enterprises and Women Business Enterprises shall have the equal opportunity to compete fairly for and to participate in the performance of Federal and State funded contracts. NCDOT has two programs, the Disadvantaged Business Enterprise (DBE) and the Minority Business Enterprise/Women Business Enterprise (MBE/WBE), that establish goals, on a contract by contract basis, for participation by the respective firms. The DBE Program is a requirement for federally funded projects and the MBE/WBE Program is a requirement for state funded projects.

Projects are advertised with goals set for the amount of DBE/MBE/WBE participation. Federal projects have one goal, DBE, and state projects have 2 goals, one for MBE and one for WBE. The approved participation submitted at the time of bid by the Contractor is a requirement of the contract. The Contractor is required to utilize the firms submitted at the time of bid for the performance of the work.

Letter of Intent

The Contractor is required to submit a Letter of Intent to document the DBE/MBE/WBE firms that will be used to meet the contract goals. A Letter of Intent shall be submitted for each DBE/MBE/WBE firm listed in the Contractor's proposal and contain general information about DBE/MBE/WBE firm and the dollar amount of the firm's participation. The Contractor shall complete a "Letter of Intent to Perform as a Subcontractor," form and submit it to the State Contractor Utilization Engineer, of the Contractual Services Unit. The letter of intent form is available on the NCDOT website at the following address. A blank Letter of Intent to Perform as a Subcontractor is located in the Forms and Examples of this Section of the manual.

<http://www.ncdot.org/doh/preconstruct/ps/contracts/letterofintent.pdf>

Payment Tracking

The Contractor shall provide the Engineer with an accounting of payments made to DBE/MBE/WBE firms, including material suppliers, contractors at all levels (prime, subcontractor or second tier subcontractor). This accounting shall be furnished to the Engineer for any given month by the end of the following month. Failure to submit this information accordingly may result in (1) withholding money due in the next partial pay estimate, or (2) removal of an approved contractor from the prequalified bidders list or the removal of other entities from the approved subcontractors list.

The Contractor shall report the accounting of payment through the Department's DBE Payment Tracking System, which is a web based application. The system can be accessed through the following web link: <https://apps.dot.state.nc.us/Vendor/PaymentTracking/>. While each contractor (prime, subcontractor, second tier subcontractor) is responsible for accurate accounting of payments to DBE/MBE/WBE's, it shall be the prime contractor's responsibility to report all monthly and final payment information in the Tracking System.

Joint Checks

Due to potential credit issues, the Prime Contractor may assist the DBE/MBE/WBE firms with their material purchases through the use of joint checks. The Contractor can write a joint check to the material supplier with name of both the supplier and the subcontractor. Prior to writing a joint check the Contractor has to submit a completed Joint Check Notification Form and supporting documentation the Resident Engineer. The form may be accessed on the Construction Unit website at the following address.

http://www.ncdot.org/doh/operations/dp_chief_eng/constructionunit/formsmanuals.

Although the use of joint checks is an acceptable practice, it is expected that DBE/MBE/WBE firms counting credit for material purchases maintain control of ordering materials and scheduling delivery.

Truck Monitoring

DBE/MBE/WBE participation can be attained through the use of trucking firms. The specifications have stipulations to determine the amount of participation for the DBE/MBE/WBE trucking firm. The Resident Engineer is responsible for the truck monitoring. It is suggested that for projects with significant DBE/MBE/WBE trucking commitments, the Contractor provide a trucking plan. A Truck Report form has been developed to document the use of the DBE/MBE/WBE trucking. The Truck Report form should be used along with the trucking plan provided to the Resident Engineer from the Contractor to assist in monitoring of DBE/MBE/WBE trucking. The Truck Report should be completed daily when trucking is performed on the project and included in the project diaries. An example of a trucking plan, an example Truck Report and a blank Truck Report can be found in Forms and Example of this section of the manual.

Replacement of a DBE/MBE/WBE

The specifications allow for a Contractor to replace a committed DBE/MBE/WBE subcontractor for valid reasons that would not allow the subcontractor to complete the committed work. However, the Contractor must make a good faith effort to replace the DBE/MBE/WBE firm with another certified and prequalified DBE/MBE/WBE subcontractor. When replacing a committed DBE/MBE/WBE subcontractor, the Contractor must submit, to the Resident Engineer, a completed DBE/MBE/WBE Replacement Request Form (see Forms and Examples at the end of this section of the manual) and documentation that demonstrates reasonable good faith efforts have been made to replace the committed DBE/MBE/WBE subcontractor. The Resident Engineer will begin the review of the request and include the Roadway or Bridge Construction Engineer. If replacement with another DBE/MBE/WBE is not part of the request, the State Contractual Services Engineer should determine if a good faith effort has been made. The Resident Engineer will notify the Contractor in writing of the determination of his DBE/MBE/WBE Replacement Request Form. The DBE/MBE/WBE Replacement Request Form can be downloaded from the following Construction Unit website.

http://www.ncdot.org/doh/operations/dp_chief_eng/constructionunit/formsmanuals

NCDOT Monitoring Plan

As the contract administrator, the Department has the responsibility of ensuring that the Contractor adheres to the requirements of the DBE/MBE/WBE programs. Therefore, the Department has developed a plan to monitor the DBE/MBE/WBE participation for the centrally let construction projects. Monitoring the DBE/MBE/WBE participation begins during the Preconstruction Conference and continues through the project closeout. The following DBE/MBE/WBE Monitoring Plan outlines the roles and responsibilities of each position and/or unit.

DBE/MBE/WBE Monitoring Plan – Construction Phase Centrally Let Projects

Preconstruction Conference

- **Division Construction/Resident Engineer –**
 - Outline contract committed DBE's and review the special provision requirements during the Preconstruction Conference.
 - Provide copies of Replacement Form and Joint Check Form to Prime Contractor.
- **Resident Engineer –**
 - Provide copies of contract commitments to all project staff.

Project Construction / Payment Tracking

- **Resident Engineer –**
 - Receive completed Subcontract Approval Forms from Prime Contractor. Review forms to ensure that all Line Items and amounts are at least equal to those committed in the back of the contract, and notifies the Prime Contractor in writing of any necessary changes.
 - Review Payment Tracking System at least monthly for accuracy. Sets payment Status to “Accept” or “Change Needed.” Immediately notifies prime contractor in writing of any payments that require changes.
 - Provide written direction to prime contractor when alerted by inspection staff of work being performed by anyone other than committed DBE subcontractor. Contractor will be directed to suspend operations on the work in question until the issue has been reviewed and appropriate action is taken. Meet immediately with the contractor to review the issues.
 - Request supporting documentation (price quote from suppliers, canceled checks, etc.) when necessary for verification that DBE is meeting CUF requirements.
- **Project Inspector –**
 - Monitors daily project work and immediately alerts the Prime Contractor and Resident Engineer if the committed DBE subcontractors are not performing items of work listed in the contract.
 - Review material invoices upon receipt on project to ensure DBE subcontractors are purchasing material when the commitment includes materials purchasing.
- **Roadway/Bridge Construction Engineer –**
 - Review contract commitments, project diaries, DBE Payment Tracking during monthly site review to validate program compliance. Discuss findings and any necessary corrective action with Resident Engineer. Document findings on Construction Engineer Site Review report.
 - DBE Compliance Audit will be conducted as a part of the yearly office review.
- **State Construction Engineer (Central Staff) –**
 - Provide program guidance and training to field staff.
 - Perform process review audits through HiCAMS and the payment tracking system twice a year.
- **State Contractual Services Engineer (Unit) –**
 - Provide training and/or guidance to contract administrators on the DBE program.
- **Office of Inspector General –**
 - Conduct random project review audits at various stages for CUF and DBE participation. Provide audit results to the Chief Engineer, State Construction Engineer and applicable Division Engineer.
 - Conduct DBE investigations.

Replacement Procedures

- **Resident Engineer** –
 - Receive completed DBE MBE WBE Replacement Request Form and Supporting documentation. Review form and supporting documentation for accuracy and notify contractor in writing if additional information is required.
 - Determine if documentation supports replacement of the firm.
 - Consult with the Contractual Services Unit (State Contractor Utilization Engineer) on replacement determination.
 - Provide written notification of Department's decision to contractor. Include signed form when decision is concurrence.
- **State Contractual Services Engineer** –
 - Review Replacement Form and supporting documentation and provide recommendation to Resident Engineer.
 - Notify other units (i.e. BOWD) on contract replacement.

Joint Check Procedures

- **Resident Engineer** –
 - Receive Joint Check Notification Form and supporting documentation.
 - Review form and supporting documentation for accuracy and notify prime contractor in writing if additional information is required.
 - Complete the form and provide written notification to prime contractor.
 - Provide copies of Joint Check Notification Form to project inspection staff.
 - Provide Copies of Joint Check Notification Form and any supporting documentation to State Construction Engineer and State Contractual Services Engineer.
- **Project Inspector** –
 - Review material invoices upon receipt on project to ensure DBE subcontractors are purchasing material when the commitment includes materials purchasing.
 - Immediately notify Resident Engineer if invoices are in the name of someone other than DBE subcontractor.
- **State Contractual Services Engineer** –
 - Track occurrences of joint check use by prime and subcontractor.

Project Closeout

- **Resident Engineer** –
 - Confirm participation and payments to committed subcontractors and complete DBE/MBE/WBE Subcontract Commitment Payment Summary.
 - Submit DBE/MBE/WBE Subcontract Commitment Payment Summary and supporting documentation (Replacement Forms, Joint Check Forms, etc.) to DCE with Final Estimate Assembly.
- **Division Construction Engineer** –
 - Review DBE/MBE/WBE Subcontract Commitment Payment Summary and supporting documentation for accuracy.
 - Submit DBE/MBE/WBE Subcontract Commitment Payment Summary and supporting documentation to State Construction Engineer with Final Estimate Assembly.
- **State Construction Engineer** –
 - Review DBE/MBE/WBE Subcontract Commitment Payment Summary, Replacement Forms and Joint Check Forms.
 - Confirm final participation amount is properly documented prior to issuance of final statement.
 - Provide copies of all documentation to State Contractual Services Engineer

- **State Contractual Services Engineer –**
 - Provide State Construction Engineer with a quarterly audit report of closed projects with projects highlighted that did not meet the contract goal requirement and provided no justification.
 - Audit projects at 50% completion to ensure payments are being entered in a timely manner.
- **Office of Inspector General –**
 - Audit at least one project per Resident Engineer per year to ensure that all the appropriate DBE program documentation is present.

Roles

- **Division –**
 - Administer the contract.
 - Ensure the project provisions are followed and that proper documentation is submitted by prime and subcontractors.
- **Construction Unit –**
 - Monthly project reviews and reports to the Division Engineer on status of DBE compliance.
 - Provide recommendations on issues related to payment tracking and administering potential non-compliance issues.
 - State Construction Engineer will review non-compliance issues and notify contractor of any sanctions imposed.
- **Contractual Services Unit –**
 - Provide recommendations on issues related to counting participation, replacements, and joint check use.
 - Monitor regulations, gather feedback from Contractor and Contract Administrators and adjust provision requirements as needed.
 - Provide internal and external training as needed.
- **Office of Inspector General –**

Conduct sample project review audits at various stages of the project for CUF and DBE participation; conduct performance audits of the program; conduct monitoring of sub-recipient DBE compliance; and conduct investigations.