CONTRACT or ADVERTISEMENT NUMBER:

CONTRACT NAME:

The lump sum compensation element is an available option for use on Task Work Orders (TWO), however, lump sum TWOs transfer the responsibility for ensuring accuracy of billings to the FDOT Project Manager and the Consultant Project Manager.

The Consultant Invoice Transmittal System (CITS) provides several quality checks when utilizing a cost reimbursable method of compensation.

For every lump sum TWO fee estimate you need to:

* Verify every consultant’s loaded labor rate listed in the fee estimate against the contract to ensure that rates are exactly correct and do not include escalation, transposition errors, etc.
* Verify calculations for the prime and every subconsultant’s portion of the dollars.
* Verify consultants who propose itemized direct expenses are not “double billing” (firms that have an audited direct expense percentage should not also be compensated for itemized miscellaneous direct expenses).
* Obtain a detailed breakdown of subconsultant costs to ensure there are no “hidden costs”.
* Ensure only authorized subconsultants appear on the fee estimate.
* If premium overtime is included, verify that premium overtime is allowed per contract.
* Only firms listed in contract under compensation method LA-5 are eligible to bill for actual miscellaneous direct expenses. Ensure that all proposed expense costs conform to Statute (travel and per diem in accordance with Section 112.061, F.S.; no food or drinks included in costs; no promotional items, etc.).
* Only extraordinary expense items that are first identified and listed in Exhibit “B” Method of Compensation as a Tangible Asset may be included in the lump sum fee estimate.

CITS performs many of the aforementioned checks for you, under a cost reimbursement payment method, since the consultant cannot bill for unauthorized rates, nor can they bill for actual direct expenses unless the contract authorizes. These system checks are not available for lump sum tasks.

As Consultant Project Manager/FDOT Project Manager, I assume responsibility for billing accuracy for lump sum compensation elements.

The Consultant Project Manager/FDOT Project Manager read and understands the responsibilities of issuing Lump Sum Task Work Orders. The Consultant Project Manager/FDOT Project Manager acknowledges that he or she will perform a detailed analysis of the lump sum fee estimate including supporting documentation, and will confirm that all costs included in the lump sum fee are allowable when preparing task work orders.

The Consultant Project Manager further agrees that the original agreement price and any additions thereto shall be adjusted to exclude any significant sums by which the Department determines that the agreement price was increased due to inaccurate, incomplete rates and other factual unit costs.

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FDOT Project Manager FDOT PM Signature Date

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Consultant Project Manager Consultant PM Signature Date