

## **Chapter 2 - Project Funding/Contract Administration Responsibility**

The funding for a project may come from sources other than ODOT, including FHWA or other federal sources, other state governments, local governments, utilities, or other private organizations. The sources of funding will be specified in the project agreement and will be provided to the Project Manager (PM) at the start of the contract period.

### **Program & Funding Services Unit of Financial Services Branch**

At the start of each project, the Program & Funding Services Unit of the Financial Services Branch issues a letter that identifies the funding source(s) for all parts of the project and identifies the Participation Indicators (sub-jobs) that must be used to charge costs to the proper funding source. The PM must enter the proper Participation Indicator (sub-job) on all payments and on all change orders. In the event that work is added to the Contract and that work is to be funded by a different source or at a different rate than shown in the letter, contact the Contract Administration Unit (CAU) to establish a new Participation Indicator (sub-job) and activate it in the Contract Payment System. Contact the CAU if you have questions.

### **Exempt Projects**

For projects involving Federal-Aid funds, FHWA has declared some projects "Exempt" from their direct oversight and has given ODOT the responsibility to act in FHWA's place to assure that the contracts are administered properly. Even for Exempt projects, certain major changes to the contract require FHWA approval. Exempt projects have an "X" as the first letter in the Federal-Aid Project number.

For the Federal-Aid projects that are not Exempt, FHWA retains the oversight to assure proper administration. As such, the PM must involve the FHWA Area Engineer in any Major changes or other significant changes or developments on the project. Refer to Chapter 3 - Delegation of Authority.

### **Form FHWA-47**

When a project involves FHWA (Federal-Aid) funding and the final contract amount is over \$1,000,000, FHWA requires that the Contractor complete and submit form FHWA-47, Statement of Materials and Labor Used by Contractors on Highway Construction Involving Federal Funds. Refer to Chapter 37 - Submittal of Final Project Documentation.

When adding work to those projects with an original contract amount of less than \$1,000,000, closely monitor the estimated final contract amount. If the added work causes the final contract amount to exceed \$1,000,000, the Contractor must complete and submit the form FHWA-47 for its work and that of its subcontractors.