

PennDOT Policy Changes and ECMS

APC/PennDOT Fall Seminar November 15, 2018

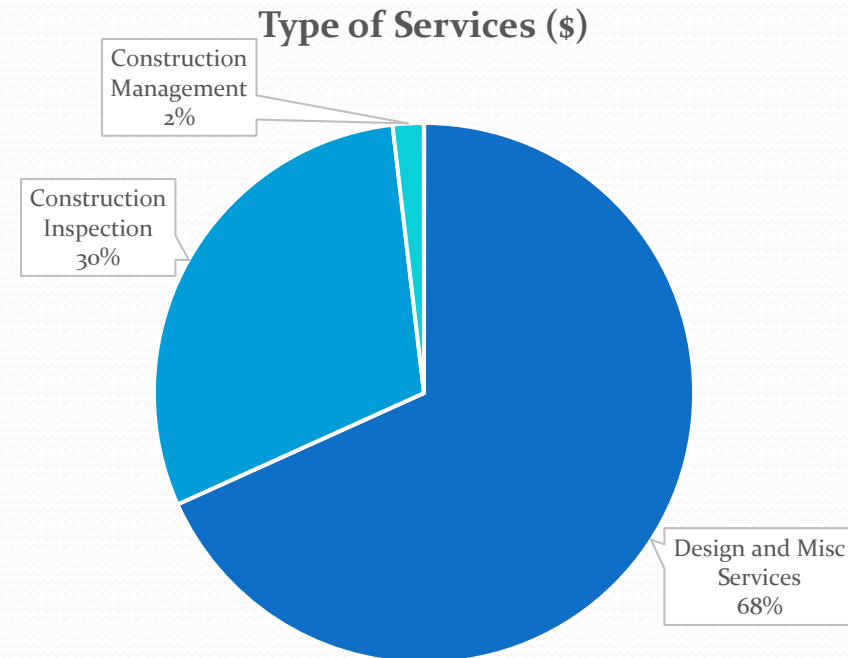
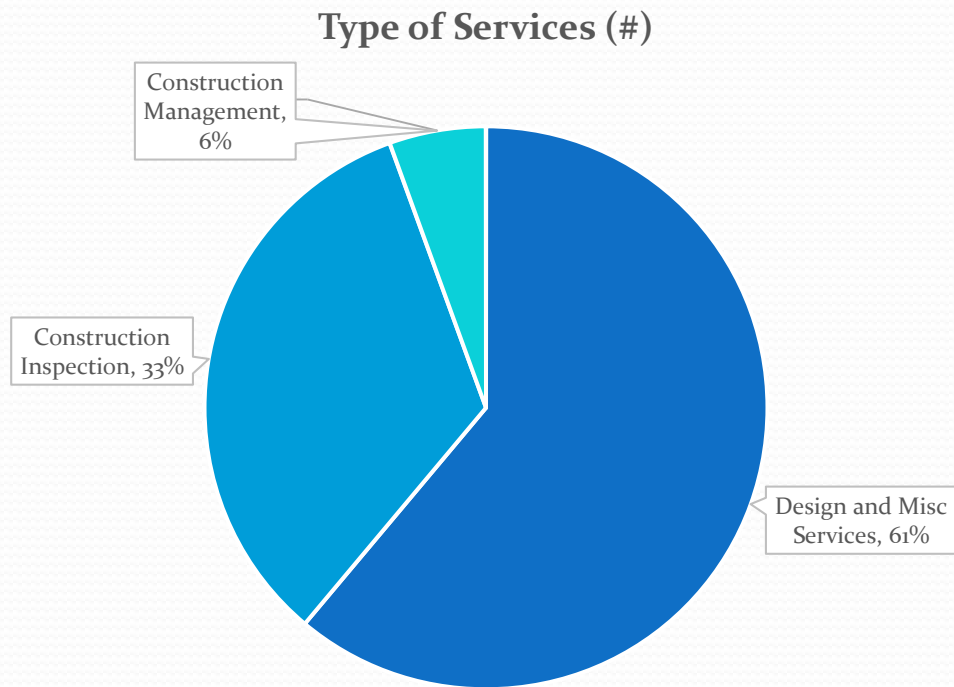
Michele Harter, P.E., PennDOT Bureau of Project Delivery

PennDOT Policy

- Invoice Auditing – Implemented Policy March 2018 –
6 month review

Invoice Auditing - 2017 Summary

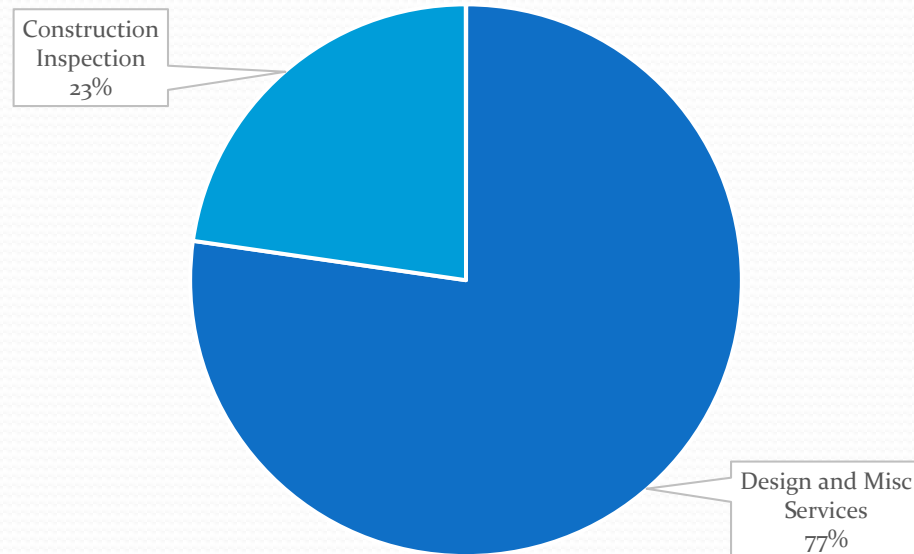
- 54 invoices, \$375K
- 32 firms, ranging between 1 to 5 invoices per firm



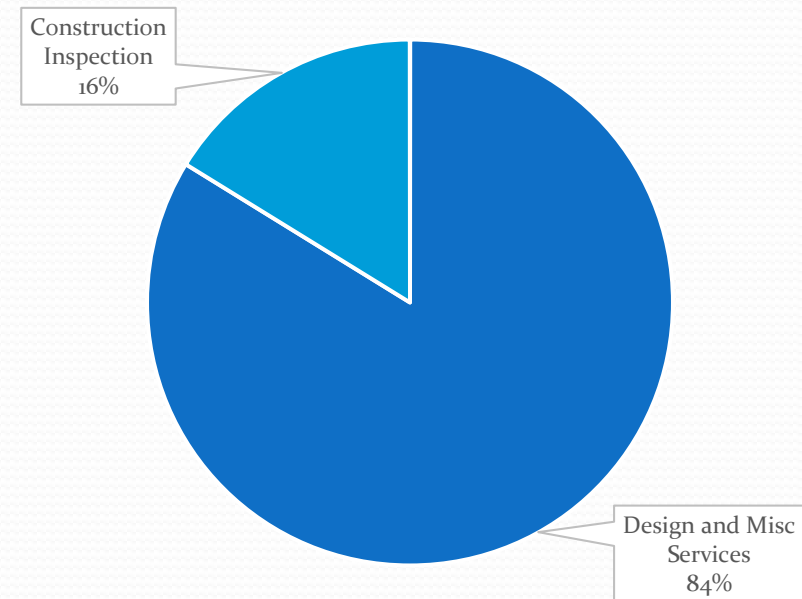
Invoice Auditing –2018 (1st Half) Summary

- 23 invoices, \$180K
- 19 firms, ranging between 1 to 3 invoices per firm

Type of Service (#)



Type of Service (\$)



ECMS Changes

- Local Project Invoice implemented February 2018

Data Mining

Profit Factors and Mean Overhead Rate

2016

Office 151.68%

Field 116.28%

2017

Office 149.63%

Field 111.19%

2018

Office 150.57%

Field 113.62%

Overhead Submissions

- Overhead submittal rejection rate steady at 60%+

	2018 Timestamp Year		2017 Timestamp Year		2016 Timestamp Year	
Approvals	349	35%	374	34%	406	39%
Rejections	639	65%	741	66%	643	61%
Submittals	988		1,115		1,049	

Data as of Oct 2018

Overhead Submissions

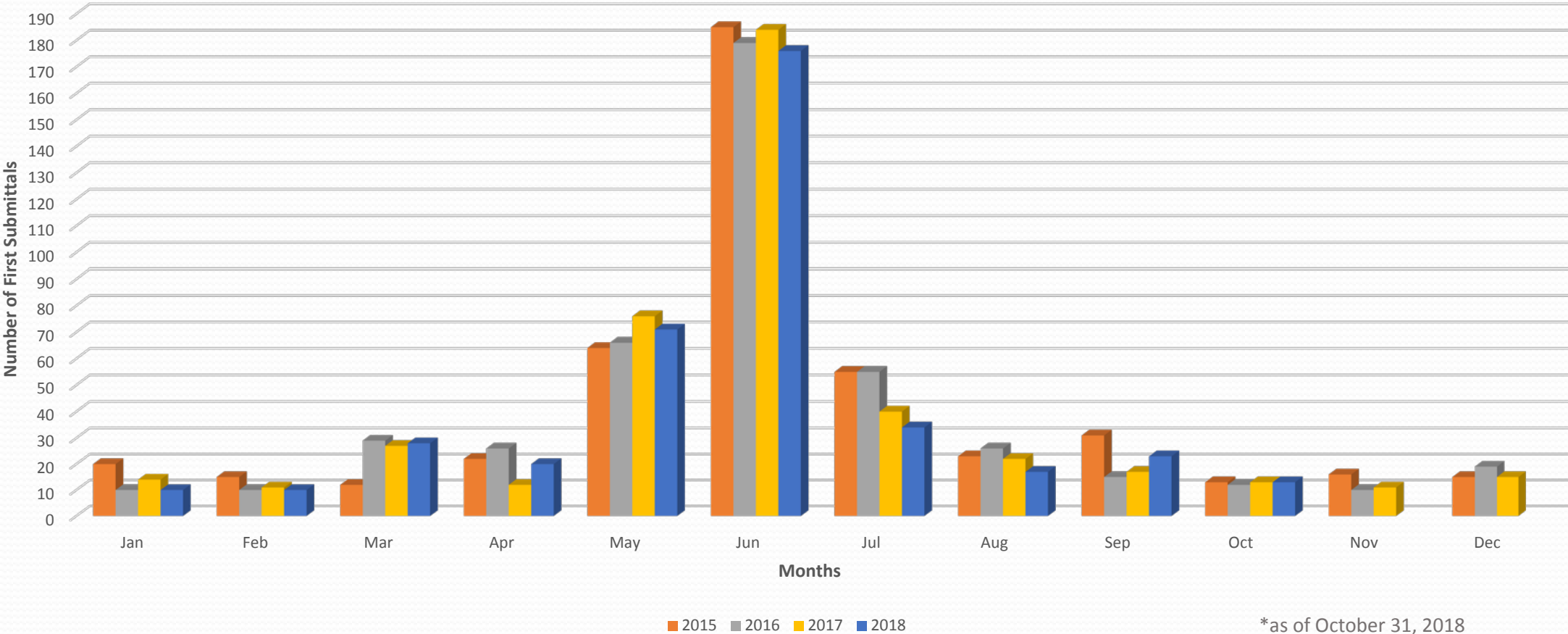
- Rejection Reasons for submittals: Direct or Indirect, Allowable or Unallowable

Rejection Comments	2018%	2017%	2016%
"allowable"	50%	39%	26%
"trial balance"	46%	44%	37%
"NCM"	41%	37%	37%
"allowable indirect cost"	26%	20%	15%
"executive comp"	15%	16%	19%
"rent"	15%	12%	7%
"advertising"	15%	15%	4%
"directly related"	6%	7%	4%
"maximum overtime"	4%	6%	5%
"lobbying"	7%	4%	1%
"legible"	1%	1%	1%

- The rejection comments point out the issue within the submittal.
- For more details, see Chapter 8 of the 2012 AASHTO Uniform Audit & Accounting Guide,

Overhead Submissions

Month of Firm's First Overhead Submittal*



*as of October 31, 2018

Overhead Submissions

- First overhead submittal for Fiscal Year and # of days remaining in previous overhead - only for firms regularly updating overheads

	FY END					
	2017	2017	2016	2016	2015	2015
# BPs submitting for FY End	321	100%	365	100%	378	100%
First Submit Date after Previous OH Expired	57	18%	98	27%	119	31%
First Submit Date w <10 days before Expiration	129	40%	162	44%	182	48%

Data as of Oct 2018

Processing of Subconsultant Invoices

- Normal type invoices only

Invoice Approval Year	Ave Days Sub Submits to Prime Submits	Ave Days Prime Submits to PM Approves	# of Invoices	Sum Value of Invoices
2018	27.27	9.09	14,061	\$110.24 M
2017	30.94	7.86	15,518	\$126.01 M
2016	32.53	8.55	13,860	\$111.44 M

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Design and Misc Services + Construction Management Invoices

Invoice Approval Year	Ave Days Sub Submits to Prime Submits	Ave Days Prime Submits to PM Approves	# of Invoices	Sum Value of Invoices
2018	28.37	9.40	11,789	\$85.58 M
2017	32.24	6.64	12,951	\$97.00 M
2016	34.35	8.56	11,475	\$85.34 M

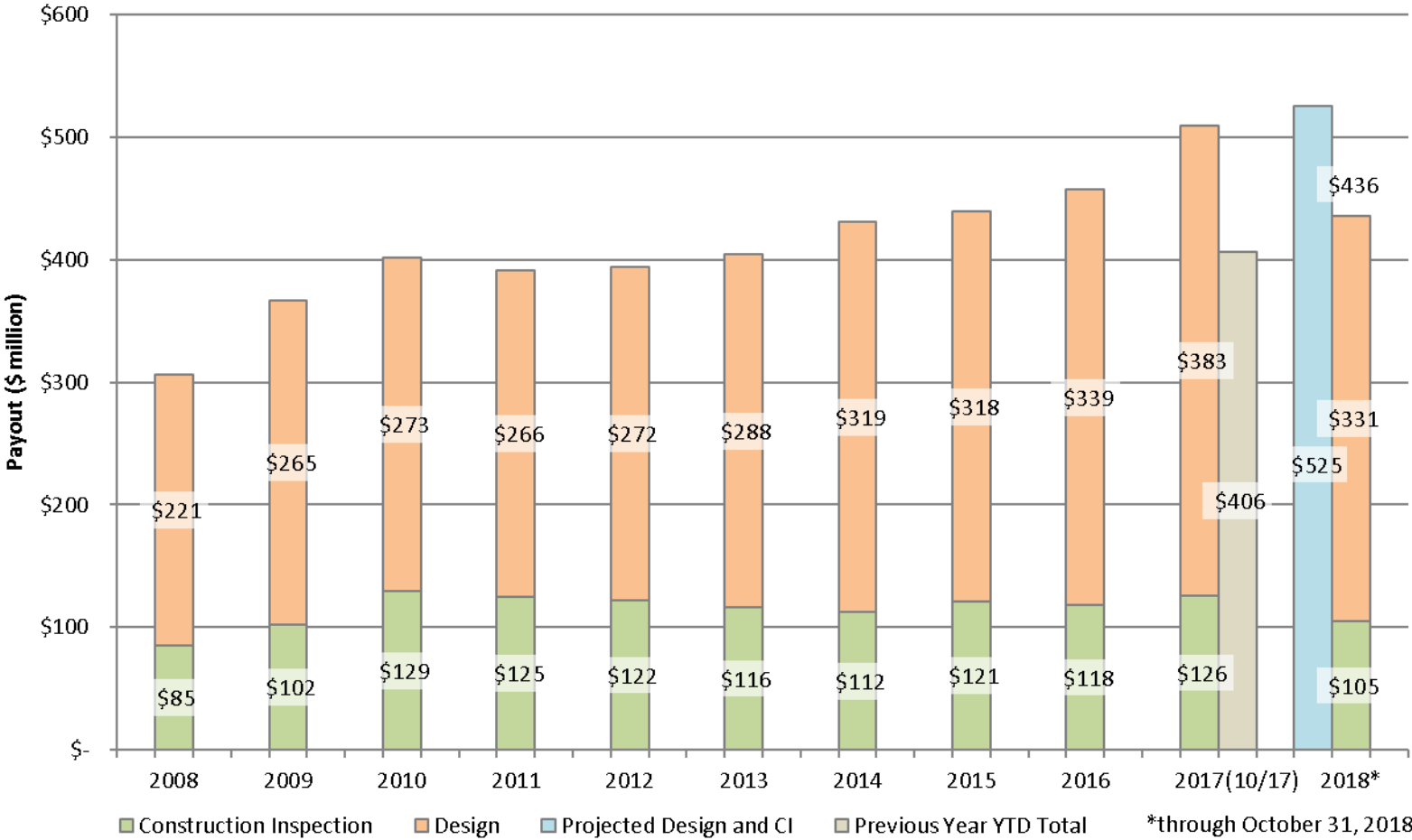
Construction Inspection Invoices

Invoice Approval Year	Ave Days Sub Submits to Prime Submits	Ave Days Prime Submits to PM Approves	# of Invoices	Sum Value of Invoices
2018	21.52	7.50	2,272	\$24.66 M
2017	25.20	9.04	2,567	\$29.01 M
2016	25.01	7.92	2,385	\$26.10 M

Payment to Sub-Consultants

- Pub 442 Prompt Payment Act to pay with 14 days
- Looked at 2nd half of 2017 for 102 Primes
- 28 firms were over the 14 day average
- 5 of those were over 30 days

Consultant Payouts



Advertised Agreements and Selections: 2009 - 2018

		Design + CM	Construction Inspection	Total (Design + Con Insp)
Advertised Agreements	2009	106	107	213
	2010	153	112	265
	2011	156	84	240
	2012	227	59	286
	2013	200	59	259
	2014	151	79	230
	2015	146	86	232
	2016	178	66	244
	2017	186	69	255
	Ending 10/31/2018	200	72	272
Selections	2009	124	104	228
	2010	130	111	241
	2011	143	82	225
	2012	221	67	288
	2013	208	60	268
	2014	150	69	219
	2015	142	77	219
	2016	166	68	234
	2017	171	72	243
	Ending 10/31/2018	173	70	243

Statewide Totals**	
2014	978
2015	884
2016	835
2017	843
2018* - CI	203
2018* - Design	659
2018* - Total	862

Statewide Totals**	
2014	\$ 682.42 M
2015	\$ 680.42 M
2016	\$ 715.01 M
2017	\$ 680.04 M
2018* - CI	\$ 163.82 M
2018* - Design	\$ 525.72 M
2018* - Total	\$ 689.54 M

* Through October 31, 2018

** Includes ECMS, State Paper and Local Agreements



Questions?