Checklist for Review of Fiscal Provisions

Must be included in the contract between the Local Agency and the Consultant.

#	Fiscal Provisions Checklist	In Packet? Y/N or NA
1.0	**All** contract Fiscal Provisions must be Verbatim See Exhibit 10-R and specific Article for verbiage	
1.1	Performance Period (Article IV): Beginning and End dates cannot be prior to the date Caltrans issues the Conformance letter.	
1.2	Allowable Costs and Payments (Article V). The contract method of payment must be one of the four methods required as listed in Section 10.2 of the Local Assistance Program Manual (LAPM).	
1.3	Termination (Article VI): The provision must contain language regarding termination for cause and convenience Per 23 CFR 172.9 (c)(1)(xii).	
1.4	Cost Principles and Administrative Requirements (Article VII)	
1.5	Retention of Records/Audit (Article VIII)	
1.6	Audit Review Procedures, including the Audit Clause (Article IX): If contract is $150,000 or greater #D must be included. If contract is $3,500,000 or greater #E must be included.	
1.7	Subcontracting (Article X)	
1.8	Equipment Purchase (Article XI)	
1.9	State Prevailing Wage Rates (Article XII): Must contain Option 1 or Option 2. If Option 1, must have all clauses.	
1.10	Conflict of Interest (Article XIII)	
1.11	Rebates, Kickbacks, or other Unlawful Considerations (Article XIV)	
1.12	Prohibition of Expending State or Federal Funds for Lobbying (Article XV)	

Checklist for Contract Cost Proposal

Must be completed for all Prime Consultant and all Subconsultants.

#	Cost Proposal Checklist	In Packet? Y/N
2.0	Cost Proposal – All Prime and all Subconsultants	
2.1	Use correct Cost Proposal form (Exhibit 10-H) for the contract method of payment.	
2.2	Must contain all the correct cost components • Name of Consultant/subconsultant • Labor costs • Anticipated salary increases • Fringe benefit rates • Indirect cost rate • Fee/profit • Other direct costs • Subconsultant costs	
2.3	Emphasis on the following: • Employee names listed for key personnel and senior classifications. • Indirect Cost Rate (ICR) broken down among its components (fringe and overhead). **Only exception is Cost Per Unit of Work Contracts.** • Other Direct Costs (ODC) are itemized by items of work, quantity, unit price & total for each item.	
2.4	Must **no**t contain mark-ups, contingencies, or optional services/tasks.	
2.5	If there are second and third tier subconsultants the same rules apply as identified above.	

Checklist for Exhibit 10-K, Consultant Certification of Contract Costs and Financial Management System

Must be completed for all Prime Consultant and all Subconsultants.

#	Exhibit 10-K Checklist	In Packet? Y/N
3.0	Exhibit 10-K – All Prime and all Subconsultants	
3.1	Exhibit 10-K form must be most current format (01/14/15).	
3.2	Exhibit 10-K must be filled out correctly and completely. • Correct fiscal year (most recent one-year accounting period for which financial statements are prepared) • Correct Federal/State Project Number • Contract number if assigned • Total dollar amount for all A&E contracts • Proposed Total Contract Amount • List of subconsultants and their proposed contract costs, if applicable.	
3.3	Each subconsultant **must** complete an Exhibit 10-K, including 2nd tier and any 3rd tier subconsultants, except for non-professional, vendor or supplier costs.	
3.4	Subconsultants **must** list any and all subconsultants (2nd tier and any 3rd tier) on its Exhibit 10-K.	
3.5	Exhibit 10-K **must** be signed by appropriate authority.	
3.6	All Prime and all Subconsultants' contract amounts must be provided regardless of the method of payment.	

Checklist for Consultant's Internal Control Questionnaire Document

Must be completed for the Prime. The Local Agency can request it for the Subconsultants.

#	Consultant's Internal Control Questionnaire Checklist	In Packet? Y/N or NA
4.0	Internal Control Questionnaire (ICQ) for Prime consultant	
4.1	A completed Internal Control Questionnaire (AASHTO Uniform Audit and Accounting Guide, Appendix B) must include the following:	
4.2	FAR Part 31 Overhead Audit Report for the most recent fiscal year, including audited Statement of Direct Labor, Fringe Benefits, and General Overhead (hereinafter "Indirect Cost Rate Schedule") and related reconciliation to the financial statements.	
4.3	Cognizant audit report or cognizant letter of concurrence from the cognizant Government agency. If Applicable.	
4.4	Post-closing trial balance and financial statements (balance sheet, income statement, and statement of cash flows) for the most recent fiscal year. **These reports are generated from the Consultant's accounting system/records**. (Note: If the indirect cost rate schedule does not directly tie to the trial balance, then please provide a supplemental reconciliation schedule.)	
4.5	Current chart of accounts that ties to financial statements and indirect cost rate schedule.	
4.6	Independent Auditor's Report on financial statements and accompanying management letter. If Applicable.	
4.7	Sample timesheet.	
4.8	The Company's policies for vacation and sick leave.	
4.9	The Company's bonus policy.	
4.10	The ICQ **must** be complete and signed.	