

Local Agency and Consulting Firm
Conformance Review Process – Frequent Issues

Issue	Notes
Missing cost proposals for subconsultants.	Cost proposals for the prime and all subconsultants must be submitted.
Missing and/or incomplete Certifications, LAPM Exhibit 10-Ks.	Certifications, Exhibit 10-Ks for the prime and all subconsultants must be submitted.
Missing breakdown of other direct costs (ODC), by # of units, unit cost, total.	Often ODCs are displayed as one lump sum. Cost must be broken out.
Incomplete or incorrect cost proposal format used.	See LAPM Chapter 10.2 for the allowable contract types and payments; and Exhibit 10-H for the appropriate cost proposal format.
Unallowable method of payment used.	See LAPM Chapter 10.2 for the allowable methods of payment.
Mark-ups included on the cost proposal.	Mark-ups are unallowable.
Missing some fiscal provisions and/or fiscal provisions are inadequate.	See LAPM Chapter 10.3 for required fiscal provisions; and LAPM Exhibit 10-R for suggested contract language.
LAPM Exhibit 10-R Article XIV D. is missing.	This audit clause is required verbatim.
Incomplete Internal Control Questionnaire (ICQ)	Required attachments to ICQ (listed on first page of the ICQ) are often missing, and/or applicable questions are not answered.
Certified indirect cost rates (ICRs) are for a past/previous fiscal period, e.g. 2012 or earlier.	The most recent fiscal period's ICR must be used, e.g. by now, 2013 should be available and used.
ICRs differ among cost proposal, certification (Exhibit 10-K), and ICR schedule.	If a lower ICR is volunteered (i.e. the ICR on the cost proposal is lower than on the 10-K and ICR schedule) it should be documented. Otherwise all should have the same ICR.
Incomplete audit request packages.	All applicable items on the LAPM Exhibit 10-A must be checked and included.

References

LAPM

<http://www.dot.ca.gov/hq/LocalPrograms/lam/lapm.htm>

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