

Consultant Advisory

2017-3

March 6, 2017

MDOT, CSD, Consultant
Contracts Section
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Consultant Advisory
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Updates to Prequalification

The following financial prequalification documents and requirements have been revised and are effective immediately:

1. Changes to the MDOT [Financial Prequalification Questionnaire for Audited Indirect Cost Rates](#):
 - a. A supplemental question regarding the basis of accounting used to prepare the overhead rate was added to Section B.2
 - b. The Management Representation and Certification Section, Item #3, has been revised
2. Changes to the MDOT [Financial Prequalification Questionnaire for Compiled Indirect Cost Rates](#):
 - a. A supplemental question regarding the basis of accounting used to prepare the overhead rate was added to Section B.2
 - b. The Management Representation and Certification Section, Item #3, has been revised
3. Revised the MDOT [Key Financial Worksheet](#)
 - Added definitions to clarify the information requested in the Key Financial Information Worksheet
 - Added a reconciliation table, and are now requiring that consultants identify the document name, page number, and/or calculation to support the financial information provided

Insurance Requirement Updates

All vendors are required to maintain the following insurance requirements while prequalified and/or throughout the life of contract:

Required Limits	Additional Requirements
Commercial General Liability Insurance	
<u>Minimal Limits:</u> \$1,000,000 Each Occurrence Limit \$1,000,000 Personal & Advertising Injury Limit \$2,000,000 General Aggregate Limit \$2,000,000 Products/Completed Operations	Consultant must have their policy endorsed to add "the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents" as additional insureds
Automobile Liability Insurance	
<u>Minimal Limits:</u> \$1,000,000 Per Occurrence	
Workers' Compensation Insurance	
<u>Minimal Limits:</u> Coverage according to applicable laws governing work activities.	Waiver of subrogation, except where waiver is prohibited by law.
Employers Liability Insurance	
<u>Minimal Limits:</u> \$500,000 Each Accident \$500,000 Each Employee by Disease \$500,000 Aggregate Disease.	
Professional Liability (Errors and Omissions) Insurance	
<u>Minimal Limits:</u> \$1,000,000 Each Occurrence	

The Prime Consultant will be responsible for verification of subconsultant(s) compliance with MDOT's insurance requirements. The insurer shall provide at least thirty (30) days written notice of cancellation. Additional insurance requirements may be required at time of contract.

For details regarding all current policies, procedures, questionnaires and/or worksheets, please review MDOT's [Consultant Prequalification Application Instructions](#).