

# MICHIGAN DEPARTMENT OF TRANSPORTATION CONSULTANT PREQUALIFICATION APPLICATION INSTRUCTIONS

---

**MICHIGAN DEPARTMENT OF TRANSPORTATION CONSULTANT  
PREQUALIFICATION APPLICATION INSTRUCTIONS..... 1**

**Table of Contents..... 2**

*Resources/Contacts..... 4*

**Contract Services Division Contact Information .....4**

**MDOT Consultant Advisories.....4**

**Americans with Disabilities Act (ADA) Information.....4**

**Title VI Notice to the Public.....4**

**Disadvantaged Business Enterprise (DBE) .....4**

**CHAPTER 1 – APPLICATION INSTRUCTIONS ..... 5**

*Prequalification Application Information..... 6*

**Filing of Application.....6**

**Period of Qualification.....6**

**Subconsulting.....6**

**Michigan’s “2/3rds Principal” Rule.....7**

**Excerpts from Article 20 of the Occupational Code, P.A. 299 of 1980, as Amended: ...8**

**State of Michigan Consultant/Payee Registration .....8**

**MDOT Digital Signatures .....8**

*Initial Application Assembly Instructions – New/Non-Prequalified Consultants Only ..... 9*

**Part A: General / Financial Prequalification Information.....9**

**Required Limits.....10**

**Additional Requirements.....10**

**Part B: Quality Assurance/Quality Control Plan.....13**

**Consultant Prequalification Application Review Form .....14**

**Part C: Equipment Availability & Resources/Manuals .....14**

**Part D: Staff Education and Experience.....14**

**Part E: Other Requirements, if applicable.....14**

**Annual General Prequalification Requirements .....15**

**Annual Financial Prequalification Requirements .....15**

*Adding Additional Prequalification Classifications - Current Prequalified Consultants Only....18*

**Consultant Prequalification Application Review Form .....18**

**Part B: Supplemental QA/QC Requirements, if applicable .....18**

**Part C: Equipment Availability & Resources/Manuals .....18**

**Part D: Staff Education and Experience.....19**

**Part E: Other Requirements, if applicable.....19**

---

<b>CHAPTER 2 – CONSULTANT PREQUALIFICATION CLASSIFICATION LISTING ...</b>	<b>20</b>
Construction Services .....	21
Design Services .....	22
Environmental Services .....	23
Survey Services .....	24
<b>CHAPTER 3 – ADDITIONAL PROCEDURES.....</b>	<b>25</b>
<i>Prequalification Appeal Procedures</i> .....	26
<i>Loss of Key Staff Notification Procedures</i> .....	28
<b>Project Level</b> .....	<b>28</b>
<b>Consequences</b> .....	<b>29</b>
<b>Prequalification Level</b> .....	<b>29</b>
<i>Audit and Record Keeping Procedures</i> .....	30
<i>Random Review of Prequalification Classifications</i> .....	31
<i>Prequalification Committee</i> .....	32
<i>Application Instruction Updates</i> .....	34
<b>V2.0 – February 9, 2015</b> .....	<b>34</b>
<b>V2.1 – March 7, 2015</b> .....	<b>34</b>
<b>V2.2 – April 6, 2015</b> .....	<b>34</b>
<b>V2.3 – May 19, 2015</b> .....	<b>34</b>
<b>V2.4 – January 13, 2015</b> .....	<b>35</b>
<b>V2.5 – April 18, 2016</b> .....	<b>35</b>
<b>V2.6 – March 6, 2017</b> .....	<b>36</b>
<b>V2.7 – May 5, 2017</b> .....	<b>36</b>
<b>V2.8 – September 22, 2017</b> .....	<b>36</b>
<b>V2.9 – October 24, 2017</b> .....	<b>37</b>
<b>V2.10 – January 24, 2018</b> .....	<b>37</b>
<b>V2.11 – December 27, 2018</b> .....	<b>37</b>
<b>V2.12 – January 1, 2020</b> .....	<b>37</b>

### Contract Services Division Contact Information

If you require assistance completing your application or have questions regarding the prequalification process, please feel free to contact the following:

Tammy Haring  
Consultant Prequalification Analyst  
Phone: 517-290-9444  
Email: [HaringT@michigan.gov](mailto:HaringT@michigan.gov)

Brandee Adams  
Consultant Prequalification Technician  
Phone: (517) 335-5829  
Email: [AdamsB6@michigan.gov](mailto:AdamsB6@michigan.gov)

### MDOT Consultant Advisories

To receive the latest information regarding MDOT Consultant Contracting, sign up for individual e-mail updates at: <https://public.govdelivery.com/accounts/MIDOT/subscriber/new>

### Americans with Disabilities Act (ADA) Information

If you need this information in an alternate format such as large print, Braille or audio tape, or require another type of accommodation, contact MDOT Contract Services Division, Service Prequalification, at 425 W. Ottawa Street, P. O. Box 30050, Lansing, MI 48909, voice (517) 335-5827, FAX (517) 373-9466 or TDD/TTY through the Michigan Relay Center (800) 649-3777.

### Title VI Notice to the Public

It is the Michigan Department of Transportation's (MDOT) policy to ensure no person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity, whether those programs and activities are federally funded or not, as provided by Title VI of the Civil Rights Act of 1964 and Civil Rights Restoration Act of 1987. Any person who believes his/her Title VI protection has been violated may file a complaint with MDOT's Title VI Coordinator. Title VI complaint forms and/or advice may be acquired by calling (517) 241-7462 or by visiting the [Department's Title VI website](#).

### Disadvantaged Business Enterprise (DBE)

It is MDOT's commitment to support the overall goal of the DBE program to ensure that firms owned and controlled by minorities, women, and other socially and economically disadvantaged persons have the opportunity to grow and become self-sufficient through participation in federally funded MDOT contracts. To apply for DBE certification, please contact MDOT's Office of Small Business Development by calling (866) 323-1264 or by visiting the Department's [DBE website](#).

# CHAPTER 1 – APPLICATION INSTRUCTIONS

# Prequalification Application Information

---

Consultants interested in service contracting with the Michigan Department of Transportation (MDOT) in the classifications listed in this package must be prequalified as a prerequisite to submitting proposals for contracting. Prequalification must be approved on or prior to the proposal due date. Prequalification is no guarantee of being selected for a contract. Please read the enclosed instructions, complete the required forms, compile the classification-specific documentation, and return all information electronically to: [MDOT e-Proposal Website](#).

## Filing of Application

Service prequalification is an on-going process. New applications will be accepted at any time. The information will be reviewed to verify completeness and to determine if the submittal meets the minimum criteria for that classification. Incomplete submissions may be returned, causing a delay in prequalification processing.

## Period of Qualification

Prequalification will be considered valid for a one (1) year period. However, prequalification is continuous, provided all annual General and Financial renewal informational requirements are kept current. Renewal notification letters will *not* be issued by the Contract Services Division. It is the Consultant's responsibility to keep track of their renewal/expiration date. Once a renewal/expiration date has been set, all obtained prequalification classifications will expire if all renewal information has not been received by the department. To determine your firm's annual renewal/expiration date, please see the section below titled, *Annual Renewal Date Determination*.

If prequalification is denied and you do not wish to appeal, you may reapply for the same classification no earlier than twelve (12) months from the date of initial denial. For details, please see the section below titled, *Prequalification Appeal Procedures*.

MDOT is permitted to request a consultant to attend a meeting of the MDOT Prequalification Committee, as MDOT determines necessary.

## Subconsulting

MDOT's Request for Proposals (RFP's) will identify both primary and secondary prequalification classification requirements, as determined for each project. To be eligible to submit a proposal on a project, a company must have obtained an approved prequalification status in the applicable prequalification classification(s) listed in the RFP on or prior to the proposal due date. The requirements to perform the specific work classifications are as follows:

### 1. Primary Prequalification Classification

The prime consultant/vendor **must** be prequalified in all primary prequalification classifications identified on the RFP. They may, however, subcontract out work identified under the primary prequalification classification(s) to another prequalified consultant/vendor.

### 2. Secondary Prequalification Classification

The prime consultant is not required to be prequalified in the secondary prequalification classification(s) identified on the RFP. The work, however, must be performed by a prequalified consultant/vendor, which may be either the prime consultant/vendor or a subconsultant/vendor.

In all cases, the prime consultant must perform **at least 40%** of the services, by dollar value, unless otherwise specified in the RFP.

In all cases, tier one subconsultant(s) must perform **at least 50% of the services**, by dollar value of their subcontract, unless otherwise specified in the RFP.

Consultants are not permitted to Joint Venture for the purpose of prequalification or for the purpose of submitting project proposals. As stated above, subconsulting is permitted if the subconsultant is prequalified to perform the intended services and the subconsultant work does not exceed the previously specified percentage of the total dollar amount of the contract.

## Michigan's "2/3rds Principal" Rule

If your firm is contracting to provide professional services in architecture, professional engineering or professional surveying, Article 20 requires that at least 2/3 of the principals of the firm be licensed in Michigan in one or more of the professions.

Questions regarding this policy or the Michigan Occupational Code may be obtained by contacting the Michigan Department of Licensing and Regulatory Affairs (LARA) Design Boards office at (517) 241-9253 or by accessing LARA's Website, [Department of Licensing and Regulatory Affairs](#).

To gain approval from the Michigan Department of Labor and Regulatory Affairs, under MCL 339.2010(2), please send an email to [BPLHelp@michigan.gov](mailto:BPLHelp@michigan.gov) containing the following information:

- Name of the firm seeking approval
- Address of the firm
- Name of the person submitting the request
- A certification stating the following statement:

"2/3 of the principals of <<YOUR FIRM NAME>> are licensed under Article 20 of the Occupational Code and the conduct of the firm and its principals complies with the law and rules promulgated by the Department."

## Excerpts from Article 20 of the Occupational Code, P.A. 299 of 1980, as Amended:

### “339.2001 Definitions

Sec. 2001. As used in this article:

(b) Firm means a sole proprietorship, partnership, corporation, or limited liability Company through which a person licensed under this article offers or provides a service to the public.

(d) Person in responsible charge means a person licensed under this article who determines technical questions of design and policy; advises the client; supervises and is in responsible charge of the work of subordinates; is the person whose professional skill and judgment are embodied in the plans, designs, plats, surveys, and advice involved in the services; and who supervises the review of material and completed phases of construction.

(h) Principal means a sole proprietor, partner, the president, vice-president, secretary, treasurer, or director of a corporation, or a member or manager of a limited liability company.

(k) Services mean professional service offered or provided by an architect in the practice of architecture, a professional engineer in the practice of professional engineering, or a professional surveyor in the practice of professional surveying.

339.2010 Firm; practice of architecture, professional engineering, or professional surveying; approval of non-licensed principal and principal's firm; report; person in responsible charge at each place of business; exception.

Sec. 2010. (1) A firm may engage in the practice of architecture, professional engineering, or professional surveying in this state, if not less than 2/3 of the principals of the firm are licensees.

(2) However, a non-licensed principal and the principal's firm shall apply for and receive an approval from the department to engage in the practice of architecture, professional engineering, or professional surveying, if the conduct of the firm and its principals comply with rules promulgated by the department.

(3) Upon request by the department, a firm shall report to the department the names and addresses of its principals, persons in responsible charge, unlicensed principals, and any other information the department considers necessary.

(4) A firm shall employ a person in responsible charge in the field of services offered at each place of business in this state where services are offered by the firm, except at a field office which provides only a review of construction.”

## State of Michigan Consultant/Payee Registration

The State of Michigan relies on the Statewide Integrated Governmental Management Application (SIGMA) system for all financial transactions. The Vendor Self Service (VSS) module of the SIGMA application allows the vendor or payee the ability to manage account information. It is the consultant’s responsibility to ensure the account is activated and account information is up to date, including contact information and bank (EFT) account numbers.

To activate a new account or update an existing account, please visit [Michigan.gov/VSSlogin](https://Michigan.gov/VSSlogin). For assistance with VSS, please contact the State of Michigan VSS Support Center at [SIGMA-Vendor@Michigan.gov](mailto:SIGMA-Vendor@Michigan.gov) or 1-800-734-9749.

## MDOT Digital Signatures

MDOT uses the DocuSign Digital Signature solution for our document signing processes. DocuSign eliminates the need for slow and expensive paper-based signing processes while creating legally enforceable signatures that provide the integrity and trust required for audits, compliance with industry regulations, and good business practices. To apply for a digital signature user account, please submit a completed [MDOT Digital Signature Certificate Request Form](#) to [MDOT-eSign@Michigan.gov](mailto:MDOT-eSign@Michigan.gov).

# Initial Application Assembly Instructions – New/Non-Prequalified Consultants Only

---

## Assemble your submission as follows:

Part A	General and Financial Information
Part B	Quality Assurance/Quality Control Plan Consultant Prequalification Application Review Form
Part C	Equipment Listing & Resources/Manuals
Part D	Staff Education and Experience
Part E	Other Requirements, if applicable

Note: *MDOT must be immediately notified if there are any changes to the information supplied, as it may affect your company's prequalification.*

Each classification for which your firm applies must be supplied as an individual application ([example](#)). Each classification-specific application must include a Consultant Prequalification Review Form and parts C-E labeled with your Company's Name, Part, and Classification in the upper right corner.

Example: General Engineering Company – Construction Testing: Density – Review Form, C, D, E  
General Engineering Company – Design: Value Engineering – Review Form, C, D, E  
General Engineering Company – Surveying: Road Design – Review Form, C, D, E

## **Part A: General / Financial Prequalification Information**

The following information shall be submitted on an annual basis. The due date for your company is identified below in the section titled Annual Renewal Date Determination. Only complete submissions will be accepted.

If the required information is not received by the appropriate date, your firm's prequalification status will expire. Once expired, your firm will not be eligible to submit project proposals. If you have been selected for a project, but no contract or authorization has been awarded, no further contractual actions may be taken until prequalification has been reinstated. As part of your application for consultant prequalification, MDOT requires the following information:

## General Prequalification Requirements

On an annual basis, the following must be submitted electronically:

1. The Service Prequalification Application [Form 1242](#)
2. Proof of 2/3rds Michigan Licensed Principles (required only for those consultants seeking prequalification in engineering, architecture, and surveying related classifications)
3. Organization chart identifying all company principals
4. A legible copy of your company's Articles of Incorporation (Michigan corporations), Articles of Organization (Michigan limited liability companies), Certificate of Assumed Name (Michigan Sole Proprietorship's using an assumed name), Certificate of Authority to Transact Business or Conduct Affairs in Michigan (Non-Michigan corporation), or Certificate of Authority to Transact Business in Michigan (Non-Michigan limited liability companies)
5. The Request for Taxpayer Identification Number and Certification Form [\(W-9\)](#)
6. The Vendor Availability Questionnaire [Form 0168](#)
7. Proof of insurance with coverage meeting the requirements detailed in the following table below:

Required Limits	Additional Requirements
<b>Commercial General Liability Insurance</b>	
<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
<b>Automobile Liability Insurance</b>	
<u>Minimal Limits:</u> \$1,000,000 Per Occurrence	
<b>Workers' Compensation Insurance</b>	
<u>Minimal Limits:</u> Coverage according to applicable laws governing work activities.	Waiver of subrogation, except where waiver is prohibited by law.
<b>Employers Liability Insurance</b>	
<u>Minimal Limits:</u> \$500,000 Each Accident \$500,000 Each Employee by Disease \$500,000 Aggregate Disease.	
<b>Professional Liability (Errors and Omissions) Insurance</b>	
<u>Minimal Limits:</u> \$1,000,000 Per Claim	

All vendors are required to maintain all insurance requirements while prequalified and or/ throughout the life of contract. Additional insurance coverage may be required at time of contract. 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.

*Note: The General Prequalification information (items 1-7) should be sent as a separate electronic file from the Financial Prequalification information outlined below.*

## Financial Prequalification Requirements

On an annual basis, the following information must be submitted electronically in the department's required format. Consultants must comply with the applicable requirements pertaining to one of the three overhead rate tiers. *All overhead cost rates must be calculated on the accrual basis of accounting as required by Title 48, Part 31 of the Code of Federal Regulations.*

1. **Safe Harbor Overhead Rate** – Consultants that meet the Safe Harbor Overhead rate eligibility requirements, may utilize a 110% overhead rate, once approved by MDOT. A thorough, accurate, and complete Financial Prequalification Questionnaire for the Users of the Safe Harbor Rate must be submitted to MDOT, on an annual basis, no later than four (4) months following a consultant's fiscal year end. No time extensions will be granted.
2. **Overhead Rate Compilation** – Consultants with net MDOT revenue less than \$500,000, calculated from the consultant's previous fiscal year, must submit an overhead rate compilation, or choose to submit a FAR Compliant Overhead Rate Audit by an independent CPA (see below). A thorough, accurate, and complete Financial Prequalification Questionnaire for Compiled Indirect Cost Rates must be submitted to MDOT, on an annual basis, no later than four (4) months following a consultant's fiscal year end. No time extensions will be granted. If a consultant exceeds or plans on exceeding \$500,000 in net MDOT revenue, a FAR compliant overhead Rate Audit by an independent CPA firm will be required.
3. **CPA FAR Compliant Overhead Rate Audit** – Consultants with net MDOT revenue of \$500,000 or greater, calculated from the consultant's previous fiscal year, must submit a FAR compliant Overhead Rate Audit completed by an independent CPA. A thorough, accurate, and complete Financial Prequalification Questionnaire for Audited Indirect Cost Rates must be submitted to MDOT, on an annual basis, no later than six (6) months following a consultant's fiscal year end. No time extensions will be granted.

*Note: Net MDOT revenue is defined as all monies paid directly or indirectly to a consultant by MDOT, for the consultant's fiscal year, for any work performed for MDOT as both a prime consultant and as a subconsultant, minus any monies paid by the consultant to its subconsultant(s) for MDOT work performed during the consultant's fiscal year.*

MDOT will provide each consultant with a letter indicating their accepted overhead rate(s). Consultants must begin using this rate on all priced proposals received by MDOT for the effective dates indicated in the MDOT acceptance letter. Consultant's must provide separate invoices for services performed prior to the overhead rate effective date, and services performed subsequent to the overhead effective rate, using the applicable rate. Invoices must be submitted within sixty (60) days after the completion of the services for that billing.

To ensure the accuracy of invoices, all subconsultants must supply a copy of their MDOT current overhead acceptance rate letter with their first invoice to the prime consultant, as verification of overhead rate billed, and again when billing with a newly accepted overhead rate. The prime consultant must review the subconsultants billed overhead rate and verify that it matches the MDOT accepted rate, prior to submitting the invoice.

MDOT approved overhead rate will remain in effect for a period of twelve (12) months. Failure to use the MDOT approved overhead rate may result in return/rejection of your priced proposals and invoices.

For multi-year contracts, there will be no changes in the contract maximum amounts that would be attributable to overhead rate changes.

### Cognizant Review Letters

Those consultants submitting a Cognizant Review Letter must submit a thorough, accurate, and complete Financial Prequalification Questionnaire for Audited Indirect Cost Rates and Auditor’s Report for the CPA FAR audited overhead rate, no later than six (6) months following a consultant’s fiscal year end. No time extensions will be granted. The cognizant letter itself may be submitted at a later date, if it has not been received by the consultant by the applicable due date.

### Annual Renewal Date Determination

All documentation for consultants submitting a request to utilize the safe harbor overhead rate or meet the criteria for the submittal of an overhead rate compilation, must submit all required information to MDOT, on an annual basis, no later than four (4) months following the consultant’s fiscal year end. Consultants submitting a CPA FAR compliant Overhead Rate Audit by an independent CPA must provide all required information to MDOT, on an annual basis, no later than six (6) months following a consultant’s fiscal year end. Overhead effective dates will begin seven (7) months following a consultant’s fiscal year end. Lack of submittal will result in the loss of prequalification. Please reference the table below:

Compiled / Safe Harbor Rates		
Fiscal Year End	Due Date	Effective Date
January	May 31	September 1
February	June 30	October 1
March	July 31	November 1
April	August 31	December 1
May	September 30	January 1
June	October 31	February 1
July	November 30	March 1
August	December 31	April 1
September	January 31	May 1
October	February 28/29	June 1
November	March 31	July 1
December	April 30	August 1

CPA FAR Audited Rates		
Fiscal Year End	Due Date	Effective Date
January	July 31	September 1
February	August 31	October 1
March	September 30	November 1
April	October 31	December 1
May	November 30	January 1
June	December 31	February 1
July	January 31	March 1
August	February 28/29	April 1
September	March 31	May 1
October	April 30	June 1
November	May 31	July 1
December	June 30	August 1

## MDOT Review of CPA Working Papers

Each year, MDOT will select a sample of Consultants for a review of their CPA firms' overhead rate working papers for the current overhead rate in effect<sup>1</sup>. For each consultant that is selected, the applicable CPA firm will be required to provide MDOT with electronic access to 1) the overhead rate working papers if requested, and 2) any working papers from any other audit that is relied upon by the overhead rate audit. Audit working papers might be provided on a disk, a memory stick, a third-party site such as Dropbox, etc.; however, specifics will need to be agreed to by MDOT. Consultant's following the cognizant audit process will not be selected for CPA working paper reviews.

It is strongly advised that this requirement be specifically agreed to in the consultant's engagement letter with the CPA firm. If a CPA firm chooses not to provide MDOT with electronic access to the working papers, MDOT will consider whether it will conduct its own audit of the consultant's overhead rate calculation and the consultant may not be prequalified for the following year until the consultant demonstrates that it will be using a new CPA firm that will comply with the requirement.

### Part B: Quality Assurance/Quality Control Plan

The following definitions apply to the production of goods and services related to public transportation for the Michigan Department of Transportation.

**Quality Control (QC)** – refers to the operational activities put in place to control the quality of a product or service. These include activities such as providing clear decisions and directions, constant supervision by experienced individuals, timely review of completed activities for accuracy and completeness, and accurate documentation of all decisions, assumptions, and recommendations. Quality control procedures, if followed, should ensure that the work is done correctly.

**Quality Assurance (QA)** – describes the process of enforcing quality control standards, i.e. revising a checklist or a process, changing the way things are checked because of numerous errors in quality control. When quality assurance is well implemented, progressive improvement in terms of both reducing errors and omissions and increasing product usability and performance should be noted.

**Quality Control Plan (QCP)** – is a comprehensive, well-defined, written set of procedures and activities aimed at delivering products that meet and/or exceed a customer's expectations, as expressed in contract documents, and/or published sources. A QCP identifies the organization or individuals responsible for quality control and the specific procedures used to ensure delivery of a quality product. A QCP should detail quality assurance measures and the method of accountability and information required.

---

<sup>1</sup>Please note that MDOT's process provides for a CPA working paper review related to the accepted overhead rate in effect. However, if issues are found during the CPA working paper reviews, MDOT reserves the right to expand the scope of its review to include the current year overhead rate in effect plus three previous years.

The QCP shall include but not be limited to the following:

- Your firm's definitions of QA, QC, and QCP
- Mission statement of Consultant responsibilities
- Organizational chart of QA and QC managers or appointed representatives and their areas of responsibility
- Checklist(s), sign-off sheet(s) and/or log(s) for QA/QC documents and reviewer/checker responsibilities
- Documented format for checking plans, prints, calculations, etc.
- Error prevention and detection processes
- Documented format for QA and QC managers or appointed representatives to verify subconsultants QCP's and project performance
- Process for continuous development of better QA and QC plans and reviews, and knowledge of MDOT processes and adherence to policies and guidelines

Note: *Only one copy of your company's QA/QC policies need be submitted. However, some classifications may require supplemental QA/QC policies.*

## Consultant Prequalification Application Review Form

Fillable versions of each classification-specific Consultant Prequalification Application Review Form can be downloaded by selecting the hyperlink in the upper left-hand corner of each prequalification classification provided within this manual. For a complete list of prequalification classifications, please see chapter two below titled, *Consultant Prequalification Classification Listing*.

### Part C: Equipment Availability & Resources/Manuals

See individual prequalification classifications for a list of specific equipment, resources, and Manuals that are required for each prequalification classification. Software/equipment must be owned/leased by the company applying for prequalification and key staff must be trained in its use. If specific software is listed, MDOT requires the consultant to identify the software version that they own/lease. Shared resources/equipment will not be considered for prequalification purposes.

### Part D: Staff Education and Experience

See individual prequalification classifications for a detailed listing of staff requirements.

Include only key staff resumes as described by the classification-specific requirements. Consultants may not share key staff employees with other companies for the purposes of obtaining prequalification. The key staff included in submitted applications must be employees of your firm and cannot be utilized by another firm for prequalification purposes. All resumes should be written to highlight experience **as it relates to the specific prequalification classification and assigned role** for which is being applied.

Only one supplemental resume may be supplied for each designated key staff role as specified by each classification-specific Consultant Prequalification Application Review Form.

### Part E: Other Requirements, if applicable

See individual prequalification classifications for a detailed listing of Consultant requirements.

*Please note that all Other Requirements listed should be constructed to highlight experience as it relates to the specific prequalification classification for which is being applied.*

# Annual Renewal Instructions –Current Prequalified Consultants Only

---

## Annual General / Annual Financial Prequalification Information

The following information shall be submitted on an annual basis. The due date for your company is identified below under [Financial Prequalification Requirements](#). Only complete submissions will be accepted. Information will be accepted no sooner than 30 days prior to the due date.

If the required information is not received by the appropriate date, your firm's prequalification status will expire. Once expired, your firm will not be eligible to submit project proposals. If you have been selected for a project, but no contract or authorization has been awarded, no further contractual actions may be taken until prequalification has been reinstated.

## Annual General Prequalification Requirements

On an annual basis, the following must be submitted electronically:

1. The Service Prequalification Application [Form 1242](#) (pages 1-4 only)
2. Consultant Prequalification Annual Renewal Certification [document](#)
3. Proof of 2/3rds Michigan Licensed Principles (required only for those consultants seeking prequalification in engineering, architecture, and surveying related classifications)
4. Organization chart identifying all company principals
5. A legible copy of your company's Articles of Incorporation (Michigan corporations), Articles of Organization (Michigan limited liability companies), Certificate of Assumed Name (Michigan Sole Proprietorship's using an assumed name), Certificate of Authority to Transact Business or Conduct Affairs in Michigan (Non-Michigan corporation), or Certificate of Authority to Transact Business in Michigan (Non-Michigan limited liability companies)
6. The Request for Taxpayer Identification Number and Certification Form [\(W-9\)](#)
7. The Vendor Availability Questionnaire [Form 0168](#)
8. Proof of insurance with coverage meeting the requirements detailed in the table on [Page 10](#):

## Annual Financial Prequalification Requirements

On an annual basis, the following information must be submitted electronically in the Department's required format. Consultants must comply with the applicable requirements pertaining to one of the three overhead rate tiers:

1. [Safe Harbor Overhead Rate](#) – Consultants that meet the [Safe Harbor Overhead rate eligibility requirements](#), may utilize a 110% overhead rate, once approved by MDOT. A thorough, accurate, and complete [Financial Prequalification Questionnaire for the Users of the Safe Harbor Rate](#) must be submitted to MDOT, on an annual basis, no later than four (4) months following a consultant's fiscal year end. No time extensions will be granted.

2. **Overhead Rate Compilation** – Consultants with net MDOT revenue less than \$500,000, calculated from the consultant’s previous fiscal year, must submit an overhead rate compilation, or choose to submit a FAR Compliant Overhead Rate Audit by an independent CPA (see below). A thorough, accurate, and complete Financial Prequalification Questionnaire for Compiled Indirect Cost Rates must be submitted to MDOT, on an annual basis, no later than four (4) months following a consultant’s fiscal year end. No time extensions will be granted. If a consultant exceeds or plans on exceeding \$500,000 in net MDOT revenue, a FAR compliant overhead Rate Audit by an independent CPA firm will be required.
  
3. **CPA FAR Compliant Overhead Rate Audit** – Consultants with net MDOT revenue of \$500,000 or greater, calculated from the consultant’s previous fiscal year, must submit a FAR compliant Overhead Rate Audit completed by an independent CPA. A thorough, accurate, and complete Financial Prequalification Questionnaire for Audited Indirect Cost Rates must be submitted to MDOT, on an annual basis, no later than six (6) months following a consultant’s fiscal year end. No time extensions will be granted.

### Cognizant Review Letters

Those consultants submitting a Cognizant Review Letter must submit a thorough, accurate, and complete Financial Prequalification Questionnaire for Audited Indirect Cost Rates, and Auditor’s Report for the CPA FAR audited overhead rate, no later than six (6) months following a consultant’s fiscal year end. No time extensions will be granted. The cognizant letter itself may be submitted at a later date, if it has not been received by the consultant by the applicable due date.

### Non-compliant Rates / Effective Period Gaps

If a consultant performs services outside of the MDOT approved effective period and a new rate has not yet been accepted, the consultant will not be paid for services performed during that period until such time that documentation has been submitted and the supplied overhead rate has been accepted by MDOT.

- In the event that the above becomes applicable for a prime consultant, the prime consultant must continue to submit invoices to MDOT for its subconsultant(s) in a timely manner.
- Once an overhead rate has been accepted, the rate will be retroactive, and the effective date will be the consecutive calendar date following the expiration date of the previously accepted overhead rate and will be in effect for a period of 12 months.

It is acknowledged that there may be some instances where delayed acceptance of an overhead rate is due to MDOT’s review timeline. This will be evaluated, and a determination will be made on a case-by-case basis; however, a consultant will not be penalized if the delay is the responsibility of MDOT.

## MDOT Review of CPA Working Papers

Each year, MDOT will select a sample of Consultants for a review of their CPA firms' overhead rate working papers for the current overhead rate in effect<sup>2</sup>. For each consultant that is selected, the applicable CPA firm will be required to provide MDOT with electronic access to 1) the overhead rate working papers if requested, and 2) any working papers from any other audit that is relied upon by the overhead rate audit. Audit working papers might be provided on a disk, a memory stick, a third-party site such as Dropbox, etc.; however, specifics will need to be agreed to by MDOT. Consultant's following the cognizant audit process will not be selected for CPA working paper reviews.

It is strongly advised that this requirement be specifically agreed to in the consultant's engagement letter with the CPA firm. If a CPA firm chooses not to provide MDOT with electronic access to the working papers, MDOT will consider whether it will conduct its own audit of the consultant's overhead rate calculation and the consultant may not be prequalified for the following year until the consultant demonstrates that it will be using a new CPA firm that will comply with the requirement.

## Submittal Intent Designation

If your firm intends to designate a financial tier other than what was supplied in the previous year or a change in fiscal year end has occurred, MDOT Form 5189 - Overhead Submittal Intent must be completed and electronically supplied no later than three (3) months following a consultant's fiscal year end. Failure to do so may result in the loss of prequalification.

*Note: Form 5189 does not need to be submitted if your company is not adjusting the previously designated financial tier.*

---

<sup>2</sup> Please note that MDOT's process provides for a CPA working paper review related to the accepted overhead rate in effect. However, if issues are found during the CPA working paper reviews, MDOT reserves the right to expand the scope of its review to include the current year overhead rate in effect plus three previous years.

# Adding Additional Prequalification Classifications - Current Prequalified Consultants Only

---

Currently prequalified consultants may apply for new/additional classifications at any time. The information will be reviewed to verify completeness and to determine if the submittal meets the minimum criteria for that classification. Incomplete submissions may be returned, causing a delay in prequalification processing.

## Assemble each additional classification application as follows:

### Classification-Specific Consultant Prequalification Application Review Form

Part B Supplemental QA/QC Requirements, if applicable

Part C Equipment Listing & Resources/Manuals

Part D Staff Education and Experience

Part E Other Requirements, if applicable

Each classification for which your firm applies must be supplied as an individual application ([example](#)). Each classification-specific application must include a [Consultant Prequalification Review Form](#) and parts C-E labeled with your Company's Name, Part, and Classification in the upper right corner.

Example: General Engineering Company – Construction Testing: Density – Review Form, C, D, E  
General Engineering Company – Design: Value Engineering – Review Form, C, D, E  
General Engineering Company – Surveying: Road Design – Review Form, C, D, E

## Consultant Prequalification Application Review Form

Fillable versions of each classification-specific Consultant Prequalification Application Review Form can be downloaded by selecting the hyperlink of each classification included in this manual. For a complete list of prequalified classifications, please see chapter two below titled, [Consultant Prequalification Classification Listing](#).

### Part B: Supplemental QA/QC Requirements, if applicable

Some individual prequalification classifications require supplemental QA/QC policies. These procedures are classification-specific and should be tailored accordingly. See individual prequalification classifications for a detailed list of specific plan requirements.

### Part C: Equipment Availability & Resources/Manuals

See individual prequalification classifications for a list of specific equipment required for each prequalification classification. Software/equipment must be owned/leased by the company applying for prequalification and key staff must be trained in its use. If specific software is listed, MDOT requires the consultant to identify the software version that they own/lease. Shared resources/equipment will not be considered for prequalification purposes.

## Part D: Staff Education and Experience

See individual prequalification classifications for a detailed listing of staff requirements. Include only key staff resumes as described by the classification-specific requirements. Consultants may not share key staff employees with other companies for the purposes of obtaining prequalification. The key staff included in submitted applications must be employees of your firm and cannot be utilized by another firm for prequalification purposes. All resumes should be written to highlight experience **as it relates to the specific prequalification classification and assigned role** for which is being applied.

Only one supplemental resume may be supplied for each designated key staff role as specified by each classification-specific Consultant Prequalification Application Review Form.

## Part E: Other Requirements, if applicable

See individual prequalification classifications for a detailed listing of Consultant requirements.

Please note that all Other Requirements listed should be constructed to highlight experience as it relates to the specific prequalification classification for which is being applied.

# CHAPTER 2 – CONSULTANT PREQUALIFICATION CLASSIFICATION LISTING

# Construction Services

Click on the classification title below to open the Review Form. Once open, save the Review Form to your computer utilizing 'save as'.

[Construction Engineering: Assistance](#)

[Construction Engineering: Bridges & Ancillary Structures](#)

[Construction Engineering: Roadway](#)

[Construction Engineering: Roadway - Local Agency](#)

[Construction Inspection: Bridge Painting](#)

[Construction Inspection: Bridges & Ancillary Structures](#)

[Construction Inspection: HMA Pavement](#)

[Construction Inspection: Roadway](#)

[Construction Inspection: Traffic and Safety](#)

[Construction Services: Office Technician](#)

[Construction Testing: Aggregates](#)

[Construction Testing: Concrete](#)

[Construction Testing: Density](#)

[Construction Testing: HMA](#)

[Construction Testing: HMA Assistance](#)

# Design Services

Click on the classification title below to open the Review Form. Once open, save the Review Form to your computer utilizing 'save as'.

[Design – Bridges](#)

[Design – Bridges: Complex](#)

[Design – Bridges: Load Rating](#)

[Design – Bridges: Movable Span](#)

[Design – Bridges: Railroad](#)

[Design – Bridges: Safety Inspection](#)

[Design – Bridges: Safety Inspection – Underwater](#)

[Design – Bridges: Scoping](#)

[Design – Buildings](#)

[Design – Geotechnical](#)

[Design – Geotechnical: Advanced](#)

[Design – Hydraulics I](#)

[Design – Hydraulics II](#)

[Design – Landscape Architecture](#)

[Design – Roadway](#)

[Design – Roadway: Intermediate](#)

[Design – Roadway: Complex](#)

[Design – Traffic: Capacity & Geometrics Analysis](#)

[Design – Traffic: ITS Design & System Management](#)

[Design – Traffic: Pavement Markings](#)

[Design – Traffic: Safety Studies](#)

[Design – Traffic: Signal](#)

[Design – Traffic: Signal Operations](#)

[Design – Traffic: Signal Operations – Complex](#)

[Design – Traffic: Signing – Freeway](#)

[Design – Traffic: Signing – Non-Freeway](#)

[Design – Traffic: Work Zone Maintenance of Traffic](#)

[Design – Traffic: Work Zone Mobility & Safety](#)

[Design – Utilities: Municipal](#)

[Design – Utilities: Pump Stations](#)

[Design – Utilities: Roadway Lighting](#)

[Design – Utilities: Subsurface Utility Engineering](#)

[Design: Project Development Studies](#)

[Design: Value Engineering Facilitator](#)

[Design: Wetlands](#)

# Environmental Services

Click on the classification title below to open the Review Form. Once open, save the Review Form to your computer utilizing 'save as'.

[Environmental: Archaeology – Historic](#)

[Environmental: Archaeology – Prehistoric](#)

[Environmental: Botanical](#)

[Environmental: Contamination](#)

[Environmental: Historic Assessment](#)

[Environmental: Noise Assessment](#)

[Environmental: Wetland Assessment](#)

# Survey Services

Click on the classification title below to open the Review Form. Once open, save the Review Form to your computer utilizing 'save as'.

[Surveying: Construction Staking](#)

[Surveying: Hydraulics](#)

[Surveying: Right of Way](#)

[Surveying: Road Design](#)

[Surveying: Structure](#)

# CHAPTER 3 – ADDITIONAL PROCEDURES

# Prequalification Appeal Procedures

---

## Prequalification Appeal Procedures

The purpose of the Consultant Prequalification Appeal Process is to provide the Consultant an opportunity to gain additional information regarding and/or dispute prequalification decisions made at the time of initial prequalification, at the time of prequalification renewal, or at any time a prequalification decision has been made adversely affecting the Consultant's ability to perform work for MDOT. To appeal a prequalification decision, the Consultant must file a written request for a prequalification appeal to MDOT, within fourteen (14) calendar days from the date on the prequalification determination letter documenting the decision to deny, suspend, or revoke. All appeal requests must be sent electronically to: [MDOT-ServicePrequal@Michigan.gov](mailto:MDOT-ServicePrequal@Michigan.gov)

If an appeal by the Consultant is not received by MDOT within fourteen (14) calendar days from the date of the prequalification determination letter, MDOT's proposed action on the Consultant's prequalification is final and not subject to further contest or appeal.

### Tier One Appeal Meeting

If the written appeal request is received in a timely manner, MDOT will contact the Consultant to schedule a Tier One Appeal meeting. The Tier One Appeal meeting may be conducted by phone conference if it is more convenient to the parties involved. The Tier One Appeal panel may include a manager from the Contract Services Division, one or more technical evaluators and a representative from the Prequalification Unit. Neither party shall be represented by counsel at this meeting nor shall either party make audio or visual recordings of this meeting.

The Consultant shall not submit any additional information to MDOT prior to the Tier One Appeal meeting. During the Tier One Appeal meeting, the Consultant may be asked to submit additional information if it is determined that additional information can support the appeal. If the Consultant is asked to submit additional information, they shall do so within fourteen (14) calendar days from the date on the Tier One Determination Letter. Any information submitted by the Consultant after fourteen (14) calendar days will not be considered by MDOT.

The Consultant will be notified of the panel's decision within thirty (30) calendar days after receipt of all the additional information requested if the consultant was asked to submit additional information. The Consultant will be notified of the panel's decision within fourteen (14) calendar days after the Tier One Appeal meeting if the consultant is not asked to submit any additional information. If the consultant is not satisfied with the determination of the Tier One Appeal Panel, the consultant will have fourteen (14) calendar days from the date on the Tier One Appeal determination letter to request a Tier Two Appeal. All appeal requests must be sent electronically to: [MDOT-ServicePrequal@Michigan.gov](mailto:MDOT-ServicePrequal@Michigan.gov)

If a written request for an appeal of the decision from the Tier One Appeal meeting is not received by the department within fourteen (14) calendar days of the date of the Tier One Appeal determination letter, the decision of the Tier One Appeal Panel will become final and binding.

### Tier Two Appeal Meeting

The Tier Two Appeal Panel will be comprised of three (3) MDOT Division Administrators. The Tier Two Appeal panel may have other department employees or representatives attend and participate in the meeting. The Tier Two Appeal panel may affirm or modify the decision of the Tier One Appeal panel or may take other actions as it sees fit. The Consultant will be notified of the Tier Two Appeal panel's decision within thirty (30) calendar days of the Tier Two Appeal Meeting.

If the consultant is not satisfied with the determination of the Tier Two Appeal Panel, the consultant will have fourteen (14) calendar days from the date of the Tier Two determination letter to request a Tier Three Appeal. If notification is not received within fourteen (14) calendar days of the Tier Two Appeal determination letter, the decision of the Tier Two Appeal panel will become final and binding.

### Tier Three Appeal Meeting

The Tier Three Appeal panel will be comprised of three (3) MDOT Executive level employees. The Tier Three Appeal panel may have other department employees or representatives attend and participate in the meeting. The Tier Three Appeal panel may affirm or modify the decision of the Tier Two Appeal panel or may take other actions as it sees fit. The Consultant will be notified of the Tier Three Appeal panel's decision within thirty (30) calendar days of the Tier Three Appeal meeting. The decision of the Tier Three Appeal panel is final and binding.

## Loss of Key Staff Notification Procedures

The intent of this document is to outline the process for notifying and informing MDOT when a consultant experiences the loss of key staff. This plan provides guidance to consultants and MDOT to ensure that projects currently being worked on are not adversely impacted due to a loss of key staff, as well as the actions required by consulting firms to maintain their prequalification in the categories for which the individual is listed as a key staff member.

The loss of key staff may have an immediate effect on a project or specific discipline, or losses may have no immediate impact on work and can be worked out over time. Therefore, timely communication with the MDOT Project Manager is critical to making this determination and resolving these issues. It is the joint responsibility of MDOT and the consultant to understand the risks of not having certified and qualified staff performing work on the project.

Note that if a project is suspended during the delivery of services, even if no work is being performed, the consultant is still required to inform MDOT of the loss of key staff.

## Project Level

The following steps are required when a consultant loses a key staff member on a project:

1. The consultant will provide written notice to the MDOT PM within five (5) business days of the effective date of the departure of the employee. The written notice will include a transition plan complete with the name, resume and applicable certifications of the proposed replacement, as well as a brief explanation as to why the proposed replacement is recommended, along with the process the consultant will enact to ensure a smooth transition. This information will accompany the required [MDOT form 5100G](#) for staff replacement.
2. If accepted, MDOT will notify the consultant in writing within five business days.
3. If the proposed replacement(s) are not accepted or concerns arise, a phone call or meeting will be held to discuss the proposed plan and the concerns of MDOT. This meeting will be initiated by MDOT and will occur within ten business days of the receipt of the aforementioned written communication.

During the meeting, the consultant and MDOT will discuss subsequent courses of action. These may include, but not be limited to:

- a. MDOT may accept or reject the proposed replacement. Consultant may propose alternatives until available staff is exhausted.
- b. MDOT and the Consultant may agree that the work in question be sub-contracted to another (prequalified) firm as long as the integrity of the QBS is maintained. The decision on the percentage of allocation of work between the prime and the sub will be made by the prime and approved by MDOT.

- c. If it is in the best interest of the MDOT and the project success, the consultant and MDOT may arrange a mutually beneficial agreement that works within the requirements of QBS and the applicable CFR.
- d. The consultant may request an extension of time to find an adequate replacement and the MDOT PM may grant this extension in the event that the extension of time will not be detrimental to the successful delivery of the project.

Upon agreement by all parties, MDOT will notify the consultant in writing by signing the current required MDOT form submitted by the consultant within seven business days of receipt. The consultant is to prepare and document the meeting notes and any action items from these meetings.

### *Consequences*

Failure to comply with the established procedures will be reflected in the consultant project evaluation and/or other actions as determined appropriate by the Department.

### *Prequalification Level*

The loss of the key staff may affect the consultant's prequalification, and therefore the following steps are required.

1. If the key staff is listed as key personnel in a prequalification category, the consultant must notify MDOT Contract Services Division (CSD), in writing within ten (10) business days of the effective date of the departure of the employee. The notification must also provide a list of current MDOT projects affected by the prequalification associated with the lost key staff member, should this be the case.
2. Prequalification will immediately be revoked if no immediate replacement is available from the initial Prequalification Application. The prequalification will remain revoked until the replacement key staff is confirmed and approved by MDOT. Prequalification will immediately be reinstated upon MDOT's approval of the consultant's replacement key staff. However, failure to provide an approved replacement within 6 months (effective the date the effective date of the departure of the employee), the consultant will be required to submit a full prequalification application package. MDOT will have ten business days from the date of the written notification to make a determination on the adequacy of the replacement.

### *Consequences*

Failure to comply with the established procedures will result in the loss of the consultant's prequalification status for up to 12 months in the affected classification.

Any consultant that notifies MDOT of new staff, submits staff for prequalification or replacement, offers staff in a proposal, or in any way represents as staff who is not a bona fide employee of that firm will be subject to loss of prequalification for an unspecified length of time and/or other actions as determined appropriate by MDOT.

## Audit and Record Keeping Procedures

The Consultant will establish and maintain accurate records, in accordance with generally accepted accounting principles, of all expenses incurred for which payment is sought or made for any work performed for MDOT. Separate accounts will be established and maintained by job number and/or phase for all costs incurred.

The Consultant will maintain the records for at least three (3) years from the date of final payment made. In the event of a dispute with regard to the allowable expenses or any other issue, the Consultant will thereafter continue to maintain records at least until that dispute has been decided and the time for all available challenges or appeals of that decision has expired.

In the event that an audit, examination, review, assessment, or inspection performed by or on behalf of MDOT indicates a financial adjustment, MDOT will submit to the Consultant a Notice of Audit Results and a copy of the audit report, which may supplement or modify any tentative findings verbally communicated to the Consultant at the completion of an audit, examination, review, assessment, or inspection.

Within sixty (60) days after the date of the Notice of Audit Results, the Consultant will (a) respond in writing to the responsible Bureau of MDOT indicating whether or not it concurs with the audit report, (b) clearly explain the nature and basis for any disagreement as to a financial adjustment and (c), submit to MDOT a written explanation as to any questioned or no opinion expressed financial adjustment. The response will be clearly stated and will provide any supporting documentation necessary to resolve any disagreement or questioned or no opinion expressed financial adjustment. Where the documentation is voluminous, the Consultant may supply appropriate excerpts and make alternate arrangement to make that documentation available conveniently and reasonably, for review by MDOT. The Consultant agrees that failure to submit a response within the sixty (60) day period constitutes agreement with any financial adjustment.

MDOT will make its decision with regard to any Notice of Audit Results and response within one hundred twenty (120) days after the date of the Notice of Audit Results. If MDOT determines that an overpayment has been made to the Consultant, the Consultant will repay that amount to MDOT or reach agreement with MDOT on a repayment schedule within thirty (30) days after the date of an invoice from MDOT. If the Consultant fails to repay the overpayment or reach agreement with MDOT on a repayment schedule within the thirty (30) day period, the Consultant agrees that MDOT will deduct all or a portion of the overpayment from any funds then or thereafter payable by MDOT to the Consultant. Interest will be assessed on any partial payments or repayment schedules based on the unpaid balance at the end of each month until the balance is paid in full. The assessment of interest will begin thirty (30) days from the date of the invoice. The rate of interest will be based on the Michigan Department of Treasury common cash funds interest earnings. The rate of interest will be reviewed annually by MDOT and adjusted as necessary based on the Michigan Department of Treasury common cash funds interest earnings. The Consultant expressly consents to this withholding or offsetting of funds under those circumstances, reserving the right to file a lawsuit in the Court of Claims to contest MDOT's decision, only as to any item of expense the disallowance of which was disputed by the Consultant in a timely manner.

# Random Review of Prequalification Classifications

---

## Random Review of Prequalification Classifications

Prequalified Consultants will be subject to biannual random selection and review of classification-specific prequalification information. This review is performed to ensure that all prequalified consultants continue to meet the minimum standards as detailed in Chapter 2 – Consultant Prequalification Classification Listing of this document. The following steps will be performed:

Biannually, a report will be generated from the Contract Tracking System (CTRAK). The report will include each classification held by all prequalified consultants, at the time of generation.

- From this report, CSD will randomly select prequalification classifications, approximately 5% each year. Please note, if an automatic prequalification classification is selected, CSD will automatically request documentation for the more advanced classification (i.e., if *Design-Roadway* is selected and your firm is prequalified in *Design – Roadway: Complex*, CSD's request will reflect the more advanced classification, *Design – Roadway: Complex*).
- MDOT will notify Consultants, via email, that their prequalification classification(s) has been randomly selected. Consultants will have thirty (30) days from the date of the notification to electronically provide MDOT a full prequalification application for the selected prequalification classification(s) and any additionally requested prequalification information.
- MDOT will review the submittal to ensure prequalification requirements are being met. This may include, but not be limited to:
  - Verification of insurance requirements
  - QA/QC measures are maintained
  - All required equipment and software is *currently* owned/leased and staff is trained to use the software and equipment
  - All required resources and manuals are accessible, and staff is knowledgeable in their use
  - All previously approved key staff has been retained
  - Key staff has maintained the required minimum education and experience requirements
  - Key Staff has maintained the required licenses, certification, and registrations
  - Any additional prequalification related documentation, as requested
- MDOT will review the submittal to verify completeness and to determine if it meets the minimum criteria for the classification. A determination letter will be transmitted to the consultant upon completion of the review.
- If a classification is randomly selected more than once in a twelve (12) month cycle and the vendor has not suffered a loss of key staff, an attestation certified by a company officer may be supplied in place of a classification-specific application.

## Non-Compliance

Failure to submit all requested information within thirty (30) calendar days may result in a loss of prequalification in the impacted classification(s). If a submittal is received within the designated time and MDOT determines the consultant is not in compliance with all consultant prequalification requirements, CSD will revoke prequalification in the classification. In addition, a full resubmittal of all classification-specific, annual general, and/or annual financial information may be requested. All consultants found operating outside of consultant prequalification requirements will be monitored for the following twelve months to ensure compliance with all prequalification requirements.

## Prequalification Committee

The purpose of the Prequalification Committee (Committee) is to review all departmental concerns including but not limited to: quality of current and past work performance; financial stability/resources; organization/personnel; equipment; certifications; compliance with all federal, state or local laws, regulations, or ordinances; false/misleading statements; or any circumstances the department deems appropriate. Once referred to the Committee, the Consultant will be provided an opportunity to meet with the Committee to present additional information or otherwise show why action should not be taken. An adverse decision to deny, suspend, or revoke prequalification will not be taken prior to this meeting, unless the Committee finds that the public health, safety, or welfare requires emergency action and incorporates that finding in its decision. Failure to attend the meeting will result in a final decision by the Committee and immediate action may be taken against the Consultant's prequalification.

## Prequalification Committee Appeal Procedures

If the Consultant contests the determination of the Committee, the Consultant will have fourteen (14) calendar days from the date of the Committee's determination letter to supply a written request for a Tier One Appeal. All appeal requests must be sent electronically to: <mailto:MDOT-ServicePrequal@Michigan.gov>.

If an appeal by the Consultant is not received by MDOT within fourteen (14) calendar days from the date of the Committee's determination letter, MDOT's proposed action on the Consultant's prequalification is final and not subject to further contest or appeal.

## Tier One Appeal Meeting

If the written appeal request is received in a timely manner, MDOT will contact the Consultant to schedule a Tier One Appeal meeting. The Tier One Appeal panel will consist of three (3) MDOT Management level employees. The Tier One Appeal panel may request other department employees or representatives attend and/or participate in the meeting.

Following the Tier One Appeal meeting and review of any additional documentation, the panel shall notify the Consultant in writing of the decision to affirm or modify the Committee's determination. The Consultant will be notified of the decision within thirty (30) calendar days following the Tier One Appeal meeting.

If a written request for an appeal of the decision from the Tier One Appeal meeting is not received by the department within fourteen (14) calendar days of the date of the Tier One Appeal determination letter, the decision of the Tier One Appeal Panel will become final and binding.

If the consultant is not satisfied with the determination of the Tier One Appeal Panel, the consultant will have fourteen (14) calendar days from the date on the Tier One Appeal determination letter to request a Tier Two Appeal.

## Tier Two Appeal Meeting

If the written appeal request is received in a timely manner, MDOT will contact the Consultant to schedule a Tier Two Appeal meeting. The Tier Two Appeal Panel will include three (3) MDOT Administrator level employees. The Tier Two Appeal panel may request other department employees or representatives attend and/or participate in the meeting.

Following the Tier Two Appeal meeting and review of any additional documentation, the panel shall notify the Consultant in writing of the decision to affirm or modify the Tier Once Appeal Panel's determination. The Consultant will be notified of the panel's decision within thirty (30) calendar days following the Tier Two Appeal meeting.

If a written request for an appeal of the decision from the Tier Two Appeal meeting is not received by the department within fourteen (14) calendar days of the date of the Tier Two Appeal determination letter, the decision of the Tier Two Appeal Panel will become final and binding.

If the consultant is not satisfied with the determination of the Tier Two Appeal Panel, the consultant will have fourteen (14) calendar days from the date on the Tier Two Appeal determination letter to request a Tier Three Appeal.

## Tier Three Appeal Meeting

If the written appeal request is received in a timely manner, MDOT will contact the Consultant to schedule a Tier Three Appeal meeting. The Tier Three Appeal panel will be comprised of three (3) MDOT Executive level employees. The Tier Three Appeal panel may request other department employees or representatives attend and/or participate in the meeting. The Tier Three Appeal panel may affirm or modify the decision of the Tier Two Appeal panel.

Following the Tier Three Appeal meeting and review of any additional documentation, the Panel shall notify the Consultant in writing of the decision to affirm or modify the Tier Two Appeal Panel's determination. The Consultant will be notified of the Tier Three Appeal panel's decision within thirty (30) calendar days of the Tier Three Appeal meeting. The decision of the Tier Three Appeal panel is final and binding.

## V2.0 – February 9, 2015

- Initial Prequalification application published after 2014-2015 Prequalification process improvement

## V2.1 – March 7, 2015

- Removed the FieldManager Certification from the “Lead Inspector” role in the following classifications:
  - Construction Engineering - Bridges and Ancillary Structures
  - Construction Engineering - Roadway
  - Construction Engineering – Roadway – Local Agency
  - Construction Inspection – Bridges and Ancillary Structures
  - Construction Inspection - Roadway
- Added the following classifications and requirements:
  - Design - Geotechnical
  - Design - Geotechnical: Advanced
- Removed the following classification:
  - Surveying: Remote Sensing

## V2.2 – April 6, 2015

- Renamed the following classifications:
  - Construction Services: Office Technician (formerly, Construction Inspection: Office Technician)
  - Design – Hydraulics I (formerly, Design – Hydraulics)
  - Design – Hydraulics II (formerly, Design – Hydraulics: Advanced)
  - Design – Value Engineering Facilitator (formerly, Design – Value Engineering)
- Updated Software requirements for the following Classifications:
  - Design – Hydraulics I (HEC-HMS)
  - Design – Hydraulics II (HEC-HMS)
- Updated the definition and use statements for the following classification:
  - Design – Value Engineering Facilitator

## V2.3 – May 19, 2015

- Updated policy regarding approval of Michigan’s non-licensed principals (Michigan’s 2/3rds Principal Rule)
- Updated language to clarify the format in which the deliverables need be supplied for the following classifications:
  - Design – Traffic: Signal Operations
  - Design – Traffic: Signal Operations – Complex
- Updated certification requirements in the following classification:
  - Construction Inspection: HMA Pavement
- Removed 2/3rds licensed principal requirement from the following classifications:
  - Construction Services: Office Technician

- Design – Value Engineering Facilitator
- Removed Professional Liability Insurance requirement for the following classifications:
  - Construction Services: Office Technician
  - Design – Value Engineering Facilitator

## V2.4 – January 13, 2015

- Inserted Certification Tables for the following classifications:
  - Construction Engineering: Bridges & Ancillary Structures
  - Construction Engineering: Roadway
  - Construction Engineering: Roadway – Local Agency Program
  - Construction Inspection: Bridge Painting
  - Construction Inspection: Bridges & Ancillary Structures
  - Construction Inspection: Roadway
  - Construction Inspection: HMA Pavement
  - Construction Services: Office Technician
  - Construction Testing: Aggregates
  - Construction Testing: Concrete
  - Construction Testing: Density
  - Construction Testing: HMA
  - Construction Testing: HMA Assistance
- Updated Construction Inspection: Bridge Painting certification assignments:
  - Removed MDOT Bridge Paint School requirement from Lead Engineer role
  - Removed required MDOT Computerized Office Technician certification from “Staff Engineer / Technician” role
  - Added “Additional Staff (Optional)” role for team to meet MDOT Computerized Office Technician certification

## V2.5 – April 18, 2016

- Removed the option to rely on the Safe Harbor Overhead Rate for Financial Prequalification
- Updated Annual General and Annual Financial Prequalification Renewal Dates
  - Overhead Rate Compilation
    - Previously – three (3) months following a firm’s fiscal year end
    - Now – four (4) months following a firm’s fiscal year end
  - CPA FAR Compliant Overhead Rate Audit
    - Previously – five (5) months following a firm’s fiscal year end
    - Now – six (6) months following a firm’s fiscal year end
  - Updated effective period of all accepted overhead rates
    - Previously – six (6) months following a firm’s fiscal year end
    - Now – seven (7) months following a firm’s fiscal year end
- Added clarifying language regarding the Review of CPA Working Papers
- Added Random Review of Prequalification Classification Policy

## V2.6 – March 6, 2017

- Reinstated the option to rely on the Safe Harbor Overhead Rate for Financial Prequalification
- Updated Definition / Use Statement for the Construction Engineering: Office Technician classification
- Added Soil & Erosion Sedimentation Control Comprehensive certification clarification to the following classifications:
  - Construction Engineering: Bridges & Ancillary Structures
  - Construction Engineering: Roadway
  - Construction Engineering: Roadway – Local Agency
  - Construction Inspection: Bridges & Ancillary Structures
  - Construction Inspection: Roadway
- Updated General Prequalification insurance requirements to include the following coverage:
  - Commercial General Liability
  - Automobile Liability
  - Workers' Compensation
  - Employers Liability
  - Changed Profession Liability coverage from Occurrence to Clams Made
- Updated Random Review of Prequalification Classification policy language to expand the scope of information included in the review and further define the process.
- Construction Testing: HMA Assistance is now an automatic approval with the Construction Testing: HMA classification

## V2.7 – May 5, 2017

- Removed the following Entry Level classifications:
  - Entry Level – Design: Roadway
  - Entry Level – Design – Traffic: Signal
  - Entry Level – Design – Traffic: Signal Operations
  - Entry Level – Design – Traffic: Signing – Non-Freeway(MDOT will notify industry via Consultant Advisory when the Entry Level classifications are reinstated and when new applications will be accepted.)

## V2.8 – September 22, 2017

- Added Prequalification Committee procedures
- Updated Soil Erosion Sedimentation Control Certification requirements from Comprehensive to Plan Review and Design for the following Classifications:
  - Construction Engineering: Bridges & Ancillary Structures
  - Construction Engineering: Roadway
  - Construction Engineering: Roadway – Local Agency Program
  - Construction Inspection: Bridges & Ancillary Structures
  - Construction Inspection: Roadway
- Updated MDOT Consultant/Payee registration section to denote the State of Michigan's reliance of the SIGMA VSS portal.

## V2.9 – October 24, 2017

- Updated Design – Utilities: Subsurface Utility Engineering
  - Definition/Use Statement
    - Modified to better suit the expectations for this category
  - Equipment/Software
    - Removed the requirement of survey equipment
    - Refined the “designating equipment” requirement
    - Removed the requirement for vacuum extraction equipment
  - Resources
    - Removed MicroStation (Required in Equipment/Software Section)
  - Staff Education / Experience
    - Refined the Engineer experience requirement
    - Added the utility designator staff requirement
  - Other Requirements
    - Refined the project deliverable requirements

## V2.10 – January 24, 2018

- Updated Michigan 2/3rds Principal Rule compliance procedures.

## V2.11 – December 27, 2018

- Removed “All current Bureau of Highway Instructional Memorandums (BOHIMs) and Construction Advisories” from the required Resources/manuals sections included in the following Classifications:
  - Construction Engineering: Assistance
  - Construction Engineering: Bridges & Ancillary Structures
  - Construction Engineering: Roadway
  - Construction Engineering: Roadway – Local Agency Program
  - Construction Inspection: Bridge Painting
  - Construction Inspection: Bridges & Ancillary Structures
  - Construction Inspection: Roadway
  - Construction Services: Office Technician
- Removed the term “Sampling” from the Definition/Use Statement of the following classifications:
  - Construction Testing: HMA
  - Construction Testing: HMA Assistance

## V2.12 – January 1, 2020

- All Classification Review Forms have been updated to remove the General Information.
- Most Classifications have been updated to extend the Sunset years and some language changes to better clarify the requirements.
- Removed all the Classification Review Forms from this instructional manual to reduce the size. They are all now Clickable Links opening in a separate file making it easier to extract from the Manual.