
**MICHIGAN STATE TRANSPORTATION COMMISSION
RESOLUTION 2012-3**

Resolution for Construction Modifications

WHEREAS, The principal functions of the Michigan State Transportation Commission are outlined in Public Act 286 of 1964, as amended, and the State Constitution; and

WHEREAS, The Commission also has a responsibility to serve the best interests of the people of the State of Michigan; and

WHEREAS, Among its several duties and responsibilities, the Commission shall establish transportation program objectives to be pursued by the Director of the Department of Transportation with respect to all modes of transportation; and

WHEREAS, The best interests of the State are served by the expeditious completion of transportation-related construction projects, the consistent and efficient operations of construction contractors, subcontractors, related vendors, and employees, with oversight and attention to recourse owed; and.

WHEREAS, The Department maintains data pertaining to key aspects of the Department's interactions with construction contractors in regard to construction contract modifications, including construction activities, communications with the construction contractors and subcontractors, and related dates; now therefore be it

RESOLVED, That it is the Commission's intent that the Department of Transportation effectively and efficiently implement and maintain process and internal control to:

- a. Ensure that payments to construction contractors that result from construction contract modifications are accurate and timely and are in compliance with applicable laws, regulations, rules, contracts, and grants
- b. Ensure that the Department acquire and retain documentation that fully supports the propriety of each contract modification payment or financial adjustment, including the underlying reasons for the contract modification;
- c. Ensure that, where justified, redress is pursued to recover costs of extras and overruns from parties responsible for errors and that policies are implemented to prevent recurrence;

AND BE IT RESOLVED, That the Commission, through the Office of Commission Audits, shall be kept informed of the Department's efforts to effectively and efficiently implement and maintain the resulting processes and related internal control.

Adopted by the Michigan State Transportation Commission on March 22, 2012.

Signature on file

Jerrold M. Jung,

Michigan State Transportation Commission