



Regional Water Planning Contracts Webinar

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Texas Water Development Board
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The following presentation is based upon professional research and analysis within the scope of the Texas Water Development Board's statutory responsibilities and priorities but, unless specifically noted, does not necessarily reflect official Board positions or decisions.



Outline

- Fifth Cycle – background and where we are now
- Applications and amendments
- Certification of Procurement for Subcontractors & Agreement submission
- Changes within TWDB/Subcontractor task or expense budget
- Detailed requirements for Requests for Advances/Reimbursement
- Examples of checklists, ledgers, eligible/ineligible expenses



Fifth Cycle – Background and Where We Are Now

- Fifth cycle kicked off in December 2014 with the first Request for Applications (RFA)
 - Committed \$1.6 million for Tasks 2A, B, and partial Task 10
- Regions should have held public input meetings and procured consultants
- First set of draft projections just released
- See website for current working schedule:
http://www.twdb.texas.gov/waterplanning/rwp/planningdocu/2021/current_docs.asp
- Will be coordinating in near future with political subdivisions on a “best practices guide” for Regional Water Planning Administration

Applications and Amendments

- 2nd RFA for the fifth cycle
 - Incorporates total study cost for each region (total of \$15.9 million)
 - Commits funds from Fiscal Years 2016-2017 (total of \$5.7 million)
- Schedule
 - RFA deadline February 21, 2017
 - Applications to TWDB Board (anticipated April 6, 2017)
 - Amendments will be mailed to Political Subdivisions by early May, 2017
 - Amendments must be executed by both parties by August 31, 2017



RFA Documents and Future Contract Amendments

- Utilize RFA website for application and supporting documentation:
http://www.twdb.texas.gov/waterplanning/rwp/planningdocu/2021/RFA_docs.asp
- No additional RFAs for the fifth cycle funding
- Contracts will be amended two more times during the fifth cycle to commit additional funds up to the full study cost
 - Fiscal Years 2018-2019, and 2020
 - Anticipated additional total of \$8.5 million



Questions So Far?

Logistics of contracts and payments will be covered next

Certification of Procurement (COP) for Subcontractors & Agreement Submission

- Required for each cycle – COP form link:
http://www.twdb.texas.gov/waterplanning/rwp/planningdocu/2021/doc/current_docs/admin_docs/2014_rwp_procurement_cert.pdf
- Every subcontractor must be listed
- COP responsibility resides with the entity which procures the subcontract
- TWDB ***should review & accept*** the subcontract agreements prior to invoice submission, otherwise payment can be delayed or rejected
- Utilize subcontracting guidelines document:
http://www.twdb.texas.gov/about/contract_admin/doc/Subcontracting_Guidelines.pdf



Changes within the TWDB Task & Expense Budget

- 35% Flexibility of Budget
- Exceeding 35% requires an Approved Budget Memorandum
- Send email request to contracts@twdb.texas.gov,
after planning group approval



Changes within the Subcontractor Task & Expense Budget

- Subcontractor budgets are considered ‘working budgets’ only
- If revisions are needed, send email requests to contracts@twdb.texas.gov



Request for Advances/Reimbursement

- Timely Submission & Progress Reports
- General Information Regarding Funds
- Payment Request Checklist (refer to Compensation & Reimbursement section of the contract for details)
- Invoice & Task Ledger of the Worksheet
- Backup documentation
- Eligible/Ineligible & Denied Expenses
- Proof of Payment to Subcontractors
- Retainage



Timely Submission & Progress Reports

- As per the contract, the CONTRACTOR/SUB shall provide written progress reports according to the PAYMENT REQUEST SUBMISSION SCHEDULE with each payment reimbursement request or release of advance funds
- Please send the Progress Reports as a separate PDF with your payment packet

General Information Regarding Funds

- Two methods of distributing RWP Funds - Advanced & Reimbursed
- Advances must be deposited into a **separate** interest bearing account
- You must record Interest Earned amount on the Payment Request Checklist (PRC) for the previous billing period
- Bank statements are not required unless requested at the end of the cycle for proof of interest reported

How are Advances Calculated?

- Advances are calculated based on 20% of the total **committed** amount
- In order to receive the next Advance, the Total Expenses required for submission must be at least 90% of the previous Advance
- Example: Contracted amount is \$100K, the Advance amount is \$20K, you must submit at least \$18K (90% of \$20K) in expenses to qualify for the Advance of \$20K

How are Advances Calculated?

Region Z_1548309999

Total TWDB Amount	\$ 100,000.00	Total Amount of the contract
95% of the TWDB Amount	\$ 95,000.00	This is the amount that can go out the door until the RWP is received.
20% Advance Amount	\$ 20,000.00	This is the current calculation for 20% times the committed funds available.
Total Advance to Date	\$ 20,000.00	All previous advances
Total Expenses Rqd for Advance	\$ 18,000.00	90% of the previous amount is what's required for the next advance.
Total Expenses to date	\$ 12,132.51	
Add'l Expenses required for Adv	\$ 5,867.49	
Balance in their bank	\$ 7,867.49	Balance must be less than "Total Expenses Rqd for Advance"

<u>Adv No.</u>	<u>Amt Paid</u>	<u>Date</u>
1	\$ 20,000.00	9/3/2015
2	\$ -	not enough expenditures

Payment Request Checklist (PRC)

- TWDB contract number
- Total expenses for the billing period; beginning (date) to ending (date)
- Record amount in 'Interest Earned' section of PRC
- Total costs to be reimbursed by the TWDB for the billing period, and
- Certification, signed by the CONTRACTOR's authorized representative, that the expenses submitted for the billing period are a true and correct representation of amounts paid for work performed directly related to this CONTRACT

Sample PRC

Region Z		Payment Request No.	<input type="text" value="0"/>
Contract No:	<input type="text" value="1548309999"/>	Billing Period of This Payment Request	
Contract Type:	<input type="text" value="Regional Water Planning (SB1)"/>	From:	<input type="text" value="07/28/15"/> To: <input type="text" value="07/08/16"/>
Contract Amount:	<input type="text" value="\$ 100,000.00"/>	Requested Amount:	<input type="text" value="\$ 20,000.00"/>
		Is this the final Request?	<input type="text" value="Yes"/> <input type="text" value="No"/>

Contract Start Date	Contract End Date	Total Contract Amount	Local Cash	Local In-Kind	TWDB Share	Retainage
04/10/15	03/31/21	\$ 100,000.00	\$ -	\$ -	\$ 95,000.00	\$ 5,000.00
This Payment Request	Total Expenses	Interest Earned This Period	Local Cash	Local In-Kind	Advance Amount Requested	
	\$ 12,132.51	\$ 15.00	\$ -	\$ -	\$ 20,000.00	

Contractor:	Region Z
Contractor Address:	9999 RWP Region Z Ave
City, State, ZIP:	City of RWP, TX 99999

Contact:	
Contact Title:	
Contact Phone:	
Contact Fax:	
Contact Email:	

Payment Contact:	
Payment Contact Title:	
Payment Contact Phone:	
Payment Contact Fax:	
Payment Contact Email:	

Certification: I certify that to the best of my knowledge and belief that the billed costs hereon are in accordance with the above mentioned contract(s) and all work performed is in accordance with said contract(s).

Signature and Title of Authorized Representative _____	Date Signed _____
Print or Type Name and Title of Representative Signing _____	Telephone Number _____



Sample RWP Advance Request

Regional Water Plan ADVANCE Request

This completed checklist must be submitted with each request

Requests **must** include the following:

<input type="checkbox"/> TWDB Contract Number	
<input type="checkbox"/> Beginning date to ending date for this period	00/00/00 to 00/00/00
<input type="checkbox"/> Interest Earned during previous period	\$
<input type="checkbox"/> Total expenses for this period	\$ -
<input type="checkbox"/> Less total Local Cash for this period (if applicable)	\$ -
<input type="checkbox"/> Total eligible BOARD expenses for this period	\$ -

Have all contracts or agreements between the CONTRACTOR and subcontractor(s) and between such subcontractors and any other subcontractors for this CONTRACT been approved by TWDB?

- Yes
 No - If no, please attach a copy of each subcontract agreement

For direct expenses incurred by the CONTRACTOR(S) for outside consulting services -- copies of invoices from outside consultant showing the tasks that were performed; the percent and cost of each task completed; a total cost figure for each direct expense category including labor, fringe, overhead, travel, communication and postage, technical and computer services, expendable supplies, printing and reproduction; and the total dollar amount paid to the consultant for current billing period

For Travel and Subsistence Expenses (including such expenses for subcontractors)

- (1) Subsistence expenses -- Names, dates, work locations, time periods at work locations; itemized receipts for subsistence expenses for each employee
- (2) Transportation costs -- Itemized receipts for transportation (i.e. airline tickets, rental cars); and transportation related expenses (i.e., taxi fare, parking fees, fuel, mileage) with names, dates, points of travel, total miles traveled
- (3) All other reimbursable expenses -- invoices or purchase vouchers showing reason for expense with itemized receipts to evidence the amount incurred
- Limited, however, to travel expenses authorized for state employees by the General Appropriations Act, Regular Session, 2009, Article IX, Part 5, as amended or superseded;*

- Comprehensive cost breakdown by Task and Expense as stated in the Contract.
- Proof of payment of previous advance amount(s). A copy of check(s) will be sufficient.
- Brief narrative progress report.

Contractor's Contact Information:

_____ Contact Name
 _____ Address
 _____ Phone Number
 _____ Email Address

Certification:

Expenses submitted for this period are a true and correct representation of amounts paid for work performed directly related to this contract.

 CONTRACTOR(S) authorized representative

 Date

If you need assistance with this form, please contact your Contract Manager or TWDB's Contracting and Purchasing Department at (612) 483-1783

REV. 07/14/11



Invoice (Expense) Ledger

- Total Expense and Task amounts ***must equal***
- Subcontractors should breakdown each invoice by Expense and Task
- Invoice Ledger tab on Excel worksheet is used to log EACH invoice (Contractor or Sub)
 - It is not required, however we encourage its use - it helps to identify duplicate invoices when tracking multi-year entries
- Columns of the Invoice Ledger
- Budget Sub-category (items are from the Contract/Subcontract Expense Budget) drop down menu shows Salaries/Wages, Fringe, Travel, Other, Overhead & Profit

Invoice Ledger

Invoice Ledger

Region Z

Contract No. 1548309999

<u>Payment Request No</u>	<u>Date</u>	<u>Vendor</u>	<u>Invoice No</u>	<u>Invoice Amount</u>	<u>Requested Amount</u>	<u>Approved Amount</u>	<u>Budget Sub-Category</u>
2	7/28/15-7/8/16	Region Z	Stmt 1	3,588.50	3,588.50		Other Expenses
2	05/04/16	Best Worker Services	123	1,688.38	602.99		Salaries & Wages Sub #1
2	05/04/16	Best Worker Services	123	1,688.38	241.20		Fringe Sub #1
2	05/04/16	Best Worker Services	123	1,688.38	590.93		Overhead Sub #1
2	05/04/16	Best Worker Services	123	1,688.38	253.26		Profit Sub #1
2	06/10/16	Best Worker Services	456	3,982.61	1,422.36		Salaries & Wages Sub #1
2	06/10/16	Best Worker Services	456	3,982.61	568.94		Fringe Sub #1
2	06/10/16	Best Worker Services	456	3,982.61	1,393.92		Overhead Sub #1
2	06/10/16	Best Worker Services	456	3,982.61	597.39		Profit Sub #1
2	07/15/16	Best Worker Services	789	2,873.02	1,026.08		Salaries & Wages Sub #1
2	07/15/16	Best Worker Services	789	2,873.02	410.43		Fringe Sub #1
2	07/15/16	Best Worker Services	789	2,873.02	1,005.56		Overhead Sub #1
2	07/15/16	Best Worker Services	789	2,873.02	430.95		Profit Sub #1

12,132.51





Task Ledger

- Total Expense and Task amounts ***must equal***
- Subcontractors should breakdown each invoice by Expense and Task
- Task = *what* is being done (i.e., Adoption of Plan)
- Expense = *how* it is being done (i.e., Salaries/Wages)



Task Ledger

Task Ledger

Region Z

Contract No 1548309999

<u>Payment Request No</u>	<u>Task No</u>	<u>Task Amount</u>	<u>Approved Amount</u>
2	10	12,132.51	



Backup Documentation for Contractor & Subcontractor

- Appropriate backup documents should be provided for the Other & Travel Expense categories
- Transparency of State Travel Expenses – the more details you provide us, the better!
- Gov't Code 660.007 “Conservation of Funds” – this is basis for all travel expense reimbursement
- Request itemized meal receipts & mileage documentation (Google map or odometer readings)
- Excellent resource is Textravel:
<https://fmx.cpa.texas.gov/fmx/travel/texttravel/gen/conserv.php>
- Do not send detailed employee timesheets
- Any questions, please don't hesitate to contact us!

Eligible/Ineligible/Voting Member Travel

- Eligible ‘Other’ Expenses are administrative costs associated with Political Subdivisions and are defined to be direct, non-labor costs...*backup is required*
- Examples of Ineligible Expenses include costs for training, costs of administering the planning group, purchase of food for planning group members (including tips), costs associated with social events or tours
- Voting Member Travel Expenses is defined as eligible mileage expenses incurred by planning group members *that cannot be reimbursed by any other entity – written justification from the Voting Member is required*
- These categories are detailed in the Contractor Expense Budget

Disallowed/Denied Expenses

- If an expense is denied (i.e., tips), you will receive a letter with an adjusted amount to the Payment Request and an attached worksheet with detailed explanation
- If appropriate documentation is obtained for a denied expense, you may resubmit with the next request
- Once payments have been approved by the Contract Manager and sent to Finance for processing, you will receive a Payment Request Report for review. This can be useful in making sure your numbers match TWDB's

Sample Payment Adjustment Letter

January 31, 2017

Iam Important, Manager
Region Z
manager@regionZ.org

RE: TWDB Contract No. 1548309999
Payment Request No. 2

Dear Mr. IB Important,

The TWDB has received and processed the above mentioned request. Adjustments were made to request as shown in the table below:

Previous Advancement	\$20,000.00
Total Eligible Expenses Submitted to Date	\$12,132.51
Less 90% of Previous Advance	(18,000.00)
Remaining Eligible Expenses to be submitted for next Advancement	(5,867.49)

The expenses above have been posted. Once 90% of the previous Advance has been expended, you are then entitled to the next Advancement of \$20,000.00. Along with expenses, please be sure to include any amount of interest earned and proof of payment to subcontractors.

If you have any questions, please feel free to contact me at (512) 463-0655 or your Contract Manager.

Regards,

Lisa Farrell
Contract Specialist

ec: Contract Manager, TWDB

Disallowed/Denied Worksheet

Disallowed Invoices Region Z Contract No: 1548309999								
No	Payment Request No	Invoice Date	Vendor Name	Invoice No	Invoice Amount	Amount Denied	Task No. Adj	Comments
1								
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
17								
18								
19								
20								
21								



Proof of Payment to Subcontractors

- Copy of the check or stub include check number, date and amount
- Please do not send bank statements

Proof of Payment to Subcontractors

Subcontractor Proof of Payment		Check Amount
Invoice Paid Date	Check #	
9/16/2016	223942	4,373.98
9/21/2016	225661	1,164.31
11/11/2016	DD	4,385.19

Total

9,923.48





Retainage

- Retainage is 5% of the contracted amount
- Held when 95% of the contracted amount has been reached
- Used to encourage completion of the Regional Water Plan



Questions?

contracts@twdb.texas.gov

Submission of Advance/Reimbursement Packets
to

invoice@twdb.texas.gov

Or Contact your TWDB RWP Project Manager