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# Invoice Training

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# Handouts Needed for Training

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- ▶ **Critical you have the Handouts for this training and you number them**
- ▶ **Print the following 5 files next to the website video file:**
  1. **Invoice Training Handout File \***
  2. **Invoice Training Power Point Slides (printing optional)**
  3. **Copy of Invoice Adjustment Report – Handout 23**
  4. **Example of a Rebill – Handout 24**
  5. **Example of an Adjustment - Handout 25**
- ▶ **Follow the instructions on Invoice Training Handout File \***
- ▶ **Once you have all the Handouts printed and numbered, restart the video. Stop the video.....**



# Handouts Needed for Training (continued)

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- ▶ **Welcome back, you now should have in front of you:**
  - ▶ **Invoice Training Handouts**
  - ▶ **Slides for this Invoice Training**
  - ▶ **Copies of all 28 Handouts**
- ▶ **Frequently visit the Tollway Website as forms are often updated or glitches addressed**
- ▶ **Prevents unnecessary delays from needing to resubmit an outdated form**

# Why have an Invoice Training Video?

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- ▶ **By completing this training you will:**
  - ▶ **Understand which are the required documents and forms so you only submit those**
  - ▶ **Understand the correct date for your invoice  
Ensure the invoice package is complete**
  - ▶ **Be able to ensure the invoice package is complete**
  
- ▶ **Result: faster payments to you AND the best roads for our customers!**

# Today's Agenda

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- ▶ **Getting your contract started**
- ▶ **Preparing to invoice**
- ▶ **Submitting an invoice**
- ▶ **Special circumstances**
- ▶ **Key contacts**

# Notice to Proceed (NTP) Letter

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- ▶ **Accompanies your executed contract**
- ▶ **You are able to set up invoicing**
- ▶ **“When in doubt, read the contract” as it will spell out the invoicing requirements**



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## Preparing to Invoice

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# Certified Payroll Process

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- ▶ **Must be submitted to the Tollway within 15 days of *NTP***
- ▶ **Specific forms that you will submit to the Tollway Finance Department are:**
  - ▶ *Certified Payroll*
  - ▶ *Tollway affidavit*
  - ▶ *Work Force Rate Revision (copy) OR Payroll Rate Form (PRF)*
- ▶ Most contracts **pre** PSB 13-1 use *WFFR*
- ▶ Most contracts **post** PSB 13-1 use the *PRF*



# Certified Payroll

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- ▶ Please refer to Handouts 1A, 1B, 1C and/or 1D
- ▶ The certified payroll verifies invoices do not include a higher pay rate than what the employees are paid
- ▶ Affidavit with same period **MUST** accompany the Certified Payroll
- ▶ Information needed for Certified Payroll is defined by the *Monthly Progress Report Package and Invoice Package Instructions* (See Handout 1A, 1B, 1C or 1D)
- ▶ Note whether payroll is direct deposit and there are no check numbers
- ▶ Resubmit when there are any changes to WFFR or PRF
- ▶ **Remember: one Certified Payroll can be used for ALL contracts**
- ▶ **Remember: a Certified Payroll is generated by YOUR company**

# Tollway Affidavit

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- ▶ **MUST** be submitted with each Certified Payroll
- ▶ **May encompass multiple projects**
- ▶ **Remember that the periods MUST:**
  - ▶ Match within the affidavit
  - ▶ Correspond with the Certified Payroll
  - ▶ Correspond with the WFFR or PRF
- ▶ **Affidavit must have original signature from an officer of the company who is certifying the payroll**

**See Handout 2: Certified Payroll Affidavit**

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# Work Force Rate Revision Form (WFRR)

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- ▶ **Contract number on top of the form is the Tollway contract number**
- ▶ **Effective date of the initial *WFRR* MUST be the effective date on the *NTP***
- ▶ **All subconsultants MUST note their prime consultant on the “Prime Consultant Company Name” line**
- ▶ **For joint ventures, partner companies shall include their name on the “Prime Consultant Company Name” line followed by the name of the joint venture in parenthesis**
- ▶ **Employee Name, Classification and Average Hourly Rate come from the contract Exhibit C-1**
- ▶ **Original or Previous Hourly Rate column = the pay rate your employees are currently receiving**
- ▶ **Company’s Authorized Agent must sign the form**
- ▶ **Revised *WFRR* is required when new employees are added or existing employees receive raises or decreases**
- ▶ **Original *WFRR* is submitted to Document Control and copy Finance**

**See Handouts 3 CM/DSE WFRR and 4 Exhibit C-1**

# Summary: Contracts **Pre**-PSB 13-1

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▶ **Need to submit**

1. *Certified Payroll*
2. *Tollway Affidavit*
3. *WFFR*

**Now....let's review invoice packages for contracts **post**-PSB 13-1 thus require a *PRF* rather than a *WFFR***

# Payroll Rate Form (PRF)

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- ▶ **PRF is new starting with contracts post PSB 13-1**
- ▶ **Allow for ranges of hourly rates reducing need to resubmit for rate changes that fall within the range**
- ▶ **On PRF (Handout 5), fill in Contract Number and Effective Date**
- ▶ **The Classifications and Minimum Hourly Rate/Maximum Hourly Rates must correspond to the data on your Exhibit C-2 (Handout 6)**
- ▶ **Employee Name must correspond to the data on Exhibit C-3 (Handout 7)**
- ▶ **Include ALL employees – those working on contract now as well as those who have the potential to work on the contract in the future**
- ▶ **However, a revised PRF is required if:**
  - ▶ **New employee is added**
  - ▶ **New classification is added**
  - ▶ **Employee has been assigned to a different classification**
- ▶ **New classifications MUST be requested in writing to the Project Manager**
- ▶ **Give careful consideration to the range for each classification when developing the contract**
- ▶ **Completed PRF is then submitted to Finance**

**See Handouts 5 PRF, 6 Exhibit C-2 and 7 Exhibit C-3**

# Summary

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FAQ's:

**Q:** If our contract indicates we are to complete a *PRF*, do we still need to complete a *WFFR*?

**A:** No, complete one or the other as your contract specifies.

**Q:** If we are only adding one employee do we need to submit a *WFFR* or *PRF* with just that employee OR all employees?

**A:** You must resubmit a *WFFR* or *PRF* with ALL employees, indicating the new employee added.



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**Ready to Invoice**

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# Monthly Submittal

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- ▶ *Invoice and Monthly Progress Report Checklist (checklist)*
- ▶ **Monthly Progress Report Package (narrative)**
- ▶ **Invoice Package (cost)**
  
- ▶ **These forms must be completed by both the Prime AND Subconsultants**



# Invoice and Monthly Progress Report Checklist

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- ▶ Checklist to ensure everything that needs to be completed is completed
- ▶ Provides the Tollway with your firm's contact information
- ▶ Page 2 outlines submitting a Certified Payroll
- ▶ Page 1 outlines monthly invoice submittal process
- ▶ If completed with care, it ensures that the invoice will be done correctly and therefore your payment can be processed more quickly

# Why Monthly Progress Report Packages?

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- ▶ Provide the documentation to verify what work you have completed
- ▶ Substantiates the amount submitted on your invoice
- ▶ Help Project Managers and Construction Managers keep track of how you are doing on your project in terms of:
  - ▶ **Budget**
  - ▶ **Schedule**

# Monthly Progress Report Packages

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- ▶ **Design Section Engineer (DSE):**
  - ▶ *Monthly Progress Report Narrative*
  - ▶ *Manpower Report by Task*
- ▶ **Construction Manger (CM):**
  - ▶ *Monthly Progress Report Narrative*
  - ▶ *Manpower Report by Company*
  - ▶ *A-2 Weekly Contract Progress Report*
- ▶ **MUST be submitted by both Prime and Subconsultants**

# Monthly Progress Report Narrative (MPR)

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- ▶ Description of the work performed during the past month as well as the work projected to be done in next month
- ▶ Select the correct Form per your contract (reminder: 3 to choose from)
- ▶ “Work Definition” which is set by the Tollway
- ▶ 3 Forms:
  - ▶ 1. *DSE (Handout 9)*
  - ▶ 2. *Construction Inspection (Handout 10)*
  - ▶ 3. *Construction Management (Handout 11)*
- ▶ Time period of these Narratives match time period of invoice
- ▶ Next 4 areas on the Form are important so PM knows status of project

**See Handouts 9 DSE Monthly Progress Report Narrative, 10 CM Monthly Progress Report Narrative (Inspection), and 11 CM Monthly Progress Report Narrative (Management)**

## Monthly Progress Report Narrative (continued)

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- ▶ **The 2<sup>nd</sup> page of Form reports on percentages**
- ▶ **Average hourly rate is a barometer used by PM to gauge how you are progressing**
- ▶ **BOTH prime and subconsultants MUST complete these**
- ▶ **Prime MUST approve the subconsultant *MPR***
- ▶ **Prime *MPR* must reflect their work AND the subconsultants' work**

# Manpower Reports

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- ▶ **Use the appropriate form per the contract:**
  - ▶ *DSE - Manpower Report By Task*
  - ▶ *CM - Manpower Report By Company*
- ▶ **PM may ask you to submit BOTH reports**
- ▶ **Reports provide information on budget utilization and tasks**
- ▶ **Completed by BOTH the primes and subconsultants**

**See Handouts 12 DSE Manpower Report by Task and  
13 CM Manpower Report by Company**

# Manpower Report By Task – DSE

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- ▶ Reports total hours worked by the prime and subconsultants
- ▶ Helps Tollway assess the project's progress
- ▶ Let's walk through this Report:
  - ▶ The top section is self explanatory (identifying information)
  - ▶ Column 1: Tasks
  - ▶ Column 2: Total MH scheduled (1)
  - ▶ Column 3: Total MH schedule to date (2)
  - ▶ The data you submit in Columns 3-12 is updated with each invoice

See Handout 12 DSE Manpower Report by Task

# Manpower Report By Task – DSE (continued)

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- ▶ **Helpful Tips:**
  - ▶ **Columns 3 and 4 MUST match the Direct Labor Summary Sheet**
  - ▶ **Column 6 = last month's total for Column 6 + Column 3 for this submittal**
  - ▶ **Column 7 = last month's total for column 7 and column 4**
  - ▶ **Column 10 cannot be more than 100%**
  - ▶ **Columns 10 and 11 should accurately reflect status of project**
  - ▶ **Column 11 should never have negative amounts**
- ▶ **Under “Notes”, it states that *If Column 12 exceeds the total in Column 1, you must attach detailed explanation***
- ▶ **If an explanation is NOT provided, the Tollway assumes the contract is one time and budget**





# Manpower Report By Company – CM

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- ▶ **Very similar to *DSE Manpower Report***
- ▶ **Helpful tip is that Column 3 **MUST** match the data on the *Direct Labor Summary Sheet***

**See Handout 13 CM Manpower Report by Company**

# A2 – Weekly Contractor Progress Report

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- ▶ Applies only to CMs
- ▶ **MUST** submit all the A2 forms that apply to the invoice period for which you are submitting
- ▶ If the PM sees no work done on a day but invoicing for that day, the PM is going to ask you why
- ▶ The work needs to correspond with invoicing

# Summary

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## **3 things to submit each month:**

1. *Checklist*
2. *Monthly Progress Report Package (just went through)*
3. *Invoice Package (up next)*

## **DSE Package:**

1. *Monthly Progress Report Narrative*
2. *Manpower Report by Task*

## **CM Package:**

1. *Monthly Progress Report Narrative*
2. *Manpower Report by Company*
3. *A2's*

Refer to contract for clarification and ask PM for help!



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## Invoice Package

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# Invoice Package Contents

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- ▶ *Invoice Summary Sheet*
- ▶ *Direct Labor Summaries*
- ▶ Time Sheets (generated by your company)
- ▶ *Direct Costs Summary*
- ▶ *Monthly Vehicle Usage Reports*
- ▶ Receipts (Direct Costs)
- ▶ *Services By Others Summary*
- ▶ Letter of explanation for any expenses submitted from a previous invoicing period

# Invoice Summary Sheet (ISS)

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- ▶ **Verify you have the correct contract number**
- ▶ **Indicate the company's name, invoice number and invoice period**
- ▶ **Subconsultants use the *ISS (Sub) Handout 21***
- ▶ ***ISS* is automatically populated by other forms in the Invoice Package so mistakes made on previous forms will impact this form as well**

**See Handouts 15 Invoice Summary Sheet,  
16 Exhibit B, and  
21 Invoice Summary Sheet (Sub)**



# Invoice Summary Sheet (continued)

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- ▶ **Lines 1, 7 and 11 will be 0 on the first invoice and will be a total-to-date on all subsequent invoices**
- ▶ **Lines 2, 8 and 12 auto-populate**
- ▶ **Lines 3, 6, 10 and 14 come directly from *Exhibit B: Fee Calculations* (Handout 16)**
- ▶ **Lines 4, 5, 9 and 13 are automatically calculated**

# Invoice Summary Sheet (continued)

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- ▶ Section D “Upper Limit of Compensation” comes from *Exhibit B*. This is the total amount authorized by the Tollway
- ▶ Last section is “Seller’s Certification and Warranty” you must verify:
  - ▶ FEIN (Federal Taxpayer Identification Number)
  - ▶ Name
  - ▶ Total invoice amount
- ▶ Signature is required
- ▶ Handout 21, the ISS (Subs), the subconsultant **MUST** sign it
- ▶ The prime, after reviewing it, must also sign it indicating the prime’s approval



# Direct Labor Summary and Time Sheets

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- ▶ **Correlate to rates and times as follows:**
  - ▶ Names, Classifications, Rates and Hours originate from the time sheets
  - ▶ Hours = all the hours by the employees on the timesheets
  - ▶ Rates = employees rates per *WFRR* or within range on *PRF*
  - ▶ Tollway will refer to the Certified Payroll to verify the rates paid to employees are correct
- ▶ **For the prime, the total amount at the bottom of this form automatically populates Line 2 on the *ISS***
- ▶ **All timesheets for the time period should follow immediately after the *Direct Labor Summary* in the invoice package**
- ▶ **It would expedite the process if the time sheets were in order of the employees listed**

**See Handout 17 Direct Labor Summary**

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# Direct Labor Summary and Time Sheets

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- ▶ **Make sure approved *WFFR* or *PRF* on file has the correct rates**
- ▶ **Approval from your PM to submit any rate changes**
- ▶ **If we don't have an approved *WFFR* with the employee's new rate, then that person will NOT get paid at their new rate until we receive an updated *WFFR* which matches the rate on the invoice you are submitting**
- ▶ **Employees MUST sign their time sheets**
- ▶ **The only exception is if you have been approved for electronic time sheets**

# Direct Costs Summary

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- ▶ All direct costs **MUST** be accompanied by a receipt or report
- ▶ Tollway verifies that the items submitted are on the approved Allowable Direct Cost list
- ▶ If an expense is **NOT** on the Allowable Direct Cost list, then a written request for approval **MUST** be submitted **BEFORE** invoicing for reimbursement.
- ▶ PM might direct you to purchase an item, but if it isn't in your contract and the Tollway doesn't have written approval by your PM, then the item is not considered reimbursable
- ▶ Written approval may be as simple as an email saying "I approve"

**Note:** A copy of the written approval must accompany the invoice for that expense

**See Handouts 18 Direct Costs Summary and  
19 Monthly Vehicle Log**

# Monthly Vehicle Usage Report

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- ▶ **Vehicle days must be documented on the Tollway *Monthly Vehicle Usage Report***
- ▶ **The Tollway then verifies that the employee was working on the date the vehicle was used**
- ▶ **Last item on this form (*Direct Cost Summary*) “Current Direct Costs” amount will auto-populate Line 8 on the *ISS***

**See Handout 19 Monthly Vehicle Log**

# Services by Others Summary

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- ▶ Reports all subconsultants' invoices and amounts
- ▶ You **MUST** include this form in your invoice package even if you are not billing for subconsultant work
- ▶ Just submit it blank
- ▶ Last item on this form, the current *Services by Others Summary* amount, will auto-populate to Line 12 of *ISS*

See Handouts 20 Service by Other Summary and  
15 Invoice Summary Sheet

# Key Reminders

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- ▶ **Quality of the subconsultants' forms is the responsibility of the prime**
- ▶ **This includes:**
  - ▶ Accuracy
  - ▶ Legibility
  - ▶ Compliance and completeness
  - ▶ Signed by the prime
- ▶ **Take the time to review and approve your subconsultant forms, as any invoicing errors will delay your payment**

# Joint Ventures

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- ▶ **MUST use the *ISS-Joint Ventures* (Handout 22)**
- ▶ **Lead consultant is responsible for submittals and is identified as the *1st Partner Name* on the form**
- ▶ **All partners MUST submit *Direct Labor* and *Direct Cost* forms to the lead consultant**
- ▶ **So similar to the primes and subs, the 2<sup>nd</sup> and 3<sup>rd</sup> partners will submit all documentation to the 1<sup>st</sup> partner, who then consolidates the information and submits it to the Tollway**
- ▶ **The 2<sup>nd</sup> and 3<sup>rd</sup> partners do NOT have to submit the *ISS (Subs)* (Handout 21) rather they just need to get their documentation to the 1<sup>st</sup> partner**
- ▶ **Remember that for the first invoice, lines 1, 7 and 11 will be 0**
- ▶ **Also, lines 3, 6, 10 and 14 come directly from your contract**

**See Handout 22 Invoice Summary Sheet -Joint Venture**

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# Summary

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## Special Circumstances

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# Special Circumstances

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- ▶ **Re-Bill**
- ▶ **Adjustments**
- ▶ **Reallocations**
- ▶ **Electronic Time Sheets**
- ▶ **Final Invoice Letter**

# Re-Bill

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- ▶ Prime submits a re-bill invoice for something that was:
  - ▶ **NOT in the original contract**
  - ▶ **AND was removed from the invoice**
  - ▶ **BUT then was subsequently approved by the Tollway**
- ▶ First, you will receive and must review the *Invoice Adjustment Report* from the Tollway denying the expense
- ▶ Next, create a NEW *ISS* and mark it “Re-Bill” with the invoice dated **WHEN** the work occurred

See Handouts 23 Invoice Adjustment Report and  
24 Example of Re-Bill

## Re-Bill (continued)

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- ▶ For example, you submit an invoice to the Tollway with an employee who is NOT on the current approved *WFFR* or *PRF* OR an item that is NOT on *the* Allowable Direct Cost List
- ▶ Tollway removes the item and sends you an *Invoice Adjustment Report* along with copy of the *ISS* you submitted with the corrections made (that is the amounts removed for items you are not approved to bill)
- ▶ The responsibility is your's to “re-bill” after you have either
  1. Submitted an updated *WFFR* or *PRF*
  2. Had an item approved by your PM

# Re-Bill (continued)

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- ▶ Note that the Invoice *No.* line is marked as “15 Rebill” so you are re-billing for Invoice 15
- ▶ Re-billing for \$1591.80 in Direct Salaries
- ▶ Note there are no \$ amounts in Reimbursable Direct Costs or Services by Others as there are no changes to these line items
- ▶ For this example, you would resubmit the updated *ISS*, the corrected *Direct Labor Summary* and supporting time sheets providing supporting documentation for the \$1591.80
- ▶ If the error is by a subconsultant, you still need their documentation but it would go under *Service By Others*
- ▶ So say you “re-billed” for Invoice 15 but are now on Invoice 20, you have to add rebill amount to Invoice 20 so the amounts match up
- ▶ Deadline for any re-bills for previous calendar year is February 28<sup>th</sup>
- ▶ After February 28<sup>th</sup>, any re-bills require the signatures of Chief Engineer and Finance Department

**See Handout 24 Example of Re-Bill**

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# Adjustments to Invoice

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- ▶ **Used when an allowable expense was not included in a previously submitted invoice**
- ▶ **Includes expenses related to direct labor and direct costs**
- ▶ **In effect, an Adjustment is used to invoice for items or hours you just forgot to submit**
- ▶ **DO NOT go back in time and change previous invoices, rather, AFTER the Tollway approves the Adjustment, add the approved adjusted amount to the bottom line**
- ▶ **Must be for expenses over \$1000**
- ▶ **A complete invoice package must be submitted for ONLY the amount requested and ONLY for that invoice period**
- ▶ **Must be accompanied by a letter of explanation**

**See Handout 25 Example of Adjustment**

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# Reallocation Form

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- ▶ **Opportunity to move fund within line items**
- ▶ **Upper limit of contract NEVER changes**
- ▶ **Necessary to move funds between:**
  - ▶ Prime consultants and subconsultants
  - ▶ Line items such as direct salaries, services by subs and/or additional services
- ▶ **Again, the amounts come for the existing contract**
- ▶ **Must be accompanied with a letter of explanation requesting the reallocation:**
  - ▶ Addressed to the Chief Engineer
  - ▶ Attention the Tollway PM
  - ▶ Include a letter of explanation if requesting reallocating funds assigned to a DBE

**See Handout 26 CM/DSE Reallocation Form**

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## **Reallocation Form (continued)**

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- ▶ **You may reallocate a DBE's funds but it MUST be for a valid reason**
- ▶ **For example, maybe the DBE completed their part of the contract and has left over funds**
- ▶ **However, be cautious and make sure the DBE is not holding an invoice that they have not yet submitted**
- ▶ **Your letter of explanation requesting the reallocation of DBE funds will be reviewed by the PM, the Chief Engineer, the Finance Department, and the Diversity Department**



# Electronic Time Sheets Approval Process

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- ▶ If you are requesting electronic time sheet approval, you must submit Handout 27
- ▶ The information needed includes:
  - ▶ **Timesheet system name**
  - ▶ **Timesheet approval process**
  - ▶ **Security measures of system (password, finger print or otherwise)**
- ▶ List active contract numbers to which the letter applies and attached an example
- ▶ You can start electronic time sheets at any point during your contract, however you must submit the request 10 days before you begin the electronic invoicing process
- ▶ If you have been approved for electronic time sheets on a previous Tollway contract, that suffices for any future Tollway contracts your company is awarded
- ▶ If your electronic time sheet system changes in any way, you **MUST** request a new approval

**NOTE: Electronic time sheets can begin at any point during the contract period**

**See Handout 27 CM/DSE Electronic Approved Timesheet Request Template Letter**

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# Final Invoice Letter

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- ▶ Prime or Lead on a Joint Venture submits this letter with last invoice
- ▶ The subconsultants do not submit a final invoice letters
- ▶ The last invoice should indicate **FINAL**
- ▶ For example, write **Invoice 56 Final**
- ▶ A copy of Final Invoice Letter **MUST** be sent to the PM and Finance

# Summary

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Training was divided into 3 parts:

**1. Certified Payroll Process**

**2. Monthly Submittal Process**

- Checklist
- Monthly Progress Report Package (work)
- Invoice Package (cost)

**3. Special Circumstances:**

- Re-Bill
- Adjustments
- Reallocations
- Electronic Time Sheets
- Final Invoice Letter

# Contact Information

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- ▶ Main Tollway number 630-241-6800
- ▶ Contract Services
  - ▶ Linda “Po” Collins, extension 3304
    - ▶ [lcollins@getipass.com](mailto:lcollins@getipass.com)
  - ▶ Linda Davis-Adams, extension 3363
    - ▶ [ldavis@getipass.com](mailto:ldavis@getipass.com)
  - ▶ Jim Larucci, extension 3360
    - ▶ [jarucci@getipass.com](mailto:jarucci@getipass.com)
  - ▶ Dawn Lukacs, extension 3848
    - ▶ [dlukacs@getipass.com](mailto:dlukacs@getipass.com)
  - ▶ John Dainis, extension 3938
    - ▶ [jdainis@getipass.com](mailto:jdainis@getipass.com)
- ▶ Finance
  - ▶ [AccountsPayable@getipass.com](mailto:AccountsPayable@getipass.com)
  - ▶ Tara Martin, extension 4405
    - ▶ [tmartin@getipass.com](mailto:tmartin@getipass.com)



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**THANK YOU**

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