

HOW TO COMPLETE PAYMENT AUDITS

Prime Contractors/Consultants:

1. Click on link in email notification and log in to the System
2. Select the subcontractor paid and enter the following:
 - Payment amount
 - Payment date
 - No, Yes, N/A regarding payment made on time
 - Attach files (optional)
 - Comments (optional)
3. When all sub payments have been reported, click **Mark Remaining Prime Entries as Zero**, for the subs that had not received a payment for the month

Subcontractors/Subconsultants/Vendors:

1. Click on link in email notification and log in to the System
2. Indicate if payment is correct or not correct
3. Enter payment date
4. Indicate if payment was received on time
5. Is payment final? No, Yes, N/A
6. Is Prime Withholding Retainage? No, Yes
7. Attach files (optional)
8. Comments (optional)

FORGOT YOUR PASSWORD?

- Go to Login interface
- Click on Forgot Password
- Enter email address and click **Submit**

Your username and password will be sent to you shortly. If you do not have an account, a pop-up message will state *User information not found*.

Contact the Business Engagement and Compliance Office (BECO) if a new user needs to be assigned in the System

The DBE System can be accessed at adot.DBESystem.com and the Arizona LPA Contract Management System can be accessed at arizonalpa.dbesystem.com.



Business Engagement and Compliance

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Disadvantaged Business Enterprise (DBE) System

and

Local Public Agency (LPA) DBE System

Completing Monthly Payment Audits



Payment Reporting Systems

FEDERAL REQUIREMENT

The ADOT DBE System and the LPA DBE System are designed to streamline data collection, analysis and reporting to federal funding agencies and stakeholders. All payment information captured in the two systems are used to determine compliance in meeting ADOT's overall DBE goal. Participation in these systems are required for all contractors and subcontractors (DBE and non-DBE) on federally funded projects.

COMPLETING PAYMENT AUDITS IS YOUR CONTRACTUAL OBLIGATION!

Specific contract assurances included in both prime contracting and subcontracting agreements detail the requirement of accessing the System and completing monthly payment audits. All contract language pertaining to an ADOT or subrecipient project receiving federal funding includes the following excerpt per §26.13(b):

The contractor (subcontractor) shall carry out applicable requirements of 49 CFR part 26 in the award and administration of DOT-assisted contracts. Failure by the contractor (subcontractor) to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the recipient (ADOT or subrecipient) deems appropriate.

MONTHLY PAYMENT AUDITS

At the beginning of every month, the contractor is required to report all payments made in the previous month. For example, a payment audit will open in January for payments made in December. At that time, the contractor must report all subcontractor payments made in December, hence the title, December Audit.

Monthly payment audits should be completed by the end of the month in which the audit was opened. Contractors are required to actively monitor the System to ensure all non-DBE and DBE subcontractors complete the audit within the month.

REPORTING PHASE

When a payment audit is opened, an email notification is sent to the contractor/consultant asking them to report payments made in the previous month. The prime contractor is required to report payments made to all DBE & non-DBE subcontractors and vendors by the 15th of the current month.

VERIFICATION PHASE

Once the prime contractor reports payments, the System sends another email notification to all subcontractors that received a payment. This is called the verification phase. All subcontractors are required to verify payment information by the end of the current month. The reporting phase and verification phase must be completed within the current month.

