

# Payment Reporting Process for Contractors

Field Reports

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# Overview

Contractors have a requirement to report payments made to their subcontractors. This process is known as **Payment Reporting** and must be completed each month the contractor receives a payment from ADOT. Reporting is done through the ADOT **DOORS** system.



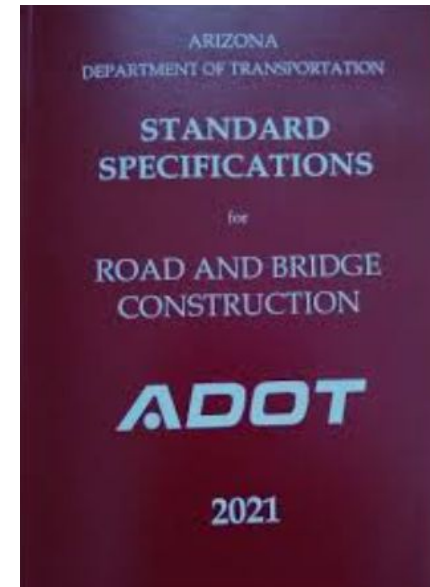
# Key Requirements

- ❑ ADOT Standard Specifications for Road and Bridge Construction 2021
  - ❑ Spec 109.06(B)(5) applies to both Federal Aid and Non-Federal Aid projects.

**109.06**      **Partial Payments and Retention:**

**(B)**      **Subcontractor Payments:**

**(5) Payment Reporting and Sanctions:**



# Key Requirements

- ☐ ADOT DOORS DBE & OJT Online Reporting System
- ☐ ADOT adds every project into DOORS
- ☐ The contractor is required to add their subcontractors per project and to report payments



# Compliance

- ❑ Ensure all subcontractors are entered in DOORS
  - ❑ Including contact name and subcontract amount
- ❑ Enter subcontractors within 15 calendar days after the preconstruction conference
- ❑ Add approved subcontractors throughout project into DOORS within 5 calendar days of approval.

# Compliance

- ❑ Contractors must report each month on how much they have actually paid their subcontractors and the dates of those payments.
- ❑ If no payments were made in a given month, they still need to report by entering zero.

# Compliance

- ❑ Subcontractors should also be reporting the payments that they have made to their lower-tier subcontractors
- ❑ Contractors and Subcontractors who have lower-tier subcontractors have until the 15<sup>th</sup> of the following month to report the payments.

# CONTRACTOR PAYMENT AND PAYMENT REPORTING TIMELINE

- Monthly Contractor Pay Cycle
- Payment Reporting Deadline
- ADOT Compliance Audit Review



Arizona Department of Transportation  
Division of Highways  
Agreement Estimate & Transmittal Sheet  
(Money Summary of Progress & Final Payment Report)

Page: 1 of 3  
Run Date: 2/7/2025  
7:49:22 AM

Orig:		Contract Amount:	\$1,349,003.00
Tras No:		Date Started:	9/18/2024
Federal No:		Date Completed:	
Description:		Engineer:	
Contractor:		Percent Complete:	99
		Percent Time Used:	57

Estimate No. 2  
Month: January 2025

Phase 01 days: 238

Section	Rdwy	Sm	Str	Str Over 20 Ft	Total	Force Acct	Total	Notations
1	FA	21			1,492,025.50		1,492,025.50	Convert HPB to LED Lighting
Summary of Federal Aid Construction								
Accumulated					1,492,025.50	0.00	1,492,025.50	
Previous					292,269.40	0.00	292,269.40	
Current					1,199,756.10	0.00	1,199,756.10	
Summary of Non-Federal Aid Construction								
Accumulated					0.00	0.00	0.00	
Previous					0.00	0.00	0.00	
Current					0.00	0.00	0.00	
Grand Total Construction								
Accumulated					1,492,025.50	0.00	1,492,025.50	
Previous					292,269.40	0.00	292,269.40	
Current					1,199,756.10	0.00	1,199,756.10	

Remarks:

Date	Resident Engineer	Date	Contractor	Date	Field Reports
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# Monthly Contractor Pay Cycle

- ❑ A monthly pay estimate is prepared each month as work progresses.
- ❑ The contractor is paid **on the third Wednesday of each month.**
- ❑ The **cutoff date** is 14 **working** days before the Contractor payment date.

<u>ESTIMATES</u>	<u>MONTHLY CUT-OFF DATE</u>	<u>CONTRACTOR PAYMENT</u>
December 2024	12/31/2024	01/15/2025
January 2025	02/04/2025	02/19/2025
February 2025	03/05/2025	03/19/2025
March 2025	04/02/2025	04/16/2025
April 2025	05/07/2025	05/21/2025

Link

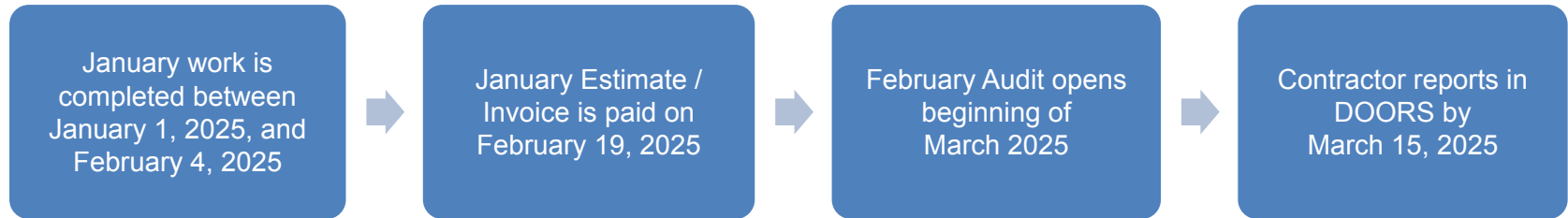


**Contractor Cycle**  
**Key Dates 2025**

# Reporting Deadline

- ❑ The audit period opens in DOORS at the beginning of the following month.
- ❑ By the 15<sup>th</sup> of the following month, the contractor and subcontractors must report payments made to their 1<sup>st</sup> tier subcontractors in the ADOT DOORS DBE & OJT Online Reporting System.
- ❑ If no payments were made to subcontractors during a given month, the contractor shall identify that by entering a dollar value of zero.
- ❑ If the 15<sup>th</sup> falls on a weekend, or a holiday, the reporting deadline will be the next business day.

# Reporting Timeline



# Compliance Audit Review

- ☐ Conducted by the ADOT field office technician within 1 – 3 days after the 15th.
- ☐ Ensures contractors have completed payment reporting on all subcontractors.
- ☐ The field office enters a comment when they have completed their review of the audit
- ☐ The field office will assess the sanction if applicable

# Compliance Audit Review

Subcontractors - January 2025				
Subcontractor	Cert	Type	Inc. in Goal for Period	This Period
<b>1</b> <a href="#">AZ BARRICADES, LLC DBA az barricades llc</a> [Info] <a href="#">ramiro corella</a> <a href="#">azbarricades@gmail.com</a> P 520-331-0949		Sub 100%	DBE	\$0.00 <a href="#">View</a> <a href="#">Edit</a>
<b>1</b> <a href="#">Curb Service Inc.</a> [Info] <a href="#">Silvia Reding</a> <a href="#">curbserviceinc@comcast.net</a> P 520-745-4580, F 520-290-0995	<a href="#">No</a>	Sub	No	\$0.00 <a href="#">View</a> <a href="#">Edit</a>
<b>1</b> <a href="#">Desert Seeders LLC</a> [Info] <a href="#">dan.james</a> <a href="#">mickey@hotmail.com</a> P 520-705-3021, F 520-426-0327	<a href="#">No</a>	Sub	No	\$0.00 <a href="#">View</a> <a href="#">Edit</a>
<b>1</b> <a href="#">Fisher Sand &amp; Gravel Co.</a> [Info] <a href="#">Brandi Rising</a> <a href="#">brising@fisherind.com</a> P 480-730-1033	<a href="#">No</a>	Sub	No	\$0.00 <a href="#">View</a> <a href="#">Edit</a>
<b>1</b> <a href="#">Hunter Guard Rail &amp; Fence, Inc.</a> [Info] <a href="#">DAVID MILLER</a> <a href="#">huntergrf@cox.net</a> P 623-580-1581	<a href="#">No</a>	Sub	No	\$50,000.00 <a href="#">View</a> <a href="#">Edit</a> Prompt: Yes

# Compliance Audit Review

Compliance Audit Response by Prime	
<b>RESPONDER</b>	
NAME	
ORGANIZATION	
SYSTEM VENDOR NUMBER	
EMAIL	
PHONE	
FAX	
USER TYPE	Vendor
COMPUTER IP NUMBER	70.191.82.166
RESPONSE DATE	Local: 2/11/2025 3:48:27 PM AZT System: 2/11/2025 4:48:27 PM CST

# Compliance Audit Review

Subcontractors - February 2025						
Subcontractor	Cert	Type	Inc. in Goal for Period	This Period	Confirmed By	Sub
<b>1</b> <a href="#">A-CORE CONCRETE CUTTING INC.</a> (2300-24-69) <a href="#">[Info]</a> <a href="#">Brad M</a> <a href="mailto:bradm@a-core.com">bradm@a-core.com</a> P 480-964-8662, F 480-964-8696	<a href="#">No</a>	Sub	No	Not included in audit Final payment made <a href="#">Add to audit</a>		
<b>1</b> <a href="#">American Fence Company of Arizona, Inc.</a> (PA2300-24-346) <a href="#">[Info]</a> <a href="#">Shannon Graham</a> <a href="mailto:shannon.graham@americanfence.com">shannon.graham@americanfence.com</a> P 602-734-0500 Ext. 7022, F 602-734-0576	<a href="#">No</a>	Sub	No	Not included in audit Final payment made <a href="#">Add to audit</a>		
<b>1</b> <a href="#">C &amp; S Sweeping Services Inc.</a> (2300-24-157) <a href="#">[Info]</a> <a href="#">Michelle Lynch</a> <a href="mailto:Michelle@candssweeping.com">Michelle@candssweeping.com</a> P 602-252-9471, F 602-252-9216	<a href="#">No</a>	Sub	No	Not Reported <a href="#">Edit</a>	--	

# Compliance & Sanctions

- ☐ Contractor is in compliance if payment reporting is completed on time.
- ☐ Contractor will be notified if not in compliance

## Comment

All payments reported on time.



# Compliance & Sanctions

- ❑ If reporting is incomplete or late, the contractor is in non-compliance and sanctions apply:
  - ❑ \$5,000 per month for the first 90 days.
  - ❑ \$10,000 per month after 90 days.
- ❑ Sanctions are not discretionary but can be appealed for review.
- ❑ The contractor will see the sanction under pay item 1080905 in their monthly pay estimate.

# Appeals Process

- ❑ Only the State Construction Engineer has the authority to waive a sanction.
- ❑ Use the Issue Resolution steps
  - ❑ Escalate the issue to the Resident Engineer and he/she will submit the request to the State Construction Engineer
- ❑ The Field Office documents every sanction and waiver for tracking purposes.
- ❑ First time offense may be cause for a sanction waiver

# End-of-Project Requirements

- ❑ Verify all payment reporting is completed.
- ❑ Mark all subcontractors as final payment made in the DOORS system.
- ❑ Spec. 109.09 Final Acceptance – Final payment will not be made until all quantities have been checked and verified.
- ❑ Field Reports audits the project final documentation and note that errors resulting in sanctions can be found.

## **HELPFUL TIPS**

- ❑ If there is no contractor pay estimate, then payment reporting is not required.
- ❑ Pay Estimate No. 1 may be for Mobilization only. Contractors can mark non-working subcontractors as "Not included in audit".
- ❑ If a subcontractor has not started working, and the contractor did not report a zero-dollar payment, no sanction will apply.

## **HELPFUL TIPS**

- ❑ Lower-Tier Subcontractors: Currently, no sanctions apply for late or missing reporting.
- ❑ Issue Resolution Process: Contractors can escalate issues for a one-time waiver (subject to history review).

# Resources

- ❑ [Contractor Information](#)
- ❑ The Contractors [Prompt Payment Reporting Guide](#) can be found on the [DBE Contract Compliance Guides and Policies](#) website.

THANK YOU



Any Questions?