

Payment Reporting Process for Contractors

Field Reports

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Overview

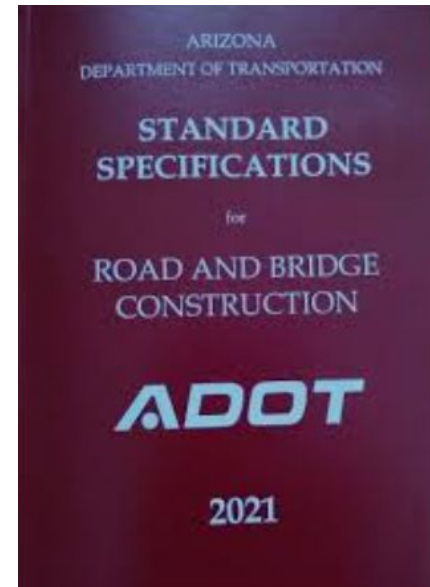
Contractors have a requirement to report payments made to their subcontractors. This process is known as **Payment Reporting** and must be completed each month the contractor receives a payment from ADOT. Reporting is done through the ADOT **DOORS** system.



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 15th 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
3:48:44 AM

Orig: [Redacted]
Tras No: [Redacted]
Federal No: [Redacted]
Description: [Redacted]
Contractor: [Redacted]

Estimate No. 2
Month: January 2025

Contract Amount: \$1,349,003.00
Date Started: 9/19/2024
Date Completed: [Redacted]
Engineer: [Redacted]
Percent Complete: 99
Percent Time Used: 57

Section	1	FA	21	Rdwy Sm Str	Str Over 20 Ft	Total	Force Acct	Total	Notations
				1,492,025.50		1,492,025.50		1,492,025.50	Convert NPS to LED Lighting
Summary of Federal Aid Construction									
Accumulated				1,492,025.50	0.00	1,492,025.50	0.00	1,492,025.50	
Previous				292,269.40	0.00	292,269.40	0.00	292,269.40	
Current				1,199,756.10	0.00	1,199,756.10	0.00	1,199,756.10	
Summary of Non-Federal Aid Construction									
Accumulated				0.00	0.00	0.00	0.00	0.00	
Previous				0.00	0.00	0.00	0.00	0.00	
Current				0.00	0.00	0.00	0.00	0.00	
Grand Total Construction									
Accumulated				1,492,025.50	0.00	1,492,025.50	0.00	1,492,025.50	
Previous				292,269.40	0.00	292,269.40	0.00	292,269.40	
Current				1,199,756.10	0.00	1,199,756.10	0.00	1,199,756.10	
Remarks:									
Date	Resident Engineer			Date	Contractor			Date	Field Reports

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

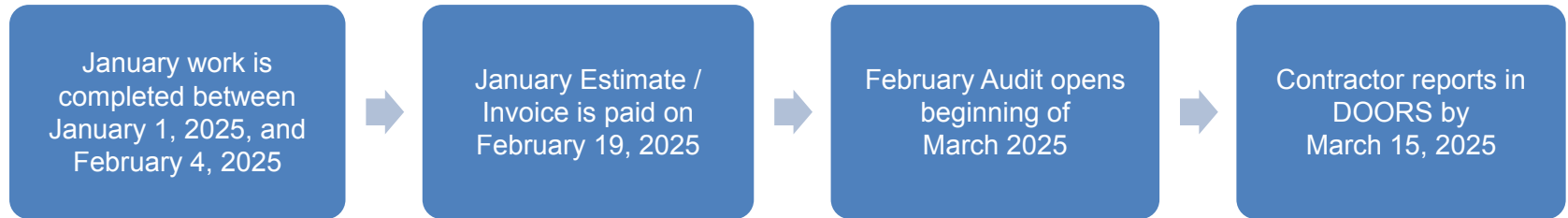


Contractor Cycle
Key Dates 2025

Reporting Deadline

- ❑ The audit period opens in DOORS at the beginning of the following month.
- ❑ By the 15th of the following month, the contractor and subcontractors must report payments made to their 1st 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 15th 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
 1 AZ BARRICADES, LLC DBA az barricades llc [Info] ramiro corella azbarricades@gmail.com P 520-331-0949		Sub 100%	 DBE	 \$0.00 View Edit
1 Curb Service Inc. [Info] Silvia Reding curbserviceinc@comcast.net P 520-745-4580, F 520-290-0995	No	Sub	No	\$0.00 View Edit
1 Desert Seeders LLC [Info] dan james mickey@hotmail.com P 520-705-3021, F 520-426-0327	No	Sub	No	\$0.00 View Edit
1 Fisher Sand & Gravel Co. [Info] Brandi Rising brising@fisherind.com P 480-730-1033	No	Sub	No	\$0.00 View Edit
1 Hunter Guard Rail & Fence, Inc. [Info] DAVID MILLER huntergrf@cox.net P 623-580-1581	No	Sub	No	\$50,000.00 View Edit Prompt: Yes

Compliance Audit Review

Compliance Audit Response by Prime	
RESPONDER	
NAME	[REDACTED]
ORGANIZATION	[REDACTED]
SYSTEM VENDOR NUMBER	[REDACTED]
EMAIL	[REDACTED]
PHONE	[REDACTED]
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
1 A-CORE CONCRETE CUTTING INC (2300-24-69) [Info] Brad M bradm@a-core.com P 480-964-8662, F 480-964-8696	No	Sub	No	Not included in audit Final payment made Add to audit		
1 American Fence Company of Arizona, Inc. (PA2300-24-346) [Info] Shannon Graham shannon.graham@americanfence.com P 602-734-0500 Ext. 7022, F 602-734-0576	No	Sub	No	Not included in audit Final payment made Add to audit		
1 C & S Sweeping Services Inc. (2300-24-157) [Info] Michelle Lynch Michelle@candssweeping.com P 602-252-9471, F 602-252-9216	No	Sub	No	Not Reported Edit	--	

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 Polices](#) website.

THANK YOU



Any Questions?