



Connecticut DOT

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Bureau of Engineering and Construction

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ENGINEERING & CONSTRUCTION DIRECTIVE

Bureau Chief

Coding FHWA Participating and Non-Participating Costs

The Department is required to maintain policies and procedures to help ensure the accuracy of our accounting system and ultimately the federal billings that are generated from our financial management system. The Federal Highway Administration (FHWA) performs an annual review of the Department's Financial Systems.

All Bureau of Engineering and Construction units and personnel shall adhere to the following:

- Every project is assigned to an Administering Unit (AU) and Project Manager (PM) which are defined as having project management responsibilities over the project. Within the Bureau of Engineering and Construction, Administering Units are divisions and districts; project managers (PM) are assigned by division chiefs and district engineers. This assignment may change during a project's life-cycle. For example, when a project transitions from the design to construction phase, the AU will change from an Engineering division to a Construction district, with a corresponding PM change.
- The AU/PM has the best information and knowledge of the project's approved scope, eligibility, federal participation, and special financial circumstances. If necessary, the AU will provide guidance to help appropriately segregate costs of labor and services where funding, eligibility, or federal participation restrictions exist.
- Project related expenses should be charged to that specific project number. If this is not possible or expenses are not directly related to a specific project, the expenses should be charged to overhead. Each unit has a unique Department ID for charging of labor and services to overhead. When a project is funded by a combination of State and federal sources, employees should not have a preference to code to the federal funds. Expenses should be coded based on eligibility and federal participation regarding the work being accomplished.

- It is the responsibility of each AU/PM to ensure that project Combo Codes are available before work begins. Combo Codes will be created based on the appropriate funding source, financial considerations, and federal participation. The PM will coordinate with the Bureau of Finance and Administration, DOT Core-CT Support Unit, to have the codes established in Core-CT. The DOT Core-CT Support Unit can be emailed at DOTCore.Support@ct.gov
- If needed, the Budget Development and Control Unit should be contacted for information pertaining to Combo Codes needed for DOT_NONPROJECT and overhead funding.
- If work being performed relates to several projects, employees need to properly allocate their time and expenses to each project. Special care must be taken to ensure timesheet entries and other costs such as CADD, vehicles, equipment, and mileage sheets are in agreement for each day. Employees are required to record time daily. Daily Core-CT timesheet entries are preferred. Other record systems (e.g., calendar, diary, journal) involving daily entries may also be acceptable. Supervisors are required to know how assigned staff are keeping records.
- Supervisors should verify that time and expenses are being properly recorded. The approval of an employee's time represents a certification by the supervisor, or higher level employee, that the timesheet coding is correct.
- Employees are expected to maintain a means to justify and substantiate their charging of time to a project. These charges are subject to review by both internal and external parties. Expenses must adhere to federal requirements of being reasonable, allowable, and applicable to the project. The method of justifying and substantiating time will vary depending on the type of work performed and other means that might be available to support time spent working on the project.
- It is the responsibility of each AU to insure that adequate documentation to support the charges to projects are maintained and available for review by the Department, State, or federal auditors, if asked. Records supporting time timesheet entries shall be maintained for a minimum of three years. If Core-CT timesheet entries are maintained on a daily basis (preferred), such record keeping meets minimum requirements. If the holder of the records has been notified of an audit while the records still exist, the records shall be maintained until the audit is closed.
- Bureau of Engineering and Construction Administrators are charged with carrying out an annual spot check regarding employee record keeping and overall project billings. The various AU/PM will periodically (at least annually) avail themselves of Core-CT's Project Expenditure Reporting tools to review historical information regarding employees and hours being charged to projects for which they have responsibility. Questions on

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accessing various project reporting tools should be directed to the Bureau of Finance & Administration Core-CT Support Unit. To accommodate their distinctive business processes and annual cycles, the Offices of Construction and Engineering may employ separate processes and schedules for conducting these compliance spot checks. The Office Administrators should require a report from each AU in the Bureau regarding these compliance checks.

This directive is effective immediately.