

TO:	<h1>ENGINEERING BULLETIN</h1> <p>NEW YORK STATE DEPARTMENT OF TRANSPORTATION</p>	
	SUBJECT: Negative Fuel Price Adjustments  Subject Code 7.30	
Distribution: <input checked="" type="checkbox"/> Main Office <input checked="" type="checkbox"/> Regions <input type="checkbox"/> Special  APPROVED: <u><i>J. Sternbach</i></u> Jack Sternbach, Deputy Chief Engr. Constr. Div.	Code: <u>EB 81-52</u>	Date: _____ <del>XXXXXXXXXX</del> Supplements EI 80-43

This Engineering Bulletin Expires \_\_\_\_\_

This Bulletin describes the procedure for making negative adjustments under the Fuel Price Adjustment Item. Negative adjustments will occur whenever the Average Posted Price is more than \$.05 below the Index Price listed in the Contract Proposal. This condition now exists for all contracts let during 1981 with a \$1.10 Index Price since the Average Posted Price for November 1981 is \$1.04.

As discussed in EI80-43, page 3, "... negative adjustments can be deducted from prior positive adjustments but only to the extent that the total-to-date is not negative." Since no positive adjustments have been made on any 1981-Let contracts, it is not possible to process a negative adjustment using a negative quantity entry.

Negative adjustments in such instances will, therefore, be entered on the CONR 22 as a CHARGE TO CONTRACTOR against Item 15699.0001. Fuel adjustments on subsequent estimates will be processed by entering the negative or positive dollar amount of adjustment for the estimate period as a CHARGE TO CONTRACTOR. As long as the total-to-date remains negative, all adjustment transactions will be made on the CHARGE TO CONTRACTOR line. If there are sufficient positive adjustments to change the total-to-date from negative to positive, the adjustment amount for the transition estimate should be apportioned to zero out the CHARGE TO CONTRACTOR with the balance entered as a positive quantity change.

It will not be necessary to include a justification supporting the CHARGE TO CONTRACTOR with each estimate. The Fuel Price Adjustment Summary submitted with the Final Agreement will be sufficient documentation.