

File

ENGINEERING INSTRUCTION

NEW YORK STATE DEPARTMENT OF TRANSPORTATION

Director,
Preliminary Plan Review Bureau

SUBJECT: PROCESSING CREDITS FROM THE CONTRACTOR
TO NYS

Subject Code: 7.30

Distribution:

Main Office Regions Special

Code: EI 75-53

Date: August 5, 1975

APPROVED:

DEPUTY CHIEF ENGINEER (CONSTRUCTION SUBDIVISION)

Supersedes:
SEE BELOW

Modifies: E173-41
E174-79
E174-103

The purpose of this instruction is to terminate the current use of items with Negative Authorized Quantities, and to provide alternate methods within the Contract Accounting System, for obtaining credits from the Contractor.

Item with a Negative Authorized Quantity, permits the Engineer-in-charge to post minus entries to the CONR 22, generating negative dollars (a credit) for the "Total Amount Completed." The New Contract Accounting System, which becomes operational this fall, will not accept Negative Authorized Quantities. As a result, the following procedures, covering the processing of new credits, and the conversion of existing credit items with Negative Authorized Quantities, are effective immediately.

(1.) In general, all credits to the State will be handled by replacing existing contract items with new agreed price items, which reflect the value of the credit. When the credit has no relation to the unit of measurement of the item, the Construction Subdivision will advise the Regions as to how it should be applied.

The following current Engineering Instructions relating to credits, require modifications in accordance with the above:

E173-41: IMPLEMENTATION OF NEW VIBRATORY COMPACTION SPECIFICATIONS. The credit for the use of vibratory compaction equipment, computed as per attachment #2 of E173-41, should be applied to the unit bid prices of each asphalt item to arrive at new agreed prices.

E174-79: MODIFYING CUT SLOPES AND OTHER MEANS OF OBTAINING BORROW. When the use of state-owned borrow material requires the payment of a royalty, new agreed prices should be determined for the quantity of each contract item in which the state-owned material will be used.

E174-103: ASPHALT PRICE ADJUSTMENT FINAL PAYMENT. The credit required when the sale price of asphalt cement is below the index price, is not readily adaptable to the general procedure, which would require a new agreed price for each asphalt item for every change in the sale price of asphalt cement. Therefore, a negative Asphalt Price Adjustment will be entered as a Special Retainage against one asphalt item. The

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dollar amount of the retainage is to be documented by the log which the Engineer-in-charge presently maintains to compute Asphalt Price Adjustment.

- (2.) Existing credit items using Negative Authorized Quantities, will be eliminated by order on contract, and the credits applied in accordance with (1) above. There are less than 20 contracts containing items requiring conversion, but most will require special treatment. Rather than attempt to cover every possible conversion in this instruction, each contract will be handled on an individual basis, by direct instruction between the Construction Subdivision and the Regional Offices. It is anticipated that Engineers-in-charge of all affected contracts, will have received the necessary conversion data via their Regional Office by August 1, 1975.