



December 12, 2024

The Road to Timely Payments: Best Practices for Developing the Table of Deliverables and Timely Invoicing

2024 PEPS Conference

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Outline

Topic	Presenter	Time
Presenter Intros		2 min
TOD Development		5 min
TOD Tracking		5 min
Invoicing best practices		5 min
Frequently Missed Items		5 min
Example Project		10 min
Future of the TOD and Invoicing		5 min
3 take aways		3 min
Q&A or additional information		5 min



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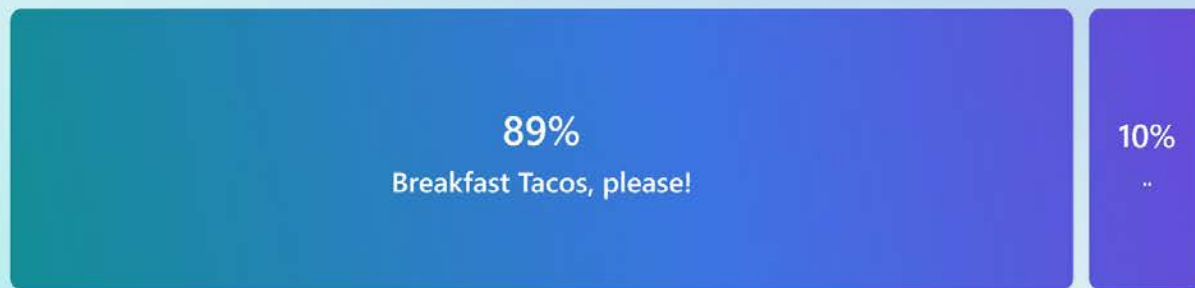
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57 responses submitted

Breakfast Tacos or Kolaches



Treemap

Bar



1 of 3





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Who do you work for?

64%
Consultant

35%
TxDOT

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What is your level of experience in developing



Treemap

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3 of 3



What projects are ideal for TOD?

TOD Development

- Using scope to define what deliverables will be created
- Aligning deliverables to major submittal milestones and function codes
- CSJ numbers from TxDOT for multiphase project
- Interim submittals - draft / final, 30, 60, 90, 95%

TxDOT Instructions						
Payments will be made according to the following Table of Deliverables. Partial payments on Lump Sum are not allowed (i.e. partial payment on each line item is not allowed). Provider must complete the <u>deliverable</u> associated with the line item. (The percentage of work is only an indicator of the progress of work associated with the deliverable.)			Lump Sum payments are paid based upon receipt of the deliverables as indicated in this document. The deliverable for each line item shown must be completed before the lump sum amount can be paid. (For example: Reference line item #18. The provider cannot bill for that line item until the deliverable on that line item is completed as indicated.) This method will require tracking of paid line items based upon the TOD shown.			
Function Codes	Deliverable Submittal	Summary of Activities and Deliverable Items	Estimated Percentage of Work by Function Code	Lump Sum Amount Payable for listed Deliverables	Cumulative Total By Function Code	Cumulative Percentage of Work by Function
FC 102(110)	Preliminary Engineering	Data Collection, Design Criteria, Preliminary Cost Estimate, DCC, Geotech Borings	75.00%	\$10,968.87	\$10,968.87	75.00%
FC 120(120)		Informal meetings, EPICS, ENV. Study Review, ENV. Exhibits, Cut & Fill Exhibits	0.00%	\$0.00	\$0.00	0.00%
FC 130(130)		ROW Map Review and Evaluation, Utility Locations & layouts, Utility Coordination Meetings, Access Management	0.00%	\$0.00	\$0.00	0.00%
FC 160(150)		Design Surveys, Horizontal & Vertical Control Sheets, Construction Surveys, DTM, Survey Notes & Sketches, Survey Data (ASCII File), Utility Data & GPK Files	75.00%	\$77,909.88	\$77,909.88	75.00%
FC 160(160)		Geometric Design, Roadway Design, Typical Sections, Interchange, Cross Street, Cut and Fill Quantities, Plan Preparation, Wetlands Information, Pedestrian and Bicycle Facilities	5.00%	\$3,541.82	\$3,541.82	5.00%
FC 160(161)		Data Collection, Hydrologic Studies, Complex Hydraulic Design, Storm Drains, Cross-Drainage Structures, Temporary Drainage, Scour Analysis	20.00%	\$16,656.70	\$16,656.70	20.00%
FC 160(162)		Signing, Pavement Markings, Traffic Warrant Studies, Traffic Signals (Permanent)	5.00%	\$2,898.06	\$2,898.06	5.00%
FC 160(163)		Retaining Walls, Misc. Structures, Traffic Control Plans, Detours, Sequence of Construction, Temp. Traffic Signals & Illumination, Illumination, SW3P, Quantities, Special Utility Details, Agreements, Contract Time Determination	5.00%	\$6,261.50	\$6,261.50	5.00%
FC 145(145,164)		Monthly Progress Reports, Project Tracking, Coordinate Work with team members	5.00%	\$750.00	\$750.00	5.00%
FC 160(170)		Bridge Layout, Bridge Detail Summary & Structural Details	5.00%	\$3,300.00	\$3,300.00	5.00%
			Sub-Total	\$122,286.84	\$122,286.84	22.57%

TOD Tracking

- Interim submittals
- Monitoring tasks through various tools (spreadsheets, Smartsheet)
- Aligning to progress reports and completion of deliverables
- Coordination with subs



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19 responses submitted

What are some of the best practices you've



Wordcloud

All responses



1 of 2





19 responses submitted

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What are some common pain points?



Wordcloud

All responses



2 of 2



Invoicing Best Practices

- If you have questions when preparing to invoice, ask your TxDOT PM, managing PEPS SC or PEPS Invoice Center prior to invoicing
- Use the latest invoice templates, always check TxDOT PEPs website for updates
- Be familiar with your payment type and the required documentation
- Do not invoice across Fiscal Years (FYs), the FY is from Sept. 1 to Aug. 31
- Complete the Prompt Payment Verification section

Invoicing Best Practices

- When submitting a revised invoice – add “R” to the end of the invoice number
- When submitting a supplemental invoice – add “Supp” to the end of the invoice number previously billed that the invoice should be tied to
- When using escalated rates – add a note indicating escalated rates are being used

Invoicing Best Practices

- Invoice when deliverable is full and complete – accepted by TxDOT PM
- **SUBMIT A MONTHLY INVOICE**
- Breakdown TOD to align with monthly invoicing
- Avoid supplemental invoices, set deadlines with subs to ensure their invoices are included with your monthly invoice

Schedule and Deliverables

- Deliverable deadlines should be discussed with the Project Manager
- Do not agree to a deadline that cannot be met
- Make sure the deadline makes sense
 - Example: Turning in 60% plans when 30% comments have been received
 - Speak up and work with the PM to agree to the new deadline
- TxDOT plans around these deadlines, they need to be discussed

Schedule and Deliverables

- What happens when day 1 your project manager says, lets cut 6 months from the schedule? Do you have to revise the entire TOD?
 - First discuss the timeline with the PM. Agree to new deadlines & deliverables.
 - Revise the TOD accordingly. Using formulas can help automate.
 - Invoice per they updated table.

Frequently Missed Items

- **Incorrect or mis-matched invoice submitted date or service period dates**
- **Missing or incorrect signatures**
- **Supplemental invoices due to delayed subcontractor invoices**
- **Missing timecard summaries or expense details**
- **Incorrect CSJ number**

Opportunities for improvement

- Goal is to get paid faster
- Cashflow is a big issue!
- Trying to make simple solutions that can be beneficial to both TxDOT and consultants
- TxDOT examining opportunities to streamline process
- AI solutions being reviewed...

Notes from last year

Monthly Invoicing

- THIRD TIME WE HAVE BROUGHT THIS UP IN THIS MEETING!
- STILL NOT GETTING MONTHLY INVOICES
- SUBMIT A MONTHLY INVOICE!!!
- FY25 we will be asking for projected/proposed spend out. Will need this monthly and TxDOT Project Manager must agree.
- This spend out MUST be based on the FY 2025 budget communicated to you from the TxDOT Project Manager.

The future of the TOD and Invoicing

- **Near future: Increased conformity**
 - Examining the use of a template
- **Far future: Incorporation of AI into the process**
 - TxDOT processing
 - Results in streamlined approval

Sample project - Template

Work Authorization Information (PS&E)

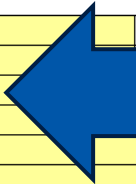
PeopleSoft (PS) Contract No.		WA Execution Date	
PS Work Authorization No.		WA Expiration Date	
# Months to complete 30%		WA Payment Type(s) for this WA	
Legacy Contract No.		WA PM TxDOT	
Prime Provider Name			
Project Name			
Contract Expiration Date		Begin Service Date	
Legacy WA No.		End Service Date	
WA Authorized Amt		WA Project Manager (Provider)	
DBE/HUB Goal Assignment		DBE/HUB Goal Assignment Contract %	

Step 1:
Input Project
information

Sample project - Template

		Work Authorization			
PeopleSoft (PS) Contract No.				WA Execution Date	
PS Work Authorization No.				WA Expiration Date	
# Months to complete 30%	14			Type(s) for this WA	
Legacy Contract No.				WA PM TxDOT	
Prime Provider Name					
Project Name					
Contract Expiration Date				Begin Service Date	
Legacy WA No.				End Service Date	
WA Authorized Amt				WA Project Manager (Provider)	
DBE/HUB Goal Assignment				DBE/HUB Goal Assignment Contract %	

Step 2: Review timeline and input no. of months needed to achieve the deliverable %



Sample project - Template

Step 3:
Updated
percentages

Percentage by Function Code - 30% Submittal				
Payments will be made according to the progress made through the month			Monthly payments are paid based on progress made on deliverables as indicated	
Function Codes	Milestone Stage	Summary of Activities, Tasks, and Deliverable Items	Percentage of Work to be Completed by Function Code (FC)	Amount for this Milestone
FC 102(110)	30%	Data Collection, Design Criteria, Preliminary Cost Estimate, DCC, Geotech Borings	10.0%	\$30,000.00
FC 120(120)		Informal meetings, EPICS, ENV. Study Review, ENV. Exhibits, Cut & Fill Exhibits	10.0%	\$30,000.00
FC 130(130)		ROW Map Review and Evaluation, Utility Locations & layouts, Utility Coordination Meetings, Access Management	10.0%	\$30,000.00
FC 160(150)		Design Surveys, Horizontal & Vertical Control Sheets, Construction Surveys, DTM, Survey Notes & Sketches, Survey Data (ASCII File), Utility Data & GPK Files	10.0%	\$30,000.00
FC 160(160)		Geometric Design, Roadway Design, Typical Sections, Interchange, Cross Street, Cut and Fill Quantities, Plan Preparation, Wetlands Information, Pedestrian and Bicycle Facilities	10.0%	\$30,000.00
		Data Collection, Hydrologic Studies, Complex Hydraulic Design, Storm Drains, Cross-Drainage Structures, Temporary Drainage, Scour Analysis	10.0%	\$30,000.00
		Signing, Pavement Markings, Traffic Warrant Studies, Traffic Signals (Permanent)	10.0%	\$30,000.00
FC 160(163)		Retaining Walls, Miso. Structures, Traffic Control Plans, Detours, Sequence of Construction, Temp. Traffic Signals & Illumination, SVP, Quantities, Special Utility Details, Agreements, Contract Time Determination	10.0%	\$30,000.00
FC 145(145, 164)		Monthly Progress Reports, Project Tracking, Coordinate Work with team members	10.0%	\$30,000.00
FC 160(170)		Bridge Layout, Bridge Detail Summary & Structural Details	10.0%	\$30,000.00
-		-		\$0.00
-		-		\$0.00
-		-		\$0.00
-		-		\$0.00
-		-		\$0.00
-		-		\$0.00
			100%	\$300,000.00

Sample project - Template

30% Submittal Progress Invoice Summary

Invoice No.	Function Code	% Complete d this Month by function code	% Remainin g by function code	% Cumulativ e of complete d work pr FC	Amount previously billed	Amount to be invoiced	Amount remaining after invoice
	Collection, Design Criteria, Preliminary Cost Estimate, DCC, Geotech Borings	15.0%	70.0%	30.0%	\$ 4,500.00	\$ 4,500.00	\$ 21,000.00
	Formal meetings, EPICS, ENV. Study Review, ENV. Exhibits, Cut & Fill Exhibits	15.0%	70.0%	30.0%	\$ 4,500.00	\$ 4,500.00	\$ 21,000.00
	Map Review and Evaluation, Utility Locations & layouts, Utility Coordination	15.0%	70.0%	30.0%	\$ 4,500.00	\$ 4,500.00	\$ 21,000.00
	Construction Management, Final & Vertical Control Sheets, Construction Surveys, DTM, (ASCII File), Utility Data & GPK Files	15.0%	70.0%	30.0%	\$ 4,500.00	\$ 4,500.00	\$ 21,000.00
	Design, Typical Sections, Interchange, Cross Street, Cut	15.0%	70.0%	30.0%	\$ 4,500.00	\$ 4,500.00	\$ 21,000.00
	Hydrologic Studies, Complex Hydraulic Design, Storm Drains, Cross-	15.0%	65.0%	35.0%	\$ 6,000.00	\$ 4,500.00	\$ 19,500.00
	Structures, Temporary Drainage, Scour Analysis	15.0%	65.0%	35.0%	\$ 6,000.00	\$ 4,500.00	\$ 19,500.00
	Grading, Pavement Markings, Traffic Warrant Studies, Traffic Signals (Permanent)	15.0%	65.0%	35.0%	\$ 6,000.00	\$ 4,500.00	\$ 19,500.00
	Retaining Walls, Misc. Structures, Traffic Control Plans, Detours, Sequence of	15.0%	65.0%	35.0%	\$ 6,000.00	\$ 4,500.00	\$ 19,500.00
	Temp. Traffic Signals & Illumination, Illumination, SW3P, Quantities, Special Utility	15.0%	65.0%	35.0%	\$ 6,000.00	\$ 4,500.00	\$ 19,500.00
	Events, Contract Time Determination	15.0%	65.0%	35.0%	\$ 6,000.00	\$ 4,500.00	\$ 19,500.00
	Monthly Progress Reports, Project Tracking, Coordinate Work with team members	15.0%	65.0%	35.0%	\$ 6,000.00	\$ 4,500.00	\$ 19,500.00
	FC 160(170) Bridge Layout, Bridge Detail Summary & Structural Details	15.0%	65.0%	35.0%	\$ 6,000.00	\$ 4,500.00	\$ 19,500.00
	--		100.0%	0.0%	\$ -	\$ -	\$ -
	--		100.0%	0.0%	\$ -	\$ -	\$ -
	--		100.0%	0.0%	\$ -	\$ -	\$ -
	--		100.0%	0.0%	\$ -	\$ -	\$ -
	--		100.0%	0.0%	\$ -	\$ -	\$ -
	Invoice Total					\$ 45,000.00	\$ 202,500.00

Step 4:
Develop
invoice

Pilot Program

- Austin, Lufkin, Wichita Falls
- Will take 3-4 rounds of invoicing
- May of 2025 target timeline
- Looking for input on the rollout
- Goal and future timeline
 - 6 month roll out
- Overcoming obstacles



Closing

The three most important things to take away from today's presentation:

- 1.** Submit invoices on a monthly basis
- 2.** Discuss timelines with your PM
- 3.** TxDOT is developing more efficient ways of invoicing

Questions and Discussion?