



DIVISION OF LOCAL ASSISTANCE CALTRANS OVERSIGHT INFORMATION NOTICE



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Welcome to the COIN!

This is a Caltrans Oversight Information Notice, or "COIN" for short. These short, single-topic bulletins are intended to provide outreach information and guidance to local agencies on issues pertaining to federal-aid projects. They cover a wide variety of subjects, including discussions of findings resulting from process reviews by Caltrans and/or FHWA, changes in procedures or regulations, reminders of existing procedures or best practices, and other timely information. The goal is to ensure proper and timely delivery of federal-aid projects.

Subcontracting Request

The Construction Oversight Program, under the Division of Local Assistance, performs construction oversight reviews in which certain areas are selected to measure the performance of Local Public Agencies (LPAs). One area of contract administration that repeatedly scored the lowest compliance is the Subcontracting Request. Per the review, the LPAs were asked if the Subcontracting Request form was submitted by the contractor and approved by the Resident Engineer prior to the start of a subcontracted work. For 2022, the compliance rate was 65%, well below the target compliance of 85%. The compliance rate for prior years was similar, with no improvement from year to year.

LPAs must review the guidance in Local Assistance Procedures Manual (LAPM) [Chapter 16](#), Section 16.7: Subcontractors, and ensure their own processes and procedures meet the requirements.

LPAs should encourage their staff to attend the Resident Engineer Academy, and the Civil Rights Academy. LPAs can also request their District Construction Oversight Engineer (COE) to provide in-house training on reviewing the subcontracting request.

The RE has the responsibility of approving subcontractors. In general, approval is necessary for only first-tier subcontractors. Before subcontracted work starts, the contractor must submit LAPM Exhibit 16-B: Subcontracting Request for approval.

Procedures and Best Practices

The below bullets include procedures and best practices.

- When a contract is awarded, provide the contractor a blank subcontracting request form LAPM Exhibit 16-B: Subcontracting Request: <https://forms.dot.ca.gov/v2Forms/servlet/FormRenderer?frmID=DOTLAPM16B>
- Discuss the importance of the subcontracting request during the pre-construction meeting.
- Remind the contractor to submit the form prior to the start of any subcontracted work.
- Upon receipt of a subcontracting request from the contractor, the RE reviews the request. If the subcontracting request satisfies the requirements, sign, date, and provide a copy to the contractor. If a correction is needed, notify the contractor to revise and resubmit.
- File a copy of the approved subcontracting request in the project files.

Conclusion

The Subcontracting Request Form must be approved prior to the start of work by subcontractors. The approved request must be kept in the project files.