

INSTRUCTIONAL MEMORANDUMS

To Local Public Agencies



To:	Counties and Cities	Date: November 14, 2025
From:	Local Systems Bureau	I.M. No. 6.110
Subject:	Final Review, Audit, and Close-out Procedures for Federal-aid, Federal-aid Swap, and Farm-to-Market Projects	

CONTENTS: This Instructional Memorandum (I.M.) provides guidelines and procedures for closing-out Local Public Agency (LPA) Federal-aid, Federal-aid Swap, and Farm-to-Market (FM) projects, including field inspections, construction reviews and audits, materials audits, final reimbursements and records retention. This I.M. includes the following attachments:

[Attachment A](#) – Project Close-out Process Overview Flowchart.

[Attachment B](#) – Final Review and Audit Process Flowchart – Highway or Bridge Construction.

[Attachment C](#) – Final Review and Audit Process Flowchart – Non-highway Construction, DOT Specifications. These may be let at the Iowa DOT or locally*. They may include non-highway construction projects, such as those funded by the Transportation Alternatives Set-aside (TAP) or Federal Recreational Trails programs.

[Attachment D](#) – Final Review and Audit Process Flowchart – Non-highway Construction, Non-DOT Specifications. These projects are often let locally*. They may include building restoration or renovation projects or other projects with very low estimated contract costs.

*For more information on the types of contracts that may be let locally, refer to [I.M. 5.120](#), Local Lettings – Federal-aid, [I.M. 5.100](#), Local Letting Process – State-aid or Local Funded Projects, and [I.M. 5.020](#), Targeted Small Business Guidelines.

[Attachment E](#) – Required Local Public Agency Project Documentation & Pre-audit Checklist ([Word](#)). This attachment includes a checklist and instructions to guide the Project Engineer through the LPA Pre-Audit process. This checklist will also be used by the Iowa DOT staff when performing the Construction Audit.

[Attachment F](#) – Final Forms Packet Checklist ([Word](#)). This attachment includes a checklist and instructions that describe the necessary forms and documents that should accompany the Project Engineer's request for approval of final payment to the Contractor.

[Attachment G](#) - Doc Express Project Closeout Drawer Signatures and Workflow Steps

This I.M. is written for projects utilizing Doc Express®. For locally let projects that do not utilize Doc Express® and/or State-aid projects not otherwise addressed in this I.M., consult with the Administering Team on the preferred method for transmitting documents and closing out the project.

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INTRODUCTION

The primary objective of this I.M. is to document the process for closing out Federal-aid, Federal-aid Swap, and FM projects. It also sets expectations for both Local Public Agency (LPA) and Iowa DOT staff concerning the amount of time required to complete this process. Timely completion of the close-out process is very important because of Federal and State laws or regulations that pertain to prompt payment of contractors and subcontractors. The flowcharts included as Attachments [A](#), [B](#), [C](#), and [D](#) of this I.M. provide an estimate of the *minimum* amount of time required to complete each step. However, depending on the circumstances of each project, more time may be required.

Another important objective of this I.M. is to outline the documentation necessary to ensure that the project was constructed in accordance with the approved plans and specifications. In order to effectively carry-out its responsibilities to oversee the use of Federal funds and State funds, the Iowa DOT reviews some of this documentation. If documentation is lacking, the Iowa DOT has the responsibility and the authority to deny Federal or State participation in some or all the project costs.

Besides reviewing the construction documentation, the Iowa DOT is also responsible to ensure that the LPA is adequately staffed and equipped to undertake a Federal-aid, Federal-aid Swap, or FM project. If the Iowa DOT's reviews of an LPA's projects during the close-out process consistently indicate that the LPA is not adequately staffed or equipped, the Iowa DOT has the responsibility and the authority to withhold letting of future Federal-aid, Federal-aid Swap, and FM projects until the LPA makes the necessary corrections. [Iowa Code 310.9](#) gives the Iowa DOT authority to withhold letting of future FM projects.

DEFINITIONS

Administering Team: This term is used to designate which Iowa DOT Bureau or Team will provide oversight for the LPA's project. See [I.M. 1.000](#), Iowa DOT Oversight of LPA Projects for additional details.

Substantial Completion of Field Work: This is the stage of the contract in which all contract items have been completed, the owner may use or occupy the facility for its intended function, and only cleanup and/or punch list items remain.

Field Completion: This is the date when all the Contractor's items of physical work have been completed, including clean up and on-site punch list items. In other words, the date on which the contractor may leave the site without needing to return unless some of the work is later found to be defective.

Final Acceptance of Work: This is the Project Engineer signature date on the Statement of Completion and Final Acceptance of Work ([Form 830435](#) or [Form 640003](#)).

Pre-Audit Checklist: This is a Checklist the Project Engineer must use as a starting point for the project review and pre-audit, and a place to document findings to be used by the Administering Team for the construction reviews and audits, and materials audits. It serves as a guide for documents required throughout the project to verify all required documents are received. The Pre-Audit Checklist is formally the Required Local Public Agency Project Documentation & Pre-Audit Checklist, [Attachment E](#) to this I.M., and generally referred to as the "Attachment E" or the "Pre-Audit Checklist" throughout this document.

LPA Pre-Audit: This is the review and audit the Project Engineer and Local Public Agency completes ahead of the Administering Team Audit or Review. It is documented by following and completing the Pre-Audit Checklist detailed above.

Pre-Audit Agreement/Estimate Payment: Previously referred to as the Semi-Final Voucher or Semi-Final Payment, this is an estimate payment with final quantities agreed to between the LPA and the Contractor. This payment is processed prior to the Administering Team Construction and Materials Audit or Review. Signature by both the LPA and Contractor indicate to the Administering Team that quantity agreement has been reached, and the project is ready for audit.

Project Review: This is a review of project documentation completed by the Administering Team after the LPA Pre-Audit is complete. It could include a combination of a Construction Audit, Construction Review, and Materials Audit.

Construction Audit: This is an audit of a Federal-aid project for material quality and documentation completed by the Administering Team after the LPA Pre-Audit is complete.

Construction Review: This is a review of a State-aid project for material quality and documentation completed by the Administering Team after the LPA Pre-Audit and Materials 101 Form is complete.

Materials Audit: This is an audit of project material quality and documentation completed by the District Materials staff after the LPA Pre-Audit and Materials 101 Form is complete. This occurs on Federal-aid projects and projects within the Iowa DOT Right-of-Way.

Final Voucher: This is the last payment to the Contractor. It contains the release of retainage and any final adjustments determined to be necessary as a result of the Administering Team Construction Audit or Review and the Materials Audit, if applicable.

Final Reimbursement: For reimbursement projects (see [I.M. 6.020](#)), this is the final request for Federal-aid, Federal-aid Swap, or State-aid reimbursement of project costs after all payments have been made by the LPA, including the construction contract, retainage, and any other project costs for which reimbursement will be requested. The withholding retained by Iowa DOT will be released with this final reimbursement.

PROJECT CLOSEOUT TASKS

The best way to make the project close-out process run smoothly and quickly is to ensure that proper documentation and records are kept during construction. Using and referencing [Attachment E](#) throughout construction will greatly reduce the time and effort during the closeout process. Some of the documentation requirements reviewed during the LPA Pre-Audit process is discussed in [I.M. 6.000](#), Construction Inspection. Therefore, the information contained in [I.M. 6.000](#) should be thoroughly reviewed before beginning both construction and the project close-out process.

The Iowa DOT's [Construction Manual](#) should also be consulted as a resource for construction inspection and close-out procedures. The current version of the Construction Manual is available on-line as part of the Iowa DOT's [Electronic Reference Library](#). In many places throughout this I.M., references to the Construction Manual are provided for additional explanation or information.

Note: LPA and consultant staff should be aware that the Construction Manual is written primarily for use by Iowa DOT staff. Therefore, the terminology it uses reflects the Iowa DOT's organizational structure. For example, references in the Construction Manual to the Resident Construction Engineer (RCE) should be interpreted as referring to the LPA's Project Engineer. Likewise, references to the District Construction Engineer (DCE) correspond to the Local Systems Field Engineer (LSFE), or in the case of projects administered by the Local Systems Bureau Grant Team, the appropriate Grant Program Manager or their designee. In addition, the LPA should also recognize that some of the procedures described in the Construction Manual are internal to the Iowa DOT and therefore may not be applicable for LPA administered projects. If you have any questions concerning the applicability of procedures in the Construction Manual, contact the Administering Team for assistance.

While not detailed extensively in this I.M., timely completion and review of other non-construction contracts that have Federal-aid, Federal-aid swap, or FM funds, such as consultant, railroad, or utility relocation contracts, are also very important to the project close-out process. When each type of reimbursable work is complete, the LPA should request final reimbursement from the Administering Team as soon as possible. This enables the final review or audit process, if necessary, for each non-construction contract to begin prior to construction completion. Sometimes the final reviews or audits of Federal-aid consultant, railroad, or utility work can take a significant amount of time and therefore have potential to delay FMIS close-out. For more information regarding these procedures, refer to [I.M. 3.310](#), Federal-aid Participation in Consultant Costs; [I.M. 3.650](#), Federal-aid Participation in Utility Relocations; and [I.M. 3.680](#), Federal-aid Projects Involving Railroads.

The attachments referenced above provide an outline of the entire process for closing-out Federal-aid, Federal-aid Swap, and FM projects. The remainder of this I.M. provides additional explanation for each major set of tasks involved in the project closeout process. The primary closeout tasks are detailed below.

Task 1. Final Inspection of Field Work (Request ~ 2 weeks ahead of Substantial Completion of Field Work)

A. Timing:

Request a final field visit from the Administering Team roughly two (2) weeks ahead of Substantial Completion of Field Work based on the below guidance.

B. Summary:

The need for the Administering Team to attend the final field inspection or walk-through is based upon the funding source(s) involved in the project, as noted below. It may also be required when working within Iowa DOT Right-of-way, particularly when there are impacts to the mainline paving.

C. Federal-aid and Federal-aid Swap projects:

1. The Project Engineer shall notify the Administering Team when it appears the Contractor is approximately two (2) weeks from Substantial Completion of Field Work, apart from permanent stabilization which can be documented by follow-up photos.

2. Simultaneously, the Project Engineer should be completing an initial punch list for the Contractor to be completing.
3. The Project Engineer shall schedule a final field inspection with the Contractor, the Administering Team, and themselves. The goal is to complete the final field inspection within two (2) weeks of Substantial Completion of Field Work, apart from permanent stabilization, weather permitting. While every effort will be made to meet this goal, it is possible that the Administering Team availability will not allow this goal to be met for every project. In such cases, the final field inspection will be scheduled as soon as possible with those who are available.
4. During the final field inspection, a Final Inspection Punch List will be developed by the LPA, listing all items of work that have not been completed in reasonably close conformity to the contract documents.
5. A draft version of the Final Inspection Punch List shall be sent to the Administering Team for concurrence.
6. Upon Administering Team concurrence, the Project Engineer shall send the Final Inspection Punch List to the Contractor and specify the corrective action that must be taken.
7. Once the Project Engineer determines all work is satisfactorily completed, including any corrective actions, they shall send an email notification to the Administering Team. This notice shall specify the corrective actions that have been taken, if any, and request the Administering Team's concurrence that the field work is acceptable. The Administering Team, at its discretion, may spot check these corrections or request dated pictures.
8. Upon Administering Team concurrence, the Project Engineer shall upload the final Weekly Report of Working Days ([Form 830238](#)) and documentation of completion of the Final Inspection Punch List to Doc Express® and send notification of said upload/completion to the Administering Team.

D. Stand-alone Farm-to-Market projects:

For stand-alone FM projects, the process as described above is to be followed, excluding Administering Team involvement.

Task 2. Statement of Completion and Final Acceptance of Work (Sign within 1 week of Field Completion)

A. Timing:

Sign [Form 830435](#) or [Form 640003](#) upon Field Completion. This will follow punch list completion.

B. Summary:

The project field work is considered complete when all of the Contractor's items of physical work have been completed. In other words, unless some of the work is found to be defective, the Contractor will not need to come back to the project site.

Field Completion requires some, but not all required paperwork from the Contractor. Before accepting the field work as complete, the Project Engineer should obtain the following from the Contractor, as applicable, since they could result in additional site work.

1. Survey books
2. Contractor's Daily Traffic Control Diary
3. Abandoned Water Well Plugging Record ([DNR Form 542-1226](#))
4. Corrected profilometer reports
5. All plant reports
6. Resolve non-compliances related to field work

As noted below, the funding source and project specification will govern requirements of this Task. However, in all situations, the date of the Project Engineer's signature on [Form 830435](#) is important.

This date marks the beginning of a 50-day count that is used to determine whether interest may be due to the Contractor. For more information on interest payments, possible suspension periods, and missing paperwork impacts discovered during the LPA Pre-Audit and Audit processes, refer to [I.M. 6.130](#), Interest Payment Procedures.

C. Federal-aid, Federal-aid Swap, and projects utilizing Iowa DOT Specifications:

The Project Engineer should not sign the Final Acceptance of Work until both the Project Engineer and the Administering Team agree the field work is complete and in reasonably close conformance with the contract documents.

Within one (1) week of Administering Team concurrence, the Project Engineer should submit and electronically sign the Statement of Completion and Final Acceptance of Work ([Form 830435](#)) in the Project Closeout drawer in Doc Express®. The Administering Team will then sign it electronically in Doc Express®.

D. Stand-alone Farm-to-Market projects:

The Project Engineer should not sign the Final Acceptance of Work until the field work is complete and in reasonably close conformance with the contract documents. Within one (1) week of Field Completion, the Project Engineer should submit and electronically sign the Statement of Completion and Final Acceptance of Work ([Form 830435](#)) in the Project Closeout drawer in Doc Express®. Administering Team concurrence and signature is not required on these projects.

E. Projects not using Iowa DOT Specifications:

The Project Engineer should not accept the field work as complete on projects that use other specifications until the Project Engineer agrees the field work is complete and in reasonably close conformance with the contract documents.

The Administering Team concurrence and signature is not required on these projects unless the project is within Iowa DOT ROW. The Project Engineer shall sign and date the top portion only of the Certificate of Completion and Final Acceptance of Agreement Work ([Form 640003](#)), email a copy to the Administering Team and the Contractor, and keep the original in the LPA's file or upload to Doc Express if applicable. The only purpose of this submittal is to document the date of completion of the work. It is not intended to be the LPA's approval for final payment. Approval for final payment occurs later, at which time [Form 640003](#) shall be emailed to the Administering Team as part of the Final Forms Packet submittal. For more information, refer to [Attachment D](#) and [Attachment F](#) to this I.M.

F. Note to Counties:

For all CPS and Appia® Auto-Pay projects (see [I.M. 6.020](#)), [Form 830435](#) will need to be signed twice when the County Engineer is also the Project Engineer. The second signature will be the County Engineer on behalf of the Board of Supervisors to represent the Person in Responsible Charge (PIRC) acceptance of the field work. The County Engineer can sign on behalf of the Board of Supervisors because es Local Systems requires this resolution. The Secondary Roads Engineer requests and receives it when a County Engineer first starts employment with the county. The resolution need only be passed one time for the individual. For more information, refer to [I.M. 6.140](#), Resolution to allow County Engineer to Certify Completion of Work on Construction Contracts.

Task 3. LPA Pre-Audit Process and Pre-Audit Agreement/Estimate Payment (Within 90 days of the Final Acceptance of Work)

A. Timing:

Complete the Required LPA Project Documentation and Pre-Audit Checklist ([Attachment E](#)) and the Pre-Audit Agreement/Estimate Payment within 90 days of the Final Acceptance of Work, prior to requesting consideration of Audit/Review from the Iowa DOT Administering Team.

B. Summary:

The Project Engineer shall conduct their own project audit, referred to in this document as the LPA Pre-Audit, by following and completing the Required LPA Project Documentation and Pre-Audit Checklist ([Attachment E](#)). Within 90 days of the Final Acceptance of Work, the Recipient shall provide

the completed Pre-Audit Checklist ([Attachment E](#)) to the Administering Team and request a final audit/review.

The LPA Pre-Audit consists of a thorough review of the construction contract documentation, as specified in the Required LPA Project Documentation and Pre-audit Checklist ([Attachment E](#)). The purpose of the LPA Pre-Audit is to prepare for a possible audit or review by the Administering Team. Therefore, when conducting the LPA Pre-Audit, the Project Engineer shall ensure that all of the documentation associated with the construction contract is complete, correct, and well organized. If the Iowa DOT Administering Team finds that the documentation is not complete, correct, or well organized, it may defer the Construction Audit or Review until the Project Engineer addresses these issues.

C. LPA Pre-Audit and Pre-Audit Agreement/Estimate Payment Process:

Below are abbreviated steps to help guide the Project Engineer through the audit process. Additional guidance for each of the construction items is provided in [I.M. 6.000](#), Construction Inspection, and the Construction Manual sections referenced by the Required LPA Project Documentation and Pre-audit Checklist ([Attachment E](#)).

1. Complete a thorough review of construction contract documentation by following the Required LPA Project Documentation and Pre-audit Checklist ([Attachment E](#)). Using this checklist during construction greatly reduces the amount of time this process takes.
2. In the Pre-Audit Checklist ([Attachment E](#)), only check the box corresponding to the checklist item when documentation in Doc Express® has been verified and reviewed for compliance and completion. Do NOT check the box for the item if the documentation is not uploaded to Doc Express®. If the item is not applicable to your project, select the N/A box.
3. Complete the Materials I.M. 101 Review Forms. [Materials I.M. 101 Audit Forms](#) and other materials forms and guidance can be found on the Construction and Materials Bureau's [Materials Forms webpage](#).
4. After completion of the above steps, assemble the proposed final quantities, including all applicable price adjustments, such as incentives / disincentives, liquidated damages, or adjustments due to non-compliance with the contract documents. These proposed final quantities will be reflected in the Pre-Audit Agreement/Estimate Payment, previously referred to as the Semi-Final Voucher or Semi-Final Payment.

The Pre-Audit Agreement/Estimate Payment will look different for Appia® projects vs projects administered outside of Appia®. However, the intent remains the same for each. Please note that if, upon future review or audit by the Administering Team, there are quantity or price adjustments required, these adjustments will be processed as part of the Final Voucher.

- a. For projects administered in Appia®, the Pre-Audit Agreement/Estimate Payment will be documented with an Appia® detailed payment. See the [Appia Under-Construction Instructions](#) for guidance on generating a detailed payment.
 - b. For projects not in Appia®, the Pre-Audit Agreement/Estimate Payment may be documented using either the Final Estimate of Road or Bridge Work on Non-State Roads / Streets ([Form 181235](#)) or an equivalent form.
5. The Project Engineer shall upload the proposed final quantities via the Pre-Audit Agreement/Estimate Payment to Doc Express® for the Contractor's review and signature. Along with this upload, the Project Engineer will notify the Contractor of the following:
 - a. Make it clear to the Contractor that the proposed final quantities are subject to change by an Iowa DOT audit. Any audit findings will be reflected on a future Final Voucher.
 - b. Provide the Contractor with a complete list of any missing documentation discovered during the LPA Pre-Audit, making clear it will be required to receive final payment.
6. Disputes happen. If any quantities or price adjustments are in dispute, the Project Engineer and the Contractor shall negotiate a mutually acceptable resolution.

- a. If the parties are unable to reach an agreement, either the Project Engineer or the Contractor may contact the Administering Team for assistance. If requested, the Administering Team will attempt to mediate an acceptable solution to both parties.
 - b. If informal discussions between the Project Engineer, the Contractor, and when requested, the Administering Team, are unable to reach an agreement on any quantities or price adjustments, the Project Engineer shall approve the Pre-Audit Agreement/Estimate Payment less any retainage and pay adjustments for items that are being disputed. The Project Engineer shall document the reason for the items that are being disputed and what actions were taken to resolve the dispute. This is a last resort and will require coordination with the Administering Team on a case-by-case basis.
7. After the Project Engineer and the Contractor have reached agreement on the Pre-Audit Agreement/Estimate Payment, both parties shall sign the document in Doc Express® and the payment shall be processed. This Pre-Audit Agreement/Estimate Payment to the Contractor should be paid in full, less any retainage withheld.

D. LPA Pre-Audit Checklist Submittal Process:

When the LPA Pre-Audit and Pre-Audit Agreement/Estimate Payment process is complete as detailed above, the Project Engineer shall ensure the below items have been uploaded to Doc Express®. The Administering Team will not begin their audit/review until all of these items have been completed and uploaded into Doc Express®.

1. Upload the below items to Doc Express®.
 - a. Completed Required LPA Project Documentation and Pre-audit Checklist ([Attachment E](#))
 - b. Completed [Materials I.M. 101](#) Review Forms
 - c. Signed and paid Pre-Audit Agreement/Estimate Payment
2. Notify the Administering Team that the LPA Pre-Audit and the Pre-Audit Agreement/Estimate Payment are complete and ready for the Administering Team review or audit.

Task 4. Iowa DOT Audits for Federal-aid and Reviews for Federal-aid Swap and FM Projects (after LPA Pre-Audit & Pre-Audit Agreement / Estimate Payment Submittal)

A. Timing:

Once the Project Engineer notifies the Administering Team that the LPA Pre-Audit and Pre-Audit Agreement/Estimate Payment are complete, the Administering Team will begin their Audit/Review process.

B. Summary:

The Administering Team, at its discretion, may audit or review any construction contract let through the Iowa DOT. Federal-aid projects will go through an Iowa DOT Audit. Federal-aid Swap projects will go through an Iowa DOT Review. These processes are very similar; however, audits include federal requirements such as Davis Bacon Wage Rates, Buy America requirements, and potential DBE commitments. Iowa DOT audits may include both an Administering Team Construction Audit and a District Materials Audit. These audits are generally performed by different bureaus within the Iowa DOT. Additional details are provided below.

C. Construction Audit/Review and Systems Approach (highway and bridge projects):

The Construction Audit/Review will be conducted by referencing the Pre-Audit Checklist ([Attachment E](#)) and Doc Express®. Administering Teams may audit/review all construction projects, or they can adopt a systems approach. These systems approaches are detailed below. An LPA may request an audit or review at more frequent intervals. The Local Systems Bureau will consider these requests and decide based on staff capacity.

1. Federal-aid Systems Approach:

The Administering Team will select at least one Federal-aid contract for each LPA from among those Federal-aid contracts that have been completed at the time projects are selected for audit. If the LPA only has one contract, that contract will be selected. If the LPA has more than one contract, a contract will be selected at random. If the audit of the selected contract does not reveal any significant problems, the Administering Team may waive the Construction Audits for the LPA's other contracts with Final Acceptance of Work dates in the same construction year.

2. Federal-aid Swap Systems Approach:

The Administering Team will select at least one Federal-aid Swap contract for each LPA from among those Federal-aid Swap contracts that have been completed over a three-year period. If the LPA only has one contract, that contract will be selected. If the LPA has more than one contract, a contract will be selected at random. If the review of the selected contract does not reveal any significant problems, the Administering Team may waive the Construction Reviews for the LPA's other Federal-aid Swap contracts with Final Acceptance Dates within a three-year period of time. Likewise, if the LPA has completed a Federal-aid Audit within the three-year period of time, it may be used to waive a Federal-aid Swap Review.

For projects not selected for a Construction Audit/Review, the Administering Team will notify the Project Engineer that a Construction Audit/Review will not be conducted. The Administering Team will upload a completed Pre-audit Checklist to Doc Express® noting the same. The Project Engineer can then proceed to Task 5.

For projects selected for audit/review, the Administering Team will examine samples of the supporting documentation in Doc Express® in order to verify that the item was completed as indicated on the Pre-Audit Checklist ([Attachment E](#)). Those items for which supporting documentation was reviewed will be noted as such on the Pre-Audit Checklist by the Administering Team. Any deficiencies identified during their audit/review will be recorded on the Audit of Final Pay Estimate ([Form 830301](#)). The Administering Team will upload a partially completed [Form 830301](#) to Doc Express®.

After the requested corrections have been completed, the Project Engineer shall indicate the date corrective actions were taken, upload the updated form as a supporting document to the original [Form 830301](#), Audit of Final Pay Estimate, and transition/sign the [Form 830301](#) in Doc Express®.

D. Federal-aid Materials Audit Process (highway and bridge projects):

A Materials Audit may be performed by District Materials staff for Federal-aid highway or bridge projects, and non-Federal-aid projects located on the Primary Highway System.

For projects selected for audit, the District Materials staff will perform a Materials Audit in accordance with procedures outlined in Materials I.M. [101](#) and [103](#). After their audit is complete, District Materials staff will notify the Project Engineer of any deficiencies in the materials testing, certification, or other required documentation and specify the corrective action that must be taken. If needed, the District Materials staff will provide a copy of this request to the Administering Team.

When corrective action and / or additional documentation is required as a result of a District Materials audit finding, the Project Engineer shall document the corrective actions taken and forward this information to the District Materials staff. Once all audit findings have been satisfactorily resolved and / or documented, the District Materials Engineer will sign the Materials I.M. 101 and the Federal-aid Materials Audit process is complete.

E. Federal-aid Swap Materials Review Process (highway and bridge projects, non-Primary Highway System):

The Administering Team will review uploaded [Materials I.M. 101 Audit Forms](#) for completeness as part of the Construction Review of Federal-aid Swap projects if the project is selected for review using the above detailed systems approach. Any deficiencies or missing documents identified will be recorded on [Form 830301](#) and uploaded to Doc Express® as part of the Construction Audit detailed above.

The District Materials Engineer will not sign the review sheets for Federal-aid Swap or FM projects but will be available for consultation on materials related documentation efforts, upon request.

F. Federal-aid Materials and Construction Audit/Review Process (non-highway projects):

A Materials Audit will not be performed by District Materials staff for Federal-aid non-highway projects, such as those funded by the Transportation Alternatives Set-aside or Federal Recreational Trails programs. Rather, the Administering Team will review uploaded [Materials I.M. 101 Audit Forms](#) for completeness and review project documentation uploaded to Doc Express® for various bid items as part of the final construction audit in accordance with the Pre-Audit Checklist ([Attachment E](#)) and the applicable Materials IMs. Any deficiencies or missing documents identified will be recorded on [Form 830301](#). The Administering Team will upload a partially completed [Form 830301](#) to Doc Express®.

After the requested corrections have been completed, the Project Engineer shall indicate the date corrective actions were taken, upload the updated form as a supporting document to the original Audit of Final Pay Estimate, and transition/sign the [Form 830301](#) in Doc Express®.

Task 5. Preparation of the Final Voucher (after completed or waived Audit/Review)

A. Timing:

Prepare and submit the Final Voucher upon completion of both the Administering Team Construction Audit/Review and Materials Audit, if applicable, or upon notice by the Administering Team that a Construction Audit/Review will not be conducted.

B. Summary:

After both the Administering Team Construction Audit/Review and Materials Audit are complete and any findings noted on the [830301](#) Form have been corrected or addressed, or upon notice by the Administering Team that a Construction Audit/Review will not be conducted, the Project Engineer may begin preparing the Final Voucher. The Final Voucher shall incorporate the corrections to final quantities or price adjustments, if required by the Administering Team Construction Audit/Review and/or Materials Audit. For contracts utilizing Appia®, follow the final payment instructions in the [Appia® "Under Construction" Instructions](#).

1. The Project Engineer uploads the Final Voucher to Doc Express® and requests the Contractor's approval of the final quantities, including any price adjustments that may apply.
2. If acceptable, the Contractor signs the Final Voucher in Doc Express®.
3. The Contractor also uploads all required paperwork for final payment, if not already provided. This submittal is referred to as the Day Zero date, which marks the beginning of a 31-day count used to determine when interest may begin to accrue. For more information, refer to [I.M. 6.130](#), Interest Payment Procedures.
4. If all required paperwork is not provided, the Project Engineer shall promptly inform the Contractor which items are still needed and that the Final Voucher will not be processed until those items are uploaded.
5. Once the Contractor has submitted all required paperwork and the Final Voucher has been signed by the Contractor, Project Engineer, and PIRC (when applicable), move to Task 6.

Task 6. Submittal of Final Forms Packet (after the Final Voucher is signed in Task 5)

A. Timing:

After the Contractor, Project Engineer, and PIRC (if applicable) has signed the Final Voucher and all paperwork has been provided, the Final Forms Packet ([Attachment F](#) to this I.M.) can be uploaded.

B. Final Forms Packet Process:

For Federal-aid, Federal-aid Swap, and FM projects, after the Contractor has signed the Final Voucher and provided all the required paperwork, and the Project Engineer and PIRC (when applicable) have signed the Final Voucher, it is time to upload the Final Forms Packet ([Attachment F](#)) to Doc Express® and sign the forms included as part of the Final Packet. [Attachment F](#) is a complete list of required forms and documentation for final payment and project closeout. The Project Engineer

shall ensure that all this documentation has the required non-DOT signatures prior to notifying the Administering Team it is complete.

1. Once the Administering Team has been notified that all forms listed in the Final Forms Packet have been uploaded and signed as applicable, the Administering Team will review the Final Forms Packet within 30 days to ensure all applicable forms and documentation have been included.
2. If any forms or documentation are missing, the Administering Team will promptly notify the Project Engineer and specify the items that are not complete.
3. Once acceptable, the Administering Team routes the appropriate forms and documentation as needed.
 - a. For Federal-aid and Federal-aid Swap, and other State-aid projects let under the Iowa DOT Specifications, the Iowa DOT documents approval for final payment by signing the Final Payment Form ([Form 830436](#)).
 - b. For FM projects, the Iowa DOT does not sign the Final Payment Form ([Form 830436](#)).
 - c. For contracts let under other specifications, the Iowa DOT documents approval for final payment by signing the bottom part of the Certificate of Completion and Final Acceptance of Agreement Work [Form 640003](#).

C. Final Payment to the Contractor (after Administering Team signs Form 830436 or 640003):

After the Administering Team has approved the Final Forms Packet, final payment to the Contractor will be processed as follows:

1. For **Reimbursement projects**, the Administering Team notifies the Project Engineer that final payment may be processed by signing the [Form 830436](#) or [Form 640003](#) in Doc Express®, as appropriate. Upon receipt, the LPA makes final payment to the Contractor in accordance with the approved Final Voucher, including release of all retainage that is due. Reimbursement is detailed in Task 6-D.1.
2. For **CPS projects**, the Administering Team sends the Final Forms Packet to the Iowa DOT Finance Bureau after the LPA uploads the final packet as noted above. The Administering Team notifies the Finance Bureau that the Final Forms Packet is complete and the project is ready for final payment and closure. Upon notification of the completion of the Final Forms Packet, the Finance Bureau processes the Final Voucher including a release of all retainage that is due.
3. For **Appia® Auto-Pay projects**, the Administering Team sends the Final Forms Packet to the Iowa DOT Finance Bureau after the LPA uploads the final packet as noted above. The Administering Team notifies the Finance Bureau that the Final Forms Packet is complete and the project is ready for final payment and closure.
 - a. The Administering Team either transitions the Final Voucher to Completed in Doc Express® and notifies the LPA it is ready to be Approved in Appia®, or they direct the LPA to transition to Completed in Doc Express® and then Approved in Appia®.
 - b. Once Approved in Appia®, the payment will be transmitted to the Finance Bureau via the Appia® Auto-Pay process.
 - c. Upon notification and receipt of the Final Forms Packet and the Final Voucher, the Finance Bureau processes the Final Voucher, including a release of all retainage that is due.

D. Final Federal-aid or Federal-aid Swap Claim for Reimbursement:

1. For Reimbursement projects, the LPA may request final Federal-aid, Federal-aid Swap, or other reimbursements of project costs after all payments have been made, including the construction contract and any other project costs for which Federal-aid, Federal-aid Swap, or other reimbursement will be requested. See [I.M. 6.020](#), Payment and Reimbursement Processes for additional information. This request shall be made by uploading the appropriate Claim for

Reimbursement ([Form 517050](#)) or ([Form 240007](#)) to Doc Express®, if applicable, and shall include copies of all warrants and Estimate Payments for which reimbursement has not yet been requested.

2. The Administering Team will review the LPA's final reimbursement request, and if acceptable, will forward to the Finance Bureau for processing, along with the Final Forms Packet.
3. Upon receipt of the final reimbursement request from the Administering Team, the Finance Bureau will issue a warrant to the LPA for the final reimbursement that is due. If the final audits or reviews reveal that the LPA has been overpaid, the LPA shall reimburse the Iowa DOT accordingly.

Task 7. Project Close-out and Records Retention

A. Timing:

After the Final Voucher is processed, the final reimbursement is made as applicable, and FMIS closure (Federal-aid projects only) is complete, **retain project records for three years.**

B. Federal-aid Projects:

After processing the final Federal-aid reimbursement to the LPA, the Finance Bureau will prepare a final amendment / modification (amend / mod) to the project authorization in the Federal Highway Administration's Fiscal Management Information System (FMIS). The final amend / mod is sent to FHWA electronically for its review and approval.

Once approved by FHWA, the Finance Bureau distributes the final FMIS amend / mod document to the Administering Team, Program Management Bureau, District Planner, and the Local Systems Bureau. Once received, the Administering Team uploads a copy to Doc Express®. Finally, the District Planner forwards to the appropriate Metropolitan Planning Organization (MPO) or Regional Planning Affiliation (RPA).

Upon receipt of the final amend / mod, the LPA shall retain its project records for not less than 3 years from the date of FHWA's signature on the final FMIS amend / mod document. These records shall be available for inspection by authorized Iowa DOT or FHWA personnel at any time during the retention period.

C. Non-Federal-aid Projects:

The LPA shall retain project records for at least 3 years from the date of the Department's signature of the Final Payment Form ([Form 830436](#)) or the bottom part of the Certificate of Completion and Final Acceptance of Agreement Work ([Form 640003](#)). In the case of the Administering Team not signing [Form 830436](#), the LPA shall retain project records for at least 3 years from the date of the last signature on [Form 830436](#). These records shall be available for inspection by authorized Iowa DOT personnel at any time during the retention period.

D. Archiving Projects in Doc Express®:

At the completion of the project, the LPA shall download the entirety of the project file from Doc Express® for the duration of the record retention period noted above. The LPA shall then notify the Administering Team that the download is complete, and the project can be transitioned to the archive section of Doc Express®. Archived Doc Express® files remain viewable but are no longer editable.