

INSTRUCTIONAL MEMORANDUMS

To Local Public Agencies



To: Counties and Cities	Date: November 21, 2024
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, final project reviews, final audits, final reimbursements and records retention. This I.M. includes the following attachments:

[Attachment A](#) – Project Close-out Process Overview Flowchart. This attachment illustrates the entire project close-out process. It also directs the reader to the appropriate flow chart for the final review, audit, and payment of construction work, depending on the type of project.

[Attachment B](#) – Final Review and Audit Process Flowchart – Highway or Bridge Construction. This attachment illustrates the final review, audit, and payment process for traditional highway and bridge construction contracts that are let by the Iowa DOT and use the Iowa DOT Standard Specifications.

[Attachment C](#) – Final Review and Audit Process Flowchart – Non-highway Construction, DOT Specifications. This attachment illustrates the final review, audit, and payment process for non-highway type construction contracts that use the Iowa DOT Standard 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. This attachment illustrates the final review, audit, and payment process for non-highway construction contracts that do not use the Iowa DOT Specifications and 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.

[Attachment E](#) – Required Local Public Agency Project Documentation & Pre-audit Checklist ([Word](#)). This attachment includes a checklist and instructions to guide the LPA's Project Engineer through the pre-audit process and prepare for a final audit. This checklist will also be used by the Iowa DOT staff when performing the final construction contract 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®, consult with the Administering Team on the preferred method for transmitting documents.

Introduction

The primary objective of this I.M. is to document the process for closing-out Federal-aid, Federal-aid Swap, and FM projects, and set expectations, for both 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 to 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 such documentation is lacking, the Iowa DOT has the responsibility and the authority to deny Federal or state participation in some or all of 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.

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. Some of the documentation reviewed during the close-out 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.

Besides [I.M. 6.000](#), 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 such Federal-aid, Federal-aid Swap, or FM work is complete, the LPA should forward a request for final reimbursement for that work to the Iowa DOT as soon as possible. This enables the final review or audit process, if necessary, for such contracts to begin prior to completion of the construction contract, when possible. Sometimes the final reviews or audits of consultant, railroad, or utility work can take a significant amount of time, and therefore have potential to delay close-out of the project as a whole. 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 part of this process. These parts include the following:

Final Inspection of Field Work (Request ~ 2 weeks ahead of substantial completion of field work)

For Federal-aid and Federal-aid Swap projects, the Project Engineer shall notify the Administering Team when it appears the Contractor is approximately 2 weeks from substantial completion of the field work, apart from permanent stabilization which can be documented by follow-up photos at a later date. Simultaneously, the Project Engineer should be completing an initial punch list for the Contractor to be completing. The Project Engineer shall schedule a final inspection with the Contractor, the Administering Team, and themselves. The goal is to complete the final inspection within 2 weeks of substantial completion, apart from permanent stabilization, weather permitting. While every effort will be made to meet this goal, it is possible that Administering Team staff availability will not allow this goal to be met for every project. In such cases, the final inspection will be scheduled as soon as possible with those who are available. During the final 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. The Project Engineer shall deliver to the Contractor the Final Inspection Punch List and specify the corrective action that must be taken. A copy of the Final Inspection Punch List shall also be sent to the Administering Team for concurrence. Once the Project Engineer determines all of the work is

satisfactorily completed, including any corrective actions, the Project Engineer shall send a copy of the final Weekly Report of Working Days ([Form 830238](#)) and documentation of completion of the Final Inspection Punch List to the Administering Team.

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

Statement of Completion and Final Acceptance of Work (Signing of Form 830435 or 640003)

The project field work is considered complete when all 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.

Completion of field work requires some, but not all of the paperwork that will eventually be required 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: survey books, the Contractor's Daily Traffic Control Diary, Abandoned Water Well Plugging Record ([DNR Form 542-1226](#)), corrected profilometer reports, and plant reports. In addition, any non-compliances related to field work should be resolved before accepting the field work as complete.

The date of the Project Engineer's signature on [Form 830435](#) is important, because 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, refer to [I.M. 6.130](#), Interest Payment Procedures.

For Federal-aid, Federal-aid Swap, and other projects let through Iowa DOT utilizing Iowa DOT Specifications, the Project Engineer should not accept the field work as complete until both the Project Engineer and the Administering Team agree the field work is complete and in reasonably close conformance with the contract documents. The Project Engineer may then sign and submit the Statement of Completion and Final Acceptance of Work ([Form 830435](#)) Administering Team. Please see below for additional details.

For stand-alone Farm-to-Market projects, the Project Engineer should not accept the final work as complete until the Project Engineer agrees the field work is complete and in reasonably close conformance with the contract documents. The Project Engineer may then sign and submit the Statement of Completion and Final Acceptance of Work ([Form 830435](#)). The Administering Team signature is not required on these projects. Please see below for additional details.

For projects not using Iowa DOT Specifications, the Project Engineer should not accept the field work as complete until the Project Engineer agrees the field work is complete and in reasonably close conformance with the contract documents. The Project Engineer may then sign the Certificate of Completion and Final Acceptance of Agreement Work ([Form 640003](#)). Please see below for additional details.

For Federal-aid and Federal-aid Swap projects, after the final field inspections have been completed, and any required corrective actions completed, the Project Engineer shall notify the Administering Team in writing. 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 staff, at its discretion, may spot check these corrections or request dated pictures. After obtaining the Administering Team's concurrence, the Project Engineer is to submit the appropriate completion form to the Administering Team. The form used to document the completion and acceptance of the work depends on the type of specifications used:

For projects using Doc Express® and the Iowa DOT Standard Specifications, the Project Engineer shall upload and electronically sign the Statement of Completion and Final Acceptance of Work ([Form 830435](#)).

- For Federal-aid and Federal-aid Swap projects, after the LPA has uploaded and signed [Form 830435](#), the Administering Team will then sign it electronically in Doc Express®.
- For stand-alone FM projects, the Administering Team's concurrence and signature is not required. Notify the Administering Team when Final payment is ready to be processed and all documents have been uploaded with applicable signatures to the Project Closeout Drawer.

- **Note to Counties:** For all projects paid through the FM Account, [Form 830435](#) must be signed twice by the LPA. The first signature will be the Project Engineer, and the second signature will be the Board of Supervisor's (to represent the Person in Responsible Charge (PIRC)) acceptance of the field work. Local Systems requires the County Board of Supervisors to pass a resolution to authorize the County Engineer to sign both the 435 and 436 on its behalf. For more information, refer to [I.M. 6.140](#), Resolution to allow County Engineer to Certify Completion of Work on Construction Contracts.

If the contract follows Iowa DOT Standard Specifications, but does not utilize Doc Express®, the Project Engineer shall sign and date the Statement of Completion and Final Acceptance of Work ([Form 830435](#)) and email a copy to the Administering Team. For Federal-aid and Federal-aid Swap projects, the Administering Team will sign and date [Form 830435](#) and email a copy to the Project Engineer and retain a copy for the Administering Team's file. The Project Engineer shall then send a copy to the Contractor.

For projects that use other specifications, 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. 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.

Federal-aid / Federal-aid Swap / FM Pre-audit Process (within 90 days of Final Acceptance of Work)

Prior to requesting a final audit/review from the Administering Team, the Project Engineer shall conduct a pre-audit. Within 90 days of completion of construction and/or other activities authorized by the project agreement, the Recipient shall provide the completed pre-audit checklist to the Administering Team and request a final audit/review; however, if there is an anticipated delay the pre-audit could be started when the project is substantially completed. The 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](#) to this I.M.). The purpose of the pre-audit is to prepare for a possible audit or review by the Administering Team staff. Therefore, when conducting the 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 Administering Team finds that the documentation is not complete, correct, or well organized, it may defer the final audit or review until the Project Engineer addresses these issues.

As part of the pre-audit process, the Project Engineer shall also prepare 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. Additional guidance for each of these 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](#) to this I.M.).

When the Project Engineer completes the pre-audit as detailed above, the Project Engineer shall upload the below bulleted items to Doc Express®. The Administering Team cannot begin their audit/review until all of these items have been completed and uploaded into Doc Express®. The applicability of the semi-final voucher and materials audit processes is discussed below.

- Completed Required LPA Project Documentation and Pre-audit Checklist ([Attachment E](#) to this I.M.)
- [Materials I.M. 101](#) Review Forms
- Semi-final Voucher or Semi-final Pay Estimate

Semi-final Voucher or Semi-final Pay Estimate (within 90 days of Final Acceptance of Work)

After the pre-audit is complete, the Project Engineer shall upload the proposed final quantities, including any price adjustments, to Doc Express® for the Contractor's review and signature. For contracts that are paid by the Iowa DOT through the FM Account, this submittal consists of the semi-final voucher, which is documented using either the Construction Contract Progress Voucher (also known as a "309 Voucher") form produced by the Iowa DOT Finance Bureau, or if utilizing Appia® software, a similar software-generated form. For contracts where the LPA makes payment to the Contractor directly, this submittal consists of a semi-final pay estimate, which may be documented using either the Final Estimate of Road or Bridge Work on Non-State Roads / Streets ([Form](#)

[181235](#)), an Appia® generated form, or an equivalent form. See the [Appia Under-Construction Instructions](#) for guidance when creating and uploading vouchers utilizing Appia®.

The upload of the semi-final voucher or semi-final pay estimate to the Contractor should be made at the same time the Required LPA Project Documentation and Pre-Audit Checklist ([Attachment E](#) to this I.M.) and Materials I.M. 101 sheets are uploaded. The following actions should follow the completion of these uploads:

- Notify the Administering Team that the Pre-Audit has been complete and is ready for Final Audit.
- The Project Engineer should 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 or final pay estimate.
- The Project Engineer shall provide the Contractor with a complete list of any missing documentation that will be required in order to receive final payment, as determined by the Project Engineer's Pre-audit.
- If any quantities or price adjustments are in dispute, the Project Engineer and the Contractor shall negotiate a mutually acceptable resolution. 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.
- After the Project Engineer and the Contractor have reached agreement on the semi-final voucher or semi-final pay estimate, the Project Engineer shall approve the semi-final voucher or semi-final pay estimate and the Contractor should be paid in full, less any retainage withheld.
- 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 semi-final voucher or semi-final pay estimate, 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.

Final Audits for Federal-aid and Final Reviews for Federal-aid Swap and FM Projects (after Pre-Audit & Semi-final Voucher or Semi-final Pay Estimate)

The Administering Team, at its discretion, may audit any construction contract let through the Iowa DOT. Some Administering Teams have elected to audit all Federal-aid contracts; others have elected to select Federal-aid contracts using a systems approach which is described below. Final audits include both a Construction audit and a Materials audit, which may be performed by different bureaus within the Iowa DOT. A Construction audit cannot be completed until the Materials audit is completed. Additional details are provided below.

Federal-aid Systems Approach: Using the systems approach, from among those Federal-aid contracts that have been completed at the time projects are selected for audit, the Administering Team will select at least one Federal-aid contract for each LPA. If the LPA only has one contract, that contract will be selected. If the LPA has more than one contract, the 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 final audits for the LPA's other contracts with Final Acceptance Dates in the same calendar year.

Federal-aid Swap Systems Approach: Using the systems approach, from among those Federal-aid Swap contracts that have been completed over a three-year period, the Administering Team will select at least one Federal-aid Swap contract for each LPA. If the LPA only has one contract, that contract will be selected. If the LPA has more than one contract, the 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 final reviews for the LPA's other contracts with Final Acceptance Dates within a three-year period of time. If a project is selected for review, the construction review will be conducted electronically to the extent possible, and possibly at the Contracting Authority's Office, as shown in the contract documents, or at a mutually agreed to alternate location.

If a project is not selected for an audit or review, the Administering Team will notify the Project Engineer that a final audit/review will not be conducted, and will upload a completed Pre-audit Checklist to Doc Express® noting the same.

The audit or review of LPA projects can be done at more frequent intervals at the request of the LPA to the Local Systems Bureau, Urban Engineer or Secondary Roads Engineer, depending on the roadway system affected by the project. Upon request, the Local Systems Bureau will consider the availability of staff to perform the requested audit or review, and make a determination based on staff capacity.

If a project is selected for an audit or review, the materials and construction audits will proceed as follows:

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

A materials audit will be performed by District Materials staff only for Federal-aid highway or bridge projects, and non-Federal-aid projects located on the Primary Highway System, which have been selected for audit by the Administering Team using the above detailed systems approach.

Material review sheets can be found on the Construction and Materials Bureau website http://www.iowadot.gov/Construction_Materials/materialsforms/auditforms.xlsx. For projects selected for audit, after upload of the materials review forms and associated documentation, 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. The District Materials Engineer will only sign the Materials I.M. 101 on Federal-aid projects selected for audit once documentation is deemed acceptable.

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.

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

The Administering Team will review uploaded Materials 101 review forms for completeness as part of the final review of Federal-aid Swap projects if the project is selected for review using the above detailed systems approach.

Material I.M. 101 Review Forms can be found on the Construction and Materials Bureau website http://www.iowadot.gov/Construction_Materials/materialsforms/auditforms.xlsx. 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.

Federal-aid and Federal-aid Swap Construction Audit/Review Process (highway and bridge projects)

As noted above, after substantial completion of the project, the Project Engineer shall upload the Required LPA Project Documentation and Pre-audit Checklist (see [Attachment E](#) to this I.M.) to Doc Express®. The Administering Team will review the Pre-audit Checklist and determine if the project will be audited/reviewed.

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. Those items for which supporting documentation was reviewed will be noted as such on the Pre-audit Checklist by the Administering Team staff. Any deficiencies identified by their review will be recorded on the Audit of Final Pay Estimate ([Form 830301](#)). The Administering Team staff 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®.

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 101 review 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 Attachment E of this IM and the applicable Materials IMs.

Preparation of the Final Voucher or Final Pay Estimate (after completed or waived Audit/Review)

After both materials and construction audits are complete, or upon notice by the Administering Team that a final audit will not be conducted, the Project Engineer may begin preparing the final voucher or final pay estimate. The final voucher or final pay estimate shall incorporate the corrections to final quantities or price adjustments, if required by the final materials or construction audits. For contracts utilizing Appia®, follow the final payment instructions in the [Appia® “Under Construction” Instructions](#).

The Project Engineer shall upload the final voucher or final pay estimate to Doc Express® and request the Contractor’s approval of the final quantities, including any price adjustments that may apply. If acceptable, the Contractor signs the final voucher or final pay estimate in Doc Express®. The Contractor shall also upload 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. If all required paperwork is not provided, the Project Engineer shall promptly inform the Contractor which items are still needed and that final payment will not be processed until those items are uploaded.

For County administered projects, the Board of Supervisors must sign the final voucher, and according to legal interpretations of the Iowa Code, the County Engineer cannot be designated to sign on the Board’s behalf. However, for various reasons, Local Systems currently does not allow the Board of Supervisors to utilize Doc Express® to apply their signature to the voucher. Therefore, the Board may apply either a wet signature or PDF signature to the final voucher. This voucher signed by the Board is then attached as a supporting document to the voucher signed by the contractor in Doc Express®. This applies to both Appia® generated vouchers and standard Farm-to-Market (309) vouchers. (Counties using Appia® to generate vouchers should make sure they add a signature line for the Board.)

Submittal of Final Forms Packet (after Final Voucher or Final Pay Estimate)

For Federal-aid, Federal-aid Swap and FM projects, after the Contractor has signed the final voucher or final pay estimate and provided all the required paperwork, the Project Engineer shall **upload the Final Forms Packet to Doc Express®**. The Final Forms Packet includes the final voucher or final pay estimate and all other required documentation for final payment. Use [Attachment F](#) to this I.M., Final Forms Packet Checklist, as a complete list of required forms and documentation.

The Final Forms Packet will be reviewed by the Administering Team within 30 days to ensure all applicable forms and documentation have been included. If any forms or documentation are missing, the Administering Team will promptly notify the Project Engineer and specify the items that are not complete. Once acceptable, the Administering Team routes the appropriate forms and documentation as needed. 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 830436](#)). For FM projects, the Iowa DOT does not sign the Final Payment ([Form 830436](#)). For contracts let under other specifications, the Iowa DOT documents approval for final payment by signing the bottom part of [Form 640003](#).

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:

For contracts that are paid by the LPA, 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 pay estimate, including release of all retainage that is due.

For contracts paid through the FM Account, the Administering Team sends the Final Forms Packet to the Finance Bureau after the LPA uploads the final packet as noted above. Upon receipt, the Finance Bureau processes the final payment to the Contractor, including a release of all retainage that is due.

For contracts utilizing Appia®, follow the final payment instructions in the [Appia® “Under Construction” Instructions](#).

Final Federal-aid or Federal-aid Swap Reimbursement

For contracts paid by the LPA, 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. This request shall be made by uploading the Claim Reimbursement Form ([Form 517050](#)) to Doc Express®, if applicable, and shall include copies of all warrants and pay estimates for which reimbursement has not yet been requested. 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.

For contracts paid by the FM Account, the Finance Bureau will process the Federal-aid or Federal-aid Swap reimbursement of participating contract costs. Federal-aid or Federal-aid Swap reimbursements will be deposited in the fund from which payments were originally made (e.g., the county's Farm-to-Market account for projects on the Farm-to-Market System). If there are any other reimbursable project costs that were not paid through the FM Account, the LPA shall request final reimbursement for these costs as described in the paragraph above.

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.

Project Close-out and Records Retention

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.

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.