

40.10 PURPOSE OF LPA / NDOR AGREEMENT

40.20 WHO PREPARES THE AGREEMENT?

40.30 NOTICE TO PROCEED

40.40 CHANGES TO THE AGREEMENT

40.50 A-133 AUDIT

#### 40.10 PURPOSE OF LPA/NDOR AGREEMENT

Agreements are an essential part of a local roads program. They allow LPA's and NDOR to work together to improve the local road network. After a project has been programmed, as outlined in Section 30, it will be necessary for the LPA to enter into an agreement with NDOR for each project.

The LPA/NDOR Agreement is a legal instrument necessary for the reimbursement of federal funds. It outlines the responsibilities of both the LPA and NDOR including such items as a project description, total funding amount, eligible expenses, reimbursement process, design guidelines, project letting, ROW, utility non-betterment guidelines, and federal-aid provisions such as Disadvantaged Business Enterprise (DBE) and Nondiscrimination.

#### 40.20 WHO PREPARES THE AGREEMENT

NDOR will prepare the LPA/NDOR agreement after the project has been programmed. The NDOR District Office will deliver the agreement to the LPA. The LPA must sign the agreement and attach a resolution indicating their commitment to the project. Sample resolutions can be obtained from the Urban Engineer. The agreement should then be returned to the Urban Engineer to obtain NDOR signatures. The LPA will be sent an executed original of the agreement once it's signed by NDOR and should keep it in the project file for reference.

#### 40.30 NOTICE TO PROCEED

The LPA/NDOR agreement must be fully executed by **both** parties before any project expenses can be incurred that are to be reimbursed. **Do not begin the consultant selection process or begin design** until NDOR has issued a Notice to Proceed. The notice to proceed will be sent to you after the agreement is fully executed.

#### 40.40 CHANGES TO THE AGREEMENT

Occasionally, the conditions of a LPA/NDOR agreement may change. This may be due to revisions in the description of the project, or funding amounts and percentages. If this happens, a Supplemental Agreement will be necessary to amend existing conditions of

the agreement. Please let your Urban Engineer know if you need to supplement the executed LPA/NDOR agreement. Supplements require signatures of both the LPA and NDOR, so please notify the NDOR Urban Engineer at the earliest possible date if there are any changes with a project.

#### 40.50 A-133 AUDIT

If the LPA owning this project spends more than \$500,000 in federal funding per fiscal year, an A-133 audit will be required. An A-133 Audit Report must include a "Supplemental Schedule of Expenditures of Federal Awards". The LPA/NDOR agreements further discuss the A-133 audit in detail. Please contact the NDOR Highway Audits Manager at (402) 479-4558 for more information.