

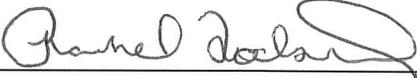


Construction Policy Bulletin

CPB 15-4 Changes to Contractor Action Request Forms

References:	<i>State Administrative Manual</i>	8422.190, "Reportable Payment Identification and Classification Requirements"
	<i>2010 Standard Specifications</i>	Section 3-1.11, "Payee Data Record" Section 5-1.12, "Assignment"
	<i>2006 Standard Specifications</i>	Section 8-1.02, "Assignment"
	<i>Construction Manual</i>	Section 3-506, "Assignment" Section 3-704, "Indemnification and Insurance" Section 5-101B, "Construction Forms" Section 5-103B, "Project Initiation and Update"

Effective Date: April 30, 2015

Approved: 
RACHEL FALSETTI, Acting Chief
Division of Construction

Approval Date: April 29, 2015

Background

State Administrative Manual (SAM), Chapter 8422.190 requires that state agencies obtain a completed Form STD. 204, "Payee Data Record," for each contract that leads to a payment to any individual or entity that is not a governmental entity.

For Caltrans construction contracts, Form STD. 204 is included in the contract documents which the contractor must complete, sign, and deliver at the time of contract award and execution. After contract award, the contractor submits changes to the Payee Data Record using the appropriate construction Form CEM-1202, "Contractor Action Request – Change of Name/Address – Assignment of Contract Monies," or Form CEM-1203, "Contractor Action Request – Assignment of Contract Performance."

Forms CEM-1202 and CEM-1203, commonly referred to as Contractor Action Request (CAR) forms, were introduced under CPB 05-5, "Contractor Assignment or Name or Address Change," to provide formalized submittal of information not collected in Form STD. 204. The CAR forms were also intended to clarify and expedite processing of changes to business name and business address, notice of assignment of contract monies, or request for assignment of performance. CPB 05-5 was incorporated in the *Construction Manual* under Sections 3-506, "Assignment"; 5-101B, "Construction Forms"; and 5-103B, "Project Initiation and Update." Data in approved CAR forms is also used by the Division of Accounting to update the Progress Estimates Tracking System.

With the implementation of EFIS Advantage, it was determined that contractor submittal of CAR forms in lieu of Form STD. 204 does not comply with SAM Chapter 8422.190 because the CAR forms do not provide for a complete reporting of the mandatory payee information as outlined in item 1 of Chapter 8422.190. This bulletin requires the submittal of Form STD. 204 as an attachment to the CAR forms. Also, Form CEM-1202 is separated into two new forms—CEM-1202A, “Contractor Action Request – Change of Name/Address,” and CEM-1202B, “Contractor Action Request – Assignment of Contract Monies.”

Existing Procedure

The contractor provides notification of change in business name, mailing address, or assignment of monies by submitting Form CEM-1202 to the resident engineer.

The contractor or surety requests assignment of contract performance by submitting Form CEM-1203.

New Procedure

Section 3-506, “Assignment”

[Replace the existing text with the following.]

If the contractor submits any of the following contractor action request forms to the resident engineer, the contractor must also include a completed and signed Form STD. 204 as part of the submittal in accordance with Section 5-1.12 [8-1.02], “Assignment,” of the *Standard Specifications*. Submittal of scanned or faxed copies is acceptable.

- Form CEM 1202A, “Contractor Action Request – Change of Name/Address,” submitted by the original contractor as an informational submittal to notify Caltrans of change to the contractor’s business name or mailing address.
- Form CEM 1202B, “Contractor Action Request – Assignment of Contract Monies,” submitted by the original contractor or surety as an informational submittal to provide notification if a contractor is assigning contract payments to another entity (surety, bonding company, or escrow company, among others). If payments are assigned to another entity and the remaining contract work is assigned to a new prime contractor, the contractor must submit Forms CEM-1202B and CEM-1203 to cover both actions.
- Form CEM 1203, “Contractor Action Request – Assignment of Contract Performance,” submitted by the original contractor, surety, or bonding company to assign contract performance to another contractor. An assignment of performance request is an action submittal that requires the Division of Construction Chief’s consent (as authorized agent for the director) in order for the request to be approved.

Carefully review and verify the information in CAR submittals. Adhere to the procedures listed in the instructions of Forms CEM-1202A, CEM-1202B, and CEM-1203.

Section 3-704A, “Responsibilities”

[Add the following at the end of the section.]

For contractor business name change (CEM-1202A) the Division of Construction will validate and approve insurance policies and contract bonds issued with the new business name.

Form STD. 204 is available at:

<http://www.dgs.ca.gov/ofam/Forms.aspx>

Forms CEM-1202A, CEM-1202B, and CEM-1203 are available at:

<http://www.dot.ca.gov/hq/construc/forms.htm>

If you have questions regarding this bulletin, please contact Anna Chrissanthis, Division of Construction, at anna.chrissanthis@dot.ca.gov or (916) 324-0784; or Austin Perez, Division of Construction, at austin.perez@dot.ca.gov or (916) 324-0822.