This Selected Shorts topic discusses procuring consultant contracts prior to funding authorization.

The question that is often asked is, “Is it ok to execute a consultant contract prior to receiving an E-76 authorization?” The answer is absolutely yes.

Unlike construction contracts where you must obtain your E-76 prior to the start of work including advertising to be considered eligible, consultant contracts are handled a little differently.

It is acceptable to solicit, select, and execute a consultant agreement prior to federal authorization. Providing the proper procedures were followed, consultant contracts procured before your E-76 are considered valid, but this work is not reimbursable. Only eligible costs or work done after the issuance of the E-76 are reimbursable.

To be clear: Only costs or work done after to the E-76 authorization date are considered eligible for reimbursement.

Please see Chapter 3 of the Local Assistance Procedures Manual or follow the links below for further information.

Local Assistance Consultant Selection and Procurement Webpage
http://www.dot.ca.gov/hq/LocalPrograms/AE/index.htm

Local Assistance Blog
www.localassistanceblog.com

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