

IMPORTANT EXCITING PREQUALIFICATION NEWS!

Attention DBEs: The Prequalification Requirements has an Exception! Specifically, the exception is for subcontractors with less than \$300,000 in total INDOT work under contract.

Ind. Code § 8-23-10-4 provides an exception to INDOT's prequalification requirement for certain subcontractors. Specifically, subcontractors with less than \$300,000 in total INDOT work under contract are not required to be prequalified. In the past, the subcontractor exception was only extended to companies with less than \$300,000 in total work under contract from all sources, but this interpretation was not consistent with the precise language of the statute. As the law is written, only INDOT work should be accounted for in determining whether the exception provided by Ind. Code § 8-23-10-4 is applicable. This means that only INDOT work is considered for the purposes of the subcontractor exception, and work from other sources should not be included in calculating whether a subcontractor is eligible to do INDOT work without first being prequalified. The previous misinterpretation was simply the product of the confusing and indirect language of Ind. Code § 8-23-10-4. Going forward, EEO's may approve non-prequalified subcontractors for INDOT work so long as the company has less than \$300,000 in total INDOT work, including the value of the subcontract for which it is seeking approval.

EXAMPLE: Company A is seeking approval for INDOT Subcontract A, which has a total value of \$150,000. Company A is not prequalified and currently has \$149,000 in total INDOT work under contract, not including Subcontract A. Company A can be approved for Subcontract A without being prequalified, as the additional work would bring the company's total INDOT unearned work to \$299,000.

If you have further questions, please contact:

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