

**** CONTRACTOR ANNOUNCEMENT ****

New, Fully Electronic Process for Forms 1366 and 1367

To conform with the digital signature solution mandated for all State of Michigan agencies, the Contractor Payments Unit of CSD has developed a fully electronic process for forms 1366 and 1367, formerly referred to as the 'Affidavit Package.'

Notable Changes:

- Form 1366
 - This form is now called the 'Statement of Indebtedness' replacing the former document name, 'Affidavit of Indebtedness.'
 - This form no longer requires a Notary signature.
 - CSD is now requiring contractors to list **every** Subcontractor in the 'Amounts Owed to Subcontractors' section even if they've been paid in full or performed zero work on the project. Those paid in full or who performed no work can have '\$0' or 'No Work' / 'Voided' listed in the 'Amount' column.
- Forms 1366 & 1367
 - Minor language and field location changes have been made. The forms repository has been updated with the current revisions.
 - Full Unconditional Waivers for Subcontractors can now be accepted as copies. Originals are not required, but still must be signed by an authorized signer.
 - ProjectWise will now be utilized for final submittal.
 - Forms collectively are now referred to as the 'Final Payment Package.'

Contractors will continue to receive form requests from the MDOT-Estimates resource e-mail as they currently do. Attached to these emails will be instructions on how to set up the transaction in OneSpan as well as the Bonding Record required by the Surety. The Contractor will be the initiator for this process, so all authorized signers who intend on initiating transactions on behalf of the Contractor will need to ensure that they are set up with a Sender account in OneSpan. The templates developed by CSD eliminate all paper processing and streamlines the business process with the following workflow:

- Contractor initiates transaction utilizing the correct template in OneSpan.
- Contractor fills out and signs the 1366 (Statement of Indebtedness).
- CSD reviews the 1366 for completeness.
- Surety reviews the Bonding Record, signs and fills out the 1367 (Consent of Surety), and uploads their Power of Attorney.

- CSD reviews the 1367 and Power of Attorney for completeness.
- Contractor completes the transaction and uploads all documents from OneSpan into the Final Payment Release folder in ProjectWise.
- Contractor uploads all Full Unconditional Waivers obtained from Subcontractors into the Final Payment Release folder in ProjectWise.
- Once all waivers are uploaded, Contractor changes the state to 'Next' on the 1366 in ProjectWise and notifies MDOT-Estimates for final review.

Contractors will not be responsible for downloading forms from the repository and uploading them into OneSpan as they're already preconfigured and built into the templates. Form instructions and additional OneSpan information will also be included in each template for your review and consideration.

Start Date: All form requests starting August 1st, 2023, will need to use the OneSpan workflow. Any forms requested on or before July 31st can continue utilizing the old paper process.

The forms repository has already been updated to reflect the current revisions for forms 1366 and 1367, but ***it is important that these not be used until August 1st*** when the process outlined above goes live. All requests made between now and then need to use the old forms supplied to you via e-mail.

Please direct any questions to MDOT-Estimates@michigan.gov.

Contractor Payments Unit
Contract Services Division MDOT