

**PURPOSE:**

To establish process for paying contract progress payments.

**DEFINITIONS:**

CAA- Construction Accounting Assistant

**POLICY GUIDELINES:**

---

- CAA prints two copies of pay application and verifies the following information:
  - a) Purchase order number
  - b) Original contract sum
  - c) Net change by CO's (through CO#)
  - d) Contract sum to date
  - e) Previous certificate payment amount
  - f) Put a  $\checkmark$  mark indicating they are correct.
  - g) Architect's signature if applicable
  - h) If M/WBE (minority/women) subcontractors are being paid for this period, make sure they are listed on line 8A of 1<sup>st</sup> page of App and their invoices are attached to Direct Pay exhibit D2.
  
- On continuation sheet, make sure subs names are listed in column B beside the description of work.
  - a) Check grand totals and put  $\checkmark$  mark indicating correct.
  - b) Scheduled value (column C) should = contract sum to date on front of App (line #3)
  - c) Column D less 10% should = line #7 (If retainage is variable adjust calculation accordingly)
  - d) Column E less 10% should = line #8 (If retainage is variable adjust calculation accordingly) or Column E + Column F less 10% = line 8
  - e) Total completed & stored to date Column G = line 4
  - f) Column G % = total completed/contract sum to date
  - g) Column H + Column I = line #9
  - h) Column I = row 5
  - i) Add Pay App line #9 + #8 + #7 = line #3
  
- Review the lien waiver summary sheet (exhibit B2). An interim lien waiver (exhibit B3) should be submitted by the contractor and each subcontractor that was paid on a previous pay application. A final lien waiver (exhibit B4) should be submitted with the final payment application.
  - a) Verify the vendor name

- b) Verify the amount paid from previous application
  - c) Verify that the lien waiver amount matches what is listed on the lien waiver summary sheet
  - d) Verify that the lien waiver has been notarized
- 
- Log into CMS and enter the pay application detail information
  - Pay Application approval steps
    - a) Print routing slip
    - b) Route to PM, FA, and additional approvers as required for review and signature
    - c) After final approval, send one copy to Property Accounting for payment processing, note date sent in CMS, and stamp copy with date stamp.
    - d) The file copy is held and monitored for payment status.
    - e) Once the pay application is paid, it is stamped as Paid with check number and date paid noted, and filed in the project folder.