

**UAB FACILITIES DIVISION
STANDARD OFFICE INSTRUCTIONS**

PROCEDURES FOR PAY-APPLICATION PROCESS

PURPOSE:

To establish the process for payment to outside contractors for work performed.

Application and Certificate for Payment – g:\sois for the web\attachments\application for payment.pdf

PROCEDURES:

1.0 Preparation and Review

On or before the 25th day of each month, the contractor prepares and reviews a pencil draft of the proposed payment request with the Project Architect of Record representative. The UAB Field Project Manager (FPM) or UAB Project Manager (PM), in conjunction with the Project Architect and Contractor, or their designated representatives, review the completed Work in place and confirm all stored materials. The Project Architect and the Contractor each pencil in agreed upon percentages on the **Payment Request Forms (+Application for Payment.pdf, +C-10SM Inventory Stored Materials 8-01 (G:\SOIs for the Web\Attachments\C-10SM Inventory Stored Materials 8-01.pdf), +C-11 Progress Schedule 8-01 (G:\SOIs for the web\attachments\C-11 Progress Schedule 8-01.pdf)**, noting corresponding percentages on each line. The PM/FPM shall retain a copy for review when the final contractor Pay Request is submitted.

(The Architect and Contractor are responsible for verifying the amount of Work completed.)

2.0 Signatures and Notarization

On or before the 1st day of each month, the Contractor prepares two (2) copies of the Payment Request (six [6] copies for PSCA Projects), signs, obtains notarization of each copy (all require original signature) and delivers to the Project Architect along with an updated Progress Schedule and Report. The Payment Request, prepared by the Contractor, should reflect agreed upon percentages of completion and reflect the pencil draft.

3.0 Distribute for Processing

On or before the 1st of each month, the Project Architect receives the Payment Request from the contractor. On or before the 5th of each month, the Project Architect reviews and certifies, by signature, the accuracy of the Contractor's Payment Request and delivers two (2) copies (six [6] copies for PSCA projects) to UAB Financial Management. If the Pay Request is not correct, it is returned to the contractor for corrections and is resubmitted.

4.0 Verification and Payment

UAB Financial Management will verify all amounts including Change Orders approved, retainage, the sales tax and material transmittal (if applicable). Items with material errors will be returned to the originator for corrections and will be resubmitted. UAB PM/FPM will review Payment Request for accuracy and verify that it matches the pencil draft. The FPM and Director sign the transmittal form (+doctrnsm.pdf) indicating their recommendation that the Pay Request be approved. It is then sent the Associate Vice President for Facilities (AVP) for approval. After approval by the AVP it is routed to the Financial Officer for further processing. Payment must be made to the Contractor on or about the fifteenth day of each calendar month.

(Note: Pay Requests are time sensitive as required by the contract. They should be approved on or before the 5th day of the month and payment should be made to the Contractor on or before the 15th day of the month.)

(END OF PROCEDURE)