

Construction Invoice Handling Procedures

Background

The Prompt Payment Act (Final Rule, 5 CFR 1315) requires agencies to pay commercial obligations within certain time periods and to pay interest penalties when payments are late. It was enacted to ensure that companies doing business with the Federal Government are paid in a timely manner. It requires the Government to make payments within 30 days after receipt of a proper invoice or Government acceptance of supplies delivered or services rendered and 14 days for construction contract payments. Final payment for construction contracts are to be made within 30 days after receipt.

References

5 CFR 1315	Prompt Payment Act
FAR Part 32.9	Prompt Payment

Attachments

Figure 1	AIA Document G702 and G703 “Application and Certification for Payment”
Figure 2	Form WH 347
Figure 3	Payment Request Certification

Purpose

The purpose of this Standard Operating Procedure (SOP) is to provide guidance and procedures on the proper handling and processing of invoices for construction and A-E contracts and task orders.

Payment Requests

Payment requests shall be submitted in original form with one additional copy, numbered consecutively in order of billing. Payment requests shall be reviewed and signed off by the COTR to ensure the percentage of work completed is correct prior to submission of any invoice by the contractor to the CO.

Payment requests shall contain the information shown in the AIA Document G702 and G703 “Application and Certification for Payment” form. Payment requests do not have to be on that form, but must contain the same information. Payment requests will then be compared to the MATOC WSR for percentage of work completed.

Progress payments will not be made more than once per month.

Certification is required for all payment requests.

Complete Progress Payment Package	Complete Final Payment Package
<ul style="list-style-type: none">• Invoice with COTR signature• Payroll records (WH -347)• Signed Payment Request Certification Form	<ul style="list-style-type: none">• Invoice with COTR signature• Payroll records (WH -347)• Signed Payment Request Certification Form• Warranty Certificates / manuals• Release of Claims Form

For additional questions concerning this SOP please contact: Joffrey Benford at 703-358-2668