**Application & Certification for Payment:**

**AIA Document G702**

1. Pull up contract recap in excel.
2. Write P.O. number and application number in the top right-hand corner of the invoice.
3. Check for signatures & initials of contractor, architect and P.M.
4. Make sure Change Orders were approved prior to billing period.

**Application and Certification for Payment**

5. Go through and check the math on Contractor’s Application for Payment.
   - **Line 1:** Verify ORIGINAL CONTRACT SUM (P.O. or SE-380) to the Original Contract amount.
   - **Line 2:** Net change by Change Orders = should be the total amount of the C.O. to date.
   - **Line 3:** CONTRACT SUM TO DATE = line 1 + line 2
   - **Line 4:** TOTAL COMPLETED & STORED TO DATE – look at column G on form G703. Form should be attached to application for payment.
   - **Line 5:** RETAINAGE
     - A. Per office of the State Engineer of completed work (Column D+E on form G703)
     - B. Per the office of the State Engineer of stored material (Column F on form G703)
     - Total Retainage (line 5a + 5b or Total in Column I on form G703)
   - **Line 6:** TOTAL EARNED LESS RETAINAGE = line 4 minus line 5 total.
   - **Line 7:** LESS PREVIOUS CERTIFICATES FOR PAYMENT see excel recap

   **Line 8:** CURRENT PAYMENT DUE = Total earned less Retainage (line 6) minus Less Previous Certificates for payment (line 7).

   **Line 9:** BALANCE TO FINISH, INCLUDING RETAINAGE = line 3 minus line 6.

6. Verify box named: **Change Order Summary**.
   - **Make sure math is correct.**
   - Check to make sure that all Change Orders are included and that they are approved & prior to the billing date.

<table>
<thead>
<tr>
<th>Change Order Summary</th>
<th>Additions</th>
<th>Deductions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total changes approved in previous months by Owner</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Total approved this Month</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>TOTALS</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>NET CHANGES by Change Order</td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>
7. L:\Design\Word\Reports\RECEIVING REPORT
   • Fill out: No. PO. = Purchase Order number - be sure to use “PP”
   TO: Vendor
   FID: Federal Identification number, should always be the same for each
   individual vendor. Look on the Purchase Requisition for the numbe
   or Access vendor tabler.

   Description
   Project No.: 
   Application #: (application # should be up near the top of form G702)
   Line #: go into SmartStream to retrieve this information - Purchase
   Order Inquiry.
   *In most cases if there are no previous Change Orders then you
   will start with Line 1
   Stock Quantity: enter the amount to be paid out – make sure the amount
   corresponds with the correct line # that it should be
   received against.

   Check mark whether this is a complete shipment/payment or a partial shipment/payment.

   Enter the date when architect/engineer approved (payment should be made 21 days form
   approval date.

   Extension: highlight $0.00 amount, hit F9 key calculating total dollars. By
   doing this, the numbers in this column should replicate the Stock
   Quantity amount but in currency format.
   Highlight and hit the F9 key for each line item where there is
   an actual amount and do the same for the Total.
   The TOTAL should equal the CURRENT PAYMENT DUE or
   AMOUNT CERTIFIED to be paid on G702 form.

8. Enter Receiver into Smart Stream

   Logon ID: [Last Name] [First Name Initial]
   Password: XXXXXXXX

   Receipt – MUSC, Purchase Order, PPXXXXXX
   Order: = enter Purchase Order number starting with capital PP
   Hit the “Search” button.

9. Find the corresponding Line # and Change Order #/Amendment #.
   ➢ Once you have found the corresponding items – verify (x) the line in which you want
   to receive against. Verify adequate funding through Smart Stream and
   verification of all available documents prior to entering payment into Smart
   Stream!
• **Receipt Qty** = amount you are receiving per line item
• **Receipt Date** = date architect/engineer approves payment application
• **Packing Slip** = 6 digit date (without dashes) followed by login.
• Example: 060101MULDERD
• **Save**

10. Go back to the received Purchase Order and under comments type:
   
   Extend by: [CA]  Extension: [NO].

*IF THIS IS A ONE-TIME 100% PAYMENT, OR IF IT IS A FINAL PAYMENT, WE REQUIRE FROM CONTRACTOR A G704 (Certificate of Substantial Completion), G706 (Contractor’s Affidavit of Payment of Debts and Claims), G706A AND G707 (Consent of Surety Company to Final Payment) – UNLESS THERE ARE NO BONDS – PLUS EVERYTHING LISTED ABOVE. IF REQUEST IS FOR RETAINAGE, NO G703 IS REQUIRED. THE RELEASE OF LIEN MUST BE ON CONTRACTOR’S LETTERHEAD AND SUBMITTED TO US ALSO.*

**Payments cannot be processed unless all paperwork is completed and attached!**

   Notify P.M. and Contractor of missing paperwork.

11. Print Receiving Report on YELLOW paper; sign

12. Enter entry into Smart Stream Balancing Sheet

13. Post to EXCEL contract recap sheet

14. Make (2) two copies of:
   • Receiving Report (on white paper)
   • Payment Application + Back Up


16. Copy of Payment Application + copy of Receiving Report = sent to Kristi McMichael


**If there are corrections on the Application -**

Fax corrections of the application to:

1. Contractor/Architect
2. Project Manager (put a copy in box)
APPLICATION AND CERTIFICATION FOR PAYMENT

Next Review Date: 5-1-2007

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Note: This Policy, like all other policies within Engineering and Facilities is not a contract and should not be relied upon as such. Questions concerning Interpretation of this document or suggestions for improvement should be directed to MUSC Facilities and Engineering.

Approved By: 
John C. Malmrose  
Chief Facilities Officer  
Engineering & Facilities

Debbie Zerba  
Administrative Coordinator  
Engineering and Facilities

Effective Date: January 1, 2006