

# **CONSTRUCTION PROCEDURES HANDBOOK**

SECTION VI	SUBSECTION N	DATE
CONSTRUCTION OPERATIONS	MONTHLY ESTIMATE	3-11-19

## **Progress Monthly Estimates**

With the project's Notice to Proceed, the RE will be informed of the monthly estimate date for the project.

Pay-quantities must be documented by Daily Inspection Reports (Form DC-144 (a)-(d)). Progress payments must be measured or estimated in conformance to Section 109.01 of the Standard Specifications as well as the applicable Measurement and Payment Section for the work. Payment for Extra Work can only be made upon execution of a Change Order. Under no circumstances should payment for work be made for work under an item not associated with the work.

RE's are reminded that payment should not be made for work for which material is accepted on the basis of a Certificate of Compliance until the RE has received the required Certificate of Compliance as per Section 106.07.

The RE shall prepare a preliminary monthly estimate using Site Manager on the project's estimate due date, or the following state business day when the due date falls on a weekend or holiday. For most progress monthly estimates, the Work-Performed-to-Date and the End Date for the preliminary estimate should be the same as the project's estimate due date except for the Final Estimate. If a Change Order to extend the Contract Time is pending, and liquidated damages should not be assessed, the RE should inform Accounting Operations. The End Date for an estimate represents the cut-off for calculating progress payment.

If the Contractor is not up to date with the submission of Contractor and Subcontractor payrolls, the RE will send the Contractor a written notice detailing all outstanding payrolls. If the Contractor has not submitted the outstanding payrolls detailed in the notice by the following monthly estimate, the RE shall not process a monthly progress estimate until the Contractor is in compliance.

It is customary for the RE to review with the Contractor the quantities that will be submitted for payment. This is to ensure that there are no unintended discrepancies. Consultation with the Contractor should not be interpreted as a negotiation for payment. The RE is the sole judge of the appropriate estimated payment for work performed.

Estimates cannot be transmitted for payments exceeding the project's funding limit for each category (example: Roadway, Construction Engineering, and None participating). Every RE must be aware of the project funding limit. The funding status of any particular Construction Order can be determined by looking it up on the Certifications of Funds (COF) database that is available on the intranet. If an estimate is in excess of the project's funding limit, the estimate must be reduced so that the amount is within the funded amount. The RE should not withhold an estimate simply to wait for a construction order's funding to clear, without the Contractor's consent. [e.g. Don't hold up payment for \$1M estimate to wait for a \$1,000 change order to clear. But a Contractor may want you to wait a few days to clear a \$900,000 change order.]

If the Contractor submits a written request to postpone the processing of a monthly estimate (usually to extend the estimate's Work-Performed-to- Date), the RE may extend the time for processing a monthly progress estimate.

The RE shall e-mail the RCE and FM whenever the processing of a monthly progress estimate is delayed more than 2 business days beyond the estimate due date, explaining the reasons for the delay.

For progress monthly estimates, the RE will generate the monthly estimate in Site Manager and provide a copy to the Contractor with a request to complete [Form DL-72](#), Contractor Certification of Payment to Subcontractors and Suppliers (See Attachment "A" and "A-1").

**NOTE:** Contractor is to use [Form DL-72](#) dated 06/12 for contracts bid prior to 07/01/2017 and use [Form DL-72](#) dated 06/17 for contracts bid after 06/30/2017.

Upon receipt of the Contractor's properly completed [Form DL-72](#) with an original signature (fax or scanned images from the contractor are not acceptable), the RE must date stamp, as received, the front of the [Form DL-72](#) and approve the progress estimate in Site Manager. The RE will immediately scan the [Form DL-72](#) and forward the image via e-mail to [DOT-Accounting.DL72FormOnly@dot.nj.gov](mailto:DOT-Accounting.DL72FormOnly@dot.nj.gov) simply note "DL- 72, DP file #, Estimate #" (Refer to Attachment "B")

Important: The date of receipt of a correctly completed [Form DL-72](#) starts the time for the Department's prompt payment obligations. Any delays in processing the estimate may result in the Department having to pay interest on the amount due the Contractor. If the Contractor submits an incomplete or incorrectly completed [Form DL-72](#), the form must be rejected and the Contractor must resubmit a new form.

Amount to Complete in Estimate must have positive value. If the amount to Complete is negative, the RE must verify if overpayment is made to the Contractor. Please submit a [Form AC-75](#) in accordance with Request for Billing the procedure below.

### **Substantial Completion Estimate**

A Substantial Completion estimate may only be processed when the RE has received approval of the Substantial Completion Memorandum (as per CPH VII.A).

Before generating a Substantial Completion estimate, the RE must reduce retainage to 1% in Site Manager. After reducing retainage, the process remains the same as processing any progress monthly estimate as mentioned above.

### **Final Estimate**

A Final Estimate may only be processed when the RE has received a copy of the executed [Form AD-12](#), Department Action, for Project Acceptance and Final Payment (as per CPH VII.A).

Before generating a Final Estimate, the RE must reduce retainage to 0% in Site Manager. RE may generate draft Final Estimate after approval of Final Change Order by RCE in Site Manager.

The RE creates a Draft Final Estimate in Site Manager. The Site Manager Coordinator or Delegate reviews the Draft Final Estimate and completes the Final Estimate checklist [Form DC-47](#) and advises the RE when the estimate is ready to be approved. If any of the items in [Form DC-47](#) is not met then Final Estimate cannot be approved by RE or RCE. RCE or Delegate must prepare [Form DC-47A](#) excel file for calculation of net bonds/retainage value. The excel file also provides accurate paid to date value and helps verifying any items of overpayment. The paid to date value in this excel file should match with FMIS. Amount Due this estimate in the Final Estimate should match with balance left in FMIS.

#### **If No revisions are required**

The RE approves the Final Estimate in Site Manager and informs the RCE. The RCE approves the Final Estimate in Site Manager and informs Accounting Operations. Accounting Operations reviews the draft Final Estimate and sends proposed Final Estimate to the RCE. The Site Manager Coordinator or Delegate sends the proposed Final Estimate, Payment Voucher and [Form DL 72](#) via certified mail to the Contractor. Upon receipt of Payment Voucher with release statement and [Form DL 72](#), the Site Manager Coordinator or Delegate prepares and sends original [Form AC 1641](#) and the signed [Form AD 12](#) to Accounting Operations. Accounting Operations approves Final Estimate in Site Manager.

#### **If revisions are required**

The RE will manually revise the draft Final Estimate and inform the RCE of the revision. The RCE approves the Final Estimate in Site Manager and informs Accounting Operations to use revised Final Estimate instead of the Crystal Report Final Estimate. Accounting Operations reviews draft Final Estimate and sends proposed Final Estimate

to the RCE. The Site Manager Coordinator or Delegate sends the proposed Final Estimate, Payment Voucher and [Form DL 72](#) via certified mail to the Contractor. Upon receipt of Payment Voucher with release statement and signed [Form DL 72](#), the Site Manager Coordinator or Delegate prepares and sends original [Form AC 1641](#) and the signed [Form AD 12](#) to Accounting Operations. Accounting Operations approves Final Estimate in Site Manager.

Accounting Operations will send a Proposed Final Certificate to the RCE via e-mail to the ConNorth, RCE; ConCentral, RCE; or ConSouth, RCE e-mail boxes.

The RCE or Delegate will forward to the Contractor, the following:

- The Proposed Final Certificate
- A Payment Voucher – the RCE or Delegate will complete: Parts A [Vendor ID]; D (Contractor Address); E (DOT Address); G (Payee Reference) and the dollar amounts in Part C (See Attachment “C”).
- A [Form DL-72](#)
- A transmittal letter requesting a response (See Attachment “D”)

If the Contractor submits a Full or Conditional Release within 30 Days, the RCE or Delegate will:

- Date stamp received, the front of the Payment Voucher, and the [Form DL-72](#).
- Complete an [Form AC-1641](#)
- Forward the original Payment Voucher, [Form AC-1641](#), [Form DL-72](#) and a copy of the [Form AD-12](#), to Accounting Operations, and retain a copy of the documents for the project file.

**If the Contractor fails to respond within 30 Days:**

If the Contractor fails to provide any response the RCE will call the Contractor and request a response. The Contractor’s failure to respond within the 30-day period results in his waiver of any rights for claims. However, payment cannot be processed until the Contractor submits a completed [Form DL-72](#) and Payment Voucher. If the Contractor refuses to respond, the RCE will send an e-mail to the Manager of Accounting Operations informing him or her that the Contractor has failed to respond to the Proposed Final Certificate and that no additional attempts will be made to solicit the Payment Voucher and [Form DL-72](#).

If the RCE is unable to serve the Notice (e.g. the Contractor has gone out of business, or the notices are returned as undeliverable), the RCE will contact the Department of Treasury, Division of Revenue, Business Services, [<http://www.state.nj.us/treasury/revenue/telnumbers.htm>] and obtain the name of the company’s registered agent for servicing processes. The RCE will send the registered agent the notice, and after 30 additional days submit a second notice to the registered agent. If the Contractor and/or the registered agent have still not responded, the RCE will submit a memorandum to the Director of Accounting Operations recommending that any funds due the Contractor be forfeited.

If the Contractor's response is received **beyond the 30-day period**, the RCE or Delegate will:

- Date stamp received, the front of the Payment Voucher, and the [Form DL-72](#).
- Complete an [Form AC-1641](#)
- Forward the original Payment Voucher, [Form AC-1641](#), [Form DL-72](#) and a copy of the [Form AD-12](#), to Accounting Operations, and retain a copy of the documents for the project file.

**NOTE:** Contractor is to use [Form DL-72](#) dated 06/12 for contracts bid prior to 07/01/2017 and use [Form DL-72](#) dated 06/17 for contracts bid after 06/30/2017.

### **Request for Billing**

If an estimate indicates that the Contractor owes money to the Department, the RCE or Delegate will prepare a Request for Billing, [Form AC-75](#) and forward it to Andrew Miller of Accounting Operations via e-mail.

If the amount owed is associated with a Proposed Final Certificate, the RCE will forward the [Form AC-75](#) along with the Payment Voucher, [Form AC-1641](#), and appropriate [Form DL-72](#) to Andrew Miller of Accounting Operations.

**Note:** The description of the overpayment must identify the items and the funding involved for the items. (See Attachment "G")

Attachment "A"

Form DL-72 Rev 06/12

NEW JERSEY DEPARTMENT OF TRANSPORTATION

CONTRACTOR CERTIFICATION OF PAYMENT  
TO SUBCONTRACTORS AND SUPPLIERS

Project: \_\_\_\_\_  
(Route/Section or Project Name)

DP file No. \_\_\_\_\_

I, \_\_\_\_\_ as \_\_\_\_\_ of  
(Name) (Title)  
\_\_\_\_\_ in making application for  
(Name of Contractor)

the issuance of a partial payment under Estimate Certificate No. \_\_\_\_\_ for the above referenced project do state that:

- No subcontractor or supplier has been used on this project.
- Each subcontractor and supplier used on this project has been paid any amount due from the previous progress payment and that full payment for any retainage withheld from a subcontractor has been or will be made within 30 days after the subcontractor's work has been satisfactorily completed.
- The following subcontractors and suppliers have not been paid for work performed or materials supplied to the project from the proceeds of the previous progress payment and/or will not be paid for work performed or materials supplied to this project from the proceeds of the current progress payment because there exists a valid basis under the terms of the subcontractor's or supplier's contract to withhold payment and therefore payment is withheld

\_\_\_\_\_  
(subcontractor or supplier)

\_\_\_\_\_  
(subcontractor or supplier)

\_\_\_\_\_  
(subcontractor or supplier)

For each of the above named subcontractors and suppliers from whom payment from the proceeds of the previous progress payment has been withheld, and for each subcontractor and supplier from whom payment from the proceeds of the current progress payment will be withheld, a copy of the written notice of withholding of payment, provided to the subcontractor or supplier and to the bonding company providing the performance bond for the general contractor required by N.J.S.A. 52:32-40 and -41, must be attached.

I certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment. I further certify that I have full power and authority to execute this certification on behalf of \_\_\_\_\_ (the Contractor) and that all approvals and other actions necessary in connection with the execution of this certification by the undersigned have been obtained and are in full force and effect as to the date of execution of this certification.

\_\_\_\_\_  
Signature Date

Witness: \_\_\_\_\_

Attachment "A-1"

Form DL-72 Rev 06/17

NEW JERSEY DEPARTMENT OF TRANSPORTATION

CONTRACTOR CERTIFICATION OF PAYMENT  
TO SUBCONTRACTORS AND SUPPLIERS

Project: \_\_\_\_\_  
(Route/Section or Project Name)

DP file No. \_\_\_\_\_

I, \_\_\_\_\_ as \_\_\_\_\_ of  
(Name) (Title)  
\_\_\_\_\_ in making application for  
(Name of Contractor)

the issuance of a partial payment under Estimate Certificate No. \_\_\_\_\_ for the above referenced project do state that:

- No subcontractor or supplier has been used on this project.
- Each subcontractor or supplier has been paid the amount due, including retainage, from the previous progress payment and will be paid the amount due from the current progress payment, including retainage, for the subcontractor or supplier's work that was paid by the Department.
- There exists a valid basis under the terms of the subcontractor's or supplier's contract to withhold payments from the subcontractor or supplier. Therefore, the following subcontractors and suppliers have not been paid for work performed or materials supplied to the project from the proceeds of the previous progress payment or will not be paid for work performed or materials supplied to this project from the proceeds of the current progress payment or both.

\_\_\_\_\_  
(subcontractor or supplier)

\_\_\_\_\_  
(subcontractor or supplier)

\_\_\_\_\_  
(subcontractor or supplier)

For each of the above named subcontractors and suppliers from whom payment from the proceeds of the previous progress payment has been withheld, and for each subcontractor and supplier from whom payment from the proceeds of the current progress payment will be withheld, a copy of the written notice of withholding of payment, including detailed explanation of reason(s) for withholding of payment provided to the subcontractor or supplier and to the bonding company providing the performance bond for the general contractor required by N.J.S.A. 52:32-40 and -41, must be attached.

I certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment. I further certify that I have full power and authority to execute this certification on behalf of \_\_\_\_\_ (the Contractor) and that all approvals and other actions necessary in connection with the execution of this certification by the undersigned have been obtained and are in full force and effect as to the date of execution of this certification.

\_\_\_\_\_  
Signature Date

Witness: \_\_\_\_\_

Attachment "B"

From: Lewis Morris

To: ACCOUNTING, NJDOT; Gorish, Gary; Murdoch, Alan;

Subject: DL-72, DP File No. 06994, Estimate No. 4:

The DL-72 for regular Monthly Estimate No. 4 for the Rt. 1 Sec. 1A & 2B project, DP File No. 06994, is attached and the estimate may be processed.

Lewis Morris Resident Engineer

Region North Construction (201)555-5001

CC: Field Manager, Regional Construction Engineer



Attachment "D"

October 01, 2006  
Acme Contracting Co., Inc. 123 Generic Street  
Anonymous Big City, New Jersey 07000 Attn: Mr. William Livingston  
Re: Route 1 Section 1A & 2B  
Federal Project No.: M-OOOS(000)

Dear Sir:

Forwarded herewith is the Proposed Final Certificate No. 99 for the above noted project. Please be advised that within thirty days of the date of this letter you must return the attached Payment Voucher with either a full or a conditional release as required by Subsection 109.11.

If providing a full release, the following statement must be included on the front of the Payment Voucher:

In consideration of the above payment, I hereby release the State of New Jersey, the Commissioner of Transportation, the Department, their agents, officers, and employees from all claims and liability of whatsoever nature for anything done or furnished or in any manner growing out of the performance of the Work.

If you wish to reserve the right for any claims against the Department, provide a conditional release with the following statement included on the front of the Payment Voucher:

In consideration of the above payment, I hereby release the State of New Jersey, the Commissioner of Transportation, the Department, their agents, officers, and employees from all claims and liability of whatsoever nature for anything done or furnished or in any manner growing out of the performance of the Work except for \_\_\_\_\_.

If additional space is required to list your claims, provide a letter listing all reserved claims, and in the conditional release state: "...except for the claims listed in a letter dated \_\_\_\_". The list of claims must include specific amounts for each claim, and only claims properly filed with the Resident Engineer may be reserved.

Submit your response to: Mr. Garret Wall, Regional Construction Engineer  
New Jersey Department of Transportation 2 Route 21  
Newark, N.J. 07114

Sincerely,

Regional Construction Engineer

cc: Resident Engineer file

CERTIFIED MAIL - RETURN RECEIPT REQUESTED NO. \_\_\_\_\_

Attachment "E"





 STATE OF NEW JERSEY PAYMENT VOUCHER (VENDOR INVOICE)	DOCUMENT						BATCH			ACTG PER	FY
	TC	AGY	NUMBER			TC	AGY	NUMBER			
	PP START			SCHED PAY			CHK	OFF	F	RF	CK
	MO	DY	YR	MO	DY	YR	CAT	LIAB	A	TY	FL
PO#	PV DATE										(A) VENDOR ID NUMBER V0123456789

CONTRACT NO	AGENCY REF	BUYER	(B) TERMS	PAYEE: SEE INSTRUCTIONS FOR COMPLETING ITEMS (A) THROUGH (G)	C TOTAL AMOUNT
					\$33,500.78

(D) PAYEE NAME AND ADDRESS Acme Contracting Co., Inc. 123 Generic Street Anonymous Big City, NJ 07000	(E) SEND COMPLETED FORM TO: NEW JERSEY DEPARTMENT OF TRANSPORTATION P.O. BOX 604 TRENTON, NJ 08625
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(F) PAYEE DECLARATIONS  
I CERTIFY THAT THE WITHIN PAYMENT VOUCHER IS CORRECT IN ALL ITS PARTICULARS. THAT THE DESCRIBED GOODS OR SERVICES >>>>> \_\_\_\_\_ PAYEE SIGNATURE  
HAVE BEEN FURNISHED OR RENDERED AND THAT NO BONUS HAS BEEN GIVEN OR RECEIVED ON ACCOUNT OF SAID DOCUMENT  
\_\_\_\_\_ PAYEE TITLE \_\_\_\_\_ BILLING DATE

LINE NO	REFERENCE				(G) PAYEE REFERENCE
	CO	AGY	NUMBER	LINE	
1					Rt. 1 Sec. 1A & 2B FINAL ESTIMATE No. 99
2					
3					

	FUND	AGCY	ORG CODE	SUB-ORG	APPR UNIT	ACTIVITY CD	OBJECT CD	SUB-OBJ	REVSRC	SUB-REV	PROJECT/JOB NO
1											
2											
3											

	RPT CT	BS ACT	DT	DESCRIPTION	QUANTITY	AMOUNT	ID	PF	TX
1									
2									
3									

ITEM NO.	COMMODITY CODE/DESCRIPTION OF ITEM	QUANTITY	UNIT	UNIT PRICE	AMOUNT
	Final Payment for Rt. 1 Sec. 1A & 2B				
	As per Proposed Final Certificate No. 99				
	The Contractor failed to submit a written release or a conditional release for the Work within 30 days of receiving the Proposed Final Certificate, and therefore in accordance with Subsection 109.11 has accepted the Proposed Final Certificate without exception or reservation.				

TOTAL \$35,500.78

CERTIFICATION BY RECEIVING AGENCY: I certify that the above articles have been received or services rendered as stated herein.

Signature \_\_\_\_\_

Title \_\_\_\_\_ Date \_\_\_\_\_

CERTIFICATION BY APPROVAL OFFICER: I certify that this Payment Voucher is correct and just and payment is approved.

Authorized Signature \_\_\_\_\_

Title \_\_\_\_\_ Date \_\_\_\_\_

Attachment "G"

Form AC-75 1/98

NEW JERSEY DEPARTMENT OF TRANSPORTATION

**REQUEST FOR BILLING**

TO: Bureau of Agreement Accounting  
 Division of Accounting & Auditing

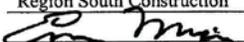
(Name & Address of Party To Be Billed)

(Receipts To Be Credited)

Name: <u>Trap Rock Industries, Inc.</u>	Account #: _____
Attention: _____	Fiscal Year: _____
Phone #: _____	Budget Code: _____
Fax#: _____	Job/Sub-Job# <u>0828504</u>
Address: <u>P.O. Box 419</u>	Function Code: _____
<u>Kingston, NJ 08528</u>	Agree ID#: _____
	Return To Encumbrance: _____
	YES _____ NO _____
	Encumbrance#: _____

DESCRIPTION:	UNIT PRICE	AMOUNT
Overpayment DP 08104 Route 55, NB & SB Cont. #040064080 Resurfacing From South Of Leonard Cake Rd To South Of Lambs Rd. M.P. 40.0 to 51.0  Estimate No. 14 (\$12.42)  Proposed Final Certificate Estimate No. 14 is a negative quantity due to an error in the asbuilt calculation for Item No. 3 Construction Layout that was included on Change Order No. 4 resulting in an overpayment. This error was corrected on Change Order No. 5.  This Project is 100% State Funded.		
<b>TOTAL</b>		

**Requestor:**

Name: Emerson Misner  
 Phone#: 856-486-6615  
 Date: March 4, 2011  
 Div/Bur: Region South Construction  
 Signature: 

**Supervisor:**

Name: Sean Sheehy  
 Phone#: 609-530-8166  
 Date: \_\_\_\_\_  
 Signature: 

# FINAL ESTIMATE REVIEW PROCESS

