



# COLLEGE of CENTRAL FLORIDA

## POLICY MANUAL

<b>Title:</b> PAYMENT TO CONSTRUCTION CONTRACTORS	<b>Number:</b> 5.17	<b>Page:</b> 1 of 1
<b>See Procedures:</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
<b>Legal Authority:</b> Florida Statutes 1010.02, 1013.50 SREF 6A-2.0111, Sec 4.2(3)	<b>Board Adoption/Revision Approval Dates:</b> 2/27/07	

The District Board of Trustees shall award a construction contract to a qualified contractor and shall make periodic payments to contractors in accordance with the terms of the contract. This policy establishes guidelines for processing and distributing payments to capital construction project contractors during, and upon completion of, construction projects.

### A. Payments During Construction

1. Contractor Requirements: An invoice or Application and Certificate for Payment (A1A form G702) from the contractor, certified for payment by the project architect, must precede any payments during construction. Payments during construction will be based on the architect's estimate of the percent of the work completed and, if approved by the architect, may include cost of materials properly stored on the job site. Ten percent (10%) of the total cost of construction completed and materials stored to date shall be withheld as retainage.
2. Reduction of Retainage: Retainage may be adjusted to as little as five percent (5%) upon certification by the architect that the job is substantially complete and upon approval by the President or designee. As punch list items are completed, the retainage may be adjusted to a final retainage of not less than two percent (2%), payable when all punch list items are completed.

### B. Final Payment

1. Final payment may be made to the contractor upon the following:
  - a) A certificate of occupancy has been issued.
  - b) The project has been completed upon notification by the architect.
  - c) The District Board of Trustees has accepted the project.
2. The conditions for final payment to the contractor will be included in the construction contract.