Pay Application Checklist

Harbor Point Medical Office Building (fictional example) | Application no. ____ | Period to _____

Before you start

- ☐ Read the payment terms: period end date, submission deadline, format, who certifies (architect, owner's rep, lender) and payment due date
- ☐ Confirm whether the owner wants a pencil draft (pencil requisition) before the formal application, and its deadline
- ☐ Make sure the schedule of values was approved by the owner or architect before the first billing *(First)*
- ☐ Collect the approved change order list and confirm which ones are fully executed

Application form and schedule of values

- ☐ Use the form the contract requires (AIA G702/G703, ConsensusDocs 710, or the owner's or lender's own form)
- ☐ Every SOV line shows scheduled value, previous work completed, work this period, materials stored, total to date, percent complete, balance to finish and retainage
- ☐ Percent complete matches field progress: walk the job or review it line by line with the superintendent
- ☐ No line is billed above 100 percent, and early lines are not front-loaded beyond what the owner accepted
- ☐ Previous application amounts match the last certified application, not the last one you submitted
- ☐ Totals on the continuation sheet tie to the summary page
- ☐ Approved change orders appear as their own SOV lines; pending or unsigned changes are not billed unless the contract allows it
- ☐ Retainage is calculated at the contract rate, and any reduction (for example at 50 percent complete) is approved in writing

Stored materials

- ☐ Supplier invoices or bills of sale for every stored material line *(Stored materials)*
- ☐ Photos and storage location; off-site storage approved by the owner in writing *(Stored materials)*
- ☐ Proof of insurance covering the stored materials and, if required, title transfer to the owner *(Stored materials)*
- ☐ Stored materials billed in a previous period are moved to work completed when installed, not billed twice *(Stored materials)*

Lien waivers and releases

- ☐ Your conditional waiver for the amount of this application
- ☐ Your unconditional waiver for the payment received last period
- ☐ Subcontractor and supplier waivers: conditional for this period, unconditional for amounts already paid to them
- ☐ Waivers on the statutory form where your state requires one, signed and notarized if required
- ☐ Waiver amounts and through-dates match the application

Compliance and backup

- ☐ Certificates of insurance current for you and for subcontractors on site
- ☐ Certified payroll for the period on prevailing wage or Davis-Bacon work
- ☐ Updated schedule or narrative, daily reports or photos, if the contract asks for them
- ☐ Subcontractor pay applications as backup for your SOV lines, if required
- ☐ Sworn statement or contractor's affidavit listing subs, suppliers and amounts, if the lender or title company requires it

- ☐ Joint check agreements noted on the application

Final application

- ☐ Certificate of substantial completion and punch list sign-off *(Final)*
- ☐ Request for release of retainage *(Final)*
- ☐ Final unconditional waivers from every subcontractor and supplier *(Final)*
- ☐ Consent of surety to final payment on bonded projects *(Final)*
- ☐ Closeout documents delivered: as-builts, O&M manuals, warranties, attic stock and training sign-offs *(Final)*
- ☐ Final affidavits and releases required by the contract (for example, debts and claims paid) *(Final)*
- ☐ Certificate of occupancy, if payment is tied to it *(Final)*

Reviewing subcontractor pay applications (GC)

- ☐ Billing matches the subcontract SOV and approved change orders *(GC review)*
- ☐ Percent complete checked with the superintendent *(GC review)*
- ☐ Retainage withheld at the subcontract rate *(GC review)*
- ☐ Conditional waiver for this period and unconditional waiver for the last payment received *(GC review)*
- ☐ Insurance certificate and license current *(GC review)*
- ☐ Back-charges deducted only with written notice under the subcontract *(GC review)*

Submit and follow up

- ☐ Signed, and notarized if required
- ☐ Submitted by the deadline, to every required recipient, by the required method
- ☐ Track the certification date, amount certified and expected payment date; follow up under the prompt payment terms if it is late

Lien waiver forms, retainage limits and payment deadlines vary by state and contract. Confirm the requirements for your project.