



## General Information

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All contracts administered by the Department of Transportation require monthly payments to the Contractor for work done and for certain materials furnished but not yet incorporated into the work. Although payment vouchers are prepared in the District Office, the Resident Engineer must determine the actual contract item pay quantities, the amount of extra work and the value of materials on hand for which payment is due under the terms of the contract, as well as any adjustments in, compensation, deductions or retentions which may be required for any given estimate period.

The Department of Transportation has developed the Automated Progress Pay System to provide for correct and timely payments to the Contractor.

Under present Department of Transportation policy, the project Resident Engineer is responsible for providing the necessary data to the District Office so that the correct monthly payments can be made to the Contractor. The Bridge Representative is to provide the Resident Engineer with information as required to prepare that portion of the Estimate relative to the "Bridge Work". This information should be furnished in a manner that will satisfy the Resident Engineer's needs. (See Bridge Construction Memo 6-2.0 for information pertaining to the Division of Structures participation in the automated pay system.)

All Department of Transportation contracts are subject to audit anytime within three years following final payment. Audits may be conducted by the Department's Internal Audit Section, or by any one of several agencies having an interest in project financing, such as the Federal Highway Administration or the Department of Finance. To ensure that contract payments may withstand such audits, it is important that a uniform and systematic procedure be used when determining the payments to be made under the contract, and that records supporting payments be both accurate and complete.

The proper use of the Bridge Estimate Data Record Book (Category 59) will provide supporting records that are sufficiently detailed and complete to withstand an audit. Instructions for the use of the Bridge Estimate Data Record Book (Category 59) are given in *Bridge Construction Memo* 6-3.0.