**Color-highlighted text**

**Yellow**: Editor’s Notes. Comments inserted into the text are addressed to the A/E, not the Contractor. Editor’s Notes are formatted as hidden text. Editor’s Notes are not identified with an update. Do not print Editor’s Notes in issue for distribution to Bidders/Contractors.

**Tip**: To not print Editor’s Notes (hidden text) in document choose Tools on Menu bar, click Options, Print tab, under Include with document, uncheck Hidden text (check to print text), click OK. Save.

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**Red**: Text updated in 1st quarter. April – June.

Strikethrough text and highlighting (not text) in previously issued quarters are deleted. Only 1st quarter highlighted updated text is indicated.

**Turquoise**: Text updated in 2nd quarter. July – September.

1st quarter updated text remains highlighted.

**Pink**: Text updated in 3rd quarter. October – December.

1st and 2nd quarter updated text remain highlighted.

**Bright Green**: Text updated in 4th quarter. January – March.

1st, 2nd and 3rd quarter updated text remains highlighted.

**Text Editing**

Select options **[in brackets]** and edit <**notes**> before issuing specifications for distribution to Bidders/Contractors.

Delete Strikethrough text.

**Tip**: To delete strikethrough text, choose Edit on Menu bar, click Find, Find tab, More (Search Options opens), select All, click Format, Font, check Strikethrough, OK.

Click Replace tab, Replace All, OK, Close. Save.

Delete all highlighting of text from issue to be distributed to Bidders/Contractors.

**Tip: To delete highlighting, locate cursor at beginning of Section and block all text in Section, press Shift + Control + End, click No Highlight icon on Formatting toolbar. Save.**

**IMPORTANT: Retain month and year under section title on first page indicating updated Guide Specification Section issue used.**

**Note**: This page will not print when Hidden text is unchecked as indicated in Editor’s Notes Tip.

IF THE HIDDEN GUIDE SPECIFICATION CONVENTIONS DO NOT APPEAR PRECEEDING THIS

NOTE, TURN THEM ON AS FOLLOWS.

**FOR MICROSOFT WORD 2000 and 2003**, CLICK ON SHOW/HIDE ICON IN MENU BAR OR CHOOSE

TOOLS IN MENU BAR. THEN CLICK OPTIONS, VIEW TAB, UNDER FORMATTING MARKS, CHECK

HIDDEN TEXT.

**FOR MICROSOFT WORD 2007,** CLICK ON MICROSOFT OFFICE ICON LOCATED IN UPPER LEFT

CORNER OF MENU BAR. CLICK ON WORD OPTIONS AT BOTTOM OF DROP DOWN. THEN CLICK

ON DISPLAY. CHECK THE HIDDEN TEXT BOX.

**FOR MICROSOFT OFFICE 2010,** CLICK ON FILE BUTTON LOCATED IN UPPER LEFT CORNER OF

MENU BAR. IN THE DROP DOWN, CLICK ON OPTIONS, AND A WORD OPTIONS BOX WILL

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THE GUIDE SPECIFICATION CONVENTIONS SHOULD NOW BE VISIBLE IN THE DOCUMENT.

(Delete this note before printing.)

**SECTION 01 27 00**

**FISCAL MATTERS AND RELATED DATA**

(Edited from DeCA June 2022 Design Criteria)

PART 1 - GENERAL

1.1 SUMMARY

1. Section Includes:
2. Schedule of Values (SOV).
3. Applications for Payment.
4. Application for Payment following the issuance of the Certificate of Substantial Completion.

1.2 RELATED SECTIONS

1. All contract documents and contract modifications made part of the contract by inclusion or reference apply to this Section.
2. Specific Reference:
3. Section 01 10 00 Summary of Work
4. Section 01 13 00 Notice to Proceed
5. Section 01 26 00 Contract Modification Procedures
6. Section 01 30 00 Administrative Requirements
7. Section 01 31 23 Project Web Site
8. Section 01 32 16 Contract Progress Documentation
9. Section 01 32 16.10 Phased Construction
10. Section 01 45 00 Quality Control
11. Section 01 50 00 Temporary Facilities and Controls
12. Section 01 77 00 Closeout Procedures

1.3 SCHEDULE OF VALUES (SOV)

1. Submittal:
2. Use AIA G702 and G703 (Application and Certificate for Payment and Continuation Sheet) format for SOV submittals. Use Form 3064 format (Contract Progress Schedule) and Form 3065 format (Contract Progress Report) for Requests for Payment against the SOV.
3. Coordinate the SOV with the Contractor’s Critical Path Method (CPM) construction schedule. On phased projects, provide sub-schedules showing values that correspond to each phase.
4. The SOV--conformed to the CPM construction schedule and phasing plan--serves as the Contractor's basis for the application for payment based on the percentage completed for each activity. Ensure that the Activity ID, Description, Budgeted Cost and Percent Complete are the same for both the SOV and the CPM construction schedule.
5. Identify as separate line items:

a. All items of work.

b. Other major expenses associated with the items of work if applicable, such as bonds, mobilization, demobilization, preparation of the DD Form 1354, monthly maintenance and preparation of as -built drawings, temporary facilities, Contractor’s quality control, preparation of operations and maintenance manuals, HVAC testing/ balancing, and training.

1. Divide the SOV into the various Cost Line Item Numbers (CLINs) listed in the contract.
2. When the contract requires the Contractor to furnish a price for the construction performance bond as a separate CLIN, identify the proportionate amount of the bond applied against each of the CLINs.
3. Include the proportionate amount of Contractor's costs for overhead and profit across all CLINs, not just the construction CLIN.
4. Present the individual CLIN costs and the aggregate of all the CLINs both in tabular numeric and graph format.
5. Within each CLIN, separately identify particular items for which the Contractor anticipates receiving payment for stored materials or equipment, once those materials are on site, inventoried, examined for condition and protected from damage. The Contracting Officer reserves the right to approve or disapprove payment for stored materials.
6. For each line item with an installed value of $20,000 or more, break down the item and list values of major products or operations. Use the project manual table of contents as a guide to establish the format for the SOV. Provide at least one line item for each specification section. Include sufficient breakdown to facilitate ready evaluation of the progress of the Work on a monthly basis.
7. In accordance with all related sections, particularly the CPM scheduling section, submit the proposed SOV for the first 120 day contract period through the Government Authorized Technical Representative to the Contracting Officer. The SOV initial submittal is due not later than 20 days from Notice To Proceed (NTP).
8. In accordance with all related sections, particularly the CPM scheduling section, submit the baseline proposed SOV for the full contract period through the Government Authorized Technical Representative to the Contracting Officer not later than 90 days from NTP.
9. Upon request by the Contracting Officer, provide supporting information to substantiate values stated in the SOV such as invoices, price quotes etc.
10. Execution:
11. Collect the costs on a monthly basis over the life of the contract for each item.
12. Include the SOV as part of each progress payment application
13. Should the Contracting Officer request it, furnish a revised SOV due to a revision in work, inaccuracies, or at any time during the contract performance period at the Government’s request.

1.4 MONTHLY APPLICATIONS FOR PAYMENT

1. Submittal
2. Except as approved by the Contracting Officer, the period covered by each application for progress payment is one month.
3. Prepare the application for payment in AIA G702 format. Contractor may use equivalent computer generated forms so long as format is acceptable to the Contracting Office and all certifications required by the original form appear on the substitute.
4. Divide the application for payment into the various contract CLINs that correspond to the approved SOV and CPM construction schedule. Include a CLIN summary sheet that totals all CLINs.
5. Include the following each month:
   1. An updated SOV that incorporates all contract modifications and change directives that have been executed by the Contracting Officer prior to the last day of the construction period covered by the application.
   2. An updated CPM schedule and an updated phasing plan if applicable
   3. Entries based on the percentage of completion for each item of work
   4. A one-page narrative describing project status update from the previous month. If requesting consideration for time delay to schedule, provide all information necessary to support request.
   5. Confirmation of an up-to-date set of plans that reflect as-built conditions.
   6. Signature only by a person authorized to sign legally-binding documents on behalf of the Contractor.

1. If requesting payment for stored materials, include:
2. Only allowable large value, single-packaged components such as mechanical equipment. Exclude items such as pipe, conduit, fittings, connectors, fasteners, cement, etc., which can only be invoiced when incorporated into the work.
3. Paid receipts.
4. Certification that the stored equipment or materials were inventoried in the presence of the Government Authorized Technical Representative and deemed to be in new condition, stored in a safe and secure manner and fully protected by weather-tight enclosures that precludes degradation of any item.
5. Written prior approval of any off-site storage by the Contracting Officer.
6. Execution
7. Submit a draft application for payment to the Government Authorized Technical Representative on or before the 25th day of each month. Jointly review the draft application and revise as necessary.
8. Once the pay application has been reviewed and recommended for payment by the Government Authorized Technical Representative and DeCA Project Manager, submit the final application for payment through the Government’s Wide Area Work Flow (WAWF)
9. The Contracting Officer reserves the right to reject any application for incompleteness or error, and require the Contractor to resubmit. The Contracting Officer reserves the right to hold retainage against a pay application.

1.5 APPLICATIONS FOR PAYMENT FOLLOWING ISSUANCE OF THE CERTIFICATE OF SUBSTANTIAL COMPLETION

1. Application for payment following issuance of the Certificate of Substantial Completion includes:
2. Invoice.
3. Certificates of Partial Substantial Completion issued previously for owner-occupancy of designated portions of the work.
4. Contractor’s certification that all administrative actions and submittals that precede or coincide with this application have been completed. Specific references for close out actions and requirements are referenced in Section 01 77 00 “Closeout Procedures.”

**PART 2 - PRODUCTS** (Not Used)

**PART 3 - EXECUTION** (Not Used)