

The Florida State University

Invoicing Procedures Construction Management Projects

1. Preconstruction Phase Payments

Preconstruction Phase fees are negotiated as a lump sum amount, with fees being associated with individual deliverables. Upon approval of the deliverable, the CM may invoice the amount stated in the contract for that deliverable. The form to be used is included as the third page of this attachment. One original invoice and four copies are required (including backup, if any), and are to be submitted to the Facilities Design and Construction Office (FDC).

If any additional services have been authorized in writing by the university, a copy of the authorization (and supporting documentation as required by the authorization) must be attached to the invoice.

2. Construction Phase Payments

Construction Phase payments are made using the Certificate for Partial Payment form in the Project Manual and are sent to the architect/engineer for approval. These payments are then approved by FDC.

The actual construction by trade is paid based on percentage completed as supported by the schedule of values.

Fee and General Conditions Pay Request Documentation:

- a) The overhead and profit portion of the fee, approved during the negotiations as a percentage of cost of Work, may be invoiced in proportion to the percentage of Work completed. No backup documentation is required.
- b) General Conditions items which were awarded based on competitive bidding are paid based on percentage completed as supported by the schedule of values. No additional documentation is required.
- c) **Full-time site staff:** A calculation showing number of hours times the hourly rate for the days worked during the pay period. The hourly billing rate must be the actual salary rate of the individual times the approved multiplier, or the rate negotiated in the GMP, whichever is less. If personnel changes or salary increases cause the originally negotiated salary rates to be increased, the CM must request approval of the revised rate in writing from the FSU project manager. Line item amounts from the GMP for salaries shall not be exceeded without prior approval of the university. Overtime will be allowed only if included in the original GMP proposal or specifically approved in writing by the project manager.
- d) **General conditions and fee items not provided by the CM:** e.g. utilities to the site trailer, custodial service, office equipment rental or purchase, bonds, etc. A copy of the invoice or rental agreement from the provider must be included in the pay request.
- e) **Fee or General Conditions items provided by the CM:** e.g. home office labor support, site cleanup (if not provided by a subcontractor and if approved for self-performance under the procedures established herein). A calculation showing number of hours times the hourly rate for the days worked during the pay period. Include time sheets. Line item amounts from the GMP for these costs shall not be exceeded without prior approval of the university.

Self-Performed Work:

- a) If the CM is self-performing Work for which the CM's price is the result of being the low bidder (if the Work was competitively bid) or of being the low proposed price (if three quotes were provided), then the pay request is made in the same manner as for other subcontractors.
- b) If circumstances are such that the CM is self-performing Work, and the award was not based on the conditions described in Paragraph a) above (e.g. schedule requirements, emergencies, etc.), then the CM shall include the following documentation to support that portion of the pay request:
 - All labor shall be documented on weekly time records at a wage scale commensurate with that paid in the area and trade including all labor taxes and insurance. (The CM shall provide justification for rates used.)
 - Material purchases in amounts exceeding \$10,000.00 shall be documented by written quotations from at least three vendors. Documentation for material purchases for amounts less than \$10,000.00 shall include documented telephonic quotations from at least three vendors. Documentation of the required quotations shall be submitted with the first pay request which includes payment for such materials.

Savings:

- a) Trade contracts: if a bid package exceeds the line item amount provided in the GMP, the entire cost is payable to the CM with the balance funded by the CM contingency, provided that the GMP is not exceeded. Savings in trade contracts accrue to the CM contingency.
- b) General Conditions and Fee: items budgeted as part of the fee (as identified by Paragraph 7.2 of the Agreement between Owner and Construction Manager), or as General Conditions (as identified by Paragraph 8.2 of the Agreement), are line item budgets, and are not interchangeable without specific approval of the project manager. A change or increase to field staff or home office support staff must have prior approval of the project manager.