PAYMENT for Stored Material

Please consider the following carefully. This effects your progress payments during the course of the project. Call if you have questions with regard to the following procedures.

The Corps of Engineers policy is that payment will only be made for equipment/materials that are a major item of value and that will be incorporated into the project during multiple progress periods and will be stored on site or a local bonded warehouse.

Payment will not be made for items such as screws, wiring, conduit, hangers or items that are readily available from suppliers or materials that are delivered as needed on an ongoing basis.

Subcontractors must consider stored material requests during development of the schedule. The appropriate time is when values are being assigned to the various work activities. Approved activities for stored materials will be included in the initial project schedule. Stored material activity requests will not be considered after the initial schedule is provided to the Corps of Engineers and they and the contractor QC staff have incorporated the activities and values into the RMS software.

If stored material will be used in multiple bid items then multiple stored material activities are required.

Suppliers and subcontractors requesting stored material payment for multiple specification sections shall provide stored material activity requests by specification section.

Care should be taken determining stored material values. Generally, if all stored materials are billed and money is left in the stored material activity, the remaining money cannot be billed until the representative portion of the applicable work is complete. If the value of the stored material activity is not adequate, no money beyond the stored material value will be allowed.

If items such as boilers, chillers and transformers are going to be set on their final pads when delivered, they should not be considered for stored material payment.

Types of items to be considered for stored material payment.
   - Transformers, switchgear, light fixtures
   - Boilers, chillers, air handling units, plumbing fixtures and pumps
   - Brick/block if entire order is delivered and will be stored for a period of time
   - Windows
   - Hollow metal
   - Millwork
   - Carpet
   - Finish hardware
   - Toilet partitions & accessories
   - Wood doors
   - Drywall materials
   - Wall covering
   - Ceramic Tile

If items being requested for stored material payment consideration are not significant in quantity/cost and they will not be stored/incorporated during multiple progress periods; they will not be allowed for stored material payment. It is important to think ahead about when materials will be delivered and what the status of the project should be at that time.

This document is continued on a second page. Information on the second page pertains to invoices and is vital information toward expedient progress payments. Please advise if you do not have both page 1 of 2 and page 2 of 2.
INVOICES

Invoices for stored material must be submitted 5 days prior to the billing period end date. The contractor must review the status of work completed and progress payments requested during the current billing period with a Corps of Engineers representative. Stored materials will be checked against invoices.

- Invoices for stored materials MUST be available during the billing period on site meeting with the Corps of Engineers representative.
- Invoice must have the job name and contract number on it.
- The invoice must have an understandable description of the item(s) for which stored material payment is requested. For instance, an invoice may reference a number without a description of the item and that number is not even on the item/carton for which payment is requested. Invoices must clearly define the items.
- If problems exist in understanding an invoice and/or checking the material, progress billing will not be held up while questions pertaining to that invoice are answered. Invoice item descriptions and material packaging should be clear and easy to understand. Invoice questions will have to be clarified during the next billing period and the invoice will be included with the next progress update.
- Materials must be stored in a neat and orderly manner and accessible to allow for quick verification against invoice.
- If an invoice contains items that are not being requested for stored material payment, then the items for which stored material payment is requested shall be clearly denoted.