

Policy Requiring Board Authorization for Release of Payments for Improvements

WHEREAS, this Board retains authority to determine prior to release of payment, that a prime contractor providing services, labor and materials related to improvement of college lands and buildings, has satisfactorily performed the work included in the contractor's billing in accordance with the provisions of the contract with the college, and that the amount claimed due reflects any credits due from the prime contractor to the college; and

WHEREAS, in order to exercise the foregoing authority it is necessary for this Board to establish a process and billing cycle for submission of prime contractor billing to the Board for payment authorization;

NOW, THEREFORE, IT IS RESOLVED THAT THE FOLLOWING POLICY AND PAYMENT PROCESS BE ADOPTED:

1. This policy shall apply to prime contracted services, labor and materials, including professional services, related to improvement of college land and buildings falling within the term "improve" as defined in N.J.S.A. 2A:30-2.
2. Release of each periodic payment, final payment or retainage monies to a prime contractor shall require the prior vote of this Board authorizing the payment.
3. Prime contractor billing together with certification from the project architect or Vice President for Business and Finance, shall be submitted to this Board not less than seven calendar days prior to the scheduled public meeting of the Board. The certification shall state the amount due and shall confirm that (i) the work included in the billing has been satisfactorily performed in accordance with the provisions of the contract with the college, (ii) the billing reflects any credits due to the college and allowed retainage, and (iii) no claims of delinquent payment have been received from a subcontractor or sub-subcontractor of the prime contractor.
4. Payment shall be made within thirty calendar days after this Board has authorized payment.
5. Bid specifications and contract documents shall specify (i) the process for submission of billing including sufficient time for review and issuance of the certification required under this resolution, (ii) the Board payment authorization required by this resolution, and (iii) the college's payment cycle.