



Title	Payments
Guideline Number	400-004-SOP
Responsible Office	Finance
Date Revised	6/24/09

1. Overview

This document describes the process for paying contractors, construction managers and consultants for work performed under contract, and paying vendors for goods and services purchased using a purchase order.

These guidelines ensure that vendors are paid only after submitting accurate requests for payment and proper documentation, payment requests are reviewed and approved by the proper SCA personnel, and that payment is made on a timely basis.

2. Definitions & Abbreviations

- 2.1. ATP – Authorization to Proceed.
- 2.2. CM – Construction Manager.
- 2.3. CPM – Cost Loaded Critical Path Method Schedule.
- 2.4. FMS – NYC Financial Management System.
- 2.5. GC – General Contractor.
- 2.6. IEH – Industrial & Environmental Hygiene – a division of Environmental & Regulatory Compliance.
- 2.7. ISC – Integrated Service Center
- 2.8. JOC – Job Order Contract. JOCs are executed for construction services associated with certain small to medium sized construction projects.
- 2.9. LCMS – Labor Law Compliance Management System.
- 2.10. LLW – Low Level of Work. Work done at one school at one time which reflects one capital category. All SCA projects are assigned an LLW number, including larger capacity projects.
- 2.11. NTP – Notice to Proceed.
- 2.12. OPM – Operations Manager.
- 2.13. ORCMS – Oracle Requirements Contract Management System.



- 2.14. PO – Project Officer.
- 2.15. RESO A – Funding received by the SCA directly from Borough Presidents, New York City Council members and other elected officials for specific projects. Reso A projects have a set budget that cannot be exceeded.
- 2.16. Retainage – Money earned by a contractor but not paid to the contractor until the completion of construction or some other agreed-upon date.
- 2.17. RTA – Recommendation to Award.
- 2.18. SPO – Senior Project Officer.
- 2.19. TKC – Timekeeping system used for/by SCA contingent staff.
- 2.20. WA – Work authorization.

3. **Responsibilities by Role**

- 3.1. Accounts Payable Supervisor
 - 3.1.1 Manually compare payment checks against original RFPs before mailing.
- 3.2. Comptroller
 - 3.2.1 Review monthly Invoice Aging and Payment Performance Report.
- 3.3. Construction Specialist
 - 3.3.1 Create authorizations to proceed (ATP) in ORCMS for A&E Consultant contracts.
- 3.4. Contract Specialist
 - 3.4.1 Forward copies of Construction Contract Award/Execution Routing Sheets to Finance.
- 3.5. Design Manager
 - 3.5.1 Verify work performed under a design contract by a consultant.
- 3.6. Designated Project Manager
 - 3.6.1 Verify work performed under contract by a consultant.
- 3.7. Division Director
 - 3.7.1 Approve administrative payments for goods/services purchased using an operating budget purchase order.



3.8. Finance Department

3.8.1 Review accuracy and completeness of all payment requests before processing payments for work performed by contractors, construction managers, consultants and vendors.

3.9. JOC Program Administrator

3.9.1 Prepare requests and detailed scope proposals for Job Order Contract services.

3.9.2 Schedule joint scope meetings of GC and PO at the job site.

3.10. Project Officer (PO)

3.10.1 Establish specific details for progress payments as set forth in a construction contract – e.g., forms to be completed, timely submission dates, subcontractor payments, requirements for materials stored on-/off-site, etc.

3.10.2 Verify completion of work performed by a contractor on a construction contract.

3.10.3 Along with the SPO, approve payment for work performed under contract by construction contractors and construction managers.

3.11. Senior Project Officer (SPO)

3.11.1 Along with the PO, approve payment for work performed under contract by construction contractors and construction managers.

3.12. Operations Manager (OPM)

3.12.1 Verify work performed under contract by a consultant and approve payment for work performed.

3.12.2 Sign revised RFP for contingent staff if no dollar value change is involved.

3.12.2.1. If dollar value changes, OPM sends RFP to consultant to sign, notarize and return.

3.12.3 Establish schedule for contingent staff vendor invoice submission.

3.12.4 Verify work and process payment for operating budget requirements contracts.



3.13. Vice President, Construction Management

3.13.1 Review monthly Invoice Aging and Payment Performance Report.

3.13.2 Initiate work authorization requests for on-call emergency services and forward to the emergency contact OPM.

3.13.3 Review emergency services cost proposals.

3.14. Vice President, Finance & IT

3.14.1 Review monthly Invoice Aging and Payment Performance Report.

4. **Operating Guidelines**

4.1. Payment Systems Overview

Three software applications are used by approvers to process payments:

EXPEDITION	ORCMS	ORACLE
Public Sealed (Hard Bid) Contracts	Contingent Staff Contracts	Administrative Invoices (Operating Budget Purchase Orders)
Mentor CM Contracts (awarded after May 2006)	Mentor CM Contracts (awarded before May 2006)	
JOC Contracts	A&E Consultant Contracts	
Emergency CM Contracts (awarded after June 2009)	IEH Consultant/Contractor Contracts	
	Other Requirements Contracts	
	Emergency CM Contracts (awarded before June 2009)	

4.1.1 Requests for Payment (RFP) are fed to the Oracle Financial System by Expedition and Oracle Requirements Contract Management System (ORCMS) on a daily basis.

4.1.2 Payments are not processed in Oracle until the Finance Department receives a properly executed hard copy RFP.

4.1.3 On a nightly basis, all Requests for Payment approved in Oracle are passed to the NYC Financial Management System (FMS) in order to generate checks. A check file is generated the next business day for all approved FMS transactions.



4.1.4 Checks are manually compared to the original RFP by the Accounts Payable Supervisor; if the information is accurate, the check is mailed.

4.2. Public Sealed (Hard Bid) Construction Progress Payments (EXPEDITION)

4.2.1 After a contract has been awarded, the Contract Specialist shall forward a copy of the Construction Contract Award/Execution Routing Sheet to Finance.

4.2.1.1 The Encumbrance Unit shall establish the initial contract amount in the Oracle Financial System.

4.2.1.2 The Operations Data Center shall establish the project in Expedition.

4.2.2 The Project Officer shall create and transmit initial trade payment breakdown categories to the contractor within seven (7) days of sending the initial Notice to Proceed (NTP).

4.2.2.1 A single schedule of payment items to cover regulatory, as-built drawings, manuals and catalog cuts, spare parts, training, etc. shall be included and shall represent five (5%) percent of the original contract value, with a maximum of \$500,000 and a minimum of \$100,000.

4.2.2.2 A Cost Loaded Critical Path Method Schedule (CPM) shall be provided, when contractually required, and shall correspond to the detailed breakdown of work.

4.2.3 The Contractor shall assign values to the trade payment breakdown spreadsheet and return it to the PO for review and approval.

4.2.4 The PO shall submit the trade payment breakdown to the SPO for review and approval.

4.2.5 The PO shall submit the approved trade payment breakdown to the Operations Data Center.

4.2.6 The approved trade payment breakdown values shall be entered by the Operations Data Center into Expedition.

4.2.7 The Contractor shall prepare and submit an electronic payment (using the Expedition Import Utility) indicating the percentage completion of each item for which payment is requested.

4.2.7.1 If a payment is for multiple LLWs, the Contractor shall summarize the amounts by low level.



- 4.2.8 The PO shall review the breakdown to ensure the following:
- The work was fully performed as indicated on the invoice.
 - The form is accurate and complete.
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 - The dollar amounts requested accurately reflect the percentage of work performed.
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 - If payment is for multiple Capacity projects or a combination of Capacity and CIP projects, verify that the Contractor summarized the amounts per school, or per Capacity and/or CIP project.
- 4.2.8.1 The PO shall make every effort to resolve discrepancies with the Contractor.
- 4.2.8.2 If the PO cannot resolve the discrepancy, s/he shall refer it to the SPO or CPO for final determination.
- 4.2.9 Upon completion of the review process, the PO shall generate an RFP in Expedition and submit to the Contractor for signature and notarization.
- 4.2.10 The Contractor shall return the signed/notarized RFP and any required supporting documentation to the PO.
- 4.2.11 The PO and SPO shall sign the RFP and certify it (i.e., send to the Finance Department electronically) in Expedition.
- 4.2.11.1 Upon certification, an electronic transaction is generated by Expedition and passed to Oracle Accounts Payable.
- 4.2.12 The PO shall print an Expedition Fiscal Summary Sheet and submit with the RFP to Finance for processing.
- 4.2.13 Finance shall date stamp the RFP and assign it to Accounts Payable staff for processing.
- 4.2.14 Accounts Payable shall compare the hard copy RFP to the electronic transaction to verify accuracy and process in accordance with Accounts Payable internal procedures.
- 4.2.14.1 Improperly completed Requests for Payment shall be placed on hold until resolved.



4.2.14.1.1 Oracle shall send an electronic workflow notification to the PO and SPO by email that contains the reason(s) for the hold, which shall include, but not be limited to:

- RFP is not notarized.
- Fiscal Summary Sheet is missing.
- PO and/or SPO signature missing.
- Substantial Completion or Final Completion documentation is missing.
- Arithmetic error.

4.2.14.1.2 If the issue is not resolved within ten (10) days, a second Oracle email shall be sent to the PO and SPO.

4.2.14.1.3 If the issue is not resolved within another ten (10) days, a third Oracle email shall be sent to the PO and SPO.

4.2.14.1.4 After thirty (30) days, the CPO and Vice President, Construction Management shall be notified by Oracle email.

4.2.15 RFP Reporting

4.2.15.1 A weekly report listing Requests for Payment certified in Expedition, but for which a hard copy has not been provided to the Finance Department, shall be generated by Finance and submitted to the Vice President, Construction Management.

4.2.15.2 The Finance Department shall generate and distribute (see below for recipients) a monthly Invoice Aging and Payment Performance Report that indicates the SCA's outstanding payment liability and performance in achieving on-time processing (i.e., within thirty (30) days of receipt of an RFP), as well as listing Requests for Payment processed beyond the 30-day target and the reason for the delay.

- Vice President, Construction Management
- Vice President, Finance & IT
- Comptroller

4.2.16 Release of Retainage

4.2.16.1 All Substantial Completion and Post-Substantial Completion Requests for Payment shall contain the following documentation:

- Substantial Completion General Release executed by the Contractor.
- Letter of acknowledgement.
- Substantial Completion Certificate signed and sealed by the architect.



4.2.16.2 Using Oracle, Expedition and requirements delineated in the contract, the PO shall ensure that there are sufficient funds remaining in the contract in an amount equal to four (4) times the value of any punch list items, outstanding regulatory/close-out requirements and potential liquidated damage assessments.

4.2.16.3 In addition to the documentation noted in 4.2.13.1, the following additional documentation shall be submitted with the Final RFP:

- Final Completion General Release executed by the Contractor.
- Final Completion Worksheet signed by the PO and CPO.

4.2.17 Change Orders

4.2.17.1 Payment for approved change orders shall be made using the same steps as for the base contract.

4.2.17.2 All contract changes (increases and decreases) shall be itemized under "Item of Work" on the RFP.

4.2.18 Certified Payrolls

4.2.18.1 The Contractor shall enter certified payrolls on the Labor Law Compliance Management System (LCMS) and print/submit a signed, notarized, one-page summary (by project, subcontractor and week) to the PO.

4.2.18.2 The PO shall review the certified payroll data against the daily construction reports and LCMS, and the wage and benefit rates reported by the Contractor to the current prevailing wage and benefits rates

4.2.18.3 The PO shall send the Certification of Payroll forms to the Labor Law Compliance Unit.

4.2.18.4 When submitting an RFP to the Finance Department, the PO shall ensure that the Certified Payrolls were submitted to the Labor Law Compliance Unit and that a Certification of Payroll for the Contractor and all subcontractors is attached to the RFP.



4.2.19 Payment for Materials Stored On- or Off-Site

Payment for materials stored on- or off-site shall be made when concern exists regarding delivery dates and/or lead times.

4.2.19.1 The Contractor shall provide a written request to the PO that includes the following documentation:

- A detailed list of materials stored for which payment is being requested.
- Paid invoices for the materials in support of the amounts claimed.
- Certificates of insurance and transfer of title.

4.2.19.2 The Contractor may also be required to submit an itemization of inventory, including previously stored material, new deliveries, the amount of material placed and the amount of material remaining to be installed.

4.2.19.3 The PO shall verify the amount of materials for which payment is being requested.

4.2.19.4 Materials stored shall be included in the value of work completed for the relevant item of work.

4.3. Emergency CM Contracts (ORCMS)

4.3.1 When a contract is awarded for emergency services, the Contract Specialist shall forward a copy of the Contract Award/Execution Routing Sheet to the Finance Department.

4.3.2 The contract shall be set up in ORCMS by Finance with a not-to-exceed value and values allocated by work type.

4.3.3 The Vice President, Construction Management shall initiate a work authorization request for on-call emergency services and forward the request to the emergency contact OPM.

4.3.4 The PO shall provide project documents to the selected Construction Manager for an estimate.

4.3.5 The CM shall provide a cost proposal and develop a schedule for expenditure plan within ten (10) business days of the project documents from the PO.



- 4.3.6 The cost proposal shall be reviewed and approved by the SPO or CPO.
 - 4.3.6.1 If the cost proposal is twenty (20%) percent greater than the initial work authorization estimate, the CPO shall review it with the Vice President, Construction Management.
- 4.3.7 The OPM shall issue a work authorization to the Construction Manager and enter the approved WA into ORCMS
 - 4.3.7.1 ORCMS sends an electronic transmission to Oracle Contract Encumbrance, where an obligation is created at the work and project type level.
- 4.3.8 The Construction Manager shall submit a RFP via ORCMS.
- 4.3.9 The OPM shall review and approve the RFP, print it and send it to the CM.
- 4.3.10 The CM shall sign the RFP, have it notarized and return it to the OPM.
- 4.3.11 The OPM shall approve the RFP in ORCMS, which sends an electronic transaction to Oracle Accounts Payable.
- 4.3.12 The RFP shall remain on hold until the original hard copy is received in the Finance Department with the appropriate approvals.
- 4.3.13 Upon receipt, the Finance Department shall date stamp the RFP and assign it to Accounts Payable staff for processing.
- 4.3.14 Accounts Payable shall compare the hard copy RFP to the electronic transaction to verify accuracy and process in accordance with Accounts Payable internal procedures.
 - 4.3.14.1 Improperly completed RFPs shall be placed on hold until resolved.
 - 4.3.14.2 Oracle shall send an electronic workflow notification to the PO and SPO by email specifying the reason(s) for the hold.
 - 4.3.14.3 If the issue is not resolved within ten (10) days, a second Oracle email shall be sent to the OPM and CPO.
 - 4.3.14.4 If the issue is not resolved within another ten (10) days, a third Oracle email shall be sent to the OPM and CPO.
 - 4.3.14.5 After thirty (30) days, the Director or CPO and Vice President, Construction Management shall be notified by Oracle email.



4.4. Job Order Contracts (EXPEDITION)

- 4.4.1 After a Job Order Contract (JOC) is awarded, the Contract Specialist shall forward a copy of the Contract Award/Execution Routing Sheet to the Finance Department.
- 4.4.2 The Finance Department shall establish the contract in Oracle with a not-to-exceed value.
- 4.4.3 The JOC Program Administrator shall prepare a request for JOC services and forward to the PO and CPO for review and approval.
- 4.4.4 The JOC Program Administrator shall prepare a detailed scope proposal and forward to the GC.
- 4.4.5 The GC shall submit a detailed line item proposal to the JOC Program Administrator.
- 4.4.6 The JOC Program Administrator shall input the detailed line item proposal in the JOC Monitoring System, which generates a Job Order Request that is forwarded to the PO, SPO, CPO and Vice President, Construction Management.
 - 4.4.6.1 Vice President, Construction Management approval shall be required for all job order requests of \$100,000 or greater.
- 4.4.7 The JOC Program Administrator shall send an email to the JOC CM Facilitator to enter an LLW in Expedition.
 - 4.4.7.1 No dollar value shall be assigned to the LLW.
- 4.4.8 The JOC Program Administrator shall set up a joint scope meeting of the GC and PO at the job site.
- 4.4.9 The JOC Program Administrator shall forward the approved job order to the OPM for processing in Expedition.
 - 4.4.9.1 The OPM shall create a cost worksheet for the LLW with a zero dollar value, allowing the OPM to generate job orders against the project.
- 4.4.10 The OPM shall print and send the authorization for the job order to the GC.
- 4.4.11 Upon completion of the work and submission of the RFP, the Finance Department shall date stamp the RFP and assign it to Accounts Payable staff for processing.



4.4.12 Accounts Payable shall compare the hard copy RFP to the electronic transaction to verify accuracy and process in accordance with Accounts Payable internal procedures.

4.4.12.1 Improperly completed RFPs shall be placed on hold by Accounts Payable until resolved.

4.4.12.2 Oracle shall send an electronic workflow notification to the OPM and CPO by email that specifies the reason(s) for the hold.

4.4.12.3 If the issue is not resolved within ten (10) days, a second Oracle email shall be sent to the OPM and CPO.

4.4.12.4 If the issue is not resolved within another ten (10) days, a third Oracle email shall be sent to the OPM and CPO.

4.4.12.5 After thirty (30) days, the CPO and Vice President, Construction Management shall be notified via Oracle email.

4.4.13 RFP Reporting

4.4.13.1 A weekly report listing Requests for Payment certified in Expedition but for which a hard copy has not been provided to Finance shall be generated and submitted by the Finance Department to the Vice President, Construction Management.

4.4.13.2 Finance shall generate a monthly Invoice Aging and Payment Performance Report that indicates the SCA's outstanding payment liability and performance in achieving on-time processing (i.e., ninety (90%) percent within thirty (30) days of contractor approval), as well as listing Requests for Payment processed beyond the thirty (30)-day target and the reason for the delay.

4.4.13.2.1 The report shall be submitted to the Vice President, Construction Management, Vice President of Finance & IT, and the Comptroller.

4.5. Contingent Staff Contracts (ORCMS)

4.5.1 After a contract is awarded for contingent staff services, the Contract Specialist shall forward a copy of the Contract Award/Execution Routing Sheet to Finance.

4.5.2 The Finance Department shall establish the contract in ORCMS with a not-to-exceed value and values allocated by work type.

4.5.3 The Finance Department shall notify the appropriate OPM in the division that created the contract that the contract was created in ORCMS and Oracle.

4.5.4 Human Resources shall enter employee information into the TKC timekeeping system upon the hire of a new contingent staff person and notify the OPM.



- 4.5.5 Upon receipt of the Financial Data Form, which contains contingent staff pay rate information, the Finance Department shall enter the pay rate for contingent staff personnel in TKC for time reporting purposes, link the contingent employee to the appropriate contract and notify the OPM via email.
- 4.5.6 The OPM may establish a schedule for the vendor's submission of invoices.
- 4.5.7 Prior to submitting an invoice, the vendor shall ensure that timesheets are accurate and approved in TKC for the period covered in the invoice.
- 4.5.8 The vendor shall submit the invoice to the OPM, who shall generate a draft RFP for comparison against the invoice submission.
- 4.5.8.1 If a discrepancy is identified, the OPM shall attempt to resolve with the employee and/or vendor. Typical issues include:
- Incorrect LLW number reported
 - Incorrect work type reported
 - Incorrect hours reported
 - Failure to report vacation taken
 - Incorrect pay rate
- 4.5.8.2 The resolution may also require the assistance of IT and/or the Finance Department.
- 4.5.8.3 The OPM shall revise and resubmit the RFP.
- 4.5.8.3.1 If the revision results in no dollar value change, the OPM shall sign the revised RFP.
- 4.5.8.3.2 If the revision results in a change to the total dollar amount, the OPM shall send the revised RFP to the vendor to sign/notarize and return. (See 4.5.8.1 below)
- 4.5.9 An Authorization to Proceed (ATP) and RFP are generated simultaneously in ORCMS.
- 4.5.9.1 The OPM sends the RFP (or revised RFP) to the vendor for signature and notarization.
- 4.5.9.2 The ATP is submitted electronically to the Finance Department for encumbrance in the Oracle Contract Encumbrance module.
- 4.5.9.3 An electronic version of the RFP is linked to the Oracle Accounts Payable module, where it remains on hold until the signed/notarized RFP is received.



- 4.5.10 The Finance Department shall date stamp the RFP and assign it to Accounts Payable staff for processing.
- 4.5.11 Accounts Payable shall compare the hard copy RFP to the electronic transaction to verify accuracy and process in accordance with Accounts Payable internal procedures.
 - 4.5.11.1 Improperly completed RFPs shall be placed on hold until resolved.
 - 4.5.11.2 Oracle shall send an electronic workflow notification to the OPM and his/her supervisor by email that specifies the reason(s) for the hold.
 - 4.5.11.3 If the issue is not resolved within ten (10) days, a second Oracle email shall be sent to the OPM and his/her supervisor.
 - 4.5.11.4 If the issue is not resolved within another ten (10) days, a third Oracle email shall be sent to the OPM and his/her supervisor.
 - 4.5.11.5 After thirty (30) days, the supervisor and VP of the respective division shall be notified via Oracle email.
- 4.6. A&E Consultant Contracts (ORCMS)
 - 4.6.1 When a contract is awarded for consultant services, the Contract Specialist shall forward a copy of the Contract Award/Execution Routing Sheet to the Finance Department.
 - 4.6.2 The executed contract shall be set up in ORCMS by the Finance Department with a not-to-exceed value and values allocated by work type.
 - 4.6.3 The Construction Specialist shall create an authorization to proceed (ATP) in ORCMS.
 - 4.6.4 The OPM shall send the ATP to the Consultant by email.
 - 4.6.5 The Consultant shall sign and return the original ATP to the OPM.
 - 4.6.6 The OPM shall verify the budget for a RESO A LLW (in ORCMS, by contract and LLW number) prior to submitting an electronic ATP Transaction to Finance.
 - 4.6.6.1 If there is a problem with the budget for the RESO A LLW, the ATP will be rejected by ORCMS until the funding issue is resolved.
 - 4.6.7 Once the ATP is approved in ORCMS by the OPM, an electronic transaction shall be sent to Oracle Encumbrance, where an obligation shall be created at the project and work type level.
 - 4.6.8 Upon completion of a particular phase/project, the consultant shall submit appropriate documentation to the OPM.



- 4.6.9 The OPM shall create a draft RFP, review with the Construction Specialist to verify that the work has been done and approve the draft with a manual signature.
- 4.6.10 Following OPM review/approval, a final version of the RFP shall be created in ORCMS, and an electronic transaction sent to Oracle Accounts Payable.
- 4.6.11 The OPM shall send the RFP to the consultant for signature/notarization.
- 4.6.12 The consultant shall sign/obtain notarization for the RFP and return it to the OPM.
- 4.6.13 The OPM shall submit the RFP hard copy to the Finance Department, who shall date stamp it and assign it to Accounts Payable staff for processing.
- 4.6.14 Accounts Payable shall compare the hard copy to the electronic transaction and process in accordance with Accounts Payable procedures.
 - 4.6.14.1 Improperly completed RFPs shall be placed on hold until resolved.
 - 4.6.14.2 Oracle shall send an electronic workflow notification to the OPM by email that specifies the reason(s) for the hold.
 - 4.6.14.3 If the issue is not resolved within ten (10) days, a second Oracle email shall be sent to the OPM and Design Manager.
 - 4.6.14.4 If the issue is not resolved within another ten (10) days, a third Oracle email shall be sent to the OPM and Design Manager.
 - 4.6.14.5 After thirty (30) days, the Design Manager and Vice President of A&E shall be notified by Oracle email.
- 4.6.15 Retainage shall not be withheld from payments to architectural/engineering design consultants. Refer to individual contract terms for other consultants.
- 4.7. Industrial & Environmental Hygiene (IEH) Consultant and Contractor Contracts (ORCMS)
 - 4.7.1 When a contract is awarded for industrial and environmental hygiene services, the Contract Specialist shall forward a copy of the Contract Award/Execution Routing Sheet to the Finance Department.
 - 4.7.2 The contract shall be set up in ORCMS by the Finance Department with a not-to-exceed value and values allocated by work type according to IEH instructions.
 - 4.7.3 The Industrial Hygienist shall generate a proceed order (equivalent to a Notice to Proceed) in the IEH system, which initiates a work authorization in ORCMS.
 - 4.7.3.1 ORCMS sends an electronic transaction to Oracle Contract Encumbrance to create the obligation.



- 4.7.4 The Consultant or Contractor shall complete and submit a manual RFP to the IEH Division.
- 4.7.5 IEH administrative staff shall log the RFP into the IEH system and distribute to the responsible Industrial Hygienist for review.
- 4.7.6 The Industrial Hygienist shall review/approve the RFP in the IEH system, and forward to applicable supervisor/manager for additional precursory review/signature.
- 4.7.7 Upon supervisory/managerial review/signature, the IEH administrative staff shall receive the RFP package and finalize it in the IEH Database which sends an electronic transaction to Oracle Accounts Payable via ORCMS.
- 4.7.8 The IEH administrative staff shall print the ORCMS RFP, sign it on behalf of IEH (the signatures and notarization on the original RFP reflect all required approvals) and submit both Requests for Payment to the Finance Department for processing.
- 4.7.9 Upon receipt, the Finance Department shall date stamp the RFP and assign it to Accounts Payable staff for processing.
- 4.7.10 Accounts Payable shall compare the hard copy RFP to the electronic transaction to verify accuracy and process in accordance with Accounts Payable internal procedures.
 - 4.7.10.1 Improperly completed RFPs shall be placed on hold until resolved.
 - 4.7.10.2 Oracle shall send an electronic workflow notification to the Industrial Hygienist by email that contains the reason(s) for the hold.
 - 4.7.10.3 If the issue is not resolved within ten (10) days, a second Oracle email shall be sent to the Industrial Hygienist and Director of IEH.
 - 4.7.10.4 If the issue is not resolved within another ten (10) days, a third Oracle email shall be sent to the Industrial Hygienist and Director of IEH.
 - 4.7.10.5 After thirty (30) days, the Director of IEH and Vice President, Environmental & Regulatory Compliance shall be notified by Oracle email.
- 4.7.11 Retainage shall not be withheld from payments to IEH consultants or contractors. Refer to individual contract terms for other consultants.
- 4.7.12 A weekly report listing Requests for Payment finalized in the IEH Database, but for which a hard copy has not been provided to the Finance Department, shall be generated by Finance and submitted to the Operations Manager and Director of IEH.



- 4.8. Mentor Contracts (ORCMS before May 2006; EXPEDITION after May 2006)
- 4.8.1 When a Mentor contract is awarded, the Contract Specialist shall forward a copy of the Contract Award/Execution Routing Sheet to the Finance Department.
 - 4.8.2 The contract shall be set up in ORCMS/Expedition by the Finance Department with a “not to exceed” value and values allocated by work type.
 - 4.8.3 The CM shall complete and submit required banking documentation to the SCA Accounting Unit to establish mentor bank accounts prior to submission of the initial RFP.
 - 4.8.3.1 Mentor bank accounts are the property of the SCA and supported by trust agreements.
 - 4.8.4 A work authorization (WA) is created in ORCMS/Expedition by the CM using the designated mentor code and construction work type for the amount of the Advance Limit established by SCA Construction Management and the Finance Department.
 - 4.8.5 An electronic transaction is automatically sent to Oracle Contract Encumbrance, which creates an obligation for the project and work type in Oracle.
 - 4.8.6 The CM shall submit a RFP in ORCMS/Expedition against the work authorization in the amount of the established Advance Limit.
 - 4.8.7 To begin construction on a LLW, the CM submits a Recommendation to Award (RTA) to the OPM, who obtains CPO approval and enters the RTA into ORCMS/Expedition to create a work authorization.
 - 4.8.7.1 If the budget is available in Oracle Financials for the LLW, Expedition forwards an electronic work authorization transaction to Finance.
 - 4.8.7.1.1 For a RESO A LLW, Expedition verifies the budget level by contract number and LLW number.
 - 4.8.7.1.2 If there is a problem with the budget for a RESO A LLW project, the work authorization will be rejected until the funding issue is resolved by the Finance Department.
 - 4.8.8 An electronic transaction is sent to Oracle Contract Encumbrance, where an obligation is created at the project and work type level, an electronic transaction is sent by Expedition to the OPM with an updated status, and the OPM submits a NTP to the CM.
 - 4.8.9 All subsequent construction-related RFPs shall be classified as replenishment RFPs and shall be based on CM disbursements to Mentor contractors for work performed.



- 4.8.9.1 All replenishment RFP numbers shall include the letter “A” as a suffix to indicate a Mentor Advance/Replenishment RFP.
- 4.8.9.2 The CM shall provide the OPM with appropriate detailed disbursement information from the bank to support the RFP amount.
- 4.8.9.3 When submitting replenishment RFPs, the CM shall also submit RFPs for non-construction work – e.g., CM fees, CM costs, etc.
- 4.8.10 The OPM shall review and electronically approve the disbursement information provided by the CM in ORCMS/Expedition.
 - 4.8.10.1 Upon approval, an electronic transaction is generated and sent from ORCMS/Expedition to Oracle Accounts Payable.
- 4.8.11 The OPM shall print a hardcopy and submit the RFP to the Finance Department for processing.
- 4.8.12 The Finance Department shall date stamp the RFP and assign it to Accounts Payable staff for processing.
- 4.8.13 Accounts Payable shall compare the hard copy RFP to the electronic transaction to verify accuracy and process in accordance with Accounts Payable internal procedures.
 - 4.8.13.1 Improperly completed RFPs shall be placed on hold by Accounts Payable until resolved.
 - 4.8.13.2 Oracle shall send an electronic workflow notification to the Originator and Approver by email that contains the reason(s) for the hold.
 - 4.8.13.3 If the issue is not resolved within ten (10) days, a second Oracle email shall be sent to the Originator and Approver.
 - 4.8.13.4 If the issue is not resolved within another ten (10) days, a third Oracle email shall be sent to the Originator and Approver.
 - 4.8.13.5 After thirty (30) days, the Department Director and Vice President shall be notified by Oracle email.
- 4.8.14 RFP Reporting
 - 4.8.14.1 A weekly report listing RFPs certified in Expedition but for which a hard copy has not been provided to the Finance Department shall be generated and submitted by the Finance Department to the Vice President, Construction Management.



4.8.14.2 The Finance Department shall generate a monthly Invoice Aging and Payment Performance Report that indicates the SCA's outstanding payment liability and performance in achieving on-time processing (i.e., ninety (90%) percent within thirty (30) days of contractor approval), as well as listing RFPs processed beyond the thirty (30)-day target and the reason for the delay.

4.8.14.2.1 The report shall be submitted to the Vice President of Construction Management, Vice President of Finance & IT, and the Comptroller.

4.9. Operating Budget Requirements Contracts (ORCMS)

Such contracts shall be employed when only an estimated quantity of goods/services can be specified. Contracts are for a finite performance period, usually one (1) to three (3) years.

4.9.1 When a Requirements Contract is awarded for services, the Contract Specialist shall forward a copy of the Contract Award/Execution Routing Sheet to the Finance Department.

4.9.2 The Contract Award/Execution Routing Sheet shall be routed internally to the Operating Budget Division for budget approval, assignment of LLW or project code, phase/work type, expenditure type, description of services and allocation of funds.

4.9.2.1 The LLW or project code shall be created in ORCMS.

4.9.2.2 A six (6) character LLW or project code assigned to the contract shall include two (2) numbers indicating the budget fiscal year, two (2) letters for the department and two (2) letters for the description.

4.9.2.3 The value shall be allocated by work type, funded and linked to FMS.

4.9.3 The Operating Budget Division shall notify the appropriate OPM (or designee) that the contract has been created in ORCMS and Oracle, and that it is available for payment processing.

4.9.4 The Consultant shall submit an invoice to the OPM or designee for review and approval.

4.9.5 The OPM or designee shall create a RFP in ORCMS and mail it to the Consultant for signature and notarization.

4.9.6 The Consultant shall return the signed and notarized RFP to the OPM for approval in ORCMS.

4.9.7 The approved RFP is sent via ORCMS to Oracle Accounts Payable, where it shall remain on hold until the hard copy RFP is received in the Finance Department with appropriate approvals.



- 4.9.8 The Operations Manager shall print a hardcopy and submit the RFP to the Finance Department for processing.
- 4.9.9 The Finance Department shall date stamp the RFP and assign it to Accounts Payable staff for processing.
- 4.9.10 Accounts Payable shall compare the hard copy RFP to the electronic transaction to verify accuracy and process in accordance with Accounts Payable internal procedures.
 - 4.9.10.1 Improperly completed RFPs shall be placed on hold by Accounts Payable until resolved.
 - 4.9.10.2 Oracle shall send an electronic workflow notification to the PO and SPO by email that contains the reason(s) for the hold.
 - 4.9.10.3 If the issue is not resolved within ten (10) days, a second Oracle email shall be sent to the PO and SPO.
 - 4.9.10.4 If the issue is not resolved within another ten (10) days, a third Oracle email shall be sent to the PO and SPO.
 - 4.9.10.5 After thirty (30) days, the CPO and Vice President, Construction Management shall be notified by Oracle email.
- 4.10. Administrative Payments – Operating Budget Purchase Orders (ORACLE FINANCIALS)
 - 4.10.1 The Requesting Department shall create a purchase requisition in Oracle Financials.
 - 4.10.2 The Requesting Department shall forward the purchase requisition to the Director for approval.
 - 4.10.3 Upon approval, the Requesting Department shall forward the purchase requisition to the Purchasing Unit to create a purchase order.
 - 4.10.4 Purchasing shall create a purchase requisition in Oracle Financials, which generates a purchase order for goods and services.
 - 4.10.4.1 Purchase orders are created as Advance Check Requests or Terms of Net 30 transactions.
 - 4.10.5 Using the invoice, the Requesting Department shall create an electronic receiving transaction in Oracle (not required for Advance Check Requests).



4.10.6 The Director or designee shall approve and date the invoice.

4.10.6.1 All supporting documentation shall be attached to the invoice.

4.10.7 The Finance Department shall date stamp the RFP and assign it to Accounts Payable staff for processing

4.11. Assignment of Funds & Joint Payee Requests

4.11.1 The Requestor shall submit a request for assignment or a joint payee request to the Legal Services Division for review and approval.

4.11.1.1 A W-9 form may be required.

4.11.2 The Legal Services Division shall notify the Requestor of its decision.

4.11.3 The Legal Services Division shall submit any required supporting documentation to Finance.

4.11.4 Construction Management shall submit the RFP and required supporting documentation to the Finance Department.

4.11.5 The Finance Department shall process the RFP following the guidelines provided in this document.

4.12. Public Improvement Liens, Restraining Notices, Stop Payment Orders, Labor Law 220 Violations and Tax Levies

4.12.1 These items are submitted to the Finance Department by various sources and shall be processed, and monies withheld from, approved RFPs received by the Finance Department after the effective date of the claim.

4.12.2 Withheld monies shall remain on hold until the claim has been satisfied, released (by various parties) or bonded.

4.12.2.1 Monies may be withheld as a result of labor law violations and subcontractor liens.

4.12.3 Upon notification from the appropriate authority originating the claim (e.g., NYC Comptroller's Office, Office of the Inspector General, etc.) that the claim has been satisfied, monies shall be released to the Contractor unless otherwise instructed.



4.13. Records Maintenance

4.13.1 All documents for the past two (2) years shall be retained in the Finance Department.

4.13.2 For documents older than two (2) years, a Record Retrieval form shall be completed and submitted to the Central Files Unit for records maintained at the SCA's off-site storage facility.

5. **Related Policies & Operating Guidelines**

5.1. 400-004-POL – Payments Policy

5.2. Records Management, Administrative Services Operating Guidelines

6. **Web Address for Operating Guidelines**

This section left intentionally blank.

7. **Contacts**

<u>Title</u>	<u>Department</u>	<u>Phone</u>
Comptroller	Finance	718-472-8314
Vice President	Construction	718-472-8359
Vice President	Finance & IT	718-472-8012

8. **Forms**

8.1. Financial Data Form

8.2. Contract Award/Execution Routing Sheet