

December 1, 1999

This memo has expired

MEMORANDUM NO. 35-99

**TO: DISTRICT CONSTRUCTION ENGINEERS
DISTRICT FINAL ESTIMATES ENGINEERS**

FROM: Greg Xanders, State Construction Engineer

COPIES: Bill Albaugh, Charles Goodman, Tom Aldridge, Cecil Bragg, Bob Burleson,
District Legal Offices, Central Office Legal

**SUBJECT: UNPAID BILLS CLAIMS AND THE CONTRACTOR'S AFFIDAVIT AND
SURETY CONSENT FORM
(Form 21-A)**

The Engineering Audit and Administrative Standards for Final Estimates addresses the District Final Estimates Engineers' (DFEE) process for handling unpaid bills claims. This procedure is being revised to reflect new requirements after the receipt of the Contractor's Affidavit and Surety Consent Form (Form 21-A). The DFEEs will now include the following steps in the contract close-out process in regards to the 21-A:

1. Review form 21-A for format, information, compliance etc. as before. Return the form to the contractor if there are any discrepancies other than unpaid bills issue(s) within twenty (20) days of receipt of the 21-A.
2. Next, check the Final Estimates Unpaid Bill Inquiry Program (FEUNPAID) for unresolved issue(s) with respect to this specific 21-A. If there are no disputes listed on the 21-A and there are unresolved issue(s) in the FEUNPAID system (or if all the issue(s) in the FEUNPAID system have not been listed on the 21-A), print a report from the FEUNPAID system. Send a copy of this report and a copy of the 21-A to the Resident Engineer (RE) and request the RE call you because of conflicts with the 21-A and the report.
3. When the RE calls, find out if the issue(s) have been resolved. If the issue(s) listed in the FEUNPAID system have been resolved during the life of the construction contract, revise the FEUNPAID system to reflect the resolution of the issue(s). Note: The RE will maintain documentation for unpaid bills issue(s) throughout the life of the contract.

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4. If you find there are discrepancies with the 21-A and outstanding unresolved issue(s):

a. The RE will notify the District Construction Engineer (DCE) and the Legal Office. A determination will be made as to whether good cause exists for nonpayment, whether payment should be withheld or whether the matter should be pursued with regards to Revocation of Certification of Qualification.

b. Send a copy of the 21-A and any backup documentation to the State Construction Office Prequalification Engineer. This information will be used during the review of the contractors prequalification for the coming year.

5. If the 21-A is acceptable for all but unresolved unpaid bills issue(s):

a. If the unresolved unpaid bills issue(s) have been determined to be good cause, send the final estimate for payment.

b. If the unresolved unpaid bills issue(s) have not been determined to be good cause, hold the final estimate until the Prime Contractor addresses the issue(s) with the subcontractor(s). The DCE will make the determination that the Prime Contractor has provided sufficient evidence for addressing the issue.

This is your authorization to begin this process on the date of this letter.

The updated Engineering Audit and Administrative Standards for Final Estimates Manual is expected to be released in January 2000 and will include this revision to the process. If you have further questions, please call Tom Aldridge at sc 292-4165.

GX/ac