

## **STANDARD OPERATING PROCEDURE**

### **FOR PROCESSING OF FINAL PAYMENT CERTIFICATES FOR MAINTENANCE CONTRACTS**

The following standard Operating procedure is for the final payment certificate to be processed leading to the final payment to be made to the contractors.

#### **STEP-1:**

Contractor shall submit his final payment certificate with an application for measurement of his works, which e has completed as per given schedule to the concerned Dy. Director (DD), with a copy of the same to Director Maintenance (DM) of the region.

#### **STEP-2:**

DD shall inform the contractor in writing with a copy to DM, of the date of measurement (which shall not exceed 10 days period of the date of the request for measurement made by the contractor).

#### **STEP-3:**

The DD shall ensure that the measurements are carried out, in the presence of the contractor or his representative on the given date. If both, the contractor and the DD, decide to revise the date mutually, then the DD shall inform the DM of the agreed revised date supported by sound reasoning.

#### **STEP-4:**

The agreed measurements shall be entered in the Measurement Book (MB) by the concerned DD. A letter shall also be attached with the final payment certificate through which the concerned Assistant Director (AD) and / or Inspector shall confirm that works executed are acceptable and as per required design and specifications.

#### **STEP-5:**

The DD shall then complete the requisite paper work within 5 days consequent to the date of measurement and submit the final payment certificate to DM in the prescribed attached Annexure-I format. DM shall review the final payment certificate and detail Dy. Director (Monitoring) Operations Management and Maintenance (DDM) to inspect the completed works and submit monitoring report. The DDM shall, within 5 days, complete his assignment and submit the report to DM, who shall forward the same to GM. GM upon satisfactory report shall authorize DM to process the final payment certificate further. DM shall forward the same to DD Accounts immediately for necessary processing as given in the prescribed format **(Annexure-I)**.

**STEP-6:**

DD Accounts shall return the final payment certificate (after detailed scrutiny as per **Annexure-I** and completion of relevant formalities back to DM within 2 days along with necessary certifications if everything is found in order. In case of any discrepancy also the DD Accounts shall point the same out within the same 2 days.

**STEP-7:**

The DM shall ensure that all necessary certifications and relevant documentation is in order and certify the same. He shall then submit the final payment certificate with his recommendations to General Manager (GM) within 2 days of the receipt of the final payment certificate from the Accounts Section.

The final payment certificate shall be submitted on the prescribed format **(Annexure-I)**.

**STEP-8:**

GM shall accord necessary approval within 24 hours of his presence in the office.

**STEP-9:**

The final payment certificate shall be forwarded to Accounts Section where DD Accounts shall be responsible for issuance of the cheque (Subject to availability of funds) within 24 hours to the contractor.

**NATIONAL HIGHWAY AUTHORITY**

Office of the General Manager (Ops. & Corrd.)  
Phone: 9260415, Fax: 9261324

No. 5(10)-NHA/GM(O&C)/02/79

Islamabad, February 16, 2002

To,

**All Regional General Managers of NHA**

Subject: **SOP FOR PROCESSING OF IPCS AND FINAL PAYMENT CERTIFICATES OF MAINTENANCE WORKS**

Please find enclosed Standard Operating Procedures (SOP) for processing of Interim Payment Certificates (IPCs) and Final Payment Certificates of the Maintenance Works in the Regional Offices of NHA. These SOPs are required to be adopted by all the Regional General Managers.

2. The procedures along with relevant Annexures are nothing new which the Regional Offices are not aware of. So no complication or misunderstanding of any kind is expected. The objective is merely to have a uniform management system throughout HA offices.

3. It may be observed that on the Final Payment Certificate, Annexure-I, General Manager, Director (Maintenance) and Dy. Director (Monitoring) are required to record the dates of inspections performed by them. This is being done purposely with the view that every Regional General Manager and his concerned staff carries out regular inspection of the Maintenance Works and maintain a record of the same.

4. The inspection of Regional General Manager and Director (Maintenance) may be undertaken during the execution phase of the work but the Dy. Director (Monitoring) is expected to carry out detailed quality and quantity check of the finished work and submit his Monitoring Report to Regional General Manager through Director (Maintenance) while processing the Final Payment Certificate.

5. Another area of concern is that most of the times Dy. Director get the work executed without issuing proper work schedule to the Contractor. The Regional General Manager is requested to ensure that not work is brought under executive without formal issuance of the work schedule with a copy of the same to Director (Maintenance) of the Region for record.

6. You will appreciate that in the absence of such work schedule the contractors normally end-up carrying out work in excess of the quantities available and many emergency situations are left unattended. This is more particularly with reference to Routine Maintenance Contracts. However, the Regional General Managers must ensure that work schedule be issued by Dy. Director (Concerned) prior to commencement of the contractor's execution of work.

7. Please also find enclosed sample of the Affidavit and Invitation for Bids (IFB), which shall become part of Contract Documents. The IFB is self-explanatory and the contents of Affidavit clearly identify the purpose it is required to serve. You are requested to amend the contract documents accordingly.

8. Member (Operations) has stressed that Regional General Managers must ensure that these SOPs are adopted immediately without making any exception.

9. Your cooperation in this regard is highly appreciated.



**(Raja Nowsherwan)**  
General Manager (O&C)

**Copy to:-**

1. Chairman NHA
2. Member (Operations)

**PAYMENT CERTIFICATE (N- )**

Maintenance Contract No:-

EMPLOYER

PROJECT OFFICE (UNIT)

CONTRACTOR

Value of Performance Guarantee/Insurance Amount

DATE OF AWARD/

DATE OF COMMENCEMENT

TARGET COMPLETION DATE Inc. Grace F. \_\_\_\_\_

Certified that all contractual formalities leading to issuance of commencement letter have been filled as per Contract Agreement and NHA policy and procedures etc.

\_\_\_\_\_  
DIRECTOR MAINTENANCE

TOTAL CONTRACT AMOUNT RS.  
AMOUNT OF THIS IPCs RS.  
TO DATE PAYMENT MADE RS.  
IPC (No.\_\_\_\_\_) PAYMENT (verified) Dated:-  
Date of measurement  
Retention Money deduction  
Tax deduction  
Any other deducted to be made  
Total Deduction  
Net Payable amount (in numericals)  
(in words)  
Total amount paid to date plus this IPC payment  
BALANCE AMOUNT OF CONTRACT  
RECOMMENDED FOR 100% PAYMENT

\_\_\_\_\_  
DY. DIRECTOR MAINTENANCE

NHA, \_\_\_\_\_ Date: \_\_\_\_\_

Checked and verified that the BILL / IPCis in order and is recommended for payment of

\_\_\_\_\_  
**DEPUTY DIRECTOR (ACCOUNTS)**

Date:- \_\_\_\_\_

**DIRECTOR MAINTENANCE**

\_\_\_\_\_  
**DIRECTOR (MAINTENANCE)**

Date: \_\_\_\_\_

\_\_\_\_\_  
**GENERAL MANAGER ( )**

Date:- \_\_\_\_\_

## SALIENT FEATURES

**SCOPE OF WORK:**

**DESIGN:**

<b>PHYSICAL PROGRESS</b>				<b>REASONS FOR DELAY</b>	<b>ACTION TAKEN</b>
<b>IPC No.</b>	<b>PLANNED</b>	<b>ACTUAL</b>	<b>DELAY</b>		
1					

**ANY OTHER REMARK**

**REMARKS ON PERFORMANCE OF CONTRACTOR DURING IPC PERIOD/  
CONTRACT PERIOD.**

**REMARKS ON QUALITY OF WORK**

\_\_\_\_\_  
**Deputy Director (Maintenance)**  
**NHA** \_\_\_\_\_

## ACCOUNTS SECTION

CONTRACTOR  
BOQ QUANTITIES AND AMOUNTS

Certified that all the Quantities and Amounts are within the approved BOQ.  
Arithmetic check has been carried out and corrections made accordingly.

**(Superintendent Accounts)**  
NHA, \_\_\_\_\_

### DEDUCTIONS

IPC NO	AMOUNT	RETENTION MONEY	INCOME TAX	NET PAYMENT
		0	0	0
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**(Superintendent Accounts)**  
NHA, \_\_\_\_\_

C. LIQUIDATED DAMAGES @ Rs. Per day (As per Contract)

DATE OF COMPLETION IPC NO.	DATE OF MEASUREMENT	DELAY IN DAYS	LIQUIDATED DAMAGES	REASONS

**(Superintendent Accounts)**  
NHA, \_\_\_\_\_

### c. CONTRACTUAL OBLIGATIONS

PERFORMANCE SECURITY		INSURANCE	
AMOUNT	VALIDITY	AMOUNT	VALIDITY

**Certified that the bill is checked in detail and recommended for the payment.**

**(Superintendent Accounts)**  
NHA, \_\_\_\_\_

**(Accountant)**  
NHA, \_\_\_\_\_

**Dy. Director (Accounts)**  
NHA, \_\_\_\_\_

# NATIONAL HIGHWAY AUTHORITY

Maintenance Unit \_\_\_\_\_ N- \_\_\_\_\_

## CERTIFICATE SUMMARY

\_\_\_\_\_ Maintenance  
ROUTE  
PROVINCE

CONTRACT NO.

S.NO	DESCRIPTION	CERTIFICATE NO.				COST	
		QUANTITY	UNIT	RATE	SUM	TO-DATE	CONTRACT SUM
2.2							
2.3							
2.7							
3.2							
3.3							
3.5							
307a							
3.8							
3.9b							
3.10a							
3.10b							
<b>COST SUB TOTAL (A)</b>							

<b>TOTAL</b>			
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Road Inspector (M)

A. Director (M)

Dy. Director (M)  
NHA, \_\_\_\_\_



