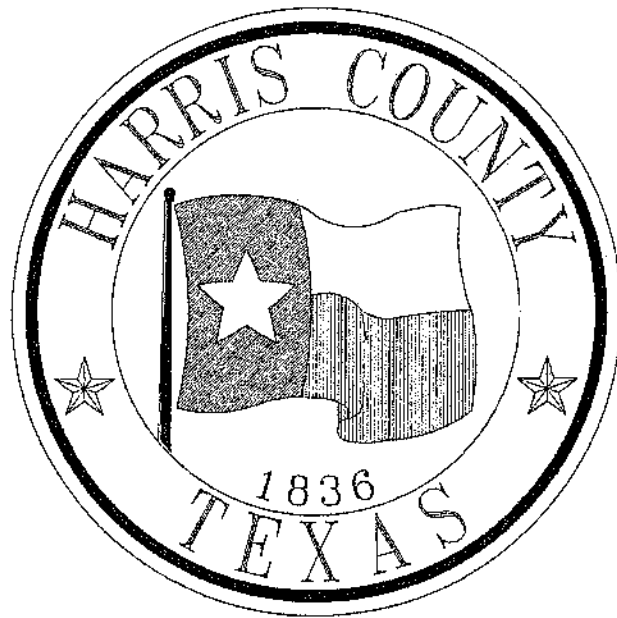


HARRIS COUNTY  
ENGINEERING DEPARTMENT



POLICY FOR PAYMENT  
OF  
MATERIAL ON HAND

December 6, 2005

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## MATERIAL ON HAND POLICY

If payment for material on hand is desired, request compensation for the invoice cost of acceptable nonperishable materials that have not been used in the work before the request, and that have been delivered to the work location or are in acceptable storage places. Nonperishable materials are those that do not have a shelf life or whose characteristics do not materially change when exposed to the elements, include only materials that have been sampled, tested, approved, or certified, and are ready of incorporation into the work. Only materials which are completely constructed or fabricated on the contractor's order for a specific contract and are so marked and on which an approved test report has been issued are eligible. Payment for material on hand may include the following types of items: concrete traffic barrier, precast concrete box culverts larger than 25 square feet, concrete piling deck panels, beams, reinforced concrete pipe larger than 66 inches, structural steel girders, steel bridge rail, illumination poles and other items deemed reasonable by the Engineer. Any repairs after fabricated materials have been approved for storage shall require approval of the Engineer before being made and shall be made at the contractor's expense. Include only those materials that have an individual or collective invoice cost of at least \$1,000 in the request for material on hand payment.

For multiple work order contracts, payment for material on hand will only be made for materials authorized for purchase by the work order or by written approval of the Engineer.

If the request is acceptable, the Engineer will include payment for material on hand in a progress payment. Payment for material on hand does not constitute acceptance of the materials. Payment will not exceed the actual cost of the material as established by invoice, or the total cost for the associated item less reasonable placement costs, whichever is less. Materials for which the contractor does not have a paid invoice within 60 days will not be eligible for payment as material on hand and will be removed from the summary attached hereto. Payment may be limited to a portion of the invoice cost or unit price if shown elsewhere in contract as determined by the Engineer.

Submit the request on forms provided by the Engineer. These forms may be electronically reproduced, provided they are in the same format and contain all the required information and certifications. Continue to submit monthly material on hand forms until the total value of material on hand is \$0.

By submitting a request for material on hand payment, the contractor expressly authorizes the Engineer to audit material on hand records, and to perform process reviews of the record-keeping system. If the Engineer determines noncompliance with any of the requirements of this provision, the Engineer may exclude payment for any or all material on hand for the duration of the contract.

Maintain all records relating to material on hand payment until final acceptance. Provide these records to the Engineer upon request.

Engineer in the policy refers to the Engineer in charge of the project employed by Harris County, Harris County Toll Road Authority or Harris County Flood Control District as applicable.

Project Name: \_\_\_\_\_

Project ID: \_\_\_\_\_

REQUEST FOR PAYMENT OF  
MATERIAL ON HAND SUMMARY PAGE

SHEET  
AMOUNT

Sheet _____ of _____	
Sheet _____ of _____	
Sheet _____ of _____	
Sheet _____ of _____	
Sheet _____ of _____	
Sheet _____ of _____	
Total Value:	0.00
Less-Previous Total Value:	0.00
Net Change This Estimate:	0.00

TOTALS

1. Materials are non-perishable and suitable for incorporation in the work.
2. All materials are identified and set apart for this project and have not been included in a request for payment on any other projects.
3. Paid invoices are on file for any material that has been included through the warranty period.
4. "Harris County Engineering Department Policy for Payment of Material on Hand" is a complete guide for Material on Hand payment and shall be used to evaluate Contractor's requests.
5. The signatory hereby warrants that they have the authority to execute this request.

\_\_\_\_\_  
Contractor

\_\_\_\_\_  
Name (Print or Typed)

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

Instruction: Attach corresponding paid invoice copies for supporting documentation.  
Include with monthly contractor application for payments

Project Name: \_\_\_\_\_

Project ID: \_\_\_\_\_

REQUEST FOR PAYMENT OF MATERIAL ON HAND SUMMARY PAGE

CONTRACTOR: \_\_\_\_\_

Estimate Period From: \_\_\_\_\_ to \_\_\_\_\_

Item and Description Number (000-0000)	Material Description	Unit of Meas	Received This Period	Previous Qty on Hand	Used This Period	Balance On Hand	Material Unit Price \$	Plan Qty.	Total Value \$
						0.00			0.00
						0.00			0.00
						0.00			0.00
						0.00			0.00
						0.00			0.00
						0.00			0.00
						0.00			0.00
						0.00			0.00
						0.00			0.00

Page \_\_\_\_ of \_\_\_\_

Sheet Total: \_\_\_\_\_

\*By submitting a request for Material on Hand (MOH) payment, the Contractor expressly authorizes the Harris County Engineering Department to audit MOH records, and to perform process reviews of the record-keeping system. If the Department determines noncompliance with any of the requirements of Harris County Engineering Department Policy for Payment of Material on Hand, the Department may exclude payment for any or all MOH for the duration of this Contract.\*

Signature of Contractor Authorized Representative: \_\_\_\_\_

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