

# Sunburst Software Solutions

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## *Construction Application for Payment Solution Where does all of the information come from?*

### **How to use this document:**

Using the sample forms at the end of this document as guides, locate the number of the piece of information that you are trying to troubleshoot, and then simply match up that number to the number in the following list. Each list is separated between items that are specific to the G-702 and the G-703.

### **IMPORTANT NOTE:**

The information provided is standard information that is found on all AIA billing documents. When troubleshooting a modified billing format, missing data has often not been entered in the CAPS linked "Job Record"; which is accessed from within CAPS from Edit menu -> Jobs -> click to select Job -> Edit -> Basics, Billing, etc. tabs.

### **Contractor's Application for Payment – Form G-702:**

- 1. To Owner:** this information comes from the QuickBooks® Job Record "Bill To" Address Block.
- 2. From Contractor:** this information is a combination of your company name as given when you placed your order for CAPS combined with the information that you have entered in the CAPS System Setup menu-> Address & Default Information -> Address tab.
- 3. Project:** this information comes from the QuickBooks® Job Record "Ship To" Address Block.
- 4. Via Architect:** this information is held in CAPS as there is no provision within QuickBooks® to associate an architect with a Job. Architects may be chosen and/or created directly from the linked Job record within CAPS (Edit menu -> Jobs -> select Job -> Edit -> Edit Architects -> Add) or in CAPS from the Edit menu -> Architects - Add.
- 5. Contract For:** this information comes from the QuickBooks® Job Record -> Job Info Tab -> Job Description box.
- 6. Application No:** the first time that you bring in a Progress Invoice from QuickBooks® you will have two opportunities to start off with the correct Application Number, CAPS will default to 1 because it will be the first time it has seen this job. The first opportunity will be when you view the Detail Screen and the second opportunity will be at the Print Screen; to change an application number simply type over the number that is currently there. Once you have the Application number set correctly CAPS will automatically increase that number by 1 each time you bring in a Progress Invoice.
- 7. Period To:** this information will automatically default to the date of your QuickBooks® Progress Invoice; however, you will have several opportunities to modify this date. The first opportunity is at the Reconciliation Step 1 Screen where you may modify the date in the To Date box; if this is a brand new job you may modify this date in the linked Job Record that you will be asked to create by typing in the correct date in the First Period Ending Date box; and a final opportunity exists to correct this date at the Detail screen
- 8. Project No's:** this information comes from the linked Job Record within CAPS; 8 is the Federal Project # box in this job record; NOTE: the words Federal Project # does not print out on the form so you may modify these numbers to meet your needs.
- 9. Project No's:** this information comes from the linked Job Record within CAPS; 9 is the State Project # box in this job record; NOTE: the words State Project # does not print out on the form so you may modify these numbers to meet your needs.

- 10. Project No's:** this information comes from the linked Job Record within CAPS; 10 is the Architect Project # box in this job record; NOTE: the words Architect Project # does not print out on the form so you may modify these numbers to meet your needs.
- 11. Contract Date:** this information is held in the linked Job Record within CAPS; the information that you have entered in the Original Contract Date box in this linked record will appear in this location.
- 12. Original Contract Amount:** this information comes from the linked Job Record within CAPS in the box labeled Original Contract Amount. CAPS will read the total amount of your QuickBooks® Estimate and enter it into this box for you – the ONLY time that this amount will be incorrect is if you have Change Orders prior to your first draw request; in an instance such as this you will simply overwrite the amount shown in this box with the correct amount of the contract PRIOR to the Change Orders
- 13. Net change by Change Orders:** this is the total amount of the line items that you have chosen a status of Current and Prior in the CAPS Detail Screen.
- 14. Contract Sum to Date (line 1 + 2):** this is a simple mathematical equation that adds together the amounts in positions 12 and 13.
- 15. Total Complete & Stored To Date:** the amount shown here should match Column G of the last page of the printed Continuation Sheet.
- 16. Retainage % of Complete Work:** this information comes from the linked Job Record within CAPS from the box labeled Default for the Flat Rate of Retainage option listed under How retainage is held on COMPLETED work option. If you have selected a Variable Rate for this option the word varies will appear here instead of a numerical amount.
- 17. Dollar amount of retainage held on Completed Work:** this number represents the retainage percent or percents if variable multiplied by the sum of the amounts shown in Columns D & E on the last page of the Continuation Sheet.
- 18. Retainage % of Stored Material:** this information comes from the linked Job Record within CAPS from the box labeled Default for the Flat Rate of Retainage option listed under How retainage is held on Stored work option. If you have selected a Variable Rate for this option the word varies will appear here instead of a numerical amount.
- 19. Dollar amount of retainage held on Stored Work:** this number represents the retainage percent or percents if variable multiplied by the sum of the amounts shown in Column F on the last page of the Continuation Sheet.
- 20. Total Retainage:** this amount shown here represents the sum of numbers 17 and 19 above OR the amount shown on the last page of the Continuation Sheet for Column I, if the retainage is variable.
- 21. Total Earned Less Retainage:** the amount shown here represents the balance of the amount shown in Item 14 MINUS the amount shown in Item 15.
- 22. Less Previous Certificates for Payment:** the amount shown here represents the amount carried forward from Line 6 of your previous Application for Payment.
- 23. Current Payment Due:** the amount shown here represents the total shown in Column G of the Continuation Sheet less applicable retainage.
- 24. Balance to Finish, including Retainage:** the amount shown here is equal to the sum of the amount shown in Item 14 MINUS the amount shown in Item 21.
- 25. Total approved in Previous Months - Additions:** the amount shown here is the total of all line item amounts shown in CAPS Detail Screen that have a status of Prior and represents an increase in the total amount of the contract that are Prior Change Orders.
- 26. Total approved this month - Additions:** the amount shown here is the total of all line item amounts shown in CAPS Detail Screen that have a status of Current and represents an increase in the total amount of the contract that are Current Change Orders with this billing.
- 27. Totals - Additions:** the amount shown here represents the total of Item 25 PLUS Item 26.
- 28. Net Changes by Change Order - Additions:** same as the amount shown in Item 27.
- 29. Total changes approved in Previous Months - Deductions:** the amount shown here is the total of all line item amounts shown in CAPS Detail Screen that have a status of Prior and represents a decrease in the total amount of the contract that are Prior Change Orders.
- 30. Total approved this month - Deductions:** the amount shown here is the total of all line item amounts shown in CAPS Detail Screen that have a status of Current and represents an decrease in the total amount of the contract that are Current Change Orders with this billing.
- 31. Totals - Deductions:** the amount shown here represents the total of Item 29 PLUS Item 30.
- 32. Net Changes by Change Order - Deductions:** same as the amount shown in Item 31.
- 33. Contractor:** this is your company name as provided to us at the time you placed your order.
- 34. State of:** this is information that you must enter in CAPS by selecting the System Setup Menu -> Address Information -> Notary Tab -> Notary State box.

- 35. County of:** this is information that you must enter in CAPS by selecting the System Setup Menu -> Address Information -> Notary Tab -> Notary County box.
- 36. \_\_day of \_\_:** the day and date shown here represent today's date.
- 37. Notary Public:** if you have a Notary on staff or always use the same Notary for your Applications for Payment you may enter their name in CAPS by selecting the System Setup Menu -> Address Information -> Notary Tab -> Notary Name.
- 38. My Commission expires:** if you have a Notary on staff or always use the same Notary for your Applications for Payment you may enter their name in CAPS by selecting the System Setup Menu -> Address Information -> Notary Tab -> Notary Expires.

## Continuation Sheet – G-703:

- 1. To Owner:** this information comes from the QuickBooks® Job Record "Bill To" Address Block.
- 2. From Contractor:** this information is a combination of your company name as given when you placed your order for CAPS combined with the information that you have entered in the CAPS System Setup menu-> Address & Default Information -> Address tab.
- 3. Page:** Page numbers are automatically calculated and enter by the CAPS program.
- 4. Application No:** the first time that you bring in a Progress Invoice from QuickBooks® you will have two opportunities to start off with the correct Application Number, CAPS will default to 1 because it will be the first time it has seen this job. The first opportunity will be when you view the Detail Screen and the second opportunity will be at the Print Screen; to change an application number simply type over the number that is currently there. Once you have the Application number set correctly CAPS will automatically increase that number by 1 each time you bring in a Progress Invoice.
- 5. Application Date:** this is the date that has been found on your QuickBooks® Progress Invoice.
- 6. Period To:** this information will automatically default to the date of your QuickBooks® Progress Invoice; however, you will have several opportunities to modify this date. The first opportunity is at the Reconciliation Step 1 screen where you may modify the date in the To Date box; if this is a brand new job you may modify this date in the linked Job Record that you will be asked to create by typing in the correct date in the First Period Ending Date box; and a final opportunity exists to correct this date at the Detail screen.
- 7. Architect's Project No:** this information comes from the linked Job Record within CAPS; 10 is the Architect Project # box in this job record; NOTE: the words Architect Project # does not print out on the form so you may modify this box to meet your needs.
- 8. Item No:** CAPS assigns a line item number assignment to each item from your QuickBooks® Estimate and in order to accurately keep track of all the details that relate to that item (Columns B through I) it expects to find these same items in this exact same position on all of your Progress Invoices.
- 9. Description of Work:** information shown here is the same information that is shown on your QuickBooks® Estimate in the Description area of the item that was selected. Ultimately this description is pulled from your QuickBooks® item found in the Item List, and is contained in the Description area of the actual item record.
- 10. Scheduled Value Amounts:** these values are pulled from your QuickBooks® Estimate Totals column and are the values that you have assigned each item that is included on the Estimate.
- 11. From Previous Application Amounts:** these amounts can be drawn from two different areas – depending upon the situation.
  - First Situation:** if you are implementing CAPS midway through a job and wish to "pick up where you left off" the first time that you bring a Progress Invoice into CAPS and set up the linked record and view the Detail Screen you will have an opportunity to enter amounts previously billed in the Previous Bill column.
  - Second Situation:** if you are implementing CAPS at the beginning of a new job, this column will automatically be updated with each draw.
- 12. This Period Amounts:** these amounts are drawn from the QuickBooks® Progress Invoice that you are currently working with.
- 13. Materials Presently Stored (Not in Columns D or E):** QuickBooks® provides no ability to account for Stored Materials and CAPS handles this in the Detail screen. In QuickBooks® for the line item that has Stored Material you will bill the total amount of the work completed this period PLUS the amount of Stored Materials. When you have pulled the Progress Invoice into CAPS, click the Detail button and in the Stored Column enter the dollar value of the Stored Material. CAPS will separate this amount from the Work Completed this Period when it prints the Continuation Sheet.
- 14. Total Completed and Stored to Date Amounts:** this is a simple mathematical equation which CAPS performs for you that adds the amounts shown in Items 10, 11, and 12 or Columns D, E, & F.

**15. % (G/C):** this is a simple mathematical equation which CAPS performs for you which divides the amount in Item 13 (Column G) by the amount shown in Item 9 (Column C) to show the percentage of completion for this line item.

**16. Balance to Finish:** this is a simple mathematical equation which CAPS performs for you which is the sum of Item 9 (Column C) MINUS the amount shown in Item 13 (Column G) to show the balance to finish as a dollar amount.

**17. Retainage (If Variable Rate):** as the title of this column indicates *retainage amounts should only appear in this column if the job has a variable rate of retainage throughout the contract* and is not mandated if the job has a fixed rate of retainage for the duration of the contract.

Unfortunately, this column causes a lot of confusion, so we'll attempt to offer up some clarification.

First, we will offer a **definition of a Variable Rate Contract**. A variable rate contract is one in which the retainage rate changes or fluctuates during the life of the contract, for example:

1. Retainage is held at 10% until the contract reaches 50% complete, and then retainage is reduced to 5% for the remainder of the contract.
2. Retainage varies by line item.
3. Retainage varies by phase.
4. Retainage is held on labor but not materials.
5. Retainage is held on materials but not on labor.

CAPS has built in functionality that will let you show either the retainage as a percent or the amount of the retainage held at the percent that you specify; and you can do this for either a fixed rate or variable rate job.

Simply select that retainage is held at a variable rate for both completed and stored material in the linked job record in CAPS under the Billing tab and using the detail screen enter the percentage rate **without** the % signs in the Retainage % (if variable) column for each line item.

The default setting is to show the retainage percentage on the Continuation Sheet in Column I on the final printout, but you can change it to show the dollar amount that was held based on the percentage rate that you entered in the Detail screen by going to the System Setup -> Options tab and placing a check mark next to Print current dollar amount instead of retainage % on continuation form?

When a job that has a **Fixed** rate of retainage (a certain percentage over the entire life of the contract) retainage is only displayed on the G-702 in the Retainage section (section #5) with no amounts or percentages displayed in this column.

Occasionally a General Contractor or Project Owner will require that you display retainage in Column I even for a Fixed Rate contract; simply because they can. In this case, set your job up in CAPS as if it were a Variable Rate job as described above.

TO OWNER:

1

PROJECT:

3

APPLICATION NO: 6

PERIOD TO: 7

PROJECT NOS:

8

9

10

Distribution to:

OWNER  
ARCHITECT  
CONTRACTOR

FROM CONTRACTOR:

2

VIA ARCHITECT:

4

CONTRACT FOR:

5

CONTRACT DATE: 11

	OWNER
	ARCHITECT
	CONTRACTOR
	_____
	_____
	_____
	_____
	_____
	_____
	_____
	_____

**CONTRACTOR'S APPLICATION FOR PAYMENT**

Application is made for payment, as shown below, in connection with the Contract. Continuation Sheet is attached.

- 1. ORIGINAL CONTRACT SUM 12
- 2. Net change by Change Orders 13
- 3. CONTRACT SUM TO DATE (Line 1 + 2) 14
- 4. TOTAL COMPLETED & STORED TO DATE (Column G on Continuation Sheet) 15
- 5. RETAINAGE:
  - a. 16 % of Complete Work 17  
(Columns D + E on Continuation Sheet)
  - b. 18 % of Stored Material 19  
(Column F on Continuation Sheet)
  - Total Retainage (Line 5a + 5b or Total in Column I of Continuation Sheet) 20
- 6. TOTAL EARNED LESS RETAINAGE (Line 4 less Line 5 Total) 21
- 7. LESS PREVIOUS CERTIFICATES FOR PAYMENT (Line 6 from prior Certificate) 22
- 8. CURRENT PAYMENT DUE 23
- 9. BALANCE TO FINISH, INCLUDING RETAINAGE (Line 3 less Line 6) 24

CHANGE ORDER SUMMARY	ADDITIONS	DEDUCTIONS
Total changes approved in previous months by Owner	25	29
Total approved this month	26	30
TOTALS	27	31
NET CHANGES by Change Order	28	32

The undersigned Contractor certifies that to the best of the Contractor's knowledge, information and belief the Work covered by this Application for payment has been completed in accordance with the Contract Documents, that all amounts have been paid by the Contractor for Work for which Certificates for payment were issued and payments received from the Owner, and that current payment shown herein is now due.

CONTRACTOR: 33

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

State of: 34

County of: 35

Subscribed and sworn to before me this 36 day of 36

Notary Public: 37

My Commission expires: 38

**ARCHITECT'S CERTIFICATE FOR PAYMENT**

In accordance with the Contract Documents, based on on-site observations and the data comprising this application, the Architect certifies to the Owner that to the best of the Architect's knowledge, information and belief the Work has progressed as indicated, the quality of the Work is in accordance with the Contract Documents, and the Contractor is entitled to payment of the AMOUNT CERTIFIED.

AMOUNT CERTIFIED \_\_\_\_\_

(Attach explanation if amount certified differs from the amount applied for. Initial all figures on this Application and on the Continuation Sheet that are changed to conform to the amount certified)

ARCHITECT: \_\_\_\_\_

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

This certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein. Issuance, payment and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this Contract

