



United States Department of Agriculture
Rural Development
Virginia State Office

**VA AN No. 456 (1924-A)
January 19, 2006**

SUBJECT: Review and Acceptance of Partial Payment Estimates

**TO: Director, Multifamily Housing Programs
Director, Rural Utility/Community Facility Programs
Rural Development Area Directors**

PURPOSE/OUTCOME:

The purpose of this Administrative Notice (AN) is to outline the procedure for the review of partial payment estimates. The intent is to ensure a consistent approach to this matter in the water and waste, community facility, and multi-family housing programs.

COMPARISON WITH PREVIOUS AN:

This AN replaces VA AN No. 420 (1924-A) dated July 25, 2003

IMPLEMENTATION RESPONSIBILITIES:

Rural Development field representatives who are responsible for review and acceptance of partial payments include Rural Development Area Directors, Program Specialists, State Engineer, State Architect, or any other individual designated by the Rural Development Area Manager. At the periodic drawing meeting, the Rural Development field representative, in conjunction with the project engineer/architect and the owner, will review the partial payment estimate submitted by the contractor. At this time, a determination should be made regarding the acceptability of the periodic payment estimate. If necessary, the periodic payment estimate should be corrected.

**EXPIRATION DATE:
January 19, 2007**

**FILING INSTRUCTION: Preceding
RD Instructions 1924-A, 1942-A**

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14th and Independence Avenue, SW, Washington, DC 20250-9410 or call (202) 720-5964 (voice or TDD).

If the partial payment estimated is acceptable, the Rural Development field representative will complete the appropriate portion of Exhibit A of this AN, “Pay Request Certification.” This certification should be attached to the partial payment estimate. When the partial payment estimate has been signed by the contractor, engineer/architect, and owner, the appropriate number of signed periodic payment requests, along with one copy of the Pay Request Certification, will be forwarded to the Rural Development office responsible for processing the pay request. The Rural Development office responsible for processing the pay request may use the remainder of the Pay Request Certification. In lieu of completing the Pay Request Certification, the Rural Development field representative should sign the partial payment estimate form, provided the following conditions are met:

Form RD 1924-18, “Partial Payment Estimate,” or similar form that has provisions for acceptance by Rural Development, must be used.

The partial payment estimate must be correct, in final form, and have all the necessary signatures in place, including the contractor, engineer/architect, and owner.

The partial payment estimate must include the amount due on the same page as the signatures.

Again, the appropriate number of signed periodic payment requests must be forwarded to the Rural Development office responsible for processing the payment request.

If you have any questions regarding this matter, please contact Carrie Schmidt, Director, Community Programs and Acting Director for Multi-Family Housing.

**PHILIP H. STETSON
Acting State Director**

Attachment – Exhibit 1

RURAL DEVELOPMENT

Pay Request Certification

Borrower Name: _____

Project: _____

Contract or: _____

Day of Pay Request: _____

Const. Amount Requested: _____

Const. Amount Recommended: _____

The review and recommendation of acceptance of this application for payment by Rural Development does not attest to the correctness of the quantities shown or that the work has been performed in accordance with the approved plans and specifications.

Accepted by Rural Development: _____

Date: _____

(Above to be completed by Rural Development field representative)

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Date of Receipt: _____

Total Amount Approved for Payment: _____

Date: _____ **Approved By:** _____

(This section to be completed by Rural Development payment processing office)