

Regulation 3314: Payment For Goods And Services**Original Adopted Date: 3/13/2024****Payment for Construction Contracts**

Payment on any contract for the creation, construction, alteration, repair, or improvement of any district property or facility or other public works project shall be made in accordance with the estimates, process, and/or schedule approved by the Governing Board.

As necessary, the Superintendent or designee may make progress payments as actual work is completed or materials are delivered. When a payment request is properly submitted by a contractor, any undisputed portion of the payment request shall be paid within 30 days. If the Superintendent or designee determines any payment request to be improper, he/she shall return the payment request to the contractor with a written statement of reasons why the request is not proper. (Public Contract Code 9203, 20104.50)

The district may withhold up to five percent of the proceeds due to the contractor until completion and acceptance of the project. (Public Contract Code 7201)

The proceeds to be withheld by the district may exceed five percent when the Board has made a finding, prior to the bid and during a properly noticed and regularly scheduled public meeting, that the project is substantially complex and requires a higher retention amount than five percent. In such cases, the Board's finding shall include a description of the specific project and why it is a unique project that is not regularly, customarily, or routinely performed by the district or licensed contractors. The bid documents shall include details explaining the basis for the finding and the actual amount to be withheld. (Public Contract Code 7201)

At any time after 50 percent of the work has been completed, the Board may release the withheld proceeds if it finds that satisfactory progress is being made. (Public Contract Code 9203)

Proceeds withheld by the district from payments to contractors for public works contracts shall be released within 60 days after the construction or improvement is completed. In the event of a dispute between the district and the contractor, the district may withhold from the final payment an amount not to exceed 150 percent of the disputed amount. (Public Contract Code 7107)

Policy Reference Disclaimer:

These references are not intended to be part of the policy itself, nor do they indicate the basis or authority for the board to enact this policy. Instead, they are provided as additional resources for those interested in the subject matter of the policy.

State

2 CCR 22000-22005

Code of Civil Procedure 685.010

Ed. Code 17605

Ed. Code 42630-42651

Description[Public entity use of electronic signatures](#)[Rate of interest](#)[Delegation of authority to purchase supplies and equipment](#)[Orders, requisitions and warrants](#)

Ed. Code 42800-42806

[Revolving cash fund](#)

Ed. Code 42810

[Revolving cash funds; use; administrators](#)

Ed. Code 42820

[Prepayment funds](#)

Gov. Code 16.5

[Electronic signatures](#)

Gov. Code 5500-5506

[Uniform Facsimile Signatures of Public Officials Act](#)

Gov. Code 811.2

[Definition of public entity](#)

Pub. Cont. Code 20104.50

Timely progress payments

Pub. Cont. Code 7107

[Retention proceeds; withholding; disbursement](#)

Pub. Cont. Code 7201

[Retention proceeds: limits and exceptions](#)

Pub. Cont. Code 9203

[Payment for projects costing over \\$5000](#)

Management Resources

Description

Website

[CSBA District and County Office of Education Legal Services](#)

Website

[California Secretary of State, digital signatures](#)

Website

[CSBA](#)

Website

[Fiscal Crisis and Management Assistance Team](#)

Cross References

Code

Description

3230

[Federal Grant Funds](#)

3230

[Federal Grant Funds](#)

3300

[Expenditures And Purchases](#)

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[Revolving Funds](#)

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[Management Of District Assets/Accounts](#)

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