

TIA Contracts and Payment Standard Operating Procedure

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*Alliance – Texas Engineering Co., DBA Alliance Transportation Group, Inc. (Alliance)*

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TIA Contracts and Payment

To outline TIA Contract and Payment Standard Operating Procedure for Alliance – Texas Engineering Co., DBA Alliance Transportation Group, Inc., (hereinafter referred to as "Alliance"). The goal is to ensure that contracts contain standard provisions that protect Alliance and put no more than 30 days of labor and other costs at risk.

TIA Contracts

As outlined below, TIA proposals and contract templates should include standard provisions for the following requirements:

* Client Payment History
* Retainer
* Payment Terms with Client - Alliance will be paid per payment terms; not pay when paid (depending on the contract).
* Payment Terms when Alliance is paying a subcontractor or other vendor for services.
* Suspension of Work for Outstanding Invoices
* Vendor invoices for data collection cost or other project related invoices must be submitted to [AP@emailatg.com](mailto:AP@emailatg.com) to be paid.

The Division Manager and Project Manager should ensure that executed (signed, dated) copy of the contract is obtained and maintained for Alliance records.

Payment by the Client for Alliance Labor

Retainers

* No retainer will be required if a client has a strong payment history with Alliance.  Strong payment record being defined as a client who consistently pays invoices within 45 days or less of submittal.
* Retainer of $5,000 (or more depending on the contract amount and estimate of monthly labor) will be required if a client does not have a strong payment history or is a new client. The retainer must be received by Alliance prior to starting work on the project.

Outstanding Invoices Owed to Alliance Over 30 Days

We want to operate with a net 30 days mindset. Work will be suspended temporarily on projects where payment has not been received in 30 days. The PM will contact the client regarding status of outstanding payment and a decision to resume work will be made by the Division Manager depending on the response from the client. This applies to all clients regardless of payment history.

Interim Product Submittal

If the client has any outstanding invoices, the interim product will not be delivered until full payment is received by Alliance. This applies to all clients regardless of payment history.

Final Product Submittal

If the client has any outstanding invoices, the final product will not be delivered until full payment is received by Alliance. This applies to all clients regardless of payment history.

Payment by the Client for Other Project Costs

All invoices for data collection costs or other project related costs incurred by Alliance and submitted to the client for payment are payable upon receipt by the client.

Payment by Alliance for Subcontractor or Vendor Services

All invoices from subcontractors or other vendors for project related costs such as data collection must be submitted to Alliance Accounts Payable via email at [ap@emailatg.com](mailto:ap@emailatg.com).

Exceptions or Waivers

Any exceptions or waivers from the standard operating procedure for a TIA contract or payment must have prior written approval from the Division Manager.