

Retainage Tips

Since we have done away with conventional retainage it is important to be sure that SM will not calculate retainage automatically. The default retainage line should show the all percentages to be zero.

If this isn't the case, it will be necessary to make changes before you generate the first estimate. If you don't have the authorization to make changes contact your District SM Coordinator.

To review the retainage set up on your contract to be sure the automatic feature is disabled.

- From the **Main Panel**, select **Contract Administration**, then select **Contract Records**, then select **Contracts**.
- Click the **Open** icon on the toolbar then select your contract. Click the **Payment Data Tab**.
- Click in the **Retainage Changes** area at the bottom of the screen.
- Click the **New** icon on the toolbar.
- On the new line, in the first field, **Work Compl Basis**, select **WORK IN PLACE** from the drop-down list.
- Type in current date as the **EFFECT DATE**.
- The retainage and the trigger percentages should remain zero
- Save.

When it is necessary to apply retainage to the contract due to non progress by the contractor, always use the contract adjustment for “**Retainage(Non-System)**”.

DO NOT USE THE *ADJUSTMENT* TYPE: “**CASH RETAINAGE WITHHELD**”

Note: Using the adjustment type “**Retainage(Non-System)**” on a multi project contract will allow you to distribute the retainage among the projects as desired by clicking on the distribution tab.