

STORED MATERIALS & DEPOSITS ON MATERIALS Reimbursement Policy

27 October 2022*

- I. The Authority will **allow** reimbursements for the value of stored materials and deposits on materials subject to the following **conditions**:
 - A. **Stored Materials:** The value of reimbursements for stored materials shall not exceed 60% of the total contract value for the associated line on the Contractor's Sworn Statement. The timeframe between payment of stored materials and installation of stored materials shall not exceed 120 calendar days. The stored materials must be under the control of the general contractor or subcontractor, not the manufacturer or fabricator, and located either offsite in an independent facility or onsite in an area isolated from construction activities.
 - B. **Deposits on Materials:** The value of reimbursements for deposits on materials shall not exceed 50% of the total value of the costs. Failure to deliver the materials as scheduled will void the agreement to fund deposits on materials and a hold will be placed on the subsequent Developer Fee installments, equal to IHDA's portion of the deposit on materials.
- II. Upon compliance with the conditions listed above, The Authority will **process**, with construction draws, reimbursements for stored materials and deposits on materials subject to the following **submittal requirements**:
 - A. **Stored Materials**
 1. **Proof of Approval:** Architect's approved shop submittals, if applicable.
 2. **Proof of Payment:** Manufacturer or fabricator's approved invoice. Proof of payment, clearly indicating payee, must be submitted on the subsequent construction draw. If proof of payment is not submitted on the subsequent construction draw, IHDA reserves the right to deduct an amount equal to the approved invoice, on the construction draw.
 3. **Proof of Delivery:** Manufacturer or fabricator's bill of lading, identifying shipping insurance, liability information and the approved destination for materials to be delivered to.
 4. **Proof of Storage:** IHDA Stored Materials Log and photo documentation to provide evidence of stored materials.
 5. **Proof of Insurance:** Insurance rider denoting actual materials being stored, with IHDA and other funders of the project being named as insured.

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B. Deposits on Materials

- 1. Proof of Cost:** Total value of material costs for the project, identifying the value of the deposits, broken out per IHDA's portion and the Developer's portion.
- 2. Proof of Payment:** Vendor's approved invoice and proof of payment, clearly indicating payee.
- 3. Proof of Schedule:** A schedule which identifies the following: order date(s), delivery date(s) and installation date(s).

*This policy replaces all previous versions.