

# Construction Contract Document Checklist

(For State Projects)

See Section 405 of "North Carolina Construction Manual".

**Use** this checklist to check contracts **BEFORE submitting** to The State Construction Office for approval.

If you have questions call (919)807-4100.

## General:

- Must use State form.
- Contracts must be properly collated per Section 405.10A of the Construction Manual.

## Construction Contract:

Page one:

- Date at top should be on or after date of award letter.
- Name of contractor (Party of the First Part) must be the same in all places on contract and bonds.
- Owner's name (Party of the Second Part) must be correct and the same in all places on contract and bond forms.
- Project description must be accurate.
- State Construction Office Project ID Number must be on first page of contract.

Page two:

- Amount must be correct and match award letter.
- Words and numbers must match.
- "Summary of Contract award:" must be filled in correctly.

For Example:	Base Bid	\$650,000
	Alternate G-1(single ply roof)	9,500
	Less Negotiations (see attachment)	<u>(8,000)</u>
	Total	\$651,500

Page three:

- Number of counterparts must be filled in (at least four - coordinate with Owner).
- Name of Contractor must match first page.
- Signatures:

Corporation:

- MUST be signed by PRESIDENT or VICE PRESIDENT and attested by corporate secretary or assistant secretary. These two signatures must be by two different people.
- The two signatures must be by two different people.
- Must have corporate seal.
- Name on corporate seal must match name on contract.
- Same person must sign contracts and bonds.

Non-corporation:

- Must be signed by Owner or Partner.
- Must be witnessed.
- Same person must sign contracts and bonds.
- Name of Owner must match first page.
- Owner must sign contract and have signature witnessed.
- Any Negotiations or attachments must be attached.

## Performance and Payment Bonds:

- MUST USE STATE BOND FORMS No Exceptions - No Additions - No Riders..**
- If the Surety adds a bond number there must be different numbers on the bonds or the word "Performance" after the number on the Performance Bond and the word "Payment" after the number on the Payment Bond.  
**AIA Bond Form is NOT Acceptable. See Article 35, "General Conditions of the Contract"**

### Page one:

- "Date of Contract" must match date on page one of the contract.
- "Date of Execution" must be on or after "Date of Contract".
- "Name of Principal" (Contractor) must match name on contract.
- "Name of Surety" must be the same on page one and two and must match the Power of Attorney.
- Address of Surety must be shown
- "Name of Contracting Body" (owner) must match name of owner on contract.
- "Amount of Bond" must be 100% of the construction contract amount.
- Words and numbers must match.
- "Project" must match project name on contract.

### Page two:

- Number of counterparts must match page three of the contract.
- Name of Contractor must match page one.
- Signatures:

#### Corporation:

- MUST be signed by PRESIDENT or VICE PRESIDENT and attested by corporate secretary or assistant secretary. These two signatures must be by two different people.
- Must have corporate seal.
- Same person must sign contracts and bonds.

#### Non-corporation:

- Must be signed by Owner or Partner.
- Must be witnessed.
- Same person must sign contracts and bonds.
- Name of Surety must match page one.
- Attorney-in-Fact must sign and have signature witnessed.
- Must have Surety's corporate seal.
- Must show Bonding Company address.
- If the Attorney-in-Fact is not a resident of North Carolina, then the bonds must be countersigned by a North Carolina RESIDENT agent of the bonding company and his address must be shown on the form.

## Power of Attorney sheet:

- This is the sheet that comes from the Bonding Agent and is attached behind the bonds.
- Attorney-in-Fact must appear on this sheet.
- Monetary limit of the Attorney-in-fact must be at least as much as the bond amount.
- The bottom of most Power of Attorney sheets has a place for a date and seal - these must be filled in.
- The certification date (usually at the bottom of the page) of the Power of Attorney must be on or after the "Date of Execution" on page one of the bonds.

## Insurance Certificate:

- See Article 34, "General Conditions of the Contract".
- Must show General Liability and Worker's Compensation insurance.
- Must show Builder's Risk or Installation Floater insurance of 100% of the construction contract amount.
- Cancellation clause must be as shown in Article 34 of the "General Conditions" (see following instructions for correction).
- "Certificate Holder" must be The Owner and project description must be correct.

The insurance certificate(s) in the formal Contract do(es) not indicate cancellation notification provisions in accordance with Contract General Conditions Article 34 are included in the insurance policy contract(s). The insurance policy contract(s) must contain cancellation provisions in accordance with this formal Contract Article. Since modification to the insurance certificate form is no longer accepted, this issue may be corrected in the following way:

Document that the insurance policy contract(s) include(s) the required cancellation provision. If an endorsement is required to comply with Article 34 provide a copy of the endorsement and

-----either a) or b) below-----

a) Provide insurance certificate(s) to this office with language appropriately inserted in the insurance certificate block provided for Special Provisions, as follows: "Notwithstanding the preprinted cancellation provisions on this form, coverages afforded under the policies will not be cancelled, reduced in amount nor will any coverages be eliminated until at least thirty (30) days after mailing written notice, by certified mail, return receipt requested, to the insured and the owner, of such alteration or cancellation."

***[This language can be continued on an attached and properly titled continuation sheet as long as the first clause ("Notwithstanding....form,") is on the face of the form]***

-----or if space will not allow a), at a minimum -----

b) Insert at a minimum in the block for Special Provisions, "Cancellation and notice provisions on the attached endorsements control over language on this form." Then attach the required language provided in b) above.