

TEMPLATE · FREE RESOURCE LIBRARY · DIRT WORK BID SCHOOL

Retainage and Payment Tracker

A pay application register that keeps the retainage total visible, the payment clock running, and the lien deadline in front of you instead of behind you.

Who it is for. Anybody who has finished a job, felt good about it, and then waited eight months for the last five percent.

Retainage is your margin, held by somebody else

On a lot of dirt work the retainage is roughly the same size as the profit. That means the job does not actually make money until the retainage is released, and on a slow release that can be a year after the machines left.

Two numbers get lost. The first is the running retainage total, which nobody tracks because it never appears on a single invoice. The second is how long each payment has been outstanding, which is the only thing that turns a polite follow up into a statutory one.

This sheet keeps both in front of you. Fill a row per pay application and total the retainage column every month.

Contract header

JOB NAME AND NUMBER

CUSTOMER OR GENERAL CONTRACTOR

CONTRACT SUM

RETAINAGE PERCENTAGE IN THE CONTRACT

WHEN RETAINAGE REDUCES, IF IT DOES

CONDITIONS FOR RELEASE OF RETAINAGE

PAYMENT TERMS IN THE CONTRACT

PAY WHEN PAID OR PAY IF PAID, WHICH ONE

PUBLIC OR PRIVATE WORK

YOUR STATE'S RETAINAGE CAP, AND THE STATUTE

LIEN OR BOND CLAIM DEADLINE, AND THE DATE IT FALLS

Pay application register: what you billed

APP NO.	PERIOD ENDING	SUBMITTED	WORK COMPLETED TO DATE	STORED MATERIALS	RETAINAGE THIS APP	AMOUNT DUE

APP NO.	PERIOD ENDING	SUBMITTED	WORK COMPLETED TO DATE	STORED MATERIALS	RETAINAGE THIS APP	AMOUNT DUE

Work completed to date is cumulative, not the month. Amount due is the total earned less retainage and less everything they have already paid you.

Pay application register: what you were paid

Same application numbers. This is the half that tells you who is slow.

APP NO.	AMOUNT DUE	DATE PAID	DAYS OUTSTANDING	RETAINAGE HELD TO DATE	STILL OUTSTANDING

Retainage release

DATE REQUESTED	AMOUNT	CONDITION IT DEPENDS ON	DOCUMENTS SUPPLIED	DATE CHASED	DATE RELEASED

The condition column is the one that matters. Substantial completion, final inspection, as-builts, warranties, consent of surety, final lien waivers: find out which one is holding your money rather than assuming it is just slow.

What Missouri law says, as an example of what to look up in your state

These are Missouri's numbers. Every state is different and several are very different. Find your own and write them in the header.

ITEM	MISSOURI RULE	CITATION
Retainage cap, public works	Retainage withheld on any construction contract or subcontract for public works shall not exceed five percent of the value of the contract or subcontract	RSMo 8.960
Small contracts	Contracts under fifty thousand dollars that do not require bonds may carry up to ten percent	RSMo 8.960
Owner payment clock, public works	Payment within thirty days following the latest of delivery, invoice, or the approval notice	RSMo 8.960
Contractor to subcontractor	Payment to the subcontractor or supplier within thirty days after acceptance	RSMo 8.960
Late payment interest	One and one half percent per month from the expiry of the thirty day period until paid in full	RSMo 8.960
Private construction contracts	Missouri has a separate prompt payment statute for private work	RSMo 431.180
Mechanic's liens	Notice and filing deadlines are strict and they start running from your last work	RSMo Chapter 429

RSMo 34.057 was transferred to RSMo 8.960 in 2022. If you find an old article citing 34.057, that is why the link is dead.

The follow up sequence

- ☐ Invoice on the day the contract allows, not when you get round to it
- ☐ Diary the contractual due date the moment you submit
- ☐ First chase the day after it is due, in writing, politely, to the person who actually cuts cheques
- ☐ Second chase seven days later, quoting the contract clause and the date submitted
- ☐ Third chase in writing, quoting the statutory payment period and the interest rate that applies
- ☐ Know your lien or bond claim deadline before you need it, and diary it from your last day of work
- ☐ Never let a lien deadline pass while you are being told the cheque is in the post
- ☐ Stop work only where the contract or the statute gives you the right, and take advice before you do

Job totals

CONTRACT SUM INCLUDING APPROVED CHANGES

TOTAL EARNED TO DATE

TOTAL RETAINAGE HELD

TOTAL PAID TO DATE

TOTAL OUTSTANDING

OLDEST UNPAID APPLICATION, IN DAYS

RETAINAGE AS A PERCENTAGE OF THE MARGIN YOU BID

Not legal advice

Retainage caps, payment deadlines, interest rates, lien deadlines and bond claim rules are state law and they change. The Missouri figures above are current at the links given and are here to show you the shape of what to look for.

Look up your own state, write the numbers on this sheet, and check them with a construction attorney before you rely on them in a dispute.

Where this comes from

Every code, standard and statute this sheet leans on. Check them.

RSMo 8.960, Prompt payments required on public works

<https://revisor.mo.gov/main/OneSection.aspx?section=8.960>

Transferred here from RSMo 34.057 in 2022. Caps retainage and sets the payment clock.

RSMo 431.180, Private construction contracts, prompt payment

<https://revisor.mo.gov/main/OneSection.aspx?section=431.180>

The private-work equivalent.

Missouri Revised Statutes Chapter 429, Liens

<https://revisor.mo.gov/main/OneChapter.aspx?chapter=429>

Mechanic's lien notice and filing deadlines in Missouri.

Ladders into module 07, The Contract Clauses That Eat the Profit.

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<https://dirtworkbusiness.com/library/retainage-payment-tracker>