



COUNTY OF ERIE
DEPARTMENT OF ENVIRONMENT AND PLANNING
DIVISION OF SEWERAGE MANAGEMENT
**** MEMORANDUM ****

DANIEL CASTLE, AICP
COMMISSIONER
JOSEPH FIEGL, P.E., BCEE
DEPUTY COMMISSIONER

FROM: David Millar, P.E. – Asst. Deputy Commissioner
TO: Erie County Sewer District No. 3 Board of Managers
DATE: May 1, 2026
RE: Erie County Division of Sewerage Management (DSM)
Payment Procedures

During our April 15, 2026 meeting, an inquiry was raised regarding the DSM's procedure for reviewing and processing contractor and consultant payments. The following memorandum summarizes the DSM's internal payment review and approval procedures from invoice receipt through final payment processing.

The DSM's payment process includes multiple levels of review and approval for both contractor and consultant invoices prior to submission to the Comptroller's Office for payment. Payment requests generally fall into two categories: contractor payments and consultant payments.

Contractor Payments

For contractor payments, invoices are initially reviewed by the consulting engineering firm managing the construction project when applicable. Standardized construction payment procedures are outlined in the project specifications to ensure consistency and accountability throughout the review process. The consulting engineer verifies the contractor's billing against the project schedule of values and confirms that the percentage of work corresponds with the amount invoiced. Following this review, the invoice is evaluated by the County's project manager and then forwarded to the accounting team. Accounting prepares a routing sheet and works with the County's project management staff to verify compliance requirements, including insurance coverage, MWBE/EEO compliance, and any required withholding related to project issues or deficiencies. Upon completion of these reviews, the invoice receives final approval from an Assistant Deputy Commissioner before submission to the Comptroller's Office for payment processing.

For projects managed entirely in-house, the review process is similar; however, County engineering staff perform the initial invoice review rather than an engineering consulting firm.

Consultant Payments

For consultant payments, consultants submit invoices detailing assigned personnel, hours worked, billing rates, and applicable overhead and profit charges. These billing terms are established in the executed agreements for engineering services.

County staff review the invoice to confirm that billing rates, overhead, and profit are consistent with the applicable agreement, and that required insurance coverage remains in effect. Staff also assess whether the billed hours are reasonable relative to the consultant's level of project activity and scope of work performed.

The invoice then proceeds through the same internal approval process as contractor payments, including review and approval by project management staff and the Assistant Deputy Commissioner, prior to submission to the Comptroller's Office for payment processing.

Enclosed for your reference are copies of the checklist for capital payments and routing sheet utilized by the DSM's Accounting Department to facilitate internal reviews and approvals. These documents are intended to provide transparency into the DSM's payment review process and to assist in any further evaluation of our procedures. Should you have additional questions or require further clarification, please do not hesitate to contact me.

CHECKLIST FOR CAPITAL PAYMENTS

1. ENGINEERING _____ OR CONSTRUCTION _____
2. PULL CORRESPONDING FOLDER _____
3. CHECK CALCULATIONS ON INVOICE _____
Engineering Invoices with subcontractor charges must have invoice from the Subcontractor attached. If not, email the engineer to request it.
4. FIND PAYMENT SPREADSHEET _____
V:\DSM\Finance\Accounting\Capital Payments (FOR ITEMS #4, 5, & 6)
Print 2 copies

TERM CONTRACTS FOUND AT --ENGTERM20XX
ALL OTHERS LISTED ABOVE ENGTERM20XX
5. RECORD IN BOM (Board of Managers) SPREADSHEET BY DISTRICT _____
6. RECORD ALL ENGINEERING INVOICES ON MBE/WBE REPORT _____
7. CONSTRUCTION INVOICES FOR **CURED-IN-PLACE** or **Sewer Repair** THIS IS DONE BY ASHLEE POLLINGER

GO TO: V:\DSM\Finance\20XX I&I Budget and Actuals (will show which need to be recorded)
220 FUND ONLY PO'S Record payment including retention in I&I spreadsheet under spent column.
Be sure balance equals amount on SAP in PO after GR'd
8. CREATE ROUTING SHEET _____
Found at V:\DSM\Finance\Accounting (at very bottom)
Print 1 copy
9. CREATE PAYMENT REQUEST SHEET _____
V:\DSM\Finance\Accounting
Print 1 copy
10. GR THE GROSS AMOUNT _____
STAMP INVOICE – PUT GR & OTHER INFORMATION ON IT
WRITE THE GR # ON THE PAYMENT REQUEST SHEET – ASHLEE CHECK GR# IS CORRECT
11. PUT TOGETHER PACKET FOR REVIEW BY SUPERVISOR _____
12. PUT IN ALL **ENGINEERING** PACKETS IN BILL LARDO'S MAILBOX FOR SIGN-OFF'S _____
This should be the Routing Sheet, Payment Request Sheet, Payment Spreadsheet – 1 copy, Invoice with all other paperwork.
13. PUT **CONSTRUCTION** PACKETS IN THE APPROPRIATE ENGINEERS' MAILBOX – **EXCEPT FOR MARY PLESH & ALISON COUGHLIN WHICH MUST BE EMAILED THEM TO SIGN OFF.**
This should be the Routing Sheet, Payment Request Sheet, Payment Spreadsheet – 1 copy, Invoice with all other paperwork.

14. MARK ORIGINAL PAYMENT SPREADSHEET FROM FOLDER _____

Mark with RTE XX/XX/XXXX (date)

Keep it aside until packet comes back from Engineer

15. PACKET RETURNED FROM ENGINEER _____

A. Find the Original Payment Spreadsheet & mark "OK" next to the RTE date and put back in the corresponding folder in the files. _____

B. Index the Packet from Engineer for payment _____

C. Put Indexed paperwork in pile awaiting payment _____

D. Once paid, hole punch packet and put in the corresponding folder _____

ROUTING SHEET FOR
CONTRACTOR/ENGINEER PAYMENTS

ECSD #: _____ PROJECT #: _____

CONTRACT: _____
CONTRACTOR/ENGINEER: _____

PAYMENT: _____ INVOICE NO: _____ PERIOD ENDING: _____

VENDOR #: _____ CE #: _____ CONTRACT DATE: _____

ENGINEERING CONTRACT PHASE:

Study _____
Design _____
Construction Admin. _____
File No. _____

CONSTRUCTION CONTRACT

SRF Project No: _____
Grant Contract No: _____
Contract No. _____

	Initials	Date	Title
Mathematical Review of Payment	_____	_____	Accountant
Payment in Accord with Contract	_____	_____	Proj. Mgr. (Eng) / Coordinator
Sufficient Funds Available	_____	_____	Accountant
Special Instructions Regarding Payment:			
Certified Payroll Current/OSHA 10	_____	_____	Proj. Mgr. (Eng)
EEO Approval	_____	_____	Proj. Mgr. (Eng)
Amount Requested \$ _____	_____	_____	Accountant
Recommend to be Withheld	_____	_____	Proj. Mgr. (Eng)
Pay the Following Amount	_____	_____	Sewer Const. Admin/Deputy Comm.
Board of Managers Approval	_____		
Phone Poll was/will be made	_____		