

**EASTERN MICHIGAN
UNIVERSITY™**

**PHYSICAL PLANT
OPERATIONAL & MAINTENANCE
ADMINISTRATIVE PROCEDURE**

Section	Subject	Effective date	Procedure Number
Administration	Time and Material Contracts	May 30, 2013	A-11

Purpose

The purpose of this policy is to ensure proper control of Time and Material contract expenditures.

Procedure

1. Managers/ Project Managers/ Foreperson may obtain estimates from Time and Material contractors prior to authorizing work.
 - 1.1. If the cost of any project/work is estimated to exceed \$10,000 then the Manager/Project Manager will obtain the appropriate director's approval prior to authorizing work.
2. Work estimated to exceed \$50,000 should be bid on the open market with sealed bids if time and circumstances allow.
3. Invoices for work authorized for less than \$10,000 may be approved by the Manager/Project Manager that authorized the work.
4. Invoices for authorized work in the amount of \$10,000 or more require approval from both the manager/project manager that authorized the work and the appropriate director.
5. Per the Time and Material contracts the following are required:
 - 5.1. payment request from a Contractor shall, in accordance with this Section, indicate the following:
 - 5.1.1. Actual man-hours worked, and labor rates.
 - 5.1.2. Materials used on the job, mark-up and reimbursements.
 - 5.1.3. The work order number assigned by the Owner and a copy of the work order.
 - 5.1.4. The Purchase Order or Contract number corresponding to the project, if applicable.
 - 5.1.5. Total Project contract amount.

- 5.1.6. Previous billing amount related to the project.
- 5.2. Billings that do not comply with this procedure may be returned to the Contractor without payments.
- 5.3. Final billings for completed projects should be noted as "FINAL BILLING" with the completion date also included.
- 5.4. Work should be invoiced within thirty days of date worked or completion of the Work.
- 5.5. Work not invoiced within sixty days of completion of the work may not be paid.
6. Time and Material rate adjustments shall be subject to the following:
 - 6.1. Time and Material Contractor shall submit a signed Time and Material Contract Change Order for Rate Adjustment form with supporting documentation for the rate increase to the Director, Facilities Maintenance, Director, Facilities, Planning, and Construction, and/or Director, Custodians, Grounds, Motor Pool and Waste Management.
 - 6.2. Director, Facilities Maintenance, Director of Facilities, Planning and Construction, and/or Director, Custodians, Grounds, Motor Pool, and Waste Management shall evaluate and approve the rate increase.
 - 6.3. Upon approval by the appropriate Director, a Time and Material Contract Change Order For Rate Adjustments form shall be signed by the Chief of Operations. The form shall then become an addendum to the original Time and Material Contract.
 - 6.4. Rate adjustments will NOT be applied until all parties have signed the Change Order form. The Time and Material Contractor shall NOT use the adjusted rate(s) until receiving notice of acceptance from EMU and a signed copy of the Change Order form.

Authorized by:

Scott Storrar
Director, Facilities Planning and Construction

Dieter Otto
Director of Custodial, Grounds, Motor Pool, and Waste Management

Bilal Sarsour
Director of Facilities Maintenance

John Donegan
Chief of Operations