

# Sage Construction Management

**Use Case: Facilities  
Maintenance Contracts**

**SCM Solutions Illustrated  
(UK Based)**

**August 2024**

**Sage**



# Summary

Customer: Property or Project Owner

Contractor: SCM/SIC Subscriber

Project: RBG | Facility Maintenance, Repairs & Refurbishment, Public, Commercial Buildings & Listed Buildings.

Acronyms:

- PW: Planned Work
- UPW: Unplanned Work
- COS: Call-Out Service
- PM: Planned Maintenance
- FMFH: Flat Monthly Fixed Fee - Details Hidden
- FMFS: Flat Monthly Fixed Fee – Details Shown

## Planned Work

Fixed Price Contracts with well-defined scope

## Unplanned Work

Undetermined or Approximate Budgets

## Call Out Service & Void Refurbishment Work

Emergency, 24/7 or special small assignments

## Planned Maintenance Program

Scheduled or Recurring Maintenance Work

# Scenario #1: Planned Work - Fixed Price Contracts with well-defined scope

## Project # RBG-2024-PW \*

- Prime # PW-001 | Building A | FLS
- Prime # PW-002 | Building B | FLS
- Prime # PW-003 | Building C | FLS

\*Project # Segments: Customer Abbreviation-Year-Planned Work (PW)

### NOTES

- Long term assignments, with Fixed Price and well-defined Scope
- Prime Contract Type = Fixed Lump Sum (Fixed Price agreement in advance)
- One Project can include multiple Prime Contracts if IDIQ
- Change Orders issued for added work outside the original scope of work
- Each Scope or Agreement = single Prime Contract under the Project
- No Work Orders needed
- Primes are marked approved and closed once work is complete.

# Scenario #2: Unplanned Work - Undetermined or Approximate Budget Undefined Scope

## Project # RBG-2024-UPW \*

- Prime # UPW-001 | Building A | Cost Plus
  - WO # 001
  - WO # 002
- Prime # UPW-002 | Building B | Cost Plus
  - WO # 001
  - WO # 002
- Prime # UPW-003 | Building C | Unit Price

\*Project # Segments: Customer Abbreviation-Year-Unplanned Work (UPW)

### NOTES

- Long term Master Agreement, Undetermined or Approximate Budget and undefined Scope
- Prime Contract Type = Cost Plus or Unit Price with Billed Quantities
- One Project can include multiple Prime Contracts if IDIQ
- Each Scope or Agreement = single Prime Contract under the Project
- Depending on the Duration of the assignments, Work Orders may or may not be needed. If needed one or more work orders can be included in a prime invoice.
- Primes are marked approved and closed once work is complete.

# Scenario #3: Call-Out Services for Void Refurbishment Work

## Short term assignments, Undetermined or Approximate Budget and undefined Scope

### Project # RBG-2024-COS \*

- Prime # COS-Area A | Area A | Cost Plus
  - WO 001
  - WO 002
  - WO 003
- Prime # COS-Area B | Area B | Cost Plus
  - WO 001
  - WO 002
  - WO 003

\*Project # Segments: Customer Abbreviation-Year-Call Out Services (COS)

#### NOTES

- Short term assignments, Undetermined or Approximate Budget and undefined Scope
- Prime Contract Type = Cost Plus
- One Project can include multiple Prime Contracts (separate contracts by Building, by Property, or by Scope)
- Tasks or Directives = Combined under a single Prime Contract under the Project
- One or More Work Orders needed for Each Task or Directive. Work Orders can be copied. If needed one or more work orders can be included in a prime invoice.
- Primes are marked approved and closed once work is complete.

# Scenario #4: Planned Maintenance Program

## Scheduled Maintenance, periodic repair (Weekly, Monthly, Quarterly, etc.)

### Project # RBG-2024-PM \*

- Prime # PM-001 | Building A | Cost Plus
  - WO 001
  - WO 002
  - WO 003
- Prime # PM-002 | Building B | Cost Plus
  - WO 001
  - WO 002
  - WO 003
- Prime # PM-003 | Building C | Cost Plus
  - WO 001
  - WO 002
  - WO 003

\*Project # Segments: Customer Abbreviation-Year- Planned Maintenance (PM)

### NOTES

- Scheduled Maintenance, periodic repair (Weekly, Monthly, Quarterly, etc.)
- Prime Contract Type = Cost Plus
- One Project can include multiple Prime Contracts (separate contracts by Building, by Property, or by Scope)
- Tasks or Directives = Combined under a single Prime Contract under the Project
- One or More Work Orders needed for Each Task or Directive, and separate Work Orders can be copied for multiple scheduled periods. If needed one or more work orders can be included in a prime invoice.
- Primes are marked approved and closed once work is complete.

# Scenario #5: Maintenance Invoiced as a Flat Monthly Fee

Invoiced Surplus or Deficit not shown | Detailed Work Order Cost and Markup not shown

## Project # RBG-2024-FMFH \*

- Prime # FMFH-001 | FLS or Unit Price
  - Simple monthly invoice flat amount
- Prime # FMFH-002 | Cost Plus
  - Offsetting invoice = Invoice Contract 001
  - Costs and Markup added by Work Order:
    - WO 001
    - WO 002
    - WO 003

### NOTES

- Scheduled Maintenance, Flat amount billed Monthly.
- Single Project
- Prime Contract #001 Type = FLS or Unit Price |
  - Revenue Posts to SIC but there are no costs assigned to Contract #001
- Prime Contract #002 Type = Cost Plus (tracked by WO)
  - Costs and Markups post to SIC
  - Offsetting Invoice matches amount in Contract #001
  - Offsetting Invoice does not post to SIC
- Work Orders track individual tasks, assignments, or recurring services, invoiced each month.

\*Project # Segments: Customer Abbreviation-Year- Flat Monthly Fee - Details Hidden (FMFH)



# Scenario #6: Maintenance Invoiced as a Flat Monthly Fee

Invoiced Surplus or Deficit is shown | Detailed Work Order Cost and Markup are shown

## Project # RBG-2024-FMFS \*

- Prime # FMFS-001 | Cost Plus
  - Costs plus Markup invoiced by Work Order:
    - WO 001
    - WO 002
    - WO 003
  - Monthly offsetting entry to record surplus or deficit earned and adjusting down to the agreed upon monthly amount. This adjustment shows on Monthly Flat Invoice Amount

### NOTES

- Scheduled Maintenance, Flat amount billed Monthly.
- Single Project, Single Prime Contract
- Prime Contract #001 Type =Cost Plus
  - Revenue and Costs Post to SIC. Markups can be added at the Work Order Level, or to Monthly Invoice
  - Offsetting Invoice shows Surplus or Deficit Invoiced and adjusts the Monthly Invoice up or down to the Flat Monthly agreed amount
  - Offsetting Invoice does post to SIC
- Work Orders track individual tasks, assignments, or recurring services, invoiced each month.

\*Project # Segments: Customer Abbreviation-Year- Flat Monthly Fee - Details Shown (FMFS)



**Scenario #5 & 6: Maintenance invoiced as a flat monthly fee**  
**Illustrating spend rates on flat monthly fee**  
**Assuming £600K 6 month contract billing £100K monthly**

Month	Contract Value	Billed	Total Billed	Actual Work Completed Value	Cumulative Work Billed	Under / Over
Jan	100,000	100,000	100,000	80,000	80,000	(20,000)
Feb	100,000	100,000	200,000	110,000	190,000	(10,000)
March	100,000	100,000	300,000	130,000	320,000	20,000
April	100,000	100,000	400,000	120,000	440,000	40,000
May	100,000					
June	100,000					
Total	600,000	400,000		440,000		