


<h1>Project Navigator</h1>				<b>Guideline</b>			
<b>TITLE</b> <b>TIME AND MATERIAL SHEETS</b>				VALE # <b>NAV-GP-0196</b>		PAGE <b>1/6</b>	
				<b>DM # 652401</b>		REV. <b>1</b>	
Effective Date:	Nov. 1/13	Revisit Date:	Nov. 1/14	Prepared By:	G.Mumford	Approved By:	T.Hirschfeld

## 1.0 PURPOSE

This guideline describes best practices for Time And Material Sheets associated with Cost Reimbursable contract work.

## 2.0 REFERENCE DOCUMENTATION

The following documents were used in the development of this document or are related to it. The most recent revision shall be used.

<a href="#">NAV-GP-0180</a>	Contract Requirement Documents Guideline
<a href="#">NAV-LP-0105</a>	Contract's Corner - Services
<a href="#">NAV-TP-0196</a>	Time And Material Sheet Template

## 3.0 CONTEXT


Time and Material (T&M) Sheets are only used to document the details for fieldwork done on a Cost-Reimbursable basis. This could be an entire contract, or only the work related to a Field Work Instruction (FWI). The same guidance applies in either case.

Cost-Reimbursable contracting can be advantageous when the scope of work can't be completely defined, when the work must start immediately, or when the cost / effort required to fully define the scope is unreasonable.

Cost-reimbursable work must be managed differently than Fixed-Price contracts, because the scope is not as well defined as for a Fixed-Price contract, and because there is less incentive for the Contracting Party to complete the work in an efficient manner. As a result, the Vale project team must be closely involved in the fieldwork and the details of the work done and the related labour and material costs must be carefully documented.

## 4.0 T&M SHEETS – GENERAL

All T&M Sheets must be completed and signed by the Contracting Party's representative for the work (generally the site Supervisor or Superintendent), and must be submitted daily. Most often, the Contracting Party uses their own company's forms; a Vale template is also available if needed.

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T&M sheets must include both General Contractor and Subcontractor data, where applicable.

All details must be verified and approved by the Vale Contract Manager or designate (usually the Construction Manager), including:

#### General / Header section

- Company Name / Subcontractor Name
- Date - this is the date the work was done
- Shift(s) worked that the work was done on
- Site - the Vale plant / area
- Work description - must be specific

#### Labour


- Task descriptions (where required)
- Employee names, ID numbers, and Trade designation
- Hours of work – per shift, for each employee listed
- Pay rates (and Overtime rates, where applicable) – per shift, for each employee listed (*see notes below re: Exceptions*)
- Cost Subtotal per employee
- Overall Cost Subtotal for Labour

#### Materials

- Description of each
- Quantity of each
- Units of measure for each (sq.ft., lbs., each, etc...)
- Unit Price (*see notes below re: Exceptions*)
- Cost Subtotal per line item for Material
- Overall Cost Subtotal for Material

#### Rentals & Equipment

- Description of Equipment
- Quantity (usually time-based e.g. hours or days)
- Rental Rate per time period (*see notes below re: Exceptions*)
- Cost Subtotal per line item for each piece of Equipment
- Overall Cost Subtotal for Rentals & Equipment

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#### Attachments (Backup Documentation)

- Subcontractor T&M Sheets
- Material Invoices
- Packing Slips
- Rental Invoices
- Other as appropriate

#### Coversheet (optional)

- Summary Total
- Contract #
- FWI #
- Related Invoice #
- Subcontractor Totals
- Subtotals for Labour, Materials, Equipment / Rentals, etc...
- Other details where appropriate

The work descriptions should correspond with the ProForma line items for the contract or the FWI, which will in turn correspond with the related invoice for the work.


#### 4.1 EXCEPTIONS FOR COST DETAILS:

In some circumstances, line item cost details are not available when the T&M Sheet is submitted, and/or the Contracting Party's representative is not privy to those details.

The following details can be omitted in those cases:

- Unit Prices for Labour, Materials, and/or Rentals / Equipment
- Related Cost Subtotal per line item
- Related Overall Cost Subtotals

In all cases, the quantities and descriptions must be included for each item.

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## 4.2 ITEMS TO BE EXCLUDED

The following cost items are generally included in the Contracting Party's rates and will not be accepted on a T&M Sheet unless otherwise stated in the Contract Terms.

- Overhead
- Safety Supervision
- Overtime meals
- Mileage
- Consumables
- Standard PPE
- Small tools (of individual value of \$3,000 or less)
- Fuel, lubricants, etc...
- Equipment Maintenance and Repair
- Equipment Downtime


Always refer to the contract for details.

## 4.3 REVIEW BY THE VALE REPRESENTATIVE

T&M Sheets must be submitted within 24 hours of the work being done. The Contract Manager must review all of the items listed above, including all backup documentation, and verify the following:

- All line item details are correct.
- Work is not listed that is included in other contracts, or on the Fixed-Price portion of this contract, where applicable.
- Employees listed were actually present for the periods shown, and were working on the task(s) listed.
- The correct trade / function is listed for each employee, especially for those in Supervisory / Working Leader / SHE Coordinator roles.
- All calculations are mathematically correct, including subtotals and mark-up values. Mistakes or intentional inflation are easy to overlook, and can add significant costs to the contract.

T&M Sheets are generally paper forms, and often include room for additional line items within each category. Place a large "X" or a diagonal line completely through all areas that are blank, to ensure that additional line items or description is not added to the form after approval by the Vale Representative.

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If details are incorrect or if items are included that shouldn't be, either have the Contracting Party representative make the appropriate corrections, or clearly cross out the offending items. All changes must be initialed by both parties.

If a substantial number of details are incorrect, reject the T&M Sheet, and advise the Contracting Party to supply a revised version of the entire T&M Sheet.

Do not accept T&M Sheets that are illegible, badly damaged or otherwise unclear.

#### 4.4 APPROVALS

If all details are now correct and complete, the T&M Sheet is to be signed and dated by the authorized Vale Representative. The Vale Representative's name must also be printed adjacent to their signature, along with their Vale Employee number (or their NORCAT # - for contract employees acting as Agents of Vale).

If any of the cost details are not available (see EXCEPTIONS FOR COST DETAILS), the T&M Sheet must not be signed by the Vale Representative. It should be initialed by the Vale Representative. Final approval will be delayed until the remaining information is supplied by the Contracting Party, most often with the ProForma Invoice and associated backup documentation related to the work.

If unsure, review the T&M Sheet with the Project Manager before approving.

Anything written on the T&M Sheet by the Vale Representative must be clear, legible and done in ink. If the form uses carbon-paper copies, ensure all information is legible on all copies.

File a copy of the T&M Sheet in the project files in accordance with local Document Management procedures. Forward copies to the Project Cost Controller and other project team members as instructed by the Project Manager.

