Subcontract Manager
User
Manual
Subcontract Management

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**Introduction**

The Subcontract Manager is used to define and maintain subcontract bills, register subcontractors and assign them to specific subcontracts.

Subcontractor progress quantities are controlled through the subcontract bills together with other subcontractor costs, claims, charges, materials on site, advance payments, escalation and VO’s, culminating in Subcontractor valuations and certificates. It is integrated with the Candy main BOQ, the Subcontract Adjudicator, Subcontract Liability and “Cost & Allowables”.

Multiple subcontracts can be entered against BOQ items, each subcontract having its own “awarded quantities” with subcontract specific rates.

Labour-only or supply-only subcontracts are managed as well, where only a part of a BOQ item is covered by the subcontract. Different descriptions, units and factored quantities can be applied to these subcontract bills to suit the subcontractor’s more narrow view of the BOQ.

By making full use of Subcontract Manager, an accurate forecast of remaining cost can be obtained based upon the awarded rate and “Final Awarded Quantity”.

Before using Subcontract Manager, it is important to have a sound knowledge of the Candy system as this manual will refer to the Bill of Quantities, Worksheets and the Subcontract Adjudicator.

**Creating Subcontracts**

Subcontracts already setup and priced in the Subcontract Adjudication system can be brought directly into the Subcontract Manager including rates from a chosen subcontractor.

New subcontracts can be entered in the Subcontract Manager and the bills populated by dragging items from the main BOQ. Once a new subcontract and its bill are established, it is awarded to a Subcontractor and his rates are entered into the subcontract bill.

There are three ways to create a Subcontract:

**Select a subcontract using the Subcontract Adjudicator**

Subcontracts that are setup and priced in the Subcontract Adjudication system can be brought directly into the Subcontract Manager including rates from a chosen subcontractor.

Follow the steps in the diagram below, **Subcontract Manager > S/C > New > Option A.**
The subcontract adjudicator will then be displayed. Select the required subcontractor and the subcontract will be added.
The Subcontract code and Subcontract name can be renamed as below.

Enter the subcontract rates using the Package Bill
This creates the subcontract bill using the subcontract adjudicator packages, subcontract rates are entered manually.

Follow the same procedure as in option 1, but instead of selecting the subcontractor, select the subcontract heading.
The subcontract rates have to be entered to complete the process. Go to the S/C Bill tab to display the subcontract bill then enter the subcontract quantities (1) and rates (2) see below.
Create the subcontract bill, and enter the rates

Follow the steps in the diagram below, **New > Option C**, enter a unique code (1) and then a description (2).
The subcontract bill must now be created, select the S/C Bill tab and a blank bill will be displayed.

Position the blank subcontract bill at the bottom of the screen (1), Go to Estimating > Document Manager > Select 1.1 Standard Bill of Quantities, position this document at the top of the page (2).

Select the required BOQ item and Drag the item selector onto the blank subcontract bill (3).

The subcontract quantity may be altered and the rate inserted as previously described.
Subcontract Manager Interface

The Subcontract Manager interface has a series of tabs on the right hand panel, these tabs are explained later but essentially are used to input or view information that is relevant to the subcontract. The left hand panel is a list of the subcontracts that are being managed, the first name is the subcontract code and the second the subcontract, the current subcontract that is being used is highlighted.
Details

This tab is used to input details pertaining to the subcontractor.

The information contained in the Subcontractor database will be used to populate the appropriate fields. Use the drop down box (1) as below and select the appointed subcontractor, this will populate the following fields:

- Subcontractor name
- Contact person
- Postal address
- Company registration number
- VAT/GST number
- Telephone number
- Cell Number
- Fax Number
- E-mail address

If the subcontractor does not exist in the Subcontractor database, the fields will have to be typed manually.

The following fields are specific to the contract, type these in the field box adjacent to the field heading.

- Work description
- Order Number
- Type – Domestic, Selected, Nominated or Labour Only
Subcontract cost codes

A new feature in Subcontract Manager is the ability to report in “Cost & Allowables” against the subcontract accounts (ledger) code without changing cost or allowable worksheets, even if there are multiple subcontractors to one or more BOQ items.

This is possible by identifying the “Subcontract Cost code” and the “Net worksheet cost code”.

Subcontract Cost code

The Subcontract Cost code is the code to which the payments for this subcontract are allocated. This code will typically be the ledger code used by the accounts department to identify the cost against the subcontractor.

To define a Cost code, go to Definitions & Settings > 4.1 Cost Codes (Ledger Code).

The code is selected from the dropdown box (see above) and will be the code that the cost and allowable is reported against. In this example, the Subcontract Cost code is 906.
Net worksheet Cost code

This is the cost code of the subcontract resource in the worksheets of the current subcontract bill.

In the example below, the columns 16.1 & 16.3 Resource and Cost Codes on Price Code Worksheet have been added to document 1.1 Subcontract bill which indicates that the Net worksheet Cost code in this example is 900.
Contract

This tab is used to record contractual information pertaining to the subcontract, these are input fields recording:

- External documents – Documents that are stored outside Candy which can be imported into the document manager. By Clicking on “External documents” a list of documents is displayed as below. Documents such as The Subcontract Agreement, Health & safety Plan and contractual correspondence can be accessed from here. Documents are administered by using the buttons at the bottom of the “Document Manager”.

![External Documents Interface](image-url)
• Hyperlinks – External documents including web sites can be viewed and added by Clicking on "Hyperlinks". This opens up External Hyperlinks, the buttons on the bottom of the screen are to “Browse”, “Open”, “Delete”, “Edit” and “Save” a hyperlink.

• Contract document – Signature of acceptance, date of signature and the contract status are recorded.

• Subcontract performance guarantee – The type of guarantee, status, receipt and expiry dates are recorded.
Subcontract progress

The subcontractor’s monthly quantities are entered to record progress and handle the Subcontractor’s certificate. Additional cost items such as extras, contras, materials on site, advance payments and escalation (as explained below) are recorded to complete the monthly certification process.

The Subcontractor submits his progress as “Invoiced quantity”, this is evaluated and recorded as “Due quantity” and the amount authorised for payment is the “Pay quantity” for the certificate. These terms are used to avoid confusion with the terms used in the main contract. The “Due quantity” represents the “Actual quantity” in the BOQ, and the difference between the Due and Pay quantities results in the “Liability quantity”.

The process below describes how to copy the main BOQ “Actual quantity” into the Subcontract BOQ “Due quantity”.

From the Document Manager select document 1.3 Subcontract bill with progress update, then Right click the heading of the “Due quantity” column (1) as below, and select Copy from selected BOQ quantity > Actual quantity and confirm.

The “Invoiced quantity” is entered manually from the subcontractor’s progress claim.

The “Pay quantity” is the amount that you intend to pay the subcontractor, this can be entered manually or copied from other subcontract quantities.
**Extras**

The “Extras” tab is split into two sections.

**For the account of the contractor:**

The top section records extras that are due to the subcontractor for works not claimable by the contractor from the client. Typical items may be painting the site offices, re-paint after snagging, damage to subcontract vehicle.

To record an extra, use the new button and complete the necessary information on the form that is displayed. This will enable the cost of the extra work to be posted to the correct cost/task code.

**For the account of another subcontractor:**

The bottom section records extra costs that are due to the subcontractor which are to be contra charged to another subcontractor. Typical items are repairs to work damaged by others.

Extras of this nature are recorded in the same manner as those to the account of the contractor but have to be allocated to another subcontractor.
Subcontract Manager automatically enters the reciprocal entry into the Charges tab of the subcontractor to be charged. This eliminates the necessity to use other documents to track that the contra charges from and to subcontractors balance.
Charges

The “Charges” tab is also split into two sections.

Contra charges from the main contractor:

The top section records contra charges that are to be deducted from the subcontractor payment. Typical items may be loan of labour or supply of materials.

A contra charge is recorded in exactly the same manner as an extra, use the new button and complete the necessary information on the form that is displayed. This will enable the cost of the contra charge to be credited to the correct cost/task code.

Charges from other subcontractors:

This is a no entry form which displays all the charges levied to the subcontractor from other subcontractors in the job, see “For the account of another subcontractor”, above.

Materials on site

A schedule of materials on site is recorded in this section.

To add a record, use the new button and complete the necessary information on the form that is displayed.

A new schedule of materials must be entered for each certificate. As there is normally a recovery from the client for materials on site, items need to be created in the bill of quantities and claimed in the valuation.
Advanced payments

All advanced payments and repayments to the subcontractor are recorded in this section. Payments to the subcontractor are entered as a positive amount and repayments from the subcontractor a negative amount. The table records all entries and the cumulative total is the total payable to date.

Advanced payments are normally made for the pre-purchase of materials or an agreed loan to a subcontractor, and there will be no reciprocal recovery from the client. These payments will result in over costing which will need to be adjusted in “Cost & Allowables”. In the event that there is a recovery from the client (normally part of a nominated or selected subcontract agreement) an item needs to be created in the bill of quantities and claimed in the valuation, this will create an allowable and there will be no cost adjustment required.

To add a record, use the new button and complete the necessary information on the form that is displayed.

Escalation

All payments made to the subcontractor are recorded in this section. The table records all entries and the cumulative total is the total payable to date. There may be a mechanism to recover escalation from the client which would require an item to be created in the bill of quantities and claimed in the valuation.

To add a record, use the new button and complete the necessary information on the form that is displayed.

Values

The values tab is a summary display of the cumulative, previous and current pay amounts to the subcontractor. “Original Subcontract Value” is the only input field on this screen.
Multiple Subcontracts

Multiple subcontracts can be entered against BOQ items, each subcontractor having its own “awarded quantities” with subcontractor specific rates.

Labour-only or supply-only subcontracts can be handled as well, where only a part of a BOQ item is covered by the subcontract. Different descriptions, units and factored quantities can be accommodated on these subcontract bills to suit the subcontractor’s more narrow view of the BOQ item.

On the BOQ, multiple subcontracts against items are shown as a list of codes (1) as below.

Here we can see PAINT01, PAINT02 and PAINT03 against the BOQ items, each with its own quantities and rates.

The Final Awarded quantities (2) should add up to the Final quantity (3) and any under or over allocated quantity of a BOQ item is shown in the “S/C Over/Under column”(4), this should be corrected and if the main contractor intends handling some of the work, an internal item must be made. In the case below there is an over allocation of 500m2 against item A.
Subcontract Certificate template

The certificate data can be written to a copy of an Excel template. A CCS template is always available but the data can be modified for use in any Excel certificate.

To define or edit a Subcontract Certificate template go to Definitions & Settings > 7.4 Template definitions.

The existing CCS template can be used or a new template added and named. There may be more than one template required such as for labour-only, domestic and N/S subcontracts.

To create a template, browse your computer and select the Excel template required. For the example below the CCS template is used.

Once the template is selected:

- Specify the cell references where the Candy data will be placed in the Excel spreadsheet (1) as below.
- Enter the source range (2) where the “Previous amounts” are located.
- Enter the destination cell reference (3) where the “Previous amounts” are to be copied.
The Certificate

The current and all previous certificates are listed on the “Certificate” tab (1) as below.

To update, save and print the subcontract certificate, follow this procedure:

1. Go to the “settings button” (2) and specify which Excel template is to be used (3) for each subcontractor. A default CCS template is provided but others can be defined and customised (see Subcontract Certificate template below).
2. Browse (4) to enter the folder path where the subcontract certificate is to be stored.
3. Confirm the selection by selecting the “OK” button (5).
4. Use the “Update certificate” button (6) to update the Excel certificate with the latest Candy data.
5. Use the “Show certificate” button (7) to view the certificate in Excel and use the Excel print command to print the updated certificate. The Excel certificate must be closed before further updates are actioned in Candy.
6. The “Close & Next certificate” button (8) completes the payment cycle.
Upon selecting “Close & Next Certificate” the following actions are taken:

- The details of the next certificate are displayed and can be entered in the form provided (1) as below. These details may be updated at a later time by selecting the “Edit” button (2).
- All Totals to date will be copied to the Previous Totals.
- The status of the first certificate changes to Closed and cannot be edited.
- The details of the new certificate are displayed.
Comparison rate

The “Awarded rate” used in the Subcontract BOQ can be compared with the allowable rate used by the main contractor in the bill.

From the **Document Manager** select document **1.2 Subcontract Variance bill**.

Copy just the Subcontract resource type’s rate from the main BOQ by Right click on the heading of the “Comparison rate” column (1) as below and select **Import BOQ rates > Import Split rates > Subcontract**.

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Subcontract summary

The Subcontract summary document displays a summary of all the subcontractors used in the job.

From the **Document Manager** select document **3.1 Subcontract Summary**.
Reports

There are a number of standard reports that are available and these can be customised to your requirements. Go to the Print Manager for the menu of standard reports.

Use the Book Reports to print a range of options for a selection of subcontractors. Go to the S/C and select the subcontracts that require printing (1) as below, select Print Subcontract report (2) and select the options required (3).