

Contracting System

The Contracting system is meant for companies involved in the construction business and who manage Contracts by assigning them to various subcontractors. The Contracts are executed over a period of time and consists of various 'works' to be completed during the course of its execution.

The Construction Co. is referred to as the 'main-contractor', which comprise of skilled professionals such as Civil Engineers, Electrical Engineers, Architects, Draftsmen, Surveyors, etc. In executing a contract the main-contractor may provide services to the subcontractors, such as estimation and surveying, Engineering and Consultancy, materials, etc.

A contract is created between the main-contractor and the Customer. It consists of a series of 'works' which are defined in the contract. The sum of all the 'works' is the cost of the Contract. These 'works' are assigned to various subcontractors in order to complete the Contract. The subcontractor is a specialist in a particular area of work, such as, estimation and surveying, electrical, plastering and painting, masonry and cementing, etc. As the contract progresses, an invoice is issued for the completed 'works' to the Customer which is referred to as the 'Contract Billing'. During the course of the contract various such contract-billings are issued. Similarly, as the contract progresses, a certificate is issued to the subcontractor which is referred to as the 'Payment Certificates' for the 'works' assigned and completed by the subcontractor.

With almost every project there are amendments made to the Contract and these adjustments are performed by creating a Contract Variation Transaction. Therefore, a Contract can have several variations made to it during the course of the project.

The Customer or Client sometimes may provide services or materials either to the Main-contractor or to the Subcontractor. These services are entered in the Client Services transaction. For example, the Customer may provide material like sand, cement, etc. towards the construction. The cost of these services is reduced from the amount receivable from the Customer.

The Customer will make payments based on Contract Billing and sometimes payments are made in advance, so that the project is executed smoothly without any interruptions. This advance amount is proportionately deducted based on the value of the work completed.

Some of the features of this module are listed below:

Features

- Unlimited number of Contracts can be defined with unlimited number of Works in a convenient data-entry screen.
- Make Adjustments or Amendments to the Contract through multiple variation transactions which are serially numbered for easy tracking.
- Unlimited number of 'Work-Codes' can be defined in the Work Type Master, such as Painting and Plastering, repair and maintenance, surveying, etc.
- Various units of measure can be used to define the Work-types, such as in square meter, square feet, lump-sum, etc.
- Assignment of 'works' in one contract to multiple subcontractor is possible
- Same 'works' can be assigned to various subcontractors in the same contract.

- Different subcontractor rates can be used for different subcontractors in the same contract
- Generation of Contract Billing to the Customer is possible based on various stages of completion
- The System uses progressive calculation for Contract Billing to Customers and Certificate Payment to Subcontractors
- Transfer of Services is possible between any two subcontractors that are assigned to the Contract
- Validation rules ensure that conflicting data is not entered in the system.
- Maintain full history of each Contract from the time of inception to its completion.
- No need to remember codes as selection of Contracts, Subcontractors, Work-types, Customers, etc. The System uses Lookups in all masters, transactions and reports.
- The System can be integrated to Accounting to Update Customer Receivables, Subcontractor Payable accounts, Contract Cost accounts, etc.
- Reports can be easily exported to Ms Excel and various other file formats.

Reports

There are various reports in the Contracting Module to assist with the management and analysis of the Contracts, Subcontractors and Customers. Contract analysis based on contract cost and contract invoicing is available. Client retentions can be listed based on Client and Contract Nos.

- Contract Listing Report - A complete list of the contracts in the system can be generated by the year of creation or by the Contract Nos.
- Contract Analysis - This report provides a complete snap-shot of the various contracts. Contract billings issued to Customers and Payments Certificates issued to Subcontractors can be analyzed by current year or by previous year.
- Subcontractor Analysis - Subcontractor breakup by contract is available in this report
- Subcontractor Listing - A complete list of all the Subcontractors can be generated using this report.
- Retention Listing - Client retention amounts are listed in this report along with the Contract values.
- Monthly Billing Breakup - A Contract Billing breakup by month is reported along with basic contract information.
- Client Services Report - Listing of Client Services for a particular contract or period or both.
- Main-contractor Services Report - Listing of Main-contractor Services for a particular contract or period or both.