

Quick Reference Card For General Contractors

Guidelines to the New PO, Draw & Change Order Process for McDonald's Restaurants

Updated: June 12th, 2013.

General Guidelines for the GC Forms:

- The forms include:
 - GC Bid Form
 - Field Work Authorization (FWA)
 - GC Change Order Form
 - GC Draw Form
- All forms are **project specific** and will be generated by the Regional Construction Coordinators
- **Forms must NEVER be renamed** – otherwise the forms will not upload
- **Form must NEVER be re-formatted** -- the original files are created in Excel 97-2003 and must remain in this format in order to upload properly.
- Enter details in green cells only
- Enter the costs on the correct lines – use the **Reference tab** if you are uncertain.
- When entering costs, use the **comment** section to provide additional details relating to the costs entered.

GC Bid Form

NOTE: The GC Bid Form is set up to also used for the purpose of creating the GC PO—the successful bidder's form will be uploaded directly into the system to do this. The GC PO sets the platform for all Change Orders and Draws for the project. Provided that it is properly completed, it will streamline the process of approvals and generating payments. It is important capture the breakdown of the McDonald's Costs and the Franchisee Costs—the pink cells relate to the Franchisee costs.

1. Enter the cost on the applicable lines based on the tender drawings –again, note that there are specific lines that relate to the Franchisee costs. **You will be required to properly enter the costs on the correct lines.**
2. **OH&P** – This is the last item to enter on the GC Bid form at the top of the page, enter all your other costs first and the scroll up to the top of the page to enter the percentage amounts for OH&P. A few notes about OH&P:
 - The OH&P fields **MUST NOT BE LEFT BLANK** as the forms will not upload. Do not add OH&P to the line details of the GC Bid Form, it must be entered at as percentage at the top of the page.
 - General Requirements (Div 1) & Supervision (Div 81) – OH&P is not calculated for these sections
 - Currently OH&P must be entered 'manually' for any Franchisee costs—this is not automatically entered for the pink line items. We are working on getting the forms revised

to calculate OH&P as percentage as well, but until then you will be required to manually enter the amount of OH&P for the Franchisee costs on line 82.30.00. DO NOT IGNORE THE PINK LINES TO SKIP THIS STEP – you are required to enter costs properly or the forms will not be uploaded.

3. **“Review Bid”** – this is a required step for all New, Relo and Rebuild projects by all GC’s.
 - This button is located at the top right hand corner of the page – click on the button and you will be advised of any ‘exceptions’ that need to be addressed before you submit your bid for review.
 - The exceptions are lines that show no costs have been entered, however they are flagged by McDonald’s to serve as a reminder for cost detail that is required. If the costs have been lumped into other line items, they should be broken down correctly—this is also to ensure that costs splits will take place correctly once the PO has been created. Once again, the GC Bid form sets the platform to ensure that all other forms and reports will be accurate.
 - If the line absolutely does not apply to the specific project, enter ‘N/A’ in the comment section—all ‘N/A’ items will be reviewed by the PM.
 - Once all exceptions have been cleared, click the “Review Bid” button again to update and confirm that all exceptions have been answered.
4. The GC Bid for the successful Bidder will become a formal **‘purchase order’** – General Contractors will now **require a formal purchase order in order to be paid.**
 - GC’s will not submit any invoices to McDonalds for these projects. All payments will be made with an MBS draw form.

FWA’s – Field Work Authorization Forms:

FWA’s were created for audit control (SOX Requirement) and to allow the GC to obtain approval to move forward on a project without waiting for the formal Change Order Approval. The approved FWA’s will then be summarized on a formal MBS Change Order Form on the 15th of each month.

The forms are specific to site changes and must be:

- Completed on site by the Site Super and signed by the ‘requestor’ and the Project Manager
- If the Project Manager is not on site, the change must be communicated via email and the Project Manager must ‘approve’ via email before the GC proceeds with the additional work requested.

All Site Supers should have a pad of McDonald’s FWA’s on hand for any ‘request’ made on site to avoid delays with requesting approval for changes on site.

- Please reach out to your PM or RCC if you need additional pads of FWA’s.

Change Order Forms

NOTE: **GC's must submit Change Orders on a monthly basis** – one change order at the end of the project is not acceptable.

1. The “Window” to request Change Order Forms is from the 5th of the Month to the 15th.
2. Once the Change Order Form has been uploaded and approved--the updated PO will be forwarded to the Project Manager & the General Contractor. The updated PO will allow the GC to draw on those Change Orders during the next Draw period.
3. When completing Change Order forms:
 - Each change requires a “Change Reason” selected from the dropdown box. This reason needs to match the reason identified on the FWA form.
 - The same OH&P details from the GC Bid form apply to the Change Order form. OH&P must be included as a percentage at the top of the page and any OH&P for Franchisee items must be manually entered.
 - When returning completed Change Order forms, please make sure all necessary supporting documentation is included:
 - A signed FWA's for each change, reference them in the Additional Description Box by date.

Draw Forms

NOTE: **GC's must not submit an invoice for payment** – all payments will be processed using the new Draw Forms generated from the system by the Regional Construction Coordinators.

1. Draw Forms are only processed at the beginning of each month – therefore if a GC requires a blank draw form, a request must be made to the PM or the RCC from anytime between the 20th day to month end. This ‘window’ will allow the GC time to prepare the draw request and submit it for review by the PM in time to be processed for payment on the 1st business day of the following month.
2. When returning completed Draw forms, please make sure all necessary supporting documentation is included:
 - Signed Stat Dec (for all draws after Draw #1)
 - Current WBC Form
3. Once uploaded payment will be issued within 2-3 days of the upload.

Submitting Completed Forms:

For both Draw Forms & Change Order Forms, when complete

1. Email them back your Project Managers and,
2. ‘CC’ the Regional Construction Coordinators so that they are aware it has been submitted and is being reviewed by the Project Manager for approval & uploading.

IMPORTANT NOTE: 2 forms cannot be processed on the system at the same time

4. If a Draw form has been generated, it must be returned, uploaded and cleared for payment before the Change Order form can be generated for processing.
5. If a Change Order form has been generated, it must be returned with all supporting documents, uploaded and approved before the next blank Draw form can be generated to request payment. If the approval is incomplete, the Draw form will not reflect the Changes requested and the GC will not be able to request payment on the Changes.

In order to ensure that there are no issues with overlapping forms in the system, which will only delay payment to the GC, the above process was created – again, Draws to be processed on the 1st of each month and Change Orders to be processed on the 15th of each month.

Retainage Release

The Retainage Release process has also changed – once again, GC's must not submit an invoice to request Retainage Release. There is no form generated for the GC to complete, but prior to releasing the retainage, the PM's and RCC's will need to confirm that :

- All as-builts, warranties, inspections, certifications, etc. have been received – a full checklist is required for each project and must be signed off by the PM.
- A lien check will be completed to confirm that there are no liens on the building
- All change orders have been submitted in full and the final draw has been paid

Once the above items have been confirmed, the release request will be submitted to Columbus Accounting for processing.

If you have any questions, concerns, or need any additional MBS reference materials, please your Regional Construction Coordinators:

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