

GENERAL INSTRUCTION MANUAL

ISSUING ORG. ACCOUNTING POLICIES & SYSTEMS DEPARTMENT

SUBJECT EQUIPMENT USAGE TIME REPORTING

GENERAL INSTRUCTION NO.

216.616

ISSUE DATE

01-14-08

REPLACES

09-14-99

APPROVAL

RAK

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CONTENT: This instruction outlines usage reporting and charging procedures for equipment and operators supplied by Roads & Heavy Equipment Department (RHED) to user departments, mainly, portable or mobile construction, earthmoving and material handling equipment. RHED is the custodian of the corporate heavy equipment (owned and leased) fleet. Heavy Equipment services/assignment documentation as well as other detailed administrative policies and procedures are contained in the RHED G.I. 7.031, Heavy Equipment Services. This instruction includes:

1. GLOSSARY
2. BACKGROUND
3. HEAVY EQUIPMENT ACTIVITY TYPES FOR WHICH USAGE TIME IS TO BE REPORTED
4. HEAVY EQUIPMENT ASSIGNMENT TYPES AND COST CENTER GROUPS
5. HEAVY EQUIPMENT USAGE TIME REPORTING
6. HEAVY EQUIPMENT TRANSPORTATION

1. GLOSSARY:**1.1 ABBREVIATIONS AND ACRONYMS**

AP&SD	Accounting Policies & Systems Department
CE	Cost Element
CC	Cost Center
GI	General Instruction
RHED	Roads & Heavy Equipment Department
TD	Transportation Department
SAP e-Care	Heavy Equipment Fleet Management System (Equipment)
FAE	Full-Time Assigned Fleet
SSF	Shared Services Fleet
SAP	System, Applications, and Procedures in Data Processing
WBS	Work Breakdown Structure

1.2 INSTRUCTIONS

GI 7.031	Heavy Equipment Services
GI 216.965	Cost Distribution Rates

1.3 FORMS

ZTCV431A	SAP TRANSACTION FOR TRUCK REQUEST
SA-7981	HEAVY EQUIPMENT ISSUE/RETURN RECORD
SA-9028	HEAVY EQUIPMENT SERVICES REQUEST
SA-9033	FULL-TIME ASSIGNMENT HEAVY EQUIPMENT TRANSFER

1.4 REPORTS

S_ALR_87013611	Cost Centers: Actual/Plan/Variance
S_ALR_87013615	Cost Centers: Breakdown by Partner
S_ALR_87013630	Activity Types: Plan Receivers
ZK0078	Monthly Cost Report

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2 OF 61.5 Cost Element:

CE 8000300 Heavy Equipment Services

1.6 Cost Centers (Senders of Activities CC Group):1.6.1 Permanent Assigned Heavy Equipment(CC Group: 1ISOHEA):

797197 Shared Services Operators

797198 Shared Services Fleet

797199 Full Time Assigned Fleet

1.6.2 Hourly Heavy Equipment (CC Group: 1ISOHEH):

797298 NHED Shared Services Fleet

797398 SHED Shared Services Fleet

797498 CHED Shared Services Fleet

797798 WHED Shared Services Fleet

2. BACKGROUND:

2.1 Assignment of heavy equipment: users are charged a predetermined hourly rate relative to the assigned equipment and operators. The usage rates are reported in GI 216.965 and are annually reviewed and revised by RHED and TD to align with full costing.

2.2 For any assigned equipment breakdown without replacement provided by RHED, SAP e-Care reports the user's actual charges which are the net of the total assigned hours minus the downtime hours. These charge hours can also be obtained from SAP under the Plant Maintenance. SAP e-Care generates reports of the charges from the on-line Equipment Usage Computer System. The record of the transaction for the charges is summarized as: charging the user account and allocating the credits to Cost Centers (1ISOHEA and 1ISOHEH). The SAP e-Care records the charges online upon any equipment returns, and it also maintains controlling documents for the direct activity cost allocation. On the 5th day of every month SAP e-Care prepares and runs a schedule for the previous month charges for the FAE and SSF assigned units overlapped into the next month's business. The users of Cost Centers, work Orders or WBS are charged for the equipment charges; the credits for the services rendered are recorded in 1ISOHEA or 1ISOHEH. The report S_ALR_87013611 details the charges to the user by Cost Centers and Cost Element. The accumulated credits in 1ISOHE (1ISOHE is a recap report of 1ISOHEA and 1ISOHEH) at the departmental level are reconciled to the RHED Cost Sheet Dashboard. All RHED costs associated with this equipment are charged to equipment users and any over/under variances are monitored in the Monthly Cost Sheet Report - ZK0078, and are to be added/subtracted to/from department overhead at the year-end. RHED and TD update the usage rates in GI 216.965 on the annual basis to offset the under/over variances in accordance with full costs.

3. HEAVY EQUIPMENT ACTIVITY TYPES FOR WHICH USAGE TIME IS TO BE REPORTED:

Activity Type	Activity Description	Activity Type	Activity Description
E0302	Dozer, Medium	E0702	Concrete Mxer 0.5 CM
E0303	Dozer, Large	E0801	Hydraulic Excavator
E0304	Dozer, Wheeled, Med	E0803	Motor Grader, Medium
E0306	Pipe Layer	E0804	Motor Grader, Large
E0308	Excavator, Large	E0806	Warehouse Sweeper Elec

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E0309	Backhoe/loader	E0808	Yard Sweeper, Dsl
E0310	Skid Loader	E1604	Centrifugal Pmp 10cm
E0311	F E Loader, Small	E1606	Centrifugal Pmp 15cm
E0312	F E Loader, Medium	E1610	Centrifugal Pmp 25cm
E0313	F E Loader, Large	E2401	Floodlights, 6-8kw
E0315	Pipe Loader	E2402	Utility Power Unit
E0317	Tow Tractor, 4000 SMT	E2403	Generator, 30-35kw
E0400	Crane Hyd. 20 Ton AT	E2404	Generator, 50-75kw
E0401	Crane Hyd. 30 Ton AT	E2405	Generator, 100-150kw
E0402	Crane Hyd. 40 Ton AT	E2406	Generator, 200-250kw
E0403	Crane Hyd. 50 Ton AT	E2407	Generator, 400kw
E0404	Crane Hyd. 60 Ton AT	E2409	Generator, 600kw
E0405	Crane Hyd. 70 Ton AT	E2410	Generator, 700kw
E0406	Crane Hyd. 80 Ton AT	E2411	Generator, 900kw
E0407	Crane Hyd. 90 Ton AT	E2412	Generator, 1000kw
E0408	Crane Hyd. 130 Ton AT	E4301	AC Machine, Dsl 10Ton
E0409	Crane Hyd. 250 Ton AT	E4302	AC Machine, Elec 10Ton
E0410	Crane Hyd. 500 Ton AT	E4305	AC Machine, Elec 10T
E0411	Crane	E5801	Manlft Articldt 14M
E0412	Crane Hyd. 18 Ton RT	E5802	Manlft Articldt 24M
E0413	Crane Hyd. 28 Ton RT	E5803	DSL MANLIFT
E0414	Crane Hyd. 30 Ton RT	E5804	Manlft Telecp 12M
E0415	Crane Hyd. 50 Ton RT	E5805	Manlft Telecp 18M
E0416	Crane Hyd. 75 Ton RT	E5806	Manlft Telecp 24M
E0417	Crane	E5807	Manlft Telscp 27M
E0418	Crane	E5808	Manlft Telscp 36M
E0422	Crane LB Crwlr 90 Ton	E5809	Manlft Articldt 11M
E0423	Crane LB Crwlr 200 Ton	E8901	Forklift Elec 1.25t
E0424	Crane LB Crwlr 360 Ton	E8902	Forklift Elec 2t
E0426	Crane LB Truck 80 Ton	E8903	Forklift Elec 2t EP
E0427	Crane LB Truck 270 Ton	E8904	Fork/lift WH R/Trk 1t
E0431	Crane Hyd. 15 Ton TM	E8905	Fork/lft WH R/Trk 1.5t
E0432	Crane Hyd. 25 Ton TM	E8906	Fork/lift WH R/Trk 2t
E0433	Crane Hyd. 30 Ton TM	E8907	Fork/lft WH R/Pkr 0.7t
E0434	Crane Hyd. 50 Ton TM	E8908	Fork/lift WH O/Pkr 1t
E0435	Crane Hyd. 75 Ton TM	E8909	Fork/lift WH R/Pkr 1t
E0436	Crane Hyd. 90 Ton TM	E8910	Fork/lft WH R/Trk 1.5t
E0437	Crane Hyd. 110 Ton TM	E8911	Fork/lift WH R/Trk 3t
E0438	Crane Hyd. 130 Ton TM	E8920	Fork/lift Dsl 2.5 SM
E0441	Crane Hyd. 5 Ton MH	E8921	Fork/lift Dsl 2.5t LM
E0442	Crane Hyd. 8 Ton MH	E8922	Fork/lift Dsl 5t
E0450	Crane Hyd. 100 Ton AT	E8923	Fork/lift Dsl 7t
E0451	Crane Hyd. 150 Ton AT	E8924	Fork/lift Dsl 10t
E0452	Crane Hyd. 200 Ton AT	E8925	Fork/lift Dsl 20t
E0501	Air Comp Dsl 5 CMM	E8926	Fork/lift Dsl 40t
E0502	Air Comp Dsl 11 CMM	E8927	Fork/lift Strdl 30t
E0503	Air Comp Dsl 22 CMM	E9997	Manpower, Riggers

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E0504	Air Comp Dsl 25 CMM	E9998	Manpower, Forklift Opr
E0505	Air Comp Dsl 34 CMM	E9999	Manpower, Crane Opr
E0602	Weldng Mach Dsl 400A		
E58003	Manlft Articld 18M		

4. HEAVY EQUIPMENT ASSIGNMENT TYPES AND COST CENTER GROUPS:

According to the heavy equipment assignment types, heavy equipment charges are reported in a user's account as receiver and in RHED's CC Group IISOHE cost centers as a sender under CE 8000300 "Heavy Equipment Services."

4.1 PERMANENT ASSIGNMENT

Permanent Assignment relates to equipment assigned to user organizations on a full time basis (Full Time Assignment) against its annual approved assigned equipment requirement forecast. Permanent Assignment charges are debited to the respective user's cost center as a receiver and credited to the Assigned Heavy Equipment cost center Group IISOHEA Cost Center as a sender (797199) as listed in 1.6.1 according to type of fleet under CE 8000300, "Heavy Equipment Services." Invoice charges of any leased full time assigned unit will be directly debited to RHED's cost center with the actual monthly invoiced cost.

4.2 TEMPORARY ASSIGNMENT

Temporary Assignment is equipment assigned to a user organization on a temporary basis (not to exceed 12 months) against approved SA-9028 reported in SAP e-Care. Shared heavy equipment service charges are debited to the respective user's cost centers, work orders or WBS as a receiver and credited to the respective Shared Services Fleet Division, Hourly Heavy Equipment CC Group and IISOHEH Cost Center as a sender listed in 1.6.2 under CE 8000300, "Heavy Equipment Services."

4.3 SHARED HEAVY EQUIPMENT SERVICES

Shared heavy equipment services are provision of equipment with operators and riggers through RHED's Shared Services Operation Unit or a user organization against approved SA-9028 reported in the SAP e-Care. Shared heavy equipment, operators and riggers activity charges are debited to the respective users cost centers, work orders or WBS as a receiver and credit to the 797197, shared services operators for all locations as sender listed in 1.6.1 under CE 8000300 "Heavy Equipment Services." Shared heavy equipment is charged according to Temporary Assignment, paragraph 4.2.

4.4 EMERGENCY RESPONSE FLEET

To avoid any adverse effect of any potential emergency requirement, RHED maintains emergency equipment which is identified by a flag in the SAP e-Care under the shared heavy equipment. This emergency equipment can be used as replacement of down FAE or on restricted temporary assignment. The charges for the emergency response fleet are accorded to Temporary Assignment, paragraph 4.2.

5. EQUIPMENT USAGE TIME CHARGING:**5.1 PERMANENT ASSIGNED EQUIPMENT**

5.1.1 The user is routinely charged 176 hours/month (40 hrs/week) usage.

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5.1.2 If assigned equipment breaks down and requires minor repairs at its point-of-use, RHED's Field Repair Unit or Administration prepares minor maintenance orders with breakdown notification in SAP Plant Maintenance. SAP e-Care continues recording the hours while the equipment is inoperable considering and detecting any breakdown hours reported via the SAP maintenance notifications or orders. The inoperable equipment must be promptly reported by the user to the Field Repair Unit or Administration of RHED.

5.1.3 When inoperable assigned equipment requires extensive/major repairs at RHED's repair facility, RHED returns the equipment, physically and systematically, in order to provide a replacement unit from the SSF fleet to the user organization until the inoperable assigned unit is repaired, with no further charges recorded against the users for the replacement. Users will continue to receive charges for the replacement assigned unit at the rate of the original FAE equipment. If RHED cannot provide a replacement, the user organization will not be charged for the repair time (8 hrs/working day) of the assigned unit. Such equipment down/repair time and status should be promptly recorded by the authorized representative of RHED through the SAP e-Care (see paragraph 5.3, below).

5.2 TEMPORARY ASSIGNED EQUIPMENT

5.2.1 For temporary assignments of equipment for a week or more, procedures are as outlined in paragraph 4.2, above.

5.2.2 For temporary assignments of equipment for less than a week or shared heavy equipment services, user organizations will be charged on an hourly basis for the total usage hours. Users will not be charged for equipment down/lost time occurring during the assignment period.

5.3 EQUIPMENT DOWNTIME RECORDING

5.3.1 If the RHED Dispatching Unit receives a ticket or notification regarding any equipment downtime, the unit will record the equipment downtime in SAP under plant minor maintenance, and the equipment downtime will be identified as follows:

- Minor Maintenance Ticket (MMT) for Field Breakdown

If any equipment in the field is down for minor maintenance, a MMT is prepared to identify the malfunction, the start date and the time of the breakdown. The MMT will be closed when the malfunction is identified and fixed, and the finished date as well as the finished time will be disclosed.

- Major Maintenance Notification (Notification type M2) for Field Breakdown

If any equipment in the field is down for major maintenance, a notification type M2 is prepared to identify the malfunction, the start date and the time of the breakdown. The notification type M2 will be closed when the malfunction is identified, fixed, and the finished date as well as the finished time will be disclosed.

6. HEAVY EQUIPMENT TRANSPORTATION:

6.1 At each Area, Fleet Administration Unit of RHED prepares and submits a Truck Request via SAP Transaction ZTCV431A to TD for the hauling of equipment to the user's point of use. TD charges the transport costs to the user's account.

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- 6.2 When equipment is no longer required the Area Fleet Administration of RHED prepares and submits a Truck Request via SAP Transaction ZTCV431A to TD for hauling the equipment from the job site to the Area Fleet Administration Unit of RHED. TD charges the transport costs to the user's account.
- 6.3 Each Area Fleet Administration Unit of RHED prepares and submits a Truck Request via SAP Transaction ZTCV431A to TD for hauling inoperable equipment from the job site to RHED, and replacement equipment from each Area Fleet Administration Unit of RHED to the job site. In both cases the transport costs will be charged to the responsible area RHED dispatching unit account.

Approved: [Original signed by R. A. Krygsman]

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HAH/WC #2098