



The State University  
of New York

# Office for Capital Facilities Guidance Document

CLC-8

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## Administration of Construction Field Orders

A reference guide to assist in the  
management of changes on construction  
contracts.

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### **Introduction**

It is strongly recommended that each campus have a process for evaluating and authorizing field orders. The process outlined in this guidance document is provided as a reference guide, and the forms are provided for your adaptation and use.

SUNY construction contract documents and procedures are intended to minimize frequent changes to construction contracts whenever possible. However, circumstances will occur where it is necessary or prudent for the campus to authorize a field or change order on a project. A field order is used to address unforeseen circumstances or conditions that come up during construction. Change orders generally result from a change in direction, details, materials or other modification to the design that is important for the betterment of the final project. It is important that field and change orders are used only to address changes which were reasonably within the contemplation of the parties when the contract was made.

Campuses can establish a defined field order allowance under of SUNY's Construction Agreement. These field order allowances should not exceed 3.5% of the contract value, and individual field orders must be less than \$75,000. When a campus wishes to include a field order allowance in a contract the allowance must be stated in the Invitation for Bid or Request for Proposal documentation. Bidders must then include the value of that field order allowance in their bid or proposal.

All field and change orders must be authorized in writing by the campus executive responsible for construction contracts, or their designee. Changes must be priced and reviewed by the Consultant before work is authorized. Pricing should be established as a lump sum with detail for labor and materials. Where a lump sum is not practical, pricing can be established on a time and material basis. In the case of an emergency, or under conditions where the scope of work cannot be determined in advance without causing impact or delay to the progress of work, the campus may issue or direct the Consultant to issue an Authorization to Proceed letter. Written justification for proceeding in this manner must be included in the procurement record.

### **Field Orders**

A modification can only be accomplished as a field order if the cumulative value of all field orders does not exceed the total field order allowance on the contract (3.5% of the contract value), the individual field order is less than \$75,000, and the reason for the modification is:

- To address a field condition or barrier to accessing the construction site
- To clarify the specification, address the technical execution of a problem or update contract documentation
- To address an omission

### **Change Orders**

If a modification does not meet the field order criteria it may be processed as a change order in accordance with SUNY Procedure 7554, Construction Contracts. Change orders should not be used to increase the scope of a project. The reason for the modification would generally be one of the following.

- A program change
- A substitution
- A bond premium and/or insurance adjustment
- A time extension not resulting from a field order condition
- An allowance adjustment
- To address an error

### **Field Order Process**

1. The consultant or campus requests that the contractor generate a **Field Order Proposal (Form: Attachment 1)**.
2. The contractor generates a **Field Order Proposal (Form: Attachment 1)**.
3. The consultant reviews the **Field Order Proposal (Form: Attachment 1)** for reasonableness of the itemization, quantities, prices, and contract compliance. The consultant then drafts a recommendation letter, and submits that letter to the campus representative responsible for the project. The recommendation letter should, at a minimum, include the following items.
  - a) Statement describing the change
  - b) The reason for the change
  - c) A copy of the detailed quotation (proposal) submitted by the contractor, suppliers, and subcontractors.
  - d) The consultant's stated evaluation of the reasonableness of quantities and price in accordance with the contract.
  - e) Attachment of or reference to supplementary data such as descriptive literature, sketches, revised drawings, ect.
  - f) The consultant's recommendation for an extension of time if requested(the contractor must explicitly request in writing for a specific time extension)
  - g) Any indications as to whether the change will require work of other trades, and if so, whether work will involve additional costs, changes or credits.

Note: The contractor is not to be copied on the consultant's letter of recommendation to the campus.

4. The campus representative (generally a Project Coordinator/Manager) reviews the **Field Order Proposal (Form: Attachment 1)** and completes **Field Order Proposal Data Sheet (Form: Attachment 2)**.
  - o The campus representative is responsible for reviewing the field order for conformance with the contract, verification of the reasonableness of the field order pricing, verification of the availability of funding, and accuracy of the data (checks math, labor and equipment rates, material costs, etc.).

5. The campus representative assigns a Field Order number, logs the Field Order in the procurement record using the **Listing of Field Orders (Form: Attachment 3)** and completes a **Field Order Authorization (Form: Attachment 4)** which includes reference to the Field Order Proposal and clearly defines the scope. Whenever feasible, changes should be priced before work is authorized; and pricing established as a lump sum with detail for labor and materials. Where a lump sum is not practical, pricing may be established on a time and material basis.
6. The campus executive responsible for construction contracts, or their designee, reviews and approves the field order and associated documentation by signing the **Field Order Proposal Data Sheet (Form: Attachment 2)**. A copy of the delegation authority must be on file.
7. A copy of the executed **Field Order Authorization (Form: Attachment 4)** is provided to the contractor.
8. Copies of the following are to be kept in the procurement record:
  - (1) **Field Order Proposal (Form: Attachment 1)** and consultant's recommendation
  - (2) **Field Order Proposal Data Sheet (Form: Attachment 2)** including approval by the writing by the campus executive responsible for construction contracts, or their designee.
  - (3) **Listing of Field Orders (Form: Attachment 3)**
  - (4) **Field Order Authorization (Form: Attachment 4)**

#### Additional Information

- If a field order impacts the period of performance of the contract ensure that a contract amendment is processed updating the period of performance.
- The status of field orders should be reviewed at each project meeting.
- The Consultant is responsible for ensuring that all changes accomplished by field or change order are done in accordance with the contract plans, specifications and NYS Building Codes.

#### Resources

[Procedure 7554, Construction Contracting](#)

#### Q&A

1. **Q: How is the value of the field order allowance defined and when in the process is it defined?**

**A:** The field order allowance should be approximately 3.5% of the contract value. The allowance amount is established during the Invitation for Bid or Request for Quotation phase of the project. The campus would identify the field order allowance as a lump sum. This lump sum is determined as a percentage of the budgeted construction value. This amount is then specified in the bid documents. The field order allowance is then taken into account in the bid tabulation. Sample language is provided below.

#### **Schedule I Language**

**Field Order Allowance:** The amount indicated below shall be included in the Total Bid amount and indicated on the Proposal in the space provided. Refer to Section 4.05 of the Agreement for additional Information.

\_\_\_\_\_ \$ \_\_\_\_\_  
 (In words) (In figures)

**Bid Proposal Form Language**

**Field Order Allowance:** As per the Schedule I and Section 4.05 of the Agreement.

\_\_\_\_\_ \$ \_\_\_\_\_  
 (In words) (In figures)

*Example:*

The campus has a project with a budgeted construction value of \$1,000,000 and has decided on a 3.5% field order allowance. Therefore, \$35,000 will be included in each bid and accounted for in the bid tabulation.

No.	Contractor Name	Contractor Address	Date Rec'd	Bid Secur	Base Bid	Field Order Allow	Sub Total	Alter 1	Total
1	Laina's LLC	5 Marie Drive	1-May	5%	\$900,000	\$35,000	\$980,000	-22,000	\$958,000
2	Claire's Construction	33 Elizabeth Ave	1-May	5%	\$905,000	\$35,000	\$985,250	-30,000	\$955,250
3	Levi's Builders	25 Ronald St	1-May	5%	\$930,000	\$35,000	\$1,011,500	-20,000	\$991,500

**2. Q: Is the field order allowance guideline of 3.5% a required limit?**

**A:** The Office for Capital Facilities advises campuses establish field order allowances at no more than 3.5%. If a campus has an existing field order process and data that supporting an increased allowance the campus may establish an alternate field order allowance limit that does not exceed 5%. Adequate documentation justifying this increased limit must be kept on file at the campus.

**3. Q: Are consultants entitled to extra compensation for field orders executed with a field order allowance, or are field orders covered in the consultant's basic fee?**

**A:** If the contract is set up as a lump sum agreement a campus may consider any services rendered in association with field orders as included in the consultant's basic compensation.

In the event a change order results from a program change, or a condition which could not have been reasonably foreseen by the consultant, the consultant may seek extra compensation for the services rendered in connection with that change. Any extra compensation afforded to a consultant in this situation would be in accordance with Article III Section D of SUNY's Consultant Agreement.

**SUNY Consultant Agreement - SECTION D - EXTRA COMPENSATION**

"All services rendered by the Consultant in connection with any work item, included in a change order to a construction contract, which results from either: (a) a program change of the University, or (b) conditions which, in the judgment of the University, could not have been reasonably anticipated or foreseen by the Consultant at the time bids for construction of the



Project were received, will be paid for by the University on the basis of the approved value of said item multiplied by 5 percent. All services rendered by the Consultant in connection with all other extra work items and all deleted work items, included in a change order to a construction contract, shall be deemed to be covered by the Total Fee.”

It is important to note that there are differences in how SUNY and the State University Construction Fund administer field orders. The Fund uses a single process and change management system for field and change orders. Therefore a single change proposal form is used for both field and change orders. In addition, some Fund contracts may be set up as a full service design contracts, as opposed to a lump sum agreements. In these instances the Fund may elect provide compensation to consultant for administration of field orders if certain criteria are met.

**4. Q: Should overhead and profit for field order allowances be paid for as part of the base bid, or as part of the individual field orders?**

**A:** Under Article III Section 4.05 of the Construction Agreement the contractor bid is to include an overhead and profit associated with allowances. Therefore, a contractor is not entitled to additional overhead and profit on a field order.

**SUNY Construction Agreement - Article III Section 4.05 Allowances**

“The Contractor acknowledges that the Contract consideration includes such sums for expenses and profit on account of cash allowances as it deems proper and that it shall make no claim for expenses or profit or any percentage override in addition thereto; said items having been included in the amount of the Contract consideration.”

When a change is accomplished using a change order, as opposed to a field order, the value of the work would be determined in accordance with Article III Section 4.02 of the Construction Agreement.

**5. Q: Are campuses able to establish allowances for other items such as asbestos allowances or specific allowances?**

**A:** The Office for Capital Facilities recommends that asbestos work be included in the base bid. In the event an unforeseen condition arises a field or change order can be used to address any extra work associated with asbestos. It is not recommended that a separate allowance be established specifically for asbestos.

This Guidance Document on Field Orders was not intended to address specific allowances for single or sole source items. The Office for Capital Facilities recognizes this as a topic that would benefit from additional guidance and will evaluate the topic.

# FIELD ORDER PROPOSAL

Project No: \_\_\_\_\_

No overhead or profit is to be included for field orders in accordance with Section 4.05 of the Construction Agreement

**CHANGE DESCRIPTION:**

Contractor Name: _____ Address: _____ Telephone No.: _____	Date: _____ Contract No.: _____ Field Order No.: _____ Change Proposal No.: _____
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	Round Totals to Nearest Dollar	SUNY Revisions
<b>SECTION A: CONTRACTOR WORK</b>		
1. Total Contractor Labor		
2. Total Contractor Material		
3. Total Contractor Equipment		
4. Total Unit Price Costs		
5. SUBTOTAL (Total lines 1 thru 4)	\$ -	
6. Total Premium Portion of Contractor Labor		
<b>7. CONTRACTOR TOTAL (Total lines 5 &amp; 6)</b>	<b>\$ -</b>	

	Round Totals to Nearest Dollar	
<b>SECTION B: SUBCONTRACTOR WORK</b> (Provide a separate form for each Subcontractor.)		
8. Names of Subcontractors:		
A. _____		
B. _____		
C. _____		
D. _____		
E. _____		
F. _____		
9. TOTAL SUBCONTRACTOR PROPOSALS (Total lines A thru F)	\$ -	
10. Contractor's Override on Subs' Proposals:		
11a. 10% of first \$10,000 of line 10 (\$1,000 maximum)	\$ -	
11b. 5% of next \$90,000 of line 10 (\$4,500 maximum)	\$ -	
11c. 3% of sum in excess of \$100,000 of line 10	\$ -	
11. Total Premium Portion of Subcontractor Labor		
<b>12. SUBCONTRACTOR TOTAL</b>	<b>\$ -</b>	

<b>SECTION C: TOTAL CONTRACT UNIT PRICE(S)</b>	<b>13.</b>	
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	Round Totals to Nearest Dollar	
<b>SECTION D: CONTRACTOR'S REQUESTED TOTAL AMOUNT REQUESTED</b> (Total lines 7, 12, and 13)	<b>14.</b> \$ -	

Contractor's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Print Name of Authorized Representative: \_\_\_\_\_

Print Title: \_\_\_\_\_

Print name of Contact Person (if different): \_\_\_\_\_

Phone No. (if different from above): \_\_\_\_\_

**SECTION E: PROJECT COORDINATOR'S COMMENTS:**

**Contractor Instructions:** Complete fields shaded in red. If a detailed change description is requested attach one to this form. Sign and date the form and submit to your Campus Representative.

CHANGE ORDER PROPOSAL

Project No: \_\_\_\_\_

**CHANGE DESCRIPTION:**

Contractor Name _____	Date: _____
Address: _____	Contract No.: _____
Telephone No.: _____	Field Order No.: _____
	Change Proposal No.: _____

	Round Totals to Nearest Dollar	SUNY Revisions
<b>SECTION A: CONTRACTOR WORK</b>		
1. Total Contractor Labor		
2. Total Contractor Material		
3. Total Contractor Equipment		
4. Total Unit Price Costs		
5. SUBTOTAL (Total lines 1 thru 4)	\$ -	
6. Contractor's Override Combined O & P (15% of line 5)	\$ -	
7. Total Premium Portion of Contractor Labor		
<b>8. CONTRACTOR TOTAL (Total lines 5, 6 &amp; 7)</b>	<b>\$ -</b>	

	Round Totals to Nearest Dollar	
<b>SECTION B: SUBCONTRACTOR WORK</b> (Provide a separate form <u>for each</u> Subcontractor.)		
9. Names of Subcontractors:		
A. _____		
B. _____		
C. _____		
D. _____		
E. _____		
F. _____		
10. TOTAL SUBCONTRACTOR PROPOSALS (Total lines A thru F)	\$ -	
11. Contractor's Override on Subs' Proposals:		
11a. 10% of first \$10,000 of line 10 (\$1,000 maximum)	\$ -	
11b. 5% of next \$90,000 of line 10 (\$4,500 maximum)	\$ -	
11c. 3% of sum in excess of \$100,000 of line 10	\$ -	
12. Total Premium Portion of Subcontractor Labor		
<b>13. SUBCONTRACTOR TOTAL</b>	<b>\$ -</b>	

<b>SECTION C: TOTAL CONTRACT UNIT PRICE(S)</b>	<b>14.</b>	<b>\$ -</b>
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	Round Totals to Nearest Dollar	
<b>SECTION D: CONTRACTOR'S REQUESTED TOTAL</b>		
<b>AMOUNT REQUESTED</b> (Total lines 8, 13, and 14)	<b>15.</b>	<b>\$ -</b>

\_\_\_\_\_  
Contractor's Signature                      Date

\_\_\_\_\_  
Print Name of Authorized Representative

\_\_\_\_\_  
Print Title

\_\_\_\_\_  
Print name of Contact Person (if different)

\_\_\_\_\_  
Phone No. (if different from above)

**SECTION E: PROJECT COORDINATOR'S COMMENTS:**

**Contractor Instructions:** Complete fields shaded in red. If a detailed change description is requested attach one to this form. Sign and date the form and submit to your Campus Representative.



**FIELD ORDER PROPOSAL DATA SHEET**

Project Name: \_\_\_\_\_ Date: \_\_\_\_\_

Project Number: \_\_\_\_\_ Reviewer: \_\_\_\_\_

Contract Number: \_\_\_\_\_ Contractor: \_\_\_\_\_

Field Order Number: \_\_\_\_\_ Consultant: \_\_\_\_\_

**Review**

1. Description of change: \_\_\_\_\_  
\_\_\_\_\_
2. Type of change:
  - a. Field Order
    - Field Condition
    - Omission
    - Error
3. Completion Date
  - a. Current Completion Date \_\_\_\_\_
  - b. Extend Completion Date by \_\_\_\_\_
4. Status of Work
  - Request Proceed Order
  - Work Started
  - Work Complete
  - Work Not Started
5. Cost Basis for Work
  - Lump Sum
  - Unit Price
  - Time and Material, Not to Exceed
6. Field Order Allowance Balance
  - a. Before this field order \_\_\_\_\_
  - b. Cost of this field order \_\_\_\_\_
  - c. After this field order \_\_\_\_\_
7. Accompanying Documentation
  - Initial request for change
  - Consultant Letter
  - Detailed Backup

**Approval**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title (Campus President or Designee)

<b>Listing of Field Orders</b>	
Project Name: _____	Project Number: _____

No.	Field Order Description	Field Order Estimate	Field Order Actual Cost	Previous Contract Field Order Balance <i>(not to exceed 3% of the contract total)</i>	New Contract Field Order Balance
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					

**Instructions:** List each field order and maintain a copy of all field order information in the procurement record. Upon completion of each field order calculate the remaining field order balance on the contract. The field order allowance established on a contract shall not exceed 3% of the contract value.

***Field Order Authorization to Proceed is to be provided to the consultant on Campus letterhead. This sample letter is provided for your adaptation and use.***

*(insert date)*

*(insert recipient name)*  
*(insert recipient address)*

**Subject: Field Order Authorization to Proceed**  
**Project No.** *(insert project number)*  
**Project Title** *(insert project name)*  
**Contract No.** *(insert contract number)*

Dear *(insert recipient name)*,

You are hereby authorized and directed under the subject contract to make the changes set forth in the following field order.

- Field Order Number \_\_\_\_\_
- Contractor Field Order Proposal Number \_\_\_\_\_
- Estimated Field Order Amount \$\_\_\_\_\_

The terms and conditions of the said contact are in full force and effect and shall apply in their entirety. Upon receipt of this Authorization Letter this Field Order becomes part of the Contract, and you are obligated to immediately proceed with the work. You may apply for reimbursement from the field order allowance as work progresses.

Sincerely,

*(insert campus contact name)*  
*(insert title)*  
*(insert contact address)*

- Enclosures
1. *(list enclosures)*