

## 90-Day Job Order Contract Implementation Guide

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### The 4BT OpenJOC™ Collaborative Approach

Four BT, LLC (4BT) brings greater efficiency and transparency to the numerous renovation, repair, and minor new construction projects encountered by public sector real property portfolio owners.

Our integrated approach incorporating [LEAN processes](#), [locally researched actionable construction cost data](#), [technology](#), and [training](#), better supports owners, contractors, subcontractors, and oversight groups. Properly designed, implemented, and managed Job Order Contracts can assure that over 90% of tasks are completed on-time, on-budget, and to the satisfaction of all stakeholders.

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### JOC Program Setup

Our experienced team works with you to structure a JOC Program tailored to your requirements while also considering your current and planned internal resources.

Key elements of a JOC Programs include:

- Contract Document(s)
- JOC Operations Manual/JOC Execution Guide (Part of Contract)
- OpenJOC™ Unit Price Book
- JOC Technology
- Education, Training, & Support Services
- Additional JOC Services

#### **Contract Document(s):**

The set of documents included as part of the contract package vary based upon the organization and associated regulations, statutes, etc. The core elements addressed by the Job Order Contract package include roles and responsibilities, term (number of years and potential option years and/or renewal options), total maximum value of the contract, total annual minimum value, average and maximum size of individual JOC task orders/projects, as a host of associated “standard contract documents” based upon the specific organization. Additional contract documents may include technical specifications (the owner’s existing technical specifications are preferable as they reflect detailed owner requirements that may be referenced in the contract), contractor proposal forms, insurance requirements, and other “standard forms”.

### JOC Operations Manual/JOC Execution Guide



A JOC Operations Manual/JOC Execution Guide should be included as part of the contract package as it details all roles, responsibilities, procedures, workflows, requirements, documents, reports, and deliverables. The following are sample listings of areas commonly addressed:

History of Job Order Contracting (JOC)  
Benefits of Job Order Contracting  
JOC Organization, Responsibilities, and Authorities  
JOC Implementation Considerations  
Strategic Evaluation of Objectives, Goals, and Appropriateness  
JOC Unit Price Book  
Required Technology  
Technical Specifications  
Statement of Work for the Job Order Contract  
Economic Price Adjustments  
Environmental Coordination  
Technical & Document Library  
Contractor Phase-In/Phase-Out  
Staffing  
Facilities  
Standard Operating Procedures  
Sample - Job Order Contracting Internal Control Checklist  
JOC Task Order Procurement & Award Process  
Clear Definition of Participants & Stakeholders.  
Limitations  
Subcontracting  
Job Order Execution  
In-House Contract Support & Performance  
Independent Owner Estimate Preparation  
Contractor's Proposal Evaluation & Negotiation Process  
Task Order Package Requirements  
Administrative Responsibilities of the Owner & Contractor  
Non-Prepriced Items  
Contractor Performance  
Significant Events  
Task Order Close Out  
Schedule of Values & Payment Processes  
Dispute Resolution  
Contract Status Reporting  
Bonding  
Quality Assurance/Quality Control  
Task Order Modifications  
Contractor Coefficient(s)  
INTERNAL CONTROL AND REVIEW PLAN  
Job Order Contracting Internal Control Checklist  
SAMPLE SCOPE OF WORK  
SAMPLE REQUEST FOR QUALIFICATIONS  
SAMPLE REQUEST FOR PROPOSAL  
SAMPLE CONTRACTOR'S PROPOSAL  
SAMPLE INDEPENDENT OWNER/GOVERNMENT ESTIMATES  
TRAINING REQUIREMENTS  
GLOSSARY OF TERMS

## 4BT OpenJOC™ Unit Price Book (UPB)

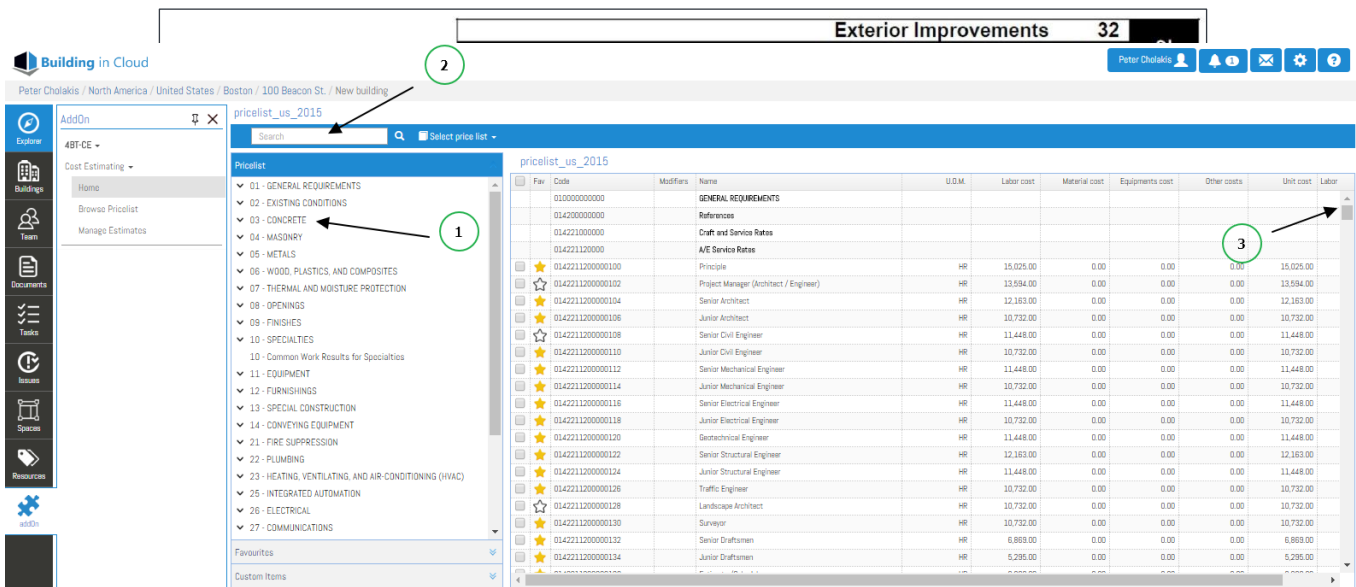
A JOC UPB contains line item task descriptions and costs for commonly encountered renovation, repair, and minor new construction costs. The number of line items should be such that a minimum of 90% of the total dollar value of construction cost estimates for individual JOC projects/tasks is derived from UPB prepriced line items. A UPB of 40,000 to 60,000 unit price line items should be sufficient for most JOC Programs.

Core elements of the 4BT OpenJOC™ UPB and the 4BT OpenCOST™ Methodology:

- All costs are researched locally to reflect appropriate market conditions.
- Task descriptions are in plain English using industry standard terms.
- Data organization uses CSI MasterFormat.
- Line item modifiers are used to account for quantities, access, and other variables.
- Demolition line items are easily located at the beginning of each section.
- Community-based approach to cost research and updating.

Labor, material, and equipment details are provided for each line item as appropriate.

As noted in the below figure, line items are easily found by 1-keyword search, 2-MasterFormat Section Tree, or 3-scrolling.



The screenshot shows the 4BT OpenJOC software interface. At the top, there is a search bar with the text "Exterior Improvements" and a value of "32". Below the search bar, there is a MasterFormat Section Tree on the left side, with a green circle labeled "1" highlighting the "GENERAL REQUIREMENTS" section. In the center, there is a list of line items, with a green circle labeled "2" highlighting the "GENERAL REQUIREMENTS" section. On the right side, there is a table of line items, with a green circle labeled "3" highlighting the "GENERAL REQUIREMENTS" section. The table has columns for "Code", "Name", "U.O.M.", "Labor cost", "Material cost", "Equipment cost", "Other costs", "Unit cost", and "Labor".

## JOC Contractor Selection:

Owners select and award JOC contracts via a best value procurement methodology which may include multiple selection criteria's. Once a Job Order Contract is advertised in accordance with local requirements, contractors should respond with an appropriate description of their capabilities, experience, past performance, and a JOC coefficient(s) (a coefficient may also be referred to as an "adjustment factor" or a "multiplier"). There are generally three coefficients, one for standard work hours, one for non-standard work hours, and another for non-prepriced items, however, additional coefficients may be requested for "secure areas", "remote areas", etc. . . An industry average JOC coefficient typically will range from 0.80 to 1.20. The coefficient(s) is intended to account for the contractors overhead and profit, and any other items that are allowed per the Job Order Contract. Awarded JOC contractor(s) use the coefficient(s) to determine

lump sum costs for JOC task orders/projects. The total cost of a JOC task order/project, as developed using the approved JOC UPB, is multiplied by the appropriate JOC coefficient to determine the total lump sum cost proposed by the contractor.

### Executing a Job Order Contract:

A typical workflow associated with an individual JOC task order/project is described below.

#### Phases of JOC Task Order

To help illuminate the lean construction method, here are the specific phases of the JOC task order life cycle:

PHASE 1

Owner establishes a current construction need, determines preliminary budget and confirms funding availability.

PHASE 2

Owner team (technical/facilities management, JOC program/project manager, contracting/purchasing or building user) conducts a pre-proposal meeting and drafts a JOC task order signed by the JOC contract administrator.

PHASE 3

Owner team and JOC contractor make a joint site visit and confirm work scope, site conditions and any unusual requirements.

PHASE 4

Owner creates an independent, detailed, line-item cost estimate.

PHASE 5

Contractor creates estimate. (Both owner and contractor use the contract-required unit price book.)

PHASE 6

Contractor submits a task order proposal/estimate. Owner compares it to independent owner estimate.

PHASE 7

Owner and contractor negotiate a review of any variances or conflicts with the JOC program. There are three possible outcomes: 1) Owner issues a notice to proceed (NTP) to contractor; 2) Owner issues specific changes or requests additional information; or 3) Owner cancels task order.

PHASE 8

A project kickoff meeting takes place and the worksite is handed off to the contractor.

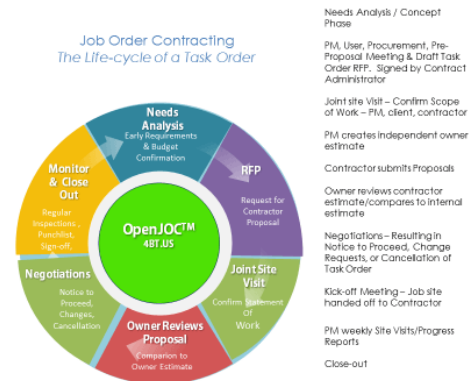
PHASE 9

Owner conducts weekly site visits and reviews progress reports submitted by the contractor.

PHASE 10

Project closes out with a final package of warranty and maintenance information as specified in the JOC operations/execution manual.

Planning, collaboration, and transparency are key elements of a Job Order Contract. The joint site visit best demonstrates these characteristics in practice. Participants and stakeholders (owner technical team, building user, and JOC contractor) perform joint site visit to validate current site conditions, discuss the scope of work, and review any additional requirements. The owner “team” can not only communicate their needs, but also gain a better appreciation of any issues that the contractor may raise. The contractor is better positioned to create an accurate proposal that reflects owner needs. This process is fundamental to JOC and serves to mitigate miscommunications, errors, omissions, and change orders that are prevalent using traditional construction delivery methods.



### Characteristics of a Successful JOC Program:

- Best value selection of construction contractors
- Open, clearly documented roles, responsibilities, processes, and deliverables via written contracts AND the written JOC Operations/Execution Manual
- Owner competence and demonstrated leadership skills
- Shared risk/reward
- Mutual trust & respect
- Continuous improvement
- Open, independent, and objective cost data
- Required, continuous, introductory and advanced training
- LEAN JOC business processes embedded within and supported by cloud-based technology
- Owner review of all estimates
- Independent or owner generated estimates for all projects over a pre-determined dollar volume
- Continuous monitoring of quantitative key performance indicators (KPIs)
- Regular independent third party compliance reviews & program audits

