
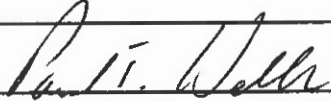


<p>TO:  <b>SUPERSEDED BY</b>  <b>EB 96-027</b>  <b>EFFECTIVE 6/18/96</b></p>	<div style="text-align: center;">  <h1 style="margin: 0;">ENGINEERING BULLETIN</h1> <p style="margin: 0;">NEW YORK STATE DEPARTMENT OF TRANSPORTATION</p> </div> <p>SUBJECT: <b>PAYMENTS FOR ADDITIONAL WORK: TIMELY SUBMISSION OF ORDERS-ON-CONTRACT (OOC)</b></p> <p>Subject Code: 7.30</p>
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<p>APPROVED: _____    P. T. Wells, Deputy Chief Engineer  Construction Division</p>	<p>Date: March 13, 1995</p> <p>Replaces:</p>

This Bulletin transmits guidelines for "Preparation and Submission of Orders-on-Contract (OOC)" for use on Department construction contracts. These guidelines will be included in the Construction Supervision Manual update, which is now under preparation.

These guidelines provide an overview of existing Construction Division policies and procedures, and do not represent any changes in the actions to be taken. Although it is expected that they are currently in effect on all Department projects, these guidelines are provided to make this information readily available to EICs, Construction Supervisors and others who are responsible for adjustments to ongoing contracts.

## **PREPARATION AND SUBMISSION OF ORDERS ON CONTRACT (OOC)**

A standing objective of the Construction Program is to improve timeliness of decision making and response to contract adjustments. Whether adjustments are for additional, altered or new contract work, timely actions are essential.

Procedures for advance authorization of additional work allow commencement and/or continuation of additional work operations in advance of formal Order-on-Contract approval. Implicit in advance authorization is the clear understanding that a written order-on-contract will be prepared and submitted as soon as possible.

We have an obligation to make timely payments for work that is complete and acceptable. Payments for added work cannot be made until an order-on-contract is approved and that action is reflected on the contract accounting system. Delays in processing orders-on-contract inhibit our ability to pay for work. These delays, which can have a significant financial impact on contractors, do not reflect a spirit of cooperation and partnering.

Each Regional Construction Office should assure timely submission of orders-on-contract. The importance of timely submission must be communicated not only to Engineers-in-charge but to Construction supervisors who, in terms of quality assurance, play a key role in the process. Sufficient staff and time must be dedicated to the preparation and review of orders-on-contract in both the Field Office and Regional Office.

### **Why is it Necessary to Prepare an Order-on-Contract?**

The contract agreement and contract documents define work which is included in the project. Revisions to this work require an amendment to the contract. The order-on-contract is that amendment. Without an OOC, the contractor has no binding obligation to do work beyond that indicated in the contract documents, and the State has no way to pay for such additional work.

### **When should an OOC be prepared?**

An OOC should be processed for added or altered contract work prior to the performance of that work. This is not always practical, and the Department has adopted procedures which allow work to be authorized prior to OOC approval. However, OOC approval is necessary before payments can be made for added or altered work. When the work is, or soon will be, in progress, an OOC should be prepared and submitted as soon as possible. When the quantities of added or altered work are not known, estimated quantities should be used for the OOC.

### **What's more important, preparing OOC or Inspection?**

Both of these functions are important, and both are expected to be completed in a timely manner. Think of this the same as a choice of performing inspections or preparing a voucher for your travel expenses. Both will be done; one is important to the quality of the project, and the other is important to yourself. The project contractor and subcontractors are as sensitive to timely payment of work as you are to timely payment of expenses.

### **What should be included in an OOC?**

The required contents of OOC are detailed in MURK & the CSM, whereas price analysis considerations are given in EI 94-009. A single OOC should include all work items relating to a particular addition or change in the work. For example: If a drainline is being added to a project, the OOC should include the work items for Pipe, Drop Inlets, Frames & Grates, Excavation and Backfill.

**NOTE:** Detailed information regarding the preparation and submission of OOC is given in the Manual of Uniform Record Keeping (MURK), Section 1.04 and in the Construction Supervision Manual, Section 104-03.

JFT:mvm

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