JOC insights



Publication From The Owners' Advisory Council

FAQs



Owners' Advisory Council

Rami R. Natour, CJP, OAC Chair, Facilities Management Program Manager, DES Facilities Management Bureau, Arlington County, VA

Michael E. Bevis, JD, CPPO, CPSM, CPM, CJP, Assoc. DBIA, Purchasing Agent, City of Norfolk, VA

Rick Gehrke, CJP, OAC Vice Chair, Assistant Director of Capital Programs, North Kitsap School District, Poulsbo, WA

John Helliwell, Chief Estimator, MARTA, Atlanta, GA

David L. Kruse, Cost Estimator Project Manager, University of Texas, Project Management & Construction Services, Austin, TX

Teenchee Le, PE, Job Order Contracting, San Francisco Public Works, San Francisco, California

Delois Moore, MPA, CJP, Senior Procurement Officer, City of Kansas City, MO

Matt Mosher, Deputy Chief Capital Construction, Chicago Housing Authority, Chicago, IL

James Norcom III, PE, CJP, FMP, Principal Project Manager, University of Houston, Houston, TX

Benjamin Sitzia, CEM, CJP, Sr. Project Manager, University of Texas at Austin, Austin, TX

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CJE is the designated national nonprofit association for JOC and related IDIQ Contracting methods.

FREQUENTLY ASKED QUESTIONS ABOUT JOC

What is Job Order Contracting?

Job Order Contracting is an indefinite delivery, indefinite quantity (IDIQ) project delivery method that helps facility and infrastructure owners complete a large number of repair, maintenance, renovation and new construction projects with a single, competitively awarded on-call contract named a Job Order Contract. Pricing is based on a unit price book (UPB). It is an easy and expedited construction sourcing option to keep in your procurement and project delivery toolboxes. Job Order Contracting is sometimes referred to as JOC, SABER, TOC, and Work Order Contract.

Does Job Order Contracting deliver quality results?

While a single contract is in place for multiple projects, the contractor must satisfy the owner's standards of quality and schedule to ensure future work because it's performance-based. This motivates the contractor to meet and exceed expectations with quality and on-time work. A recent study found 96 percent of Job Order Contracting projects were rated satisfactory by respondents, while almost all owner participants said they would recommend Job Order Contracting to other owners. This is due to the timesaving benefits, financial transparency, flexibility and efficiency compared to other project delivery methods.

How does Job Order Contracting save money?

Budgetary control and cost savings are a cornerstone of Job Order Contracting. Owners estimate a 24 percent savings in administrative costs, 50 percent savings in procurement costs, and contractors estimate a 21 percent overall cost savings according to data from a research study conducted at Arizona State University with the Center for JOC Excellence.

Does a Unit Price Book (UPB) or Cost Data need to be specified?

Yes, the owner needs to specify a UPB, Cost Data, or their own internal unit price list for use in pricing each job order that is issued under the master contract. Some Owners specify which estimating software is to be used to access the data but that is by preference and not a specific compliance issue for procurement.

What are the Key Factors to a Successful JOC program?

The Key factors for success start with a well-defined program, detailed contract, accurate and current cost data for pricing, and an understanding that JOC is a collaborative program. The Owners should select contractors with appropriate adjustment factors and not low bid. As a best value procurement, the resulting contract parties must support the long-term owner-contractor relationship.

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