

AIA DOCUMENT B141-1997

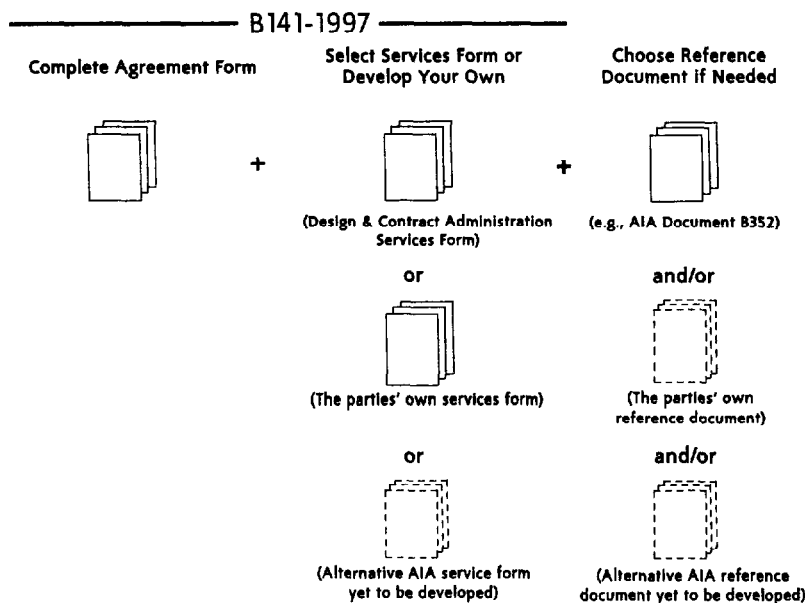
*Standard Form of Agreement Between Owner and Architect with
Standard Form of Architect's Services*

GENERAL INFORMATION

BACKGROUND. AIA Document B141-1997 represents an entirely new format for an AIA Owner-Architect agreement. It is the result of considerable input and exchange from a number of sources, including round table meetings conducted with owners and architects throughout the country, and contributions from the AIA Practice and Prosperity initiative. This new format is intended to clarify the assumptions, roles, responsibilities and obligations of the parties, to provide clear narrative descriptions of services, and to facilitate, strengthen and maintain the working and contractual relationships between the parties to the agreement. To that end, these new standard forms encourage greater interaction and communication between the Owner and Architect by requiring them, among other things, to engage in an active dialogue to complete requested information in the forms.

PURPOSE. B141-1997 is intended as a flexible contracting package that allows Architects to offer a broad range of services to Owners spanning the life of a project, from conception to completion and beyond. To that end, B141-1997 is structured in a multi-part format consisting of a Standard Form of Agreement Between Owner and Architect and a Standard Form of Architect's Services. Parties using the Standard Form of Agreement Between Owner and Architect may choose to use an AIA Standard Form of Architect's Services, such as the one accompanying these Instructions, as their scope of services for a particular project, or may choose to draft their own customized scope of services. An architect may also use a Standard Form of Architect's Services as part of a response to an owner's request for proposals. Note that, in the coming months and years, the AIA will develop and release additional Standard Forms of Architect's Services that offer other services packages reflecting different practice styles. The AIA also will be developing reference documents that expand the description of services selected in the Standard Forms of Architect's Services. An example of such a document is AIA Document B352, Duties, Responsibilities and Limitations of Authority of the Architect's Project Representative.

The structure of B141-1997 can be diagrammed as follows:



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RELATED DOCUMENTS. B141-1997 is intended to be used in conjunction with AIA Document A201, General Conditions of the Contract for Construction, which it incorporates by reference, when the Architect's services involve construction contract administration. B141-1997 also can be used with Architect-Consultant agreements such as AIA Documents C141-1997, C142-1997 or C727.

Other AIA Owner-Architect agreements available for use in connection with customary services or in special circumstances include:

B141/CMA	Owner-Architect Agreement, Construction Manager-Adviser Edition
B151-1997	Abbreviated Owner-Architect Agreement for Projects of Limited Scope
B163	Owner-Architect Agreement for Designated Services
B171	Interior Design Services Agreement
B177	Abbreviated Interior Design Services Agreement
B181	Owner-Architect Agreement for Housing Services
B188	Owner-Architect Agreement for Limited Architectural Services for Housing Projects
B727	Owner-Architect Agreement for Special Services
B801/CMA	Owner-Construction Manager-Adviser Agreement
B901	Design/Builder-Architect Agreement

DISPUTE RESOLUTION—MEDIATION AND ARBITRATION. B141-1997 contains provisions for mediation and arbitration of claims and disputes. Mediation is a non-binding process, but is mandatory under the terms of this agreement. Arbitration is mandatory under the terms of this agreement and binding in most states and under the Federal Arbitration Act. In a minority of states, arbitration provisions relating to future disputes are not enforceable, but the parties may agree to arbitrate after the dispute arises. Even in those states, under certain conditions (for example, in a transaction involving interstate commerce), arbitration provisions may be enforceable under the Federal Arbitration Act.

The AIA does not administer dispute resolution processes. To submit disputes to mediation or arbitration or to obtain copies of the applicable mediation or arbitration rules, write to the American Arbitration Association or call (800) 778-7879. The American Arbitration Association also may be contacted at <http://www.adr.org>.

WHY USE AIA CONTRACT DOCUMENTS? AIA contract documents are the product of a consensus-building process aimed at balancing the interests of all parties on the construction project. The documents reflect actual industry practices, not theory. They are state-of-the-art legal documents, regularly revised to keep up with changes in law and the industry—yet they are written, as far as possible, in everyday language. Finally, AIA contract documents are flexible: they are intended to be modified to fit individual projects, but in such a way that modifications are easily distinguished from the original, printed language.

For further information on the AIA's approach to drafting contract documents, see AIA Document M120, Documents Drafting Principles.

USE OF NON-AIA FORMS. If a combination of AIA documents and non-AIA documents is to be used, particular care must be taken to achieve consistency of language and intent among documents. Certain owners require the use of owner-architect agreements and other contract forms which they prepare. Such forms should be carefully compared to the standard AIA forms for which they are being substituted before execution of an agreement. If there are any significant omissions, additions or variances from the terms of the related standard AIA forms, both legal and insurance counsel should be consulted. Of particular concern is the need for consistency between the Owner-Architect Agreement and related documents and the anticipated General Conditions of the Contract for Construction in the delineation of the Architect's construction contract administration services and responsibilities.

LETTER FORMS OF AGREEMENT. Letter forms of agreement are generally discouraged by the AIA, as is the performance of a part or the whole of professional services based on oral agreements or understandings. The AIA's agreement forms have been developed through more than 100 years of experience and have been tested repeatedly in the courts. In addition, the standard forms have been carefully coordinated with other AIA documents.

STANDARD FORMS. Most AIA documents published since 1906 have contained in their titles the words "Standard Form." The term "standard" is not meant to imply that a uniform set of contractual requirements is mandatory for AIA members or others in the construction industry. Rather, the AIA standard documents are intended to be used as fair and balanced baselines from which the parties can negotiate their bargains. As such, the documents have won general acceptance within the construction industry and have been uniformly interpreted by the courts. Within an industry spanning 50 states—each of them free to adopt different, and perhaps contradictory, laws affecting that industry—they form the basis for a generally consistent body of construction law.



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USE OF CURRENT DOCUMENTS. Prior to using any AIA document, the user should consult an AIA component chapter or a current AIA Documents Price List to determine the current edition of each document.

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CHANGES FROM THE PREVIOUS EDITION

Many significant changes from the previous edition were made in the format and content of B141-1997. A key change between the 1987 and 1997 editions of B141 is that B141 no longer is a unitary standard form. Rather, it is composed of two standard forms: the Standard Form of Agreement Between Owner and Architect and the Standard Form of Architect's Services. Descriptions of the Architect's services to be provided under the agreement have been removed from the Standard Form of Agreement Between Owner and Architect and have been placed instead in a new form—the Standard Form of Architect's Services. Other key changes are the elimination of phases of services and the designations "Basic Services," "Additional Services," "Contingent Additional Services," and "Optional Additional Services." In B141-1997, services are divided into categories to delimit them according to type or task rather than time sequence, and are either included in or excluded from the agreement.

B141-1997 started toward its present form when the AIA Practice and Prosperity initiative began a redefinition of fundamental precepts of practice. This effort is a continuing process, one result of which is that B141-1997 is a living document.

Stated broadly, the redefining precepts—based largely on studies of client demand—entail, potentially, every facility-related service a client could want, from conceptual planning, through facility operation and maintenance, and back again to reconfiguration or replacement. As professionals educated and experienced in how people relate to environments, architects' services extend to every aspect related to client facility needs. Key to developing such a level of professional service are close communication, careful negotiation of responsibilities and compensation, and mutual understanding and trust.

Separating the Standard Form of Agreement Between Owner and Architect from the multi-optioned Standard Form of Architect's Services in the two-part B141-1997 allows the client and architect to agree both on how they will work together and on precisely what services suit the client's particular needs. And having a framework in the very first section of the standard form of agreement for the parties to structure their negotiation on project parameters and team makeup initiates a relationship of understanding.

By allowing the client and architect to agree precisely and positively on their mutual responsibilities, B141-1997 carries a powerful message: the architect is the client's facilitator and integrator across the entire spectrum of facility-related services.

There are many other changes to foster clarity in the Owner-Architect agreement as well, such as the structure of Articles and the method of numbering provisions. A complete listing of all format and content changes in B141-1997 is beyond the scope of these Instructions. Described below, however, are highlights of major changes in the Standard Form of Agreement Between Owner and Architect and in the Standard Form of Architect's Services that accompanies these Instructions—Standard Form of Architect's Services: Design and Contract Administration.



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STANDARD FORM OF AGREEMENT BETWEEN OWNER AND ARCHITECT

ARTICLE 1.1 INITIAL INFORMATION

This is a new Article in which the parties describe or identify, if known at the time of contract execution, certain information and assumptions about the Project, such as the physical, legal, financial, and time parameters and key persons or entities connected with the Project.

ARTICLE 1.2 RESPONSIBILITIES OF THE PARTIES

The Owner's and the Architect's responsibilities now have been combined and placed in one Article. A provision has been added concerning the parties' relationship with each other and with others involved with the Project. The provisions relating to the Owner's responsibilities have been expanded to require, among other things, the Owner to provide, upon written request, information necessary for the Architect to give notice of and enforce lien rights and to establish that the Owner cannot significantly change the budget without a corresponding change in the Project scope and quality. The provisions relating to the Architect's responsibilities have been expanded to include provisions on confidentiality and conflicts of interests.

ARTICLE 1.3 TERMS AND CONDITIONS

This new Article encompasses the former Articles Five through Nine in the 1987 Edition titled Construction Cost; Use of Architect's Drawings, Specifications and Other Documents; Arbitration; Termination, Suspension or Abandonment; and Miscellaneous Provisions. Changes include use of new terminology, such as "Cost of the Work," "Instruments of Service" and "Change in Services" and many substantive revisions and additions, such as the following:

- the provisions relating to the Owner's use of the Architect's drawings, specifications and other documents, including those in electronic form, have been rewritten to clarify the specific rights given to the Owner;
- a new section, called "Change in Services," describes circumstances which may affect the Architect's services, thereby entitling the Architect to adjustment in compensation and time of performance;
- provisions for mediation of claims and disputes have been added, requiring the parties to endeavor to settle disputes through mediation before proceeding to arbitration;
- a mutual waiver of consequential damages (i.e., indirect damages) now is included; and
- the termination provisions now provide that the Owner may terminate the agreement for the Owner's convenience upon appropriate notice and payment of termination and other expenses.

ARTICLE 1.4 SCOPE OF SERVICES AND OTHER SPECIAL TERMS AND CONDITIONS

This new Article enumerates all documents that make up the agreement between the Owner and the Architect, including the Standard Form of Architect's Services, unless another scope of services is indicated, and provides a blank space to describe any other terms and conditions that modify the agreement.

ARTICLE 1.5 COMPENSATION

The Compensation portion of the agreement has been revised. Among the additions is a provision that addresses adjustment in the method of calculating the Architect's compensation in the event that, through no fault of the Architect, the Architect's services are not completed by a mutually prescribed date.

STANDARD FORM OF ARCHITECT'S SERVICES: DESIGN AND CONTRACT ADMINISTRATION

ARTICLE 2.1 PROJECT ADMINISTRATION SERVICES

This new Article describes administrative services that the Architect performs at various intervals throughout the life of the Project. It also includes a section, titled Evaluation of Budget and Cost of the Work, which delineates the Architect's responsibility for evaluating the Owner's budget and for preparing estimates of the Cost of the Work. It is important to note that in B141-1997, if a budget amount for the Cost of the Work has been identified in Article 1.1 and if the lowest bid or negotiated proposal exceeds the Owner's adjusted budget for the Cost of the Work, the Architect is obligated to modify the documents to comply with the Owner's budget at no cost to the Owner. However, the obligation to redesign at no cost to the Owner is the limit of the Architect's responsibility.

ARTICLE 2.2 SUPPORTING SERVICES

Formerly contained in Article 4: Owner's Responsibilities of the 1987 Edition of B141, the responsibilities to furnish services or information relating to the program, land surveys and geotechnical engineering for the Project are placed here in B141-1997. These services remain the Owner's responsibilities. However, at the time of contracting, the Owner and Architect may specifically designate in Paragraph 2.8.3 that any or all of these services will be provided or furnished by the Architect.

ARTICLE 2.3 EVALUATION AND PLANNING SERVICES

This new Article lists certain pre-design services to be performed by the Architect, such as evaluation of the Owner's budget, schedule and site for the Project. If other Evaluation and Planning Services are to be included in the agreement, they may be designated and described in Article 2.8.



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ARTICLE 2.4 DESIGN SERVICES

This Article describes the normal design disciplines included in the agreement and contains provisions defining and describing Schematic Design Documents, Design Development Documents and Construction Documents. If other Design Services are to be included in the agreement, such as civil engineering or interior design services, they may be designated and described in Article 2.8.

ARTICLE 2.5 CONSTRUCTION PROCUREMENT SERVICES

Article 2.5 of B141-1997 delineates in greater depth than in the previous edition of B141 the Architect's services relating to the Owner's procurement of the contract for construction. This Article assumes that the Architect will provide either bidding or negotiation services, but not both, unless the parties specifically provide for such services in Article 2.8.

ARTICLE 2.6 CONTRACT ADMINISTRATION SERVICES

The Architect's Contract Administration Services now are further divided into six subcategories: General Administration; Evaluations of the Work; Certification of Payments to Contractor; Submittals; Changes in the Work; and Project Completion. Changes in this Article include the following:

- the addition of a new provision, Subparagraph 2.6.1.5, which states the Architect's role with respect to requests for additional information from the contractor and the proper form of such requests (it should be noted that contractor-generated requests for additional information that entitle the Architect to a Change in Services are addressed in Subparagraph 2.8.2.2);
- the provisions dealing with the Architect's visits to the site have been restructured to describe more clearly the purposes for such visits;
- a new provision, Subparagraph 2.6.4.3, was inserted, addressing the Architect's responsibilities with respect to design services or certifications required of the Contractor by the Contract Documents; and
- more complete descriptions of the Architect's services connected with Changes in the Work and Project close-out.

ARTICLE 2.7 FACILITY OPERATION SERVICES

This new Article provides for two meetings between the Architect and the Owner: one promptly after substantial completion to review the need for Facility Operation Services, and the second before the expiration of one year from the date of Substantial Completion to review the building's performance.

ARTICLE 2.8 SCHEDULE OF SERVICES

A new feature of B141-1997, this Article enables the parties to fill in a specific number of submittal reviews, site visits, and inspections to determine Substantial Completion and final completion that will be performed before the Architect incurs a Change in Services and to specifically designate and describe any other services that form part of the agreement between the Owner and the Architect.

ARTICLE 2.9 MODIFICATIONS

Similar to Article 12 of the 1987 Edition of B141, this Article provides a blank space for modifications the parties wish to make to the provisions of the Standard Form of Architect's Services.

IDENTIFYING THE SERVICES NEEDED FOR THE PROJECT

Before completing B141-1997, the parties will need to identify the scope of professional services required for the Project. The Architect can assist the Owner with this process by showing the Owner a list of professional services. The list can serve as a valuable discussion guide, aiding the parties in establishing the scope of services and in identifying the appropriate party to furnish each required service. The chart presented on pages 6 and 7 provides a listing of 68 services grouped into six categories. It is intended to offer a broad but not exhaustive listing of possible professional services. For each service selected, the parties should indicate the party responsible, the specific compensation method (hourly, stipulated sum etc.) and other pertinent information. Purchasers of this document may reproduce the chart for the purpose of delineating a scope of services for a particular project.

EXAMPLE

RESPONSIBILITY	CATEGORIES OF SERVICES Titles of Services	COMPENSATION METHOD	NOTES
Owner	Program Criteria	_____	_____
Architect	Master Planning	Lump Sum	_____
Arch/Consultant	Lighting Design	Billing Rate	3 x Multiple



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RESPONSIBILITY	CATEGORIES OF SERVICES Titles of Services	COMPENSATION METHOD	NOTES
	PROJECT ADMINISTRATION SERVICES		
	Program Management		
	Management & Administration		
	Owner Consultant Coordination		
	Project Presentation		
	Special Presentations		
	Evaluation of Project Budget		
	Schedule Development & Monitoring		
	Preliminary Estimate of Cost of the Work		
	Detailed Estimate of Cost of the Work		
	Owner-Supplied Data Coordination		
	Value Analysis		
	Agency Consulting		
	PLANNING & EVALUATION SERVICES		
	Programming		
	Space Schematics & Flow Diagrams		
	Existing Facilities Surveys		
	Economic Feasibility Studies		
	Marketing Studies		
	Project Financing		
	Site Analysis & Selection		
	Site Development Planning		
	Detailed Site Utilization Studies		
	On-Site Utility Studies		
	Off-Site Utility Studies		
	Environmental Studies & Reports		
	Energy Studies & Reports		
	Zoning Processing Assistance		
	Geotechnical Engineering		
	Site Surveying		
	DESIGN SERVICES		
	Architectural Design		
	Structural Design		
	Mechanical Design		
	Electrical Design		
	Civil Design		
	Interior Design		
	Landscape Design		
	Graphic Design		
	Special Design		
	Materials Research & Specifications		
	Special Furnishings Design		

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RESPONSIBILITY	CATEGORIES OF SERVICES Titles of Services	COMPENSATION METHOD	NOTES
	CONSTRUCTION PROCUREMENT SERVICES		
	Bidding/Proposal Documents		
	Reproduction & Distribution of Bidding/Proposal Documents		
	Special Bidding/Negotiation Addenda		
	Analysis of Alternates/Substitutions		
	Pre-Bid Conference/Selection Interviews		
	Bidding/Negotiation		
	Bid/Proposal Evaluation		
	Contract Award		
	Report of Bidding/Negotiation Results		
	CONTRACT ADMINISTRATION SERVICES		
	General Administration		
	Submittal Services		
	Site Visitation		
	On-Site Project Representation		
	Payment Certification		
	Administration of Testing & Inspection		
	Supplemental Documentation		
	Administration of Changes in the Work Interpretations & Decisions		
	Project Close-out		
	Construction Management		
	FACILITY OPERATION SERVICES		
	Maintenance & Operational Programming		
	Start-Up Assistance		
	Record Drawings		
	Warranty Review		
	Facility Operations & Performance Meeting		
	Post-Contract Evaluation		
	Tenant-Related Services		
	Project Promotion		
	Leasing Brochures		



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Multiple of Consultants' Billing, in which Consultants' bills are multiplied by a factor representing the Architect's administrative costs, overhead and profit.

Square Footage, in which the square footage of the structure is multiplied by a pricing factor.

Unit Cost, in which the number of certain units such as rooms, acres, etc. is multiplied by a pricing factor.

Royalty, in which compensation is a share in the Owner's income or profit derived from the built facility.

Different methods of compensation may be combined on the same project, as shown in the following hypothetical example. A table, such as the one shown here, may be used as an attachment to the compensation section of the agreement to illustrate to the Owner how compensation is calculated.

HYPOTHETICAL EXAMPLE

Service	Method of Compensation	% of Total		Amount	Estimate
Project Administration	Stipulated Sum	_____		Included	_____
Evaluation and Planning	Hourly Billing Rate	_____		_____	None
Design Schematics Design Dev. Constr. Docs.	Stipulated Sum	25%	15%	\$50,000	_____
Construction Procurement	Stipulated Sum	_____		10%	Included
Construction Administration	Hourly Billing Rate	_____		_____	\$30,000
Other—Attachment "A"	Stipulated Sum	_____		_____	\$10,000
TOTALS		100%		\$50,000	\$40,000



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In the instructions for Paragraph 1.5.1 on pages 14 and 15, sample language is provided for several of the most widely used methods of compensation. Note that sample language for a multiple of Consultants' billing is included with language for the cost-based billing methods, since Consultants' internal costs will not ordinarily be known to the Architect.

The AIA makes no recommendation as to the appropriateness of any of these methods of compensation on a particular project, nor does the AIA suggest that the foregoing list includes all methods that are possible, practical or in actual use. The use of any of the compensation methods described above, singly or in combination with other methods, is a business decision for the Architect and the Owner. Further, the AIA makes no recommendations and has no guidelines or schedules that specify the amount of compensation an architect should be paid.

COMPLETING THE COMPENSATION WORKSHEET

On pages 12 and 13, you will find a Compensation Worksheet for use in estimating costs and appropriate compensation. Page 12 provides a sample completed Worksheet, containing figures that are not intended to reflect actual practice, but are provided simply as a means of illustrating the procedure for performing calculations. Page 13 may be reproduced by purchasers of this document for use on a specific project to perform calculations for all services.

1. Beginning at the top-right section of the Worksheet, fill in the title (Design Services, Contract Administration Services, etc.). In each block of the section entitled "Number," enter the assigned accounting number used for internal audits or billing and vertically fill in the Service by Title block below it.
2. For In-House Personnel, determine the personnel (or categories of personnel) who will be providing the services. You may use the five categories shown for hourly billing rates, above, or your own internal designations, whichever works best. Enter the personnel designation (such as "Technical II") under "Item" for lines 1 through 5, together with the corresponding hourly rate.
3. Determine a viable estimate of time to be spent by each category of personnel on the particular services identified, and enter these figures under "Hrs.". Multiply the estimated time requirement by the corresponding hourly rate inserted for line items 1-5 and enter these figures in the "\$" blocks. Some blocks for Hrs. and \$ will be blank when an employee or department is not involved in providing a particular service, while others may require the time and charges of some or all personnel.
4. Once the time and cost estimates have been entered, add these figures on the horizontal to determine Total Hours and Total Dollars for each personnel category listed in line items 1 through 5. Then add the time and cost required for each service on the vertical, and enter these figures in the rows marked "Sub-Total." When all figures are summed, you will have the Total Hours and Total Dollars to be entered on line 6 for Direct In-House Salary Expense.
5. Enter any applicable figures for line items 8 and 9, add lines 6, 8 and 9, and enter the total on line 10. Alternatively, if line 7, Direct Personnel Expense, is used, take the dollar figure entered on line 6, multiply it by a percentage that reflects any applicable items shown in footnote 1, and enter the result on line 7. Add lines 7, 8 and 9, and enter the total on line 10. You should now have a fairly accurate representation of in-house expense to be incurred for a given category of services, prior to the addition of any applicable line items described below.
6. Lines 7 through 9, line 11, and lines 13 through 16 are optional, and should be filled in according to the firm's established practice. If Outside Services Expense is incurred, you may use the calculation method described above, or enter a lump sum figure representing services rendered.



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COMPENSATION WORKSHEET										DESIGN DEVELOPMENT					
NUMBER	4.01	4.02	4.05	4.06	4.25	4.25	4.26	4.31	4.61						
SERVICE BY TITLE	PROJECT ADMIN	COORDINATION	SCHEDULE	COST EST.	ARCH. DESIGN	MECH DESIGN	ELECT. DESIGN	RESEARCH/SPEC.	GRAPHICS	Project:	FRANKLIN ELEMENTARY				
										Project #	9301	Date:	6.30.93		
										Owner:	ALTON SCHOOL DISTRICT				
										Architect:	APPEL & BARTLETT				
										TOTAL HOURS	TOTAL DOLLARS	ITEM	LINE		
IN-HOUSE PERSONNEL	Hrs.	10	10	20	9	30		5	20	100	2000	PRINCIPAL @ \$20	1		
	\$	200	200	400	100	600		100	400	200	3000	SUPERV. @ \$15	2		
	Hrs.	20	20	40	10	60		10	40	400	4000	TECH. I @ \$10	3		
	\$	300	300	600	150	900		150	600	150	750	TECH. II @ \$5	4		
	Hrs.	40	40	80	20	120		20	80	80	80	TECH. III @ \$1	5		
	\$	400	400	800	200	1200		200	800						
	Hrs.	20	20			60		10	40						
	\$	100	100			300		50	200						
Sub-Total	Hrs.	100	90	140	35	310		65	180	930	9830	Direct In-house Salary Expense	6		
	\$	1010	1000	1800	450	3050		310	2000			Direct Personnel Expense ¹	7		
												14745	Indirect Expense ² @ 150% of \$6	8	
												1228	Other Nonreimbursable Direct Expense ³ of \$6 @ 5%	9	
												25803	Total In-House Expense \$6+\$8+\$9	10	
OUT-SIDE	Hrs.											1500	Outside Services Expense	11	
	\$														
Total	Hrs.												30803	Estimated Total Expense	12
	\$														
REMARKS:												5000	Contingency	13	
												10000	Profit	14	
												45803	Proposed Compensation	15	
												1000	Estimated Reimbursable Expense	16	



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¹Direct Personnel Expense is defined as the direct salaries of the Architect's personnel engaged in the Project and the portion of the cost of their mandatory and customary contributions and benefits related thereto, such as employment taxes and other statutory employee benefits, insurance, sick leave, holidays, employee retirement plans and similar contributions and benefits.

²Indirect Expense is defined as all expenses not directly allocable to specific projects and is synonymous with overhead.

³Other Nonreimbursable Direct Expense covers the direct expenses not otherwise included in personnel and outside expenses, such as reproduction of documents for in-house use, unreimbursed travel and items paid on behalf of the client without specific reimbursement therefor.

COMPENSATION WORKSHEET

COMPENSATION WORKSHEET													
NUMBER													
SERVICE BY TITLE										Project: _____			
										Project # _____		Date: _____	
										Owner: _____			
										Architect: _____			
										TOTAL HOURS	TOTAL DOLLARS	ITEM	LINE
IN-HOUSE PERSONNEL	Hrs.											@ \$	1
	\$											@ \$	2
	Hrs.											@ \$	3
	\$											@ \$	4
	Hrs.											@ \$	5
	\$											@ \$	
	Hrs.											Direct In-house Salary Expense	6
	\$											Direct Personnel Expense ¹	7
Sub-Total	Hrs.											Indirect Expense ²	8
	\$											Other Nonreimbursable Direct Expense ³	9
	Hrs.											Total In-House Expense	10
	\$											Outside Services Expense	11
OUT-SIDE	Hrs.											Estimated Total Expense	12
	\$											Contingency	13
Total	Hrs.											Profit	14
	\$											Proposed Compensation	15
REMARKS:												Estimated Reimbursable Expense	16

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¹ Direct Personnel Expense is defined as the direct salaries of the Architect's personnel engaged in the Project and the portion of the cost of their mandatory and customary contributions and benefits related thereto, such as employment taxes and other statutory employee benefits, insurance, sick leave, holidays, employee retirement plans and similar contributions and benefits.

² Indirect Expense is defined as all expenses not directly allocable to specific projects and is synonymous with overhead.

³ Other Nonreimbursable Direct Expense covers the direct expenses not otherwise included in personnel and outside expenses, such as reproduction of documents for in-house use, unreimbursed travel and items paid on behalf of the client without specific reimbursement therefor.



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PARAGRAPH 1.5.1 Insert the basis of compensation for the Architect's services as described in Article 1.4.

If a **Multiple of Direct Salary Expense** is used, include multipliers using words and numerals in the following insert: "Compensation for services rendered by principals and employees shall be based on a multiple of () times Direct Salary Expense, which shall be defined as the direct salaries of the Architect's personnel engaged on the Project excluding any costs of mandatory or customary contributions and benefits. Compensation for services rendered by Consultants shall be based on a multiple of () times the amounts billed by Consultants."

If a **Multiple of Direct Personnel Expense** is used, include multipliers using words and numerals in the following insert (note that Direct Personnel Expense is defined in Subparagraph 1.3.9.4): "Compensation for services rendered by principals and employees shall be based on a multiple of () times Direct Personnel Expense. Compensation for services rendered by Consultants shall be based on a multiple of () times the amounts billed by Consultants."

If a **Professional Fee Plus Expenses** is to be used, include the dollar figure and the appropriate multipliers (using words and numerals) in the following insert: "Compensation shall be a Fixed Fee of Dollars (\$) plus a multiple of () times Direct Personnel Expense. Compensation for services rendered by Consultants shall be based on a multiple of () times the amounts billed by Consultants."

Alternatively, the fee (representing profit) may be calculated as a multiplier or percentage.

If **Hourly Billing Rates** are used, include the cumulative amount for salary, benefits, overhead and profit to fix each rate using words and numerals in the following insert: "Compensation for services rendered by Principals and employees shall be based upon the hourly billing rates set forth below:

1. Principals' time at the fixed rate of Dollars(\$) per hour. For the purposes of this Agreement, the Principals are: *(List Principals, such as owners, partners, corporate officers and participating associates.)*
2. Supervisory time at the fixed rate of Dollars(\$) per hour. For the purposes of this Agreement, supervisory personnel include: *(List managerial personnel by name or job title, such as general manager, department head or project manager.)*
3. Technical Level I time at the fixed rate of Dollars(\$) per hour. For the purposes of this Agreement, Technical Level I personnel include: *(List those personnel by name or job title who are highly skilled specialists, such as job captains, senior designers, senior drafters, senior planners, senior specifiers or senior construction administrators.)*
4. Technical Level II time at the fixed rate of Dollars(\$) per hour. For the purposes of this Agreement, Technical Level II personnel include: *(List those personnel by name or job title who hold intermediate-level positions relative to Technical Level I, such as professionals awaiting licensure and managers of clerical staff.)*
5. Technical Level III and clerical personnel time at the fixed rate of Dollars(\$) per hour. For the purposes of this Agreement, Technical Level III and clerical personnel include: *(List those personnel by name or job title who occupy junior-level positions, such as word processor or office assistant.)*
6. Compensation for services rendered by Consultants shall be based on a multiple of () times the amounts billed by Consultants."

If a **Percentage of Cost of the Work** is to be used, insert the following: "Compensation shall be percent (%) of the Cost of the Work, as defined in Paragraph 1.3.1. Progress payments shall be allocated to services as follows:" *(Insert chart allocating percentages of compensation; see note for stipulated sum below.)*

Optionally, insert the following:

"When compensation is based on a percentage of the Cost of the Work and any portions of the Project are deleted or otherwise not constructed, compensation for those portions of the Project shall be payable to the extent services are performed on those portions, in accordance with the chart set forth in this Paragraph 1.5.1, based on (1) the lowest bona fide bid or negotiated proposal, or (2) if no such bid or proposal is received, the most recent preliminary estimate of the Cost of the Work or detailed estimate of the Cost of the Work for such portions of the Project."



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If a Stipulated Sum is to be used, insert the sum in words and numerals in the following sample language: "Compensation shall be a stipulated sum of _____ Dollars (\$ _____)." (For purposes of determining the amounts of progress payments, the parties should insert a chart allocating percentages of completion (totaling one hundred percent) to the various services the Architect is to perform. Note that Project Administration Services, if agreed to, will ordinarily be provided throughout the Project, so that their percentage of completion at any point may parallel the overall percentage of completion of the Architect's services. Using the following example, insert descriptions of services.)

[Services A]	percent (%)
[Services B]	percent (%)
[Services C]	percent (%)
[Services D]	percent (%)
[Services E]	percent (%)
<hr/>		
Total Compensation	one hundred percent (100%)

No sample language is provided for compensation based on square footage, unit cost or royalty. Parties choosing one or more of these methods should craft their own language based on the particulars of the project.

PARAGRAPH 1.5.2 Insert basis of compensation for Changes in Services. See methods of compensation shown above for Paragraph 1.5.1

PARAGRAPH 1.5.3 Insert the multiple to be used to determine the cost to the Architect of Changes in Services of consultants as described in Subparagraph 1.1.3.5.

PARAGRAPH 1.5.4 Insert the multiple to be used to determine the amount due the Architect for Reimbursable Expenses of the Architect and of the Architect's employees and consultants as described in Subparagraph 1.3.9.2 and Paragraph 1.5.5.

PARAGRAPH 1.5.5 Insert expenses in addition to those listed in Subparagraph 1.3.9.2 that are to be compensated on the basis stated in Paragraph 1.5.4.

PARAGRAPH 1.5.7 Insert the dollar amount of the initial payment.

PARAGRAPH 1.5.8 Indicate when payments will become due and when unpaid amounts will begin to bear interest. Insert the percentage rate and basis (monthly, annual) of interest charges.

PARAGRAPH 1.5.9 Insert the number of months beyond which the Architect shall be entitled to a Change in Services.

STANDARD FORM OF ARCHITECT'S SERVICES: DESIGN AND CONTRACT ADMINISTRATION

ARTICLE 2.8 SCHEDULE OF SERVICES

PARAGRAPH 2.8.1

Insert an agreed-upon number in each of the spaces provided.

PARAGRAPH 2.8.3

If the parties agree to select a service from this list, state in the appropriate column the party responsible for providing the service and the place where the service is described, e.g., "in the space below," "on Exhibit A," etc.

ARTICLE 2.9 MODIFICATIONS

PARAGRAPH 2.9.1

Insert any modifications made to the Standard Form of Architect's Services.

EXECUTING THE B141-1997 FORMS

The persons executing B141-1997 should indicate the capacity in which they are acting (i.e., president, secretary, partner, etc.) and the authority under which they are executing the Agreement. Where appropriate, a copy of the resolution authorizing the individual to act on behalf of the firm or entity should be attached.



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