

**SECTION 012100  
ALLOWANCES**

**PART 1 GENERAL**

**1.01 SUMMARY**

- A. Section includes administrative and procedural requirements governing allowances.
  - 1. Certain items are specified in the Contract Documents by allowances. Allowances have been established in lieu of additional requirements and to defer selection of actual materials and equipment to a later date when direction will be provided to the Contractor. If necessary, additional requirements will be issued by Change Order.
- B. Types of allowances include the following:
  - 1. Lump-sum allowances.
  - 2. Unit-cost allowances.
  - 3. Quantity allowances.
  - 4. Contingency allowances.

**1.02 SELECTION AND PURCHASE**

- A. At the earliest practical date after award of the Contract, advise Architect of the date when final selection and purchase of each product or system described by an allowance must be completed to avoid delaying the Work.
- B. At Architect's request, obtain proposals for each allowance for use in making final selections. Include recommendations that are relevant to performing the Work.
- C. Purchase products and systems selected by Architect from the designated supplier.

**1.03 ACTION SUBMITTALS**

- A. Submit proposals for purchase of products or systems included in allowances, in the form specified for Change Orders.

**1.04 INFORMATIONAL SUBMITTALS**

- A. Submit invoices or delivery slips to show actual quantities of materials delivered to the site for use in fulfillment of each allowance.
- B. Submit time sheets and other documentation to show labor time and cost for installation of allowance items that include installation as part of the allowance.
- C. Coordinate and process submittals for allowance items in same manner as for other portions of the Work.

**1.05 COORDINATION**

- A. Coordinate allowance items with other portions of the Work.

**1.06 CONTINGENCY ALLOWANCES**

- A. Use the contingency allowance only as directed by Architect for Owner's purposes and only by Change Orders that indicate amounts to be charged to the allowance.
- B. Contractor's overhead, profit, for work ordered by Owner under the contingency allowance is included in the Contract Sum and is not part of the Allowance.
- C. At Project closeout, credit unused amounts remaining in the contingency allowance to Owner by Change Order.

**1.07 ADJUSTMENT OF ALLOWANCES (QUANTITY AND UNIT COST)**

- A. Allowance Adjustment: To adjust allowance amounts, prepare a Change Order proposal based on the difference between purchase amount and the allowance, multiplied by final measurement of work-in-place where applicable. If applicable, include reasonable allowances for cutting losses, tolerances, mixing wastes, normal product imperfections, and similar margins.
  - 1. Include installation costs in purchase amount indicated in the allowance.
- B. Submit claims for increased costs because of a change in scope as described in the Contract Documents, whether for the quantity amount or Contractor's handling, labor, installation, overhead, and profit.
  - 1. Do not include Contractor's or subcontractor's indirect expense in the Change Order cost amount unless it is clearly shown that the nature or extent of work has changed from what could have been foreseen from information in the Contract Documents.
  - 2. No change to Contractor's indirect expense is permitted for selection of higher- or lower-priced materials or systems of the same scope and nature as originally indicated.

**PART 2 PRODUCTS (NOT APPLICABLE)**

**PART 3 EXECUTION**

**3.01 PREPARATION**

- A. Coordinate materials and their installation for each allowance with related materials and installations to ensure that each allowance item is completely integrated and interfaced with related work.

**EDIT EXAMPLES BELOW**

**3.02 GENERAL CONSTRUCTION SCHEDULE OF ALLOWANCES**

GC-1: Contingency Allowance: Include in the Base Bid an Allowance of \$25,000.00 for use according to the Owners instructions."

- 1. Contractor overhead and profit is provided in the Base Bid.

**3.03 MECHANICAL CONSTRUCTION SCHEDULE OF ALLOWANCES**

MC-1: Contingency Allowance: Include in the Base Bid an Allowance of \$50,000.00 for use according to the Owners instructions."

- 1. Contractor overhead and profit is provided in the Base Bid.

**3.04 ELECTRICAL CONSTRUCTION SCHEDULE OF ALLOWANCES**

- A. EC-1: Contingency Allowance: Include in the Base Bid an Allowance of \$10,000.00 for use according to the Owners instructions."

- 1. Contractor overhead and profit is provided in the Base Bid.

**END OF SECTION 012100**