

# **STANDARD OF PROFESSIONAL PRACTICE (SPP) ON FULLTIME SUPERVISION SERVICES**

(Part of the IRR of R.A. No. 9266)

## **SPP Document 204-A**

(replacing the 1979 UAP Doc. 204-A)

### **1. INTRODUCTION**

- 1.1 For the past 50 years, four principal members were involved in the design and building construction process:
  - 1.1.1 The Owner who orders for the implementation of a project;
  - 1.1.2 The Architect and his Specialist Consultants (SCs) who render plan / design services and limited inspection work;
  - 1.1.3 The Contractor who performs the construction work;
  - 1.1.4 The individual or group of individuals who assist in the supervision and delivery of the work.
- 1.2 The Architect-in-charge of construction (Aicc) is directly and professionally responsible and liable for the construction supervision of the project.
- 1.3 When projects were still manageable in size, the Architect was then assisted by a construction inspector, traditionally called Clerk-of-Works. As projects became more complex, it became necessary for a construction supervision group to do the full-time inspection at the project site.
- 1.4 The Construction Supervision Group (CSG) is normally recommended by the Architect based on their performance, and hired by the Owner. They are answerable to both the Owner and Architect.

### **2. SCOPE OF SERVICES**

- 2.1 Quality Control
- 2.2 Evaluation of Construction Work
- 2.3 Preparation of Daily Inspection Reports
- 2.4 Filing of documents

The detailed tasks shall be as specified under the **Architect's Guidelines**.

### 3. MANNER OF PROVIDING SERVICES

There are two ways by which the Architect may enter into contract with the Owner:

- 3.1 Working in a dual capacity as Architect-of-record and as Consulting Architect for fulltime supervision services or as the Construction Supervision Group (CSG). As the Architect-of-record (Aor) of the project, the Aor is in a better position to interpret his drawings and documents and to assure conformity by the Contractor. He can assign his staff to undertake the fulltime supervisory work to perform the works as enumerated in the Architect's Guidelines.
- 3.2 Working as Consulting Architect for fulltime supervision services only or as the CSG.

### 4. METHOD OF COMPENSATION

The Architect's compensation is based on the Architect's / architectural firm's talents, skill, experience, and on the type and level of professional services provided. Compensation for Fulltime Supervision Services may be based on one or more of the following:

#### 4.1 Percentage (%) of Project Construction Cost (PCC)

The Architect's Fee for Fulltime Supervision as based on the PPC shall be detailed in the **Architect's Guidelines**.

#### 4.2 Multiple of Direct Personnel Expenses

This cost-based method of compensation is applicable only to non-creative work such as accounting, secretarial, research, data gathering, preparation of reports and the like. This method of compensation is based on technical hours spent and does not account for creative work since the value of creative design cannot be measured by the length of time the designer has spent on his work. The computation is made by adding all costs of technical services (man hours x rate) and then multiplying it by a multiplier to cover overhead and profit.

The multiplier ranges from 1.5 to 2.5 depending on the office set-up, overhead and experience of the Architect and the complexity of the Project.

Other items such as cost of transportation, living and housing allowances of foreign consultants, out-of-town living and housing allowances of the local consultants and the like, are all to be charged to the Client. At the start of the commission, the Architect shall make known to the Client the rate of professionals and personnel who will be assigned to the Project and the multiplier that has to be applied before agreeing on this method of compensation.

#### FORMULA

Assume:

A = Architect's rate / hour

C = Consultant's rate / hour

T = Rate per hour of Technical Staff, Inspectors and others involved in the Project

AN, CN, TN = No. of hours spent by Architect, Consultants and Technical Staff

M = Multiplier to account for overhead and reasonable profit. The value may range from 1.5 to 2.5 depending on the set-up of the Architect's office and the complexity of the Project.

R = Reimbursable expenses such as transportation, housing and living allowance of Consultant, transportation, per diem, housing and living allowance of local consultants and technical staff if assigned to places over 100km. from area of operation of the Architect.

Cost of printing of extra set of drawings, reports, maps, contract documents, etc. over the seven (7) copies submitted to the Client, overseas and long distance calls, technical and laboratory tests, licenses, fees, taxes and similar cost items needed by the Project.

Direct cost = AN + CN + TN

Fee = Direct Cost x M

Total Cost of Service charged to Client = Fee + R

#### 4.3 Professional Fee Plus Expenses

This method of compensation is frequently used where there is continuing relationship involving a series of projects. It establishes a fixed sum over and above the reimbursement for the Architect's technical time and overhead. An agreement on the general scope of the work is necessary in order to set an equitable fee.

#### 4.4 Lump Sum or Fixed Fee

This method may be applied to government projects since they entail more paper work and time-consuming efforts.

#### 4.5 Per Diem, Honorarium Plus Reimbursable Expenses

In some cases a Client may request an Architect to do work which will require his personal time such as:

4.5.1 attending project-related meetings, conferences or trips;

4.5.2 conducting ocular inspection of possible project sites; and

4.5.3 conferring with others regarding prospective investments or ventures and the like.

For these particular activities, the Architect as agent of the Owner may be paid on a *per diem* and *honorarium* basis plus out-of-pocket expenses such as but not limited to travel, accommodations and subsistence.

#### 4.6 Mixed Methods of Compensation

The **SPP** provides for more than one method of compensation on a project. Each project should be examined to determine the most appropriate method of compensation.

## **5. LIMITATION OF AUTHORITY**

- 5.1 The Construction Supervision Group (CSG), which may be a qualified architectural firm, or which the Architect is only part of, shall not assume the responsibility of the Contractor's project superintendent.
- 5.2 The CSG shall not make decisions on matters that are the sole responsibility of the Architect-of-record (Aor).

## **6. LEGAL RESPONSIBILITY**

- 6.1 The Construction Supervision Group (CSG) is responsible to the Owner only for administrative matters. For technical matters, the CSG is responsible to the Architect-of-record (Aor).
- 6.2 Under Article 1723 of the present Civil Code, the CSG may appear *not* to have any legal responsibility since the Architect-of-record (Aor) and Engineers-of-record (Eors) are responsible for the design while the Contractor is responsible for the construction. However, a Service Contract / Agreement between the CSG and the Owner may stipulate certain professional responsibilities and civil liabilities of the CSG, particularly if the CSG is party to the review of the Contract Documents and their subsequent evaluation and interpretation during the course of construction.
- 6.3 If the Aor (and Eors) and the Contractor are sued by an Owner for civil liabilities due to the performance or non-performance of certain acts traceable to the CSG, the Aor and Eors may file cross claims against the CSG.

## **7. QUALIFICATIONS**

Inspectors of the Construction Supervision Group (CSG) must have the ff:

- 7.1 A Bachelor of Science in Architecture (B.S. Arch.) degree
- 7.2 Extensive experience in design and building construction and must be very knowledgeable in building materials and construction detailing.