

CLASS HANDOUT #1

Purpose:

This training provides a clear understanding of company policies and procedures, how bids are created and approved, and how scopes of work define and protect project execution. These systems work together to control cost, reduce risk, and prevent disputes.

1. POLICIES & PROCEDURES

What Are Policies & Procedures?

Policies and procedures establish the rules and expectations for how work is approved, documented, and performed.

Why They Matter:

- Ensure consistency across projects
- Protect the company legally and financially
- Define accountability and authority
- Reduce errors and rework

Key Expectations:

- Follow approval authority at all times
- Document decisions and changes
- Never begin work without proper authorization
- Communicate issues immediately

Common Policy Areas

- Approval authority
- Change orders
- Documentation requirements
- Safety and compliance
- Communication protocols

2. BIDS:

What Is a Bid?

A bid is a formal pricing proposal that defines the cost of work based on a specific scope of work.

What a Bid Is NOT:

- Not an estimate “just to get the job”
- Not verbal pricing
- Not flexible without written approved changes

Required Bid Components:

Scope
Labor
Materials
Equipment
Assumptions
Exclusions

Common Bid Risks:

Underestimated labor
Missing exclusions
Incomplete scope alignment
Verbal approvals

3. SCOPES OF WORK:

What Is a Scope of Work?

A scope of work defines exactly what work will be performed and what is excluded.

Why Scope Clarity Matters:

Prevents disputes
Prevents scope creep
Protects profit
Sets expectations clearly

Required Scope Elements:

Detailed description of work
Deliverables
Timeline
Responsibilities
Exclusions

Key Takeaways:

Policies guide decisions
Bids define pricing
Scopes define execution
Documentation protects everyone