



**C191™–2009, Standard Form Multi-Party Agreement for Integrated Project Delivery**

**Frequently Asked Questions**

---

**Q1: What is the C191–2009, Standard Form Multi-Party Agreement for Integrated Project Delivery**

**A:** AIA Document C191–2009 is a standard form multi-party agreement through which the owner, architect, contractor, and perhaps other key project participants execute a single agreement for the design, construction and commissioning of a Project. C191–2009 provides the framework for a collaborative environment in which the parties operate in furtherance of cost and performance goals that the parties jointly establish. The non-owner parties are compensated on a cost-of-the-work basis. The compensation model is also goal-oriented, and provides incentives for collaboration in design and construction of the project. Primary management of the project is the responsibility of the Project Management Team, comprised of one representative from each of the parties. The Project Executive Team, also comprised of one representative from each of the parties, provides a second level of project oversight and issue resolution. The conflict resolution process is intended to foster quick and effective resolution of problems as they arise. This collaborative process has the potential to result in a high quality project for the owner, and substantial monetary and intangible rewards for the other parties.

**Q2: Why deliver a project using C191–2009, Standard Form Multi-Party Agreement for Integrated Project Delivery?**

**A:** C191–2009 utilizes the principles of Integrated Project Delivery (IPD). See [www.aiacontractdocuments.org/ipd](http://www.aiacontractdocuments.org/ipd). IPD will appeal to an experienced and sophisticated project owner who is looking for a way to reduce claims on projects and to achieve important project-specific goals. Such goals are likely to be achieved by a high degree of collaboration and information sharing among project participants.

**Q3: How does C191–2009 handle resolution of disputes among the parties?**

**A:** The parties are required to endeavor to resolve all disputes amicably and through the normal management of the Project. Any issue that arises is first raised with the Project Management Team. If the Project Management Team is unable to reach a unanimous resolution of the issue, it is submitted to the Project Executive Team. If the Project Executive Team is unable to unanimously resolve the matter, it is then subject to the dispute resolution procedures outlined in the agreement. In the meantime, however, the Owner may issue a directive, by which the Parties must abide, subject only to the results of the dispute resolution process.

If the parties are unable to resolve an issue through the Project Executive Team, a dispute is initiated. Upon initiation of a dispute, the matter is referred to the Dispute Resolution Committee, which is comprised of representatives from each party plus a Project Neutral. Within fifteen days of initiating a dispute, the Project Neutral must attempt to mediate the dispute with the other members of the Dispute Resolution Committee. If that is unsuccessful, the parties then proceed to the method of binding dispute resolution identified in the Agreement. At the time the C191–2009 is executed, the parties elect the method of binding dispute resolution to be employed, and may choose arbitration before the Project Neutral; arbitration otherwise administered as required in the General Conditions; or any other method of binding dispute resolution, including litigation.

**Q4: How does the Project Management Team make decisions?**

**A:** All authorizations, approvals, or other actions of the Project Management Team require the unanimous affirmative vote of each team member. Any matter upon which the Project Management Team cannot reach a unanimous decision is referred to the Project Executive Team for resolution.

**Q5: How does the Project Executive Team make decisions?**

**A:** All authorizations, approvals, or other actions of the Project Executive Team require the unanimous affirmative vote of each team member. Any matter upon which the Project Management Team cannot reach a unanimous decision may be referred to the Dispute Resolution Committee. Pending resolution of an issue by the Dispute Resolution Committee, the Owner may issue a directive on the matter so long as such directive is generally consistent with the scope of the agreement. The parties must abide by the Owner’s directive subject to any subsequent decision by the Dispute Resolution Committee.

**Q6: How does C191–2009 differ from C195–2008?**

**A:** C191–2009 and C195–2008 are similar in many respects. Both utilize many of the same mechanisms to execute and integrate the project, including use of a Target Cost model, Incentive Compensation and Goal Achievement Compensation. Unlike C195–2008, however, C191–2009 does not require the parties to form an LLC, and project management is through the Project Management Team and the Project Executive Team.

**Q7: Why did you create the C191-2009 in addition to the C195-2008?**

**A:** C191-2009 simply provides another contractual alternative for parties interested in IPD. The industry is just starting to utilize IPD, and a clear preference for an IPD contracting model has yet to emerge. Accordingly, it is important to offer a number of options so parties can choose the agreement that works best for them. These documents serve as another way for parties to begin working within an IPD framework. They are meant to spark conversation among industry stakeholders and help lead the way to IPD implementation.

**Q8: What services are required of the non-owner parties in C191–2009?**

**A:** C191–2009 initially requires the non-owner parties to provide services described in the agreement in order to develop a Target Criteria Proposal for the owner’s review and approval. The specific services are set forth in both the C191–2009 agreement as well as Exhibit A, General Conditions. Upon the owner’s acceptance of the Target Criteria Proposal, the parties execute the Target Criteria Amendment, which includes a table in which the parties’ responsibilities for services are assigned. The non-owner parties are then required to perform the services set out in the Agreement, including the Target Criteria Amendment and the General Conditions.

**Q9: What obligations does the owner have under C191–2009?**

**A:** C191–2009 requires the owner to furnish certain information as well as any services required of it by the Target Criteria Amendment. Additionally, the owner is required to identify representatives to serve on the Project Management Team, Project Executive Team and Dispute Resolution Committee. Most significantly, the owner pays for the Cost of the Work, including design and construction.

**Q10: How are risks and rewards handled under C191–2009?**

**A:** C191–2009 provides incentives for the architect and contractor to perform in the best interest of the Project. The architect and contractor are required to provide their services at cost with any potential profit tied to the achievement of project-related goals that the parties mutually establish. The first form of potential profit is tied to the Target Cost. If the Actual Cost of the project as delivered by the architect and contractor is below the Target Cost, any savings is shared in accordance with the terms of C191–2009. The second form of potential profit is tied to specific Project Goals the parties agree upon at the time the Target Cost is established. If the architect and contractor achieve any of the Project Goals, they are entitled to receive compensation as set forth in the Agreement. If any Project Goal is not achieved, the parties do not receive any compensation related to that Project Goal regardless of who was at fault.

**Q11: Under C191–2009, what is the “Target Cost”?**

**A:** The Target Cost is the estimate of all costs the architect and contractor may incur to plan, design, construct and commission the project. The parties establish the Target Cost at the conclusion of the Criteria Design Phase. The Target Cost is set forth in the Target Criteria Amendment to C191–2009.

**Q12: What is the Target Criteria Amendment?**

**A:** The Target Criteria Amendment is an amendment to C191–2009, Standard Form Multi-Party Agreement for Integrated Project Delivery. It is executed at the conclusion of the Criteria Design Phase. The Target Criteria Amendment itself consists of seven exhibits. The first exhibit is the Target Cost Breakdown, which allows the parties to set forth the various elements of the Target Cost in detail. The second exhibit is the Project Definition, which allows the parties to state the Project Definition upon which the Target Criteria are based. The third exhibit is the Project Goals. In this exhibit, the parties identify and define the mutually agreed upon Project Goals. The Project Goals exhibit also allows the parties to identify how the non-owner parties will be compensated for achievement of such goals. The fourth exhibit is the Integrated Scope of Service matrix. This exhibit consists of an extensive matrix of services that allows the parties to allocate responsibility for each such service throughout the project. The fifth exhibit is the Project Schedule, which allows the parties to identify the schedule upon which the project will be completed. The sixth exhibit is the Digital Data Protocol Document. This exhibit will allow the parties to identify how electronic data will be used and exchanged on the Project, and will likely consist of AIA Document E201–2007, Digital Data Protocol Exhibit, or another similar digital data protocol document. The seventh and final exhibit is the Building Information Modeling Protocol Document. This exhibit will allow the parties to identify and determine how they will utilize building information modeling on the Project, and will likely consist of AIA Document E202–2008.

**Q13: Can there be additional parties to C191–2009 other than the owner, architect and contractor?**

**A:** C191–2009 contemplates that the owner, architect and contractor are the initial Parties, although it is possible that other project participants may be initial parties if their role on a particular project is significant enough to warrant their involvement as a party. If there are additional parties to the Agreement, however, the American Institute of Architects encourages users to consult with an attorney for the careful review and modification of C191–2009 and its exhibits in order to appropriately coordinate the roles and responsibilities of additional parties with those of the owner, architect and contractor.

**Q14: How was the C191-2009 created?**

**A:** AIA Contract Documents pioneered the concept of working with industry stakeholders to help create and update documents to ensure the documents are fair and balanced. In particular, the AIA Contract Documents Committee consulted with insurance companies and several prominent attorneys in the industry to solicit comments and feedback on the draft document before release.

**Q15: Who can I contact if I need document support?**

**A:** For answers to your questions about the content or usage of AIA Contract Documents, call 202-626-7526 Monday—Friday from 8:30 a.m. to 5 p.m. Eastern time or send an e-mail to [docinfo@aia.org](mailto:docinfo@aia.org). Also, get with help with AIA Contract Documents content by reading document commentaries and comparisons, and using guides to amendments and supplementary conditions.