

FOR ORNAMENTAL METAL FABRICATORS

GETTING PAID FOR CHANGES

How to document, price and get sign-off on scope changes — so extra work turns into extra revenue, not a dispute.

One of the biggest risks to fabricators is reworked jobs that eat away at your profits. CAD drawings help ensure the shop builds it correctly the first time. But what about when a customer makes a change? When a customer requests a change (or at least thinks they did) and it never gets documented, shops lose money. Without any formal record, the shop ends up eating the costs to keep the peace.

This guide is about the process and paperwork — that decides whether a change is revenue or a donation. We'll cover how to prevent costly mistakes surrounding change orders and how to navigate the conversation.

DON'T FORGET THE BEST PART!

Everything in this guide comes down to communication and documentation. The last three pages are a complete Change Order form you can put straight into practice — the change order itself, a cost and approval sheet, and a sketch sheet for showing the customer exactly what changed. Print a stack, keep them in the truck and on the shop wall. Free to copy and use on your jobs.

00 THE COMMUNICATION PROBLEM: THEY'RE NOT SEEING WHAT YOU DO

Almost every change order argument starts in the same place: the customer and the fabricator are looking at the same request and seeing two different amounts of work... and hence valuing the work differently.

A homeowner who asks to move a gate post two feet is picturing two feet of fence. They are not picturing a new footing, a re-cut frame, a second trip through the booth, and a delivery pushed out a week. They are not being unreasonable — they simply have no way to know what sits behind the request. That is your expertise, not theirs.

This is why change orders turn adversarial when they are handled as a price conversation. If the first thing the customer hears is a number, they weigh it against the small thing they pictured, and it looks inflated. If the first thing they hear is what the change actually involves, the number is grounded in actual work.

The whole skill is closing that gap before you quote it. Not defending your price — showing the work.

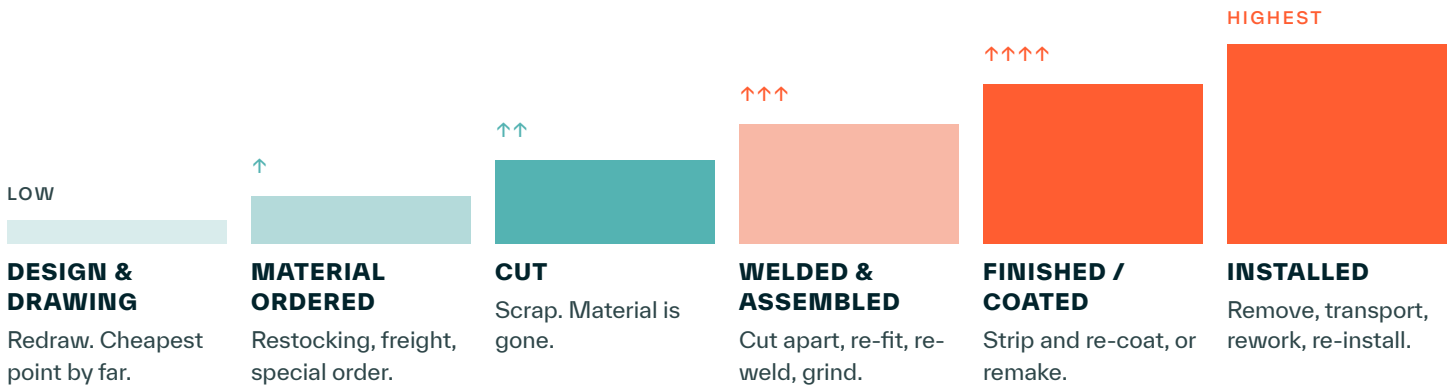
REMEMBER: THE ARGUMENT IS ALMOST NEVER ABOUT THE PRICE. IT IS ABOUT THE FACT THAT THE CUSTOMER CANNOT SEE THE WORK.

01 START WITH A DRAWING: SCRAPPING PAPER IS CHEAPER THAN METAL

The most useful thing you can show a customer is not a price. It is a timeline. In ornamental work the cost of a change is not a straight line — it steps up sharply at each point where the job becomes harder to undo:

CHANGE REQUESTED HERE...

...COSTS THIS MUCH MORE



SAY THIS OUT LOUD EARLY

“Changes are easy and cheap right now, while it's still a drawing. Once we cut steel they get expensive, and after powder coat we're usually remaking the part. So this is the moment to tell me anything you're unsure about.”

Said at the drawing stage, this is helpful advice. Said after the invoice, it sounds like an excuse. Same information, completely different reception.

The reason finished work is so costly to alter is not the metal — it is the handling. Rework typically means additional setup, custom fixturing, secondary operations and extra handling on a part that was already done. None of that existed in your original price, because none of it was in the original job.

Which is the argument for doing the drawing first. Everything is cheap to change while it is still lines on a screen. The further right you move on that chart, the more a change costs you and the harder the conversation becomes.

THIS IS NOT A YOU PROBLEM

The Arcadis Global Construction Disputes Report has tracked dispute causes for over a decade, and errors and omissions in contract documents ranked as the top cause in North America in six of nine consecutive years. Industry estimates put change orders at roughly 5-15% of contract value, and the largest controllable driver is missing or conflicting information in the drawings and specs.

That is commercial data — projects with contracts, schedules and lawyers. Your gate job has none of those, which means your drawing is the only protection you have.

REMEMBER: THE HEAVIER A JOB IS TO HANDLE IN THE SHOP, THE MORE EXPENSIVE CHANGES AND ERRORS BECOME.

02 ALWAYS GET IT SIGNED OFF IN WRITING FIRST

GET IT IN WRITING BEFORE THE WORK STARTS. EVERY TIME.

Verbal approval is close to worthless when the invoice is disputed. A signature obtained before you start is easy to get — the customer is thinking about the job. A signature requested afterwards is hard, because by then they are thinking about the bill. Same change, same price, different answer.

That timing difference is the whole game. When a customer is watching work in progress, they are in a decision-making frame of mind and weighing value. Once the job is finished, they are in payment mode and looking only at cost. Get the approval while they are still in the first frame.

THE MINIMUM A CHANGE ORDER MUST CONTAIN

- Job name, address and the original contract or quote it amends
- A change number and the date
- What was originally agreed — quoted in one line from the contract
- What is changing, described so a stranger could understand it
- Who requested it, and when
- Itemized cost: labor hours × rate, materials, finishing, any scrapped work
- New contract total
- Effect on the schedule, in days, stated explicitly
- Both signatures and the date, before work begins

ITEMIZE, ALWAYS

“Change to gate: \$1,240” invites an argument. Six hours of labor at your rate, plus the scrapped frame, plus a second run through the booth, does not — because the customer can see where the number comes from. The total is the same. The conversation is not.

THE TRAP THAT CATCHES ORNAMENTAL SHOPS MOST OFTEN

The drawings are vague. You ask the project manager to clarify. He tells you, clearly and in good faith, and you build exactly what he said. Later the GC refuses the change order and argues you should have followed the prints — and because the clarification was verbal, you have nothing to point at.

A fabricator who lived through it put the lesson plainly: when you need clarification, always email, or at least text, so you have something in writing to stand on. One email sent before you cut would have made that a paid change instead of a week of free labor.

03 WHAT TO SAY IN THE MOMENT

Most changes arrive verbally, on site, mid-job, from someone being friendly. The skill is getting that on paper without turning it into a confrontation. Say yes to the work and yes to the paperwork.

THEY SAY

“While you're here, could you also...”

You say: “Absolutely, I can do that. Let me write it up as a change order so we're both clear on the cost and the timing before I start.”

THEY SAY

“It's only a small thing, can't you just throw it in?”

You say: “Happy to look at it. Let me price it properly and get you a number today — some small things really are small, and some of them mean re-cutting a frame. I'd rather tell you which before we commit.”

THE DRAWING OR SPEC IS AMBIGUOUS

You ask the PM on site, and he tells you what he wants.

You say: “Great — I'll email you to confirm that so we've both got it on record, then I'll build to it.”

04 THE FOUR ARGUMENTS, AND HOW TO KILL EACH ONE IN ADVANCE

WHAT THEY'LL SAY	WHAT STOPS IT
“I never approved that.”	A signature — physical or electronic — obtained before the work started. Nothing else reliably holds. If the change genuinely came up mid-work and you couldn't get a signature, send a confirming email the same day and keep the reply.
“That should have been included in the price.”	A detailed original scope. The more specific your quote, the more obvious it is when something falls outside it. Vague quotes make every change arguable. Write what is included and what is not.
“That's too much for what you did.”	Itemization. Hours, rate, materials, scrapped work, extra finishing, listed separately. A total invites a haggle; a breakdown invites a question you can answer.
“You should have told me before you started.”	Present every change order before doing the work. No exceptions. This is the one that also protects the relationship, not just the invoice.

05 COMMERCIAL WORK IS A DIFFERENT GAME

Residential change orders are a conversation with the person paying. Commercial change orders run through a contract, and the contract usually says who is allowed to authorize one.

KNOW WHO CAN ACTUALLY APPROVE

Many construction contracts name a single designated representative as the only person who can authorize a change — and state that the contractor is not compensated for extra work requested by anyone else. The superintendent who asks you for something on site may not be that person.

Before the job starts, ask in writing: who is authorized to sign change orders, and what is the process?

USE THE RFI

On commercial jobs, an ambiguity in the drawings is not a change order — it is a Request for Information. Submit the RFI, get the written answer, and then raise a change order if the answer costs more than the bid assumed.

The RFI is your paper trail. It converts “you should have followed the prints” into “here is what you told me the prints meant.”

WATCH THE NOTICE DEADLINE

Commercial contracts often require written notice of a claim within a set number of days of the event. Miss the window and a legitimate claim can be waived no matter how right you are. Find that clause before you sign, and put it on the calendar.

06 SAY IT BEFORE YOU NEED IT

The best change order conversation happens at the quote, not on site. Language worth having in your standard terms — reviewed by your own attorney before use:

- All changes to the scope must be in writing and signed by both parties before that work begins.
- Work on a change does not start until the change order is approved.
- Approved changes may extend the completion date, and the revised date will be stated on the change order.
- Once fabrication has begun, canceled or altered work is charged at cost of materials plus labor expended.
- Payment terms for change order work are the same as the original contract.
- Deductions from scope are handled by change order too, so credits are recorded the same way.

07 THE AWKWARD SITUATIONS

THE CHANGE IS YOUR MISTAKE

Eat it, fix it fast, and say so plainly. A shop that owns an error quickly keeps the customer; one that bills for its own rework loses them. The exception worth defending: if you built to a written instruction that turned out to be wrong, that is not your mistake — which is exactly why it needed to be written.

THE CUSTOMER KEEPS REVISING THE DRAWING

Design revision is real work and it is invisible, so it is the easiest thing in the world to give away. State up front how many revisions are included — two is common — and price further rounds. Customers respect a stated limit far more than an unlimited service that eventually comes with a complaint attached.

A GOOD LONG-TERM CUSTOMER PUSHES BACK HARD

Decide once whether you are conceding as a goodwill gesture or because you were pressured, and be honest with yourself about which. Conceding under pressure teaches the customer how the next job will go. If you do concede, put the concession in writing as a change order at zero cost, showing the value waived. They see what it was worth, and the precedent is recorded rather than assumed.

THEY WANT THE CHANGE BUT NOT THE DELAY

Put both on the same piece of paper. A change order that shows “+\$860, +6 working days” forces one decision instead of two arguments. Never let a schedule change travel separately from the cost change.

THE LINE WORTH REMEMBERING

From a fabricator who had been ground down by a general contractor on exactly this: if you let people start beating you up, they will keep beating you up. Holding a reasonable line on the first change order is what makes the fifth one uneventful.

08 FOUR HABITS THAT MAKE THIS ROUTINE

HABIT	WHY IT PAYS
Confirm every verbal instruction by email the same day	Takes two minutes. Converts a memory into evidence. This single habit prevents more losses than any other item in this guide.
Photograph the condition that caused the change	Site conditions get covered up, fixed, or forgotten. A dated photo settles arguments that words won't.
Number change orders sequentially per job	CO-01, CO-02. Makes the final invoice self-explaining and shows the customer the running total as you go, so nothing lands as a shock.
Review changes at the end of every job	Patterns show up fast. Repeated changes of the same kind usually mean your quoting or your drawings need to be more specific, not that customers are difficult.

09 HOW YOUR DRAWINGS DO THE WORK FOR YOU

Everything in this guide assumes you have a clear record of what was originally agreed. That record is what a change order amends — and it is the difference between a conversation about scope and a conversation about memory. A dimensioned drawing is the strongest version of it.

IT DEFINES THE BASELINE

A change order has to state what was originally agreed. “Ornamental driveway gate, 12 feet, wrought iron” describes a hundred different gates. A drawing describes one — picket spacing, frame size, top rail profile, post positions, finish. When the customer asks for something different, the difference is visible rather than arguable.

A SIGNED DRAWING BEATS A SIGNED SCOPE

Both are agreements, but only one shows the customer what they are buying. Most disputes in this trade come from the gap between what the customer pictured and what you quoted. Prose does not close that gap. A picture does.

IT TELLS YOU WHAT THE CHANGE COSTS

Redraw the gate with the change and the Bill of Materials regenerates. Now you have the real material delta, the new cut list, and the parts that just became scrap. That is what makes an itemized change order possible — you are not estimating the difference, you are reading it.

IT PROVES THE CHANGE IS MATERIAL

This is the one that ends the “it’s only a small thing” conversation. Put the original drawing and the revised one side by side and the customer can see that the picket count changed, the frame grew, the footing moved. You are not asserting that the change is significant. You are showing it.

ONE STEP MOST SHOPS MISS

Have the customer sign the revised drawing as part of the change order, not just the price. A change order that updates the number but not the picture leaves you with a signed document and an out-of-date drawing — and the next change gets argued against the wrong baseline.

10 MAKE SURE THE SHOP IS ON THE SAME PAGE

A signed change order protects the invoice. It does not protect the build. The second way shops lose money on changes is quieter: the office agrees the change, the customer signs, and the fabricator at the saw is still working from the cut list he printed on Monday. Now you have paid for that change twice — once in material and once in rework — and this time there is nobody to bill.

- 1 Reissue the drawing. Do not annotate the old one.** A red mark on a superseded print is an invitation to build the old thing. Generate the revised drawing and give the shop a clean copy.
- 2 Revision the drawing and the Bill of Materials together.** Rev A, Rev B, on both documents, with the change order number on each. If the drawing says Rev B and the cut list says Rev A, someone is about to cut the wrong parts.
- 3 Physically remove the superseded print.** Off the wall, out of the job folder, off the clipboard. Mark it VOID or destroy it. An old print left in the shop will get used — not through carelessness, but because it was the one already on the bench.
- 4 Tell the person doing the work, not just the file.** Posting a new revision is not the same as telling the fabricator what changed. One sentence — “top rail is two inches higher, picket count went from 23 to 25” — saves an afternoon.
- 5 Check what has already been made.** Before the revised parts go out, find out what was built to the old drawing. That material is either scrap or rework, and either way it belongs on the change order you just priced — not absorbed quietly.

WHY THIS IS EASIER WHEN THE DRAWING IS PARAMETRIC

When a change is a dimension rather than a redraw, the revised drawing and the revised Bill of Materials come out together, stamped with the same revision. There is no window where the picture has been updated and the cut list has not — and that window is exactly where wrong parts get cut.

LET FABCAD DO THE HEAVY LIFTING.

Drawings in minutes, not hours

If a dimensioned drawing takes hours to produce, you will do it on the big jobs and skip the rest — and the jobs you skip are exactly where the arguments happen. FabCAD draws gates, railings and fences from your dimensions and builds the Bill of Materials at the same time. When the customer wants a change, you update the drawing and the revised BOM comes with it.

See how it works →

[FABCAD.COM/PRODUCTS](https://fabcad.com/products)

CHANGE
ORDER

COMPLETED
BY

CHANGE ORDER
NO.



SHOP / COMPANY

CUSTOMER / GENERAL CONTRACTOR

DATE

JOB NAME & SITE ADDRESS

ORIGINAL CONTRACT / QUOTE NO.

ORIGINAL CONTRACT AMOUNT

REQUESTED BY (NAME & ROLE)

DATE REQUESTED

AUTHORIZED TO APPROVE CHANGES? (SEE
CONTRACT)

ORIGINALLY AGREED – QUOTE THE RELEVANT LINE FROM THE CONTRACT

CHANGE REQUESTED – DESCRIBE SO A STRANGER COULD UNDERSTAND IT

REASON FOR THE CHANGE

- ☐ Customer request
- ☐ Design revision
- ☐ Unforeseen site condition
- ☐ Drawing / spec conflict
- ☐ Inspector or code requirement
- ☐ Material substitution
- ☐ Deduction from scope

STAGE REACHED WHEN CHANGE WAS REQUESTED

- ☐ Drawing
- ☐ Material ordered
- ☐ Cut
- ☐ Welded / assembled
- ☐ Finished / coated
- ☐ Installed

COST BREAKDOWN	QTY / HOURS	RATE	AMOUNT
Labor – fabrication			
Labor – installation			
Materials			
Finishing / coating			
Work scrapped or undone			
Subcontract / freight			
Other			
TOTAL THIS CHANGE ORDER			

PREVIOUS CONTRACT
TOTAL

THIS CHANGE (+ / -)

REVISED CONTRACT TOTAL

CHANGE TO COMPLETION
DATE

REVISED COMPLETION
DATE

Both parties agree to the change in scope, price and schedule described in this change order, including all attached pages. This change order forms part of the original contract; all other terms remain unchanged. Work on this change will not begin until both signatures are in place.

☐ Sketch sheet attached

CUSTOMER / AUTHORIZED
REPRESENTATIVE

PRINT NAME

SHOP REPRESENTATIVE

DATE

NOTES / SPECIAL CONDITIONS

This guide and form are practice aids, not legal advice. Contract terms, notice periods, lien rights and home improvement contract rules vary by state, province and country, and several jurisdictions impose specific requirements on residential contracts – including how changes must be documented. Have your own attorney review your contract and change order language before use. FabCAD accepts no liability for reliance on this document. © FabCAD · free to print and use in your shop.

CHANGE SKETCH

COMPLETED
BY

CHANGE ORDER
NO.

Page 10 of 10



JOB NAME

DATE _____

SKETCH THE CHANGE · MARK DIMENSIONS AND NOTE WHAT WAS ORIGINALLY AGREED

GRID: 1/4 IN.

A full-page sheet of graph paper featuring a uniform grid of small squares. The grid is composed of thin, light blue lines on a white background. There are no margins, text, or other markings on the page.

CUSTOMER INITIALS

SHOP INITIALS
