Definition

A change order is technically defined as anything that changes the time, price, or specifications of a project. Thus changes are contractual agreements to modify the original contract.

Background

1. Sources of Change Order Requests:

   a) Owner (user) request – change not captured in original plan/bids. Usually occurs as a result of not involving appropriate users in planning, adding a new administrator, new opportunity, changing needs, or simply changing decisions made earlier.

   b) Notice by contractor and/or architectural initiated design modifications, usually occur as result of one or more of the following:

      1) Discovery – original drawings differ from conditions found at site, e.g. underground, behind walls, ceilings, floors, and etc.

      2) Discrepancies – usually differences between experts, e.g. architects, engineers, etc.

      3) Human error – oversights, omissions, and etc.

      4) Products – equipment, materials, and etc. may change between time of bid and actual work, e.g. availability and consideration of durability, maintenance, energy, or code requirements.
2. Change Order Process:
   a) Initiation of the change.
   b) Modification to the contract documents.
   c) Request for proposal from the contractor.
   d) Request for change order from the contractor.
   e) Review of the requested change by the architect.
   f) Recommendation and review with the owner.
   g) Execution of the change order document (signatures).
   h) Commencement of the change order work.
   i) Maintenance of a log of all change orders by project.

3. Change Order Authorizations:
   a) Board of Trustee Approval
      1) Change orders resulting in an increased cost of $25,000 or more; or
      2) Change orders resulting in an increased cost of 10 percent (10%) or more of the total project cost.
   b) Vice President of Business Services Approval
      1) Change orders resulting in an increased cost of less than $25,000; or
      2) Change orders resulting in an increased cost of less than 10 percent (10%) of the total project cost.

The Vice President of Business Services shall also approve all change orders resulting from an acknowledgment of a Capital Development Board approved change order(s).