

CHANGE ORDER & AMENDMENT POLICY
University of Illinois Office of Facilities Planning & Programs
February 2008

I. Governance of University of Illinois Capital Projects

The majority of capital projects undertaken by the University of Illinois are subject to the requirements of the Illinois Procurement Code (30 ILCS 500). The Board of Trustees of the University of Illinois is a Construction Agency pursuant to the Code. The Board of Trustees and University Administration, through the Office of University of Facilities Planning & Programs, establish policies, procedures, systems and other considerations related to capital projects.

This Policy governs expenditures in excess of a capital contract's original price and was developed by the University Office of Facilities Planning and Programs in conjunction with the Office of University Counsel.

II. Change Orders and Amendments Pursuant to the Illinois Procurement Code

After a contract has been formed pursuant to the Procurement Code, Section 30-35 of the Code (30 ILCS 500/30-35) permits expenditures in excess of the original contract price provided that the additional work to be performed or material to be furnished: (1) is germane to the original contract; and (2) the University approves in writing the expenditure prior to the performance of the work or procurement of material. Additional expenditures generally take the form of "Change Orders" in the case of construction contracts and "Amendments" in the case of Professional Services Agreements.

The Procurement Code, procurement rules, University policies, and Contract Documents seek to expedite the process contemplated in Section 30-35 by allowing flexibility to utilize methodologies such as "time and materials" or hourly rates, while requiring the maintenance of adequate cost-control mechanisms. University policies and procedures must be followed to ensure that the proposals underlying the anticipated increased expenditures are appropriate, accurate and cost efficient. University personnel shall negotiate the best possible price for the University when seeking expenditures in excess of the original contract price. Prior written approval by appropriate University administrators in accordance with this policy must be obtained prior to the obligation of any additional funds.

Should an 'emergency purchase' be required which is not germane to an existing project construction contract, Procurement Code Section 20-30 (30 ILCS 500/20-30) shall be applicable. An 'emergency purchase' pursuant to this section shall be utilized only in instances of a threat to public health or safety, or when immediate expenditure is necessary for repairs to property in order to protect against further loss of or damage to property or the integrity of vital records, or serious disruption of essential services. Issuance of an 'emergency purchase' is entirely within the discretion of the Owner. Prior written approval by appropriate University administrators in accordance with this policy (section IV under 'Emergency Change Orders/Contracts) must be obtained prior to the obligation of any funds.

III. Definition of Terms, Routing for Approval, & Signature Authorization

In order to comply with the requirements of the Procurement Code, the University has established Contract Documents, including General Conditions, and utilizes the following definitions, rules and procedures:

A. Change Orders

“Change Order” means a written order to a Contractor executed by the Owner in accordance with an existing project construction contract authorizing and directing an addition to, deletion from, or adjustment or revision of the requirements of the Contract Documents, or an adjustment to the compensation payable to Contractor, or to the time for performance of the contract and completion of the Project, or a combination thereof. All additional expenditures related to work performed or material purchased through an agreement with a Contractor will ultimately take the form of a Change Order. Change Orders shall utilize the approved format identified by the Office of University Counsel and University Office for Facilities Planning and Programs. In order to comply with Section 30-35 of the Procurement Code, directives of the Board of Trustees, this Policy and other University and campus policies, all Change Orders shall be subject to the signature limits set forth in Section IV of this Policy and any Change Order \$25,000 or more shall be routed to the University Office for Facilities Planning and Programs for verification and concurrence.

A.1. Field Directive (FD) Definition

“Field Directive” means a written order to a Contractor executed by the Owner in accordance with the existing project construction contract authorizing and directing an addition to, deletion from, or adjustment or revision to the requirements of the Contract Documents, or an adjustment to the compensation payable to Contractor, or to the time for performance of the contract and completion of the Project, or a combination thereof. Field Directives may only be utilized in distinct and exceptional situations when, due to circumstances beyond the University’s control, a proposed Change Order is in dispute or the contemplated time of completion for the normal Change Order process could adversely affect the project. Prior to commencement of work, the University shall set forth on the appropriate form “not-to-exceed” time and material costs for the contemplated expenditure. A Field Directive is preliminarily authorized/supported with appropriate documentation (see Exhibit 1) and ultimately utilizes the Change Order form. Additional documentation supporting and justifying the completed work shall be required. Field Directives are subject to approval by the appropriate University administrator as indicated in Section IV.

A.2 Emergency Work Authorization (EWA) Definition

“Emergency Work Authorization” means a written order to a Contractor executed by the Owner in accordance with an existing project construction contract and directing an adjustment to the Contract Document requirements. An Emergency Work Authorization shall be utilized only in instances of a threat to public health or safety, loss of or damage to property or the integrity of vital records, or serious disruption of essential services. Issuance of an Emergency Work Authorization is entirely within the discretion of the Owner. Prior to commencement of work, the University shall set forth on the appropriate form “not-to-exceed” time and material costs for the contemplated expenditure. An Emergency Work Authorization is preliminarily authorized/supported with appropriate documentation (see Exhibit 1) and ultimately utilizes the Change Order form. Prior to commencement of work, an Emergency Work Authorization shall be approved by the Director of the Campus Construction Unit or by an administrator with greater authority pursuant to Section IV herein.

B. Professional Services Consultant Agreement Amendments

“Amendment” means a written modification to a Professional Services Agreement and may authorize and direct an addition to, deletion from, or adjustment or revision of the requirements of the Agreement, or an adjustment to the compensation payable to Consultant, or to the time for performance of the contract and completion of the Project, or a combination thereof. Amendments to Professional Service Agreements shall utilize the approved format identified by the Office of University Counsel and University Office for Facilities Planning and Programs. All Professional Services Agreement Amendments shall be approved by the Office of University Counsel and the University Office for Facilities Planning and Programs. Prior written approval by appropriate University administrators in accordance with this policy must be obtained prior to the obligation of any additional funds.

IV. Signature Authorization

The following limitations were established by the University of Illinois Board of Trustees and govern signatures required for authorization of University funds. The statement below regarding emergency change orders/contracts refers to “Emergency Purchases” per the Procurement Code Section 20-30 (30 ILCS 500/20-30).

Excerpt from “Revision Of Dollar Limits On Capital Contracts And Other Actions Requiring Specific Board Of Trustees Authorization - Revised 9/2005”

Professional Services Agreement Amendments*

Board of Trustees (via University Office for Facilities Planning and Programs)	Over \$50,000
Comptroller	Up to \$50,000
Associate Vice President for Facilities Planning and Programs	Up to \$30,000

Change Orders (Germane to Contract)*

If overall project budget or scope is NOT affected:

Board of Trustees (via University Office for Facilities Planning and Programs)	Over \$250,000
Comptroller	Up to \$250,000
Associate Vice President for Facilities Planning and Programs	Up to \$150,000
Vice Chancellor for Administrative Services, at UIUC Exec. Dir. Facilities & Services	Up to \$50,000
UIC Executive Director Facilities Management and Capital Programs	Up to \$25,000
UIUC Director of Construction, Facilities & Services	Up to \$25,000
UIS Director of Physical Planning and Operations	Up to \$25,000
Project Manager	Up to \$10,000

Emergency Change Orders/Contracts*

Board of Trustees (via University Office for Facilities Planning and Programs)	Over \$1,000,000
President (thru Comptroller)	Up to \$1,000,000

* After fund availability has been documented.

V. Illinois Public Higher Education Procurement Bulletin Posting

In accordance with the Illinois Procurement Code (Section 15-25(b)), and the Procurement Rules for Higher Education (Section 526.3005) the Higher Education Chief Procurement Officer is responsible for publishing amendments/contract change orders and the respective required information in the Illinois Procurement Bulletin. The University Office for Facilities Planning and Programs will post to the Illinois Public Higher Education Procurement Bulletin website (<http://www.procure.stateuniv.state.il.us>) all amendments/change orders greater than \$50,000, which is commensurate with signature authority levels shown in section IV of this policy and as per agreement with the Procurement Policy Board and the Capital Development Board.

VI. University Office for Business and Financial Services (OBFS) Manual

The University OBFS manual contains statements of policy and directives that guide University business practices, including but not limited to, information relating to the approval of financial documents. It is located at the following URL:

<http://www.obfs.uillinois.edu/manual/>

VII. Flowchart

See attached Visio Flowchart

VIII. Forms –See Exhibit 1 for examples of those forms which can be found in Section 10.H of the Resource Manual section on the UOFPP website at:

<http://www.uofpp.uillinois.edu/manual.htm#10>

Change Order Form (Single)

Emergency Work Authorization/Field Directive Form (Single)

Change Order Form (Multiple)

Emergency Work Authorization/Field Directive Form (Multiple)

Amendment

Contact the University Office for Facilities Planning and Programs

Any questions regarding this policy shall be directed to:

University of Illinois

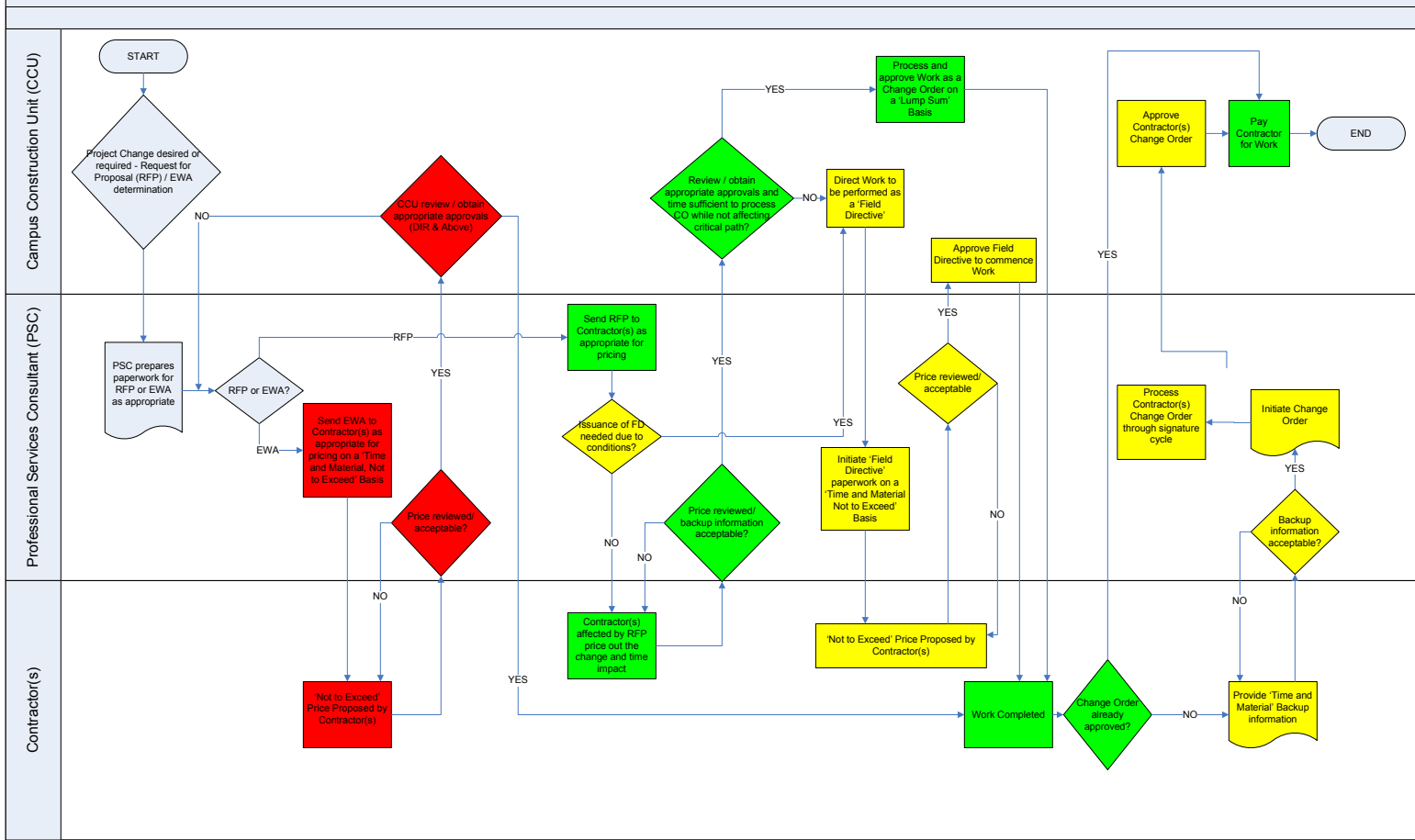
Office for Facilities Planning and Programs

807 South Wright Street, Suite 340

Champaign, Illinois 61820

217-333-5688

Change Order (CO) Policy Workflow [Emergency Work Authorization (EWA) / Field Directive (FD) / Change Order (CO)]



Red = Emergency Work Authorization workflow Yellow = Field Directive workflow Green = Change Order workflow

Exhibit 1 - Page 1

Construction Contract Change Order – Single (SAMPLE)

UNIVERSITY OF ILLINOIS
CONSTRUCTION CONTRACT CHANGE ORDER for
 • Contractor (no assignment)

UI Change Order No. _____
 Change Order Amount _____
 UI Document No. _____
 UI Encumbrance No. _____

Project Name _____
 Contractor _____
 PSC Project No. _____

UI Project No. _____
 Division of Work _____
 Contractor Project No. _____

The above referenced contract is hereby amended to provide for the following described change(s) upon the terms set forth below:

Contractor shall provide: (SCOPE)

Original Calendar Days to Complete the Work		Original Contract Amount	\$	
Increase/(Decrease) in Calendar Days by Previous Change Orders	_____	Total of Previous Change Order(s)	\$	_____
	_____	Increase/(Decrease) by this Change Order	\$	_____
Increase/(Decrease) in Calendar Days by this Change Order	_____			
Current Calendar Days to Complete the Work	=====	Revised Contract Amount	\$	=====
Revised Substantial Completion Date	____/____/____			

As changed hereinabove, the above referenced contract shall continue in full force and effect.

CLASSIFICATION (for UI use only)						BUDGET/SCOPE (for UI use only)	
Client Request	PSC Error		CM Error	Code/Std		Unforeseen Conditions	Does NOT affect project budget and/or scope
Staff Changes/Scope	PSC Omission		CM Omission	Delivery/Schedule		Closeout	Affects project budget and/or scope (see attached documentation)

Chart *	Fund *	Organization *	Account *	Program *	Activity	Location

THE UNDERSIGNED HEREBY CERTIFY THAT THIS CONTRACT CHANGE ORDER IS GERMANE TO THE ORIGINAL CONTRACT AS SIGNED AND THAT THE CIRCUMSTANCES NECESSITATING THIS CONTRACT CHANGE ORDER WERE NOT REASONABLY FORESEEABLE AT THE TIME THE CONTRACT WAS SIGNED. THIS CONTRACT CHANGE ORDER IS IN THE BEST INTEREST OF THE UNIVERSITY OF ILLINOIS AND IS AUTHORIZED BY LAW. (720 ILCS 5/33E-9)

PSC/CM/Contractor Approvals

University of Illinois Approvals

 Contractor Date _____

 Date _____
 Construction Manager (CM) (if applicable)

 Date _____
 Professional Services Consultant (PSC)

 Campus Date _____

 Date _____
 UOFPP (Change Orders \$25,000 or more)

 Date _____
 Board of Trustees of the University of Illinois - Comptroller

 Date _____
 Board of Trustees of the University of Illinois - Secretary

If this change is \$250,000 or more, the following additional University of Illinois signatures are required:

 Date _____
 B. Joseph White, President

 Date _____
 Thomas R. Bearrows, University Counsel

Distribution: ORIGINAL: Accounting COPY: Contractor, PSC, CM (if applicable), Project File ALL revisions to this format are to be coordinated with UOFPP

Form approved by Legal Counsel - UOFPP&P 01/07

Exhibit 1 – Page 2
EWA/FD – Single (SAMPLE)

DATE

PROJECT TITLE

EMERGENCY WORK AUTHORIZATION (EWA) (No. _____)

FIELD DIRECTIVE (FD) (REFERENCE RFP # _____)

Reason for Urgency

Description of Problem:

Action to be Taken:

Total “Not to Exceed” Cost to Complete (Labor, Material, Mark up, etc.):

Minimum information to be included in this section: Costs shall not exceed \$AMOUNT without prior written authorization by the Owner. Work to be invoiced on an hourly basis with daily time records submitted to the Contractor and Professional Services Consultant for approval. Time and Material backup information required for full payment at completion of Work.

Work Completion Required By: _____ **Date** _____.

Remarks:

Recommended by: _____
CONTRACTOR (Name, Firm and Division(s) of Work)

Reviewed by: _____
PSC (scope & estimated cost(s) reviewed)

Reviewed by: _____
CM (scope & estimated cost(s) reviewed)

Reviewed by: _____
PM (scope & estimated cost(s) reviewed)

Approved by: _____
DIRECTOR or above for all EWA's (CCU/UOFPP)
PROJECT MANAGER or above per approval authority
for Field Directives.

pm/sec

c: Professional Services Consultant
Construction Manager (if applicable)
Contractor(s)
Project File

EXHIBIT 1 – PAGE 3

Construction Contract Change Order – Multiple (SAMPLE)

UNIVERSITY OF ILLINOIS

CONSTRUCTION CONTRACT CHANGE ORDER for

- Contractor with Assigned Subcontractor(s) (AS)
- Assigned Subcontractor(s) (AS)

UI Change Order No. _____
 Change Order Amount _____
 UI Document No. _____

Project _____
 Contractor/AS _____

UI Encumbrance No. _____
 UI Project No. _____
 Contractor/AS Project No. _____
 PSC Project No. _____

The above referenced contract is hereby amended to provide for the following described change(s) upon the terms set forth below:

Contractor shall provide: (SCOPE)

Original Calendar Days to Complete the Work _____ Current Calendar Days to Complete the Work _____
 Increase/(Decrease) in Calendar Days by Previous Change Orders _____ Revised Substantial Completion Date _____

Increase/(Decrease) in Calendar Days by this Change Order

	Column A	Column B	Column C	TOTAL A+B+C			
Contractor's Original Base Bid + Accepted Alternate(s)	\$	Total of Previous Change Order(s)	\$	Increase/(Decrease) by this Change Order	\$	Contractor's Revised Base Bid + Accepted Alternate(s) + Change Orders	\$
		Total of Previous Change Order(s) Assignment Fee		TOTAL AS(s) increase(s) by this change order x 0.05		Contractor's Revised Change Order(s) Assignment Fee	
Contractor's SUBTOTAL	\$	\$	\$	\$	\$	\$	\$
Plumbing AS Original Subcontract Sum	\$	Total of Previous Change Order(s)	\$	Increase/(Decrease) by this Change Order	\$	Revised Subcontract Sum	\$
Heating AS Original Subcontract Sum	\$	Total of Previous Change Order(s)	\$	Increase/(Decrease) by this Change Order	\$	Revised Subcontract Sum	\$
Ventilation AS Original Subcontract Sum	\$	Total of Previous Change Order(s)	\$	Increase/(Decrease) by this Change Order	\$	Revised Subcontract Sum	\$
Electrical AS Original Subcontract Sum	\$	Total of Previous Change Order(s)	\$	Increase/(Decrease) by this Change Order	\$	Revised Subcontract Sum	\$
Fire Protection AS Original Subcontract Sum	\$	Total of Previous Change Order(s)	\$	Increase/(Decrease) by this Change Order	\$	Revised Subcontract Sum	\$
AS Original Subcontract Sum	\$	Total of Previous Change Order(s)	\$	Increase/(Decrease) by this Change Order	\$	Revised Subcontract Sum	\$
GRAND TOTAL (Contractor's Original Contract Sum)	\$	GRAND TOTAL of Contractor's Previous Change Order(s)	\$	GRAND TOTAL of Contractor's Increase/(Decrease) by this Change Order	\$	GRAND TOTAL of Contractor's SUBTOTAL + Revised Subcontract Sum(s) ("Contractor's Revised Contract Sum")	\$

As changed hereinabove, the above referenced contract shall continue in full force and effect.

CLASSIFICATION (for UI use only)					BUDGET/SCOPE (for UI use only)		
Client Request	PSC Error	CM Error	Code/Std	Unforeseen Conditions	Does NOT affect project budget and/or scope		
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THE UNDERSIGNED HEREBY CERTIFY THAT THIS CONTRACT CHANGE ORDER IS GERMANE TO THE ORIGINAL CONTRACT AS SIGNED AND THAT THE CIRCUMSTANCES NECESSITATING THIS CONTRACT CHANGE ORDER WERE NOT REASONABLY FORESEEABLE AT THE TIME THE CONTRACT WAS SIGNED. THIS CONTRACT CHANGE ORDER IS IN THE BEST INTEREST OF THE UNIVERSITY OF ILLINOIS AND IS AUTHORIZED BY LAW. (720 ILCS 5/33E-9)

PSC/Contractor Approvals

University of Illinois Approvals

 Date _____
 Assigned Subcontractor (AS)

 Date _____
 Contractor

 Date _____
 Professional Services Consultant (PSC)*
* Approvals only required for Contractor's Change Order

 Date _____
 Campus*

 Date _____
 UOFPP (Change Orders \$25,000 or more)

 Date _____
 Board of Trustees of the University of Illinois – Comptroller*

 Date _____
 Board of Trustees of the University of Illinois – Secretary*

If this change is \$250,000 or more, the following additional University of Illinois signatures are required:

 Date _____
 B. Joseph White, President

 Date _____
 Thomas R. Bearrows, University Counsel

Distribution: ORIGINAL: Accounting COPY: Contractor, PSC, Project File

ALL revisions to this format are to be coordinated with UOFPP

EXHIBIT 1 – Page 4
EWA/FD – Multiple (SAMPLE)

DATE

PROJECT TITLE

EMERGENCY WORK AUTHORIZATION (EWA) (No. _____)

FIELD DIRECTIVE (FD) (REFERENCE RFP # _____)

Reason for Urgency:

Description of Problem:

Action to be Taken:

Total “Not to Exceed” Cost to Complete (Labor, Material, Mark up, etc.):

Minimum information to be included in this section: Costs shall not exceed \$AMOUNT without prior written authorization by the Owner. Work to be invoiced on an hourly basis with daily time records submitted to the Contractor and Professional Services Consultant for approval. Time and Material backup information required for full payment at completion of Work.

Work Completion Required By: _____ Date _____.

Remarks:

Recommended by: _____
CONTRACTOR (Name, Firm and Division(s) of Work)

Reviewed by: _____
PSC (scope & estimated cost(s) reviewed)

Reviewed by: _____
CM (scope & estimated cost(s) reviewed)

Reviewed by: _____
PM (scope & estimated cost(s) reviewed)

Approved by: _____
DIRECTOR or above for all EWA's (CCU/UOFPP)
PROJECT MANAGER or above per approval authority
for Field Directives.

pm/sec

c: Professional Services Consultant
Construction Manager (if applicable)
Contractor(s)
Project File