Working with Change Orders

Additional Quick Reference Guides, training documents, and the Construction and Materials User Guides are available from ODOT.

Key to Action Buttons

- Global Actions menu (top of the screen)
- Component Actions menu (on headings)
- Row Actions menu (on rows)

Background:

- Change orders allow you to legally change a signed contract. The change order process includes creating, approving, and tracking contract changes. Typical circumstances where a change order must be processed include:
  - The quantity of one or more contract items needs to be changed.
  - New items of work need to be added to a contract.
  - A time extension is needed to complete the work on a contract.
  - You need to set final quantities for a contract.
- You can include more than one of these functions in a change order, except when setting the final status and quantities for contract items.

Role(s): Project Manager

Adding a Change Order to a Contract:

1. From the Construction component, click the **Contract Progress** link.
2. Search for and select the contract ID.
3. Click the **Contract ID** link.
4. Click the **Change Orders** tab.
5. Click the **Add** button.
6. In the **Change Order Date** field, enter the date of the change order.
7. In the **Description** field, enter a description for the change order.

8. In the **Change Order Type** field, click the drop-down arrow and select the classification for the change order.
9. In the **Author** field, this will default to the user that is currently creating the Change order. If this needs to be changed then search for and select the User ID for the alternate person.
10. In the **Reason** field, click the drop-down arrow and select the value that indicates the general reason for the change order.
11. Click the **Unilateral** check box if the change order can be processed without approval from the prime contractor.
12. Click the **Save** button.
    i. **Note:** You can also add a Change Order to a Contract by clicking the **Change Order** link from the Construction component. Next, click the component **Actions** menu and choose the **Select Contract to Add Change Order** action. Then, search for and select the contract ID, and click the **Create Change Order on Contract** button.

Viewing and Modifying a Change Order:

1. From the Construction component, click the **Contract Progress** link.
2. Search for and select the contract ID.
3. Click the **Contract ID** link.
4. Click the **Change Orders** tab.
5. Click the **CO Num** link for the Change Order you need to view.
6. From the Contract Change Order Summary, on the **General** tab, scroll down to the **Change Order Explanations** section.
    i. **Note:** This section is where the overall justification for the Change Order should be documented. If an Order is entered then either the **Standard Explanation Name** or **Additional Explanation** is required. Likewise, if either the **Standard Explanation Name** or **Additional Explanation** is entered, then the **Order** field is required.
7. In the **Order** field, type the value.
8. Enter either the **Standard Explanation Name** or **Additional Explanation** for the Change Order.
9. Click the **Save** button.

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Increase/Decrease Items on a Change Order:

1. From the Contract Change Order Summary component, click the **Increase/Decrease Items** tab.
2. In the **Increase/Decrease Items** section, click the **Select Items** button.
3. Search for and select the desired item(s).
4. Click the **Add to Change Order** button.
5. Click the **Expand/Collapse arrow** for the row.
6. In the **Quantity** field, enter the change to the approved quantity for the contract project item.
    i. **Note:** If decreasing the value, ensure to put a minus sign (**–**) before the quantity.
7. In the **Change Order Increase/Decrease Items Explanations** section, in the **Order** field, type the value.
8. Enter either the **Standard Explanation Name** or **Additional Explanation.**
    i. **Note:** If additional Change Order Explanations are needed, multiple lines can be utilized.
9. Click the **Save** button.

Balancing Items on a Change Order:

- **Note:** The **Balancing Items** section allows you to quickly balance (+ or – item quantities) completed items so they have a zero balance. This is typically done towards the end of a contract. However, this can be done at any time after an Item is marked complete and can be done multiple times.

1. From the Contract Change Order Summary component, click the **Increase/Decrease Items** tab.
2. In the **Balancing Items** section, click the **Balance Completed Items** button.
    i. **Note:** The system will list all the non-lump sum items on the contract that have been marked complete in the Contract Items section.
3. Search for and select the item(s) to balance.
4. Click the **Balance Completed Items** button.

i. **Note:** In the **Change Quantity** field, the system will automatically increase or decrease the **Quantity** to make the completed item be zero.

ii. **Note:** If an **Order** is entered, a **Standard Explanation Name** or **Additional Explanation** is required, and vice versa. The system will automatically add in the first Explanation with the **Additional Explanation** of **Completed Item Balanced**.

5. Click the **Save** button.

New Items on a Change Order:

1. From the Contract Change Order Summary component, click the **New Items** tab.
2. In the **New Items** section, click the **Select New Item** button.
3. In the **Reference Item** field, search for and select the item to add to the change order.
4. Click the row for the project/category to which the item will be added.
5. Click the **Add to Change Order** button.
6. In the **Project Item Line Number** field, verify or modify the project item line number. The system will populate this with the next incremental Project Item Number.
7. In the **Contract item Line Number** field, verify or modify the contact item line number. The system will populate this with the next incremental Contract Item Number.
8. In the **Quantity** field, enter the number of units of the item that are required.
9. Click the **Fund Information** button to view fund information associated with all Fund Packages on the Contract.
10. In the **Funding** field, click the drop-down arrow and select the identification name or number for the fund package.
11. In the **Unit Price** field, enter the unit price for the item at the contract project level.
12. In the **Change Order New Items Explanations** section, in the **Order** field, type the value.
13. Enter either the **Standard Explanation Name** or **Additional Explanation**.
14. Click the **Save** button.

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Time Adjustments on a Change Order:

1. From the Contract Change Order Summary component, click the **Time Adjustments** tab.
2. Click the **Select Contract Time** button.
3. Click on the desired Contract Site Times to adjust the Time Units.
4. Click on the **Add Time Adjustments to Change Order** button.
5. In the **Adjusted Time Units** field, enter the number of Time Units that you need to adjust on this Change Order.
   i. **Note:** To reduce time, you must enter in a minus sign (**–**) before the number. For example, −2 will remove 2 Time Units from this Contract Site Time.
6. In the **Time Adjustment Explanations** section, in the **Order** field, type the value.
7. Enter either the **Standard Explanation Name** or **Additional Explanation.**
   i. **Note:** If additional Change Order Explanations are needed, multiple lines can be utilized.
8. Click the **Save** button.

Review Tracking on a Change Order:

- **Note:** Review Tracking allows the ability to select specific people to get notified and review the Change Order prior to it being submitted for Approval. When a Reviewer is selected the Change Order will be locked and the Status will change to Pending Review. The selected Reviewer will get an email notification that they have a Change Order to review. Once they have reviewed the Change Order, they will have the ability to either Approve the Change Order or to Reject it.

  - If all selected Reviewers select Approve, then once the last Reviewer selects Approve the Change Order will automatically go from Pending Review to Pending Approve and then be in the Approval cycle.

1. From the Contract Change Order Summary component, click the **Review Tracking** tab.
2. Click the **Select Reviewers** button.
3. Locate the name of the individual(s) that you want to review the Change Order.

4. Click the **Save** button.
   i. **Note:** The **Status** now reads Pending Review. At any time, the Change Order can be placed back into a Draft **Status** by clicking the component **Actions** menu and selecting the **Change to Draft** task.
5. View the Decisions for each Reviewer.
   i. **Note:** The possible Decisions and their meanings are listed below:
      - **Closed** – The Change Order was put back into Draft status prior to the Reviewer having a chance to review it.
      - **Cancelled** – Someone has canceled the ability for the selected individual to review the Change Order.
      - **Approved** – The Reviewer has recommended that the Change Order be Approved and Comments will be required.
      - **Rejected** – The Reviewer has recommended that the Change Order be Rejected and Comments will be required.
   ii. **Note:** Once someone is selected as a Reviewer, they cannot ever be deleted. A Reviewer can be canceled but can never be deleted.
   iii. **Note:** Each time a Reviewer is selected and the Change Order is put back into Draft Status, the system will keep track of the number of Rounds. In the **Rounds** field, you can click the drop-down arrow to change the filter from **Latest Only**, which only displays the most recent round, to **No Filter**. This selection will display all Reviewers.
6. To view more information on the Reviewer's record, such as what their comments were, click on the desired row to expand it.
   i. **Note:** If all reviewers recommend approval, then the Change Order will automatically be submitted for approval.

Approval Tracking on a Change Order:

- **Note:** Approval Tracking will show what Approval Groups will be needed to Approve the Change Order once it is Submitted for Approval. The system will calculate and populate what groups are needed for approval when the Change Order is Submitted for Approval. However, at any time you can come to this tab to assign the default approval groups.

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1. From the Contract Change Order Summary component, click the **Approval Tracking** tab.
2. Click the list **Actions** menu (the arrow under the search box) and select **Assign Default Approval Groups.**
   i. **Note:** The system populates the groups that are necessary to approve this Change Order. Also, like the **Review Tracking** tab, the system will automatically keep track of the number of times this Change Order has been Submitted for Approval and then changed back to Draft Status.

Change Order Item Explanations on a Change Order:

- **Note:** The **Change Order Item Explanations** tab allows you to create an Item Explanation and then associate it to either New Items on the Change Order, or any Items that are listed on the **Increase / Decrease** tab. This can be useful when multiple items need to have the same Explanation listed.

1. From the Contract Change Order Summary component, click the **Change Order Item Explanations** tab.
2. Click the **New** button.
3. In the **Order** field, type the value.
4. Enter either the **Standard Explanation Name** or **Additional Explanation.**
5. Click the **Save** button.
6. To associate the items to this Explanation, click on the row **Actions** menu and select **Associate Change Order Items.**
   i. **Note:** All the **New Items** and the items selected on the **Increase/Decrease** tab will appear.
7. To select an item, click on the desired row.
   i. **Note:** Multiple items can be selected.
8. Click the **Add to Change Order Item Explanation** button.
   i. **Note:** When you return to the **New Items** or **Increase/Decrease Items** tab, the Explanation that was just entered will display there.
   ii. **Note:** The **Synched** indicator for the newly added Explanation is set to **Yes.** This indicates that the Explanation was added via the **Change Order Item Explanations** tab.

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Submitting a Change Order for Approval:

1. From the Contract Change Order Summary component, click the component **Actions** menu.
2. Select the **Submit for Approval** task.

Approving / Rejecting Change Orders:

- **Note:** Once the Change Order has been submitted for approval, the appropriate people will be notified to review the Change Order. Reviewers will then take the following steps to approve or reject the Change Order.

1. From the Contract Change Order Summary component, click the component **Actions** menu.
2. Select the **Approve** or **Reject** task, depending on the desired action.
3. In the **Comments** field, type the necessary comments based on the action taken.