

Non-Instructional/Business Operations

SUBJECT: CHANGE ORDERS FOR CAPITAL PROJECTS

The Board of Education recognizes that it is in the nature of construction projects that unanticipated conditions will arise and that those conditions often need to be addressed in a very short time frame. In order to ensure that the District's capital construction projects can progress to completion in a timely, efficient and cost effective manner, it is desirable to delegate the authority to review and approve certain change orders without Board approval. The Board also recognizes its responsibility to the public to be accountable for the expenditure of funds for construction projects.

A change order is a mechanism for handling changes that occur during construction, adding to or deleting from the original scope of work of an executed construction contract, which alters the original contract amount or completion date. A change order, however, may not be used to make substantial changes to the scope of a project. It is the intent of the Board that change orders be kept to a minimum and be reviewed in detail in accordance with the policy prior to approval.

Change Order Procedure

- a) The Construction Manager, Architect or the District Administration may recommend a change order, but have no authority to approve a change order without prior District approval in accordance with the procedure in this policy.
- b) All change order requests must include:
 - 1. Sufficient detail and technical data to denote what is being done,
 - 2. A clear explanation why it is being done,
 - 3. The maximum estimated cost of the change order, and
 - 4. The revised contract total.

Change Order Board

The Board shall establish a Change Order Board (COB) for multi-year capital projects.

- a) The COB shall consist of three individuals nominated by the Board President and approved by the Board of Education, to include one community member of the Board's Audit Committee and two community members from the Facilities Committee.
- b) If a vacancy on the COB cannot be filled by a community member from either the Audit or Facilities Committees, the Board President will appoint a member from the community-at-large who has requisite skills and abilities.
- c) A majority vote will constitute the approval of a change order.

(Continued)

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Operations

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Authority to Approve Change Orders

- a) All changes approved by the Board of Education do not have to be approved by the COB.
- b) The Superintendent of Schools and/or Assistant Superintendent for Business are authorized to approve change orders that are cost neutral, reduce cost as well as up to and including \$25,000.
- c) The Board of Education will appoint a COB to review change orders over \$25,000 before any work is commenced.
- d) All change orders approved by the Superintendent/Assistant Superintendent for Business or COB shall be reported to the Board of Education at its meeting.
- e) When a change order is approved, a purchase order will be created or an original purchase order amended.
- f) All change orders will be reflected in a capital project budget status report.
- g) All approved change orders shall become part of the official record of the project.
- h) All change orders must:
 - 1. Include the SED Project Control Number and the name of the SED Project Manager.
 - 2. Be signed by the Architect/Engineer, the Construction Manager, the Contractor, and one of the following District representatives: Board President, Superintendent of Schools, and Assistant Superintendent for Business.
 - 3. Include all information provided in the change order request.
 - 4. And be maintained in a standard format.

The Board of Education reserves the right to increase the limits set forth in this policy for future construction projects by policy amendment or by resolution.