

Additional Work vs Change In the Work, Change Orders

Capital Program Delivery Branch

Recent Audit

- Recent audit found that the incorrect change order category is being selected in the Change Initiation process.
- Contract Administrator needs to ensure the proper change order type is selected when considering issuing a change order.
- Change Order Administration needs to comply to contract administration requirements
- Information is used to review expenditures and track trends

Update

- Requirement to obtain approval for Additional Work beyond typical Delegated Authority

Contract Language & Guidelines

GC 1.07 Definitions

Additional Work means work not provided for in the Contract and not considered by the Contract Administrator to be essential to the satisfactory completion of the Contract within its intended scope.

Change in the Work means the deletion, extension, increase, decrease, or alteration of lines, grades, dimensions, quantities, methods, drawings, changes in the character of the work to be done, or Materials of the Work or part thereof, within the intended scope of the Contract.

CMS – Change Management App

The screenshot shows the 'Initiation' form for a new change order. The 'Change Order Type' dropdown is highlighted with a red box. Below it, the 'Description of Work' field is also highlighted with a red box. The 'Basis of Payment' section has several radio button options. The 'References' section has a table with columns for TYPE, DESCRIPTION, CONTRIBUTOR, and DATE.

Number	Subject	Status	Basis of Payment
CI0060	LS Price Change Test	Open	(B) revision in tender prices / qty.
CI0059	T&M Cancelled TMSP Test	Closed	(D) time and material basis as per the MTO General Conditions of Co
CI0058	statement to the contractor test	Open	(C) by negotiated Lump Sum payment.
CI0057	T&M Test	Closed	(D) time and material basis as per the MTO General Conditions of Co
CI0056	test	Closed	(C) by negotiated Lump Sum payment.
CI0055	test	Open	(C) by negotiated Lump Sum payment.
CI0054	attachment test	Open	(C) by negotiated Lump Sum payment.
CI0053	North Bay Training 2	Closed	(D) time and material basis as per the MTO General Conditions of Co
CI0052	North Bay Training	Closed	(D) time and material basis as per the MTO General Conditions of Co
CI0051	Submit to Contractor	Closed	(D) time and material basis as per the MTO General Conditions of Co
CI0050	Kingston Training	Closed	(D) time and material basis as per the MTO General Conditions of Co
CI0049	portable form statement to the contractor test	Closed	(C) by negotiated Lump Sum payment.
CI0048	Statement Test	Closed	(C) by negotiated Lump Sum payment.
CI0047	T&M Test	Closed	(D) time and material basis as per the MTO General Conditions of Co
CI0046	Change Order Example	Closed	(C) by negotiated Lump Sum payment.
CI0045	Activity Code Auto-Populate Test	Open	(C) by negotiated Lump Sum payment.
CI0044	Guiderail Repairs at 14+584 Rt	Closed	(D) time and material basis as per the MTO General Conditions of Co
CI0043	testst	Closed	(C) by negotiated Lump Sum payment.
CI0042	The title of this change order	Closed	(A) by variation in tender quantities, (C) by negotiated Lump Sum pay

This screenshot shows the same 'Initiation' form, but the 'Change Order Type' dropdown is now set to 'Change in Work'. The 'Description of Work' field is also highlighted with a red box. The 'Basis of Payment' section has several radio button options. The 'References' section has a table with columns for TYPE, DESCRIPTION, CONTRIBUTOR, DATE, SIZE, MARKUP?, INCLUDE ON SEND, and INCLUDE MARKUP ON SEND.

Number	Subject	Status	Basis of Payment
CI0060	LS Price Change Test	Open	(B) revision in tender prices / qty.
CI0059	T&M Cancelled TMSP Test	Closed	(D) time and material basis as per the MTO General Conditions of Co
CI0058	statement to the contractor test	Open	(C) by negotiated Lump Sum payment.
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CI0043	testst	Closed	(C) by negotiated Lump Sum payment.
CI0042	The title of this change order	Closed	(A) by variation in tender quantities, (C) by negotiated Lump Sum pay

Additional Work Approvals

- Approval differs from a *Change in the Work* change order
- Procurement approval is required prior to initiating a change order in CMS.
- Delegation of Authority differs than a typical a “change in the work” change order.
 - First level of approval is Manager of Construction (\$99,999)
- Once the procurement approval is received, the Additional Work change order can be issued if agreement can be reached.

Additional Work Approvals

GC 3.10.02 Additional Work

.01 The Owner or Contract Administrator, where so authorized, may request the Contractor to perform Additional Work without invalidating the Contract. If the Contractor agrees to perform Additional Work, the Contractor shall proceed with such work upon receipt of a Change Order establishing the basis of payment, the price, and the adjustment of Contract Time.

Approving the actual Change Order in CMS

- Typical Delegation of Authority levels can be followed to approve the change order once issued.
- Procurement approval documents must be attached to the Change Initiation app for reference and justification.
 - Procurement approval documents should not be shared with the contractor.

Reference Documents

Change Order Manual

5.5 – The Basis of Payment for a Change Order

The T&M basis of payment is not considered appropriate for use for Additional Work. Since the Work is not essential to the main scope of the Contract, a firm price should be established before agreement to complete the Additional Work.

7.2 – How to Issue a Change Order

If the Change Order is for a Change in the Work, it needs to be signed and dated by the CA on the day of issuing it to the Contractor. Additional Work Change Orders are issued without a signature and they are re-issued later with signatures.

7.3 – When a Change Order Should be Re-issued

Also, for an Additional Work Change Order, the Change Order will need to be signed, dated and re-issued once agreement on a price has been reached. The Change Order for Additional Work contains an area for the date on which the price for the Work was agreed to. (See Section 9 for more information on agreeing to a price for the Work.)

9.2 – How to Agree on a Price

For an Additional Work Change Order, the Change Order is re-issued with the CA's signature to authorize the Additional Work to be done, and the Price Agreement is issued to authorize payment of invoices for the Additional Work. The Contractor's signature on the Change Order and Price Agreement must be received at the same time; this confirms agreement to proceed with the Additional Work at the agreed price.

Appendix B - Change Order Workflow Diagram (Additional Work)

QUESTIONS

Capital Program Delivery Branch