



CHIEF PROCUREMENT OFFICE

Ellen Daley, General Services

MEMORANDUM

To: Agency Procurement Staff
State Purchasing Officers
Central Management Services Bureau of Strategic Sourcing

From: Ellen H. Daley 

CC: Procurement Compliance Monitors
Procurement Policy Board

Date: 12/22/2016

Subject: Change Orders

The purpose of this CPO Memorandum is to provide guidance for agencies when requesting a change order.

A change order is “a change in a contract term, other than as specifically provided for in the contract, which authorizes or necessitates any increase or decrease in the cost of the contract or the time for completion for procurements subject to the jurisdiction of the chief procurement officers appointed pursuant to Section 10-20.” 30 ILCS 500/1-15.12.

Pursuant to 44 ILL.ADM. CODE 1.2067, change orders that increase or decrease the cost of a contract or an estimated contract by a total of \$10,000 or more, or the time of completion by a total of 30 days or more, must be accompanied by a written determination that either (1) the circumstances said to necessitate the change in performance were not reasonably foreseeable at the time the contract was signed, or (2) the change is germane to the original contract as signed, or (3) the change order is in the best interest of the State. Except in the case of emergency circumstances, a State Purchasing Officer (SPO) shall provide a written determination approving the change order and publish the notice of intent to execute the change order on the Illinois Procurement Bulletin before executing the change order. Agencies may not divide change orders into smaller parts to avoid requirements for written determinations or publication.

When an agency requests approval from the SPO to execute a change order, the agency must provide documentation that the change order is a modification of an existing contract term in the current contract. At a minimum, documentation should include the term being modified and the page location of the affected term in the contract. In situations where the proposed change is not a modification of an existing contract term, the agency may amend the current contract by conducting a sole source or sole economically feasible source procurement.

The following steps should be followed when requesting a change order:

1. Agency provides documentation to support the requested change order.
 - Documentation includes the term being modified and the page location of the affected term in the current contract. It must specify the provision of the contract that permits the requested change.



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- Agency provides the content, preferably in a Word a document using track changes, which modifies the contract via the change order.
 - Agency states which of the following condition(s) justify the change order: (1) the circumstances said to necessitate the change in performance were not reasonably foreseeable at the time the contract was signed, or (2) the change is germane to the original contract as signed, or (3) the change order is in the best interest of the State.
2. If the SPO agrees that the requested change order meets the test for change orders, then the SPO will approve a written determination authorizing the change order and effectively deciding that a new procurement action is not required.
 3. Agency prepares the Notice on the Illinois Procurement Bulletin using the same reference number as used for the contract the Agency seeks to change.
 4. SPO publishes the Notice.
 5. Disclosures and change orders with a cost estimated to exceed \$249,999 are given to the Procurement Policy Board (PPB) via the 30-day waiver request process. The proposed change order is also given to the PPB.
 6. Contract is sent to the vendor and vendor executes.
 7. Agency requests SPO approve the contract.
 8. SPO approves the contract.
 9. Agency executes the contract and includes a fully executed copy of the contract in the procurement file.

Following this guidance will assist in achieving the mission of this office, which is using “cooperation, consistency and compliance combined with customer service to provide the best goods and services in the marketplace at the best price to the State in a timely, efficient, and legal manner.”

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