



INDIANA DEPARTMENT OF TRANSPORTATION

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Eric Holcomb, Governor
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CONSTRUCTION MEMORANDUM 17-08

TO: District Deputy Commissioners
District Construction Directors
District Area Engineers
District Project Management Director
Project Management Director
District LPA Coordinators
Project Engineers/Supervisors
Field Engineers

FROM: John Leckie, Director 
Division of Construction Management and District Support

SUBJECT: Time Adjustment, Major Change Order, and Force Account

A FHWA Change Order Review report, dated December 1, 2015, discovered that the explanations for approved change orders did not consistently address a time or reason for using Force Account. Also, several Major Change Orders did not obtain prior approval in accordance with the policy.

The GIFE has been updated to help with the flow of the change order process and documentation.

Time Adjustment. Every change order must address how the extra work impacts contract time. GIFE Section 2.18.1 provides three possible responses that a given change order would have. These responses have been added to SiteManager as templates in the change order explanation tab. The templates can be found by right-click on the "Pick Std Exp. ID or Enter Text Below" and then search or type in the acronym. The acronym and statement for each situation will be listed as shown:

- TA - A contract time adjustment is required for this change and has been addressed herein.*
- TAP - A contract time adjustment is potentially required for this change, but cannot be quantified at this date. Any contract time adjustment required for this change will be addressed by change order at a future date.*
- TAN - A contract time adjustment is not required for this change.*

Major Change Order. Major Change Orders are clearly defined in the GIFE Section 2.19.8: "Major Change Order Prior Approval." After the description of a Major Change, this section instructs, "The PE/S should forward information related to the required Change Order work If

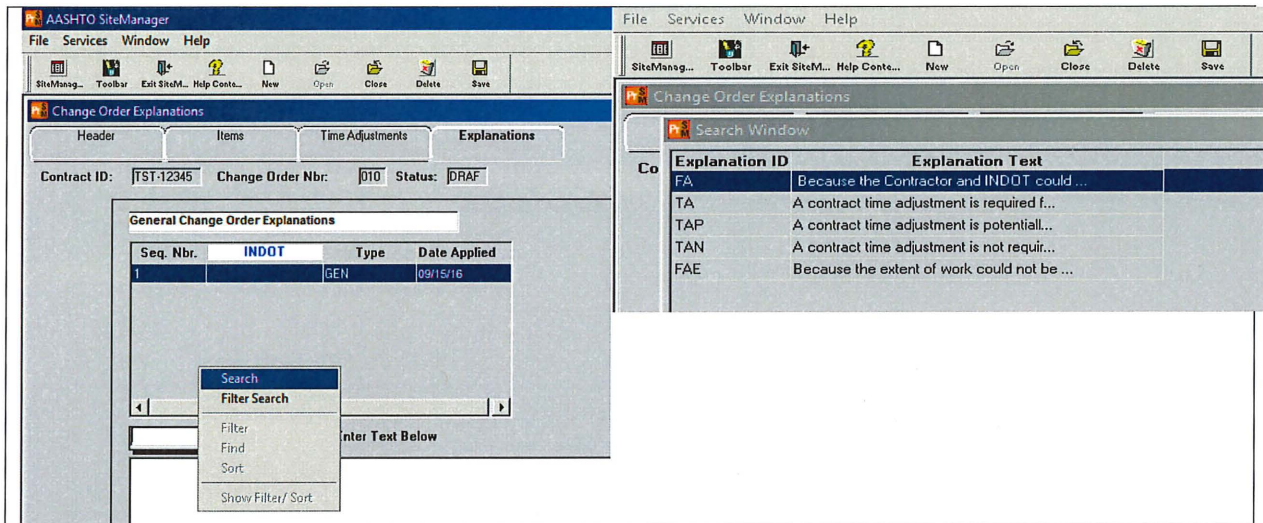
the approval authority is above the AE level, the AE will review the packet prior to sending it to the DCD, and the process will be repeated up the Department approval chain of command until reaching the approval authority. Each individual in the approval chain of command should indicate his or her concurrence with the recommendations until it reaches the final approval authority. This will ensure that everyone who will be involved in the Change Order approval process is informed regarding the situation and supports the recommended solution.”

It is important to remember that FHWA prior approval is required on contracts where there are FHWA oversight and change order approval requirements.

Also, it is important to remember that Prior Approval is required before work can start on changes which are considered Major Changes.

Force Account - All requirements for Force Account are located in the Standard Specifications Section 109.05(b). Any change order that utilizes Force Account to establish a unit price must give a reason. Two templates have been added to the change order explanation tab and accessed the in the same manner as the contract time templates. The acronyms and statements read, “*FA - Because the Contractor and INDOT could not reach an agreement with respect to the price for the work described in this change order, it shall be performed via FORCE ACCOUNT in accordance with 109.05(b)*” and “*FAE – Because the extent of work could not be determined to establish a unit price, it shall be performed via FORCE ACCOUNT in accordance with 109.05(b).*”

Screenshots for the location of the SiteManager Explanation Templates described herein.



Please instruct your staff, particularly field personnel, to review and apply the procedures established in the GIFE.

Any questions should be directed to your Construction Management Field Engineer.

JL/ajp