

## Change Order Q & A

*When are change orders necessary?*

Change orders must be submitted to the KHC Construction Specialist on site any time there is a change in project scope, KHC approved plans or the amount of the Owner/Contractor Agreement is altered by additions or deletions.

*When must change orders be submitted?*

Change orders must be submitted to the KHC Construction Specialist prior to any related construction being completed. Those which are not are subject to immediate denial.

*Are Change Orders necessary for all projects, even those which only involve tax credits and KHC has no funds in the project?*

Yes.

*What documentation is necessary with change orders?*

Change Orders contain three basic components – 1. KHC Routing Sheet 2. AIA G701 executed by all parties 3. Supporting documentation (quotes, cost breakdowns, bids, etc...).

*What is KHC's review process for change orders?*

Once the KHC Construction Specialist reviews your change order for appropriateness to the project scope, necessity and cost, you will be instructed to proceed with work. Change orders are then forwarded to KHC offices. After final approval by the Department of Design and Construction, your change order will be forwarded to Post Closing offices at which time you may draw available project funds directly related to the change order.

*Will I be notified of the status of my change order?*

Notifications are provided by KHC for specifically designated change orders, CO #5 for example. **Due to case volume, change orders cannot be processed immediately. You will be notified of the approval status of your change order at the time of final processing.**

*What are the consequences for failing to properly follow KHC's change order policies?*

KHC funds may not be drawn to pay for change orders which have not been approved or have been denied. Failure to properly follow KHC change order procedures has previously resulted in compliance findings being issued which have negatively affected future capacity of grantees to secure further funds through KHC. Noncompliance has also resulted in unnecessary delays in processing draw requests and release of final retainage funds.

*Where should questions regarding change orders be directed?*

Questions may be either discussed with your respective KHC project Construction Specialist or directed to the Department of Design and Construction directly at 1 (800) 633-8896. Enter extension 420 for Mark Taylor or 457 for David Johnson.