

## **Procurement of Construction:** ***Limitation on Change Orders***

### **Limitation on Change Orders—**

A “change order” is a written alteration in specifications, delivery point, rate of delivery, period of performance, price, quantity, or other provisions of a contract, upon mutual agreement of the parties to the contract.

Under a construction contract, a change order that increases the contract amount may not be made without prior written certification that the change order is within the determined project or contract budget by either the Business Administrator or another administrator who is responsible for monitoring and reporting upon the status of the costs of the total project or contract budget.

A change order which will result in an increase in the total project or contract budget may not be made, unless either:

1. sufficient funds are added to the project contract or budget, or
2. the scope of the project or contract is adjusted to permit the degree of completion feasible within the total project or contract budget as it existed before the change order under consideration.

*Utah Code § 63G-6a-103(4) (2014); § 63G-6a-1207 (2012)*