U.S. Department of Housing and Urban Development
New York State Office
Jacob J. Javits Federal Building
26 Federal Plaza, Room 3200
New York, NY 10278-0068
http://www.hud.gov/local/nyn/

Date: June 20, 2011

From: Paul James, RA
        New York Office

Subject: Change Orders

1. Any work that is a deviation from the contract documents whether an increase or decrease in work, shall not be done without an architect's AIA Document G710- 1992 Architect's Supplemental Instructions and a HUD approved change order.

   The only exceptions are work that is required to maintain the safety of the project or work which is underway which cannot be stopped without affecting the progress of the job.

   In these cases the work may be performed; however the HUD inspector, and the project architect shall be notified immediately in writing.

2. The Architect's field order shall describe the work to be done and indicate the reason for the change.

   Where changes of design or construction occur, the change order shall include appropriate drawings delineating the work.

   Two copies of the change order are to be submitted.

3. Contractor's proposal is to be supported by an itemized estimate with a breakdown of labor, quantities of materials, and unit prices. Lump sum estimates are generally unacceptable and should be limited can be used where appropriate.

   Where the change involves the work of subcontractors, the contractor's proposal must provide the subcontractor's breakdown on the subcontractor's letterhead.

4. Any work which is a subject of a change order shall not be covered, backfilled, etc., before the work has been inspected by HUD and the architect. Change orders for work that has been concealed will not be accepted.

5. Change orders can include General Requirements, General Overhead, and profit at the same percentage rate as used in firm commitment processing.

6. Round off change order amount to nearest dollar.
   All change orders must have been submitted to HUD and all processing completed before any reduction of retainage can be considered

9