



Ohio Administrative Code Rule 164-1-34 Contingency line items and change orders.

Effective: February 15, 2024

If the project agreement contains a contingency line item, such funds may only be used to fund expenses incurred in change orders.

For an expense in a change order relating to quantity to be eligible for payment or reimbursement, it must be necessary and integral to complete physical scope of the project as described in the project agreement. Change order expenses eligible for funding may be for the reconciliation of estimated quantities to those quantities of work performed, adjustments for contract specified payments or deductions, changes in the contract documents or specifications, changes in materials requirements, differing site condition, and revision of a contract completion date. Change order expenses relating to material eligible for funding are changes in material requirements due to unavailability of the specified material, acceptance of a superior material at no additional cost, and acceptance of a non-specification material or a cost savings achieved using a non-specification material incorporated into the work that is performing satisfactorily.

For a change order relating to a change in scope expenses to be eligible for payment or reimbursement, it must be necessary and integral to complete the physical scope of the project as described in the project agreement. Change order expenses associated with a change in scope that are not necessary for the completion of the project specified in the project agreement, are the responsibility of the recipient, unless the district integrating committee has approved such work and the director or administrator has amended the project agreement accordingly. Change order documentation must be submitted with the disbursement request that includes the invoice containing the change order. Documentation supporting the request for funding a change order that includes a change in scope must include a description and explanation for the change order and be signed by the authorized project manager certifying the change order is necessary to complete the project as specified in the physical scope described in the project agreement. Documentation will be reviewed and, at the discretion of the director, approved for payment or reimbursement.