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VILLAGE OF LOMBARD  
DEPARTMENT OF PUBLIC WORKS  
STANDARD OPERATING PROCEDURES



SOP: Change Order Procedures

SOP #: ADM-20

Division(s): Public Works Department

Date: 2/11/2026

Approved:

Revised:

**Purpose:**

A Change Order is an amendment to an approved contract that revises the scope of work in response to alterations or unexpected events throughout the course of work. Change Orders are submitted to the Village and must be agreed upon by all parties involved to modify the work already established under the contract, which can include changing timelines, funding or other elements of the project. When a project expands or elements are upgraded, the details are captured in an additive Change Order. When a project shrinks or elements are downgraded, these changes are noted in a deductive Change Order. This policy defines the process that will be used to review and approve Change Orders for Public Works Department contracts.

**Procedure:**

The processing of Change Orders is governed by Illinois Statutes, Lombard Village Code and Lombard Financial Policies. These governing policies are outlined below:

Chapter 50 - LOCAL GOVERNMENT 50 ILCS 525/ - Public Works Contract Change Order Act (50 ILCS 525/5)

*“Sec. 5. Change orders, bidding. If a change order for any public works contract (i) is entered into by a unit of local government or school district, (ii) is not procured in accordance with the Illinois Procurement Code and the State Finance Act, and (iii) authorizes or necessitates any increase in the contract price that is 50% or more of the original contract price or that authorizes or necessitates any increase in the price of a subcontract under the contract that is 50% or more of the original subcontract price, then the portion of the contract that is covered by the change order must be resubmitted for bidding in the same manner for which the original contract was bid. Bidding for the portion of the contract covered by the change order is subject to any requirements to employ females and minorities on the public works project that existed at the bidding for the original contract, together with any later requirements imposed by law.”*

Chapter 5 Lombard Purchasing Manual – Methods of Payment Processing

*“B. Change Orders To Regular Purchase Orders*

*After a regular purchase order is issued to the vendor, it may become necessary to change it to include additional quantities, shipping costs, etc. When this occurs, the employee who completed the original*

*purchase order shall process a change order. Please note that change orders to original contracts of \$25,000 or more require the prior approval of either the Village Manager or Village Board. For more information, please refer to the financial policy on change orders included in this manual.”*

#### Chapter 6 Lombard Purchasing Manual – Financial Policies

*“ A. Change Order Policy (BOT approved 2/16/95, resolution #58-95;06/07/16, resolution 1-13)*

*State statute requires Village Board approval of all change orders for \$10,000 or more and for all change orders which, when combined with those previously approved, increase or reduce the contract price by more than \$10,000. For projects with change orders exceeding 50% of the original contract amount, the contract must be rebid per state statute. The following financial policy is consistent with this statute.*

*It shall be the responsibility of each Department Head to ensure that all change orders are submitted to the Village Manager or Village Board for approval. In addition, Department Heads shall be responsible for monitoring all contract payouts and retainages and ensuring that the amount of the change order is correct.*

*Where a change order requires the approval of the Public Works Committee or Board of Local Improvements, approval shall be received prior to submitting the change order to the Village Board or Village Manager. Departments shall follow the procedures established by the Public Works Department for submitting change orders to these boards and committees.*

*The procedures outlined below shall not apply to professional service contracts (e.g. engineering, architectural or land surveying work). Changes to professional service contracts shall be treated as contract amendments.”*

The Village shall comply with all applicable policies. Change Orders will be reviewed by Village staff with a recommendation to approve the Change Order to the Village Board of Trustees. Change Orders will not be required to be reviewed or approved by the Public Works and Environmental Concerns Committee (PWECC); however, staff will follow the following procedure relative to the PWECC:

1. Provide a quarterly status update report to the Committee for projects contained in the Village’s annual Capital Improvements Plan. The quarterly report shall include the following information:
  - a. Status of project activity (i.e. design engineering, approvals, letting)
  - b. Financial status of the project
  - c. Any significant changes or amendments to the project scope or design
2. In the event that a project has had a change in scope that will substantially impact the cost of the project or impact the schedule for the project, staff will provide the PWECC an update on the project. This requirement is not intended to delay a project.

