



Republic of the Philippines
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS
OFFICE OF THE SECRETARY
Manila

097.13 DPWH
03-03-2015

MAR 02 2015

DEPARTMENT ORDER)
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NO. 28)
Series of 2015 *03-03-15*

**SUBJECT: SPECIFIC GUIDELINES TO MANAGE AND
CONTROL VARIATION ORDERS FOR
DPWH INFRASTRUCTURE CONTRACTS**


To reduce the incidence and improve the management of Variation Orders (VOs) for infrastructure contracts undertaken by the DPWH, all concerned are hereby directed to observe the following guidelines in relation to the provisions of Annex E (Contract Implementation Guidelines for the Procurement of Infrastructure Projects) of the Implementing Rules and Regulations (IRR) of Republic Act (RA) No. 9184:

- a. Detailed Engineering must be adequately undertaken according to established standards for surveys and designs with a degree of accuracy that will permit estimates of quantities to be within plus or minus five to ten percent (5-10%) of the final quantities.
- b. Before procurement, the Implementing Office (IO) shall ensure that the detailed engineering plans for the contract, especially if prepared more than one year ago, are properly updated to reflect current physical conditions.
- c. Upon the issuance by the DPWH of the Notice to Proceed (NTP) for a contract, the Implementing Office shall provide the contractor an electronic/soft copy of the approved plans for the project to facilitate the preparation by the contractor of as-staked plans. Any disparity between the as-staked plans and the approved plans may serve as the basis for the initial VO.
- d. Pursuant to the provisions of Section 1.1, Annex E of RA 9184-IRR, a deductive VO may be allowed only if it would not significantly impair the functionality of the original design, i.e., it must not reduce the size of the facility by more than ten percent (10%) of the original scope (e.g. shortening of road length) or must not make the facility unsafe (e.g., removal of guard rails) or structurally unstable (e.g., removal of a column) or unusable (e.g., removal of an abutment).
- e. Pursuant to the provisions of Section 1.5, Annex E of RA 9184-IRR, the IO shall see to it that, within seven (7) calendar days after emergency work under a proposed VO has commenced, or within twenty eight (28) calendar days after the circumstances for an extra cost have occurred, the contractor must deliver a notice for the claim of a VO so that the IO may investigate and process the VO if justifiable. Failure by the contractor to deliver such notice on time shall constitute a waiver by the contractor for any claim. The IO shall not allow the contractor to "accumulate" claims for VOs before submitting them to the IO for investigation and processing.
- f. The processing by the IO of VOs from its preparation to approval shall not exceed thirty (30) calendar days.

**D.O. No. 28 Series of 2015: Specific Guidelines to Manage Variation Orders for DPWH
Infrastructure Contracts**

Failure of the concerned DPWH personnel to implement the provisions of this Order shall, after due process, make them liable to the penalties prescribed for violation of reasonable office rules and regulations in Section 52, C(3) of Civil Service Resolution No. 991936 dated August 31, 1999, otherwise known as the Uniform Rules on Administrative Cases in the Civil Service – i.e.: 1st offense – Reprimand; 2nd offense - Suspension for 1-30 days; and 3rd offense – Dismissal.

This Order takes effect immediately.


ROGELIO L. SINGSON
Secretary

Department of Public Works and Highways
Office of the Secretary



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