



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

097.138 PWH
05-16-2017

15 MAY 2017

DEPARTMENT ORDER)
)
NO. 66)
)
Series of 2017)

SUBJECT: Conditions as to When "As-Built" Plan can be Used as Reason for Final Variation Order

05.16.17

It has been observed that there are Implementing Offices in the Department that are processing Final Variation Orders only after the "As-Built" Plan is approved by the concerned DPWH Officials since the said approved "As-Built" Plan is one of the requirements in the processing of Final Variation Order as per D.O. No. 156, Series of 2015. As a consequence, all works under the Final Variation Order are those that were already accomplished and actually incorporated for the completion of the project even without an approved variation order. Implementing Offices simply use the approved "As-Built" Plan as the reason for the approval of Final Variation Order.

Pursuant to Section 3 Annex "E" of the Revised IRR of RA 9184, all works under a variation order of a project should be undertaken only in accordance with the following:

3. CONDITIONS UNDER WHICH CONTRACTORS IS TO START WORK UNDER VARIATION ORDERS AND RECEIVE PAYMENTS

- 3.1. Under no circumstances shall a contractor proceed to commence work under any Change Order or Extra Work Order unless it has been approved by the Head of the Procuring Entity or his duly authorized representative.
- 3.2. However, under any of the following conditions, the procuring entity's representative/Project Engineer may, subject to the availability of funds and within the limits of his delegated authority, allow the immediate start of work under any Change Order or Extra Work Order:
 - i) In the event of an emergency where the prosecution of the work is urgent to avoid detriment to public service, or damage to life and/or property; and/or
 - ii) When time is of the essence;

Provided, however, That such approval is valid on work done up to the point where the cumulative increase in value of work on the project which has not yet been duly fully approved does not exceed five percent (5%) of the adjusted original contract price;

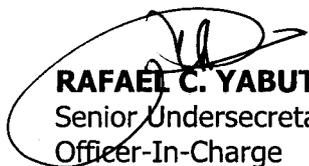
Provided, further, That immediately after the start of work, the corresponding Change Order or Extra Work Order shall be prepared and submitted for approval in accordance with the above rules herein set. Payments for works satisfactorily accomplished on any Change Order or Extra Work Order may be made only after approval of the same by the Head of the Procuring Entity or his duly authorized representative.

Provided, finally, That for a Change Order or Extra Work Order involving a cumulative amount exceeding five percent (5%) of the original contract price, no work thereon may be commenced unless said Change Order or Extra Work Order has been approved by the Head of the Procuring Entity or his duly authorized representative.

In view of the foregoing, all Implementing Offices are hereby directed to observe the conditions as to when the "As-Built" Plan can be made as reason for items of work to be covered by a proposed Final Variation Order, as shown in the table below.

| Conditions for Undertaking Works | Acceptable | Not Acceptable (Requires Prior Approval of Variation Order) |
|---|---|--|
| Works which are Urgent , completed without prior approval of Variation Order and incorporated in the "As-Built" Plan | 1. In the event of emergency when prosecution of work is urgent 2. Time is of the essence The cumulative increase in value of work does not exceed 5% of the adjusted original contract price | The cumulative amount exceeding 5% of the adjusted original contract price |

This order shall take effect immediately.


RAFAEL C. YABUT
 Senior Undersecretary
 Officer-In-Charge

6.1 TCA/AMD/WRO

Department of Public Works and Highways
 Office of the Secretary



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