

Centres of Research Excellence - Guidelines for Contract Variations

Document Management and Control

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I. Application

These guidelines apply to all institutions who either host a Centre of Research Excellence (CoRE) or collaborate with a CoRE.

II. Purpose

These guidelines set out standard guidelines for decisions regarding what form of documentation is required for various types of changes affecting a project.

It is the responsibility of each institution to determine who has the delegated authority to request and/or approve project changes and to establish an appropriate process whereby the necessary internal approvals are obtained, and correspondence documented. The Statement of Work (SoW) should identify the appropriate contact details at each institution for correspondence related to project changes and approvals.

III. Background

Various changes may occur affecting performance of or expectations for a project after the parties execute a contract.

Some deviations from the project outlined in the contract can be expected due to the unpredictable nature of research and do not necessitate a formal contract variation.

Other changes must be subject to formal written agreement between the participating parties and therefore require a formal written contract variation signed by the delegated authority of each party.

[Available Action Types for SoW Change](#) lists the actions available to be taken when there is a change to a project.

[Required Action for Each Type of Project Deviation from the Agreed SoW](#) describes the action required for each type of project change.

[Appendix 1](#) provides a template for documentation of a variation to a SoW.

IV. Available Action Types for SoW Changes

1. The actions available to be taken when there is a change to a project are outlined below.
 - i. **Variation:** means a formal written contract variation signed by the delegated authorities of both parties
 - ii. **Approval:** means the contract/SoW document will not be varied, but approval must be obtained to deviate from the agreed contract. Approval must be requested by

the subcontractor's delegated authority (on behalf of the Principal Investigator) and granted by the Host's delegated authority (on behalf of the CoRE). Both request and approval must be in writing but may be in the form of an email. The correspondence must be kept on record with the contract and will be considered written agreement by both parties for the project to deviate from the agreed SoW.

NOTE: If approval is subject to a change in total funding, then a formal contract variation will be necessary.

- iii. **Notification:** means the initiating party's delegated authority must notify the other party's delegated authority of the change in writing as soon as practicable, which may be in the form of an email, but the change does not require approval or formal signed contract variation.
 - iv. **No action:** the change is permissible within the terms of contract and neither party needs to notify the other.
2. If more than one change is required, all changes should be actioned together where possible, with the required action taking the form dictated by the highest priority action, according to the following order of precedence:

Variation>Approval>Notification>No Action.

V. Required Action for Each Type of Project Deviation from the Agreed SoW

Nature of change	Action Required	Initiating party	Notes
Terms & conditions	Variation	Either	
Financial			
Change in total funding	Variation	Host	
Minor movement of funds between budget categories, less than the greater of 20% of project budget or \$20k	Notification	Subcontractor	NOTE: FTE changes for key personnel require approval and are addressed below Budgets are never 100% accurate and some deviation from budget is expected. The CoRE needs to know what the <i>actual</i> spending was, and this will be reported via financial reporting, including an explanation of any significant deviation from the agreed budget
Major movement of funds between budget categories (when the funding movement exceeds the greater of 20% of project budget or \$20k)	Approval	Subcontractor	
Re-allocation of funds specifically earmarked in SoW to be used only for the stated purpose	Approval	Subcontractor	
Research			
Major change to the scope of work, e.g. the project is changing, being expanded, being cut short etc	Variation	Subcontractor	
Minor changes to scope of work such as modification, addition or removal of individual deliverables	Approval	Subcontractor	
Changes to milestone or deliverable due dates	Notification	Subcontractor	The CoRE needs to be kept informed of any delays or issues with milestone delivery i.e. PI should note if delivery is behind and estimate expected achievement date
Term			
Time-only extension	Approval	Subcontractor	Submission of request and approval via email is sufficient. Email should specify that all milestone due dates are extended long with end date and update any report due dates

Nature of change	Action Required	Initiating party	Notes
Early termination	Variation	Either	May need to agree terms for settling up incomplete funding & work
Personnel			
PI change of employer	Variation	Subcontractor	Variation required to reallocate funds from one organisation to another
Change of contract PI (within subcontractor organisation)	Approval	Subcontractor	Only if there is no corresponding change in total funding. If total funding changes, a Variation is required (see Financial section above)
Change of key personnel (non-PI)	Approval	Subcontractor	
Change of unnamed project personnel	No action	Subcontractor	
Change in FTE of key personnel	Approval	Subcontractor	Assuming funding is reallocated to other personnel or budget items. If change in FTE results in change in total funding, then a Variation will be required (see Financial section above)
Change of, addition or removal of research subcontractors	Approval	Subcontractor	
Change of, addition or removal of CoRE-funded research students	Approval	Subcontractor	Funds may be awarded to support specific students and are non-transferable

Appendix 1 Variation to Statement of Work Template

Variation to Statement of Work – CoRE Name

	Contract ref: Host	Contract ref: Collaborator
Host		
Description		

Collaborating Partner	
Description	

(together the “Parties”)

Background

The Host and the Collaborator are parties to a Statement of Work dated **[insert date]** (**Statement of Work**) which they wish to vary as set out below.

Agreement:

1. The following description of the Activity shall substitute for that in the Statement of Work: **[specify]**.

[And/or]

2. The following End Date shall substitute for that specified in Statement of Work: **[specify]**.

[And/or]

3. The following table shall substitute for the table headed “**[specify]**” in the Statement of Work:

[insert modified table]

[...repeat as required]

4. All other terms and conditions of the Statement of Work remain in full force and effect.

Signatures

Authorised Signatory – Host		Authorised Signatory – Collaborator	
Signature		Signature	
Name		Name	
Title		Title	
Date		Date	