# Creating a Change Order Template

**by Joe Stoddard**

The change order is the one document that small-volume contractors need the most but seem to use the least. This is probably because many small-volume companies tend to take on projects smaller in scope, and the smaller the scope of the projects, the greater the tendency to let certain systems and steps slide. On these types of projects, unenforceable verbal change order agreements get made every day, and when your office tries to bill for them you're out of luck. Here's a simple general-purpose change order that I've created from the Excel 2000 invoice template. It's meant to supplement your office systems by making it possible for you or your lead carpenters to get approval in the field for all those small changes that can add up to big dollars.

## Getting Started

There is no specific change order template in Excel, so I started with one that's similar. Open Excel and on the FILE menu click NEW. Click the Spreadsheet Solutions tab, then double-click the Invoice icon, which will launch the template. You may see an ominous "Macro" dialog box. Macros are necessary for this form, so click "Enable macros" to enable them. Next click FILE, then SAVE AS. If prompted, keep settings on "create new record." Rename the template CHG_ORD. Scroll the "Save as type" field to Template (.xlt), which will automatically add the extension and put the file in the templates folder. Click SAVE and close out of the file.

## Editing the Template

When you click on NEW under the FILE menu, the template files open a document that is a copy of the template, you can't open the template in this way to edit it. Instead, use FILE, then OPEN and drill down to the templates folder (for Windows98, typically C:\program files\Microsoft\templates). On Windows2000 machines, the path to the file can be much longer, and the easiest way to find it is to use the SEARCH or FIND command, which is available from any folder in Windows2000.

When you first open your renamed template, it should look like Figure 1.

To make it easier to edit the template, first turn the cell row and column headers on. Go to TOOLS, then OPTIONS, and check the "Row & column headers" box under the VIEW tab. You'll be editing both tabs of the workbook, starting with "Customize Your Invoice."

***Heading.*** Starting at the top of the "Customize Your Invoice" sheet, combine cells D4, E4, and F4 by clicking with the mouse while holding down the SHIFT key, and then click the MERGE CELLS icon on the formatting toolbar (or click CELLS on the FORMAT menu, go to the "Alignment" tab and select the box "Merge cells.") Now change the cells to read CUSTOMIZE YOUR CHANGE ORDER. Continue down the sheet filling in information and changing cell information as you go. When done, your sheet should look like the one in Figure 2. Here's a summary of the changes:

***Company information block.*** Simply add your company information in the fields.

***Invoice information block.*** Change the field titles by

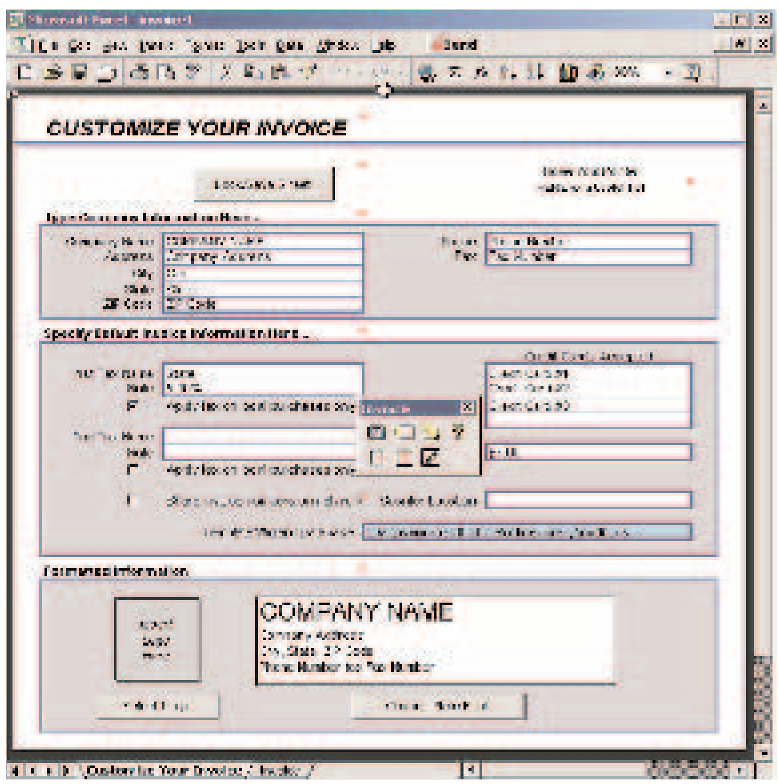
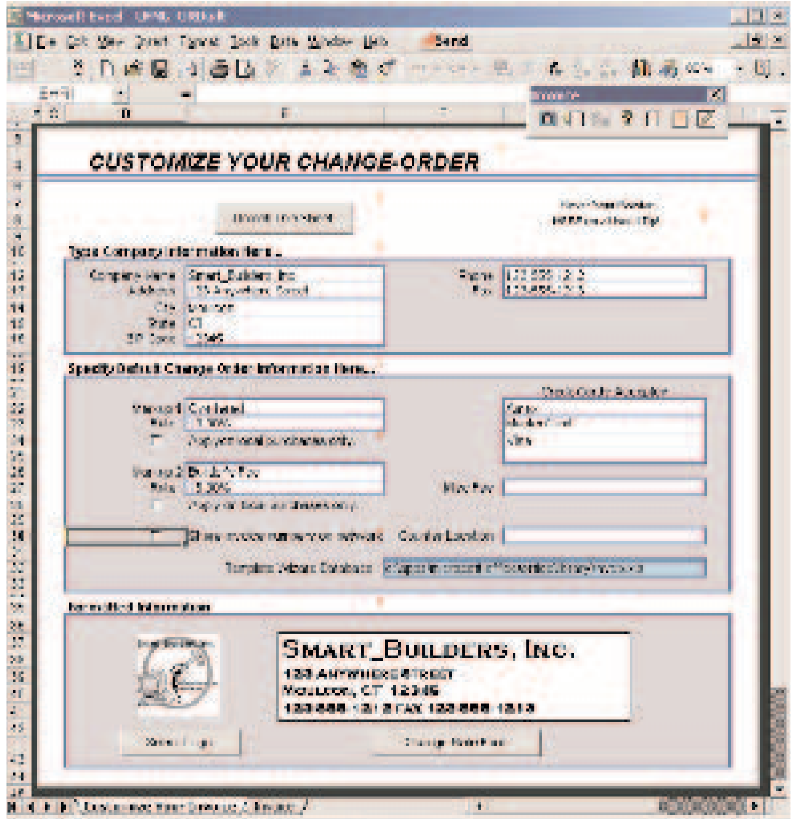



**Figure 1.** The original unmodified template in Excel shows which fields need to be filled in.

**Figure 2.** Once the original invoice template has been changed, you should have a change order template such as this one.

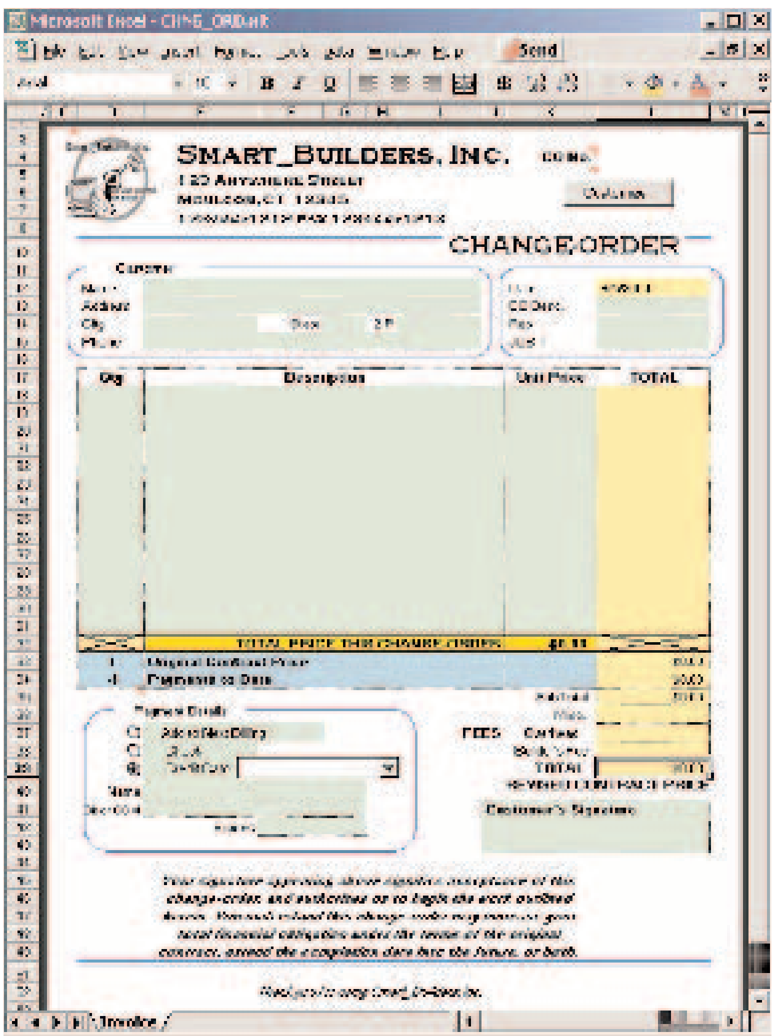



either double-clicking in the cell and typing, or highlighting the cell and typing in the formula bar.

1. Change “Invoice” to “Change Order.”
2. Change the “Tax” fields to read “Overhead” and “Builder’s Fee” respectively with the labels Markup 1 and Markup 2.
3. Change “Shipping and Handling” to “Misc. Fee.”

Be sure to add your percentages and information to the new fields.

***Formatted information.*** The template automatically places your company information into the letterhead at the bottom of the sheet, but you can still add a logo and/or format the plate font style. I chose “Copperplate Gothic Bold” for the font, and added a company logo I created in Paintshop Pro. The logo needs to be roughly 1x1 inch in physical size, and should be some kind of bitmap format — .bmp, .gif, .tif, and .jpg all work.




## Formatting the Main Page

Once you’re done with the “Customize” page, click the “Invoice” tab at the bottom of the sheet and begin formatting the final change-order template. When completed and filled in, your file should look like the one in Figure 3. Here’s a summary of the changes:

***Header.*** First, change “Invoice #” to read “CO #.” Then change the INVOICE text box to read CHANGE-ORDER. I also changed the font to Copperplate Gothic Bold so it would match the company information, and resized the text box containing the company info by right-clicking and dragging the handles to stretch the box.

***Customer info.*** Change the fonts to match the font used for the company information. Next, instead of “Order #” use “CO Desc.” — a brief description of the change order. Then, change “FOB” to “Job #” — this is your internal job number.

***Description area.*** The original automatic math functions are not exactly what you need for a change order, and since the template file is hard-coded using the Visual Basic for Applications scripting language (VBA) and is password-protected by some zealous programmer at Microsoft, it’s a big hassle to change any of it. Luckily, with a little creativity, I was able to make it

*continued on page 3*

**Figure 3.** Now that the template has been customized, specifics can be added in individually to each change order.

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work without getting too far under the hood. The only new formula I added was to cell K32 [=SUM(L18:L31)], which calculates the cost of the particular change order before it's fed into the cells at the bottom of the column. I also added some text to permanently indicate both the original contract price and any payments to date.

## Payment Details

Change "CC#" to "Ck or CC#" and adjust the blue boundary by right-clicking and dragging.

***Totals area.*** Add in the Overhead and Builder's Fee to indicate the markups, and "Revised Contract Price" under the TOTAL.

***Footer.*** The template is set up with a cell for "fine print." I made use of it by adding text that could help eliminate misunderstandings about what happens to a job when changes are added:

"Your signature appearing above signifies acceptance of this change order, and authorizes us to begin the work outlined herein. You understand this change order may increase your total financial obligation under the terms of the original contract, extend the completion date into the future, or both."

Of course, have your lawyer take a look to make sure your notice is binding in the state you work in.

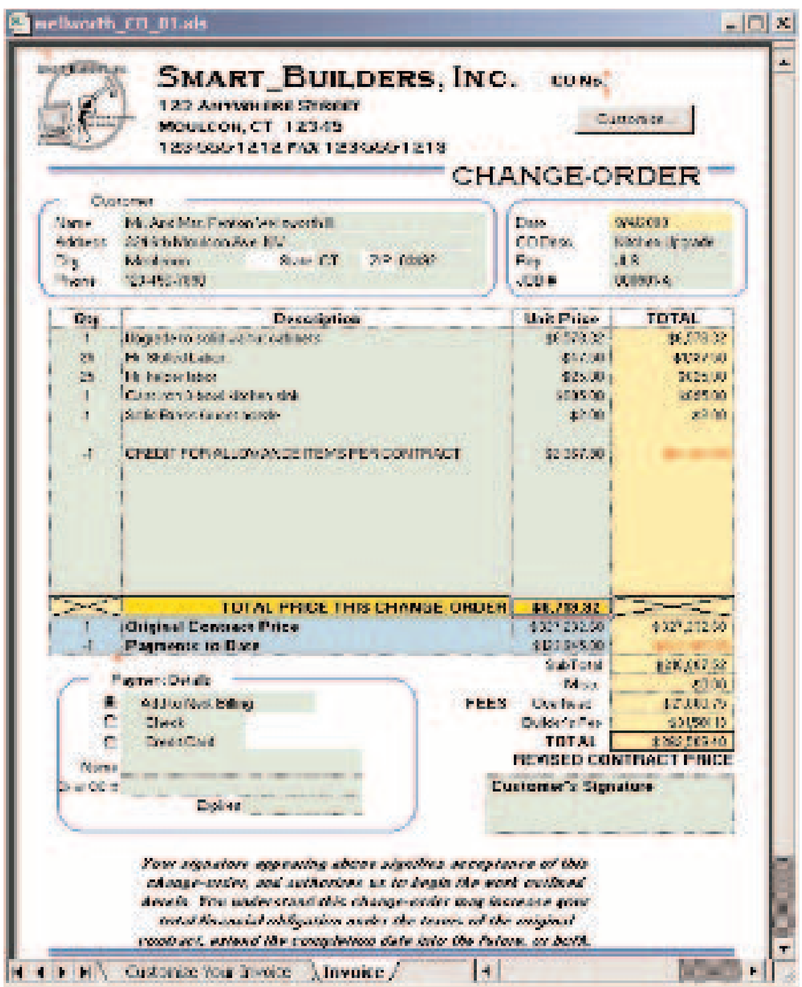


Figure 4. This sample shows how a change order might look once completed and ready to take to the field for a signature.

## Color Coding

I take a lot of ribbing for color coding my spreadsheets, but experience has taught me that anything you can do to eliminate data entry mistakes or omissions is well worth the hassle. For our change order template I decided on a simple color code scheme whereby yellow cells are those which the template automatically calculates, blue are the Original Contract Price and Payments to Date, and green are the data you or your lead man in the field would need to add to the spreadsheet.

## Finishing Up

When you're satisfied with the way the new change order template looks and works, go back to the Customize Your Invoice tab and click the Lock/Save Sheet button at the top of the form.

When saving this time, and the message box pops up asking you what to do with the database record, select "update the existing record," which will save the changes to your original file name and location.

## Using the Change Order Template

To use the change order template, click FILE, then NEW. You'll find the new change order template ready to use in the "General" tab. Just double-click to open, and then "save as" an Excel file (.xls) with the appropriate job name and number. Figure 4 shows a filled-in version of the template.

***Minor quirks.*** There are a couple of minor quirks due to the change order template starting life as an invoice — first, any allowance credit or payment has to be entered with a negative number in the quantity column, and you'll get an alert message complaining about it. Just click YES to continue. Second, the Builder's Fee and Overhead will be a running total for the job, not just the individual change order. You can eliminate them by setting the percentage to "0" on the CUSTOMIZE page, and adding individual markup line-items in the user-entry part of the form.

Minor quirks aside, this change order template should take you a long way to getting paid for all those little "extras" that always end up being an argument at the end of a job.

Don't feel like setting up your change order template from scratch? Log on to http://www.jlconline.com/forums/computers/ and download a *free* copy!

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