



SESSION 2 OF 4

Keeping Control

Scope, Schedule & Budget



WELCOME

Today's Learning Objectives

- 1 Recognize scope creep and when changes require formal approval
- 2 Implement change control that satisfies federal documentation rules
- 3 Create realistic schedules with milestones and contingency
- 4 Track budget vs. actual and know when to request modifications
- 5 Navigate the amendment process when significant changes are needed

SESSION FORMAT

60 min

Instruction

30 min

Q & A

After

Recording available

FOUNDATIONS

The Triple Constraint

Change one, and the others must shift. This is why amendments exist.

SCOPE

What you deliver

TIME

Your deadline

COST

Your budget

TODAY'S FOCUS: Practical tools and processes for monitoring and controlling all three elements throughout your project lifecycle.

PART 1

Scope Management

Preventing scope creep and managing change.

What Is Scope Creep?

The gradual, uncontrolled expansion of scope without matching adjustments to time, cost, or resources.

WARNING SIGNS



"While we're at it, can we also..."



"This small change won't affect the budget..."



"We didn't realize we would need..."



"The contractor said it would be better if..."

WHY IT MATTERS FOR FEDERAL PROJECTS

Unapproved scope changes can result in:



Disallowed costs — Expenses not reimbursed



Funding clawbacks — Return funds already spent



Compliance findings — Audit issues



Project delays — Waiting for approval

The Change Control Process

1

IDENTIFY

Document the proposed change

2

ANALYZE

Impact on scope, cost, schedule

3

DECIDE

Approve, deny, or defer

4

DOCUMENT

Update plans and records

REQUIRES FUNDER APPROVAL

- Budget line-item changes over 10%
- Scope changes from the original award
- Timeline extensions
- Key personnel changes

YOU CAN MANAGE LOCALLY

- Minor budget reallocations under 10%
- Schedule adjustments within the deadline
- Vendor substitutions
- Process improvements

PART 2

Schedule Management

Creating realistic timelines and tracking progress.

Creating Realistic Schedules

SCHEDULE DEVELOPMENT CHECKLIST

- ✓ **List all tasks** — Break work into manageable pieces
- ✓ **Sequence activities** — What must happen first?
- ✓ **Estimate realistically** — Add 20–30% contingency
- ✓ **Account for review/approval time** — Often underestimated
- ✓ **Consider seasonal factors** — Weather, holidays, fiscal years
- ✓ **Identify milestones** — Key decision/completion points

KEY MILESTONES

Environmental review · procurement awarded · construction start · major inspections · substantial completion · final closeout

COMMON MISTAKES

Overly optimistic timelines · forgetting permit lead time · ignoring Oregon weather · missing dependencies · no contingency buffer

Schedule Recovery Techniques

When you're behind, work these in order of preference:

- 1 Reassess Priorities** Defer non-critical-path tasks. Focus resources on must-do items first.
- 2 Fast-Track Activities** Run sequential tasks in parallel. Adds risk but saves time.
- 3 Add Resources** More people or extended hours. Costs more; document budget impact.
- 4 Request Extension** Last resort. Requires an amendment. Request early — before you miss the deadline.

PRO TIP: Communicate early. If you see a delay coming, tell your project officer before it becomes a crisis — they may have solutions you haven't considered.

PART 3

Budget Management

Tracking costs and managing modifications.

Budget vs. Actual Tracking

WHAT TO TRACK MONTHLY

- ▶ **Budget by Line Item** — Original approved amounts
- ▶ **Actual Expenditures** — What you have actually spent
- ▶ **Committed / Encumbered** — Contracts signed, not yet paid
- ▶ **Variance** — Difference (over / under budget)
- ▶ **Forecast to Complete** — Projected final cost

Healthy Variance

Within 10% of budget line items. On track — no action needed.

Watch Variance

10–15% variance. Monitor closely. Consider reallocation.

Action Required

Over 15% variance likely requires a budget amendment. Contact your project officer.

Managing Budget Modifications

INTERNAL REALLOCATIONS

Usually OK without approval:

- Moving funds between line items under 10%
- Reallocating within the same cost category
- Using contingency for its intended purpose

Document all reallocations in your records.

FORMAL AMENDMENTS REQUIRED

Always need funder approval:

- Line-item changes exceeding 10%
- Adding new budget categories
- Changing the total award amount
- Moving funds to/from personnel

*Submit the amendment **BEFORE** spending.*

COST ALLOCATION PRINCIPLES (2 CFR 200)

Allowable permitted under award terms
pay it

Allocable benefits the funded project

Reasonable a prudent person would

INTERACTIVE ACTIVITY

Control Challenge: What Would You Do?

SCENARIO: Your water system project hits unexpected rock during excavation. The contractor says it adds \$15,000 and 3 weeks. Your original budget was \$150,000 with a fixed deadline.

1 Step 1: What element is affected? (Scope, Time, Cost)

2 Step 2: Does this require funder approval?

3 Step 3: Share your approach in the chat.

5 minutes discussion

DISCUSSION POINTS

- Is a 10% budget increase significant?
- What documentation is needed?
- Do you have contingency funds?
- How do you communicate this?

Filing Amendments: When and How

WHEN TO FILE AN AMENDMENT

- Scope changes from the original award
- Budget changes over the 10% threshold
- Project timeline extension needed
- Key personnel changes
- Anything listed in special conditions

AMENDMENT REQUEST CHECKLIST

- ☒ Clear description of the requested change
- ☒ Justification / reason for the change
- ☒ Revised budget (if applicable)
- ☒ Revised schedule (if applicable)
- ☒ Impact on project outcomes

CRITICAL TIMING: Submit amendment requests before incurring costs or missing deadlines. Costs incurred before approval may be disallowed. Request extensions before the deadline passes, not after.

KEY TAKEAWAYS

Three Things to Remember

1

Document Everything

Every change, decision, and variance. If it isn't documented, it didn't happen.

2

Communicate Early

When you see problems coming, tell your project officer. Early conversations prevent crises.

3

Get Approval First

Never spend money or miss deadlines before getting required approvals. Ask, then act.

RESOURCES

Resources & Next Session

FUNDING FOR PROJECT MANAGEMENT SUPPORT

USDA RCDI

Up to \$250K for capacity building. Can fund PM training and TA.

EDA Planning & Technical Assistance

Economic development planning; supports infrastructure project planning.

Business Oregon SPWF

State financing for public infrastructure. Contact your Regional Development Officer.

NEXT SESSION

Session 3: Procurement, Risk & Quality

April 23, 2026 | 10:00–11:30 am

- Federal procurement standards
- Competitive bidding requirements
- Risk identification and response
- Quality assurance essentials

Q&A

30 minutes — drop your questions in chat

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