

# ENGINEERING & CONSTRUCTION RISK INSTITUTE

|   |   |                 |
|---|---|-----------------|
| Document number:<br><b>ECRI-RQ-002 (DESC)</b> | <b>Criteria for Calculation of Risk Event Contingency</b> | Page:<br>1 of 5 |
| Revised<br>1 September 2009                   |   |                 |

**Purpose:** The purpose of this document is to set out the criteria, and determination process, related to the calculation of Risk Event Contingency, and how such a contingency differs from other types of contingency.

**Introduction:** Risk Event Contingency is a necessary component of every budget. It provides a reserve, in terms of money, time and resources to be utilized when events which are uncertain occur during the project life cycle. This document also discusses other types of contingency such as Estimate Accuracy Contingency.

**ECRI Description file – The complete version if this document is located in the Sponsors Resources area of this website and requires a Sponsors Login to access.**

## NOTICE

Subject to the disclaimer in the third and fourth sentences of this Notice, this document and its contents may be downloaded, reproduced, modified and adapted by any Sponsor of the Engineering & Construction Risk Institute, Inc. ("ECRI") for its exclusive use. Other reproduction, dissemination, use or modification of the Web site posting of this document is prohibited without ECRI's prior written agreement. ECRI, a nonprofit corporation incorporated under the laws of the District of Columbia ("ECRI"), and its directors, officers, employees and advisers make no representations or warranties (express, implied or statutory) with respect to the accuracy or completeness of any information disseminated by ECRI or its suitability for any purpose and assume no responsibility for the content of such information or the consequences of using it, which shall be at the sole risk of its user. ECRI web site references to other organizations or individuals or their publications, programs, information or services does not imply any ECRI endorsement of any kind.