

Change Order Approval Level Determination

Change Order approval levels are automatically set by the construction management system. All change orders must be approved at Level 1 (Resident Engineer). If a given change order exceeds the criteria in the chart below, it would also need to be approved at the additional Level(s) shown. The values shown are absolute values. For example; an underrun of \$80,000.00 on a single bid item would push the change order to Level 2. The criteria that requires the highest level approval always prevails over other criteria. The approval level for a change order marked “Combination” is determined by the various independent components of the change order. FHWA always approves change order for full oversight jobs.

Value of Contract:	Less than or Equal to \$500,000.00					Over \$500,000.00					
Type of Change Order	Change Order Amount	OR	Change Order Amount as a % of Contract Bid	OR	Single Bid Item Change Amount	Change Order Amount	OR	Change Order Amount as a % of Contract Bid	OR	Single Bid Item Change Amount	Approval Level
Extra Work	>\$50,000.00	OR	>50%	OR	> \$50,000.00	> \$50,000.00	OR	>25%	OR	> \$50,000.00	2
	>\$100,000.00	OR	>50%	OR	>\$100,000.00	>\$100,000.00	OR	>25%	OR	>\$100,000.00	3
	>\$1,000,000.00	OR	>50%	OR	>\$1,000,000.00	>\$1,000,000.00	OR	>25%	OR	>\$1,000,000.00	4
Final	> \$50,000.00	OR	>50%	OR	>\$50,000.00	> \$50,000.00	OR	>25%	OR	> \$50,000.00	2
Quantities	>\$100,000.00	OR	>50%	OR	>\$100,000.00	>\$100,000.00	OR	>25%	OR	>\$100,000.00	3
	>\$1,000,000.00	OR	>50%	OR	>\$1,000,000.00	>\$1,000,000.00	OR	>25%	OR	>\$1,000,000.00	4
Time	Always		Goes		Up	Always		Goes		Up	2
Extension	Always		Goes		Up	Always		Goes		Up	3
	Over		999		Days	Over		999		Days	4
Overrun/	>\$50,000.00	OR	>50%	OR	> \$50,000.00	> \$50,000.00	OR	>25%	OR	> \$50,000.00	2
Underrun	>\$100,000.00	OR	>50%	OR	>\$100,000.00	>\$100,000.00	OR	>25%	OR	>\$100,000.00	3
	>\$1,000,000.00	OR	>50%	OR	>\$1,000,000.00	>\$1,000,000.00	OR	>25%	OR	>\$1,000,000.00	4
Value	Always		Goes		Up	Always		Goes		Up	2
Engineering	Always		Goes		Up	Always		Goes		Up	3

Note: The Resident Engineer is the highest level approver on a “zero dollar” change order, which is defined as covering the direct substitution of a particular line item with a contingent item, not generating an additional cost or cost reduction.