**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 (that is, either a positive or negative number may trigger the rule). 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 approval is required for Level 2, 3 and 4 change orders for oversight projects.

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **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.