



1.4 EARLY AUTHORIZATION OF PROJECT ID

1.4.1 Allowable Expenses Prior to Approval of Transportation Project Plat (TPP)

A Real Estate project ID can be authorized prior to regional approval of the Transportation Project Plat (TPP) charging pre-acquisition expenses, such as: delivery costs associated with the preparation, review of appraisals and early Real Estate related contracts. Such early charging authorization should result in a more accurate collection and measurement of Real Estate project costs. TPP preparation and title work will continue to be charged to Design. Please refer to the Modal Division Charging Policy for further direction regarding appropriate charging to the Design and Real Estate functions. See current charging policy information. It is important to note that early charging authorization only applies to pre-acquisition costs that are defined as "all costs except those associated with account code 8700161-Purchase of Highway Real Estate. Account code 8700161 identifies the actual purchase cost of land, its damages, taxes, insurance, etc. (not contractual services)." Regional Real Estate and Planning sections must work closely in coordinating early authorization requests. The process for early Real Estate project authorization is as outlined below:

1. Region will electronically request authorization of project via Financial Integrated Improvement Programming System (FIIPS).
2. Bureau of State Highway Programs (BSHP) receives request, checks data in FIIPS, approves request, and electronically forwards it to Bureau of Business Services (BBS).
3. BBS authorizes project for charging of pre-acquisition expenses.

1.4.2 Additional Requirements if Federal Funds in R/W

According to federal rule as summarized in the FHWA Right of Way Project Development Guide, "No federal-aid participation in a real estate project is allowed until formal project authorization is given by the FHWA. Any part of a project may be authorized individually within its proper sequence according to procedures mutually agreed upon by the state and FHWA. Parts of a project which sometimes require an individual authorization may be those activities necessary for the completion of the environmental impact statement or analysis, public hearings, preliminary right of way activities (titles, plans, appraisals) up to but not including negotiations." Therefore, if WisDOT wants federal participation in early/pre-acquisition costs for individual parts of a project as outlined in this section, we must first receive FHWA authorization. The letter of request that accompanies the FHWA-37 form should explain that the authorization is only for pre-acquisition expenses and when the Relocation Order is approved, a second authorization will be submitted for actual acquisition of right of way costs using account code 8700161. Regarding FHWA participation in the acquisition costs of right of way (the negotiation stage), it states: "There is a stipulation that acquisition of right of way may only commence after acquisition and relocation assurances have been submitted and the necessary environmental clearances have been met." For the department to ensure federal participation in these acquisition costs, an authorization request must also be submitted to FHWA when the Relocation Order has been approved. Also see Section 1.3 of this manual.