



7.0 MAKING PAYMENT REQUESTS

7.0.1 Overview

The DTSD, Bureau of Technical Services - Real Estate/Finance (BTS-RE/Finance) central bureau (Madison) office, is responsible for managing the real estate right of way expenditure program. With delegated authority as part of the process to approve real estate right of way transactions for payments, BTS-RE/Finance is an integral to the payment request process. BTS-RE/Finance is responsible for reviewing (auditing) each request for disbursement, and has final authority for payment request decisions. They will respond directly to questions from the regions to help resolve real estate right of way payment issues. Prior to approving any payment request, BTS-RE/Finance must audit each request, reviewing it for the basic required steps, and confirm that appropriate and required supporting documentation is included and complete. Payment transactions must be performed according to established policy and procedure, rules of WisDOT, rules of the state of Wisconsin, and federal requirements.

7.0.2 Payment Types

Many different types of payments are made during the process of right of way acquisition. The payment types listed below are found on the READS payment request screen at both the parcel level and the project level. The definitions and examples describe here are typical payment scenarios. Non-typical payment scenarios also occur frequently, and for those cases, the requester is encouraged to contact the payment request auditor in WisDOT's central bureau (Madison) office for assistance.

ACQUISITION: The acquisition payment is the most common type of payment. It is used for the purchase of land (fee simple) by Deed or by Award of Damages (Jurisdictional Offer), Permanent Limited Easement (PLE), Temporary Limited Easement (TLE), Highway Easement (HE), and Access Rights (AR). The check is payable to the property owner and/or other parties of interest.

ADDITIONAL PARCEL COSTS: The additional parcel costs payment type is used to pay a property owner for an item that was missed during the appraisal/nominal valuation process and during negotiations, and is discovered after the acquisition payment has been made. This payment type may not be used if the parcel was acquired by Award of Damages. The check is payable to the property owner, or to the property owner and another party of interest.

INCIDENTALS: This payment type is used to pay for vendors' estimate fees; utility payments; document recording fees (only if not covered under a purchase order); and, for other miscellaneous

fees. The check is payable to the vendor. Several requirements/limitations are associated with the incidental payment type:

- An incidental payment may not exceed \$5000.
- Any vendor receiving an incidental payment from WisDOT must be listed in the STAR Vendor Table; the STAR Vendor Table is accessible through certain payment request screens in READS. If not listed, they must be added prior to requesting payment.
- Incidental payments may not be used to pay contractors for work performed on properties owned by WisDOT (i.e., well/septic work; property survey; lawn care; snow removal). A purchase order must be obtained for these and similar services.

LITIGATION: This payment type is used by the regional litigation coordinators to pay for mediation services and legal settlements resulting from appeals by property owners. The check is payable to the property owner, mediation specialist, or law firm as appropriate.

LOCAL PUBLIC AGENCY (LPA) – COUNTY/LOCAL/STATE: This payment type is used to reimburse a municipality or a county for acquisition costs related to a state/county or a state/municipal project.

OWNERS APPRAISALS: This payment type is used to reimburse a property owner for the cost of obtaining their own appraisal performed by an appraiser of their choice when they are not satisfied with WisDOT's offer to purchase. The check is typically payable to the property owner. However, with written permission from the property owner, the check may be payable to the owner and the appraiser together, or to the appraiser only.

PARTIAL MORTGAGE RELEASE FEES: This payment type is used to pay for a processing fee charged by a bank when WisDOT has requested a partial release of mortgage on a property. The check is payable to the bank unless the property owner has already paid the bank, in which case proof of payment is required and the check may be payable to the property owner.

PROPERTY MANAGEMENT SECURITY DEPOSIT: This payment type is used to refund a security deposit to a property owner when WisDOT has acquired a property but has agreed to lease the property back to the owner as a tenant until the owner/tenant is relocated. The check is payable to the owner/tenant.

REIMBURSEMENT TO PARCEL OWNERS: This is one of the least common payment types. It is used in rare situations where a property owner has paid for something that is determined to be reimbursable by WisDOT. The check is payable to the property owner.

RELOCATION CLAIMS: This payment type is used to reimburse property owners and tenants for their relocation costs when they are displaced by a WisDOT highway project. It is also used to reimburse property owners and tenants for moving only personal property when they are not displaced. The check is typically payable to the owner or tenant. However, under certain circumstances a check may be payable to a different party.

SIGN PAYMENTS: This payment type is used as an acquisition or relocation payment to a sign owner whose sign is affected by a WisDOT highway project. The check is payable to the sign owner.

SITE CLEARANCE PAYMENTS: This payment type is used to pay a utility company for removal of their meters and related equipment from a property acquired by WisDOT that must

be cleared in preparation for new roadway. The check is payable to the utility as requested in their work order/confirmation letter.

TAX PAYMENTS: This payment type is used to pay taxes due on a parcel of land only for the year in which WisDOT acquired the parcel.

The WisDOT Real Estate central bureau (Madison) office is responsible only for approving and managing real estate right of way payments, e.g., acquisition related payments and as associated with the types described in the above typical scenarios. The BTS-RE/Finance section does not work with damage claims; damage claims are processed through the WisDOT Construction Unit. BTS-RE/Finance also does not get involved with traditional purchase order requests, those are handled directly through each regional purchasing office, and may include payments for such things as asbestos inspections, lawn mowing, plumbing winterization, deed recording/filing fees, securing buildings, snow removal, title searches/updates, and well/septic abandonment.

Reference this simple [payment guide by statute](#) for clarification of the differing payment types.

7.0.3 READS Entry

All payment requests must be processed through READS. Regional staff and consultants must enter and complete all right of way payment related information in READS prior to a payment request being generated. Consultants may not sign or approve the Payment Request (RE1630). Consultants also must submit their payment requests via READS e-authorization to be approved by the regional office prior to it coming to BTS-RE/Finance.

Payment requests are processed in the order received. Assuming normal operations and no unusual circumstances, turnaround time is one to two weeks from the time a payment request is submitted to central office until a check is received, depending on overall payment request volume throughout the state. Check processing may be delayed at both the fiscal year changeover (June/July) and the calendar year changeover (December/January).

7.0.4 Payment Request Checklist & Required Documentation

Signature authority and required supporting documentation varies depending on the payment type needed. Reference our [Real Estate Delegation Table](#) to confirm who has delegated authority to sign which documents. As a final step prior to making a payment request, to ensure authority, accuracy, and completeness, take time to review all documents, forms, and all entries in READS prior to submitting the request for payment. The Payment Request Checklist (RE1002) is a valuable tool to help to ensure that all steps have been followed and all supporting documentation for a real estate right of way transaction is complete. Reference the [Payment Request Checklist](#) (RE1002) now to learn what is required for each varying payment type and use it again each time prior to generating a Real Estate Payment Request (DT1630) to help ensure all appropriate project and parcel information and documentation has been entered and is complete in READS, to include all necessary approvals. Regional project/parcel folders should also be reviewed for required documentation and cleaned up prior to making a payment request. Review 7.0.4 Recordkeeping below.

7.0.5 Recordkeeping

Regional offices are responsible for all recordkeeping activities relating to projects in their regions. All final and signed documents must be put in READS. Earlier drafts should be eliminated from READS once we have a final/signed version. Property deeds, plats and other conveyance documents that identify WisDOT property ownership are recorded or filed in the county Registers of Deeds. Do not send paper copies or original recorded documents to BTS-RE (central bureau office). Regions will manage the permanent storage for all original recorded documents. Regional staff will also keep complete project files on-site according to required practices and per WisDOT's RDAs. A copy of WisDOT's complete Records Retention and Disposition Authorization (RDA) and our [Transportation Real Estate Records Schedule](#) (RE-RDA) can be found on our dotnet.

The RE-RDA identifies records used to acquire land parcels during the real estate acquisition process for highway right of way projects. RE records include but are not limited to appraisal, negotiation, condemnation, relocation, property management, and easements. RDAs describe the "official record(s)" as the most complete and up-to-date version of the record, as listed for each series. The RDA also specifies the person or location designated as holder of the "official copy" of records for each records series, and it identifies retention policy for all copies, in all locations, and for all media types. For Real Estate, our most complete and up-to-date versions of project related records will typically be those in READS.

Because recordkeeping responsibilities for most transactions relating to real estate right of way projects are primarily the responsibility of the regions to act as "official" holder, it is the regions' responsibility to maintain all materials and supporting documentation (electronic or paper) relating to a real estate payment request. BTS-RE/Finance can address questions about recordkeeping practices specific to real estate payment processing.

All staff, including consultants, doing the business of and serving as representatives of WisDOT must also be aware of and in compliance of open records policy and law, as well as records management standards, to include WisDOT's approved retention and disposal policy. See REPM/1.2 Open Records.

7.0.6 Missing or Expired Check / Cancelling a Check

Occasionally, a check is lost in the mail, a check must be cancelled, or a property owner doesn't cash a check before it expires (one year from the date on the check). In those cases, please contact BTS-RE/Finance.

Typically, the following rules apply:

If a check has been lost in the mail, or if a property owner doesn't cash a check before the check expires, a duplicate check can be issued with no need for a new READS payment request.

If the dollar amount or a payee name must be changed after a check has already been printed, regardless of the date on the check, the check must be cancelled, and a new payment request must be done.

In May of 2019 BTS-RE/Finance began running a monthly query in PeopleSoft to identify soon-to-expire checks. Based on the query results, BTS-RE/Finance then asks the appropriate region office or consultant to follow up with the property owner to find out if they still have the check or if they've lost track of it and need a duplicate check issued.

For information about expired checks being reported as unclaimed property, and how WisDOT is affected, please request a copy of the memo issued by WisDOT's Office of General Counsel.

7.1 Early Authorization of Real Estate Project ID was moved to REPM Chapter 1, Section 1.4

7.2 Encumbrance and Contract Change Order Process was moved to REPM Chapter 1, Section 1.3



7.3 PROJECTS LESS THAN \$1,000

[Wisconsin Statute 32.05\(1\)\(b\)](#) allows for an exception to the relocation order requirement for certain projects under \$1000. It states, "No relocation order is necessary under par. (a) if the compensation, as estimated by the appraisal under sub. (2)(a) will be less than \$1,000 in the aggregate." Such projects also do not require a standard right of way plat. The acquisition interests can instead be identified on the construction plan. These exceptions apply even with projects that involve parcel condemnations. The process for such projects is as follows:

- Region will assign a unique Real Estate project ID for projects that meet criteria as defined above, as done with typical projects of \$1,000 or more.
- A relocation order is not required to charge 5550 acquisition costs to unique Real Estate project ID assigned to such a project.
- Region will complete and submit a Project Cost Allocation (RE1532) to Bureau of Technical Services-Real Estate (BTS-RE)/Finance to authorize project for encumbrance purposes. Region should make note in 'Project Concepts' box to read, "Project is under \$1,000 in total aggregate and meets criteria of [s. 32.05\(1\)\(b\) Wis. Stats.](#)"
- Only the first Project Cost Allocation form that accompanies original right of way plat will need to be signed by regional Planning and Real Estate. The form will not require signatures for revisions. When funding changes are involved, a Contract Change Order (RE1597) will still require an appropriate signature.
- Regions will identify such projects in READS by specifying "under \$1,000" choice in 'Project Type' field found on first line of Project/Cost Allocation screen.