

**DIVISION OF LOCAL ASSISTANCE
PROJECT IMPLEMENTATION**

HOW TO RE-OBLIGATE FUNDS FOR CLOSED & WITHDRAWN PROJECTS

THREE EXAMPLES:

CASE 1: REOBLIGATING FUNDS FOR CLOSED PROJECTS

DEFINITION:

Project was prematurely closed and the project needs to be re-opened to re-obligate funds for future project activity or for Final Voucher and invoicing purposes.

****Ask FHWA to RE-OPEN PROJECT**

Follow these steps:

1. Local Agency submits an invoice to District,
2. District reviews invoice and submits to LPA after approval,
3. LPA confirms that invoice is ready for payment to District and HQ,
4. District submits the following to HQ Implementation:
 - *A signed Exhibit 3-G*
 - *RFA to re-obligate the funds. This includes submittal of LP2K FL, NO FADS*
 - *A copy of the Invoice*
 - *An explanation letter from Agency (why project became in-active)*
5. HQ Area Engineer will send an e-mail to ***Jerilynn Fogle (Districts 5,6,7,8,9,11,12)*** or ***Shun Huey (Districts 1,2,3,4,10)*** of FHWA asking to re-open the project. Attach a copy of the invoice and a copy of the confirmation from LPA.
6. Once project is re-opened by FHWA, HQ implementation will proceed with an **Informational E-76 de-obligating** the funds to match FMIS balances.
7. HQ implementation can proceed with a new sequence requesting obligation of funds.
8. After FHWA re-authorizes the funds, HQ Implementation sends LP2K FL to LPA
9. LPA will re-encumber the funds and pay the invoice.

CASE 2: REOBLIGATING FUNDS FOR PROJECTS WITHDRAWN BY FHWA

DEFINITION:

Project was unilaterally deobligated by FHWA, has NO expenditures, and balance is zeroed out.

****Ask FHWA for project to be RE-ESTABLISHED**

Follow these steps:

1. Local Agency submits an invoice to District,
2. District reviews invoice and submits to LPA after approval,
3. LPA confirms that invoice is ready for payment to District and HQ,
4. District submits the following to HQ Implementation:
 - *A signed Exhibit 3-G*
 - *A copy of the invoice*
 - *An explanation letter from Agency (why project became in-active)*
5. HQ Area Engineer will send an e-mail to Jerilynn Fogle (Districts 5,6,7,8,9,11,12) or Shun Huey (Districts 1,2,3,4,10) of FHWA asking to re-establish the project. Attach a copy of the invoice and a copy of the confirmation from LPA.
6. **FHWA will re-establish** the project to its original state (same funds) and no sequence is needed in FADS.
 - * *If original funding is not available, HQ Area Engineer will work with FHWA to determine funding for re-establishment.*
 - ** *In certain instances HQ Area Engineer & FHWA will work with Federal resources to determine steps to re-establish projects (e.g., Transportation Enhancement funds, etc.)*
7. LPA will pay the invoice.

CASE 3: RE-OBLIGATING FUNDS FOR PROJECTS WITHDRAWN BY HQ ENGINEER

DEFINITION:

Project was deobligated by HQ Area Engineer, has NO expenditures, and balance is zeroed out.

****Ask FHWA for project to be RE-ESTABLISHED**

Follow these steps:

1. Local Agency submits an invoice to District,
2. District reviews and submits invoice to LPA after approval,
3. LPA confirms that invoice is ready for payment to District and HQ,
4. District submits the following to HQ Implementation:
 - ***A signed Exhibit 3-G***
 - ***A copy of the invoice***
 - ***An explanation letter from Agency (why project became in-active)***
5. HQ Area Engineer will send an e-mail to ***Jerilynn Fogle (Districts 5,6,7,8,9,11,12)*** or ***Shun Huey (Districts 1,2,3,4,10)*** of FHWA asking to re-establish the project. Attach a copy of the invoice and a copy of the confirmation from LPA.
6. Once project is Re-Established, HQ Implementation will proceed with a new sequence requesting obligation of funds.
7. After FHWA re-authorizes the funds, HQ Implementation sends revised LP2K FL to LPA.
8. LPA will re-encumber the funds and pay the invoice.

Additional note from LPA:

If notification of re-obligated funds is NOT received within 45 days of invoice receipt by Caltrans, LPA will return invoice to the Local Agency & cc: DLAE to resubmit invoice to avoid interest penalty for the project.