

## FHWA Manual Project Authorization/Modification Procedures

---

This guidance defines the minimum procedures for Federal-aid division offices to authorize or modify requests outside of the Agency's Fiscal Management Information System (FMIS). Because of the inherent risks involved in executing a project authorization or modification action outside of FMIS, manual or "paper" authorizations and modifications are to be used only in those rare instances when FMIS is unavailable and a Federal approval action is absolutely necessary.

Divisions are responsible for ensuring that any work authorized or modified complies with all pertinent laws, regulations, policies, and contractual requirements whether the approval occurs within or outside of FMIS. Divisions are also responsible for ensuring project approval actions executed outside of FMIS are entered into FMIS as expeditiously as practicable, but no later than 14 calendar days after FMIS is available. Approvals executed outside of FMIS must be entered into FMIS in the chronological order they were approved. All required FMIS data fields, such as FMIS meta-data, geospatial references, must be appropriately populated when approvals executed outside of FMIS are entered into FMIS.

Authorizing or modifying a Federal-aid project manually (outside of FMIS) is intended to be a *temporary* means of authorizing work when FMIS is unavailable. As such, divisions should defer requests to modify existing projects to reflect changes in project costs (due to overruns or underruns), convert advance constructed funds, or close a project, until they can be processed in FMIS.

Federal-aid recipients (e.g., State Department of Transportation) must obtain an authorization to proceed from the FHWA before beginning work on any Federal-aid project;<sup>1</sup> in accordance with 23 CFR 630 Subpart G, this includes work authorized using advanced construction provisions. The request for an authorization to proceed may be made in writing or by electronic mail; all requests must be supported by a documented cost estimate based on the recipient's best estimate of costs. Including geospatial references, FMIS meta-data, and other FMIS 5 data elements is optional when approving a requested project action outside of FMIS. However, all required FMIS data fields must be appropriately populated when approvals executed outside of FMIS are entered into FMIS.

### Basic steps for authorizing federally funded work outside of FMIS

1. The recipient prepares and submits a complete and compliant signed and dated authorization or modification request (outside of FMIS) to the appropriate division office using an agreed upon document and format (see the suggested [paper authorization/modification form](#)).<sup>2</sup>
2. If the request is for a *new project*, in keeping with regulatory requirements prescribed in 23 CFR 630.108 and 2 CFR 200.210, the recipient may develop the project agreement in a format acceptable to both the recipient and FHWA, provided the following are included.<sup>3</sup>
  - a. A description of the project location, including State and project termini, or, for non-construction related projects such as planning work programs, the appropriate geographic location description;
  - b. The Federal-aid project number;

---

<sup>1</sup> 23 CFR 630.106(a)(1).

<sup>2</sup> The requirements of 2 CFR 200.206 do not apply to formula grant programs per 2 CFR 1201.206.

<sup>3</sup> Approved by the Office of Management and Budget under control number 2125-0529; see 23 CFR 630.108(d).

- c. The project purpose, i.e., scope of work, including the phase being authorized and covered by the agreement;
  - d. The total project cost and amount of Federal funds (by program code) under agreement and/or estimated amount authorized as advance construction;
  - e. The Federal-aid share of eligible project costs expressed as either a pro rata percentage or a lump sum as set forth in 23 CFR 630.106(f)(1);
  - f. A statement that the recipient accepts and will comply with the agreement provisions set forth in 23 CFR 630.112;
  - g. A statement that the recipient stipulates that its signature on the project agreement constitutes the making of the certifications set forth in 23 CFR 630.112;
  - h. Signatures of officials from both the State and the FHWA, and the date executed;
  - i. Recipient's unique entity identifier (DUNS Number);
  - j. Catalog of Federal Domestic Assistance (CFDA) Number;
  - k. Period of Performance Start (Authorization) and End Dates; and
  - l. Indirect Cost Rate for the Federal award, if applicable.
3. If the request is to *modify* the scope of work on an already authorized project, then the manual project modification request must include the required elements detailed in 23 CFR 630.110. In keeping with 23 CFR 630.110(a), project agreements should not be modified to replace one Federal fund category with another unless specifically authorized by statute. The recipient may develop the modification of a project agreement in a format acceptable to both the recipient and FHWA provided the following are included:
- a. The Federal-aid project number;
  - b. A sequential number identifying the modification;
  - c. A reference to the date of the original project agreement to be modified;
  - d. The original total project cost and the original amount of Federal funds under agreement by program code;
  - e. The revised total project cost and the revised amount of Federal funds under agreement by program code;
  - f. The reason for the modification – including the additional work or change in the scope of work being requested;
  - g. Adjustments to or addition of the agreement end date;
  - h. Signatures of officials from both the recipient and FHWA; and
  - i. The date executed.
4. Division office staff must review manual authorization or modification requests in accordance with their established project approval or modification process, (i.e., as outlined in their Project Action Review and Approval Standard Operating Procedure document (SOP)).<sup>4</sup> If clarification or corrections to the request are needed, division office staff must follow their established process (i.e., SOP) to communicate with the recipient and obtain the needed clarification and/or corrections.
5. When approving a manual project authorization or modification request, division offices must use a minimum of two authorized signatories in accordance with the FMIS Project Agreement Signature Responsibility Guidance issued on July 30, 2015, and provide an executed copy of the authorization or modification request to the recipient.
6. Division offices must record and monitor project authorization and modification requests approved outside of FMIS to ensure that manually authorized agreements or modifications are not creating a

---

<sup>4</sup> 23 CFR 630.106(a)(2); 23 CFR 630.108

potential Anti-Deficient situation.<sup>5</sup> Information used to monitor project approval requests should be organized chronologically by approval date and include project number and funding code data to help division offices ensure that sufficient contract authority and obligation limitation is available for all requested authorizations and modifications prior to their execution. A suggested tracking spreadsheet is being developed in Business Objects to help division offices monitor project approval requests executed outside of FMIS (see [sample](#)). Additional information will be provided when the report is available.

---

<sup>5</sup> The Antideficiency Act prohibits federal employees from involving the government in any obligation to pay money before funds have been appropriated for that purpose, unless otherwise allowed by law. 31 U.S.C. 1341(a)(1)(B).