



U.S. Department  
of Transportation  
Federal Highway  
Administration

# Memorandum

Subject: **INFORMATION:** Recovered Obligation  
Authority Associated with a Highway  
Bridge Program De-obligation

Date: May 2, 2011

From: */s/ Original Signed by*  
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Director, Office of Bridge Technology

In Reply Refer To:  
HIBT-30

To: Directors of Field Services  
Division Administrators

This memorandum provides guidance on the use of recovered Highway Bridge Program (HBP) contract authority (funds) and obligation limitation ["obligation authority" (OA)] resulting from a de-obligation of HBP funds which accessed the \$1 billion of additional obligation limitation. Information regarding the \$1 billion of additional obligation limitation is found in our March 27, 2008 memorandum (<http://www.fhwa.dot.gov/bridge/080327.cfm>).

De-obligations of HBP funds are permitted for a valid reason, i.e. project cancellation, cost under-run, or close out. The recovered HBP funds and OA must be re-obligated on an eligible HBP project within the same fiscal year of de-obligation, otherwise there is a risk of the funds lapsing. Furthermore, recovered OA may only be used in the fiscal year of recovery.

There is no provision that mandates the re-obligation of recovered funds and OA on a HBP project that **supplements the State's plan**, which was a requirement for use of the \$1 billion of additional obligation limitation. However, priority and preference to re-obligate should be given to HBP projects that were previously determined to be **supplemental**, and have a need for additional funds, i.e. cost over-run. Where no supplemental projects are identified, recovered funds and OA are to be re-obligated in the fiscal year of recovery to any eligible HBP project in need of further funding.

Supporting documentation for the use of recovered HBP funds and OA originally associated with the \$1 billion of additional obligation limitation should be forwarded by the State to the



division office for review and concurrence. Copies of division office's concurrence should be forwarded to the Office of Bridge Technology ([BridgeOfficialMailbox@dot.gov](mailto:BridgeOfficialMailbox@dot.gov)) with a cc to Mr. Everett Matias ([everett.matias@dot.gov](mailto:everett.matias@dot.gov)) of my staff. If there are any questions, please feel free to contact Mr. Everett Matias (202) 366-6712 or Mr. Thomas Everett (202) 366-4675 ([thomas.everett@dot.gov](mailto:thomas.everett@dot.gov)).

cc:

FMIS Team

HCF-10

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