



Memorandum

Date: June 16, 2021

To: Statewide RES

From: Heather Lindstrom, Acquisition Program Manager
Real Estate Services

Subject: Object Codes - Chart of Accounts Updates

HQ RES requested amendments to our object codes last year and accounting updated the Chart of Accounts Manual accordingly. The updated manual is now available online (*Reference – WSDOT Chart of Accounts Manual M13-02.34, June 2021*).

The most significant change added is a new object code for **permits with a duration of 1 year or less (ED 07)**. This new object code is approved for immediate use for these rights. The payment for permits of one year or less were previously charged to several different object codes (EZ01, JE10, ED06 were being incorrectly used). These short-term permits must be separated out from other rights to assist in tracking ADA Permits and assist with IRS reporting at year end.

Details regarding all revisions are below (changes from the previous manual are in red):

ED 06: Real Estate Services Temporary Easement Rights – OMWBE Exempt

Amounts paid for temporary **easement** rights of one year or less acquired as part of a construction project. Refer to JA11 for rights lasting over a year.

ED 07: Real Estate Services Permits – OMWBE Exempt

Amounts paid for permits of one year or less acquired prior to the Right of Way phase of the project. Normally acquired for environmental, cultural, archaeological, etc. types of activities or for those permits acquired for an ADA paving project as stated in Project Delivery Memo 19-04.

JE 05 Title Insurance and Fees for Real Estate Services

Amounts paid for title insurance; title reports, supplemental title reports, recording fees,



escrow fees (if billed separate from final settlement), **electronic signatures, remote online notarizations** and additional title policy fees when dealing with Real Estate Services payments. If Parcel Number has not been assigned in Real Estate Services database and TRAINS then see ER 29.

JA 11 Intangible Assets (excludes software) - Inventoried, Non-Depreciated

Intangible assets include:

- Easements;
- **Permits or Rights of entry;**
- Use and occupy rights (**i.e. temporary easement**);
- Water, mineral, and timber rights wherein;
 - the land is not purchased, or
 - the cost can be separately identified from the cost to purchase the land.
- Light, Air, View, and Access restrictions on another's real property;
- Wetland Mitigation Credits as determined by an appropriate regulatory agency, wherein the land continues to be owned, maintained, and certified by an owner other than the WSDOT. (**NOTE: Real Estate office does not inventory this item**)
- Patents, trademarks, copyrights (**NOTE: Real Estate office does not inventory this item**)

Use this object when the total of all normal and necessary costs to acquire or construct the asset is less than \$1,000,000.

Inventory System:

Real Estate system managed by the Real Estate office.

Note: when adding intangible assets to the cost in the inventory system include other appropriate costs as detailed in the General rules at the beginning of the J objects section.