50 WAYS TO LOSE YOUR MONEY

Federal Highway Administration
Office Of Real Estate Services
Purpose of This Presentation

• To ensure federal funds are not lost due to actions taken in noncompliance with applicable laws and regulations.
“Are there **REALLY** 50 ways to lose my federal funds?”
Yes—actually, there are more than 50 ways.

And:

- You could lose the funding for a particular property or parcel;
- or,
- You could lose all federal funding in your project.
Following are 50 great ways to lose your Federal funds
1. Don’t give the property owner an opportunity to accompany appraiser [49CFR24.102(c)]

2. Don’t base just compensation on an approved appraisal of the fair market value of the property [49CFR24.102(d)]

3. Don’t offer just compensation to property owner [49CFR24.102(d)]

4. Don’t give property owner written offer to purchase [49CFR24.102(d)]
5. Don’t give property owner reasonable opportunity to consider offer [49CFR24.102(f)]

6. Don’t offer to purchase uneconomic remnant from property owner [49CFR24.102(k)]

7. Don’t reimburse property owner for incidental expenses (closing costs, etc.) [49CFR24.106]

8. Don’t offer to acquire buildings, structures, other improvements [49CFR24.105]
9. Don’t negotiate in good faith with property owner [49CFR24.102(f)]

10. Don’t provide written justification of an administrative settlement. [49CFR24.102(i)]

11. Don’t inform donating property owner of the right to just compensation based on an appraisal of fair market value [49CFR24.108]

12. Don’t make payment to property owner before requiring the surrender of possession of the property [49CFR24.102(j)]
Relocation assistance

13. Don’t give displacees 90-day assurance [49CFR24.203(c)]

14. Don’t offer advisory services [49CFR24.205(c)]

15. Don’t explain relocation eligibility and entitlements [49CFR24.202]

16. Don’t provide relocation information in a timely manner [49CFR24.203]
Relocation assistance continued

17. Don’t offer comparable replacement housing [49CFR24.204]

18. Don’t process claims expeditiously [49CFR24.207]

19. Don’t provide an option for advance payment of claims [49CFR24.207(c)]

20. Ask the displacee to waive their relocation entitlement [49CFR24.207(f)]
21. Don’t offer residential displacees the fixed moving schedule  
[49CFR24.302]

22. Don’t offer residential displacees a commercial move  
[49CFR24.301(b)(1)]

23. Don’t offer residential displacees a self-move  
[49CFR24.301(b)(2)]

24. Don’t offer non-residential displacees reimbursement for the actual, reasonable and necessary costs of moving  
[49CFR24.301(d)]
25. **Don’t do inventories or monitor non-residential moves**  
   [49CFR24.301(d)]

26. **Don’t document “actual, reasonable, necessary” costs of nonresidential moves**  
   [49CFR24.301(a)]

27. **Don’t offer reestablishment expenses to eligible small business, farm or NPO**  
   [49CFR24.304]

28. **Don’t offer fixed payment in lieu of moving expenses to eligible nonresidential displacees**  
   [49CFR24.305]
Relocation assistance continued

29. Don’t compute and offer replacement housing payment to displaced residential owner or tenant [49CFR24.401 and .402]

30. Don’t pay closing costs on replacement dwelling [49CFR24.401(e)]

31. Don’t do DSS inspection of replacement dwelling [49CFR24.401(a)(2) and .402(a)(2)]

32. Don’t allow tenant displacee to choose the down payment supplement option [49CFR24.402(c)]
33. Don’t allow a residential displacee adequate time to purchase or lease a replacement dwelling [49CFR24.204]

34. Don’t justify use of Last Resort Housing options [49CFR24.404(a)]

35. Don’t provide housing assistance to displacees who fail to meet length of occupancy requirements [49CFR24.404(3)(c)]
Program management

36. Don’t acquire adequate interest to construct, operate, and maintain highway facility [23CFR1.23(a)]

37. Don’t maintain highway free and clear of unapproved uses [23CFR1.23(b)]

38. Don’t certify that all right-of-way clearance, utility and railroad work is done before proceeding to construction [23CFR635.309(b)]

39. Don’t have adequate staff or organization to carry out Uniform Act and related right-of-way responsibilities [23CFR710.201(a)]
40. Don’t have an approved right-of-way operations manual [23CFR710.201(c)]

41. Don’t provide adequate oversight of local public agency or consultant right-of-way activities [23CFR710.201(h)]

42. Don’t manage/preserve right-of-way assets [23CFR710.401]
43. Don’t have adequate property management procedures [23CFR710.401(b)]

44. Don’t evaluate environmental impacts of disposals or leases [23CFR710.403(c)]

45. Don’t evaluate safety impacts of disposals or leases [23CFR710.403(a)]

46. Don’t charge fair market value for disposals or leases [23CFR710.403(d)]
Program management continued

47. Don’t comply with the Uniform Relocation Act

48. Don’t comply with 49 CFR 24 and 23 CFR

49. Don’t comply with State policies and procedures

50. Don’t maintain adequate documentation—ignore:

The “Almost Golden” rule
The “Almost Golden Rule”

“If it ain’t documented, it didn’t happen!”
The law and the regulations

THE UNIFORM ACT

The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended

[Public Law 91-646]

CODE OF FEDERAL REGULATIONS

- 49 CFR Part 24
- 23 CFR Part 710
- 23 CFR 635.309
- 23 CFR 1.23
- 23 CFR 1.36
FHWA

www.fhwa.dot.gov/real_estate