

# 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**





# APPRAISAL & ACQUISITION

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)]



# APPRAISAL & ACQUISITION CONTINUED

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]



# APPRAISAL & ACQUISITION CONTINUED

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)]



# RELOCATION ASSISTANCE CONTINUED

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)]



# RELOCATION ASSISTANCE CONTINUED

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)]



# RELOCATION ASSISTANCE CONTINUED

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)]



# PROGRAM MANAGEMENT CONTINUED

- 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]





# PROGRAM MANAGEMENT CONTINUED

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**

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