

DECISION

THE COMPTROLLER GENERAL
OF THE UNITED STATES
WASHINGTON, D. C. 20548

FILE: **B-182988**

DATE: NOV 26 1975

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MATTER OF: **Shelby Brownfield, et al. - Extensions of One Year Settlement Date Limitations**

DIGEST: Under Federal Travel Regulations (FPMR 101-7) para. 2-6.1e (May 1973) transferred employee need not have entered into sales/purchase contract within initial year following transfer in order to be eligible for 1-year extension of settlement date limitation. Employee's written request for extension need not be in any special form, submission of claim beyond initial year is sufficient. Additionally, agency action on request may occur outside of period allowed for settlement.

This matter is before us as a request for an advance decision submitted by an authorized certifying officer of the National Finance Center of the U.S. Department of Agriculture (USDA), regarding the authority for granting extensions of the 1-year settlement date limitation in three specific cases. The facts of each case will be set out separately.

Shelby H. Brownfield. Under the authority of AD-202, Travel Authorization Number 16303098, Mr. Brownfield was transferred from Kendallville, Indiana, to Bozeman, Montana, reporting there on November 26, 1972. On May 12, 1974, he entered into a contract for the construction of a home at his new duty station. On June 28, 1974, he requested an extension of the settlement date limitation on the grounds that he had been unable to locate an appropriate home for his family's use. By memorandum dated July 10, 1974, Mr. Brownfield's request for an extension was granted by A. B. Linford, State Conservationist. The house was completed, and settlement took place on October 15, 1974. On October 30, 1974, Mr. Brownfield submitted a claim in the amount of \$253 for expenses arising from the construction of his new home. By a "Voucher Difference Statement," dated November 14, 1974, Mr. Brownfield's claim was denied, apparently on the grounds that he had not executed the construction contract within the initial year following his transfer and that, therefore, there was no authority for granting an extension of the settlement date limitation. Mr. Brownfield then submitted a reclaim voucher.

Susanne M. Leckband. In the next case, under the authority of AD-202, Travel Authorization 16063241, Mrs. Leckband was transferred

from Hollister, California, to Bakersfield, California, reporting there on July 9, 1973. While there is nothing in the file to indicate when the contract of sale was signed, the settlement for the sale of Mrs. Leckband's residence at her old duty station took place on October 4, 1974. She submitted her claim for reimbursement of related expenses on October 21, 1974, and an extension of the settlement date limitation was granted by memorandum, dated November 5, 1974, from the State Conservationist. By "Voucher Difference Statement," dated November 14, 1974, Mrs. Leckband's claim was denied on the grounds that there was no authority for granting an extension of the settlement date limitation since she had not executed a contract of sale within the initial 1-year period. By letter of December 4, 1974, Mrs. Leckband requested reconsideration of her claim.

George W. Tresch. In the final case, under the authority of AD-202, Travel Authorization Number CVPC-40-73, Mr. Tresch was transferred from St. Louis, Missouri, to New Orleans, Louisiana, reporting there on December 4, 1972. Mr. Tresch purchased a residence at his new duty station, with settlement taking place on September 27, 1974. According to the submission he had indicated, in his initial claim for reimbursement of transfer expenses, that a "claim for purchase of residence at new station may follow at a later date." That claim was submitted on October 17, 1974, in the amount of \$743.75, and a formal request for an extension of the settlement date limitation was submitted on November 27, 1974. No action has been taken on the claim or the request for an extension.

In each of the three cases outlined above, by the time the initial 1-year period for the completion of real estate transactions had expired, the controlling regulations were the Federal Travel Regulations, FPMR 101-7 (May 1973) (FTR) issued by the General Services Administration. The relevant regulatory provision in each of these cases is FTR para. 2-6.1e (May 1973), which provides for Government reimbursement to transferred employees for expenses incurred in connection with the sale or purchase of a residence or the termination of a lease, provided that:

"Time limitation. The settlement dates for the sale and purchase or lease termination transactions for which reimbursement is requested are not later than 1 (initial) year after the date on which the employee reported for duty at the new official station. Upon an employee's written request this time limit for completion of the

sale and purchase or lease termination transaction may be extended by the head of the agency or his designee for an additional period of time, not to exceed 1 year, regardless of the reasons therefor so long as it is determined that the particular residence transaction is reasonably related to the transfer of official station."

Clearly, the foregoing regulation does not require that a contract of sale or purchase be entered into with the initial 1-year period in order to justify the grant of an extension. Nor does it require any special formality for the employee's written request for the extension. Any written statement by the employee, even the submission of a claim beyond the initial year, is sufficient to constitute a request for an extension. The only requirement contained in the regulation is that the settlement date may not be later than 1 year after the date on which the employee reports for duty at the new official station. The 1-year limitation may be extended for an additional period not to exceed 1 year upon written request. Accordingly, the regulation requires in every case that settlement must occur within 2 years after the employee's reporting date.

There is no requirement stated in the regulation that the extension of the settlement date limitation must be granted within the 2-year period. In B-182564, also decided today, we have overruled the portion of B-181611, December 26, 1974, that would require such extensions to be granted within the allowable 2-year period.

In two of the three cases involved herein, namely, Brownfield and Leckband, the requested extensions were approved by authorized officials, and the settlements were held before the 2-year period expired. Therefore, the conditions of the regulation were met, and reimbursement may be made to the two employees to the extent otherwise allowable.

In the third case, Tresch, the settlement of his house purchase took place within 2 years of his transfer, but no action was taken by the agency on his written request for an extension which he made only about a week before the expiration of the 2-year period. The submission indicates that the agency was doubtful of its authority to approve his request. As stated above, there is no requirement in paragraph 2-6.1e of the Federal Travel Regulations that the approval must be granted within 2 years as long as the settlement takes place within 2 years. Accordingly, the Department of Agriculture may approve Mr. Tresch's request and reimburse him for the expenses he incurred in the purchase of a residence.

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Accordingly, extensions of the settlement date limitations may be granted, and each claim may be certified for payment if otherwise correct.

R. F. KELLER

Deputy | Comptroller General
of the United States