



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

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B-172594

December 14, 1972

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Dear Mr. Borda:

Reference is made to your letter dated July 19, 1972, assigned PDTATAC Control No. 72-34 by which you request an advance decision concerning the proper method for the funding of transfer expenses when an employee who has been separated from service in one component Department within the Department of Defense (DOD) due to a reduction in force or transfer of function is reemployed at a different location by a different component within DOD after a break in service of not more than one year and is entitled to reimbursement of transfer expenses under 5 U.S.C. 5724a(c).

You note that our decisions in 51 Comp. Gen. 14 (1971) and B-172594, June 8, 1972, which involved separations at overseas stations and reemployment in the continental United States in circumstances covered by 5 U.S.C. 5724a(c), authorized a method of "split-funding" with respect to the total costs of the "transfer". The question you now raise concerns the funding requirements in similar circumstances but with the difference that the employee is separated and reemployed at duty stations in the continental United States.

You indicate that in cases involving transfer caused by reduction in force or transfer of function it has been the general policy of DOD that the losing activity will pay the necessary travel and transportation expenses. This policy is implemented by paragraph C1053-2b(1)(b) of the Joint Travel Regulations (JTR). However, DOD did not intend that regulation to cover cases in which there is a break in service with "transfer" costs payable under 5 U.S.C. 5724a(c). See 51 Comp. Gen. 14, supra.

5 U.S.C. 5724a(c) provides:

"(c) Under such regulations as the President may prescribe, a former employee separated by reason of reduction in force or transfer of function who within 1 year after the separation is reemployed by a nontemporary appointment at a different geographical location from that where the separation occurred may be allowed and paid the expenses authorized by sections 5724, 5725, 5726(b), and 5727 of this title, and may receive the benefits authorized

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by subsections (a) and (b) of this section, in the same manner as though he had been transferred in the interest of the Government without a break in service to the location of reemployment from the location where separated."

The obligation to fund or pay employee transfer expenses which are otherwise allowable is subject to the provisions of 5 U.S.C. 5724(e) which are as follows:

"(e) When an employee transfers from one agency to another, the agency to which he transfers pays the expenses authorized by this section. However, under regulations prescribed by the President, in a transfer from one agency to another because of a reduction in force or transfer of function, expenses authorized by this section and sections 5726(b) and 5727 of this title (other than expenses authorized in connection with a transfer to a foreign country) and by section 5724a(a), (b) of this title may be paid in whole or in part by the agency from which the employee transfers or by the agency to which he transfers, as may be agreed on by the heads of the agencies concerned."

In our decision of June 8, 1972, we were confronted with a virtually identical situation to the one here involved except that the separation was from an overseas duty station. Nevertheless, there still existed at that time a proposal to amend the JTR so as to require the losing activity to pay all the travel and transportation expenses to the new duty station in the United States.

In denying the proposed amendment, we were, and still are, of the view that there is imposed by statute upon the department to which an employee transfers an obligation to fund the requisite travel and transportation costs to such new duty station. By so holding, we take the position that the second sentence of 5 U.S.C. 5724(e) and JTR par. C1053-2b(1)(b) are for application only in cases of transfer without a break in service and that they are not applicable to reemployment situations in which "transfer" costs are payable under 5 U.S.C. 5724a(c).

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In such light, and consistent with our decisions of June 8, 1972, and 51 Comp. Gen. 14 (1971), we do not feel that the losing department or agency may properly pay relocation expenses as authorized in 5 U.S.C. 5724a(c).

Sincerely yours,

**R.F.KELLER**

Deputy

Comptroller General  
of the United States

The Honorable Richard J. Borda  
Assistant Secretary of the Air Force  
(Manpower and Reserve Affairs)