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DECISION



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

[Claim for Reimbursement of]

FILE: B-200079

DATE: April 3, 1981

MATTER OF: Lois E. Bennett - Actual Subsistence Expenses for Noncommercial Lodgings

DIGEST: Where employee who stayed with parents while on temporary duty submitted breakdown of parents' costs which appears to agency not to represent actual costs, employee may be required to submit additional information explaining or substantiating expenses before claim is paid.

This decision is in response to a request from Sol Cohen, Director of the Finance Division of Region 9, General Services Administration, for a decision concerning a reclaim voucher submitted by Ms. Lois E. Bennett. Ms. Bennett is claiming reimbursement of \$34 for lodging costs of \$17 per day incident to a temporary duty assignment in Los Angeles. She was authorized actual subsistence expenses not to exceed \$50 per day but stayed at her parents home. She submitted a receipt from her mother for \$40 for the 2 days in question with her original voucher. This amount included a \$3 breakfast charge for each day.

The lodging costs claimed on this voucher were challenged on the basis of Clarence R. Foltz, 55 Comp. Gen. 856 (1976), where we held that an employee could not be paid a per diem allowance for lodgings provided by friends or relatives in the absence of a showing that the amount claimed was reasonable and based on the additional expenses incurred by the host as a result of the employee's stay.

In order to comply with this requirement, Ms. Bennett submitted a signed breakdown of her parents' increased costs as follows:

"ITEMIZED STATEMENT OF ACTUAL COSTS INCURRED
WHEN A GUEST STAYS AT THE RESIDENCE OF
MR. & MRS. ROBERT M. BENNETT
Linen Service; towels and sheets..... \$ 6.00
Housekeeping Services; one hour @ \$7.00 hr... 7.00

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Supplies (soap, toilet paper, ice)	1.50
Utilities (extra use of electricity, air-conditioning, water).....	2.50
Breakfast; food, service.....	3.00
Total.....	\$20.00"

Mr. Cohen reports that his office questions whether these costs constitute the actual increased costs to Ms. Bennett's parents occasioned by her stay or whether they are arbitrary costs chosen to support the original claim of \$20 per day.

In order for an employee to be entitled to reimbursement for an amount paid for noncommercial lodgings, 55 Comp. Gen. 856, provides that the amount must first be found to be reasonable. In that decision we defined a reasonable amount as one considerably less than motel or restaurant charges. As we pointed out in Barry A. Smith, B-184946, March 10, 1976, issued the same day as 55 Comp. Gen. 856, the expenses incurred by a person who provides lodgings in his private home to a friend or relative are not the same as those incurred by a commercial establishment. In general, the expenses incurred by an individual in accommodating a friend or relative in his private home are similar to those he incurs in maintaining that home for his and his family's use. The presence of a guest would increase his use of utilities and household furnishings. However, the host would not incur certain expenses that a commercial establishment would incur, such as license fees, salaries of reservation personnel, advertising, etc.

It is not enough to show that amounts claimed for noncommercial lodging are less than charges for commercial lodgings, however. Our decision in 55 Comp. Gen. 856, also requires that an employee submit information showing that the amount claimed reflects the additional expenses incurred by the host as a result of the employee's stay.

Although we have recognized that it may be difficult for a host not engaged in the lodging business to determine the exact additional expenses attributable to a guest's visit, we feel that it is incumbent upon an agency to require information as detailed as possible.

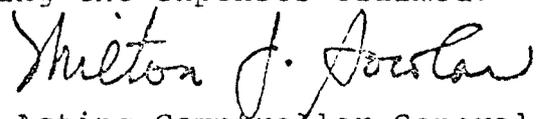
Whether an employee is reimbursed for lodgings according to the lodgings - plus method, under an exception to that method, or according to the actual subsistence expense method, the Federal Travel Regulations contemplate that the employee is to be reimbursed only for actual and necessary expenses. When commercial facilities are used, an agency can require receipts to insure that the expenses were actually incurred. Where, however, an employee stays with a relative and there is thus an other than arms length transaction, a receipt signed by a relative does not necessarily establish that the employee incurred any legal obligation to make the payment for which the receipt was given. See Barry A. Smith, supra.

We therefore believe that where an agency is not satisfied that the employee's breakdown of a host's costs is sufficient to enable it to determine the reasonableness of the claim, it can and should request additional information before the claim is paid.

It does not seem unreasonable for the Finance Division to question Ms. Bennett's submission. Her submission does not reflect the actual costs of her stay but is allegedly the cost her parents incur whenever a guest stays in their home for 1 day. Ms. Bennett's claim is merely double that amount since she stayed for 2 days. A laundry bill of \$12 for 2 days seems excessive, but no explanation is provided for an amount of this magnitude. Additionally, \$14 for housekeeping services also seems excessive and there is no explanation for the circumstances which necessitated this cost.

We realize that it may be difficult and inconvenient for an employee to provide this sort of information, but agencies can prevent this situation from arising. As we pointed out in 55 Comp. Gen. 856, agencies have the authority under the Federal Travel Regulations (FPMR 101-7) (May 1973), para. 1-7.3c(3) to establish specific per diem rates in situations where employees will lodge with friends or relatives.

Accordingly, the voucher is returned and may be certified for payment to the extent additional information is provided explaining or substantiating the expenses claimed.


Acting Comptroller General
of the United States