

DECISION



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

Maguire

31032

FILE: B-215614

DATE: April 18, 1985

MATTER OF: Berry T. Kuntz

- DIGEST:**
1. An employee transported his own household goods to his new duty station. Weight tickets obtained show that he moved goods in excess of the then applicable 11,000-pound maximum weight limit referred to in the statutory authorization. In cases such as this, where the employee moves his own goods and claims less for transportation expenses than it would have cost to ship the maximum allowable weight of household goods by Government Bill of Lading, reimbursement need not be prorated based on the excess weight since the expenses incurred and claimed do not exceed the cost for shipment by the least costly commercial means.
 2. Since it is the policy of the Government to assume its own risks of loss, there is no basis for reimbursement of collision damage waiver insurance on vehicles leased by an employee to transport his household goods, unless such insurance is required by regulation or law applicable to the shipment.
 3. An employee who chooses to ship his own household goods may be reimbursed for actual expenses as defined in applicable regulations. The cost of servicing and refilling fire extinguishers is not an actual expense incident to the shipment of goods, because the fire extinguishers become the property of the employee for his further use or other disposition.

Mr. Berry T. Kuntz, an employee of the Soil Conservation Service, Department of Agriculture, was authorized transportation of his household goods in connection with a permanent change of station. As part of the actual expenses for which he may be reimbursed he claimed the cost

031843

of servicing and refilling a fire extinguisher and the purchase of a new fire extinguisher. These costs were not allowed as incident to transporting his household goods. The certifying officer involved^{1/} asks whether those costs were properly disallowed and whether payment of the cost of collision damage waiver insurance for the rental trucks used was proper. Since Mr. Kuntz actually shipped 15,370 pounds of household goods, exceeding the 11,000-pound limitation then in force,^{2/} we are also asked whether he was properly paid his total actual expenses or whether he should have been paid on a prorated basis.

When an employee chooses to use a rental truck and move himself reimbursement is limited to the actual costs incurred, not to exceed the cost that would have been incurred by the Government if the shipment had been made by an available low-cost carrier on a Government Bill of Lading. Since the actual amount spent and claimed by the employee is below the cost that would have been incurred had the Government shipped the goods under a Government Bill of Lading, the claim was properly paid without prorating because of the excess weight. However, collision damage waiver insurance is not to be included as a reimbursable expense and the agency should recover this amount from the employee. The costs involving fire extinguishers are not actual costs allowed under the applicable regulations and therefore this part of the claim may not be allowed.

BACKGROUND

Mr. Kuntz was transferred from Corvallis, Oregon, to Fort Worth, Texas, in August 1983. Transportation of his household goods in connection with the transfer was limited to the actual-expense or Government-Bill-of-Lading method.

^{1/} The request was made by Betty Deaver, Authorized Certifying Officer, U.S. Department of Agriculture, Office of Finance and Management, National Finance Center, New Orleans, Louisiana.

^{2/} The maximum weight was increased to 18,000 pounds by Public Law 98-151, November 14, 1983, but the 11,000-pound limit is applicable in the present case since Mr. Kuntz was transferred prior to the effective date of that amendment.

He elected to transport his goods himself in two rental trucks and has claimed reimbursement of the actual expenses he incurred.

Authorization for transportation of household goods for transferred Government employees is found in 5 U.S.C. § 5724. Reimbursement is to be in accordance with regulations prescribed by the President and in Executive Order No. 1609, July 22, 1971, 36 F.R. 12747, the President's authority to regulate was delegated to the Administrator of General Services. The Administrator has issued the regulations regarding shipment of household goods contained in 41 C.F.R. Subpart 101-40.2, as well as the regulations contained in the Federal Travel Regulations, chapter 2, Part 8 (1981), incorp. by ref. 41 C.F.R. § 101.7.003 (1983).

When an employee who is authorized to ship his household goods by the actual-expense or Government-Bill-of-Lading method rather than using the commuted-rate method chooses to use a rental truck or trailer or private conveyance for transportation of his household goods, reimbursement is limited to the actual costs incurred. 41 C.F.R. § 101.40.203-1(d). The regulations allow actual costs, not to exceed the amount it would have cost to ship the same goods, up to the maximum weight limit, via the lowest cost carrier, in one lot, between the two points. See 41 C.F.R. § 101.40.203-2(d).

An employee may move all of his household goods, but the Government will only pay for shipment of goods up to the 11,000-pound limit. Although we have held that the agency may not waive the weight limitation regardless of the reason for having shipped excess weight, Deane H. Zeller, B-205873, May 4, 1982, we do not believe the 11,000-pound restriction is applicable in the case before us.

In limiting the weight of the household goods, the Government limits the cost of shipment of household goods. The emphasis on cost limitation is also evident in the requirement to use the lowest cost carrier available. As mentioned, the applicable regulations limit reimbursement to the cost that would have been incurred had the Government shipped the goods by low-cost carrier, up to the 11,000-pound limit.

In this case although the employee transported 15,370 pounds, the cost incurred was less than it would have been if the Government Bill of Lading had been used to transport 11,000 pounds of household goods. Since the expenses do not exceed what transportation under a Government Bill of Lading would have cost, full reimbursement to the employee would not contravene the existing limitations, yet would allow the employee to be reimbursed for only his actual costs. In these circumstances, we find that the employee's expenses were properly paid without prorating based on the excess weight transported.

COLLISION DAMAGE WAIVER

Mr. Kuntz was also paid the costs claimed for collision damage waiver insurance on the rental trucks. We have consistently held that insurance should not be purchased in connection with transportation to be furnished since the Government acts as a self-insurer. See Joel T. Halop, B-195953, June 5, 1980; Raymon Delgado, B-189770, September 12, 1978. Also, in reimbursing costs incident to personally procured transportation under the actual-expense method, the cost of insurance may not be included as a reimbursable item. John S. Phillips, 62 Comp. Gen. 375, 379 (1983). Compare also paragraph 1-3.2c of the Federal Travel Regulations, which prohibits reimbursement by the Government for the cost of collision damage waiver insurance in connection with the rental of automobiles and special conveyances for Government travelers.

Since the agency is authorized under appropriate circumstances to pay for damage to rental vehicles up to the deductible amount contained in the rental agreement if the vehicle is damaged while being used for official business, the cost of the additional insurance is a personal expense of the employee and may not be reimbursed by the Government. The Government will bear the added expense of insurance if a law or regulation applicable to the shipment requires additional insurance at an added expense. Joel T. Halop, supra.

The collision damage insurance as well as the personal accident and cargo insurance elected by Mr. Kuntz were not a required part of the truck rental agreements and there is

no indication that these were required by any law or regulation. Thus, no basis exists to reimburse Mr. Kuntz for any part of these insurance costs.

FIRE EXTINGUISHER COSTS

Mr. Kuntz has also included in his claim the costs for refilling and servicing a fire extinguisher and the purchase of another. He asserts that the purchase of the extinguishers are "actual costs" of his shipment of goods. However, the mere fact that an expense may have been incurred for the purpose of moving is not of itself determinative of the right of the employee to be reimbursed.

Examples of "actual costs" are provided in the regulations. They include the rental of truck, material handling equipment, packaging material, and gasoline. The types of expenses identified are those items which are needed for shipment of the household goods. For example, equipment rented by Mr. Kuntz such as the hand truck and furniture pads are actual costs incurred and are reimbursable. We find that fire extinguishers are not within the definition of actual costs and are therefore not reimbursable. In that connection we note also that items such as fire extinguishers have a substantial number of uses other than for moving of household goods, and they became the property of Mr. Kuntz for his use or other disposition and, therefore, the cost involved is not reimbursable. See generally, B-186452, December 22, 1976, and B-169107, April 21, 1970.

CONCLUSION

Accordingly, the claims for servicing, refilling and purchasing fire extinguishers must be disallowed. The agency should also recoup the amounts paid for insurance costs, which are not reimbursable expenses. However, with regard to the shipment of Mr. Kuntz' household goods reimbursement need not be prorated on account of the excess weight transported.

for Harry R. Van Cleave
Comptroller General
of the United States