

Wuritz

**DECISION**



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

**FILE:** B-220197

**DATE:** January 24, 1986

**MATTER OF:** Michael Longo, M.D.

**DIGEST:**

1. There is no indication in the statutes or regulations governing the relocation of Federal appointees of any intent to deprive reimbursement of expenses incurred in undertaking an authorized move that is interrupted by the appointee's death, and those expenses are allowable to the extent that they do not exceed the reimbursement that would have been payable if the appointee had not died. Hence, reimbursement may be allowed for the expenses of a household goods shipment initiated by a physician newly appointed to a position with the Veterans Administration in furtherance of an authorized move, notwithstanding that he died while the goods were in transit, and the shipment was then recalled.
  
2. A person newly appointed to the Federal service who has not yet entered on duty does not have the status of a Federal "employee." Consequently, relocation allowances credited to the account of a deceased Veterans Administration appointee are payable to his estate in the manner prescribed for deceased public creditors generally, and may not instead be paid directly to his survivors in the manner otherwise specifically prescribed by statute for settling the accounts of deceased employees.

The question presented here is whether payment may be allowed in the case of a physician newly appointed to a position in the Federal service for expenses incurred in undertaking an authorized household goods shipment that was

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not completed because of his death.<sup>1/</sup> In the circumstances, we conclude that payment may issue to his estate.

#### Background

In April 1985 Dr. Michael Longo was appointed to the position of staff physician at the Veterans Administration Medical Center, Bay Pines, Florida. At the time he and his wife resided in Farmington Hills, Michigan. On May 13, 1985, the Veterans Administration provided him with a written authorization to make the move from Michigan to Florida at Government expense. This included authority for the transportation of up to 18,000 pounds of household goods using the commuted rate system. Generally, under that system, an individual selects and pays a commercial mover, and obtains reimbursement from the Government based on prescribed schedules of commuted rates.<sup>2/</sup>

Dr. Longo arranged to have his household goods loaded for transport by a commercial mover on June 28, 1985. He died 2 days later. The truck carrying the household goods was still in Michigan, and his widow had the shipment returned to their residence in Farmington Hills. The mover presented her with a bill in the amount of \$4,840.33.

The concerned Veterans Administration finance officer questions whether reimbursement of transportation expenses may be allowed in these circumstances and, if so, whether payment may be made directly either to Mrs. Longo or to the commercial carrier.

#### Reimbursement of Expenses

There is no indication in the statutes or regulations governing the relocation of Federal appointees and employees of any intent to deprive reimbursement of expenses incurred

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<sup>1/</sup> This action is in response to a request for an advance decision from Mr. Conrad R. Hoffman, Director, Office of Budget and Finance, Veterans Administration (VA file reference 047C1:8-5-4).

<sup>2/</sup> See Federal Travel Regulations, para. 2-8.3, incorp. by ref., 41 C.F.R. § 101-7.003.

in undertaking an authorized move that is interrupted by the death of the appointee or employee.

In the present case, the household goods shipment was undertaken by Dr. Longo as the result of the Veterans Administration's prior authorization of his move from Michigan to Florida at Government expense under the authority of 5 U.S.C. § 5723. Although the household goods shipment was recalled because of his death, we do not find that this may serve as a basis for disallowing reimbursement of the expenses involved, provided they do not exceed the amount that would have been payable had the shipment been completed. Although Dr. Longo did not become an employee of the Veterans Administration, the travel and transportation allowances otherwise applicable may be paid because travel expenses of new appointees may be paid whether or not the new appointee has been appointed at the time travel is performed. 5 U.S.C. § 5723(c).

#### Payment to Estate

As indicated, under the commuted rate system there is no direct contractual relationship between the Government and the commercial carrier, and the Government incurs no direct obligation to pay the carrier for services rendered. Rather, the individual involved incurs the obligation to pay for those services, and that individual may then seek reimbursement from the Government at prescribed rates. Hence, in this case the allowable transportation expenses may not be paid to the commercial carrier and are instead to be credited to Dr. Longo's account.

Unpaid pay and allowances, including relocation allowances, which are credited to the account of a deceased Federal employee are by specific provision of statute and regulation made payable directly to the employee's surviving spouse in the absence of a contrary beneficiary designation.<sup>3/</sup> In this case, however, Dr. Longo did not enter on duty with the Veterans Administration following his appointment to the Federal service, so that he does not have the

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<sup>3/</sup> See 5 U.S.C. §§ 5581-5583 and 4 C.F.R. Part 33.

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status of a deceased Federal "employee" for the purpose of these provisions of statute and regulation.<sup>4/</sup> Consequently, payment may not issue directly to his widow, and should instead be made to his estate in the manner prescribed for deceased public creditors generally.<sup>5/</sup>

*for* Milton J. Acosta  
Comptroller General  
of the United States

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<sup>4/</sup> See 5 U.S.C. § 2105. See also 54 Comp. Gen. 1028, 1030 (1975); 45 Comp. Gen. 660 (1966); and Rodgers D. O'Neill, B-205972, May 25, 1982.

<sup>5/</sup> See 31 U.S.C. § 3702 and 4 C.F.R. Part 35.