



Comptroller General
of the United States

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Washington, D.C. 20548

Decision

Matter of: Michael D. Thomas

File: B-249684

Date: December 9, 1992

DIGEST

A transferred employee, who was receiving temporary quarters subsistence expenses, purchased a residence at his new duty station with the closing held on a Friday. In order to save the government the continued cost of temporary quarters and storage charges over the weekend, he arranged for Saturday delivery of the household goods at extra cost. Since the agency could have authorized the Saturday delivery under those circumstances, the agency may allow the employee's claim for the extra delivery cost if it determines that he acted prudently in the government's interest and reduced the government's overall expenses. In that event, the prohibition in 41 C.F.R. § 302-8.5(b)(2) on reimbursing an employee for services obtained at higher costs would not apply. Richard D. Holland, B-231590, Sept. 1, 1989, distinguished.

DECISION

The Internal Revenue Service (IRS), Department of the Treasury, asks whether the reclaim voucher of Mr. Michael D. Thomas for the extra cost of a special Saturday delivery of his household goods may be paid on the grounds that there were net savings to the government.¹ The claim may be paid.

Mr. Thomas, an IRS employee, was transferred from Atlanta, Georgia, to Austin, Texas, on August 19, 1991. The IRS authorized the shipment of his household goods under the actual expense Government Bill of Lading (GBL) method.²

¹This request was submitted by Mr. Michael G. Kelley, Chief, Accounting Section, IRS, Dallas, Texas.

²Under the GBL method, the government assumes responsibility for awarding contracts and for other negotiations with carriers, the property is shipped under a government bill of lading, and the government audits and pays moving expenses directly to carriers. See 41 C.F.R. § 302-8.3(b) (1992).

Mr. Thomas and his family were authorized and began receiving temporary quarters subsistence expenses (TQSE) on August 17, 1991. Mr. Thomas subsequently purchased a new residence with a closing date of Friday, September 6, 1991. When Mr. Thomas contacted the storage company on that day, he was told that it would not be able to deliver his household goods until Monday, September 9, 1991, unless he was willing to pay an overtime delivery charge of \$125.88 for delivery on Saturday, September 7, 1991. Since 2 more days of TQSE (September 7 and 8, 1991) would have cost the government approximately \$480, and 2 more days of storage would have cost the government approximately \$40, for a total of \$520, Mr. Thomas told the storage company to deliver his household goods on Saturday, September 7, 1991.³ He paid the delivery charge directly to the carrier and moved into his new residence that day.

By doing this, Mr. Thomas saved the government approximately \$395 (i.e. \$520-\$125), since the government would have had to pay TQSE expenses and storage charges if he and his family had not moved into their new residence until Monday, September 9, 1991. The IRS report notes that Mr. Thomas acted in good faith and that savings to the government was his main concern.

Under the Federal Travel Regulation (FTR) an employee is personally responsible for higher costs incurred in connection with the delivery of his household goods at a new duty station. 41 C.F.R. § 302-8.5(b)(2) (1992). See Richard D. Holland, B-231590, Sept. 1, 1989. However, an employee is also expected "to exercise the same care in incurring expenses that a prudent person would exercise if traveling on personal business." 41 C.F.R. § 301-1.3 (1992). Moreover, the FTR provides that the necessary time in temporary quarters shall be justified in each case and that the period shall be reduced if the employee has had adequate opportunity to complete arrangements for permanent quarters. 41 C.F.R. § 302-5.1 (1992).

Clearly, under the GBL method the Internal Revenue Service could have authorized and paid the Saturday delivery charges if there had been more time available. As it was, Mr. Thomas had to act on his own. Under these circumstances, if the agency determines that he acted prudently in the government's interest and reduced the government's overall expenses, it may allow his claim for the extra

³The TQSE figure of \$480 is based on the average per day expenses of \$239.04 for the 21 days in which Mr. Thomas and his family were in temporary quarters. Also, informal contact with the IRS established that the storage charge for 2 more days would have been approximately \$40.

delivery charges. In that event, the prohibition in 41 C.F.R. § 302-8.5(2) on reimbursing an employee for services obtained at higher costs would not apply.

This situation is unlike that considered in Richard D. Holland, B-231590, supra, where the employee incurred extra delivery charges solely for his own convenience and without any benefit to the government.

Accordingly, under the circumstances of this case, Mr. Thomas' claim for overtime delivery charges may be allowed by the agency.

for Seymour Eros
James F. Hinchman
General Counsel