

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

B-177130

February 2, 1973

Major J. F. Suszynski, FC  
Finance and Accounting Officer  
Office of the Deputy Commanding General  
United States Army Munitions Command  
Department of the Army  
Joliet, Illinois 60436

Dear Major Suszynski:

Further reference is made to your letter of September 7, 1972, with enclosures, reference ANSMU-CJ-FA, requesting a decision as to the propriety of reimbursing Mr. \_\_\_\_\_ expenses incurred for the sale and purchase of a resident at Independence, Missouri, incident to a permanent change of station which was later cancelled. Your request was assigned PDTATAC Control No. 72-47, by the Per Diem, Travel and Transportation Allowance Committee.

The papers supporting the claim disclose that Mr. \_\_\_\_\_ while employed at the Sunflower Army Ammunition Plant was issued a reduction-in-force (RIF) letter dated April 30, 1971, with the effective date of the RIF action to be July 2, 1971. On May 4, 1971, Mr. \_\_\_\_\_ was offered a firm commitment on a position at Camp McCoy, Wisconsin. Since this was a firm commitment of employment the employee was notified that he had no recourse but to accept the offer or be deleted from the placement register. It is stated that Mr. \_\_\_\_\_ was entitled to a travel order effective May 4, 1971, which would have been valid through the period ending with his acceptance of the offer to remain in his present position (May 14, 1971). He accepted the position on May 5, 1971, and made arrangements the same day to place his home on the market. At his own expense he made a trip to Camp McCoy spending several days talking with the hiring office and looking for suitable housing for his family. His arrival date at the new duty station was to be June 1, 1971. Upon his return to Sunflower Army Ammunition Plant he was notified by the real estate office handling the sale of his house that they had a firm commitment on the sale of his house and the final papers (we assume a contract of sale) were signed on May 13, 1971, and the actual sale took place July 14, 1971. On May 14, 1971, Mr. \_\_\_\_\_ was approached by the Commanding Officer and the Civilian Executive Assistant from Sunflower Army Ammunition Plant and asked if he would reconsider his leaving and

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accept a reinstatement at Sunflower Army Ammunition Plant until January 2, 1972. At this time the sale of Mr. [redacted] home was discussed and he was advised that the sale of his residence could be carried over for a year and that he could rent quarters for his family until January 2, 1972, when he again would be in a RIF situation and at that time could claim reimbursement of expenses incident to the sale of his residence. The typing of his travel orders authorizing travel and transportation to Camp McCoy was delayed pending his decision whether or not to accept reinstatement at Sunflower Army Ammunition Plant. The employee accepted the reinstatement offer and as a result no travel orders were issued. He subsequently applied for and was appointed to a position with the Social Security Office in Kansas City, Missouri, and transferred as of August 15, 1971. He purchased a new residence at Independence on September 3, 1971.

While in the case presented no change of station order was issued, a firm employment offer was made and accepted by Mr. [redacted] and expenses otherwise proper for payment would have been reimbursed if the transfer had been consummated. Regarding the sale of Mr. [redacted] old residence, the record shows that the expenses therewith were not incurred until after the transfer cancellation. However, he had entered into the contract of sale before such cancellation. Since such contract was enforceable by the buyer and as certain expenses incident to the sale of a residence would have been reimbursable if the transfer had been completed, such expenses are allowable to the extent authorized by section 4 of Office of Management and Budget Circular No. A-56.

Ordinarily an employee may be reimbursed expenses of purchasing a residence only at his new duty station upon permanent transfer. However, inasmuch as the various expenses were incurred as a result of the proposed RIF action followed by acceptance of the employment offer and the subsequent cancellation of the transfer, we consider Mr. [redacted] for the purpose of residence relocation, to be in the same position that he would have been had the transfer to Camp McCoy, Wisconsin, been consummated. Therefore, expenses incident to the purchasing of his new residence may be allowed to the extent authorized by section 4 of Circular No. A-56.

The voucher is returned herewith for handling in accordance with the foregoing. As indicated in the report dated December 10, 1971,

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of Mr. Uel E. Puatt, Chief, Homeowners Assistance and Disposal Section, certain of the expenses incurred incident to the sale and purchase are not reimbursable.

Sincerely yours,

PAUL G. DEMBLING  
Acting Comptroller General  
of the United States