DECISION



THE COMPTRI LER GENERAL OF THE UNITED STATES

WASHINGTON, D.C. 20548

NOV 24 1975 97688

FILE:

B-183694

MATTER OF:

DATE:

John H. Anttonen - Claim for Attorney's Fee for Services and Travel and for Credit Report and Appraisal Fee

DIGEST:

- Employee reclaims for reimbursement of attorney's fee denied for lack of itemization of services performed and cost attributable to each. Reimbursement must be denied again since itemization provided by attorney lacks necessary specificity, and, therefore, may include items which are not properly reimbursable under FTR para. 2-6.2c.
- Incident to transfer and purchase of residence near new duty station, employee retained attorney whose office was not located in vicinity of new residence. Employee was charged \$25 travel fee by attorney for travel on two different occasions, one for purpose of searching title and second for recording papers. Reimbursement therefor may not be allowed since FTR para. 2-6.2c does not contain authority for reimbursement of attorney's travel fee under these circumstances.
- 3. Employee reclaims for reimbursement of credit report (\$25) and appraisal fee (\$100) incurred incident to purchase of residence at new duty station. However, FTR para. 2-6.2b and para. 2-6.2d specifically limits reimbursement for an appraisal fee and credit report, respectively, to the amount customarily charged. Accordingly, reimbursement must be limited to \$40 for the appraisal fee and \$25 -- the actual cost paid -for the credit report which are within the emounts customarily charged for such services.

This action is in response to a request for an advance decision from Hr. James F. Wagner, an authorized certifying officer, United States Energy Research and Development Administration (ERDA).

Mr. Wagner forwards a reclaim voucher for certain real estate expenses submitted by Mr. John H. Anttonen, an employee of ERDA. The record shows that Mr. Anttonen was transferred from Dayton, Ohio, to Germantown, Maryland, effective October 7, 1973, by the Atomic Energy Commission, the predecessor of ERDA. Incident to that transfer, Mr. Anttonen purchased a residence in Frederick, Maryland, for which he claimed reimbursement for \$542.50 for legal and related costs. Of this amount, Mr. Wagner states that \$292.50 has been reimbursed pursuant to Federal Travel Regulations (FPMR 101-7) para. 2-6.2c (May 1973). The remaining \$250, which was disallowed represents \$225 for legal services and \$25 for his attorney's travel between his law office in Baltimore and the Frederick, Maryland County Court House in Frederick, Maryland. Also included in the reclaim voucher is \$125 for appraisal fee (\$100) and credit report (\$25). Mr. Wagner considers these items as doubtful claims since the customary charges in that area for these services are \$40 for an appraisal fee and \$15 for a credit report.

Paragraph 2-6.2c of FPMR 101-7 provides:

"c. Legal and related expenses. To the extent such costs have not been included in brokers' or similar services for which reimbursement is claimed under other categories, the following expenses are reimbursable with respect to the sale and purchase of residences if they are customarily paid by the seller of a residence at the old official station or if customarily paid by the purchaser of a residence at the new official station, to the extent they do not exceed amounts customarily charged in the locality of the residence: costs of (1) searching title, preparing abstract, and legal fees for a title opinion or (2) where customarily furnished by the seller, the cost of a title insurance policy; costs of preparing conveyances, other instruments, and contracts and related notary fees and recording fees; costs of making surveys, preparing drawings or plats when required for legal or financing purposes; and similar expenses. Costs of litigation are not reimbursable."

In interpreting this section, we have held that the entire fee which an employee pays to retain an attorney to represent and counsel him in connection with a real estate transaction may not be reimbursed under the above-quoted section. Only those parts of an attorney's fee which represent services of the types enumerated in the regulation are reimbursable. Hence, where the attorney's fee may include costs which may not be reimbursable, an itemization of services performed is required before

entitlement may be determined. B-183037, March 21, 1975. According to the itemization provided by Mr. Anttonen's attorney, the \$225 fee represents "time spent plus long distance phone calls." Such an itemization lacks the specificity required by FTR para. 2-6.2c. Therefore, no amount of the \$225 may be allowed until the required itemization is provided.

Concerning the \$25 travel allowance, we held in decision B-183792, August 4, 1975, that travel expenses of an attorney incident to the settlement of a real estate transaction are not reimbursable since there exists no provision in the Federal Travel Regulations permitting reimbursement for such expenses.

The final item for reimbursement is \$125 for appraisal fee and credit report. The cost of an appraisal fee and the cost of preparing a credit report are made specifically reimbursable by FTR para. 2-6.2b, and para. 2-6.2d, respectively. However, both subparagraphs specifically limit reimbursement to amounts customarily paid. The administrative report submitted by ERDA states that the amounts customarily charged for an appraisal fee and a credit report are \$40 and \$15, respectively. We have informally determined that it is customary to charge an additional \$15 for a credit report where the purchaser is from out of town. As noted above, Mr. Anttonen was transferred from Dayton, Ohio. Accordingly, reimbursement may be made in the amount of \$25, the actual cost paid for the credit report which is within the amounts customarily charged for the credit report. Reimbursement for the appraisal fee must be limited to \$40.

Action on the voucher should be taken in accordance with the above.

R.F. KELLER

Deputy Comptroller General of the United States