

# DECISION



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

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FILE:

DATE: AUG 4 1975

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MATTER OF: B-183792

DIGEST:

Glen L. Taylor - Reimbursement for expenses in connection with real estate purchase

1. Buried wire charge by telephone company in neighborhood containing underground utilities is a properly reimbursable real estate expense under FPMR 101-7, para. 2-3.1b(4).
2. Claim by employee for reimbursement for legal fee incident to the purchase of a residence covering both allowable items and services of an advisory nature may not be allowed because summarization of services performed does not give cost of each service. It is necessary to state the costs of the allowable items enumerated in para. 2-6.2 of FPMR 101-7 in order for reimbursement to be allowed.
3. Attorney's travel fee for handling real estate transaction outside county in which he maintains his office is not properly reimbursable item under Federal Travel Regulations.

This action is on a request by the Office of the Controller, Energy Research and Development Administration, for a decision on the propriety of paying certain reclaim vouchers of Glen L. Taylor representing expenses incurred in connection with the purchase of a new house upon a permanent change of duty station.

The record shows that Mr. Taylor was transferred from Miamisburg, Ohio, to Germantown, Maryland, on November 12, 1973, by the Atomic Energy Commission, the predecessor to the Energy Research and Development Administration. Mr. Taylor has been reimbursed for the majority of his real estate expenses in accordance with the Federal Travel Regulations (FPMR 101-7). However, certain expenses which were disallowed have now been reclaimed. The expenses now in question are (1) \$8 for a telephone company buried wire fee; (2) \$300 for attorney's fees; and (3) \$25 for attorney's travel costs.

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The Administration states that the \$8 buried wire charge was disallowed in accordance with FPMR 101-7, para. 2-3.1c(13); that the attorney's fee was disallowed in accordance with our decisions B-163690, March 29, 1968, and B-163949, May 28, 1968; and that the attorney's \$25 travel fee was disallowed in accordance with FPMR 101-7, para. 2-6.2c.

Mr. Taylor contends that the \$8 buried wire charge is allowable under FPMR 101-7, para. 2-3.1b(4), which permits reimbursement of utility costs not offset by eventual refunds. He further contends that FPMR 101-7, para. 2-3.1c(13), is not applicable as no structural alterations were involved. In support of the \$8 item, Mr. Taylor states that the Frederick telephone office advised him that the buried wire is a state-wide policy; that the subdivision in which his house is located contains underground utilities; and hence, that the buried wire is not an option but rather a standard practice.

We believe that a buried wire fee, charged by a utility company in neighborhoods where all utilities are underground, is a properly reimbursable expense under FPMR 101-7, para. 2-3.1b(4). It is an expense over which the employee has no control and is not incurred for reasons of personal taste or preference. It is, therefore, an expense required by the move. Therefore, the \$8 claim may be allowed, if otherwise proper.

The claim for a \$300 attorney's fee was originally disallowed in accordance with B-163690, supra, and B-163949, supra, since a breakdown of the attorney's fee was not furnished as required by our decisions, and the fee included charges for long distance calls and travel. Mr. Taylor has now submitted a letter from his attorney containing a more detailed explanation of the fee. The fee charged in this case was the attorney's standard fee of \$300 plus 1/2 of 1 percent of the purchase price. The Administration has already reimbursed Mr. Taylor for \$255, representing that portion of the attorney's fee covering title research which was based on 1/2 of 1 percent of the purchase price. Hence, that portion of the fee is not before us for consideration.

Paragraph 2-6.2c of the FPMR 101-7, provides as follows:

"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."

The attorney's letter states that the \$300 portion of his fee covers items such as time spent preparing settlement, conducting settlement, and follow-up work which would otherwise be billed at \$75 per hour and also long distance telephone calls and approximately 300 miles travel expenses. However, the summarization, contained in said letter, of the services performed by the attorney does not give a breakdown of the individual costs for the services rendered. It has been held that legal services of an advisory nature are not reimbursable. B-180752, June 12, 1974. Without further explanation the services cited above would be of an advisory nature and therefore not allowable. When a legal fee includes amounts for legal representation and counseling, the full amount is not reimbursable. Only those parts of an attorney's fee representing services of the type enumerated in para. 2-6.2c, FPMR 101-7, are reimbursable. B-169621, June 25, 1970.

Since the summarization of services performed does not give a breakdown of the costs of the various services and since a portion of the fees claimed apparently covered advisory services, no part of the \$300 may be certified for payment.

The \$25 claim for attorney's travel expenses was disallowed under FPMR 101-7, para. 2-6.2(c). The attorney's letter indicates that a supplemental travel charge of \$25 is added to his standard fee for handling real estate transactions outside the county in which he maintains his office. As there is no provision in the Federal Travel Regulations for reimbursement of this type of expense, the \$25 attorney's travel fee was properly disallowed.

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Accordingly, the vouchers are returned herewith and may be certified for payment in accordance with this decision.

R.F. KELLER  
Deputy Comptroller General  
of the United States