

DECISION

THE COMPTROLLER GENERAL
OF THE UNITED STATES
WASHINGTON, D. C. 20540

Kirkpatrick
P. H. II

119009

FILE: B-205396

DATE: July 20, 1982

MATTER OF: Vincent V. LaBon

DIGEST: Lodging expenses accrue on a daily basis and ordinarily actual subsistence expenses incurred each day may not be averaged to avoid exceeding the maximum daily allowance for subsistence. Further, the employee may be reimbursed only actual expenses incurred during any 1 day if they are less than the authorized amount. However, if the employee remains in the same accommodations but reduces costs by electing to pay a lodging rate varying with the day of the week rather than a weekly rate accruing in equal daily amounts, he may be reimbursed the average of the variable rates paid over the applicable computation period. Reimbursement of the average rate in these circumstances is consistent with the rule that an employee should limit expenses to the extent a prudent person traveling on personal business would limit travel costs.

Mr. Vincent V. LaBon, a civilian employee of the Defense Logistics Agency, while on temporary duty elected to pay lodging expenses at rates varying with the day of the week. The hotel at which he was staying had given him the option of paying a constant daily rate based upon occupancy of the room for a week or more. This rate would have resulted in a greater lodging expense than the variable rate. Lodging expense accruing each day, not the average over several days, is ordinarily the proper basis for computing reimbursement. In the present case, however, since the average variable rate for lodging charged by the hotel in which he was staying was less than the constant daily rate, averaging daily rates for the period he stayed in that hotel is permitted.

The question has been assigned Control Number 81-31 by the Per Diem, Travel and Transportation Allowance Committee.

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Mr. LaBon's temporary duty was in the vicinity of Washington, D.C., a high-rate geographical area where the maximum authorized amount of reimbursement for actual subsistence expenses, including lodging, meals, and other living expenses, was \$75 per day. The variable or "split" rate option that he paid for lodging at the hotel was \$65.40 daily on Mondays through Wednesdays, leaving him only \$9.60 each of these days for meals and other living expenses before he reached the \$75 maximum allowance. On Thursdays through Sundays he paid \$31.61 per day under the variable rate option. The average variable rate over the 33 days at the hotel (July 19 through August 20, 1981) was \$46.97 per day. By comparison, the flat rate he could have elected to pay was \$54.50 daily.

The Accounting and Finance Officer declined reimbursement at the average variable rate because paragraph C4612 of Volume 2, Joint Travel Regulations, requires lodging expenses to be computed separately each day. However, he urges a favorable decision, since Mr. LaBon exercised the care of a reasonably prudent person spending his own funds as required by paragraph C4464, Volume 2, Joint Travel Regulations. The Accounting and Finance Officer further observes that Mr. LaBon saved the Government money by choosing the variable rate and that if averaging is not permitted he would be limited to \$9.43 for meals and other living expenses on Monday, Tuesday, and Wednesday.

Paragraph C4612-2 of Volume 2, Joint Travel Regulations, provides that items "which do not accrue on a daily basis such as laundry, drycleaning, pressing and hotel maid tips, may be averaged * * *." It states that lodging expenses "will be considered as pertaining to the day on which the charges commenced * * *," and that "expenses may not be averaged" to avoid exceeding the maximum daily allowance. Further, paragraph CC4611-1a provides:

"[w]hen the actual subsistence expenses incurred during any one day are less than the daily amount authorized, the traveler will be reimbursed only for the lesser amount."

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These provisions are consistent with the principle that a subsistence expense can be distributed over several days by averaging if it is a cumulative expense as opposed to cost pertaining to a single day. 1 Comp. Gen. 403 (1922).

In the present case, the weekly constant and variable rates were both available for the same lodging. Mr. LaBon could have paid the daily rate of \$54.60 and satisfied the requirements for reimbursement under paragraphs C4611 and C4612. However, for the same accommodations he was able to pay a lower aggregate rate by opting for the variable daily rate. This approach certainly complies with the requirement that an employee should exercise the same care in incurring reimbursable expenses as a prudent person would exercise traveling at personal expense. Also, when longer periods of temporary duty have been involved and rented quarters are not occupied for the full rental period, apportionment of costs over the days of official travel has been authorized. See Matter of Gillette, B-183341, May 13, 1955; Matter of Weisberg, B-192026, October 11, 1978. In keeping with the rules in those cases and the regulatory requirement that an employee exercise the care of a prudent person traveling on personal business, reimbursement should be based upon the employee's average daily lodging costs.

for Milton J. Fowler
Comptroller General
of the United States