



The Comptroller General
of the United States

Washington, D.C. 20548

Decision

Matter of: Fraudulent Claim

File: B-225187

Date: June 9, 1987

DIGEST

A fraudulent claim for lodging taints the entire claim for per diem on days for which fraudulent information is submitted, and per diem payments will not be made for those days. Where fraud is suspected, the claim is of doubtful validity and the claimant is left to his remedy in the courts.

DECISION

A claimant seeks reconsideration of our Claims Group settlement issued in 1979, denying his claim for per diem based on an administrative report of investigation provided by the Department of the Air Force finding that he was erroneously overpaid \$906.43 for overstated lodging expenses in connection with each day of two consecutive temporary duty trips to Ellsworth Air Force Base, South Dakota, from May 16 through November 26, 1975, for which the claimant submitted two vouchers totalling \$4,819.75. Based on the agency's reasonable suspicion of fraud, our Claims Group denied payment leaving the individual to his remedy in the courts. By letter dated September 3, 1986, the claimant has resubmitted his claim stating in essence that although he is willing to forfeit the overstated lodging expenses of \$906.03 from the original per diem claim of \$4819.75, the resulting difference of \$3,913.32 is, in his estimation, an undisputed figure which he claims the government owes to him.

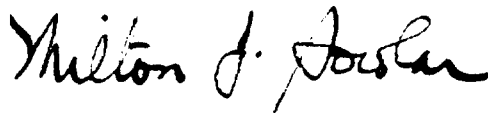
The affirmation of our Claims Group's 1979 settlement of this claim is based on the consistent position of this Office in regard to claims evidencing fraud and therefore of doubtful validity. The resolution of the claimant's request for reconsideration is governed by the principles established by our previous decisions at 57 Comp. Gen. 664 (1978) and 59 Comp. Gen. 99 (1979). In the former decision we held that where there has been a fraudulent claim for lodging, the final settlement voucher should contain no claim for subsistence expenses for the days covered by the fraudulent claim. For the purposes of this rule,

039168

subsistence expenses means all of those expenses contemplated within the definition of per diem. A fraudulent claim for lodging taints the entire claim for per diem on days for which such fraudulent information was submitted. The average cost of lodging, and meals and miscellaneous expenses cannot be considered separate items. Rather, when they are combined they yield the daily per diem. It is thus each day of per diem which is considered a separate item for the purposes of evaluating what parts of a voucher which contains or is supported by fraudulent statements may be paid. 59 Comp. Gen. 99, at 101.

Applying the above principles to this case, we observe that since the claimant originally submitted discrepant information with regard to lodging expenses covering each day of the entire period of his temporary duty, each day of his entire per diem claim is tainted by the suspicion of fraud. Thus, even if his reclaim voucher were to contain accurate statements of reduced per diem expenses submitted with verifiable receipts, no per diem may be paid through settlement by this Office. 57 Comp. Gen. 664 at 667. Moreover, to the extent the record reflects that the Air Force recouped the entire amount of the voucher payments covering days for which fraudulent information had been provided, we observe that it is proper to recoup those portions of the claim which were based on fraudulent information. 41 Comp. Gen. 285 (1961). In that case we held that where fraud is suspected, the claim obviously is of doubtful validity, and under the principles of Longwill v. United States, 17 Ct. Cl. 288 (1881), and Charles v. United States, 19 Ct. Cl. 316 (1884), the claimant in such cases should be left to his remedy in the courts.

Accordingly, we affirm the 1979 adjudication of our Claims Group.



Acting Comptroller General
of the United States