



United States
General Accounting Office
Washington, D.C. 20548

Office of the General Counsel

B-252055

May 28, 1993

Ms.
Payments and Collection Section
Bureau of Reclamation
United States Department
of the Interior
7201 West Mansfield Avenue
Denver, Colorado 80235-2228

Dear Ms. :

We refer to your letter dated January 7, 1993, with enclosures, reference D-7733, in which you forwarded the request of Mr. , an employee of the Bureau of Reclamation, for reimbursement of real estate purchase expenses incurred incident to his Intergovernmental Personnel Act (IPA) assignment. Based on applicable law and regulation, your division denied reimbursement of those expenses, but Mr. requests our consideration of his claim as an exception to the statutory and regulatory provisions and the decisions of this Office, because he was given erroneous advice by agency officials that he was entitled to reimbursement of real estate expenses.

In March 1992, Mr. was reassigned under the Intergovernmental Personnel Act from Yakima, Washington, to Salmon, Idaho, for a period of at least 2 years. He was authorized the full entitlements normally associated with a permanent change of station, including reimbursement of the costs of purchasing a residence. Mr. purchased a residence in Salmon. However, upon submission of his travel voucher, Bureau officials denied that portion of his relocation expenses incurred in connection with the residence purchase.

Under the applicable provisions of the Intergovernmental Personnel Act of 1970, 5 U.S.C. § 3375(a), certain expenses ordinarily associated with permanent changes of station may be paid to an employee incident to an intergovernmental assignment. These include travel and transportation for the employee and members of his immediate family, transportation and storage of household goods, temporary quarters subsistence expenses, and a miscellaneous expenses allowance payable when movement of household goods is involved.

However, neither the statute nor the implementing guidelines issued by the Office of Personnel Management (OPM), authorize reimbursement of the costs of selling or purchasing a residence. In fact, the OPM guidelines specifically state that "[A]llowable relocation expenses do not include the costs of selling or purchasing a residence."¹ In accordance with these provisions, we have recognized that IPA assignments do not entail reimbursement for real estate expenses.²

The fact that Mr. _____ was erroneously advised by Bureau of Reclamation officials that he was entitled to reimbursement of expenses incurred in the sale and purchase of a residence incident to his IPA assignment, does not establish any basis for us or the agency to authorize reimbursement of such expenses contrary to applicable statutory and regulatory provisions.³

Accordingly, the agency's disallowance of Mr. _____ claim for the expenses incurred in the purchase of a residence, incident to his IPA assignment was correct and is sustained.

Mr. _____ has also expressed concern about reimbursement of real estate costs associated with the termination of his IPA assignment (selling his Salmon residence) and transfer to a new assignment (purchasing a new residence). In this regard, we have been informally advised by Bureau officials that it is contemplated that, upon completion of his IPA assignment, Mr. _____ will be returned to his permanent duty station and a transfer, if any, would occur later. Upon termination of his IPA assignment, Mr. _____ will be entitled to the same limited change-of-station allowances paid at the time of his initial assignment to the IPA location.⁴ Any subsequent change of official station normally would include reimbursement of real estate expenses for the

¹Federal Personnel Manual, ch. 334, sec. 1-7c, Dec. 1, 1983.

²See _____, 64 Comp. Gen. 665 (1985);
B-207447, June 30, 1983.


³See Federal Crop Insurance Corp. v. Merrill, 332 U.S. 380 (1947); Utah Power and Light Co. v. United States, 243 U.S. 389 (1917); Kalinowski v. United States, 151 Ct. Cl. 172 (1960); cert. denied, 368 U.S. 829 (1961);
56 Comp. Gen. 131, 136 (1976); 44 Comp. Gen. 337 (1964);
_____, B-251559, Mar. 31, 1993.

⁴See _____, supra.

sale of a residence at the old duty station and purchase of a residence at the new duty station.³

Sincerely yours,

James F. Hinchman

 James F. Hinchman
General Counsel

³See 5 U.S.C. § 5724a(a)(4)(A) (1988).