



**The Comptroller General
of the United States**

Washington, D.C. 20548

Decision

Matter of: Fred L. Newhouse - Claim for Real Estate Expenses

File: B-222135

Date: August 18, 1986

DIGEST

A Customs Service employee, whose position in Arkansas was abolished, was transferred to Canada. His claim for real estate expenses incurred in selling his residence is denied. The relocation statute requires that for reimbursement of real estate expenses, both the old and new duty stations must be located in the United States or its territories or possessions. Any erroneous advice which the employee may have received does not provide a basis for payment of these expenses.

DECISION

ISSUE

The issue in this decision concerns an employee's entitlement to reimbursement of real estate expenses in connection with his transfer to a duty post outside the United States. We hold that the employee is not entitled to reimbursement since real estate expenses are not authorized under the applicable relocation statutes for transfers to or from overseas posts.

BACKGROUND

This decision is in response to a request from Thomas E. Garrison, Chief, Travel Section, U. S. Customs Service, National Finance Center, for a decision from our Office concerning the propriety of paying the real estate expenses incurred by Mr. Fred L. Newhouse, a Customs Service employee.

Mr. Newhouse was assigned to the Saudi Arabian Educational Assistance Program at Arkansas State University, Jonesboro, Arkansas, when he was notified on January 13, 1984, that the Customs staff in this program would be reduced and his position would be abolished. Mr. Newhouse was then reassigned to Vancouver, British Columbia, Canada, effective February 19, 1984, and he was authorized travel and transportation expenses and shipment of his household goods to this new duty station.

Mr. Newhouse states that at the time of his transfer, he was verbally assured that he would be reimbursed for all expenses incurred incident to the move, including real estate expenses. He claims reimbursement for

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real estate expenses in the amount of \$5,077 for the sale of his old residence in Jonesboro, Arkansas, on the basis that (1) his transfer was due to a reduction in force, (2) the transfer was in the interest of the Government, (3) he was forced to sell his home in Jonesboro since there was no position in Jonesboro to which he would return, and (4) he was led to believe all expenses would be paid by the Saudi Arabian program.

OPINION

The statutory authority for the payment of relocation expenses is contained in 5 U.S.C. §§ 5721-5733 (1982). Reimbursement of real estate expenses is authorized under section 5724a(a)(4) only when the old and new official stations are both located in the United States or its territories or possessions. See also paras. 2-6.1a and 2-1.5(g)(2)(c) of the Federal Travel Regulations, FPMR 101-7 (Sept. 1981), incorp. by ref., 41 C.F.R. § 101-7.003 (1985). Since Mr. Newhouse's new duty station was located outside the United States, there is no authority for payment of real estate expenses in connection with his transfer. Daniel A. Grover, B-221657, March 25, 1986.

Mr. Newhouse argues that his transfer was due to a reduction in force and that it was in the interest of the Government, but these arguments provide no basis to allow relocation expenses which are not authorized by the applicable statutes. Mr. Newhouse also argues that since his position in Arkansas was abolished, he was forced to sell his old residence. Again, we find no basis to allow payment of real estate expenses which are not authorized by law.

Mr. Newhouse further argues that he was assured by Customs officials that all expenses, including real estate expenses, would be paid by the Saudi Arabian program. However, we know of no authority under this program for federal employees to be reimbursed for expenses beyond those authorized by the applicable relocation statutes. We have been informally advised by Customs officials that under this program their employees receive pay and allowances pursuant to the usual statutes and regulations.

Finally, although Mr. Newhouse may have been misinformed concerning his entitlement to real estate expenses, it is well established that the Government is not bound by the erroneous acts or advice of its employees even though committed in the course of their official duties. See Grover, cited above, Stephen J. Musser, B-213164, February 22, 1984.

Accordingly, we conclude that Mr. Newhouse may not be reimbursed for expenses incurred in the sale of his residence at his former duty station.

for 
Comptroller General
of the United States