



DIGEST - 8-66

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

B-177323

February 2, 1973

Ms. Rose M. Sperling
Authorized Certifying Officer
Federal Mediation and Conciliation Service

Dear Ms. Sperling:

Further reference is made to your letter of November 28, 1972, with enclosures, requesting an advance decision as to whether a voucher in favor of Mr. [redacted] for reimbursement of real estate expenses incurred in the sale of his residence at his old official duty station may be certified for payment.

Your letter enclosures indicate the employee was authorized a change of official station from Richmond, Virginia, to Baltimore, Maryland, under travel authorization No. 0-71-35 dated July 29, 1970, for travel to begin on or about August 15, 1970. Mr. [redacted] reported for duty at the new duty station on September 22, 1970, however he was unable to find a purchaser for his dwelling at the old official duty station during the following year although he contracted for the services of several realtors for that purpose. Eventually, on October 25, 1971, he entered into a lease agreement with a lessee which included an option to purchase on or before July 10, 1972, however, the lessee did not exercise the purchase option. Finally the employee found a purchaser and a sales contract was signed on August 2, 1972, and settlement occurred on September 11, 1972, almost two years after he reported to the new duty station. Apparently Mr. [redacted] selling difficulty arose from a depressed real estate market in the Richmond area resulting from unusual social and economic conditions.

Mr. [redacted] is now requesting reimbursement for the expenses incurred for the September 11, 1972 settlement on the basis that he should be granted an extension of the one-year limit placed on housing settlements by section 4.1e of Office of Management and Budget (OMB) Circular No. A-56, revised June 26, 1969.

Section 4.1e of OMB Circular No. A-56 states:

"e. The settlement dates for the sale and purchase or lease termination transactions for which reimbursement is requested are not later than one (initial) year after the date on which the employee reported for duty at the new official station, except that (1) an appropriate extension of time may be authorized or approved

by the head of the agency or his designee when settlement is necessarily delayed because of litigation or (2) an additional period of time not in excess of one year may be authorized or approved by the head of the agency or his designee when he determines that circumstances justifying the exception exist which precluded settlement within the initial one-year period of the sale/purchase contracts or lease termination arrangement entered into in good faith by the employee within the initial one-year period. The circumstances which are determined by the head of the agency or his designee to justify the exception under (2) above shall be set forth in writing."

Although we appreciate the hardship with which Mr. _____ has been confronted, the language "sale/purchase contracts * * * entered into in good faith by the employee within the initial one-year period" appearing in the above regulations refers only to contracts between buyers and sellers of residences and not to contracts with realtors to find buyers for residences. See B-177082, December 14, 1972, and B-172160, July 7, 1971, copies enclosed.

Inasmuch as a contract with a buyer was not entered into within the initial one year time-frame prescribed by OMB Circular No. A-56, an extension of time cannot be granted. In the decision B-175791, July 24, 1972, 52 Comp. Gen. ____, cited in your submission, a contract had been entered into within the initial one-year period.

In view of the foregoing, the voucher, with accompanying papers, is returned herewith and may not be certified for payment on the basis of the present record.

Sincerely yours,

PAUL G. DEMBLING

Acting Comptroller General
of the United States