

DECISION



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

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JUN 1 1976

FILE: B-183240

DATE:

MATTER OF: M. Clair Willmeth - Real Estate Expenses -
Legal Fees

DIGEST: Transferred employee may not be reimbursed for legal fees incurred for transfer-related real estate transactions, where bills for legal fees are not itemized, and portions of bill are not allocated to each item. Additionally, employee may be reimbursed only for those portions of legal fees relating to services specifically enumerated in FTR para. 2-6.2c (May 1973).

This matter is a request for an advance decision submitted by an authorized certifying officer of the Federal Mediation and Conciliation Service. The issue presented is whether on the present record Mr. M. Clair Willmeth may be reimbursed for legal expenses in the total amount of \$450 incurred incident to the sale and purchase of homes.

Under the authority of Travel Authorization O-74-152, dated March 7, 1974, Mr. Willmeth was transferred from Chicago, Illinois, to Tampa, Florida, where he reported on April 20, 1974. Incident to that transfer, he sold his home at his old duty station, with settlement taking place on April 30, 1974, and purchased a home at his new duty station, with settlement occurring on May 13, 1974.

The \$300 bill presented by Goodman and Goodman, Ltd., for legal work related to the sale of Mr. Willmeth's old residence was not itemized. It simply stated:

"Legal Services Rendered re Sale of
192 Main Street, Glen Ellyn, Illinois."

The \$150 bill presented by MacFarlane, Ferguson, Allison and Kelly, for legal work related to the purchase by Mr. Willmeth of his new residence was presented in a narrative form, but did not assign specific charges to the listed services. The narrative statement of services provided:

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"Legal Services Rendered:

"Receipt and examination of various closing documents including Contract for Sale of Real Estate, Note and Mortgage, Deed, Loan Closing Statement and Surveys, attendance at closing, negotiations with title company concerning encroachment of house on side lot line, conference concerning encroachment of house on side lot line, attendance at second closing, miscellaneous correspondence, telephone calls and closing of file."

The regulations governing the reimbursement of real estate expenses, including legal fees, incurred incident to transfers are the Federal Travel Regulations (FPMR 101-7) (May 1973), which, in paragraph 2-6.2c, provide that:

"Legal and related expenses. To the extent such costs have not been included in brokers' or similar services for which reimbursement is claimed under other categories, the following expenses are reimbursable with respect to the sale and purchase of residences if they are customarily paid by the seller of a residence at the old official station or if customarily paid by the purchaser of a residence at the new official station, to the extent they do not exceed amounts customarily charged in the locality of the residence: costs of (1) searching title, preparing abstract, and legal fees for a title opinion or (2) where customarily furnished by the seller, the cost of a title insurance policy; costs of preparing conveyances, other instruments, and contracts and related notary fees and recording fees; costs of making surveys, preparing drawings or plats when required for legal or financing purposes; and similar expenses. Costs of litigation are not reimbursable."

In deciding claims under this section, and its predecessors, we have consistently held that an employee may not be reimbursed

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for the expenses of representation and counseling by an attorney in relation to real estate transactions. He may be reimbursed only for services of the types specifically enumerated in the above section. See B-172055, May 28, 1971; B-180752, June 12, 1974; and B-183037, March 21, 1975. We have also held that no portion of a lump-sum legal fee may be reimbursed; there must be an itemization of the services performed, and appropriate portions of the fee must be specifically allocated to the itemized services. See 54 Comp. Gen. 67 (1974), and B-175328, September 21, 1972.

The bill presented by Goodman and Goodman, Ltd., contains neither an itemization, nor an allocation of the fee. Therefore, it cannot be determined that the services actually performed were within those specifically set out in the regulations, and reimbursement is not proper. The bill presented by MacFarlane, Ferguson, Allison and Kelly, contains an itemization of services rendered, but does not include an allocation of the fee to those items. It cannot be determined from the limited information in the bill that any of the items listed are reimbursable, and, if they are reimbursable, what portion of the fee should be reimbursed. Neither bill contains sufficient information to support even partial reimbursement, and, on the present record, no reimbursement is authorized.

Accordingly, the voucher may not be certified for payment.

Comptroller General
of the United States