

**DECISION****THE COMPTROLLER GENERAL  
OF THE UNITED STATES**

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WASHINGTON, D.C. 20548

*Distinguished in part by  
61 C.G. (B-205614, 4-16-82)*

FILE: B-201809

DATE: May 8, 1981

MATTER OF: ██████████ - Relocation Expenses -  
Membership Fee, Cooperative Home

**DIGEST:** Employee may not be reimbursed a cooperative home membership fee required on purchase of home at new duty station. Such fees are personal and outside the scope of costs or expenses allowable as relocation expenses under the Federal Travel Regulations.

The issue presented in this case upon a request of an authorized certifying officer of the Department of Agriculture is whether a membership fee required to be paid on the purchase of a home in a cooperative home development is reimbursable as a relocation expense. The answer is no.

██████████, an employee of the Department of Agriculture's Soil Conservation Service, was authorized a permanent change of station from Portland, Oregon, to Washington, D.C. In connection with his transfer he purchased a cooperative home for which he was required to pay a membership fee of \$300 to the developer at the time of purchase. This membership fee is a one-time fee, nonrefundable and nontransferable if and when ██████████ sells his interest in the property.

Pursuant to 5 U.S.C. § 5724a (1976), paragraph 2-6.2 of the Federal Travel Regulations (FPMR 101-7, May 1973) provides for reimbursement of certain expenses incurred by employees in connection with residence transactions. Membership fees such as ██████████ paid are not included as reimbursable expenses under those regulations. Instead, membership fees in condominium or cooperatively owned homes or apartments are regarded as items of added value continuing to benefit the purchaser. As such, they are considered a part of the purchase price and not a part of the cost or expenses of purchasing. In the circumstances where a membership fee is transferable, we have held that the expenses of selling such membership is reimbursable. See B-183812, 4 May 4, 1976. However, the cost of a membership is considered a personal expense of the employee and not reimbursable. B-200082, February 25, 1981. Compare B-171808, March 21, 1971, for membership fees in non-real estate type organizations.

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In the present case, the membership fee had no relationship to any expense or charge for services required for the purchase of the property. It was a requirement for occupancy and participation in the management of the cooperative development. Accordingly, such membership fee is not reimbursable as a relocation expense under the Federal Travel Regulations.

*Harry R. Can Cleve*  
For the Acting Comptroller General  
of the United States