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**DECISION**



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

**FILE:** B-204939

**DATE:** April 5, 1982

**MATTER OF:** Ronald A. Noller

- DIGEST:**
1. A transferred employee may not be reimbursed expenses incurred for a \$400 advance payment retained as a security deposit and \$405 for the first month's rent required by the lease on his residence at the new duty station. Expenses attributable to execution of the lease at the new duty station are not payable. Quarters occupied for an indefinite period are not considered temporary quarters for which reimbursement is allowable.
  2. An employee transferred to a new station was entitled to reimbursement for transportation of household effects at the commuted rate. The employee may not be reimbursed a fuel surcharge and an additional transportation charge he paid since under the commuted-rate system, there is no provision for reimbursing an employee for actual costs in excess of the commuted rate.

The Defense Logistics Agency requests our decision on whether a transferred employee may be reimbursed for an advance payment, as well as a monthly rent payment, on an apartment at a new duty station while the employee is occupying his residence at the old duty station and for expenses in excess of the allowable commuted rate incurred in moving his household goods. The request has been assigned Control No. 81-27 by the Per Diem, Travel and Transportation Allowance Committee.

Payment is not authorized since there is no authority for an advance payment retained as a security deposit and a rent payment on an apartment at the new duty station while the employee is at his residence at the old duty station. Further, an employee reimbursed under the commuted-rate system for transportation of household goods may not be

paid an amount by which his actual costs exceeded the commuted rate.

Mr. Ronald A. Noller, an employee of the Defense Logistics Agency, was transferred from Fort Wayne, Indiana, to Indianapolis, Indiana, by travel authorization specifying a reporting date at Indianapolis of September 29, 1980. While on a house hunting trip during the period August 10-16, 1980, he located an apartment and paid a \$400 advance payment required by his apartment lease plus \$405 for 1 month's rent beginning September 1, 1980.

Mr. Noller vacated his apartment at his old duty station on September 13, 1980. He has been reimbursed \$187.53 for 19 days' rent after that date that he was required to pay on his unexpired lease at the old duty station. Expenses incurred for moving household goods were reimbursed in accordance with General Services Administration Bulletin FPMR A-2, Commuted rate schedule for transportation of household goods, Supplement 91 dated July 31, 1980, which was established based on carrier's rates including amounts for fuel surcharges. The moving company's bill to Mr. Noller included as separate items a \$24 additional transportation charge (50 cents per 100 pounds for 4,800 pounds) and \$53.87 for an 8.6 percent fuel surcharge.

In filing his voucher for reimbursement of relocation expenses, Mr. Noller included the \$400 advance payment on his apartment and the \$405 rent payment for September 1980. His disbursing officer indicates that those amounts may not be paid since applicable regulations do not authorize reimbursement for advance payments (security deposits) on leases, nor for rent payments at the new duty station while the employee is at his old residence. Mr. Noller also requested payment for the \$53.87 fuel surcharge and the \$24 additional transportation charge. The disbursing officer indicates that those amounts may not be separately reimbursed because they are included as a part of the authorized payment when using the commuted rate paid Mr. Noller under Supplement 91 of Bulletin FPMR A-2.

In support of his position, Mr. Noller contends that under his lease agreement he was required to pay the \$400 advance plus \$405 rent for the full month of September on the apartment in Indianapolis, even though he could not move

B-204939

until September 13, 1980. Further, he states that if he had been informed prior to moving that he would not be reimbursed the \$24 additional transportation charge and the \$53.87 fuel surcharge, he would have moved all of his household goods personally.

#### Advance Payment on Apartment

A transferred employee may be reimbursed expenses of the settlement of an unexpired lease at the old station, but there is no authority under the law or regulations for payment of expenses of a lease on a permanent residence at the new duty station. See 5 U.S.C. 5724a(a)(4); Federal Travel Regulations (FTR) FPMR 101-7 (May 1973), paragraph 2-6.2; and Matter of Gamble, B-185095, August 13, 1976. Further, since Mr. Noller's \$400 advance payment is retained as a refundable security deposit, he apparently will not incur an actual expense prior to vacating the premises or violating the terms of the lease.

#### September Rent

A transferred employee may also be reimbursed subsistence expenses under 5 U.S.C. 5724a(a)(3) for himself and his immediate family for a period of 30 days while occupying temporary quarters when the new official station is in the United States. However, quarters occupied upon initial arrival at a new duty station which are the permanent residence into which an employee moves his household goods and continues occupancy indefinitely are not considered temporary quarters for which reimbursement is allowable. Although Mr. Noller paid apartment rent in Indianapolis for the entire month of September 1980, and did not move into this residence until September 14, 1980, these were permanent quarters for which payment of the September rent or any portion thereof as a temporary quarters expense is precluded. FTR paragraph 2-5.2 (May 1973).

#### Household Goods Transportation Expenses

Mr. Noller was authorized transportation of household goods under the commuted-rate system authorized in the Federal Travel Regulations (May 1973), paragraph 2-8.3a(1) which provides:

"Under the commuted rate system an employee makes his own arrangements for transporting

B-204939

household goods between points within the conterminous United States. He selects and pays the carrier or transports his goods by noncommercial means and is reimbursed by the Government in accordance with schedules of commuted rates which are contained in GSA Bulletin FPMR A-2, Commuted rate schedule for transportation of household goods. The schedules of commuted rates which are developed from tariffs that carriers have filed with the Interstate Commerce Commission consist of tables to be applied to the particular transportation involved. \* \* \*

Under this system, the employee is paid an allowance based on the weight and distance of the shipment rather than the actual cost of the shipment. The commuted-rate system is an approximation and is not designed to reimburse the employee his exact expenses. As an approximation, it is impossible to take into account all contingencies with which every employee could be confronted in transporting his household goods. The reimbursement will at times be less than the actual costs, while at others it will be more. Matter of Hahnenberg, B-186351, May 10, 1977, and Matter of Oakley, B-189577, November 2, 1977. In this connection we have held that once an administrative decision is made to reimburse the employee by the commuted-rate system, it becomes mandatory that the employee be reimbursed in that manner. Matter of Martin, B-196532, July 7, 1980.

While Mr. Noller may not have been fully aware of all the possible expenses of shipping his household goods, it is general policy to use the commuted-rate system for transportation of an employee's household goods within the conterminous United States when individual transfers are involved. FTR paragraph 2-8.3c(3). Hence, the use of the commuted-rate system in computing the reimbursable expense of transporting Mr. Noller's household effects was proper. Matter of Beard, B-187173, May 16, 1976, and Matter of Strasfogel, B-186975, May 16, 1977. Since the commuted rate is intended as reimbursement for all transportation costs, the \$24 additional transportation charge and \$53.87 fuel surcharge

B-204939

may not be reimbursed to Mr. Noller in addition to the commuted rate.

for *Milton J. Arnold*  
Comptroller General  
of the United States