



The Comptroller General
of the United States

Washington, D.C. 20548

Benjamin

Decision

Matter of: Warren A. White--Real Estate Expenses
File: B-235046
Date: September 18, 1989

DIGEST

An employee may not be reimbursed real estate expenses where he entered into contract to sell his residence before there was any administrative intent to transfer him.

DECISION

The issue presented is whether an employee is entitled to reimbursement of real estate expenses where he contracted to sell his residence in anticipation of a permanent change of station. For the reasons stated below, we hold that he is not so entitled.

BACKGROUND

This decision is in response to a request from the Defense Logistics Agency concerning the claim of Mr. Warren A. White for reimbursement of real estate expenses.^{1/} In 1986 and early 1987, Mr. White discussed job opportunities with the Defense Systems Automation Center (DSAC) in Columbus, Ohio. In anticipation that he would receive a job offer from this facility or as a result of other job applications he had made with the Department of Defense, Mr. White listed his house in Albany, Georgia, with a real estate broker on March 23, 1987. He accepted an offer to purchase his house on June 12, 1987, and he went to settlement on August 6, 1987. Mr. White was first notified of his selection for a position in DSAC on July 30, 1987.

^{1/} The request was submitted by Charles R. Coffee, Acting Chief, Accounting and Finance Division, Office of Comptroller, Defense Logistics Agency, through the Per Diem, Travel and Transportation Allowance Committee, PDTATAC Control No. 89-6.

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Mr. White's claim for reimbursement of real estate expenses for the sale of his house was questioned by the agency on the grounds that the sale of the residence was not incident to his transfer. The agency contends that he entered into a contract to sell his house in the absence of a clearly evident administrative intent to transfer him and before he was first informed he had been selected for the position in Ohio. Mr. White argues that since settlement occurred after he received notice of the transfer, he is entitled to reimbursement of the expenses.

OPINION

Our decisions have held that an employee may be reimbursed for real estate expenses incurred prior to, and in anticipation of, a transfer only if an administrative intent to transfer the employee exists at the time the expenses are incurred. Samuel V. Britt, B-186763, Oct. 6, 1976.

We have held that the real estate expenses are incurred when the employee signs the contract to sell the house. Bernard J. Silbert, B-202386, Sept. 8, 1981. In the absence of clear evidence of administrative intent to transfer Mr. White as of that date, his claim must be denied where the agency determines that the sale of his residence was not incident to the transfer. Alan L. Olson, B-206239, Apr. 26, 1982; John Debo, B-219854, Mar. 12, 1986; George S. McGowan, B-206246, Aug. 29, 1984.

Accordingly, Mr. White's claim for reimbursement of real estate expenses pertaining to the sale of his residence is denied.

Milton J. Fowler
for Comptroller General
of the United States