United States
General Accounting Office
Washington, D.C. 20548

Office of the General Counsel

B-253298

September 2, 1993

Dear Mr.

Further reference is made to your letter of April 14, 1993, in which you appeal the settlement dated March 31, 1993, issued by our Claims Group. The Claims Group disallowed your claim for reimbursement of the forfeiture of prepaid dental treatment for your wife at your old duty station, incident to your change of official station from Indianapolis, Indiana, to Washington, D.C., in April 1991. The Claims Group determined that you did not actually forfeit the payments for her dental treatment since that treatment was completed in Indianapolis after your transfer.

You contend, however, that there was a forfeiture because a dentist at your new duty station would have had to start the treatment all over again at a cost of at least the amount previously paid. You state that rather than begin the treatment over again with a new dentist in the Washington area, your wife elected to return to Indianapolis to complete the treatment. In doing so, she made several trips from Washington, D.C., to Indianapolis where the dental treatment for which you had paid was completed.

You have reviewed three prior decisions of this Office, , B-185048, Nov. 1, 1976:

, B-197072, Aug. 4, 1980; and 56 Comp. Gen. 53 (1976), and state that you saw nothing in those decisions that dealt with the actual cost of completing the uncompleted portion of the prepaid, nonrefundable contract, nor a requirement that the process must actually be completed. In the cited decisions, we stated that determinations as to whether a forfeiture loss has occurred should be based on the specific terms of the contract involved, and that factors such as the cost of completing work or obtaining a replacement at the new duty station, are not for consideration. While the cost of

Settlement Certificate Z-2868248.

completing the dental work or obtaining a replacement at the new duty station may not be considered, still the employee must forfeit something he paid for at the old official station. in order to be reimbursed for the dental expenses.

See ______, B-251143, Mar. 8, 1993, copy enclosed.

Under the terms of your contract, the amount, \$4,478, prepaid for your wife's dental treatment was not refundable. However, since you did not enter into a new contract for completion of the dental treatment with a dentist and surgeon at your new duty station and your wife completed her treatment in Indianapolis, at no additional cost for such services, clearly there was no-forfeiture, in full or in part, of the amount prepaid under the contract. In the absence of any forfeiture, there is no basis for reimbursement under the provisions of the Federal Travel Regulation, 41 C.F.R. § 302-3.1(b) (5) (1992) and the Joint Travel Regulations, Vol. 1, para. C9000-4, June 1, 1992.

While your wife undoubtedly incurred some travel expenses in returning to Indianapolis for treatment, we are not aware of any statutory or regulatory authority that would allow reimbursement of such travel costs.

Accordingly, upon review we find no material error of fact or law in the settlement action by our Claims Group, and that action is sustained.

Sincerely yours

James F. Hinchm General Counsel

Enclosure

2