**Comptroller General
of the United States**

Washington, D.C. 20548

Decision

Matter of: Robert W. Holland—Household Goods Moving Expenses Reimbursement

File: B-262054

Date: October 10, 1995

DIGEST

The denial of a Navy civilian employee's claim for additional reimbursement for the transportation of his household goods (HHG) incident to a permanent change-of-station transfer is sustained. The employee's transfer orders erroneously authorized movement of his HHG by the commuted rate method, not to exceed the cost by government bill of lading (GBL). Since a cost comparison had shown the GBL method to be more economical, movement by the GBL method was required under the Joint Travel Regulations (JTR). The employee chose to move his HHG himself using a rental truck and submitted a claim for the amount computed under the commuted rate schedule. However, the JTR provides that when the GBL method is determined to be more economical, and an employee chooses to make his own arrangements for the shipment of his HHG, the employee's reimbursement is limited to the employee's actual expenses (e.g., truck rental, fuel, and packing materials expenses, but not for the employee's labor), not to exceed the amount the government would have been paid using the GBL method. The erroneous authorization on the travel order may not serve as the basis for payment of a claim contrary to regulation.

DECISION

Mr. Robert W. Holland, a civilian employee of the Navy Department, appeals our Claims Group settlement Z-2869625, April 21, 1995, limiting the reimbursement for the shipment of Mr. Holland's household goods (HHG) incident to a permanent change-of-station transfer to Mr. Holland's out-of-pocket expenses. We affirm the settlement.

BACKGROUND

Mr. Holland transferred from Pensacola, Florida, to Jacksonville, Florida, in January, 1994. Incident to this transfer, the agency issued Mr. Holland a travel order authorizing the shipment of his HHG by the commuted rate method, not to exceed

the cost by government bill of lading (GBL). Under the commuted rate method, the employee assumes the responsibility for having the HHG moved and is reimbursed according to a commuted rate schedule published by the General Services Administration (GSA). See Federal Travel Regulation (FTR) 41 C.F.R. § 308-8.3(a). Mr. Holland states that he then rented a truck and moved his HHG himself, and he then filed a claim with the agency for reimbursement under the commuted rate schedule.

Before the agency issued Mr. Holland's travel order, the agency had conducted a cost comparison and concluded that it would cost $6,400.00 to ship Mr. Holland's HHG by the commuted rate method and $2,644.20 under the GBL (actual expense) method. Under the GBL method, the government assumes the responsibility for shipping the employee's HHG under a GBL using government-contracted carriers. See FTR § 302-8.3(b). According to the agency's regulations, when the estimated cost of one method exceeds the other by more than $100.00, the more economical method must be used. Vol. II, Joint Travel Regulation (JTR) Ch. 327, para. C8001-4(c)(3), Jan. 1, 1993. This regulation also provides that when an employee for whom shipment by the GBL method has been authorized chooses to make other shipping arrangements, reimbursement will be limited to the employee's actual expenses incurred, not to exceed what it would have cost the agency had the shipment been made by GBL. Id.

Based on this regulation, the agency notified Mr. Holland that he may be reimbursed only for his actual expenses. Mr. Holland appealed this determination to our Claims Group, which affirmed the agency's determination, noting that the administrative error on his travel order does not provide a basis for approval of Mr. Holland's claim contrary to the regulations.

Mr. Holland argues that if he may not be reimbursed on the commuted rate basis, since he incurred the expense of the truck rental and he and his family did the packing and unpacking and moved the HHG, he should receive the $2,644.20 estimated cost of what the government would have paid a contractor under the GBL method to move his HHG. He states that this amount would be sufficient to reimburse him for the costs of truck and equipment rental, gas, and a fair and reasonable rate for his and his family's labor. Further, he argues that it is unfair now to expect him to submit receipts for his actual expenses because, under the commuted rate method, he only would have been required to submit weight certificates from the shipper to document his claim. Since he did not think he would need itemized receipts for all his expenses, he states, he only kept the receipt for the truck rental.

The agency acknowledges that Mr. Holland's travel order stated that the commuted rate method, not to exceed the cost via GBL, was authorized. However, the agency also states that the order was contrary to the JTR provision.

OPINION

The governmentwide FTR, issued by GSA, covering most government civilian employees (including Navy employees), states a general policy favoring the commuted rate method when individual transfers are involved, see 41 C.F.R. § 8.3(c)(3) (1994). The FTR also provides, however, that agencies may use the GBL method in individual transfers when the expected savings is $100.00 or more. FTR § 8.3(4). Thus, the FTR gives agencies some discretion in the method to be used, based on a determination of which is more economical to the government.[1] In 1990, the Department of Defense (DOD), implementing these FTR provisions for DOD employees, chose to limit the discretion of its travel personnel by requiring them to perform a cost comparison between the commuted rate and the GBL methods and mandating use of the more economical method when the difference between the two exceeds $100.00, as it does in this case. JTR para. C8001-4(c)(3), supra. As we noted above, this regulation also provides that, when the GBL method is determined to be the more cost-effective method and an employee chooses to make his own shipping arrangements, the employee's reimbursement is limited to the employee's actual expenses incurred not to exceed what it would have cost the government had the shipment been made by GBL. We have specifically upheld this regulation as a proper exercise of agency discretion. Steven B. Wirth, B-249337, May 6, 1993.

While the erroneous statement on the travel orders is unfortunate, as both the agency and the Claims Group noted, such an erroneous authorization entered on the travel orders may not serve as the basis to allow a claim that is contrary to the specific provision of the regulation promulgated pursuant to law. Steven B. Wirth, supra. Therefore, the denial of Mr. Holland's claim for reimbursement on a commuted rate basis or for the full amount of the estimated cost by the GBL method is affirmed.

As stated above, Mr. Holland's reimbursement must be based on his actual expenses incurred for the move, not to exceed what it would have cost the government under the GBL method. Although Mr. Holland argues that he should receive compensation for his and his family's labor in packing and moving the goods, reimbursement for such labor is not authorized.[2] Computation of his reimbursement may include his

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[1]These provisions are issued pursuant to and are in accordance with the applicable statutory provision, 5 U.S.C. § 5724(c).

[2]Charges for the employee's labor are not actual expenses incurred, and we generally deny claims for labor furnished by the employee's family, which are in the nature of gratuitous service rather than pursuant to an arms-length contract. See e.g., Cline and Clark, B-256126, May 4, 1995; and Jerold Schroeder, B-226868, Nov. 4, 1988.

actual expenses incurred for such items as the truck rental, tolls, fuel, packing materials, and rental of associated equipment such as a dolly and pads. While Mr. Holland states that he retained only the receipt for the truck rental, in view of the circumstances of this case, we would not object if the agency reimbursed him for other allowable items based on Mr. Holland's best estimate of the expenses he incurred for those items, if found reasonable by the agency.

/s/Seymour Efros
for Robert P. Murphy
General Counsel