

DECISION



12204
PLM-1
Mr. Kirkpatrick
**THE COMPTROLLER GENERAL
OF THE UNITED STATES**
WASHINGTON, D. C. 20548

FILE: B-195162

DATE: December 5, 1979

MATTER OF: Thomas G. Leydon - [Relocation ^{and} Forfeiture
Loss on Dental Services] - Transportation of Pets

- DIGEST:**
1. Employee is not entitled to reimbursement of amount claimed as forfeiture loss on orthodontic services because of employee's transfer. Employing agency could not use percentage-of-completion formula set forth in B-185048, November 1, 1976, because treatment was prolonged by inability of employee's child to wear headgear, failure to have teeth extracted as suggested by orthodontist, and missed appointments. Also, orthodontist at old duty station determined refund was due because employee's payment was not in proportion to services rendered. Consequently, it cannot be determined there was forfeiture loss reimbursable as miscellaneous expense under FTR paragraph 2-3.1b(5).
 2. Employee is not entitled to reimbursement of veterinarian fees and other costs associated with transportation of pets incident to permanent change of station. FTR paragraph 2-1.4h excludes pets as household goods, and there is no authority to ship them at Government expense.

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Ms. Margie J. Chancey, Certifying Officer, Small Business Administration, requests our decision whether she can certify for payment the reclaim voucher of Thomas G. Leydon for the value of forfeiture loss on dental services and the transportation of household pets incident to his permanent change of station. 10

Mr. Leydon's permanent duty station was changed from Denver, Colorado to Gaithersburg, Maryland, in August 1978. The relocation required that his daughter have her orthodontic treatment, which had begun in Denver, completed in Gaithersburg by another orthodontist. The Denver orthodontist contract cost was \$1,235 plus \$7 per office visit after the first 3 months, and treatment there was approximately 36 months before Mr. Leydon's transfer. The Denver orthodontist refunded Mr. Leydon \$400 for the unfinished treatment. The Gaithersburg orthodontist felt that the work in

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Denver had been only 10 percent completed when he began treatment, and he estimated completion time to be a period of 24 to 30 months under his care at a cost of \$40 per month with a retainer fee of \$150 due upon completion of active treatment.

The Small Business Administration, Fiscal Examination Branch, suspended the claim for reimbursement for a loss on the dental contract since there was no obvious evidence of loss from incomplete orthodontic service because of the transfer. It considered the Gaithersburg dentist's feeling that work had been only 10 percent completed (after 36 months treatment in Denver) an unreasonable estimate, and it said that any statement as to the degree of completion should come from the first orthodontist in Denver.

Paragraph 2-3.1b(5) of the Federal Travel Regulations (FTR) authorizes as a miscellaneous relocation expense the cost of forfeiture losses on medical, dental, and food locker contracts that are not transferable. In 56 Comp. Gen. 53 (1976) we held that the cost of completing orthodontic services at the new duty station may not be used as a measure of the forfeiture. Rather, it should be computed on a percentage completion basis under the terms of the original contract. In Samuel H. Sackman, B-185048, November 1, 1976, we set forth a formula that agencies might use to compute the forfeiture if the first contract had no refund provision. Under the formula the amount of the original contract is prorated over the total months of orthodontic services to be performed under both old and new contracts (total months divided by original contract cost) to arrive at what would have been the average monthly rate had completion been under the old contract. The monthly rate multiplied by the estimated months to complete the services under the new contract, less any amount refunded by the first orthodontist, is the value of the services forfeited incident to the transfer.

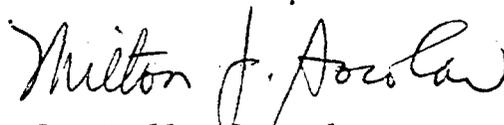
We agree that evidence of a forfeiture is lacking in the present case. Use of the formula is elective and appropriate only when the employing agency can reasonably assume that the total period necessary for orthodontic services under both the old and new contracts is a constant which remains the same whether the work is performed by the same or different dentists. Samuel H. Sackman, supra. In this connection the first orthodontist in

Denver pointed out a number of factors which he believed prolonged treatments beyond the duration expected under the first contract. Mr. Leydon's daughter could not wear the headgear to the extent necessary, and its use had to be discontinued. Certain teeth were not extracted as the first orthodontist had suggested, thereby in his opinion slowing progress. Further, he stated that some appointments were missed. The second orthodontist in Gaithersburg was unable to estimate a completion time closer than a range of between 24 and 30 months, and he did not provide any basis for his feeling that only 10 percent of the work had been completed under the old contract.

Because of the variables apparently extending the duration of services for some unknown period beyond the time originally considered necessary under the first contract and the inability to estimate a more definite completion time, we do not believe that the formula provides a reliable guide for this case. Further, the Denver orthodontist stated that he determined Mr. Leydon was due a refund of \$400 because his payment was not in proportion to the results achieved. Under the circumstances we cannot determine that there was a forfeiture loss on a dental contract for which Mr. Leydon is entitled to a reimbursement.

Concerning the expenses for the transportation of a dog and cat, Mr. Leydon alleges that such expenses, including air freight and veterinarian fees for rabies shots required to cross state lines, are not prohibited under Small Business Administration regulations. The Small Business Administration regulations implement paragraph 2-1.4h of the FTR which specifically excludes pets as household goods. Also, we have held that there is no authority to pay the transportation costs of household pets under the FTR. Ramon v. Romero, B-190330, February 23, 1978. Therefore, even though one pet was transported by private automobile and the other by air, Mr. Leydon is not entitled to reimbursement of the costs connected with the transportation of his pets.

Accordingly, the reclaim voucher may not be certified for payment.



For The Comptroller General
of the United States