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Comptroller General
of the United States

Washington, D.C. 20548

Decision

Matter of: Anthony B. Queern - Long-Term Temporary
Duty - Per Diem for Days of Annual Leave -
Renter's Insurance

File: B-247084

Date: August 6, 1992

DIGEST

1. Employee on long-term temporary duty was denied per diem for days he took annual leave, based on 41 C.F.R. § 301-7.15(a) (1991). Employee had leased a furnished apartment and paid monthly rent in advance, with no credit or refund for days away. Under the special computation rules of 41 C.F.R. § 301-7.14(a)(2) (1991), the daily lodging cost is to be computed by dividing the total lodging cost for the month by the number of days the apartment was "actually occupied" for official business purposes. Therefore, days of annual leave are to be excluded in computing daily lodging cost. Employee's claim for additional lodging expenses is allowed and remanded to the agency for computation of the amount due.

2. Employee on long-term temporary duty assignment purchased renter's insurance for protection of his personal property and seeks reimbursement for this expense. Under 41 C.F.R. § 301-1.3(b) (1991), reimbursable travel expenses are confined to those expenses essential to the transaction of official business. Also, under 41 C.F.R. § 301-9.1(e) (1991), the purchase of renter's insurance is not a miscellaneous expenditure necessarily incurred by the traveler in connection with the transaction of official business. Employee's claim for renter's insurance is denied.

DECISION

The Department of the Interior has requested a decision on the claims of Mr. Anthony B. Queern for additional per diem and for renter's insurance while on long-term temporary duty.¹ For the following reasons, we allow the former and deny the latter.

¹This request was submitted by Mr. Roy J. Heinbuch, U.S. Geological Survey, Reston, Virginia.

BACKGROUND

Mr. Queern is an employee of the U.S. Geological Survey, Department of the Interior, Reston, Virginia. He received a temporary duty assignment in Denver, Colorado, that began in February 1989 and was originally scheduled for 9 months, but was subsequently extended to 15 months, and then to 20 months. Since this assignment was long-term temporary duty, Mr. Queern was directed to find longer-term, lower-cost housing. He leased a furnished apartment for \$950 per month. The lodging portion of his per diem rate was then reduced from \$65 a day to \$31.23 a day (later increased to \$36.25 a day when his rent was raised to \$1,100).

During this assignment Mr. Queern took annual leave on several occasions. On those days when the annual leave taken was more than half of the prescribed working hours, the Interior Department disallowed per diem on the basis of the Federal Travel Regulation (FTR), 41 C.F.R. § 301-7.15(a) (1991). For example, during November-December 1989, he used 144 hours (18 days) of "use or lose" annual leave. During 1990 he used an additional 120 hours (15 days) annual leave at various times. As a result, a total of \$1,100.87 in lodging expenses was disallowed for those days of leave.

In essence, Mr. Queern contends that he should be reimbursed because he was required to rent lodgings on a month-to-month lease to save the government lodging expenses, and thus did not have the option of checking out of a hotel or otherwise avoiding lodging expenses while on annual leave. As he points out, the rent was payable on the first day of each month in advance of occupancy and no credit, rebate, or refund was available for the days he was away. The disallowed lodging expenses were directly related to his temporary duty assignment and were not avoidable. Moreover, he argues the lease expenses were already factored into the reduced per diem rate. He adds that he continued to make monthly mortgage payments on his Virginia residence during the extended temporary duty period and that, if the claimed expenses are not allowed, he will be out of pocket \$1,100.87 by reason of his duty in Denver.

During the assignment, Mr. Queern obtained renters insurance to cover his personal belongings in the event of theft or fire. His claim for renters insurance expenses of \$170.85 was disallowed by the agency. Mr. Queern maintains that the expenses were prudent to avoid the risk of loss and should be reimbursed to make him whole.

OPINION

Lodging Expenses

As noted above, the agency disallowed lodging expenses for those days (33) on which Mr. Queern was on annual leave during his Denver duty. The basis was Title 41 C.F.R. § 301-7.15(a)(1) (1991) of the Federal Travel Regulation, which, with an exception not relevant here, provides:

"(a) Leave and nonworkdays--(1) General. Leave of absence (other than as provided in paragraph (d) of this section) for one-half, or less, of the prescribed daily working hours shall be disregarded for per diem purposes. Where the leave is more than one-half of the prescribed daily working hours, no per diem shall be allowed for that day." (Emphasis in original.)

Although FTR section 301-7.15(a) does apply, we agree that it penalizes the employee on long-term TDY who is directed to or prudently decides to lease housing on a monthly basis. Such an employee does not have the option of vacating the premises for periods of annual leave as does an employee on short-term temporary duty who stays in a hotel or motel.

When Mr. Queern arranged to lease the furnished apartment, the agency obtained the benefit of a reduced per diem rate under the special per diem allowance computation rules set forth in FTR § 301-7.14(a). Based on his monthly rent, this resulted in a reduced lodging rate of \$31.23-\$36.25 a day, as contrasted to the prescribed rate of \$65 a day for Denver.

Specifically, FTR § 301-7.14(a)(2) reads as follows:

"(2) Computation of daily lodging costs. When the employee obtains lodging on a weekly or monthly rental basis, the daily lodging cost shall be computed by dividing the total lodging cost for the expenses listed in paragraph (a)(1) of this section by the number of days the accommodations are actually occupied, provided that the employee acts prudently in renting by the week or month, and that the cost to the Government does not exceed the cost of renting conventional lodging at a daily rate. Otherwise the daily lodging cost shall be computed by dividing by the number of days in the rental period; e.g., 7 or 30 days, as appropriate." (Emphasis added.)

The agency acted properly in directing Mr. Queern to obtain long-term housing and in establishing reduced per diem rates for the extended temporary duty. However, the daily lodging costs for the months during which Mr. Queern took annual leave was incorrectly computed.

The correct method of factoring annual leave into long-term temporary duty was set forth in Jesus Soto, Jr., 62 Comp. Gen. 63 (1982). In that decision, we interpreted the predecessor regulation² on determining the allowable cost of lodging to apply only to nights that lodgings were required in connection with temporary duty. Therefore, we concluded that, when Mr. Soto was on annual leave during a temporary duty assignment, the ". . . day (or days) of annual leave is not to be included in the computation of the average cost of lodging," provided that (1) the employee acted properly in obtaining lodgings for a longer period than a day, and (2) the cost to the government does not exceed the cost that would have been incurred for lodgings at the daily rate. As applied here, the Soto decision means that, under the current FTR § 301-7.14(a)(2), the daily cost of lodging for weekly or monthly rentals is computed by dividing the total lodging cost for the applicable period by the number of days the apartment was "actually occupied" for official business purposes. Therefore, days of annual leave are to be excluded in computing daily lodging cost.

Therefore, Mr. Queern's claim for additional per diem is allowed and the matter is remanded to the agency for computation of the amount due.

Renter's Insurance

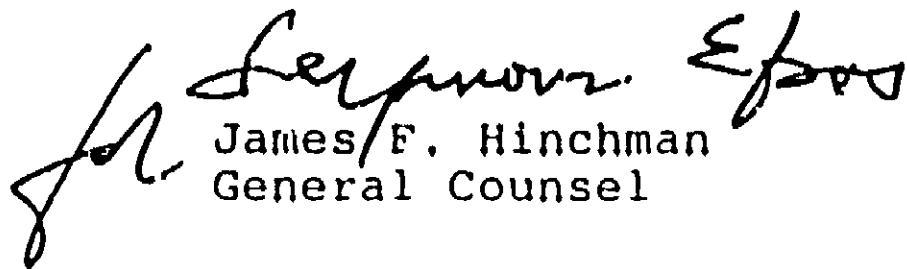
Mr. Queern purchased renter's insurance to cover his personal property in case of theft or fire. While it may have been prudent for Mr. Queern to have obtained this type of insurance, the Interior Department has determined that this was not an expense essential to the transaction of official business under 41 C.F.R. § 301-1.3(b) (1991), and thus has denied his claim for reimbursement of the expense of renter's insurance.

Title 5 U.S.C. § 5702 provides that an agency may reimburse an employee for actual and necessary costs for travel while on official business. Under 41 C.F.R. § 301-1.3(b) (1991), travel expenses which will be reimbursed are confined to those expenses essential to the transaction of official business. Mr. Queern's purchase of renter's insurance for

²Paragraph 1-7.3c(1)(a), Federal Travel Regulations, FPMR 101-7 (May 1973).

protection of his personal property is clearly not an expense that can be characterized as an expense essential to the transaction of official business. As such, his purchase of renter's insurance was his personal choice and for his personal benefit. See Charles H. Byrd II, 68 Comp. Gen. 721 (1989); Harold A. Knapp, B-226863, Jan. 26, 1989.

Also, Mr. Queern's purchase of renter's insurance is clearly not an expense that can be characterized as a miscellaneous expenditure necessarily incurred by the traveler in connection with the transaction of official business under 41 C.F.R. § 301-9.1(e) (1991). Thus, there is no statute or regulation which would authorize reimbursement of the expenses of renter's insurance. Accordingly, Mr. Queern's claim for the cost of the insurance is denied.


James F. Hinchman
General Counsel