



UNITED STATES
CIVILIAN BOARD OF CONTRACT APPEALS

April 10, 2012

CBCA 2703-RELO

In the Matter of LINDA S. HALL

Linda S. Hall, Washington, DC, Claimant.

Cheryl A. Holman, Chief, PCS Travel Section, Department of Veterans Affairs, Austin, TX, appearing for Department of Veterans Affairs.

BORWICK, Board Judge.

The agency, Department of Veterans Affairs, requests a decision under 31 U.S.C. § 3529 (popularly known as an “advance decision”) whether it may pay Ms. Linda Hall’s, (claimant’s), lease breaking expenses of \$350. Under the factual circumstances of this case, the answer is yes. Payment of lease breaking expenses is in accordance with the Federal Travel Regulation (FTR).

Background

Claimant was transferred in the interest of the Government from Orlando, Florida, to Washington, D.C. In Orlando, claimant resided in leased premises. The original lease specified a term from October 7, 2008, to May 7, 2009. On October 7, 2009, the parties amended the lease to convert it to a month-to-month tenancy with a requirement that claimant provide thirty days’ notice to end the lease.

Claimant had received what the agency says was a definite oral job offer in Washington, D.C., on March 23, 2011. At that time, however, the actual date of claimant’s transfer from Orlando to Washington, D.C. was uncertain. According to claimant, the agency personnel office warned her not to incur transfer expenses until the transfer was put in writing. The agency’s transfer request is dated April 13, 2011, with claimant’s duty reporting date established as April 25, 2011.

On April 7, 2011, claimant provided notice that she was vacating the leased premises in Orlando. On April 25, claimant and her landlord entered into a lease termination agreement, in which the parties acknowledged that thirty days' notice had been provided on April 7. That notice required claimant to pay rent through May 7. Since claimant vacated the property on April 26, ten days of unused rent--\$350-- from April 27 through May 6 was deducted from the landlord's refund of her security deposit as a lease breaking expense. Claimant seeks reimbursement of that expense from the agency.

Discussion

The FTR provides that an agency may pay lease-breaking expenses:

When your unexpired lease (including month to month) is for residence quarters at your old official station, you may be reimbursed for settlement expenses for an unexpired lease, including but not limited to broker's fees for obtaining a sublease or charges for advertising if:

- (a) Applicable laws or the terms of the lease provide for payment of settlement expenses; or
- (b) Such expenses cannot be avoided by sublease or other arrangement; or
- (c) You have not contributed to the expenses by failing to give appropriate lease termination notice promptly after you have definite knowledge of your transfer; or
- (d) The broker's fees or advertising charges are not in excess of those customarily charged for comparable services in that locality.

41 CFR 302-11.7 (2011). The agency questions whether payment of such expenses is barred by subsection (c) of section 302-11.7 because claimant did not provide notice of vacating the premises to her landlord on March 23, when she received the oral job offer. The answer is no. The FTR requires an employee to give a landlord prompt notice after the employee has definite knowledge of a "transfer." Such notice is not required at the time of an informal job offer. Despite the job offer on March 23, claimant's transfer date was uncertain until the agency issued the travel authorization on April 13 establishing her duty reporting date as April 25.

Decision

Claimant's waiting until April 7, 2011, to give notice of her lease termination, instead of giving notice on March 23, was reasonable in light of the uncertainty as of March 23 concerning her transfer date. The FTR, at 41 CFR 302-11.7(c), does not bar reimbursement of her claim. The agency may pay her claim for \$350.

ANTHONY S. BORWICK
Board Judge