



UNITED STATES
CIVILIAN BOARD OF CONTRACT APPEALS

September 22, 2008

CBCA 1199-RELO

In the Matter of HENRY A. CARDINALI

Henry A. Cardinali, West Mifflin, PA, Claimant

Patricia J. Hodson, Director, Office of Financial Policy, Department of Energy, Washington, DC, appearing for Department of Energy.

STEEL, Board Judge.

Background

Claimant was issued a modified relocation travel authorization from West Mifflin, Pennsylvania, to Schenectady, New York, for a house hunting trip (HHT) incident to his reporting for a permanent change of station (PCS) scheduled to take place on August 18, 2008. The authorization indicated that Mr. Cardinali's authorized mode of transportation was by privately owned vehicle (POV) with a mileage reimbursement rate of \$0.485 per mile. This had been manually changed on his authorization form from \$0.405 per mile.

He performed his HHT from March 1 through March 8, 2008, and timely submitted his voucher for the roundtrip of 1222 miles at the rate of \$0.485, for a total of \$592.68. When he submitted his voucher for payment, the Department reduced his voucher by \$360.50, asserting that the POV mileage reimbursement rate of \$0.19 per mile was dictated by 41 CFR 302-4.300 (2007), which sets forth that the mileage rate for PCS travel is the same as the moving expense mileage rate established by the Internal Revenue Service (IRS) for moving expense deductions.

Discussion

The chief financial officer at claimant's field office argues that HHT is not addressed in part 302.4 of 41 CFR, but in part 302.5. Further, she notes that while moving expenses are deductible, HHT expenses are not, citing IRS Publication 521 at page 9, and that therefore, claimant should receive the amount authorized on the approval document, or \$0.485 per mile -- the amount that is applied to POV use on official temporary duty travel (TDY).

While it is correct that part 302.5 does not refer to part 302.4 directly, it also does not provide an alternative means of arriving at the POV reimbursable mileage rate for HHT. Furthermore, while the HHT is a discreet portion of the PCS process, it is still part of the relocation for which the transferring employee is entitled to reimbursement. In fact, the authorization for relocation covers both the HHT and the actual move to the employee's new location. Although claimant has filed for his househunting expenses separately and before his move, the voucher likewise is the same one he will use for the expenses of the PCS move.

The appropriate reimbursement rate for a POV used for relocation is the IRS relocation POV reimbursement rate, or \$0.19 per mile, effective January 1, 2008. *See* 41 CFR 302-4.300 and IR-2007-192 (Nov. 27, 2007). It appears that, historically, the POV HHT reimbursement rate has been less than the rate normally used for official travel. For example, the General Services Administration Board of Contract Appeals noted in *Nancy K. Rodgick*, GSBICA 14193-RELO, 97-2 BCA ¶ 29,302, that Ms. Rodgick was reimbursed for POV expenses from her HHT at \$0.17 a mile. The general TDY rate at the time was \$0.30 per mile.

The agency was correct in its determination that claimant was only entitled to reimbursement for use of his POV at the rate of \$0.19 per mile. Therefore, Mr. Cardinali's claim is denied.

CANDIDA S. STEEL
Board Judge