

**Board of Contract Appeals**  
General Services Administration  
Washington, D.C. 20405

---

August 22, 2003

---

GSBCA 16094-RELO

In the Matter of JOHN C. BLAND

John C. Bland, Fort Worth, TX, Claimant.

Edward T. Nasalik, Executive Director, Heartland Finance Center, General Services Administration, Kansas City, MO, appearing for General Services Administration.

**HYATT**, Board Judge.

Agencies may continue to calculate the employee's cost of excess weight of household goods shipped to a new duty station under a Government bill of lading (GBL) by adjusting "total charges according to the ratio of excess weight to the total weight of the shipment." They may do this even though the Federal Travel Regulation (FTR) no longer prescribes a specific formula for calculating the costs associated with the shipment of household goods under a GBL when the net weight exceeds 18,000 pounds.

Background

Claimant, John C. Bland, was transferred by the General Services Administration (GSA) from Seattle, Washington to Fort Worth, Texas in September 2002. In connection with this relocation he was authorized to ship a maximum of 18,000 pounds of household goods at Government expense. Atlas Van Lines moved 26,260 pounds of claimant's household goods for a total cost of \$18,138.12, which was paid by GSA. GSA then calculated the cost attributable to shipping the additional household goods by applying the following formula: "Total Charges, less any Valuation Charges, multiplied by the ratio of Excess Weight to Total Weight." Using this formula, GSA determined that Mr. Bland owed the agency \$5705.29.

Claimant disputes this calculation. He contends that under currently applicable regulations the proper approach would be to charge him for the difference between the actual cost of transporting the 26,260 pounds of household goods minus the estimated cost of shipping 18,000 pounds. Using this formula, Mr. Bland has provided his own calculations, relying on an estimated cost of \$16,480.27 for moving 18,000 pounds of household goods.

Mr. Bland obtained this estimate from American Transport Companies. Subtracting the estimated cost of shipping 18,000 pounds from the actual cost of moving 26,260 pounds of household goods, results in the amount of \$1,657.86, which is the amount Mr. Bland believes GSA is entitled to be reimbursed.

### Discussion

By statute, when an agency transfers an employee from one permanent duty station to another in the interest of the Government, the Government is obligated to pay "the expenses of transporting, packing, crating, temporarily storing, draying, and unpacking his household goods and personal effects not in excess of 18,000 pounds net weight." 5 U.S.C. § 5724(a)(2) (2000). This statutory limitation is implemented in the FTR, which generally applies to civilian employees of the Federal Government. 41 CFR 302-7.2 (2002). Because the Government cannot pay for moving any more than 18,000 pounds of household goods, the employee whose goods are moved is responsible for reimbursing the Government for the costs attributable to any weight in excess of 18,000 pounds. Richard D. Grulich, GSBCA 15800-RELO, 02-2 BCA ¶ 31,891.

In November 2001, the FTR chapter addressing the transportation and storage of household goods was revised to convert the existing regulation to a "plain language" question and answer format, reflecting GSA's ongoing efforts to make the travel and relocation regulations easier to understand and use, and to provide greater flexibility for agencies to authorize and approve relocation expenses. 66 Fed. Reg. 58,193 (Nov. 20, 2001); see generally 62 Fed. Reg. 13,770 (March 21, 1997). Prior to the conversion of this chapter of the FTR to question and answer format, the FTR specifically prescribed that for shipments of household goods using the actual expense method, under which the Government arranges for the move and pays the mover directly, any additional cost attributable to weight in excess of the 18,000 pound maximum would be "computed from the total charges according to the ratio of excess weight to the total weight of the shipment." E.g., 41 CFR 301-8.3(b)(5) (2000); see, e.g., Marion T. Silva, GSBCA 15673-RELO, 02-1 BCA ¶ 31,815. When these provisions were revised to reflect the question and answer format, however, the regulations continued to advise that "[a]ny cost or weight in excess of 18,000 pounds will be at [the employee's] expense," but no longer specifically stated that the amount owed by the employee would be determined based on the ratio of excess weight to the total weight of the shipment. E.g., 41 CFR 302-7.200 (2002). It is this change to the regulations that prompts Mr. Bland's claim.

In processing this claim, GSA relied on the guidance set forth in its "Internal Travel Regulations and Control of Official Travel," which implement and expand upon the FTR. The internal rules governing payment of the expenses of moving household goods pursuant to a permanent change of station are set forth in chapter 13, part 11. Paragraph 79 addresses how to determine the amount to be recovered by the agency in the event that an actual expense method move involves the transportation of weight in excess of 18,000 pounds:

If household goods in excess of the weight allowable under [paragraph] 71 are shipped on a Government bill of lading, the employee shall reimburse the Government for the extra expenses

associated with the excess weight. The reimbursement is calculated by using the following formula:

$$\text{Amount due Government} = (\text{Total charges} - \text{valuation charges}) \times \frac{\text{Excess Weight}}{\text{Total weight of shipment}}$$

This internal regulation continues to be in effect, and was not modified when the corresponding FTR provision became effective.

In essence, Mr. Bland asserts that because the FTR omitted the language calling for the cost of the additional weight to be determined by using the ratio of excess weight to total weight, agencies may no longer use that approach in calculating the shipping costs attributable to household goods in excess of 18,000 pounds. Instead, he posits, agencies must look to some other means to determine the cost of shipping 18,000 pounds of goods, and then charge only the added cost of shipping the extra weight. He suggests that in his case, the proper approach would be to use the \$16,480.27 estimate he obtained for moving 18,000 pounds of household goods and subtract this amount from the \$18,138.12 paid by GSA under the GBL. The difference is \$1,462.86, which is all that Mr. Bland is willing to concede that he owes.

Although the FTR no longer prescribes a specific formula for calculating the cost of excess weight shipped under a Government bill of lading, this does not mean that agencies are precluded from continuing to use the approach adopted under earlier versions of the FTR, which determined the cost per pound for the entire shipment and uses this to determine the cost of the weight shipped in excess of the 18,000 pound maximum. This is what GSA has done here. The formula used has consistently been recognized as an appropriate and equitable method for deriving the portion of shipping costs attributable to excess weight and thus to be borne by the employee. See, e.g., Terry R. Stanton, GSBCA 16131-RELO (July 21, 2003); Mark E. Schneider, GSBCA 14478-RELO, 99-1 BCA ¶ 30,155 (1998); William A. Schmidt, Jr., 61 Comp. Gen. 341 (1982). Nothing in the preamble to the publication of the revised FTR provisions suggests that GSA intended to require agencies to devise a new method for calculating the employee's cost of excess weight shipped under the actual expense method. This formula continues to be an appropriate approach for measuring the cost attributable to the weight in excess of 18,000 pounds when household goods are shipped by GBL. The difficulty with claimant's proposed method is that it relies on an estimate of the cost to move 18,000 pounds, rather than on the actual cost of moving 18,000 pounds. As such, it is not likely to result in an accurate apportionment of costs, and would not in all cases satisfy the statutory dictate that the Government's cost of shipping household goods be limited to the expense of moving 18,000 pounds. GSA properly applied its internal procedure in calculating the cost attributable to the shipment of excess weight in connection with Mr. Bland's move.

For the reasons stated, Mr. Bland's claim is denied.

---

CATHERINE B. HYATT  
Board Judge