

Board of Contract Appeals

General Services Administration
Washington, D.C. 20405

February 28, 2005

GSBCA 16446-RELO

In the Matter of RICHARD J. MAILLET

Richard J. Maillet, Singapore, Claimant.

Vincent A. Cruz, Disbursing Officer, Navy Regional Contracting Center, Singapore, appearing for Department of the Navy.

NEILL, Board Judge.

Claimant in this case, Mr. Richard J. Maillet, is a civilian employee of the United States Navy. He asks that we review his agency's denial of reimbursement for the cost of air transportation from Tampa, Florida, to his initial duty station in Singapore. For the reason stated below, we affirm the Navy's denial of Mr. Maillet's claim.

Background

In early 2004, Mr. Maillet was hired as a security specialist for the Navy. Orders issued on April 7, 2004, assigned him to the Navy Regional Contracting Center in Singapore. Mr. Maillet explains that, upon receiving his orders, he contacted his Human Resources Office to determine whether he could personally arrange for airline transportation to his new assignment. He states that he was told that, if he did purchase tickets for himself and his family in this fashion, his reimbursement would be limited to the amount the Government would have paid if the arrangements had been made through a contract travel office.

Mr. Maillet then proceeded to obtain tickets for himself, his wife, and his young daughter. He did this by using his own frequent flyer account with the air carrier. He subsequently sought reimbursement for the cost of the three tickets he had obtained. The request was denied on the ground that reimbursements are based on official receipts and actual costs and not on the value of an item. Since the receipts for Mr. Maillet's travel list the cost of each ticket at zero and show only a tax of \$65, his agency states that it will reimburse him only for the tax paid on the tickets.

Discussion

It is regrettable that claimant, as a new employee, was not given more complete guidance on how to arrange for transportation to his new assignment. With such guidance he could have avoided the awkward position in which he now finds himself. The rule, however, is clear. Employees, even new and inexperienced ones, who secure transportation through the use of frequent flyer credits, coupons, or vouchers cannot be reimbursed for the value of the transportation.

The fundamental reason why reimbursement is not possible rests in the fact that, by law, "only *actual* and necessary travel expenses may be allowed to an individual holding employment or appointment under the United States." 5 U.S.C. § 5706 (2000) (emphasis added). When transportation is secured with frequent flyer credits, coupons, or vouchers, no direct expense is involved. Admittedly, there is value involved, but the determination of that value is itself a highly subjective process on which agreement is difficult if not impossible.

The General Accounting Office (GAO), which previously ruled on travel claims such as this, concluded several years ago that an employee could not be reimbursed the constructive cost of a ticket in the absence of any legal obligation on the employee's part to pay for the free ticket. Martha C. Biernaski, 65 Comp. Gen. 171 (1985). The GAO also recognized that, although there was some admitted value in travel certificates, bonus coupons, or similar instruments obtained through an employee's independent, personal actions, nevertheless it simply was not in the Government's interest to become involved in the use of such instruments. Philip E. Trickett, B-224054 (Mar. 17, 1987).

In 1996, the Board assumed from GAO the responsibility for resolving claims of this nature. General Accounting Office Act of 1996, Pub. L. No. 104-316, § 202(o), 110 Stat. 3826, 3844 (1996), amending 31 U.S.C. § 3702. Given the lack of specific regulatory authority to reimburse an employee for the value of a ticket obtained through the use of frequent flyer miles, we subsequently concluded that GAO's analysis of this issue was sound. Consequently, we elected to follow the same rationale. Roy W. Roth, GSBCA 14203-TRAV (Feb. 27, 1998). We have continued to do so in subsequent claims involving the same issue. E.g., Lawrence Baranski, GSBCA 15636-TRAV, 02-1 BCA ¶ 31,684; Sabah A. Issa, GSBCA 14140-TRAV, 98-1 BCA ¶ 29,678. Nothing in the record of this case suggests to us that we should not continue to follow this precedent. Unfortunately, Mr. Maillet cannot demonstrate that he incurred any actual expense other than the tax applied to the three tickets in question. In the absence of specific statutory or regulatory authority permitting the agency to compensate him to some degree for the value of what was given to obtain the tickets, the agency has acted properly in denying the claim. We, therefore, affirm the agency's determination.

EDWIN B. NEILL
Board Judge