

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

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March 15, 2002

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GSBCA 15733-RELO

In the Matter of CARMEN M. ISOLA, II

Carmen M. Isola, II, Durham, NC, Claimant.

Terry Burton, Supervisor, Travel Section, Financial Services Center, Department of Veterans Affairs, Austin, TX, appearing for Department of Veterans Affairs.

**DeGRAFF**, Board Judge.

In March 2000, the Department of Veterans Affairs (DVA) transferred Carmen M. Isola from North Carolina to Tennessee. The travel authorization that DVA prepared in connection with the transfer stated that Mr. Isola was authorized to transport his household goods using the commuted rate method. Mr. Isola moved his goods to his new duty station and asked to be reimbursed in accordance with the commuted rate method. DVA told Mr. Isola that his travel authorization contained an error because the DVA authorizes only the use of the government bill of lading (GBL) method, not the use of the commuted rate method, to transport household goods. As a result, DVA reimbursed Mr. Isola only for the actual costs he incurred when he moved his household goods. Mr. Isola asked us to review DVA's decision.

The Federal Travel Regulation (FTR) explains that when household goods are moved using the GBL method, the Government arranges with a carrier to move the goods and then pays for the move according to a contract between the carrier and the Government. When household goods are moved using the commuted rate method, the employee is responsible for making arrangements for the move. The employee pays for the move and the Government reimburses the employee according to a schedule of established rates. 41 CFR 302-8.3 (2000). Agencies are required to use the commuted rate method when individual (as opposed to multiple or mass) transfers are involved, unless the cost of using the GBL method is predetermined and will result in savings to the Government of \$100 or more. 41 CFR 302-8.3(c)(3), (4)(i). If an agency decides that the GBL method will be used and the employee chooses to move himself, the agency will reimburse the employee for his actual expenses, not to exceed the amount that it would have paid if the employee's household goods had been moved in one lot and on one GBL by the lowest cost carrier providing the level of service required. 41 CFR 101-40.203-2.

Mr. Isola should be reimbursed at the commuted rate. The FTR required DVA to authorize Mr. Isola to move using the commuted rate method unless it made a valid determination in advance that moving his household goods using the GBL method would result in savings to the Government of \$100 or more. DVA has not established that there is any basis for its blanket determination that, in all cases, using the commuted rate method is not cost effective. Charles E. Stevens, GSBCA 15010-RELO, 99-2 BCA ¶ 30,420. Neither has DVA established that it made a valid determination in advance that using the GBL method would have resulted in a savings to the Government. In response to Mr. Isola's claim, DVA said for the first time that it performed a cost comparison before Mr. Isola moved, and that the comparison showed that the GBL method was less expensive than the commuted rate method. DVA's support for this statement is an undated document that examines the cost of a move originating in Georgia. Assuming that the DVA made this cost comparison before it authorized Mr. Isola to move using the commuted rate method, the comparison was clearly defective, because Mr. Isola moved from North Carolina. A defective cost comparison cannot serve as the basis for denying an employee reimbursement in accordance with the commuted rate method especially where, as here, the agency authorized the use of the commuted rate method in the employee's travel authorization. John M. Horan, GSBCA 13986-RELO, 97-2 BCA ¶ 29,297.

The claim is granted.

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MARTHA H. DeGRAFF  
Board Judge