DECISION



THE COMPTROLLER GENERAL OF THE UNITED STATES

WASHINGTON, D.C. 20548

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FILE: B-192129

DATE: March 8, 1979

MATTER OF: Paul S. Skabo - Relocation Expenses & Settlement of

Unexpired Lease

DIGEST: Transferred employee who terminated unexpired lease at old duty station claims reimbursement for the forfeiture of security deposit of \$250 consisting of \$100 premises deposit and \$150 pet deposit. Employee may be reimbursed for full amount forfeited pursuant FTR para. 2-6.2h where facts show that forfeiture of pet deposit was incident to termination of unexpired lease as result of transfer and was in no way related to possession of pet.

By letter dated June 7, 1978, Mr. H. Frank Hann, Director, Financial Management Division of the National Aeronautics and Space Administration (NASA), requested an advance decision on the claim of Mr. Paul S. Skabo, an employee of NASA, for reimbursement of \$250 forfeited as a security deposit when he terminated a lease in connection with a permanent change of station.

The record shows that Mr. Skabo, at the time an employee of the Federal Aviation Administration in Atlanta, Georgia, was notified by NASA on November 16, 1977, that he had been selected for a position at the Johnson Space Center, Houston, Texas. Mr. Skabo executed the required service agreement on November 21, 1977, and entered on duty at Houston on November 27, 1977.

Mr. Skabo occupied rented quarters at his old duty station. His lease was for the term commencing on September 1, 1977, and expiring on February 28, 1978. The lease required him to pay a security deposit in the amount of \$250. This security deposit consisted of a premises deposit of \$100 and a pet deposit of \$150. Section 19 of the lease provided, in pertinent part, that a resident who terminated his lease due to an employment transfer was released from the conditions of the lease agreement. However, upon such a termination, the entire security deposit vested in the apartment manager. By letter of November 27, 1977, Mr. Skabo was advised by the assistant apartment manager that due to his failure to fulfill the full term of the lease because of his transfer, his security deposit of \$250 was being retained.

The Federal Travel Regulations (FPMR) 101-7, (May 1973) para. 2-6.2h provides, in pertinent part, that expenses incurred for settling an unexpired lease of residence quarters occupied by the employee are reimbursable when the terms of the lease provide for settlement expenses.

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The agency has stated that it would allow Mr. Skabo reimbursement for the \$100 of the security deposit, representing the premises deposit, but that it considers the forfeiture of the pet deposit portion to have been a personal expense.

The security deposit agreement, which was incorporated by reference into the lease, provides with respect to the pet deposit as follows:

"Pet Deposit Retention. - The pet deposit portion of the Security Deposit may be used by Manager for damages for any breach of the Apartment Lease Agreement or Security Deposit Agreement, whether or not the breach was caused by or related to a pet. In the event that the terms of the Security Deposit Agreement conflict with existing State laws the applicable State laws shall prevail."

Our review of Chapter 61-6, Landlord and Tenant, of the Code of Georgia Annotated (1966), did not disclose any provision of law which would invalidate the above provision of the security deposit agreement.

The notice of forfeiture of the security deposit of November 27, 1977, together with the above-cited provision in the security deposit agreement clearly show that Mr. Skabo's forfeiture of the pet deposit portion of his security deposit was incident to the settlement of his unexpired lease due to his transfer and was in no way caused by or related to his possession of a pet.

Accordingly, Mr. Skabo's claim in the amount of \$250 for the forfeiture of his security deposit may be certified for payment if otherwise proper.

Deputy

Comptroller General of the United States