



UNITED STATES
CIVILIAN BOARD OF CONTRACT APPEALS

February 21, 2024

CBCA 7925-TRAV

In the Matter of JAMES A.

James A., Claimant.

Elizabeth L. Cassara, Office of General Counsel, National Security Agency, Fort Meade, MD, appearing for Department of Defense.

SHERIDAN, Board Judge.

Claimant, an employee of the National Security Agency (NSA or agency), contends that NSA is required to pay him additional interest and late fees in connection with expenses incurred for temporary duty (TDY) travel. For the reasons discussed below, claimant is entitled to recover the additional interest and late fees.

Background

The NSA approved TDY travel for claimant to attend a conference in Las Vegas, Nevada, which was scheduled from August 8–14, 2023. Prior to traveling, on May 12, 2023, claimant submitted a claim under the Federal Travel Regulation (FTR) for the conference fee in the amount of \$2955. NSA approved the fee on August 18, 2023, after claimant’s travel. Because of the delay in reimbursement of the conference fee, claimant submitted a supplemental claim for \$27.65 in interest. *See* 41 CFR 301-52.19 (2022) (FTR 301-52.19) (providing for payment of a late fee for a travel claim not reimbursed within thirty calendar days of an employee’s submission of the claim to the approving official); 41 CFR 301-52.20(a) (stating that late fees are calculated “using the prevailing Prompt Payment Act Interest Rate beginning on the 31st day after submission of a proper travel claim and ending on the date on which payment is made”). The agency concedes that it did not reimburse claimant in a timely manner and subsequently paid claimant \$21.68 in interest accrued from

the date that the agency's Travel Entitlement Office *received* the claim, which was about one week after claimant entered his claim into the agency's electronic travel claims system on May 12, 2023. Claimant disagrees with the date used by the agency to calculate interest. Claimant asserts that the agency should have started calculating interest from the date that he submitted his claim into the agency's travel system. The agency asserts that interest starts to accrue on the date that a "proper" claim is received by the office responsible for approving the claim and that the claim was not deemed "proper" until it had been reviewed by the Travel Entitlement Office.

Claimant also requested reimbursement of \$29 for a late fee pursuant to 41 CFR 301-52.20(c), which requires an agency to reimburse an employee for late fees incurred from travel in "an amount equivalent to any late payment charge that the card contractor would have been able to charge [an employee] had [the employee] not paid the bill." The agency argues that claimant is not entitled to a late fee because the agency reimbursed claimant before he incurred such a fee.

Discussion

Once an employee "submit[s] a proper travel claim to [their] agency's designated approving office," the employing agency is required to reimburse the employee within thirty calendar days after submission. 41 CFR 301-52.17. If the agency does not reimburse the employee within the thirty-day period, 41 CFR 301-52.19 obligates the agency to add a late payment fee. *Dennis B.*, CBCA 6394-TRAV, 19-1 BCA ¶ 37,343, at 181,600. Specifically, the FTR allows an employee to receive Prompt Payment Act interest on a travel claim when an agency fails to reimburse the employee for travel costs within thirty calendar days of the employee's submission of a proper travel claim, or, alternatively, the agency can reimburse the employee a flat fee of not less than the prompt payment amount, based on an agencywide average of travel claim payments. 41 CFR 301-52.19, .20(a), (b). In addition to the above-noted fees, an agency must pay an employee an amount equivalent to the late payment charge that a card contractor would have been able to charge the employee had the employee not paid the travel bill. *Id.* 301-52.20(c). However, the FTR provision on reimbursement of late payment fees to an employee does not specify that an agency must pay interest on this latter type of expense. *Id.*

Interest Payments

Claimant contends that he is owed interest payments pursuant to 41 CFR 301-52.20(a). The agency argues that the claim was only "properly" submitted when its Travel Entitlement Office received the claim, about a week after claimant entered his claim into the agency's travel system. Agency Response at 4-5. Claimant argues the interest

should be calculated based upon submission of the initial reimbursement claim into the agency's travel system. The FTR provides:

Your agency must reimburse you within 30 calendar days after you submit a proper travel claim to your agency's designated approving office. Your agency must ensure that it uses a satisfactory recordkeeping system to track submission of travel claims. For example, travel claims submitted by mail, in accordance with your agency's policy, could be annotated with the time and date of receipt by your agency. Your agency could consider travel claims electronically submitted to the designated approving office as submitted on the date indicated on an e-mail log, or on the next business day if submitted after normal working hours.

41 CFR 301-52.17. The Department of Defense (DoD) Financial Management Regulation similarly stipulates that:

Travelers must submit a properly prepared travel claim to their supervisor/approving official within five working days after completion of travel. The disbursing office pays the travel claim within 30 calendar days after the claim is signed and dated as received by the supervisor/approving official. The supervisor/approving official or the travel computation office has seven calendar days to notify the traveler if the travel claim is not proper or complete for payment.

9 DoD 7000.14-R at 8-22.

Consistent with the FTR, our cases have found that submission of the travel claim starts the thirty-day period in which the agency must reimburse an employee for travel expenses. *See Michael G. Valle*, CBCA 5409-TRAV, 17-1 BCA ¶ 36,762, at 179,151-52. In this case, the record shows that claimant submitted his claim through the agency's electronic travel claims system on May 12, 2023. As such, claimant is entitled to interest payments that would have begun accruing thirty-one days after his claim submission on May 12, 2023. That the agency may have had additional administrative offices that the claim must pass through to be considered does not extend the thirty days the agency has to consider the claim. *Dennis B.*, 19-1 BCA at 181,601.

Late Fees

The claimant contends that he is owed a late fee under 41 CFR 301-52.20(c), which stipulates that an "agency must also pay [an employee] an amount equivalent to any late payment charge that the card contractor would have been able to charge [the employee] had

[the employee] not paid the bill.” The applicable card contractor policy explains that a \$29 late fee “will be assessed when payment for the full undisputed charges identified on the monthly Statement of Account is not remitted within two billing cycles plus 15 days past the statement closing date on the Statement of Account in which the Charge first appeared.” Claimant’s Notice of Claim at 15. Here, the statement closing date on the expense incurred was May 23, 2023. NSA did not reimburse claimant until August 21, 2023, a date which is beyond the seventy-five-day period allowed prior to assessment of a late fee by the card company. Therefore, claimant is entitled to reimbursement of the \$29 late fee that could have been charged had claimant not paid his bill. The FTR does not entitle claimant to interest on that amount. 41 CFR 301-52.20(c).

Decision

The claim is granted. Claimant is entitled to recover the requested interest and the \$29 late payment fee that the bank could have charged.

Patricia J. Sheridan

PATRICIA J. SHERIDAN

Board Judge